September 20, 2004

MEMORANDUM TO: Joseph G. Giitter, Chief

Special Projects Branch Division of Fuel Cycle Safety

and Safeguards

THRU: Brian W. Smith, Chief /RA/

Gas Centrifuge Facility Licensing Section

Special Projects Branch, FCSS

FROM: Timothy C. Johnson, Project Manager /RA/

Gas Centrifuge Facility Licensing Section

Special Projects Branch, FCSS

SUBJECT: SEPTEMBER 14, 2004, TELEPHONE SUMMARY: LOUISIANA

ENERGY SERVICES DISCUSSIONS ON NUCLEAR

CRITICALITY SAFETY AND SEISMIC ISSUES

On September 14, 2004, the U.S. Nuclear Regulatory Commission (NRC) staff held a telephone conference call with staff from Louisiana Energy Services (LES) to discuss nuclear criticality safety and seismic event worker protection issues related to the LES uranium enrichment plant proposed to be built in Eunice, New Mexico. I am attaching the telephone summary for your use. The summary contains no proprietary or classified information.

Docket: 70-3103

Attachment: Louisiana Energy Services

Telephone Summary

cc: William Szymanski/DOE

Monty Newman/Hobbs Peter Miner/USEC Glen Hackler/Andrews James Brown/Eunice Jerry Clift/Hartsville

Derrith Watchman-Moore/NMED

Clay Clarke/NMED Lindsay Lovejoy/NIRS 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

Rod Krich/LES
Troy Harris/Lovington
James Ferland/LES
William Floyd/NMED
M. Marriotte/NIRS
Lee Cheney/CNIC
Ron Curry/NMED
Glenn Smith/NMAG

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Senior Mechanical Systems Engineer Gas Centrifuge Facility Licensing Section

Special Projects Branch, FCSS

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Lindsay Lovejoy/NIRS

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NMSS r/f FCSS r/f SPB r/f **RPierson JHolonich** YFaraz SSteele **HFelsher** WTroskoski MGalloway LClark/OGC ACoggins/OGC JPark/DWM JDavis/DWM SFlanders/DWM ABradford/DWM KEverly/NSIR TCombs/OCA SGagner/OPA DMcIntyre/OPA RVirgilio/OSTP RHannah/RegII KClark/RegII VMitlyng/RegIII DHartland/Reg II WMaier/RegIV DAyres/Reg II DSeymour/RegII

JHenson/RegII Hearing file

LES website - No

MI 042640528

OFC	GCFLS		GCFLS		TSG		GCFLS	
NAME	TCJohnson/os		LMarshall		HFelsher		BSmith	
DATE	09/15/04		09/16/04		09/20/04		09/20/04	

Telephone Conference Call Summary

Nuclear Criticality Safety and Seismic Event Worker Protection

Date and Time: 10:00 AM; September 14, 2004

Call Participants: H. Felsher/NRC W. Troskoski/NRC

B. Smith/NRC T.C. Johnson/NRC
D. Green/Excel B. Hubbard/Areva
G. Harper/Areva J. Snooks/Areva
D. Pepe/Areva R. Turcotte/Areva

On September 14, 2004, a conference call between U.S. Nuclear Regulatory Commission (NRC) and Louisiana Energy Services (LES) staffs was held to discuss the clarification of a seismic event worker protection issue and several nuclear criticality safety (NCS) issues in the current LES Safety Analysis Report (SAR) Chapters 3.0 (Integrated Safety Analysis (ISA) and ISA Summary), 5.0 (Nuclear Criticality Safety), and 11.0 (Management Measures). Those NCS topics included: NCS staff, baseline design criteria, criticality accident alarm system, double contingency principle, NCS Analyses, NCS Evaluations, event reporting, management measures, and editorial changes.

NRC staff identified issues with LES' use of the term "NCS Staff" in Chapter 5 and the LES criticality accident alarm system and baseline design criteria discussions in Chapter 3. LES staff clarified that the NCS staff referred to in Chapter 5 is the Nuclear Criticality Safety Engineer. LES staff indicated that the baseline design criteria and criticality accident alarm system discussions would be moved to the ISA Summary.

NRC staff clarified that meeting the double contingency principle is a regulatory requirement for a new applicant (or existing licensee with a new process) under 10 CFR Part 70. NRC staff clarified that having double contingency protection is needed when a current 10 CFR Part 70 licensee cannot meet the double contingency principle for a current process, but has the same level of protection in-place as if it had met the double contingency principle for that current process. LES staff indicated that it will meet the double contingency principle and will modify language in the SAR to eliminate the term "double contingency protection."

NRC staff also requested clarification in the use of the LES terminology for "NCS Analyses" and "NCS Evaluations" in Chapters 5 and 11. NRC staff also requested that text be added to describe the contents of each of these documents. LES staff indicated that it would verify that the terms are being used properly in the SAR text and would provide the explanatory text.

In Chapter 11, NRC staff requested that LES include in the discussion on audits that they also address items affecting items relied on for safety (IROFS). LES agreed to add this item.

LES staff indicated that changes will be made in the ISA Summary and Chapters 3.0, 5.0, and 11.0 of the SAR to address the issues identified by NRC staff. LES will provide a letter with that commitment by September 2004. LES will provide license application page changes after the next revision.