

From: <Brozowski.George@epamail.epa.gov>
To: <yhf@nrc.gov>
Date: 8/5/04 1:01PM
Subject: My File On LES

Good morning and thanks for the information on LES. Attached is my file from information received from two citizens from Hobbs, NM.

(See attached file: 2004-0716 LES U Enrichment-NM.wpd)

LOUISIANA ENERGY SERVICES AND URANIUM ENRICHMENT

Louisiana Energy Services (LES) is a consortium of some of the biggest companies in the nuclear power field. LES exists solely to build a new uranium enrichment plant in the United States to supply enriched uranium for commercial atomic power reactors.

In 1989, LES announced plans to build such a plant near the small town of Homer, Louisiana, next to two poor, predominately African-American communities. Facing strong opposition from the local residents, and following an unprecedented legal ruling from the federal Nuclear Regulatory Commission which found that the siting of the plant constituted environmental racism, LES withdrew its application in 1997.

In 2002, LES returned, this time with a plan to build a similar plant in Hartsville, Tennessee, a community with high unemployment and few prospects for industrial development. Initially welcomed by local politicians and community leaders, LES quickly alienated local residents and politicians alike, and eventually gave up on its plans following a vote by local officials--based on recommendations by a longtime community resident and nuclear expert--on conditions regarding nuclear operations and radioactive waste disposal that LES could not meet.

Now, in 2003, LES has announced new plans to attempt to force a poor, rural community--this time in eastern New Mexico--to bear the brunt of its nuclear expansionist plans.

THE LES CONSORTIUM

LES is led by the European firm Urenco <http://www.urengo.com> which is itself a consortium composed of British Nuclear Fuels, Ltd.; the Dutch government; and several German nuclear companies. Urenco operates three similar uranium enrichment plants in Europe, at Capenhurst, England; Almelo, Holland; and Gronau, Germany.

The new version of LES has several different partners, three of them nuclear utilities. These include Illinois-based Exelon, the nation's largest nuclear utility; Duke Power, a North Carolina-based nuclear utility; and the Entergy Corporation, which operates nuclear reactors in Louisiana, Mississippi, Arkansas, New York and is currently attempting to purchase a reactor in Vermont.

Another LES partner is Westinghouse, which, unlike the U.S. media giant that owns CBS, is owned by British Nuclear Fuels and is the world's largest manufacturer of nuclear reactors. An initial LES partner, the Canadian uranium mining and processing firm Cameco left the consortium during 2003 stating its concern that the project no longer fit into the company's future.

Urenco, Duke Power and Entergy Corp. are the only of these partners involved in the original LES consortium.

Financial documents on LES probably will not be made available unless and until the company applies for a license application from the federal Nuclear Regulatory Commission (NRC). Although the make-up of LES is different than it was in 1989, the basic concept behind the corporation is likely the same.

Under this concept, LES would be a Limited Liability Corporation. Each of its partners would establish a new subsidiary, which would be the actual owners of LES, thereby shielding the assets of the parent companies from any liability associated with building, operating, or decommissioning the LES facility. Each of the partners would put in a relatively small amount of money for the project, based on their shares of the LES company; to actually build the plant, LES is likely to try to raise money from other outside investors.

In the early 1990s, LES partners Duke Power and Northern States Power (NSP is not a partner of the current LES) attempted to recoup their investments in LES from their states' electric ratepayers, but were denied such recovery from their states' Public Utility Commissions, leading both utilities to state that they would leave the project once the construction stage of the plant began—a stage that never occurred.

LES AND PLANT SITING

LES' history is one of targeting rural, relatively poor communities that the company believes will not provide substantial opposition to its plans, or will prove powerless to effectively counteract its plans.

LES typically operates secretly, first surveying locations for appropriateness for a uranium enrichment plant (it must be located in areas of low seismicity, for example) and for availability of land. It then contacts local industrial development boosters and elected officials whom it perceives as sympathetic to its goals. If it receives a positive response, only then does LES publicly announce its plans.

