1.0 INTRODUCTION OF THE ENVIRONMENTAL REPORT

This Environmental Report (ER) constitutes one portion of an application submitted by Louisiana Energy Services (LES) to the Nuclear Regulatory Commission (NRC) for a license to construct and operate a gas centrifuge uranium enrichment facility. The proposed facility, the National Enrichment Facility (NEF) will be located near Eunice, New Mexico, in Lea County. The ER for this proposed facility serves two primary purposes. First, it provides information that is specifically required by the NRC to assist it in meeting its obligations under the National Environmental Policy Act (NEPA) of 1969 (Pub. Law 91-190, 83 Stat. 852) (USC, 2003a) and the agency's NEPA-implementing regulations. Second, it demonstrates that the environmental protection measures proposed by LES are adequate to protect both the environment and the health and safety of the public.

LES has prepared this ER to meet the requirements specified in 10 CFR 51, Subpart A, particularly those requirements set forth in 10 CFR 51.45(b)-(e) (CFR, 2003a). The organization of this ER is generally consistent with the format for environmental reports recommended in NUREG-1748, Environmental Review Guidance for Licensing Actions Associated with NMSS Programs, Final Report August 2003 (NRC, 2003a).

This ER evaluates the environmental impacts of the LES proposed facility. Accordingly, this document discusses the proposed action, the need for and purposes of the proposed action, and applicable regulatory requirements, permits, and required consultations (ER Chapter 1, Introduction of the Environmental Report); considers reasonable alternatives to the proposed action (Chapter 2, Alternatives); describes the proposed NEF and the environment potentially affected by the proposed action (Chapter 3, Description of the Affected Environment); presents and compares the potential impacts resulting from the proposed action and its alternatives (Chapter 4, Environmental Impacts); identifies mitigation measures that could eliminate or lessen the potential environmental impacts of the proposed action (Chapter 5, Mitigation Measures); describes environmental measurements and monitoring programs (Chapter 6, Environmental Measurements and Monitoring Programs); provides a cost benefit analysis (Chapter 7, Cost Benefit Analysis); and summarizes potential environmental consequences (Chapter 8, Summary of Environmental Consequences). A list of references and preparers is also provided in Chapter 9, References, and Chapter 10 List of Preparers, respectively.

The effective date of this ER is December 2003.

The LES Partnership

Louisiana Energy Services (LES), L.P. is a Delaware limited partnership. It has been formed solely to provide uranium enrichment services for commercial nuclear power plants. LES has one, 100% owned subsidiary, operating as a limited liability company, formed for the purpose of purchasing Industrial Revenue Bonds and no divisions. The general partners are as follows:

A. Urenco Investments, Inc. (a Delaware corporation and wholly-owned subsidiary of Urenco Limited, a corporation formed under the laws of the United Kingdom ("Urenco") and owned in equal shares by BNFL Enrichment Limited ("BNFL-EL"), Ultra-Centrifuge Nederland NV ("UCN"), and Uranit GmbH ("Uranit") companies formed under English, Dutch and German law, respectively; BNFL-EL is wholly-owned by British Nuclear Fuels plc, which is wholly-owned by the Government of the United Kingdom; UCN is 99% owned by the Government of the Netherlands, with the remaining 1% owned collectively

U.S. NUCLEAR REGULATORY COMMISSION
In the Matter of LOUISIANA ENERGY SERVICES, LP
Docket No. 70-3103-ML Official Exhibit No. 82
OFFERED by: Applicant/Licensee Intervenor NIRS/PC
NRC Staff Other
IDENTIFIED on _____ Witness/Panel M. Sheehan
Action Taken: ADMITTED REJECTED WITHDRAWN
Reporter/Clerk

by the Royal Dutch Shell Group, DSM, Koninklijke Philips Electronics N.V. and Stork N.V.; Uranit is owned by Eon Kernkraft GmbH (50%) and RWE Power AG (50%), which are corporations formed under laws of the Federal Republic of Germany); and

B. Westinghouse Enrichment Company LLC (a Delaware limited liability company and wholly-owned subsidiary of Westinghouse Electric Company LLC, a Delaware limited liability company ("Westinghouse"), whose ultimate parent, through two intermediary Delaware corporations and one corporation formed under the laws of the United Kingdom, is British Nuclear Fuels plc, which is wholly-owned by the government of the United Kingdom).

The names and addresses of the responsible officials for the general partners are as follows:

Urenco Investments, Inc.
Charles W. Pryor, President and CEO
2600 Virginia Avenue NW, Suite 610
Washington, DC 20037

Dr. Pryor is a citizen of the United States of America

Westinghouse Enrichment Company LLC
Ian B. Duncan, President
4350 Northern Pike
Monroeville, PA 15146

Mr. Duncan is a citizen of the United Kingdom.

The limited partners are as follows:

A. Urenco Deelnemingen B.V. (a Netherlands corporation and wholly-owned subsidiary of Urenco Nederlands B.V. (UNL));

B. Westinghouse Enrichment Company LLC (the Delaware limited liability company, wholly-owned by Westinghouse, that also is acting as a General Partner);

C. Entergy Louisiana, Inc. (a Louisiana corporation and wholly-owned subsidiary of Entergy Corporation, a publicly-held Delaware corporation and a public utility holding company);

D. Claiborne Energy Services, Inc. (a Louisiana corporation and wholly-owned subsidiary of Duke Energy Corporation, a publicly-held North Carolina corporation);

E. Cenesco Company, LLC (a Delaware limited liability company and wholly-owned subsidiary of Exelon Generation Company, LLC, a Pennsylvania limited liability company).

F. Penesco Company, LLC (a Delaware limited liability company and wholly-owned subsidiary of Exelon Generation Company, LLC, a Pennsylvania limited liability company).

Urenco owns 70.5% of the partnership, while Westinghouse owns 19.5% of LES. The remaining 10% is owned by the companies representing the three electric utilities, i.e., Entergy Corporation, Duke Energy Corporation, and Exelon Generation Company, LLC.

The President of LES is E. James Ferland, a citizen of the United States of America. LES' principal location for business is Albuquerque, NM. The facility will be located in Lea County

near Eunice, New Mexico. No other companies will be present or operating on the NEF site other than services specifically contracted by LES.

Foreign Ownership, Control and Influence (FOCI) of LES is addressed in the NEF Standard Practice Procedures for the Protection of Classified Matter, Appendix 1 – FOCI Package. The NRC in their letter dated, March 24, 2003, has stated "...that while the mere presence of foreign ownership would not preclude grant of the application, any foreign relationship must be examined to determine whether it is inimical to the common defense and security [of the United States]". (NRC, 2003b) The FOCI Package mentioned above provides sufficient information for this examination to be conducted.