

February 27, 2004

NEF#04-002

ATTN: Document Control Desk
Director
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Louisiana Energy Services, L. P.
National Enrichment Facility
NRC Docket No. 70-3103

Subject: Revision 1 to Applications for a Material License Under 10 CFR 70, "Domestic licensing of special nuclear material," 10 CFR 40, "Domestic licensing of source material," and 10 CFR 30, "Rules of general applicability to domestic licensing of byproduct material"

- References:
1. Letter NEF#03-003 dated December 12, 2003, from E. J. Ferland (Louisiana Energy Services, L. P.) to Directors, Office of Nuclear Material Safety and Safeguards and the Division of Facilities and Security (NRC) regarding "Applications for a Material License Under 10 CFR 70, Domestic licensing of special nuclear material, 10 CFR 40, Domestic licensing of source material, and 10 CFR 30, Rules of general applicability to domestic licensing of byproduct material, and for a Facility Clearance Under 10 CFR 95, Facility security clearance and safeguarding of national security information and restricted data"
 2. Letter NEF#04-001 dated January 9, 2004, from R. M. Krich (Louisiana Energy Services, L. P.) to Director, Office of Nuclear Material Safety and Safeguards (NRC) regarding "Role of Lea County, Mexico in the Possession, Construction, and Operation of the National Enrichment Facility"

By letter dated December 12, 2003 (Reference 1), E. J. Ferland of Louisiana Energy Services (LES), L. P., submitted to the NRC applications for the licenses necessary to authorize construction and operation of a gas centrifuge uranium enrichment facility. In addition, in response to an NRC inquiry, a letter dated January 9, 2004 (Reference 2), was submitted to the NRC providing information clarifying the role of Lea County, New Mexico, and confirming that LES will be solely responsible for all activities related to construction and operation of the National Enrichment Facility (NEF). In this letter, R. M. Krich of LES indicated that a revision would be made to clarify the wording of subsection 2.1.1 of the Safety Analysis Report (SAR) that gave rise to the NRC's inquiry and that this revision would be submitted, together with any other identified errata, following completion of the NRC's acceptance review and docketing of the license application.

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per Tim Johnson (pm)*

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A045
A053 Extra's
70: PM*

Therefore, in accordance with 10 CFR 70.5, 40.5, 30.6, "Communications," LES submits one original and 25 copies of Revision 1 to the license application to construct and operate the National Enrichment Facility. To facilitate the incorporation of Revision 1 into the license application, page removal and insertion instructions are enclosed. A compact disk (CD), updated through Revision 1, containing all application documents that are not safeguards and/or classified information is also enclosed with the original.

Revision 1 to the license application only affects the following documents of the original license application.

- Safety Analysis Report (SAR)
- Environmental Report (ER)
- Fundamental Nuclear Material Control Plan (FNMCP), non-classified portion only

The changes included in Revision 1 to the license application predominately address identified errata. These errata include minor editorial corrections/clarifications and typographical errors. Revision 1 also includes the wording clarification to subsection 2.1.1 of the SAR identified in the Reference 2 letter. The changes included in Revision 1 do not include substantive changes to the license application. As such, the license application, updated through Revision 1, meets the applicable requirements of 10 CFR 70.22, "Contents of applications," 10 CFR 40.31, "Application for specific licenses," and 10 CFR 30.32, "Application for specific licenses," as described in the Reference 1 letter.

If you have any questions, please contact me at 630-657-2813.

Respectfully,



R. M. Krich
Vice President – Licensing, Safety, and Nuclear Engineering

Enclosures:

Safety Analysis Report, Revision 1, including page removal and insertion instructions, 25 copies
Environmental Report, Revision 1, including page removal and insertion instructions, 25 copies
Fundamental Nuclear Material Control Plan w/o classified information, Revision 1, including
page removal and insertion instructions, 25 copies
CD-ROM, updated through Revision 1

cc: T.C. Johnson, NRC Project Manager
N. Farquhar, Energy/Environment Advisor, State of New Mexico, Office of the Governor
D. Watchman-Moore, Deputy Secretary, New Mexico Environment Department
(2 Copies)
D.M. Holmberg, County Manager, Lea County, New Mexico
J. Brown, Mayor of Eunice, New Mexico
S. McCleery, President, New Mexico Junior College
Dr. C. P. Robinson, President and Laboratories Director, Sandia National Laboratories
E. Valdez, Executive Director (Acting), Economic Development Corporation of Lea
County
D. Hancock, Director, Nuclear Waste Safety Program; SRIC Administrator, Southwest
Research and Information Center