In 1989, LES claimed to have searched for sites in several states within a 600-mile radius of the key uranium processing plant in Metropolis, Illinois—which provides the raw material for LES' operations, along with another plant in Ontario, Canada. But subsequent court documents and depositions made clear that LES, which had sought and received the active backing of then-Senate Energy Committee Chairman J. Bennett Johnston, actively looked primarily at sites in northern Louisiana, Johnston's home state.

LES said it had narrowed its search to the land it purchased near Homer, LA because this was the best place in the country to site such a plant. As was revealed before an NRC Atomic Safety and Licensing Board, the site was chosen over another simply because the homes near one possible site were well-manicured and appeared prosperous, while the homes near the chosen site were smaller, in worse repair, and appeared much poorer.

These homes were the African-American communities of Center Springs and Forest Grove, and this testimony was a major reason why LES was found to have violated a Presidential order outlawing environmental racism.

LES may have thought these small, poor communities would prove incapable of stopping a major industrial project like a uranium enrichment plant, but people there formed a tenacious multi-racial organization called Citizens Against Nuclear Trash (CANT) and, over eight years, including 5 ½ years of legal hearings before the NRC's Atomic Safety and Licensing Board (ASLB, a judicial body), CANT firmly opposed LES. In the end, LES became the first, and only, entity ever denied a license by the NRC. Although LES won appeals of several of the ASLB decisions, including one challenging the company's finances and its plans for decommissioning and storage of the huge amounts of radioactive and hazardous waste it would generate, it finally gave up when it realized it was unlikely to prevail on the environmental justice issue.

CANT proved that local citizens organized in their own best interests, helped by national organizations like NIRS, Earthjustice, Greenpeace and others, can effectively protect their communities against even the largest nuclear corporations.

In August 2002, LES was considering locating in Unicoi County, in eastern Tennessee, near the existing Nuclear Fuel Services facility. But LES quickly changed its mind when community residents began weekly organizing meetings and held vocal protests against LES.

In September 2002, LES announced that it had narrowed its search to two possible sites, both near abandoned nuclear reactor construction sites owned by the Tennessee Valley Authority (TVA). One site was near Hartsville, Tennessee, in the central part of the state; the other in northern Alabama, at Bellefonte, near Scottsboro. But within a few weeks elected officials and community leaders in the Scottsboro area decided not to allow LES into their community, and withdrew their interest in the project.

With few options left, LES chose Hartsville. The company took local politicians and community leaders on a tour of its plant in Almelo, Netherlands. It began work on its license application to the NRC. But local people formed a group called Citizens for Smart Choices, and began their own investigation of the LES project. Their findings prompted considerable opposition to the plant, and when they pressed their local politicians to obtain real answers from LES about such issues as radiation emissions and radioactive waste disposal, the politicians and citizens both found LES' answers inadequate. Local officials hired their own nuclear waste consultant, a native son of the region, who established several conditions he believed LES should meet to be able to operate—none of which LES could or would meet.

Ultimately, the local officials put those conditions as requirements, refused to rezone the land LES wanted for a uranium enrichment plant, and LES moved to New Mexico, where it hopes its ties with another Senate Energy Committee Chairman, Pete Domenici, will enable it to sidestep its past problems.

LES AND JOBS

LES targets small, relatively poor rural communities not only because it requires large, inexpensive land areas, but because it believes its biggest selling feature is jobs.

However, a closer examination reveals that there are few employment benefits to such communities from LES.

The biggest job impact from LES would be a relatively short (3 years or so) construction period. This would require about 400 jobs. In Louisiana, LES acknowledged that its job search area would cover 18 counties in three states—leaving people near Homer scant chance of obtaining a significant number of jobs.

On a permanent basis, an LES plant would require only 200-250 full-time employees. About 70 of these would be highly-skilled nuclear workers, which few rural communities can boast of having. People for these jobs, the highest-paying at an LES site, would be brought in from all over the U.S. and Europe, since there are relatively few people with expertise in LES technology.

