

August 14, 2008

Mr. Peter J. Miner
Director, Regulatory Affairs and Quality Assurance
U.S. Enrichment Corporation
Two Democracy center
6903 Rockledge Drive
Bethesda, MD 20817-1818

SUBJECT: AMERICAN CENTRIFUGE LEAD CASCADE FACILITY LICENSE
AMENDMENT REQUEST - REQUEST FOR ADDITIONAL INFORMATION

Dear Mr. Miner:

In your letter of July 8, 2008 (AET 08-0043), USEC Inc. (USEC) requested a license amendment to recapture the construction and testing time before operation of the Lead Cascade Facility (LC) began, for the purpose of extending the license expiration date.

The U.S. Nuclear Regulatory Commission (NRC) grants such administrative requests in order to allow the licensee to operate its facility for the full operating period of the license, and not to reduce the approved operating period because of the time needed to construct the facility, comply with NRC requirements, complete required inspections, and receive final approval by the staff to commence operation.

In Enclosure 1 of the above-referenced letter, you identified different segments of time to be recaptured. The total amount of time USEC requested to be recaptured for the LC license is 39 months. You note that the NRC granted a license for the LC on February 24, 2004, but did not allow operation of the LC to begin until August 23, 2006. This period comprises 30 of the 39 months that you requested to be recaptured. You also identified an additional nine-month period during which USEC, on its own initiative, decided to delay the building and testing of centrifuges in a cascade configuration to allow for additional testing and demonstration of individual machines that ultimately resulted in about a 10% increase in productivity. On its face, this period appears to be the result of a voluntary decision implemented by USEC for business purposes related to increasing profitability and unrelated to any NRC licensing or regulatory requirements.

In order to more fully understand how the recapture of this nine-month period relates to the construction time of the facility pursuant to the LC license as described in paragraph two above, the staff requests that you provide additional information to justify why this period of time should be included in a license amendment to extend the expiration date of the LC license. Please provide this information within 14 days of receipt of this letter.

If you have any questions concerning this request for additional information, please contact me at (301) 492-3109 or via email at stan.echols@nrc.gov.

P. Miner

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In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR), Section 2.390 of the NRC's Rules of Practice, a copy of this letter will be available electronically from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Stan Echols
Senior Project Manager
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-7003
License No.: SNM-7003

cc:
Charles Ladd/USEC

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Sincerely,

/RA/

Stan Echols
Senior Project Manager
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-7003
License No.: SNM-7003

cc:
Charles Ladd/USEC

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