



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
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March 8, 2017

Jay Laughlin, Chief Nuclear Officer
and Head of Operations
Louisiana Energy Services, L.L.C.
P.O. Box 1789
Eunice, NM 88231

**SUBJECT: LOUISIANA ENERGY SERVICES, L.L.C. (URENCO USA) – PROGRAM
ADJUSTMENT REVIEW OF LICENSED ACTIVITIES (NUCLEAR
REGULATORY COMMISSION INSPECTION REPORT 70-3103/2017-001)**

Dear Mr. Laughlin:

The U.S. Nuclear Regulatory Commission (NRC) staff in our Region II Office and the Office of Nuclear Material Safety and Safeguards completed a program adjustment review of Louisiana Energy Services, L.L.C., doing business as URENCO USA (UUSA), based on its performance in conducting NRC-licensed activities. In accordance with Inspection Manual Chapter (IMC) 2604, "Licensee Performance Review," the program adjustment review provides an opportunity for adjustments to the inspection program to reflect emergent performance issues that may reveal themselves during the normal 24-month performance assessment period. The current 24-month performance assessment period for UUSA extends from January 1, 2016 to December 31, 2017.

This program adjustment review covered licensee activities from January 1, 2016, through December 31, 2016. The performance of UUSA's operation activities was evaluated in the following areas: Safety Operations, Radiological Controls, Facility Support, Other Areas, and Safeguards. The details regarding the Safeguards portion of the review are documented in a separate letter marked "Official Use Only" due to the sensitive nature of the information.

Overall, the NRC staff determined that UUSA has continued to conduct its activities safely and securely, while protecting public health and the environment. Based on our review of activities, no inspection program adjustments were deemed necessary. The NRC staff will conduct the core inspection program for a Category 3, Gas Centrifuge Fuel Facility, as described in NRC IMC 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the remaining of the 24-month performance assessment period (i.e. January 1, 2017 to December 31, 2017).

The NRC issued Generic Letter (GL) 2015-01, "Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities" (Agencywide Documents and Access Management System (ADAMS) Accession No. ML14328A029) to request that licensees submit information to demonstrate compliance with regulatory requirements regarding the treatment of natural phenomena events in the facilities' integrated safety assessments. The licensee submitted this information by letter dated September 18, 2015 (ADAMS Accession No. ML15265A047).

Additional NRC inspections, beyond the core inspection hours, may be implemented to support the review of licensees' activities in response to GL 2015-01. The inspections will be conducted in accordance with Temporary Instruction 2600/016, "Inspection of Activities Associated with NRC GL 2015-01" (ADAMS Accession No. ML16293A899).

In accordance with Title 10 of the *Code of Federal Regulations*, Section 2.390, "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Questions and comments regarding the program adjustment review should be directed to Mr. Marvin Sykes, Chief, Projects Branch 1, who can be reached by telephone at 404-997-4629.

Sincerely,

/RA/

Mark S. Lesser, Director
Division of Fuel Facility Inspection

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

cc: (See page 3)

cc:

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ADAMS: Yes ACCESSION NUMBER: ML17067A337 SUNSI REVIEW COMPLETE FORM 665 ATTACHED

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