The remainder of the 125-150 or so jobs would be primarily security guards, janitors, clerical personnel and routine maintenance workers. Because the LES centrifuge process is highly technical, and highly classified, there would be little chance for advancement for these workers.

An LES plant has, according to LES' own materials, a lifespan of 20-50 years. At that point, the plant must be decommissioned and its centrifuges completely dismantled (and likely melted) so as not to give away its classified technology. Thus, unlike some industrial enterprises which may last a century or more, LES is only a temporary facility, one which may leave behind much more than it contributes.

LES AND THE ENVIRONMENT

The major effect an LES plant would have on the environment is the enormous amount of waste products it generates. This waste is composed of uranium hexafluoride (UF₆), and is sometimes known as "depleted uranium." It is composed of uranium and hydrogen fluoride. It is mildly radioactive (but remains so for millions of years) and is also highly toxic and corrosive. The size plant LES wants to build in New Mexico would produce about 400 14-ton canisters of this waste per year.

Unfortunately, there is no place in the United States to put this toxic waste. Because of its high volume and low radioactivity, it is not treated as "high-level" nuclear waste. Because of its extremely long hazardous life, it is not eligible to be disposed of as "low-level" nuclear waste, which has only a 500-year oversight period. And because of its huge volume, it is not treated as the mixed radioactive/hazardous waste that it is—costs for disposal of such material (some \$15,000 per cubic foot) would be prohibitive.

The US already has some 450,000 tons (nearly 1 Billion pounds!) of UF₆ waste piled up at existing or closed uranium enrichment plants at Oak Ridge, TN; Paducah, KY; and Portsmouth, OH. While there is a small market for this material to create armor-piercing ammunition and ballasts for some planes and ships, these increasingly controversial uses of the material do not even make a dent in the backlog. Thus, the UF₆ waste LES would create likely would remain onsite indefinitely.

Any uranium enrichment plant such as the one proposed by LES also has other effects on the environment. Air and water emissions of radioactive and hazardous materials are generally small during normal operations, but not non-existent. And while LES under normal operations likely would comply with federal annual emissions guidelines, these regulations fail to take into account the long-lived nature of the radioactive uranium which LES enriches. For example, in the Louisiana case, LES water emissions would have gone into a small holding pond onsite. However, this pond fed into a stream, which fed into a nearby man-made lake, created for recreational and, ultimately, drinking water. While its annual emissions would have been within the federal guidelines, the cumulative effect of such emissions could have prevented the lake from meeting Safe Drinking Water standards.

THE NUCLEAR FUEL CHAIN

At this point, it may be helpful to understand the nuclear fuel chain, and the unique properties of Uranium Hexafluoride.

Uranium enrichment is one of several steps required to create fuel for nuclear power reactors, as well as atomic weapons.

First, uranium must be mined, much like coal. This raw material is then taken to a facility to be milled, or ground into "yellowcake." This yellowcake is then transported to another facility, where it is processed into a gaseous form of uranium hexafluoride (UF₆). This is cooled into a solid, and then transported to a uranium enrichment facility—the proposed LES plant—where the UF₆ is again turned into a gas, and the uranium is brought from a concentration of less than 1% to about 5%, in a much smaller body of material (for nuclear weapons, it is brought to an 80-90% concentration, which is known as highly-enriched uranium).

This enriched uranium is sent to a fuel fabrication facility, where it is turned into small pellets placed into long fuel rods for use in commercial nuclear reactors. The waste material at the uranium enrichment plant is nearly 100% of the original UF₆, less some of the uranium, which has been essentially "siphoned off" to be sent to the fuel fabrication factory.

The fuel rods are then shipped to the nuclear reactors, where they are used for 12-18 months, and then removed as "high-level" nuclear waste—perhaps the most lethal substance known to mankind.

