## UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

## **BEFORE THE SECRETARY**

In the Matter of

USEC Inc. (American Centrifuge Plant) Filed December 17, 2004

Docket No. 70-7004

# NOTICE OF INTENT TO FILE A PETITION OF INTERVENTION AND REQUEST FOR EXTENSION OF TIME PERIOD FOR FILING PETITIONS OF INTERVENTION SUBMITTED BY GEOFFREY SEA

This is a request for extension of the time period for filing petitions of intervention for proceedings related to USEC's application for an NRC license. It is also a notice of Geoffrey Sea's intent to file such a petition after the license application and related documents are restored to public access and a proper sixty-day period for review and preparation has then expired.

On October 7, 2004, the Commission issued a Notice of Receipt of Application for License; Notice of Availability of Applicant's Environmental Report; Notice of Consideration of Issuance of License; and Notice of Hearing and Commission Order, all related to USEC's application for a license to construct and operate a new gas centrifuge uranium enrichment plant in the town of Sargents, near Piketon, Ohio. The Notice of Availability of Applicant's Environmental Report was effectively rescinded on October 25, 2004, when the Commission removed the license application, environmental report, and all other case related documents from electronic access, along with its entire ADAMS document retrieval system, pending a security review "to ensure that documents which might provide assistance to terrorists will be

Page 19 of 20

inaccessible." Review and reference to these documents is essential to preparation of a petition to intervene, and indeed to any considered decision about intervention.

However, the Commission failed to postpone the deadlines that were set in motion by its notices of October 7. Thus the public has been in the situation of having its time for review of the essential documents toll, while those documents have not been actually available for review. If this be democracy, it can only be democracy Ukrainian-style, that is, in desperate need of an orange revolution. Indeed, the Commission appears to have borrowed its script from the opening pages of *A Hitchhiker's Guide to the Galaxy*, by Douglas Adams, where the destruction of the Earth proceeds expeditiously in order to accommodate construction of a new Hyperspace Bypass. When earthlings express surprise at this development, they are informed by PA system that "all the planning charts and demolition orders have been on display in your local planning department in Alpha Centauri for fifty of your Earth years, so you've had plenty of time to lodge any formal complaint and it's far too late to start making a fuss about it now." The Commission's deadline for the filing of intervention petitions is today. Yet the documents

Like most of the public, I was not quick enough to access the case-related documents in the window of time between October 7 and October 25. And though I did speak to project manager Yawar Faraz during this period to request that I be put on the project's e-mail notification list, this did not occur. I received an e-mail from Yawar Faraz last evening, December 16, apologizing and explaining that he had made some error in recording my e-mail address. He also included an e-mail notification dated October 13, 2004, which, had I received it, would have informed me that the documents were available for physical inspection at the

remain inaccessible, with no specific timeline given for their restoration to electronic access.

Page 18 of 20

Commission's reading room on Alpha Centauri—oops, I mean in Rockville, Maryland. However, I do not know if these documents too were withdrawn from access on the 25<sup>th</sup>.

Clearly, sense and justice dictate that the period for filing intervention petitions regarding the USEC case must be extended, to sixty days from the date that the relevant documents are restored to public accessibility. I intend to file a petition to intervene. But other affected parties have been denied the opportunity to fairly consider their option and their right to do so. I therefore beg that the Commission grant this extension.

For the aforementioned reasons, I have not yet had the opportunity to review USEC's license application and environmental report. Therefore I cannot now submit a proper petition to intervene in compliance with Commission regulations. Yet I shall attempt to summarize here my standing for intervention and my anticipated contentions based on public statements about the documents and about the proposed project. For purposes of doing so, I shall here make some reasonable presumptions about what is contained in the case documentation, under hazard of later correction. These comments and contentions are subject to any and all types of change once the documentation can be reviewed.

#### **Description of Petitioner and Standing**

Petitioner Geoffrey Sea comes as an individual impacted by the proposed action in a number of different ways.

