



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

September 26, 2006

Mr. John Swailes, Vice President
Operations
Louisiana Energy Services (LES)
2600 Virginia Avenue NW, Suite 610
Washington, DC 20037

SUBJECT: DESIGN AND CONSTRUCTION SCHEDULE MILESTONES -
DOCKET NO. 70-3103

Dear Mr. Swailes:

In accordance with 10 CFR 70.32(k), the NRC must ensure that no person commence operation of a uranium enrichment facility until the Commission verifies through inspection that the facility has been constructed in accordance with the requirements of the license. The NRC is committed to executing this duty and its safety mission in an effective manner that does not cause undue burden to our licensees.

As a part of its effort to verify that a uranium enrichment facility has been constructed as required, the NRC must determine that the final design of the safety significant structural features, equipment and components comply with the license and the regulations. The NRC must also verify that these structural features, equipment and components have been constructed and installed as designed.

Please be aware that the NRC's review of LES' National Enrichment Facility (NEF) detailed design packages for these safety significant features and components will require considerable resources and coordination. To avoid unnecessary delays to the LES construction schedule, and to provide opportunities for the efficient resolution of design related findings prior to construction, it is important that the final design documentation be available for NRC review as early in the process as possible. This would include the design documentation for structural features and equipment that were identified as Items Relied On For Safety (IROFS) in the Integrated Safety Analysis Summary and some safe-by-design components.

The primary goal of our inspection program is to effectively execute our safety mission during all phases of construction and operation at the NEF. We have structured our resources and inspection program in a manner that allows us to accomplish our mission while supporting your construction schedule needs. However, our success at meeting your needs will depend in great part on your ability to make the design documentation on the relevant structural features, equipment and components available to the NRC enough in advance of their construction for us to review them before you start construction. To help ensure our success, we ask that you

submit your schedule for the completion of the detailed design packages and the corresponding estimated date of construction for the safety significant features and components as soon as possible. This will enable us to have the appropriate technical resources available for a timely review of the designs and inspection of their construction and installation.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Should you have any questions concerning this letter, please contact me at 404-562-4700.

Sincerely,

/RA/

Douglas M. Collins, Director
Division of Fuel Facility Inspection

Docket No. 70-3103

cc: Reinhard Hinterriether
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Distribution: (See page 3)

J. Swales

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*see previous concurrence

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