URANIUM HEXAFLUORIDE

This is the raw ingredient used at a uranium enrichment facility, and is also the waste product from the facility. It is mildly radioactive and highly toxic and corrosive.

When transported and stored, it is normally in a solid state; during the enrichment process, it is converted into a gas. It is most dangerous in a gaseous state, which comes about in the plant through spinning it through thousands of highly-calibrated centrifuges, but can also accidentally occur through exposure to heat. To place it in cylinders for transportation and/or waste storage, it must be in a gaseous form, which poses risks to plant workers and nearby residents.

In 1985, an accident at the Sequoyah Nuclear Fuels facility in Oklahoma killed one person and injured several others due to their exposure to gaseous UF₆.

According to the National Institute for Occupational Safety and Health, people should "avoid all contact!" with UF₆. The material "decomposes on heating producing toxic fumes of hydrogen fluoride....reacts violently with water and ethanol....attacks many metals forming flammable/explosive gas....attacks plastic, rubber and coatings." NIOSH adds, "exposure at low level may result in death."

Fire at a UF₆ storage site, such as would exist at an LES plant, is a major concern for public safety and health, since a fire would turn the material into a gaseous form, could explode corroded storage cylinders, and it cannot be put out with traditional firefighting means such as water—that would only make matters worse.

LES AND TRANSPORTATION

When one recognizes how many cylinders of radioactive/hazardous UF₆ waste an LES plant would produce, one can understand that an equal amount of this material would be shipped into an LES facility—some 400 14-ton cylinders per year, or at least one every workday, perhaps more.

The sites LES has chosen, both in Louisiana and more recently in Tennessee and Alabama, are accessible only by secondary roads, normally two-lane roads not usually thought of as appropriate for transport of large amounts of hazardous material.

Such roads increase the chances of accident, yet LES so far has not indicated a willingness to pay for major road improvements, which might benefit a community in other ways as well.

A traffic accident that caused a fire would be of most concern, since such an accident could cause release of UF₆ in its gaseous form, endangering nearby residents. Such an accident could occur with,

for example, another truck carrying gasoline or other flammable material, or even with a passenger car traveling at a high rate of speed.

LES AND ACCIDENTS

It is difficult, but not impossible, to postulate a serious accident at the LES facility during normal operation. Most likely, an accident would occur when emptying or filling a cylinder, when the UF₆ is in a gaseous form. Such an accident could cause a release of this gas, endangering the health and lives of nearby residents. While communities can argue that emergency planning measures and adequate medical and other emergency response facilities be in place, the NRC does not require such precautions for licensing of an LES-type plant. Other accidents could occur by fire, floods, or other natural disasters.

LES AND SECURITY

An LES uranium enrichment plant poses a national security risk on several levels.

First is the obvious potential for such a plant to be a target for terrorists or other enemies. A successful terrorist attack on a uranium enrichment plant, especially one that has accumulated a substantial inventory of UF₆ casks, could result in the release of a large amount of UF₆ into the local region. Further, it could damage the enrichment facility itself, causing disruption of fuel supplies to nuclear reactors, and, depending on the function of the plant, to nuclear weapons.

Transport of UF₆ to and from the uranium enrichment plant could provide terrorists with a ready-made “dirty bomb,” a target that would provide significant local damage if successfully breached, as well as wider-spread panic and fear.

LES AND NUCLEAR PROLIFERATION

Urenco, the lead partner in LES, has a poor record in preventing its highly-classified centrifuge enrichment process from falling into the wrong hands.

Indeed, Pakistan’s successful nuclear weapons program owes much to Urenco—a Pakistani engineer infiltrated Urenco and apparently stole the company’s blueprints, enabling that country to produce its own enriched uranium for use in its atomic weapons.

More recently, concern over Iraq’s potential nuclear capability stems primarily from the revelation that Iraq in the early 1990s was found to be attempting to build uranium enrichment centrifuges based on Urenco designs. It is not known how Iraq obtained this information. The U.S. House of Representatives has held hearings on this issue, and the *Baton Rouge Advocate* newspaper ran an excellent series explaining this little-known aspect of Urenco’s record.

