

May 25, 2004

Mr. Rod Krich, Vice President
Licensing, Safety, and Nuclear Engineering
Louisiana Energy Services
2600 Virginia Avenue NW, Suite 610
Washington, DC 20037

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE
(LOUISIANA ENERGY SERVICES GAS CENTRIFUGE URANIUM
ENRICHMENT FACILITY)

Dear Mr. Krich:

In the Louisiana Energy Services (LES) letter (NEF#04-009), dated May 10, 2004, you requested that information provided in the LES Partnership Agreement be withheld from public disclosure in accordance with 10 CFR 2.390(a)(4). You provided an affidavit attesting to the proprietary nature of the information. You did not provide a non-proprietary version.

In the affidavit, dated May 10, 2004, you stated that this information should be withheld from public disclosure for the following reasons:

1. It is information that is customarily held in confidence by LES and its partners Limited and is in fact so held.
2. It is information that is not available in public sources.
3. It was transmitted to and received by the U.S. Nuclear Regulatory Commission in confidence.
4. It is information that discloses financial and commercial information that would constitute a competitive economic advantage over other companies.
5. It is information that, if used by a competitor, would result in an unfair competitive advantage by revealing business strategies, operational plans, financial underpinnings and legal arrangement of the partnership.
6. Public disclosure of the information sought to be withheld is likely to cause irreparable and incalculable harm to LES. Details of the partnerships' structure, organization and business would provide competitors with an unfair competitive advantage that would significantly affect LES's ability to compete.

We have reviewed the justification you provided in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information. Therefore, the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

R. Krich

- 2 -

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,

/RA/

Robert C. Pierson, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket: 70-3103

cc: William Szymanski/DOE
Monty Newman/Hobbs
Peter Miner/USEC
Glen Hackler/Andrews
James Brown/Eunice
Jerry Clift/Hartsville
D. Watchman-Moore/NMED
Clay Clark/NMED

Claydean Claiborne/Jal
James Curtiss/W&S
Betty Richman/Tatum
Dennis Holmberg/Lea Cty
Richard Ratliff/Texas
CO'Claire/Ohio
Joseph Malherek/PC
Patricia Madrid/NMAG

Lindsay Lovejoy/NIRS
Troy Harris/Lovington
James Ferland/LES
William Floyd/NMED
M. Marriotte/NIRS
Lee Cheney/CNIC
Ron Curry/NMED
Glen Smith/NMAG

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,

/RA/

Robert C. Pierson, Director
 Division of Fuel Cycle Safety
 and Safeguards
 Office of Nuclear Material Safety
 and Safeguards

Docket: 70-3103

cc: William Szymanski/DOE	Claydean Claiborne/Jal	Lindsay Lovejoy/NIRS
Monty Newman/Hobbs	James Curtiss/W&S	Troy Harris/Lovington
Peter Miner/USEC	Betty Richman/Tatum	James Ferland/LES
Glen Hackler/Andrews	Dennis Holmberg/Lea Cty	William Floyd/NMED
James Brown/Eunice	Richard Ratliff/Texas	M. Marriotte/NIRS
Jerry Clift/Hartsville	CO'Claire/Ohio	Lee Cheney/CNIC
D. Watchman-Moore/NMED	Joseph Malherek/PC	Ron Curry/NMED
Clay Clark/NMED	Patricia Madrid/NMAG	Glen Smith/NMAG

DISTRIBUTION: Docket: 70-3103

NMSS r/f	FCSS r/f	SPB r/f	RPierson
JHolonich	JGitter	MFederline	JStrosnider
YFaraz	LClark/OGC	MDelligatti/DWM	MGalloway
MWong/DWM	SFlanders/DWM	THarris/DWM	SGagner/OPA
DMcIntyre/OPA	RVirgilio/OSTP	TCombs/OCA	DAyres/Reg II
DSeymour/Reg II	JHenson/Reg II	RHannah/Reg II	KClark/Reg II
KO'Brien/Reg III	VMitlyng/Reg III	DHartland/Reg II	WMaier/Reg IV
Hearing file	RTrojanowski/Reg II	KEverly/NSIR	MDusaniwskyj/NRR

ML041460502

OFC	GCFLS	GCFLS	OGC	GCFLS	SPB	FCSS
NAME	TJohnson	LGross	SCole	BSmith	JGitter	RPierson
DATE	5 /17/04	5/24/04	5/21/04	5/24/04	5/24/04	5/25 /04

OFFICIAL RECORD COPY