

November 23, 2010

Mr. Matt McMillen, Director
Environmental Compliance Division
Loan Programs Office, DOE
U.S. Department of Energy LP 10
1000 Independence Avenue, SW
Washington, DC 20585

SUBJECT: OCTOBER 21, 2010, TELEPHONE CONVERSATION REGARDING
COMPLIANCE WITH FARMLAND PROTECTION POLICY ACT FOR THE
PROPOSED AREVA ENRICHMENT SERVICES LLC EAGLE ROCK
ENRICHMENT FACILITY IN BONNEVILLE COUNTY, IDAHO

Dear Mr. McMillen:

The U.S. Nuclear Regulatory Commission (NRC) appreciates the participation of U.S. Department of Energy (DOE) Loan Programs Office (LPO) staff in telephone conversations with NRC staff regarding compliance with the Farmland Protection Policy Act (FPPA) for the proposed AREVA Enrichment Services LLC (AES) Eagle Rock Enrichment Facility (EREF). For this project, the NRC is currently reviewing the license application from AES, and the DOE LPO has offered AES a conditional loan guarantee.

During an October 21, 2010, telephone conversation between Mr. Joseph Montgomery, DOE LPO consultant, and Mr. Stephen Lemont of the NRC, Mr. Montgomery related the DOE LPO's decision to go through the FPPA process for the proposed EREF project, including the completion of the necessary U.S. Department of Agriculture forms over the next few weeks. This is appropriate because the DOE's loan guarantee action is subject to the requirements of the FPPA, but the NRC's licensing action is not. It was also discussed that in the Final Environmental Impact Statement the NRC is currently preparing in support of its licensing action, there will be language to the effect that (1) the DOE conditional loan guarantee action is subject to the requirements of the FPPA for purposes of the EREF project, and (2) the DOE has completed/will complete the required farmland conversion impact rating and any associated actions or determinations in compliance with the FPPA, as necessary.

M. McMillen

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Please contact Mr. Stephen Lemont of my office at 301-415-5163, or by email at Stephen.Lemont@nrc.gov, if you have any questions. Thank you.

Sincerely,

/RA/

David L. Skeen, Acting Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 70-7015

cc: Joseph Montgomery, DOE

M. McMillen

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David L. Skeen, Acting Deputy Director
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