



Department of Energy

Portsmouth/Paducah Project Office
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AUG 19 2010

Mr. Dan Dorman, Director
Division of Fuel Cycle Safety and Safeguards
Attention: Document Control Desk
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

PPPO-01-979296-10

Dear Mr. Dorman:

**THE DEPARTMENT OF ENERGY ASSUMPTION OF REGULATORY OVERSIGHT
FOR PORTSMOUTH FACILITIES BEING RETURNED TO THE DEPARTMENT OF
ENERGY ON SEPTEMBER 30, 2010 - PORTSMOUTH GASEOUS DIFFUSION PLANT,
DOCKET 70-7002, CERTIFICATE NUMBER GDP-2**

During the meeting between the United States Enrichment Corporation (USEC) and the Nuclear Regulatory Commission (NRC) on July 7, 2010, the Department of Energy (DOE) committed to providing a letter of intent to the NRC regarding oversight responsibilities for the transfer of nuclear facilities and materials at the Portsmouth Site. DOE is preparing to provide regulatory oversight for several nuclear facilities (identified by DOE 10-0005, *Letter of Intent to Return Facilities at the Portsmouth Gaseous Diffusion Plant to DOE in 2010*) at the Portsmouth Gaseous Diffusion Plant on September 30, 2010. USEC submitted a Certificate Amendment Request (CAR) requesting an amendment to the Certificate of Compliance (GDP-2) for the Portsmouth Gaseous Diffusion Plant on February 24, 2010 (GDP 10-0004), which will result in the transfer of regulatory oversight from the Nuclear Regulatory Commission to the DOE. This transfer of regulatory authority will occur via the normal de-lease of these facilities on September 30, 2010 to accommodate DOE plans for decontamination and decommissioning of these facilities. The facilities are listed in the USEC CAR request and include X-326, X-330, X-333, X-342A, X-343, and X-344A. On September 30, 2010 USEC will have implemented a nuclear safety basis compliant with 10 CFR § 830, *Nuclear Safety Management* for the facilities. DOE is coordinating numerous efforts related to the transfer of regulatory authority in the affected facilities. NRC approval of the CAR by September 15th would facilitate these efforts.

DOE is accepting responsibility for the nuclear materials in the de-leased facilities and appropriate changes will be made in the Nuclear Materials Control and Accountability program.

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If you have any questions or require additional information, please contact Tom Hines of my staff at (270) 441-6829.

Sincerely,



William E. Murphie
Manager
Portsmouth/Paducah Project Office

cc:

DMC/Kevil

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