

GEHitachiUELAPEm Resource

From: Ridge, Christianne
Sent: Saturday, April 18, 2009 2:24 PM
To: Avci, Halil I.
Subject: FW: GE Hitachi Letter Regarding DOE DU Estimate
Attachments: Request for Revised DOE DU Estimate 3-18-09.pdf

Halil,
Please see the attached letter with changes to DU generation rates.
Thanks.

-----Original Message-----

From: Timothy Johnson
Sent: Thursday, March 19, 2009 10:24 AM
To: Christianne Ridge
Cc: Brian Smith
Subject: FW: GE Hitachi Letter Regarding DOE DU Estimate

See attached letter with changes to DU generation rates.

-----Original Message-----

From: Kennedy, Albert E (GE Infra, Energy) [mailto:albertE.kennedy@ge.com]
Sent: Wednesday, March 18, 2009 3:41 PM
To: Brian Smith; Timothy Johnson
Subject: FW: GE Hitachi Letter Regarding DOE DU Estimate

I'll call and discuss this with you.

Al Kennedy
EHS Facility Licensing Manager
GE Hitachi Nuclear Energy

T 910 819 1925
M 910 200 9805
F 910 675 5285

>
> _____
> From: Kennedy, Albert E (GE Infra, Energy)
> Sent: Wednesday, March 18, 2009 3:34 PM
> To: DOE (Ross Bradley Tails Estimate) (ross.bradley@em.doe.gov)
> Cc: 'DOE, Bill Szymanski'
> Subject: GE Hitachi Letter Regarding DOE DU Estimate
>
> Ross,
> Thank you for taking the time to discuss our DU estimate the other
> day. Your assistance is greatly appreciated.
>
> Per our discussion I have attached my letter outlining our discussion
> and asking for a revised estimate. If you need any additional
> information, please do not hesitate to contact me.
>
> Hope you enjoy March Madness...

>
>
> <<Request for Revised DOE DU Estimate 3-18-09.pdf>>
>
> Al Kennedy
> EHS Facility Licensing Manager
> GE Hitachi Nuclear Energy
>
> T 910 819 1925
> M 910 200 9805
> F 910 675 5285
>

Hearing Identifier: GEHitachiUE_LicenseApplication_Public
Email Number: 158

Mail Envelope Properties (89515C5A6407354784A897CABE08E52D0889E0629A)

Subject: FW: GE Hitachi Letter Regarding DOE DU Estimate
Sent Date: 4/18/2009 2:23:45 PM
Received Date: 4/18/2009 2:23:00 PM
From: Ridge, Christianne

Created By: Christianne.Ridge@nrc.gov

Recipients:
"Avci, Halil I." <avci@anl.gov>
Tracking Status: None

Post Office: HQCLSTR02.nrc.gov

Files	Size	Date & Time
MESSAGE	1632	4/18/2009 2:23:00 PM
Request for Revised DOE DU Estimate 3-18-09.pdf		66597

Options
Priority: Standard
Return Notification: No
Reply Requested: No
Sensitivity: Normal
Expiration Date:
Recipients Received:



HITACHI

GE Hitachi Nuclear Energy

Al Kennedy
Facility Licensing Manager
Environment, Health & Safety

P.O. Box 780 M/C L-65
3901 Castle Hayne Road
Wilmington, NC 28402

T 910 819 1925
F 910 675 5285
Alberte.Kennedy@ge.com

March 18, 2009

Mr. Ross Bradley
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0113

Subject: DOE Cost Estimate for the Disposition of Depleted Uranium Hexafluoride

Dear Mr. Bradley:

Thank you for speaking with me on March 11, 2009. We appreciate your agreement that the items we discussed regarding the Department of Energy's ("DOE") March 17, 2008 UF₆ disposal estimate for Global Laser Enrichment (GLE) will not increase, and will likely decrease, the per kg estimated cost of UF₆ tails disposal. A summary of the items we discussed during the call is provided below:

- In our November 30, 2007 letter to DOE, we inadvertently understated the amount of UF₆ tails that the GLE Commercial Facility ("CF") will generate. Specifically, the GLE CF's projected output per year of UF₆ tails is 10,500 metric tons – not 7,100.
- Additionally, the GLE CF's total projected output of UF₆ tails is 391.5K metric tons – not 284K. The incorrect 284K metric tons value is used as part of the calculation of the "Capital Cost" and "Decontamination & Decommissioning" components of the March 17, 2008 disposal estimate. However, based on the calculation method used, an increase in total GLE CF output should result in a decreased estimate per kg of UF₆ tails.
- GLE intends to submit its license application for the GLE CF in the second quarter of 2009. As a result, we expect GLE CF operations to begin several years following license approval for a total duration of forty (40) years. The March 17, 2008 disposal estimate anticipates the GLE CF beginning operations in 2010. We do not expect that amending these dates will impact the estimate in any way.

To address these issues, we request that DOE amend the March 17, 2008 disposal estimate by sending us a letter that includes a revised disposal estimate based on the corrected information (*i.e.*, output of 10,500 metric tons of UF₆ tails, a total projected output of 391.5K metric tons of UF₆ tails, and an operating period of forty years). To simplify the process of revising the estimate, we suggest that DOE not change any of the calculation methods or the base year used (*i.e.*, FY07) in the March 17, 2008 disposal estimate. Instead, we suggest that DOE simply recalculate the "Capital Cost" and "Decontamination & Decommissioning" components of the disposal estimate by using the corrected total GLE CF total output of 391.5K metric tons rather than 284K metric tons.

We are in the process of finalizing the GLE CF license application and would appreciate the amended estimate by April 3, 2009. In the event that this is not possible, we plan to file the license application with the understanding that the March 17, 2008 disposal estimate contains the maximum expected cost disposal estimate (*i.e.*, \$5.72 per kg in FY07 dollars).

Please contact me at 910-819-1925 if you require additional information or have any questions. We greatly appreciate your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Al Kennedy', written over a printed name.

Al Kennedy
GE Hitachi Nuclear Energy
Facility Licensing Manager

cc: Tammy Orr (GLE)
Lori Butler (GEH)
Harold Neems (GEH)
Bob Brown (GEH)
Don Silverman (Morgan Lewis)
Martin O'Neill (Morgan Lewis)
Brian Smith (NRC NMSS)