

September 30, 2016

Mr. Gary Peters
Director, Regulatory Affairs
AREVA Inc.
3315 Old Forest Road
Lynchburg, VA 24501

SUBJECT: AREVA INC. REQUEST FOR U.S. NUCLEAR REGULATORY COMMISSION
CONSENT TO TRANSFER LICENSES, COST ACTIVITY CODE L34377

Dear Mr. Peters:

This is in response to your letter dated July 25, 2016 (Agencywide Documents Access and Management Systems (ADAMS) Accession Number ML16207A715), submitted to the U.S. Nuclear Regulatory Commission (NRC) pursuant to Section 184 of the Atomic Energy Act of 1954, as amended; Title 10 of the *Code of Federal Regulations* (10 CFR) Sections 40.46, 70.36, and 110.51; and in accordance with NUREG-1556, Volume 15 "Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Material Licenses." Your letter provided AREVA's written notification to the NRC concerning a planned internal reorganization within the AREVA family of companies in the U.S. that is now expected to be completed by January 1, 2017.

Your letter also served as AREVA Inc.'s request for NRC's consent to the direct and indirect transfer of control of several NRC Materials and Export Licenses held by AREVA Inc. and AREVA Enrichment Services LLC (AES). You also requested approval of conforming amendments to reflect the new name of the licensees, AREVA Nuclear Materials, LLC, and TN Americas, LLC, which will hold the licenses after the requested license transfers occur. You further requested that the NRC confirm that the proposed reorganization does not involve a transfer of control of Construction Authorization (CA) Number CAMOX-001 that would need NRC's prior consent pursuant to 10 CFR 70.36.

The NRC staff has completed its review of your request. Based on the findings documented in the enclosed Safety Evaluation Report (SER, Enclosure 1), the NRC consents to:

1. The indirect transfer of control of Special Nuclear Material License Number SNM-2015 for the Eagle Rock Enrichment Facility (EREF) to be built in Bonneville County, Idaho, currently held by AES, which, after the completion of the reorganization, will be renamed as AREVA Nuclear Materials, LLC.
2. The direct transfer of control of Source Material License Number SUA-672, for the Lucky Mc uranium tailings site in Fremont County, Wyoming, from AREVA Inc. to AREVA Nuclear Materials, LLC.
3. The direct transfer of control of Export License XSOU8780 from AREVA Inc. to AREVA Nuclear Materials, LLC; and

4. The direct transfer of control of Export License Numbers XSNM3643 and XSNM3722 from AREVA Inc. to the new TN Americas, LLC.

The NRC staff finds that these license transfers are in accordance with NRC requirements in 10 CFR 40.46, 70.36, 110.50(d), and 110.51(a)(1). As detailed in the SER, your requests for approval of the conforming license amendments are also approved.

With regard to CA Number CAMOX-001, the NRC staff finds that the transfer of AREVA Inc.'s ownership interests in MOX Services to AREVA Nuclear Materials, LLC will not affect CB&I's controlling 70 percent (70%) interest in MOX Services. Accordingly, the NRC confirms that the proposed reorganization does not involve any transfer of control of CA Number CAMOX-001 that would need NRC's prior consent pursuant to 10 CFR 70.36.

The NRC staff also concludes that the proposed AREVA corporate structure and license transfers will not be inimical to the common defense and security, or to the health and safety of the public, based on the SER findings. With regard to the EREF, since, on March 20, 2012, AES was issued a non-possessing facility security clearance (FCL) pursuant to 10 CFR Part 95, as required under 10 CFR 95.17, within 30 days after the transfer of the license for the EREF has been completed, AES (i.e., AREVA Nuclear Materials, LLC after the reorganization is completed and implemented) must report to the NRC the changes affecting items related to their foreign ownership, control or influence. AES (i.e., AREVA Nuclear Materials, LLC, the FCL holder) is also required to, pursuant to 10 CFR 95.19, update or affirm its Standard Practice Procedures Plan every 5 years. This update is due in March 2017.

The NRC is issuing the enclosed Order (Enclosure 2), which documents NRC's approval of the license transfers. This order will be published in the *Federal Register*. The NRC will issue conforming amendments to reflect the new name of the licensees, AREVA Nuclear Materials, LLC, and TN Americas, LLC, which will hold the licenses transferred pursuant to your request for NRC consent to license transfers, once the conditions of the Order have been satisfied. This action closes efforts under Cost Activity Code Number L34377.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," 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 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).

G. Peters

3

If you have any questions regarding this matter, please contact Mr. Osiris Siurano-Perez at (301) 415-7827, or via e-mail at Osiris.Siurano-Perez@nrc.gov.

Sincerely,

/RA/

Marc L. Dapas, Director
Office of Nuclear Material Safety
and Safeguards

Docket Nos. 04002259, 07007015,
11005864, 11005211,
11006019

Material License Nos. SUA-672, SNM-2015

Construction Authorization No. CAMOX-001

Export Licenses: XSNM3643, XSNM3722,
XSOU8780

Enclosures:

1. Safety Evaluation Report
2. Order

cc: Mr. David Royer, AREVA, Inc.

G. Peters

3

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Enclosures:

1. Safety Evaluation Report
2. Order

cc: Mr. David Royer, AREVA, Inc.

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