

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
BEFORE THE COMMISSION

IN THE MATTER OF:

LOUISIANA ENERGY SERVICES
(NATIONAL ENRICHMENT FACILITY)

Applicant,

v.

NUCLEAR INFORMATION AND RESOURCE
SERVICE AND PUBLIC CITIZEN,

Petitioners.

Docket No.
70-3103-ML

ASLBP No.
04-826-01-ML

OFFICE OF THE SECRETARY
OF THE NUCLEAR REGULATORY COMMISSION
ADJUDICATIONS STAFF

SEP 21 PM 3:30

DOCKETED
USNRC

Friday,
August 26, 2005

DEPOSITION OF:

ROD KRICH

called for examination by counsel for the petitioners, pursuant to notice, in the law offices of Winston & Strawn, located at 1700 K Street, N.W., Washington, D.C., at 1:00 p.m., when were present on behalf of the respective parties:

U.S. NUCLEAR REGULATORY COMMISSION
In the Matter of Louisiana Energy Services L.P.
Docket No. 70-3103-ML Official Exhibit No. 226
OFFERED by: Applicant/Licensee Intervenor NERS/PE
NRC Staff Other
IDENTIFIED on 10/26/05 Witness/Panel Makhiani
Action Taken: ADMITTED REJECTED WITHDRAWN
Reporter/Clerk Bethany F. [Signature]

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APPEARANCES:

On Behalf of the Applicant:

JAMES R. CURTISS, ESQ.
MARTIN J. O'NEILL, ESQ.
AMY ROMA, ESQ.

Of: Winston & Strawn LLP
1700 K Street, N.W.
Washington, D.C. 20006-3817
(202) 282-5751
(202) 282-5797

On Behalf of the Nuclear Regulatory Commission:

LISA CLARK, ESQ.
KATHLEEN KANNLER, ESQ.

Of: U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
(301) 415-1571

On Behalf of the Petitioners:

LINDSAY A. LOVEJOY, JR., ESQ.
618 Paseo de Peralta, Unit B
Santa Fe, NM 87501
(505) 983-1800

ALSO PRESENT:

CRAIG DEAN
ICF Consulting

TIMOTHY C. JOHNSON
Senior Mechanical Systems Engineer, Office
of Nuclear Material Safety and Safeguards,
Nuclear Regulatory Commission

JOSEPH P. MALHEREK
Policy Analyst, Critical Mass Energy and
Environment Program, Public Citizen

BRIAN SMITH
Nuclear Regulatory Commission

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I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
Rod Krich	4			

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1 traveled. That's not to say that there won't be very,
2 very small fluctuations, but in general, overall, what
3 the vendor has told us is that this figure is
4 independent of distance costs.

5 Q So it's \$0.85 per kilogram uranium for
6 what?

7 A As we said in our submittal and as it's
8 reflected in the NRC safety evaluation, transportation
9 costs were based on an estimate from Transportation
10 Logistics International and this transportation
11 estimate - \$0.85 per kilogram uranium was independent
12 of distance.

13 Q So this estimate applies if the depleted
14 uranium is shipped 2,000 miles. Is that correct?

15 A I think that's what independent of
16 distance means.

17 Q Do you know what the basis is for this
18 estimate, the \$0.85 estimate?

19 A Now, the basis is that as it's stated here
20 and as it's stated in our submittal, this was provided
21 by Transportation Logistics International, a
22 transportation company.

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1 Transportation Logistics International, or
2 TLI, is the largest transporter of radioactive
3 material, including uranium, in the country, and
4 probably one of the largest transporters of uranium
5 and radioactive material in the world.

6 They've been in business for quite a long
7 time and have transported probably more material than
8 any other transporter in the U.S. and has provided
9 this estimate. So this estimate is based on
10 information directly from Transportation Logistics
11 International.

12 Q Do you know how they came up with this
13 number?

14 A They used their experience, being the
15 United States' largest transporter of uranium and
16 radioactive material.

17 Q Right, but this is an exact number,
18 \$0.85. How did they come up with \$0.85 and not \$0.90
19 or \$0.60 or something else?

20 A Well, in submittals to the NRC, there was
21 a proprietary submittal in which Transportation
22 Logistics provided a range of costs. As explained in

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1 that submittal, that range was averaged in order to
2 come up with the \$0.85 per kilogram uranium. That was
3 my doing.

