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December 23, 2016

Mr. Stephen A. Toelle, Director
Regulatory Affairs
Centrus Energy Corporation
6901 Rockledge Drive
Bethesda, MD 20817-1818

SUBJECT: APPROVAL OF LICENSE AMENDMENT REQUEST TO REMOVE
AUTHORIZATION TO ENRICH URANIUM AT THE AMERICAN CENTRIFUGE
LEAD CASCADE FACILITY (COST ACTIVITY CODE: L34372)

Dear Mr. Toelle:

In your letter dated May 17, 2016, (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16162A194), you requested that the U.S. Nuclear Regulatory Commission (NRC) approve amending Table 1.2-2, Authorized Uses of NRC-Regulated Materials, American Centrifuge Lead Cascade Facility (LCF) license application, by removing “enrichment” from the authorized uses of NRC-regulated materials. In addition, you requested to downgrade license activities to “Limited Operations” for the purposes of an appropriate Title 10 of the *Code of Federal Regulations* (10 CFR) Part 171 annual fee determination. The letter indicated that all centrifuges have been de-inventoried and are at rest and that the uranium hexafluoride (UF₆) gas inventory in process headers have also been evacuated. Additionally, the letter stated that the feed cart has been shut down and declared inoperable to prevent any future UF₆ addition.

The NRC staff has completed their review of your submittal. During a November 9, 2016, site visit, the NRC staff confirmed that the equipment needed to enrich uranium has either been de-inventoried of gaseous UF₆ and/or has been removed from the operating portions of the LCF such that conducting any enrichment of UF₆ is not physically possible. Therefore, the NRC staff has concluded that your request to remove uranium enrichment from the LCF’s authorized activities described in Table 1.2-2, Authorized Uses of NRC-Regulated Materials, is approved.

Since enrichment operations have ceased and the LCF is going to be decommissioned, the NRC staff has concluded that the American Centrifuge Operating, LLC (ACO) 10 CFR Part 171 annual fee category will be changed from the current Section 1.A.(2)(b) category to the Section 14.A zero fee category (identified in the 10 CFR Part 171 table entitled “Schedule of Materials annual Fees and Fees for Government Agencies Licensed by NRC”). This change is effective as of the date of this letter.

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(when separated from Enclosures 1 and 3, this document is publicly available)

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S. Toelle

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Enclosure 1 to this letter provides the NRC staff's Safety Evaluation Report documenting the review of your submittal. Enclosures 2 and 3 provide redacted and complete versions of Amendment 9 of the LCF's license, which is effective immediately.

This completes our efforts on Cost Activity Code: L34372. In accordance with 10 CFR Part 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be publically available in the NRC Public Document Room and in ADAMS. ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions regarding this action, please contact Mr. Yawar Faraz by phone at 301-415-7220, or via e-mail at Yawar.Faraz@nrc.gov.

Sincerely,

/RA/

Craig G. Erlanger, Director
Division of Fuel Cycle Safety, Safeguards,
and Environment Review
Office of Nuclear Material Safety
and Safeguards

Docket No.: 07007003
License No.: SNM-7003

cc: Mr. Larry B. Cutlip, Vice President
Mr. Mario Robles, Regulatory Manager

Enclosures:

1. Safety Evaluation Report
2. Amendment 9 of the ACO License (Redacted)
3. Amendment 9 of the ACO License

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If you have any questions regarding this action, please contact Mr. Yawar Faraz by phone at 301-415-7220, or via e-mail at Yawar.Faraz@nrc.gov.

Sincerely,

/RA/

Craig G. Erlanger, Director
Division of Fuel Cycle Safety, Safeguards,
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Office of Nuclear Material Safety
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Docket No.: 07007003
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