First, I am under contract to soon purchase a home and property that adjoins the Piketon atomic site and that shares a boundary line with the proposed centrifuge site that is nearly a mile long. My intention is to make this my primary residence. This property may be affected by operation of a centrifuge in many ways. It is in the direction of previous offsite migrations of

Page 17 of 20

uranium hexafluoride gas, including the large accidental release that occurred in March, 1978. Future plant emissions and accidental releases might follow this same path. National security restrictions will inhibit free use of the property and may themselves cause environmental problems. Beginning in 2002, a ten-foot security strip has been defoliated around the site's outer boundary using an herbicide, including all along the fence-line with my prospective property. The effects of this defoliation do not stop at the fence. Conversion of the site for new nuclear production may have a significant impact on neighboring property values, and could make my property a target for terrorism or for invasive security measures aimed at combating terrorism. The possibility of converting my property for commercial or public use related to tourism and education may be foreclosed. Enjoyment of the very rich natural environment, which includes springs and creeks and animal trails that cross the fence lines, may be seriously impinged.

Second, I have long been a leader in developing and advocating alternative uses for the atomic site, uses that would be foreclosed by construction of a centrifuge plant. Between 1980 and 1985, I was employed as a staff consultant by the Oil, Chemical and Atomic Workers Union at the site. In that capacity, I initiated the Atomic Reclamation and Conversion Project, the first organization to advocate alternative use planning for site facilities that might become surplus (at that time we did not know if the gaseous diffusion plant might close or if the Gas Centrifuge Enrichment Plant might be cancelled). I published numerous articles on the subject of site alternative use planning and played some role in alerting public officials throughout the region to the need to plan for shutdowns and terminations. These efforts ultimately gave sprout to the Department of Energy's alternative use planning efforts and to creation of the Southern Ohio Diversification Initiative. When I left the union's employment, I continued to direct the Atomic Reclamation and Conversion Project as a nonprofit organization for many years. In December of

Page 16 of 20

2003—one month ahead of USEC's announced selection of Piketon as site for the ACP—I published a long essay in *The American Scholar*, which culminated in a specific proposal to make the Piketon atomic site into a national monument. (Geoffrey Sea, "A Pigeon in Piketon," *The American Scholar*, Winter 2004, Volume 73, No. 1, pages 57-84.) I am now under contract with Viking/Penguin to turn that essay into a book, which will elaborate ideas for how the site can be cleaned up and redeveloped. USEC's centrifuge project will have obvious dramatic impacts on the possibility for "Lese alternative use scenarios, which have been in development for more than twenty years.

Third, as a writer and historian, I have become committed to protection of the cultural and environmental resources of Pike County and Scioto Township in particular. My researches led me to discover the site of the shooting of the last wild passenger pigeon in 1900, less than a mile from what would become the centrifuge plant's southwest boundary. This was a preeminent event in environmental history, for the eradication of the passenger pigeon was the most infamous man-made extinction of all. In that same locale, I have discovered a previously unrecognized remnant of the Scioto Township Works—perhaps the largest of all ancient Hopewell earthworks. Parts of this remnant touch the plant's southwest access road (and were destroyed by it); other parts cross the Department of Energy property along the Scioto River from which the plant draws its water. I have also uncovered the history of the Barnes Home, a stately mansion now celebrating its bicentennial on an estate that once included much of the land of the proposed centrifuge site. In November of 2004 I nominated the Barnes Home for listing on the National Register of Historic Places, and for consideration as a National Landmark. That application is pending. The proposed centrifuge plant will greatly impact these sites, which all

Page 15 of 20

coexist in the tiny town of Sargents, along with possibilities for public access to and enjoyment of them.

