

August 29, 2008

Mr. Stephen Cowne
Licensing Director
Louisiana Energy Services, L.L.C.
P.O. Box 1789
Eunice, NM 88231

SUBJECT: APPROVAL OF LOUISIANA ENERGY SERVICES TRANSPORTATION
SECURITY PLAN AND AMENDMENT 10 OF LICENSE

Dear Mr. Cowne:

On February 26, 2008, the Louisiana Energy Services (LES) transmitted to the U.S. Nuclear Regulatory Commission (NRC) its license amendment request for review and approval of the "Movement Plan for Transportation of Classified Centrifuge Components/Materials between Tripartite Countries and the US." The above transportation security plan was submitted as an amendment to the LES Standard Practice Procedure Plan (SPPP) for the protection of classified matter.

This transportation security plan was reviewed for compliance with 10 CFR 95.39(e), which requires that classified matter only be transported in accordance with procedures approved by NRC. The staff used DSP-ISG-01, "Staff Review Procedure for Transportation Security Plans for Classified Matter Shipments," as a guide for the review of this security plan. An "Official Use Only" Safety Evaluation Report is enclosed under Enclosure 1.

Based on the above review, NRC staff concludes that the LES "Movement Plan for Transportation of Classified Centrifuge Components/Materials between Tripartite Countries and the U.S." submitted on February 26, 2008, and supplemented on August 27, 2008, satisfies the NRC requirements set forth in 10 CFR 95.39(e) and is acceptable. Therefore, we are amending License Condition 10 to include approval of the movement plan.

We are also amending the LES license as follows:

1. Under License Condition 10, to reference the October 12, 2007, administrative revisions to the Standard Practice Procedures Plan (SPPP) approved on November 8, 2007;
2. Under License Condition 2, to change the LES address as requested on July 2, 2008;
3. Under License Condition 10, to reference the August 4, 2008, page changes applicable to our July 11, 2008, approval of the LES SPPP, Revision 4, amendment requested on February 4, 2008;
4. Under License Condition 10, to reference the August 11, 2008, page changes applicable to our July 29, 2008, approval of the physical security plan amendment you requested on February 12, 2008; and

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5. Under License Condition 10, to reference the Quality Assurance Program Description (QAPD) update you submitted on July 31, 2008. Our review determined that the QAPD changes are non-substantive, do not reduce the LES license or approved QAPD commitments, and do not result in the need for a formal amendment submittal.

An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(11) and 10 CFR 51.22(c)(12).

If you have any questions, please contact Mr. Timothy C. Johnson at (301) 492-3121.

Sincerely,

/RA/

Daniel H. Dorman, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Enclosures:

1. Movement Plan Safety Evaluation Report (OFFICIAL USE ONLY)
2. Amendment 10 of License

Docket No.: 70-3103
License No.: SNM-2010

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cc/ w/o Enclosure 1:

William Szymanski/DOE
Gary Don Reagan /Hobbs
Betty Richman/Tatum
Glen Hackler/Andrews
Matt White/Eunice
CO'Claire/Ohio
Joseph Malherek/PC
Tannis Fox/NMED
Roger Mulder/Texas

Alton Dunn/Jal
Daniel Stenger/H&H
Reinhard Hinterreither/LES
Gary Schubert/Lea Cty
Richard Ratliff/Texas
Lee Cheney/CNIC
Ron Curry/NMED
Patricia Madrid/NMAG
Clint Williamson/LES

Lindsay Lovejoy/NIRS
David Trujillo/Lovington
Gregory Smith/LES
John Parker/NMED
M. Marriotte/NIRS
Cindy Padilla/NMED
D. Watchman-Moore/NMED
Glen Smith/NMAG

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