

~~OFFICIAL USE ONLY - PROPRIETARY INFORMATION~~

April 25, 2007

Mr. Michael A. McMurphy
President and Chief Executive Officer
AREVA NP, Inc.
One Bethesda Center
4800 Hampden Lane
Suite 1100
Bethesda, MD 20814

Dear Mr. McMurphy:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your April 5, 2007, letter to Chairman Klein in which you notified the NRC of AREVA NP, Inc.'s (AREVA's) intent to submit a license application in mid-2008, to construct and operate a gas centrifuge enrichment facility. We appreciate this advance information and will use it in planning our workload and developing appropriate resource and budget request.

NRC resources are provided by the U.S. Congress and the President. Initial planning for our budget request begins more than two years in advance. The President has already proposed the agency's Fiscal Year (FY) 2008 budget, which covers the period October 1, 2007 to September 30, 2008. We will attempt to include pre-licensing consultation and license review activities to the extent we are able within appropriated resources.

The NRC staff looks forward to future discussions with you on this matter. Please have your staff coordinate with Timothy Johnson, NRC's Project Manager for the AREVA Enrichment Facility at (301)415-7299.

This letter contains sensitive, proprietary information, and is therefore deemed Official Use Only. It will not be placed in NRC's Public Document Room nor will it be publicly available through NRC's Agencywide Documents Access and Management System.

Sincerely,

/RA/

Michael F. Weber, Director
Office of Nuclear Material Safety
and Safeguards

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This correspondence addresses policy issues previously resolved by the Commission, transmits factual information, or restates Commission policy.

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* No concurrence needed since no implications for FSME. Resources tentatively discussed. PJH

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