# Specific Aspects of the Subject Matter as to which Petitioner Seeks to Intervene

There are at least seven broad areas of subject matter in this proceeding as to which petitioner Geoffrey Sea wishes to intervene:

1) The need to comply with requirements of the National Historic Preservation Act and related legislation which seek to prevent "adverse effects" of federal action on sites of historical or archaeological significance, including sites listed or nominated for listing on the National Register of Historic Places, or National Landmark sites.

2) The need to consider all reasonable alternatives to the proposed license, including proposed alternative use scenarios for the site and surrounding areas.

3) The need to consider the diverse impacts on surrounding areas in terms of environmental pollution, traffic flow and road construction, national security restricted uses, and negative impact on land values and county development plans.

4) Impact of the project on environmental cleanup goals for the site and eventual possibilities for community reuse.

5) The need to plan for the project's impact on nuclear proliferation, compatibility with nuclear nonproliferation policy and implications for broader national security objectives, including the possibility that the project may need to be canceled abruptly as the result of international negotiations on uranium enrichment technology. Also, the need to weigh the project against alternate sources of nuclear fuel such as expansion of USEC's own "megatons to megawatts" program.

6) Lack of clarity and conflicts of interest in the public-private relationship between USEC and the federal government and in the nebulous quasi-private status and organization of USEC.

7) The absence of either plans or facilities to process and dispose of wastes from the proposed centrifuge plant, the dubious market potential for the plant's product, and the dubious fit of a new enrichment facility with the country's evolving energy strategy.

Respectfully submitted,

Geoffrey Sea

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## ANTICIPATED CONTENTIONS ON THE CONSTRUCTION PERMIT/OPERATING LICENSE APPLICATION FOR THE AMERICAN CENTRIFUGE PLANT MADE BY GEOFFREY SEA

Pursuant to 10 CFR 2.309 and the notice published by the Nuclear Regulatory

Commission ("NRC" or the "Commission") at 69 Fed. Reg. 5873 (Feb. 6, 2004), Petitioner

Geoffrey Sea anticipates making contentions for hearing on the construction permit/operating

license application by USEC Inc.

Here I will elaborate on the subject areas of my contentions:

1. Compliance with the National Historic Preservation Act and related legislation.

- 2. Due consideration of reasonable alternatives.
- 3. Impacts on surrounding area.
- 4. Impacts on site cleanup and community reuse.
- 5. Nuclear proliferation considerations.
- 6. Structure of USEC and of the USEC-DOE relationship.
- 7. Waste processing, waste disposal and energy markets.

## 1. Compliance with the National Historic Preservation Act and related legislation.

Section 106 of the National Historic Preservation Act establishes a process for preventing and/or rectifying any federal action that adversely impacts a historical or archaeological resource. Specifically, it mandates a process intended to be equivalent to the process established by the National Environmental Policy Act for protecting environmental resources. As with NEPA, the NHPA process essentially involves four stages of assessment, mitigation, negotiation and remediation. Section 106 kicks in when any federal action is contemplated that "may alter, directly or indirectly, any of the characteristics of a historic property that qualify the property for inclusion in the National Register [of Historic Places] in a manner that would diminish the integrity of the property's location, design, setting, materials, workmanship, feeling or association." (Section 800.5(a)(1))

It is important to recognize that the impacted site must not necessarily be listed already on the Register—it must only have qualities that would qualify it for listing. In practice this often means limitation to properties that either are listed or that are in the process of consideration for listing. More stringent criteria apply for sites that have or are being considered

Page 12 of 20

for status as National Landmarks, which are basically National Register sites that are recognized as having national significance.

It is also important to recognize that the impacted site does not have to be on federal property to be impacted. Section 106 mandates that "areas of potential effects" be established in the assessment phase, which are in every way comparable to environmental impact zones. Areas of potential effects under NHPA—which may include zones of physical damage, of visual or noise impairment, of impact on public access or aesthetic appreciation—often tend to be larger than equivalent zones of environmental impact.

Compliance with NHPA has been shoddy at best, especially for Department of Energy sites that generally predate the Act, with established operational modes that are hard to change. But this does not excuse the noncompliance.