Approval of a Urenco uranium enrichment facility could damage U.S. efforts to encourage the destruction of nuclear weapons owned by Russia. Currently, a program exists where highly-enriched uranium from the dismantlement of Russian nuclear weapons is “downblended” in order to create nuclear reactor fuel. This process is overseen by the U.S. Enrichment Corporation (USEC), a private company that has taken title to former Department of Energy enrichment properties. USEC is seeking approval to build its own centrifuge enrichment plant, to replace its older, existing plants. It is unlikely, as a foreign-dominated entity, that LES could obtain U.S. government approval to participate in this program to reduce the threat of Russian nuclear weapons.

This factsheet touches on some of the many controversial issues surrounding LES, Urenco, and uranium enrichment generally. It does not cover such key issues as whether a new uranium enrichment plant is even needed, nor whether the involvement of utilities such as Exelon, Entergy and Duke Power means that these companies seek to build new atomic reactors in the U.S.—indeed, Exelon and Entergy have both publicly expressed interest in doing so—which would resurrect a nuclear era that effectively ended in the 1970s.

RESOURCES

WISE-Uranium. This website contains massive documentation and information about the entire nuclear fuel cycle, the hazards of UF₆ and links to government and other sources of information.

www.antenna.nl/wise/uranium/index.html

Citizens for Smart Choices. www.stoples.org This organization successfully kept LES out of Hartsville, Tennessee; the website has a wealth of information on LES and uranium enrichment, as well as the steps taken to defeat LES.

Valley Beautiful. www.valleybeautiful.org This website, put up by citizens of Unicoi County, TN, contains basic information about LES. Citizens in Unicoi County chased LES away based just on rumors LES might locate there.

Nuclear Information and Resource Service, 1424 16th Street NW, #404, Washington, DC 20036, 202-328-0002; fax: 202-462-2183; www.nirs.org nirsnet@nirs.org This international organization assists local communities in fighting unnecessary and dangerous nuclear projects. NIRS played a major role in stopping the LES proposal to build a uranium enrichment plant in Louisiana.

From: Phillip Barr pharb2@msn.com 07/16/04 10:05 am

To: EPA HQ

cc: Jeff Bingaman

Subject: Louisiana Energy Services

The NRC is not answering safety questions about LES. LES is a shell company of Urenco. This company wants to use lined pits to get rid of radioactive water. I believe there is a danger to the environment and to the water table.

One addition to my response: I found the following set of pages on the NRC Web site that may be of assistance to you in contacting the appropriate officials:

<http://www.nrc.gov/materials/fuel-cycle-fac/lesfacility.html>

September 1, 2003 - Louisiana Energy Services Touts Uranium Plant in Lea County - AP

An international consortium that wants to build a billion-dollar-plus Lea County facility to produce fuel for nuclear reactors told Gov. Bill Richardson it will not dispose of byproduct uranium in New Mexico.

Richardson's office on Monday released a statement from the governor about the \$1.2 billion uranium enrichment plant, along with a letter to Richardson from Louisiana Energy Services president James Ferland.

Louisiana Energy, or LES, announced last week the plant would be built off N.M. 176 five miles east of Eunice near the Texas-New Mexico border. Ferland has said construction could begin within three years if the permit process goes smoothly.

The consortium must apply for a Nuclear Regulatory Commission license for the facility, which would use technology owned by Urenco to produce the fuel. Urenco, a joint British-Dutch-German venture, is the consortium's principal partner.

LES switched to New Mexico after community resistance in Hartsville, Tenn., where it had proposed to build the facility after meeting opposition in Louisiana, its first choice.

Ferland's letter to Richardson pledged there would be no disposal or long-term storage — beyond the life of the plant — of uranium byproduct cylinders in the state and that LES only would temporarily store cylinders on-site.

