

September 27, 2011

Mr. Robert Van Namen, Senior Vice President
United States Enrichment Corporation
2 Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817-1818

SUBJECT: APPROVAL OF PART 76 CERTIFICATE TERMINATION FOR THE UNITED STATES ENRICHMENT CORPORATION, PORTSMOUTH GASEOUS DIFFUSION PLANT (TAC NO. L32771)

Dear Mr. Van Namen:

The staff of the U.S. Nuclear Regulatory Commission (NRC) has reviewed the letters dated March 15, 2011 and June 28, 2011 (available via NRC's Agencywide Documents Access and Management System (ADAMS) Accession Numbers ML110830077 and ML111940542, respectively), submitted by the United States Enrichment Corporation (USEC), regarding the gaseous diffusion uranium enrichment plant (GDP) at Piketon, Ohio (PORTS). The letters requested the NRC to approve the proposed actions to de-lease the remaining GDP facilities at PORTS, return these facilities to the U.S. Department of Energy (DOE), and terminate the NRC's GDP-2 certificate of compliance (CoC). This letter is to inform you that consistent with Title 10 of the *Code of Federal Regulations* (10 CFR) 76.66 (b), and as further documented in the enclosed Compliance Evaluation Report (CER) (ML112500382), the NRC has determined that a sufficient basis exists to terminate the CoC. Accordingly, this letter also approves USEC's request to de-lease the remaining GDP facilities at PORTS and return these facilities to DOE.

A final CoC termination letter will be issued by the NRC under separate cover once NRC has received USEC's certification of non-possession with respect to its classified holdings, and upon USEC written notification that (1) all PORTS facilities have been de-leased and are under DOE regulatory authority, or have been sub-leased to the American Centrifuge Plant (ACP), operated by USEC, Inc. under an NRC license issued pursuant to 10 CFR Part 70; (2) ownership and possession of all NRC-regulated material has been transferred to DOE; and (3) all material transfer documentation and updates to the Nuclear Material Management and Safeguards System (NMMSS), are complete. Until such time that NRC issues the final CoC termination letter, NRC will maintain regulatory authority over the byproduct, source, and special nuclear material at the PORTS GDP facilities, and USEC must continue to comply with its current NRC-approved nuclear material control and accounting plan.

Once DOE has assumed regulatory authority, maintenance of and compliance with the GDP-2 CoC and associated NRC certification documents (*i.e.*, technical safety requirements, safety analysis report, quality assurance program, emergency plan, fundamental nuclear material control plan, physical protection plan, and plan for protecting classified matter) will no longer be required. Upon transfer of regulatory authority over PORTS to DOE, any NRC Orders covering the PORTS GDP will no longer be applicable at the PORTS site.

If the de-lease cannot occur within 15 days of the date of the CoC termination approval now being granted, USEC must notify NRC so that NRC can consider if additional actions will be needed to maintain appropriate NRC regulatory oversight.

As discussed in the enclosed CER, the DOE supports USEC's CoC termination request, and has agreed to take ownership and possession of all byproduct, source, and special nuclear material at the PORTS GDP facilities. Necessary financial assurance is provided through a Reverse Work Authorization and a Statement of Work entered into by USEC and DOE.

As discussed in the CER, some of the facilities now under the GDP-2 CoC will be transferred to the ACP, under a 10 CFR Part 70 license issued to USEC, Inc. The action necessary to amend the 10 CFR Part 70 ACP license (to account for some byproduct material that will be transferred to the ACP) will be documented under separate cover.

In accordance with 10 CFR, Section 2.390 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 System component of the NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this action, please contact Mr. Kevin Mattern at (301) 492-3221, or via e-mail to Kevin.Mattern@nrc.gov.

Sincerely,

/RA/

Marissa G. Bailey, Deputy Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Enclosure:
As stated

Docket No. 70-7002
Certificate No. GDP-2

cc: Mr. Al Stone, USEC-PORTS
Mr. Steven Toelle, USEC
Mr. Randall M. DeVault, DOE
Mr. William E. Murphie, DOE

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If you have any questions regarding this action, please contact Mr. Kevin Mattern at (301) 492-3221, or via e-mail to Kevin.Mattern@nrc.gov.

Sincerely,

/RA/

Marissa G. Bailey, Deputy Director
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