At Piketon, the site for the atomic plant was originally chosen in 1952, for some of the very same reasons that the ancient Hopewell Indians—two thousand years ago—chose the same locale for one of their largest ceremonial earthwork complexes, if not the largest of all. In fact, due to a strange set of historical circumstances that center on the Barnes family—who built their family home to maximize their view of the earthworks—we can say that the atomic complex is where it is because of the Hopewell complex long before it.

It is therefore no coincidence that the area of the atomic site, especially that between the plant and the Scioto River, is of tremendous archaeological and historical significance. This significance has not been fully appreciated since the nineteenth century, when the earthworks were mainly intact. In 1820, Caleb Atwater surveyed "parallel walls of earth" along the Scioto River, and included a drawing of them in his treatise called *Description of the Antiquities Discovered in the State of Ohio and other Western States* (Plate XI). These walls, which were

Page 11 of 20

named the Piketon Works and are now listed on the National Register, form one of the only surviving sections of what is called The Great Hopewell Road, which once extended at least from Piketon up to Chillicothe and then on to Newark, Ohio—the longest ancient road in the Western Hemisphere. In the 1960s, the Department of Energy seized this property by eminent domain, and it now uses the earthen embankments to shield its water wells, which provide all water to the atomic site. The possible effect of this water pumping on the earthworks above has never been studied.

In the 1840s, Isaac Newton Barnes invited the famous archaeologists Squier and Davis onto his land, to survey the astounding Hopewell circle and square—each covering twenty acres—that he could see from his bedroom window. Squier and Davis dubbed this the Seal Township Works, and featured them prominently in their 1848 masterpiece, *Ancient Monuments of the Mississippi Valley* (Plate XXV). These works were surveyed again in the 1890's, and included in the Smithsonian study by Cyrus Thomas called *The Circular, Square, and Octagonal Earthworks of Ohio*. They were featured also in Gerard Fowke's *Archaeological History of Ohio* of 1902, and more recently in William Morgan's *Prehistoric Architecture in the Eastern United States* of 1980.

Renamed the Scioto Township Works when the township broke away from Seal, the small circle was largely destroyed by the modernization of Route 23 to accommodate increased traffic for the enrichment plant in 1952. The square was partially destroyed around that same time by a gravel quarry, which included an asphalt plant that produced pavement for the atomic site. The Scioto Township Works are also now listed on the National Register, though little remains of what was apparent in the 19<sup>th</sup> century.

Page 10 of 20

Because of this destruction wrought by the A-Plant and associated highways and gravel quarries, people forgot about these earthworks. No recent survey has been conducted. This is truly unfortunate because the nineteenth century surveyors lacked an essential tool for assessing the extent of the works—aerial photography. Today, if you examines an aerial photograph of the area from 1951—the year before the A-plant was built—you can see the circle and square quite clearly, but also something else, a much larger circle whose edge passed precisely between the smaller circle and the square. This larger circle, which has also not been professionally surveyed, passes right by the A-plant's southwest access road and right through the area that USEC might want to pave over to connect that road to Route 23.

It should be noted that the National Historic Preservation Act does not limit federal action only if it impacts known structures or sites, but also requires studies and surveys in cases where there is reasonable suspicion of such features. It covers "all qualifying characteristics of a historic property, including those that may have been identified subsequent to the original evaluation of the property." (Section 800.5(a)(2))

But there is no evidence that either DOE or USEC (or NRC) has ever taken its obligations under NHPA seriously. In the Risk-Based End-State document for the Piketon site, the Department of Energy included a map that showed known "archaeological sites" on the atomic reservation. But the map did not include the known Indian mounds that were destroyed during plant construction in 1952, nor did it include any of the famous Hopewell earthworks that are just offsite, even though they are listed on the National Register and even though they are close enough to appear on the map. Nor did it include DOE's riverfront property, separated from the main site, where the Piketon Works are located. These obvious and illegal omissions have allowed DOE to avoid its obligation of conducting thorough cultural resource impact

Page 9 of 20

assessments, to match its elaborate environmental impact assessments. And I am presuming that since USEC filed an extensive environmental assessment for its proposed project, but no cultural resource assessment, it too failed to provide the substance for evaluating impact under section 106 of NHPA. This omission must be corrected in NRC's licensing review.