"The NRC license will only allow for storage and not disposal on-site," and the company will aggressively pursue disposal outside the state, Ferland wrote.

Richardson issued a statement describing the advent of the enrichment plant as "a great step forward" toward rural economic development.

"But as we focus on economic development," the governor added, "we must also be vigilant about protecting the environment and ensuring the safety of New Mexico citizens.

"To its credit, LES has responded well to my concerns that this project must meet the highest standards for protecting human and environmental health," Richardson said.

The company agreed to a surety bond that provides funds for decontamination of the LES plant and ultimate disposal of any cylinders that may remain if the company defaults.

Ferland said the planned Lea County facility would provide uranium for the U.S. nuclear industry with oversight from the NRC and the state Environment Department.

Richardson, U.S. Sens. Pete Domenici and Jeff Bingaman, Rep. Steve Pearce, state Land Commissioner Pat Lyons, Attorney General Patricia Madrid, LES officials, Lea County officials and other dignitaries are expected to attend an official ceremony Tuesday marking the plant's announcement.

The plant is expected to employ 200 to 400 people during construction and about 250 during operation. The company said the annual payroll will be about \$10 million with average salary of about \$50,000.

Domenici, R-N.M., in February asked LES to look at establishing the plant in southern New Mexico. In a letter to LES executive director George Dials, Domenici noted LES reviewed a site near Carlsbad before choosing Tennessee and that other New Mexico sites could have been proposed.

Carlsbad Mayor Bob Forrest had cited the nearby Waste Isolation Pilot Plant — the federal government's underground nuclear waste dump — as an asset for the project. Dials, then with the U.S. Department of Energy, helped secure WIPP's licensing. In April, LES announced it would review other sites after environmental groups opposed the Hartsville location. Environmentalists contended LES did not answer questions, including how it would handle leftover depleted uranium.

Louisiana Energy Services did not get a zoning change needed for the Tennessee project, the local economic development agency refused to extend its option to buy land for the plant and a Canadian partner withdrew. In addition, the NRC license application was delayed repeatedly. In 1998, LES abandoned a seven-year attempt to build the plant in Claiborne Parish, La., after opponents accused it of targeting the area because it was predominantly poor and black.

From: Philip Barr - 07/16/04 10:31 am
To:
George Brozowski
cc:
Subject: LEP

Louisiana Energy Services wants to build an uranium enrichment plant near Eunice, New Mexico. LES is a shell company of Urenco. They want to get rid of the water they make radioactive by the use of lined open pits. They want to let it evaporate into the air. This will be like five miles from Eunice. I believe this is a health risk for the people of Eunice (we have a lot of wind in this area.)

Its my belief that a lined pit is an unsafe way to dispose of radioactive water and the water table will be contaminated. The water table there serves Lea county New Mexico, and Andrews County Texas. This is the only source of water. NRC did tell me there would be no full time NRC people at the plant. They will not answer any safety questions now. The DOE have not answered any questions period.

Phillip Barr 2836 N Northacres Dr Hobbs, New Mexico (505) 392 - 2460

Phil Barr wrote on 07/16/04 - If I miss you by phone, just email what you come up with.

The water the Les plant near Eunice would use comes from the same source that Hobbs uses. Im worried about pollution to the water I will drink. I don't think pit liners are adequate. Concrete? In the heat we have here, concrete will crack after a while. This is our only water source. As I understand it, it is shared by Andrews county, Texas.. I do not have an idea how far the aquifer extends into Texas.

We have high winds here at different times of the year. 50mph + Any radioactive emissions or dust particles could go a long way toward populated areas.

One I sent to the NRC today

Subject: objection to proximity of LES to Waste control sites in Texas

I believe the construction of LES in Lea County so close to two planned nuclear waste dumps in Andrews county will cause problems for both Texas and New Mexico. If the water table under Les gets polluted, LES will claim the waste dumps run by waste control in Andrews county are responsible. If the water table under Waste Control's dump sites is contaminated or if any contamination is found, they will claim Les is responsible. The two sites are too close to each other.

