

June 17, 2014 GDP 14-0014

ATTN: Document Control Desk Ms. Catherine Haney Director, Office of Nuclear Material Safety and Safeguards U.S. Nuclear Regulatory Commission Washington, D.C. 20555-0001

Paducah Gaseous Diffusion Plant (PGDP) Docket No. 70-7001, Certificate No. GDP-1 Proposed Actions for Termination of NRC Certified Operations at PGDP

Dear Ms. Haney:

The purpose of this letter is to request U.S. Nuclear Regulatory Commission (NRC) review of United States Enrichment Corporation (USEC) proposed actions to de-lease the NRC certified facilities at PGDP and terminate USEC operations at PGDP under the NRC Certificate of Compliance. After termination of operations, USEC will have no further need for the NRC Certificate for PGDP.

On June 17, 2014, the U.S. Department of Energy (DOE) and USEC signed a Framework Agreement, which establishes a framework for the de-lease and return of all leased premises at PGDP to DOE. The Framework Agreement establishes a return date as early as October 1, 2014, subject to conditions in the Framework Agreement, the Turnover Plan, and all turnover requirements in the Lease. In the event that the conditions are not fully met on October 1, 2014, the leased premises will be returned to DOE as quickly as possible after October 1, 2014, subject to the satisfaction of all conditions.

In accordance with 10 CFR 76.66, USEC proposes to send a notification to NRC that USEC is terminating NRC certified operations at PGDP in conjunction with de-lease of all remaining USEC leased facilities and that DOE, through its Deactivation Contractor, will be assuming operation and control of the currently USEC leased, NRC certified facilities and operations. As part of this notification, USEC will address the following:

• The regulatory basis that will be in place to ensure a seamless transition of regulatory authority from NRC to DOE such that no gaps in the oversight of PGDP facilities exist. Documentation that DOE agrees to assume regulatory authority of all PGDP facilities when NRC's authority ends will be provided.

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- Confirmation of uninterrupted control over source, byproduct and special nuclear materials in full compliance with the NRC approved Fundamental Nuclear Material Control Plan during transition of regulatory oversight from NRC to DOE.
- Fulfillment of all USEC obligations contained in the NRC Certificate Decommissioning Funding Program for radioactive waste and depleted uranium disposal.
- Confirmation of USEC's adherence to all requirements of the NRC Certificate Physical Security and Classified Matter Security Plans during transition.

USEC requests that NRC determine if there are any additional areas that should be addressed by USEC in the notification required by 10 CFR 76.66 for the PGDP termination of operations and associated termination of the Certificate. USEC will provide any additional information and support needed by NRC to make this determination. If you have any questions regarding this matter, please contact me at (301) 564-3250.

Sincerely,

S. A. Tulk

Steven A. Toelle Director, Regulatory Affairs

cc: M. Crespo, NRC Region II R. DeVault, DOE T. Grice, NRC HQ T. Hines, DOE, PPPO-PGDP O. Siurano-Perez, NRC HQ B. Smith, NRC HQ M. Sykes, NRC Region II