A few more words on this subject. In public forums, DOE defends its sensitivity to archaeological resources onsite by saying that it tries to avoid physical destruction of such sites, or where it cannot avoid this, by paying for professional excavation. This is a wholly inadequate approach to Section 106 obligations. Physical destruction covers only a small subset of adverse potential effects. Perhaps the largest adverse potential effect at Piketon is the whole umbrella of national security restriction. If the site is cleaned up and developed for diverse non-nuclear and non-military uses, the archaeological sites on and off-site might one day be united, restored, and opened to the public as a showcase of Hopewell earthwork magnificence, like at Chillicothe or Newark. Such a scenario would be consistent with a civilian manufacturing company leasing the GCEP buildings. It is inconsistent with a new centrifuge facility that would maintain a lockdown status for the entire area.

It should be pointed out that the obligations of NHPA apply equally to DOE and NRC. In public statements, DOE officials have maintained that they are legally bound to lease facilities to USEC by the legislation that mandated enrichment privatization. However, that legislation did not exempt DOE from the requirements of NHPA, any more than it did from the requirements of NEPA. NRC must therefore consider in its licensing review that DOE made certain fatal errors in turning over the facilities for USEC use, without proper legal compliance, just as if DOE had failed to comply with NEPA. In other words, NRC must not only conduct its

Page 8 of 20

own Section 106 review process, but must also consider that in failing to conduct its 106 review properly, DOE may have undermined the legal basis of its lease to USEC.

## 2. Due consideration of reasonable alternatives.

This case is perhaps unique among NRC license applications because a private company is applying for a license to operate a quasi-private venture in existing buildings on a federal site. The process for considering "reasonable alternatives" under both NEPA and NHPA must therefore be suitably tailored to the specialness of the situation. Since the buildings already exist and are publicly owned, reasonable alternatives for those buildings include the full range of private leasing possibilities as well as other governmental uses. SODI, the Southern Ohio Diversification Initiative, once located a private truck manufacturing company that expressed a desire to lease one of those buildings for a plant that would employ about 800 people. That option was rejected by DOE because of its special legislated commitment to USEC. But as part of NRC's environmental and cultural resource review process, that option must be revived and explored as a reasonable alternative use.

One pernicious aspect of the centrifuge proposal is that it is a relatively small operation that will nonetheless commandeer the entire site, primarily because of the security regime that must accompany it. In practice, DOE has prohibited discussion of community use of any part of the main site, so that an unbroken "security zone" can be maintained for USEC's ACP. Therefore, the "reasonable alternatives" scenario must encompass not just a single other use for those centrifuge buildings, but a multiplicity of other uses for various parts of the very large site.

For example, what will happen to the old process buildings of the gaseous diffusion site? If the American Centrifuge Plant is built, the northern half of the site—the old diffusion plant—

Page 7 of 20

will wind up being cordoned off and left to decay, an enormous eyesore and environmental atrocity. That is clearly the intent of DOE and USEC, since they have built a new administrative office building on the south side of the site, intended to replace the old office building that will be fenced off with the diffusion plant, and perhaps demolished or entombed.

Another scenario is possible. In my essay, "A Pigeon in Piketon," I suggest that the old X-326 building, the upper bomb-grade end of the Cascade which is forever contaminated, could be entombed in an aesthetic way and made into a giant monument—a pyramid—for the passenger pigeon, which went extinct on this land. Such a monument, with an environmental education center in a clean building, could become a major draw for tourists and students— entirely consistent with a manufacturing company leasing the GCEP buildings. Under that scenario, much of the surrounding forested land could be turned over to the National Park Service, which could run nature walks through some of the wilder areas and could create a companion site to its Hopewell park in Chillicothe. A pyramid to the passenger pigeon would complement the Hopewell park—examples of monumental mound architecture, ancient and modern.

