

August 31, 2006

MEMORANDUM TO: Joseph G. Giitter, Chief  
Special Projects Branch  
Division of Fuel Cycle Safety  
and Safeguards

THRU: Brian W. Smith, Chief  
Gas Centrifuge Facility Licensing Section **/RA/**  
Special Projects Branch, FCSS

FROM: Stan Echols  
Senior Project Manager  
Gas Centrifuge Facility Licensing Section  
Special Projects Branch, FCSS

SUBJECT: JUNE 20, 2006, TELEPHONE CONFERENCE SUMMARY:  
DECOMMISSIONING FUNDING

On June 20, 2006, the U.S. Nuclear Regulatory Commission (NRC) staff participated in a telephone conference with staff from the USEC, Inc. (USEC) to discuss decommissioning funding issues related to USEC's application for a gas centrifuge uranium enrichment facility proposed to be constructed and operated in Piketon, Ohio. I am attaching the telephone conference summary for your use.

Enclosure: NRC/USEC Decommissioning Funding Telephone Conference Summary

Docket: 70-7004

cc: (Cover Memo and Attachment)

William Szymanski/DOE	Michael Marriotte/NIRS	Dan Minter/SODI
Carol O'Claire/Ohio EMA	James Curtiss/W&S	Randall DeVault/DOE
Lindsay Lovejoy/NIRS	Karl Gross/LES	Peter Miner/USEC Inc.
Rocky Brown/Mayor of Beaver	Jim Brushart/Pike Co. Comm.	Geoffrey Sea
David Bower/SPFPA/USEC	Teddy West/Scioto Twp. Trust.	Robert Owen/Ohio DoH
Billy Spencer/Mayor of Piketon	Vina Colley/PRESS	Donald Silverman/Morgan Lewis
Harry Rioer/Pike Co. Comm	Larry Scaggs/Seal Twp.Trust.	Carrie Mytinger/Cong. Ney
Robert Huff/Portsmouth CoC	Ted Wheeler/Pike County Aud.	Marvin Jones/Chillicothe CoC
Kara Willis/Gov. Taft's Reg. 7	Ewan Todd/PRESS	Dwight Massie/Pike CoC
Joyce Weeth/Pike Co. Rec	Blaine Beekman/Pike CoC	MarJean Kennedy/Gov. Taft

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USEC Website: Memo and Attachment

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OFC	GCFLS	GCFLS	TSS	OGC	GCFLS	
NAME	TJohnson	SEchols	RWray	MBupp	BSmith	
DATE	08/ 17 /06	08/ 17 /06	08/ 17 /06	08/ 29 /06	08/ 31 /06	

## OFFICIAL RECORD COPY

### Telephone Conference Call Summary

#### Decommissioning Funding

Date and Time: 11:00 AM; June 20, 2006

Call Participants:	B. Smith/NRC	S. Echols/NRC
	T. Fredricks/NRC	T.C. Johnson/NRC
	P. Miner/USEC	K. Coriell/USEC
	J. Dorrian/USEC	P. Cox/USEC

On June 20, 2006, U.S. Nuclear Regulatory Commission (NRC) and USEC Inc. (USEC) staffs held a telephone conference to discuss decommissioning funding issues related to the American Centrifuge Plant.

#### Discussion:

On June 5, 2006, USEC staff provided revised cost estimates for dispositioning depleted uranium to be generated by the American Centrifuge Plant. In these estimates, USEC staff updated costs to 2006 dollars using de-escalation information presented in the U.S. Department of Energy (DOE) consultant's report of depleted uranium disposition costs. These de-escalation costs had originally been used to de-escalate 2008 dollars to 2004 dollars and were based on expected inflation factors. In the telephone conference call, NRC staff requested that USEC use actual inflation rates rather than the projected rates from the DOE report. NRC staff suggested that the actual Implicit Price Deflator values be used to escalate the estimated costs from 2004 to 2006 dollars. USEC staff agreed to revise the inflation factors using actual values rather than the projected values.

NRC staff also requested that the same changes be included in revisions to the Gaseous Diffusion Plant decommissioning funding plan, which was also being reviewed by NRC staff.