

February 4, 2005

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

February 4, 2005 (11:57am)

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

In the Matter of:)
)
Louisiana Energy Services, L.P.)
)
(National Enrichment Facility))

Docket No. 70-3103-ML

ASLBP No. 04-826-01-ML

**OUTLINE SUMMARY OF LES POSITION ON
NIRS/PC EC-2: IMPACTS UPON WATER SUPPLIES**

In accordance with the Board's Memorandum and Order (Memorializing and Ruling on Matters Raised in conjunction with August 3, 2004 Conference Call and Setting General Schedule for Proceeding) of August 16, 2004, following is the outline summary of Louisiana Energy Services, L.P.'s position on NIRS/PC EC-2 – Impacts Upon Water Supplies.

NIRS/PC Argument: LES has not provided a complete or adequate assessment of the potential environmental impacts of the proposed project upon water supplies in the area of the project, contrary to 10 C.F.R. 51.45.

- As set forth in Section 4.4.5 of the NEF Environmental Report (LES Exhibit 1), impacts to water resources onsite and in the site vicinity are expected to be negligible.
- The NEF will obtain its water supply from the municipal water systems of the Cities of Hobbs and/or Eunice, New Mexico. The NEF will not withdraw groundwater from beneath the site, and will implement appropriate water conservation measures (Krich et al. Direct, Answer 30).

- The NEF's projected water usage requirements are very small when viewed relative to the water currently used by, and available to, the Cities of Hobbs and Eunice, New Mexico.
 - The average potable water requirements for the NEF are set forth in Krich et al. Direct, Answer 31.
 - The projected normal daily water usage by the NEF constitutes only 0.26% and 0.83% of the combined Hobbs and Eunice water supply system current capacities and usage rates, respectively (Krich et al. Direct, Answer 34).
 - The total amount of water that would be used by the NEF over its entire lifetime would be less than 50% of the City of Hobbs' current annual production rate (Krich et al. Direct, Answer 40).
 - The Cities of Hobbs and Eunice collectively hold permitted rights to roughly 13,000 acre-feet per year of water that they have yet to put to beneficial use. This far exceeds the approximately 71 acre-feet of water that the NEF would require per year (Krich et al. Direct, Answer 40).
 - The Lea County Water Users Association and the City of Hobbs have indicated that NEF water usage is very modest and would not have a significant impact on the Lea County and Hobbs water supplies (Krich et al. Direct, Answer 34)

NIRS/PC Argument: The NRC Staff's DEIS does not show how additional pumpage by the City of Hobbs in response to NEF water usage needs would affect water levels and the long-term productivity of the Hobbs well field or the Lea County Underground Water Basin.

- The NRC Staff concluded that the impacts of the NEF to local and regional water supplies would be small, noting that average water usage by the facility is 0.26 percent of the combined capacity of the Hobbs and Eunice municipal systems and only 0.004 percent of the Ogallala Aquifer reserves within the State of New Mexico (Krich et al. Direct, Answer 47).
- Using a finite-difference computer model obtained from the New Mexico Office of the State Engineer, the NRC Staff has simulated the effects that water withdrawal for the proposed facility would have on water levels and the long-term productivity of the Hobbs well field and the Lea County Underground Water Basin (Peery et al. Rebuttal, Answers 7-8).

- The NRC Staff's modeling confirms that any additional drawdown that might occur at or near the Hobbs well field in connection with NEF water usage would be very small, as would any associated impacts on Lea County water supplies (Peery et al. Rebuttal, Answer 10).
- The Staff's conclusion is consistent with LES's observations that: (1) the NEF's projected lifetime water usage is less than 0.02 percent of the recoverable water presently in the Lea County portion of the Ogallala Aquifer, and (2) the Hobbs well field is located in a very productive portion of the Ogallala Aquifer (Krich et al. Direct, Answer 26; Peery et al. Rebuttal, Answer 11).
- Regulatory and planning frameworks in place in New Mexico and Lea County provide further assurance that NEF water usage would not significantly impact water supplies (Krich et al. Direct, Answers 43, 48)

LES Conclusion: The potential impacts of NEF water usage on current and future water supplies are very small and have been adequately evaluated by LES and the NRC Staff.

NIRS/PC have provided no basis to substantiate their claims.

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CERTIFICATE OF SERVICE

I hereby certify that copies of the "OUTLINE SUMMARY OF LES POSITION ON NIRS/PC EC-1: IMPACTS UPON GROUND AND SURFACE WATER"; "OUTLINE SUMMARY OF LES POSITION ON NIRS/PC EC-2: IMPACT UPON WATER SUPPLIES"; "OUTLINE SUMMARY OF LES POSITION ON NIRS/PC EC-4: IMPACTS OF WASTE STORAGE"; and "OUTLINE SUMMARY OF LES POSITION ON NIRS/PC EC-7 NEED FOR THE FACILITY" in the captioned proceeding have been served on the following by e-mail service, designated by **, on February 4, 2005 as shown below. Additional service has been made by deposit in the United States mail, first class, this 4th day of February 2005.

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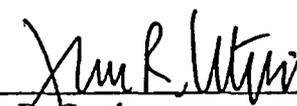
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