We wouldn't have to stop there. Since the site will be a location of ongoing environmental cleanup, employing cutting edge cleanup technologies, why not move that part of Oak Ridge National Laboratory that does research on environmental cleanup to Piketon? Piketon suffered under control from Oak Ridge for decades. Why can't Piketon benefit from new federal spending on research and development? It's already federal land, of immense historical and archaeological value. Why waste that? A multiplicity of new public and private uses all with an environmental theme must be considered as a "reasonable alternative" to the construction of one iffy and dirty centrifuge plant.

Page 6 of 20

When NRC considers the panoply of potential "reasonable alternatives," it must also consider that once the centrifuge facility is equipped and operated, that space will be irrevocably tainted, even if the project soon fails. That already happened once in those buildings. When construction of the Gas Centrifuge Enrichment Plant was underway and additional federal funding looked doubtful, local managers ran a "test run" of uranium through the new centrifuges—just for the purpose of contaminating that equipment and those buildings, so to frustrate all the talk of finding some alternative use. If they had not been permitted to do that, those buildings might have been occupied by a manufacturing company for the last fifteen years.

## 3. Impacts on surrounding area.

Many potential local impacts are obvious but some are less so. When security tightened at the plant-site after 9/11, the perimeter road was closed to local traffic. This is a tremendous inconvenience to residents on the east side of the plant, whose access to town and the highways was blockaded. In 2003 and 2004, the herbicide Garlan-4 was used to defoliate a ten-foot strip around the entire outer boundary of the site, destroying the lush natural vegetation and spreading a kill-zone onto adjoining properties. This was done either out of caprice or out of some new sense of enforcing "perimeter security."

Cleanup and alternative use development can slowly restore the area to some semblance of its great natural beauty and natural development pattern as existed prior to 1952. But construction of the ACP means continued atomic dependency and control, and an artificial economy for the region, continuing on into the indefinite future, perhaps irrevocably even if the project fails.

Page 5 of 20

At the very least, given the many uncertainties of this project, NRC must consider what project failure as well as operation will mean for all the small hamlets and towns in Pike County and beyond.

### 4. Impacts on site cleanup and community reuse.

There is a sense in Piketon that DOE supports the USEC vision not just because it was congressionally mandated, but because new nuclear development will relieve DOE of its cleanup obligation and forestall the necessity of restoring parts of the site to safe industrial or agricultural standards. This local concern must be taken seriously, and NRC must explore the cleanup and restoration pathways under both license award and license denial scenarios.

#### 5. Nuclear proliferation considerations.

It certainly is an odd time to be pursuing an "American Centrifuge" project. USEC's announcement of the "award" of the plant to Piketon had to be postponed twice—first in October of 2003, when Iran preemptively announced that it had an Iranian Centrifuge, and then again in December 2003, when Libya announced that it had a Libyan Centrifuge. Finally, in fear of a Bolivian Centrifuge I suppose, USEC chose the day of the Iowa presidential caucuses to announce to a near-empty press gallery that America had its centrifuge, too.

USEC had apparently failed to get a briefing paper to the president, because when the Iranian Centrifuge program was announced, George Bush went on TV to say that such a program is "criminal." USEC might come forth and say that its centrifuge is peaceful and all that. But of course that is just what the Iranians say, too.

Page 4 of 20

It is obvious to a ludicrous degree that when "The American Centrifuge" is announced as a fait accompli to the world, there will be a backlash. We will be accused of being hypocrites, because we are. Countries on the edge of reconsidering their compliance with the fraying Nonproliferation Treaty will tester over the edge. That's what this project buys.