Dear George, - Instead of me calling you I would appreciate it if you would save me the expense of the call and that instead of me calling you that you would call me at **505-397-2147 Lee Cheney**
www.cnic.ws

Philip Barr wrote on July 23, 2004 - I had a talk with a LES representative here yesterday. He told me there was going to be two pit liners plus a leak alarm in between the liners on the evaporation ponds. He was vague about the amount of radioactivity that the smaller of the evaporative ponds would have. I've never seen pit liners that have lasted in this country.

I am also concerned about the two waste control planned nuclear dumps just across the border in Texas. A uranium enrichment plant and one waste storage dump on the new Mexico side and two (planned) nuclear waste dumps on the Texas side- sitting on top of two aquifers. The city of Hobbs has told me the Ogalla runs down near Eunice. I understand from Mr. Cheney the EPA's interest is in the water part of this.

An EPA man was going to get back to me on a question I had about the water table and Louisiana Energy services proposed uranium enrichment plant in Lea County , New Mexico. He was supposed to call or email on Tuesday or Wednesday of this week. He didn't.

I would like to add this question also. All our local congressman just rubberstamp this project and are not interested in any questions on this matter.

Question: I have asked Louisiana Energy Services and the NRC how they can be sure the radiation the plant in New Mexico would release would be safe for pregnant women, children, the elderly and people with impaired immune systems? LES rep said that the man that did that was on vacation.

NRC has never answered the question period. Mark Delligatti - MSD@nrc.gov Sue Gagner - SFG@nrc.gov

Philip Barr wrote on August 4 -

When LES first came here they stated that the evaporation ponds at their plant might have radioactive water in them. Now they say the smaller pond WILL have radioactive water in it. How radioactive will the water be? Now as that water evaporates, wont the water vapor in the air be radioactive? Regardless of the amount this vapor will be carried by the wind over Eunice and Hobbs.

NRC or LES cant quite say how the radiation will be safe for everyone. Now Les has stated there will be two pit liners in their evaporation ponds plus a leak alarm installed. Pit liners have been known to leak in this country.

LES is supposed to pay for all the cleanup its plant will require. How much is that and have they deposited that money in the bank anywhere?

In the event of a pollution problem in Texas caused by the LES plants proximity to the Texas border would LES be required to pay for that also or in case of default by LES would the State of New Mexico be liable?

LES picks design team for proposed plant - August 4, 2004

EUNICE, N.M. - Louisiana Energy Services has chosen Washington Group International Inc. to design and manage the construction of a proposed uranium enrichment plant in southeastern New Mexico.

Louisiana Energy Services, largely owned by European concerns, wants to build a \$1.2 billion plant near here to produce enriched uranium fuel for nuclear reactors. LES is seeking a license from the Nuclear Regulatory Commission.

LES President Jim Ferland said the announcement of Washington Group as a member of the team is an important milestone for the project.

Washington Group, headquartered in Boise, Idaho, is a major international engineering, construction and management firm with nuclear expertise. The value of the Washington Group contract is about \$16 million.

"They are going to bring a superb team of experienced engineers, designers and construction planners to this project, exactly what we need at this time," Ferland said.

The company also operates the Waste Isolation Pilot Plant, an underground repository for radioactive waste near Carlsbad.

LES and Washington Group officials said construction on the uranium plant is expected to start in the fall of 2006, with the facility ready for partial production in the winter of 2008.

Officials said the project will result in more than 200 permanent jobs and more than 400 multi-year construction jobs in southeast New Mexico.

State officials are concerned that without a disposal plan for the waste that would be produced by the plant, New Mexico might get stuck with the waste beyond the plant's 30-year life span. Uranium processing generates a type of waste that can't be dumped anywhere in the country. LES has said it expects the waste to be treated by a new privately operated deconversion facility, and that it's in discussions with three companies that have deconversion technology.