4 Q What did you average?

5 A I averaged the range of costs that were
6 provided by TLI.

7 Q What was the range?

8 A That's proprietary.

9 Q It may be. Can you tell us?

10 A I can if there's no one ? so long as
11 everyone here has signed the non-disclosure agreement.

12 MR. CURTISS: The court reporter has
13 signed the non-disclosure agreement and I think
14 everybody else here has on the NRC side. Is that
15 correct, Lisa? The non-disclosure agreement has been
16 executed by every person on our side.

17 MR. LOVEJOY: Joe's signed it.

18 MR. CURTISS: Mr. Malherek has as well, I
19 believe. Let's wait until she just finishes here,
20 since she has not signed it. Not that she would use
21 that information.

22 THE WITNESS: The range of charges that

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1 were provided by TLI was submitted in a letter from
2 us, from LES, to the NRC. I believe it was the
3 March 29 letter, although I'm not sure of that. You
4 were provided a copy of that letter.

5 MR. LOVEJOY: So do you have something in
6 front of you, a document?

7 THE WITNESS: I have the document that was
8 transmitted along with that letter that I just
9 referred to.

10 MR. CURTISS: The reference number is
11 NEF05-016, March 29, 2005, which I believe was
12 disclosed by counsel for LES. Do you have that noted
13 on there?

14 MR. LOVEJOY: Yes, why don't we mark it so
15 that the record is clear what the witnesses are
16 referring to? It could be out of order. There it is.
17 Let's hold off. It's not in the March 29 submittal.

18 THE WITNESS: I'm just - well, I'm not
19 sure. I don't remember.

20 MR. CURTISS: Just a moment.

21 MR. LOVEJOY: I have several items and I
22 think we'll probably get to it. Can you just ? I

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1 mean, you can hunt the document up if you want to --

2 THE WITNESS: No, I don't want to hunt the
3 document up.

4 BY MR. LOVEJOY:

5 Q Okay. Well --

6 A I'm just confirming that this was a
7 document that was provided to you as part of the
8 disclosure.

9 Q Yes. So you took some numbers from that
10 document and you made an average. Is that right?

11 A I took the figures provided by
12 Transportation Logistics, based on their extensive
13 experience in transporting uranium and other
14 radioactive material, and made an average number to
15 use in the cost estimate.

16 MR. CURTISS: The document reference that
17 Mr. Krich is referring to is Bates number
18 LES-PRO-00776.

19 THE WITNESS: Right.

20 MR. CURTISS: Identified as proprietary,
21 so the discussion of this should all be reflected as
22 proprietary.

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1 MR. LOVEJOY: The one he's referring to
2 now is 00776?

3 THE WITNESS: Yes.

4 BY MR. LOVEJOY:

5 Q Okay. In connection with the disposition
6 of depleted uranium, what transportation movements do
7 you anticipate?

8 A As stated in our application, we have only
9 taken into consideration transportation by truck.

10 Q Okay, well, let's see. Will there be
11 transportation of depleted uranium hexafluoride from
12 the enrichment plant to a deconversion plant?

13 A Could you repeat the question?

14 Q Will there be transportation of DUF6 from
15 the enrichment plant to a deconversion plant?

16 A Yes.

17 Q Okay. Will there be transportation of
18 converted or deconverted uranium in the form of U-308
19 from a deconversion plant to a disposal site?

20 A Yes.

21 Q Will there also be transportation of
22 byproducts of conversions, such as CaF₂, from a

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1 deconversion plant to a disposal site?

2 A Yes.

3 Q Okay. Are there any other movements of
4 transportation that you anticipate?

5 A Not that I'm aware of.

6 Q Okay. What is LES's cost estimate for
7 each of those shipments?

8 A I think that we already answered that
9 question. It's in the application. It's \$0.85 per
10 kilogram uranium.

11 Q Okay. In testifying in support of that
12 \$0.85 figure, whom have you spoken with in developing
13 that number?

14 A Again, I think I testified to that
15 already, Mr. Lovejoy. Transportation Logistics
16 International, the country's largest transporter of
17 radioactive material and uranium, was consulted and in
18 fact provided in writing their estimates of what it
19 would cost to transport this material.

20 Q But individually, whom did you speak with?

21 A The President and CEO of Transportation
22 Logistics.

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