From a self-interested perspective in Ohio, we must consider this. What happens if this project travels down the road for a few years or more years and then the North Koreans or the Iranians or the Belarussians say that they will surrender their centrifuge plants, but only if the United States does likewise? Has USEC considered and planned for that scenario? Will the country go to war to save USEC's American Centrifuge Plant? Should it?

Due to such considerations, reputable international policy experts have already started calling for an international ban on centrifuge technology. And that idea is bolstered by the fact that new demand for nuclear fuel, at least in the United States, can be met by boosting the downblending of old weapons-grade uranium, rather than by enriching more from scratch.

### 6. Structure of USEC and of the USEC-DOE relationship.

USEC is an odd thing. It was created, not for the purpose of enriching uranium, but for the purpose of closing the old diffusion plants down, without liability attaching to any politician. It is theoretically a private entity, but it exists only at the behest of the federal government, operating on federal lands, using federal equipment, its access to technology and facilities guaranteed by federal legislation, pumped with federal investment money, and with prominent national politicians serving on its board of directors. Anyone who gets to know about USEC gets uncomfortable with it. It is entirely unclear what this entity really is, whether it will exist

Page 3 of 20

tomorrow or the day after the next presidential election, and whether this quasi-nonentity can be relied upon to launch or manage any new production venture.

How the public-private divide will evolve over the course of the centrifuge project is also entirely unclear. The original privatization fervor that accompanied USEC's creation is as gone as USEC's stock price. Now it is clear that USEC's only hope for "private" survival rests on access to federal facilities for waste processing and disposal, paid for by American taxpayers. If USEC really is a private endeavor reliant on market economics, why doesn't NRC deny this license application, so that USEC can pursue its laissez faire ideal on private land, far away from any public investment, using private venture capital, with a privately funded repository for its waste? And if that scenario is as unlikely as we all know it to be, why are we enduring this charade?

### 7. Waste processing, waste disposal and energy markets.

I have not yet been able to review what USEC says it will do with its wastes, but I'm curious. DOE is building a uranium hexafluoride conversion plant at the Piketon site to convert legacy waste, using money from public funds paid by former federal enrichment customers and current American taxpayers. USEC surely would like access to that facility, but DOE says that the facility will be dedicated to legacy waste and may not have an extendable lifespan to handle more. DOE may also be of the opinion that the new privatization regime should maintain a separation, perhaps mandated by law, between new federal facilities and new private ones. Segregation was supposed to be the idea.

There currently is no private conversion facility in the United States, and nobody thinks that USEC can raise the private capital to build one. And after the depleted uranium is mystically

Page 2 of 20

converted, where will it go? New Mexico is the logical choice—in old uranium mines or at the WIPP site. But New Mexico's governor just barred the idea of New Mexico disposing of any depleted uranium waste, even from a centrifuge plant proposed for his own state. In this case, New Mexico certainly will not be taking any waste from Ohio. So what then?

Even though the USEC facility will employ some 600 workers—200 less than the truck manufacturer that wanted to lease those buildings—USEC advertises a jobs bonanza for southern Ohio. This has to be matched up against the dismal market potential of its product. With the exception of one recent order, no nuclear reactors have been ordered or built in the United States since the 1970s. Currently operating reactors are all reaching the end of their operational lives. Prospects for a massive nuclear revival in the United States are entirely speculative—and Canadian reactors use unenriched fuel. Since economy of scale is the main determinant of price for enrichment services, it is logical to forecast that the price advantage will rest for quite some time with European and Asian suppliers, where the market is. This is the inescapable logic that dooms USEC to perpetual reliance on federal subsidies, hidden or overt, and that may doom the American Centrifuge Plant altogether. My main interest is to see that southern Ohio and Scioto Township are not doomed right along with it.

From: Geof	frey Sea To: Office of the Secretary	Date: Time: 2:43:14 PM		Page 1 of 20
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