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LES-10-00205-NRC

Attn: Document Control Desk
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Louisiana Energy Services, LLC
NRC Docket No. 70-3103

Subject: LBD Update for Phased Operations

In accordance with 10 CFR 70.72(c) and 10 CFR 70.32, Louisiana Energy Services (LES) is allowed to make changes to Licensing Basis Documents (LBDs) under LES' approval authority. As discussed with the NRC, LES agreed to provide an interim update upon incorporation of final details for Operations Phase 1, as described in the Safety Analysis Report. These changes are reflected in the revised Safety Analysis Report.

The phased approach was added to provide a description of the phased operation concept. The License Basis Documents were originally written as though the facility was complete and operating. Over the past year, LES has modified the LBDs to more accurately reflect the current state of the facility and within Chapter 12 of the SAR, the phased approach and phases are described. These sections identify the differences between the descriptions in the existing LBDs and the actual configuration or operation that will exist as the facility progresses through successive operational phases. Final details of Production Phase 1 have been added and an update to Initial Plant Operations was made.

As discussed with members of your staff, LES agreed to provide specific details of additional phases for planning purposes in correspondence instead of placing preliminary information into the License. Production Phase 2 and Phase 3 are summarized in Enclosure 1.

Attached as Enclosures 2 and 4 are marked up pages to the Safety Analysis Report and Integrated Safety Analysis Report, respectively. Revision bars, strikethroughs and underlines were utilized to show the changes. Attached as Enclosures 3 and 5 are complete clean copies of the Safety Analysis Report and Integrated Safety Analysis Report respectively.

If you have any questions, please direct them to Gary Sanford, Director of Quality and Regulatory Affairs, at 575.394.5704.

Respectfully,

David E. Sexton
Chief Nuclear Officer and Vice President of Operations

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Enclosures: 1) Production Phase 2 and Phase 3 Description
2) Page changes to the Safety Analysis Report, Revision 28 and 29
3) Clean copy of Safety Analysis Report, Revision 29
4) Page changes to the ISA, Revision 17 and 18
5) Clean copy of the ISA, Revision 18

cc:

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Enclosure 1
Production Phase 2 and Phase 3 Description

Initial Plant Operation

Initial Plant Operations (IPO) began on June 25 when Cascade 1 was placed into service and ended on October 8, 2010 as Production Phase 1 began when the UBC Storage Pad was placed into service.

Production Phase 1

During Initial Plant Operations, a number of functions were provided by alternate means. This continues into Production Phase 1:

- Cylinder shipping and receiving is accomplished via a Vehicle Loading and Unloading Area on the west side of the UF_6 Handling Area of SBM-1001.

- Cylinder storage is accomplished using the UF_6 Handling Area Feed, Feed Purification, Product, Blending, and Tails stations. Product cylinder storage will increase as assay 1002 stations become available. Production forecasts suggest that all available product cylinder storage in the UF_6 Handling Area could be full by May 2011. Contingency plans are being developed to raise the product storage capacity by storing full cylinders in overpacks in low traffic areas of the UF_6 Handling Area.

- Chemistry Laboratory analysis is performed off-site using contract services.

- Radioactive solid and liquid waste and contaminated recyclable materials are bagged or containerized to prevent the spread of contamination, then analyzed and surveyed to support evaluation for special nuclear material and radiation level. Low level radioactive waste and recyclable materials free of special nuclear material are moved to Radioactive Material Areas external to SBM-1001 and the CAA. All other waste and recyclable materials are stored in SBM-1001. All waste and recyclable materials containing special nuclear material are tracked in accordance with the accountability program and remain in the Item Control Area of SBM-1001. On occasion, vendors may be contracted to dispose of select waste or decontaminate select recyclables for reuse.

There are two major differences between Initial Plant Operations and Production Phase 1 referred to as Production Phase 1a and Production Phase 1b:

Production Phase 1a

The UBC Storage Pad was placed into service on October 8, 2010. This pad provides an alternate location for cylinder receiving and storage. In fair weather the UBC Storage Pad receives incoming feed and empty cylinders. During inclement weather receiving continues on the west side of the UF_6 Handling Area of SBM-1001. The pad also provides for storage of tails, full and empty feed, and clean empty product cylinders.

Production Phase 1b

In late February or early March 2011 Phase 1b is expected to begin with completion of the NRC Operational Readiness Review (ORR) of the liquid sampling autoclave. With liquid sampling autoclave capability, product cylinder homogenization and liquid sampling will begin.

Because the CRDB Sub-Sampling System, Chemistry Laboratory and Mass Spectrometry Laboratory are not available, samples from product cylinders (collected in 1S sample bottles in the autoclave) are shipped off-site for sub-sampling into P10 bottles. After sub-sampling, the 1S sample bottles with residual product and product-filled P10 bottles are returned to URENCO USA. The 1S sample bottles are emptied into the production process then stored on site for recycling. One of the product-filled P10 bottles is shipped to CEMRC for analysis and the others held for later use. CEMRC returns analysis results and the empty and cleaned P10 bottle to URENCO USA.

The CEMRC analysis results are reviewed to confirm the product is within specifications. Unacceptable product is quarantined for investigation and disposition. Acceptable product is released by Chemistry for shipment to the customer.

In accordance with the specifications of the customer's contract, the product cylinder and an appropriate number product filled P10 bottles are separately packaged for transport. When the packages have been prepared with their necessary documentation, the product cylinder and product-filled P10 bottles are shipped to the customer.

Production Phase 2

In the spring of 2011, Production Phase 2a is expected to begin with the completion of the NRC ORR of the CRDB Cylinder Handling and Storage. This allows the filled product cylinders being stored in the UF_6 Handling Area to be moved to the CRDB cylinder storage area.

In the summer of 2011, Production Phase 2b is expected to begin with the completion of the NRC ORR of the CRDB Gaseous Effluent Vent System, Sub-sampling System, Chemistry Laboratory, and Mass Spectrometry Laboratory. This allows on site sub-sampling and analysis of product cylinder samples.

Production Phase 3

In 2012 Production Phase 3 is expected begin with the completion of the NRC ORR of the Liquid Effluent Collection and Treatment System, Solid Waste Storage Room, Decontamination Workshop, and Ventilated Room. This summary will be updated as Production Phase 3 plan details become available.

Enclosure 2
Page changes to the Safety Analysis Report, Revision 28 and 29
(Revision bars, strikethroughs and underlines utilized)