

January 6, 2006

MEMORANDUM TO: James W. Clifford, Acting 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: DECEMBER 22, 2005, TELEPHONE SUMMARY: LOUISIANA  
ENERGY SERVICES DISCUSSIONS ON INTERNATIONAL  
ATOMIC ENERGY AGENCY SAFEGUARDS AND MANDATORY  
HEARING INFORMATION

On December 22, 2005, the U.S. Nuclear Regulatory Commission (NRC) staff held a telephone conference call with staff from Louisiana Energy Services (LES) and the U.S. Department of Energy to discuss International Atomic Energy Agency safeguards and mandatory hearing information related to the LES uranium enrichment plant proposed to be built in Eunice, New Mexico. I am attaching the telephone summary for your use. No proprietary or classified information was discussed.

Docket: 70-3103

Enclosure: Louisiana Energy Services  
Telephone Summary

cc: Rod Krich/LES	James Curtiss/W&S	James Ferland/LES
William Szymanski/DOE	Claydean Claiborne/Jal	Peter Miner/USEC
MontyNewman/Hobbs	Troy Harris/Lovington	Betty Richman/Tatum
Glen Hackler/Andrews	Lue Ethridge/Lea Cty	John Parker/NMED
James Brown/Eunice	Richard Ratliff/Texas	M. Marriotte/NIRS
Jerry Clift/Hartsville	Carol O'Claire/Ohio	Lee Cheney/CNIC
Derrith Watchman-Moore/NMED	Joseph Malherek/PC	Ron Curry/NMED
Tannis Fox/NMED	Patricia Madrid/NMAG	Glenn Smith/NMAG
Lindsay Lovejoy/NIRS	Roger Mulder/Texas	

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Hearing file  
LES website - No

**ML060030433**

<b>OFC</b>	GCFLS		GCFLS		OGC		GCFLS	
<b>NAME</b>	TJohnson:bkh1		LWilliamson		LClark		BSmith	
<b>DATE</b>	1/ 3 /06		1/ 3 /06		1/6/06		1/6/06	

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## Telephone Conference Call Summary

### Decommissioning Funding

Date and Time: December 22, 2005; 10:00 AM

Call Participants:	R. Wescott/NRC	W. Troskoski/NRC
	B. Smith/NRC	B. Moran/NRC
	S. Echols/NRC	T.C. Johnson/NRC
	R. Krich/LES	D. Green/LES

On December 22, 2005, a conference call between U.S. Nuclear Regulatory Commission (NRC) and Louisiana Energy Services (LES) staffs was held to discuss International Atomic Energy Agency (IAEA) safeguards and mandatory hearing information related to LES' application for a uranium enrichment facility proposed to be located in Lea County, New Mexico.

#### Discussion:

B. Moran stated that, based on recent discussions on IAEA safeguards held in Europe, he expects that IAEA will select the LES facility for safeguards inspections. He said that funding arrangements for the inspections need to be worked out. He also indicated that a representative from the Department of Energy (DOE) is expected to join in the January 13, 2006, Urenco plant site visit in Almelo, The Netherlands. He also requested, at least a week prior to the meeting, an outline of the presentation to be made by LES at the meeting in Vienna during the week of January 16, 2006. LES staff indicated that the appropriate site visit forms from the DOE representative would be needed in sufficient time for Urenco to process the request.

At the evidentiary hearing in October 2005, the Atomic Safety and Licensing Board (ASLB) provided a series of issues it wished to discuss at the mandatory hearing scheduled in March 2006. For several of these issues, NRC staff asked for further input from LES staff to assist in its preparation for the hearings. The following is a discussion of the items requested by the ASLB:

1. Criticality Implications of Water Vapor Intrusion: LES staff indicated that this issue is addressed in the MONK8A validation report that is to be submitted to the NRC by December 23, 2005.
2. Hydrogen Fluoride Interactions with Facility Equipment Materials: LES staff indicated that it is working on assembling information on this subject.
3. Unmoderated Criticality Conditions: LES staff indicated that all of its criticality analyses assume moderated conditions, which are more conservative than unmoderated conditions.

4. Electrical Cabinet Fires: LES staff indicated that there are no automatic suppression systems used for fire protection. In the event of an electrical cabinet fire, it would be extinguished using manual suppression systems. Following the extinguishing of the fire, a fire watch would be activated to ensure that the fire does not restart. NRC staff further indicated that prefire plans and combustible loading controls would also preclude further spread of fires. In addition, electrical equipment is not relied on for safety, because all safety equipment fails in the safe position. NRC staff also indicated to LES staff that NUREG/CR-3856, "Evaluation of Suppression Methods for Electrical Cable Fires," and NUREG/CR-4527, "An Experimental Investigation of Internally Ignited Fires in Nuclear Power Plant Control Cabinets," contain pertinent information related to this ASLB question.