



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

January 23, 2012

Gary J. Laughlin, Chief Nuclear Officer
and Head of Technical Services
Louisiana Energy Services, National Enrichment Facility, L.L.C.
P.O. Box 1789
Eunice, NM 88231

SUBJECT: LOUISIANA ENERGY SERVICES, L.L.C., URENCO USA FACILITY, DOCKET
NO. 70-3103, AUTHORIZATION TO INTRODUCE URANIUM HEXAFLUORIDE
INTO CASCADE 1.7

Dear Mr. Laughlin:

This letter confirms our discussion on January 23, 2012, during which you were informed that the NRC has authorized the introduction of uranium hexafluoride into Cascade 1.7 at the Louisiana Energy Services (LES), URENCO USA Facility located in Eunice, New Mexico. This authorization is pursuant to the provisions of Part 70, Paragraph 70.32(k) and 10 CFR 40.41 (g) of Title 10 of the *Code of Federal Regulations* (CFR) that states, "No person may commence operation of a uranium enrichment facility until the Commission verifies through inspection that the facility has been constructed in accordance with the requirements of the license."

This NRC authorization is based on the results of construction and quality assurance inspections of Cascade 1.7 described in the inspection reports listed in the enclosure. The NRC staff determined that the systems, structures, and components designed to support safe operation of Cascade 1.7 were constructed in accordance with the requirements of your license. Specifically, our inspections provided: (1) reasonable assurance that the design, construction, and implementation of items relied on for safety (IROFS) will protect against natural phenomena and the consequences of potential accidents, (2) verification that the Quality Assurance Program was adequately implemented during construction; and (3) verification that the construction of the IROFS was completed in accordance with the documents comprising the license and the Integrated Safety Analysis.

During our inspections, the NRC staff reviewed and inspected procurement, receipt inspections, installation and testing of the Cascade 1.7 centrifuge header piping, upper and lower steelworks and flomels for compliance to Quality Level 1 requirements. The staff also conducted interviews with LES staff and contractor personnel including employees in operations, technical support and management. The publically available inspection reports that describe the construction and quality assurance inspections of Cascade 1.7 are accessible through the NRC's public electronic reading room, Agency-wide Document Access and Management System (ADAMS) at <http://www.nrc.gov/reading-rm/adams.htm> at the accession numbers listed in the enclosure.

G. Laughlin

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Please note that this authorization does not apply to any cascades other than Cascade 1.7, and it does not apply to processes or components associated with future phases of facility operations.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," this document may be accessed through ADAMS on the internet at www.nrc.gov/reading-rm/adams.htm.

Should you have any questions concerning this letter, please contact Mr. Joselito Calle at (404) 997-4418.

Sincerely,

/RA/

Anthony T. Gody, Director
Division of Fuel Facility Inspection

Docket No.: 70-3103
License No.: SNM-2010

Enclosure: List of Cascade 1.7 Inspection Reports

cc w/encl: (See Page 3)

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Division of Fuel Facility Inspection

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Enclosure: List of Cascade 1.7 Inspection Reports

cc w/encl: (See Page 3)

Distribution w/encl:
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M. Raddatz, NMSS
M. Bailey, NMSS
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C. Ogle, RII
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J. Moorman, RII
S. Freeman, RII
D. Hartland, RII
J. Calle, RII
C. Taylor, RII
PUBLIC

***see previous concurrence**

PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE
ADAMS: Yes ACCESSION NUMBER: ML12024A283 SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	NMSS	CCI			
SIGNATURE	/RA/	/RA/	/RA via email/	/RA/			
NAME	DHartland	JCalle*	JKinneman	COgle			
DATE	1/23/2012	1/23/2012	1/23/2012	1/23/2012			
E-MAIL COPY	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

cc w/encl:
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Division for Regulatory Services
1100 West 49th Street
Austin, TX 78756-3189

Construction and Quality Assurance Inspection Reports for Cascade 1.7

Inspection Report Number	ADAMS Accession Number
2010-007	ML11353A102
2011-009	ML11342A131
2012-002	Pending