

January 25, 2009

Mr. Stephen Cowne, Director
Quality and Regulatory Affairs
Louisiana Energy Services
P.O. Box 1789
Eunice, NM 88231

SUBJECT: APPROVAL OF LOUISIANA ENERGY SERVICES REQUEST FOR
WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (LOUISIANA
ENERGY SERVICES GAS CENTRIFUGE URANIUM ENRICHMENT FACILITY)

Dear Mr. Cowne:

On December 22, 2008, Mr. Jerome Reed transmitted an affidavit signed by Mr. Reed requesting that information related to the letter of credit used by Louisiana Energy Services (LES) to demonstrate compliance with the decommissioning financial assurance requirements be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Section 2.390. Mr. Reed did not provide a non-proprietary version of the documents.

On December 30, 2008, Mr. Gregory Smith transmitted an affidavit signed by Mr. Smith requesting that information related to the standby trust agreement used by LES to demonstrate compliance with the decommissioning financial assurance requirements, also be withheld from public disclosure. Mr. Smith did not provide a non-proprietary version of the documents.

In the affidavits, dated December 22, 2008 and December 30, 2008, Mr. Reed and Mr. Smith stated that LES wishes to withhold, from public disclosure, the financial assurance instruments submitted for meeting the decommissioning financial assurance requirements.

In the affidavits, Mr. Reed and Mr. Smith requested that the documents be withheld because they contain proprietary information related to commercial aspects and business strategy of the LES uranium enrichment facility. Further, Mr. Reed and Mr. Smith stated that this type of information is routinely protected by LES and has been withheld from public disclosure by the U.S. Nuclear Regulatory Commission (NRC) in the past.

We reviewed the justification that Mr. Reed and Mr. Smith provided in accordance with the requirements of 10 CFR 2.390 and, on the basis of Mr. Reed's and Mr. Smith's statements, have determined that the information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Withholding information from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify NRC. You should also understand that NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

In accordance with 10 CFR 2.390(d) of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Document Access and Management System.

Sincerely,

/RA/

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

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

cc: 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
Jon Goldstein/NMED
Glen Smith/NMAG

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Betty Richman/Tatum	Reinhard Hinterreither/LES	Gregory Smith/LES
Glen Hackler/Andrews	Gary Schubert/Lea Cty	John Parker/NMED
Matt White/Eunice	Richard Ratliff/Texas	M. Marriotte/NIRS
CO'Claire/Ohio	Lee Cheney/CNIC	Cindy Padilla/NMED
Joseph Malherek/PC	Ron Curry/NMED	Jon Goldstein/NMED
Tannis Fox/NMED	Patricia Madrid/NMAG	Glen Smith/NMAG
Roger Mulder/Texas	Clint Williamson/LES	

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OFC	UEB	UEB	UEB
NAME	TCJohnson	VWilliams	BSmith
DATE	01/23/09	01/23/09	01/25/09

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