

RAS 11025

U.S. NUCLEAR REGULATORY COMMISSION

In the Matter of Louisiana Energy Services L.P.

Docket No. 70-3103-M2 Official Exhibit No. 252

OFFERED by: Applicant/Licensee NERS/PC
NRC Staff Other

IDENTIFIED on 10/20/05 Witness (Panel) LES Disposal

Action Taken: ADMITTED REJECTED WITHDRAWN

Reporter/Clerk Bethany Engl

April 11, 2005

MEMORANDUM TO: Joseph G. Glitter, 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: MARCH 17, 2005, TELEPHONE SUMMARY: LOUISIANA ENERGY
SERVICES DISCUSSIONS ON DECOMMISSIONING FUNDING

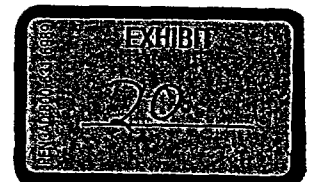
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USNRC
2005 DEC 21 PM 3:31
OFFICE OF THE SECRETARY
REGULATORY STAFF

On March 17, 2005, the U.S. Nuclear Regulatory Commission (NRC) staff held a telephone conference call with staff from Louisiana Energy Services (LES) to discuss decommissioning funding 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. No classified information was discussed.

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 Cliff/Hartsville
- Derrith Watchman-Moore/NMED
- Tannis Fox/NMED
- Lindsay Lovejoy/NIRS
- Claydean Claiborne/Jal
- James Curtiss/W&S
- Betty Richman/Tatum
- Lue Ethridge/Lea Cty
- Richard Ratliff/Texas
- Carol O'Claire/Ohio
- Joseph Malherek/PC
- Patricia Madrid/NMAG
- Rod Krich/LES
- Troy Harris/Lovington
- James Ferland/LES
- John Parker/NMED
- Michael Marriotte/NIRS
- Lee Cheney/CNIC
- Ron Curry/NMED
- Glenn Smith/NMAG



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SECY-02

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Glenn Smith/NMAG

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JHolonich/FCSS
MGalloway/TSG
CSchulte/DWMEP
TCombs/OCA
RHannah/RegII
JHenson/RegII
WMaier/RegIV
LES website - No

SPB r/f
YFaraz/GCFLS
LClark/OGC
JDavis/DWMEP
SGagner/OPA
KClark/RegII
RTrojanowski/RegIII
FBurrows/TSG

RPierson/FCSS
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MWong/DWMEP
DMcIntyre/OPA
DSeymour/RegII
VMitlyng/RegIII
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DAyres/RegII
DHartland/RegIII
Hearing file

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OFC	GCFLS		GCFLS		DWMEP		GCFLS	
NAME	TJohnson:bkh1		LMarshall		TFredricks		BSmith	
DATE	4/6/05		4/6/05		4/7/05		4/11/05	

Telephone Conference Call Summary

Decommissioning Funding

Date and Time: 1:00 PM; March 17, 2005

Call Participants: C. Dean/ICF J. Mayer/ICF
T. Fredricks/NRC B. Smith/NRC
T.C. Johnson/NRC R. Krich/LES
D. Green/Excel

On March 17, 2005, a conference call between U.S. Nuclear Regulatory Commission (NRC) and Louisiana Energy Services (LES) staffs was held to discuss decommissioning funding issues related to LES' application for a uranium enrichment facility proposed to be located in Eunice, New Mexico.

Discussion:

On March 3, 2005, LES staff transmitted responses to NRC's clarifying questions discussed with LES in a March 2, 2005, conference call. NRC and ICF staff had further questions on this information.

LES staff clarified that the transportation cost estimate is independent of distance. LES staff agreed to provide further documentation of this estimate. LES staff also indicated it would clarify the appropriate units for the estimates used, i.e., whether the appropriate units are per kilogram (Kg) uranium (U) or Kg uranium oxide. LES staff indicated that it used the lower bound transportation cost value because it considered the value conservative and converted that value into units of kilograms of uranium metal. LES staff indicated that it would provide a justification for using the lower bound value.

LES staff indicated that the Waste Control Specialists (WCS) disposal costs for uranium oxide convert to the estimate values in kilograms of uranium metal. The Envirocare estimate for disposal was slightly less. LES staff indicated that it would provide a clarifying basis for the derivation of the \$1.14/Kg U disposal cost estimate proposed in its January 7, 2005, letter.

LES staff indicated that it would provide further clarifying information on the spreadsheet referenced for the conversion costs and summarize the basis for the conversion cost estimate.

LES staff also indicated that the DOE cost estimate was provided because it corresponded to option 2 in the license application, which LES may decide to exercise, and it provided a good reference value for their estimate.

Administratively, NRC staff requested that information previously provided in discovery needed to be put on the docket if LES wishes to use this information to support the decommissioning cost estimates. LES staff agreed to provide this information via letter with the appropriate affidavits for any proprietary information.