

October 18, 2006

Mr. John H. Swailes
Chief Nuclear Officer
Vice President of Operations
National Enrichment Facility
220 West Broadway, Suite B
Hobbs, NM 88240

SUBJECT: LOUISIANA ENERGY SERVICES - ACCEPTABLE TIME FOR CLASSIFIED
SHIPMENTS TO SIT IN PORT PRIOR TO TRANSPORT

Dear Mr. Swailes:

In your letter received on September 18, 2006 (NEF 06-00033-NRC), you requested that the Nuclear Regulatory Commission (NRC) define an acceptable time for which transported classified matter may sit at a port after being unloaded from a cargo ship. You stated that it appears unlikely that the transport containers will be able to be unloaded directly from the ship onto an approved transport truck. You also stated that these transport containers are indistinguishable from other transport containers and the security measures utilized while the containers are in transit will remain in place, along with the security measures at the port itself.

To receive NRC-regulated shipments, it is our expectation that the arrival port would be in compliance with the Maritime Transportation Security Act of 2002 (MTSA) and the International Ship and Port Facility Security Code (ISPS code). Any U.S. port facility that is in compliance with the MTSA is also in compliance with ISPS code. This can be verified with the local U.S. Coast Guard office.

It is expected that the currently proposed rulemaking by the Transportation Security Administration on the use of Transportation Worker Identification Cards (TWIC) will be in effect at most ports by the end of 2006. The TWIC program requires background checks for all workers with unescorted access to the port. It is our expectation that the TWIC program would be implemented at the port of arrival for NRC-regulated shipments of security sensitive items.

If the U.S. arrival port is in compliance with all of the above security measures, the length of time the NRC would define as an acceptable turn around time would be the routine amount of time required by the arrival port for removal of containers so as not to interfere with normal port operations.

J. Swailes

- 2 -

If you have any questions, please contact Mr. Timothy C. Johnson at 301-415-7299. If you plan to visit your proposed port of arrival, please coordinate with Mr. Johnson as the NRC would also like to participate in that visit.

Sincerely,

/RA by Julie A. Olivier Acting for/

Brian Smith, Chief
Enrichment and Conversion Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket: 70-3103

cc:

William Szymanski/DOE
Monty Newman/Hobbs
Peter Miner/USEC
Glen Hackler/Andrews
Matt White/Eunice
CO'Claire/Ohio
Joseph Malherek/PC
Clay Clark/NMED
Roger Mulder/Texas

Fred Seifts/Jal
James Curtiss/W&S
Betty Richman/Tatum
Lue Ethridge/Lea Cty
Richard Ratliff/Texas
Lee Cheney/CNIC
Ron Curry/NMED
Patricia Madrid/NMAG
Steven Strout/LES

Lindsay Lovejoy/NIRS
Troy Harris/Lovington
James Ferland/LES
John Parker/NMED
M. Marriotte/NIRS
Karl Gross/LES
D. Watchman-Moore/NMED
Glen Smith/NMAG
Tim Lambka/LES

J. Swailes

- 2 -

If you have any questions, please contact Mr. Timothy C. Johnson at 301-415-7299. If you plan to visit your proposed port of arrival, please coordinate with Mr. Johnson as the NRC would also like to participate in that visit.

Sincerely,

/RA by Julie A. Olivier Acting for/

Brian Smith, Chief
Enrichment and Conversion Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket: 70-3103

cc:

William Szymanski/DOE
Monty Newman/Hobbs
Peter Miner/USEC
Glen Hackler/Andrews
Matt White/Eunice
CO'Claire/Ohio
Joseph Malherek/PC
Clay Clark/NMED
Roger Mulder/Texas

Fred Seifts/Jal
James Curtiss/W&S
Betty Richman/Tatum
Lue Ethridge/Lea Cty
Richard Ratliff/Texas
Lee Cheney/CNIC
Ron Curry/NMED
Patricia Madrid/NMAG
Steven Strout/LES

Lindsay Lovejoy/NIRS
Troy Harris/Lovington
James Ferland/LES
John Parker/NMED
M. Marriotte/NIRS
Karl Gross/LES
D. Watchman-Moore/NMED
Glen Smith/NMAG
Tim Lambka/LES

DISTRIBUTION:

FCSS r/f
MFederline/NMSS
MBupp/OGC
RHannah/Reg II
WMaier/Reg IV
LES website - NO

FFLD r/f
JStrosnider/NMSS
DMcIntyre/OPA
DSeymour/Reg II
SBagley/NSIR

RPierson/FCSS
RVirgilio/FSME
JHenson/Reg II
MLesser/Reg II

TCombs/OCA
RTrojanowski/Reg II
KClark/Reg II
Hearing file

ML062760537

OFC	ECB		ECB		NSIR		NSIR		OGC		ECB	
NAME	TJohnson		LWilliamson		MLayton		JKEverly		NStAmour		BSmith	
DATE	10/03/06		10/05/06		10/11/06		10/11/06		10/18/06		10/18/06	

OFFICE RECORD COPY