



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 9, 2018

Mr. Sam Shakir
President and Chief Executive Officer
AREVA Nuclear Materials, LLC
1155 F Street, NW, 8th Floor
Washington, DC 20004

SUBJECT: AMENDED LICENSE FOR THE AREVA NUCLEAR MATERIALS, LLC,
EAGLE ROCK FACILITY (DOCKET NUMBER: 07007015)

Dear Mr. Shakir:

By letter dated July 25, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML16207A715), AREVA Inc. (AREVA) submitted a request for U.S. Nuclear Regulatory Commission (NRC) consent to transfer control of several NRC materials and export licenses. The submittal included a request for NRC consent for the indirect transfer of control for Special Nuclear Materials license number 2015 (SNM-2015) for the Eagle Rock Enrichment Facility (EREF) to be built in Bonneville County, Idaho, from AREVA Enrichment Services, LLC (AES) to AREVA Nuclear Materials, LLC (ANM).

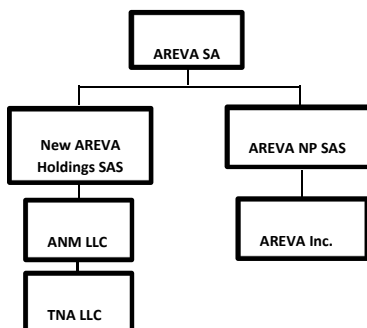
Following the review of AREVA's submittal, by letter and Order number EA-16-201, dated September 30, 2016 (ADAMS Accession Number ML16264A215), the NRC provided its consent for the transfer of control of SNM-2015 from AES to ANM, as well as the transfer of control of the other NRC licenses, as requested by AREVA.

Order number EA-16-201 included the following conditions:

1. Within 30 days after the transfer of the license for the EREF has been completed, AES (i.e., ANM after the reorganization is completed and implemented) must report to the NRC any changes affecting foreign ownership, control or influence (FOCI) issues. AES (to be re-named ANM) holds a facility security clearance, and is required, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Paragraph 95.19, to update or affirm its standard practice procedures plan (SPPP) every 5 years. This update is due in March 2017.
2. To ensure that the NRC is timely notified of the transfers' completion, at least one (1) business day prior to closing AREVA shall inform the Director, Office of Nuclear Material Safety and Safeguards, in writing, of the date of closing of the indirect transfer of the SNM-2015 license for the EREF, the direct transfer of the SUA-672 license for the Lucky Mc mill tailings site, and the direct transfers of the export licenses XSNM3643, XSNM3722, and XSOU8780.

In response to Condition 1, above, by letter dated December 21, 2016 (ADAMS Accession Number ML17111A789), AREVA notified the NRC that during a December 13, 2016, meeting between AREVA, ANM, and the NRC staff, it was reported that no changes affecting FOCI for ANM had occurred as a result of AREVA's reorganization, which had been completed on November 10, 2016. An updated SPPP, however, was not submitted to the NRC until November 1, 2017 (see discussion below).

In accordance with Condition 2 of the Order, by letter dated November 18, 2016 (ADAMS Accession Number ML17111A791), AREVA provided written notification to the NRC that the company's reorganization was completed on November 10, 2016. In its letter, AREVA stated that, as a result of the reorganization, the ownership structure for the AREVA Group, as it pertained to its U.S. holdings, was as follows: AREVA, SA, holds: (1) 100 percent of AREVA, NP SAS, which holds 100 percent of AREVA, Inc., and, (2) 100 percent of New AREVA Holding, SAS, which holds 100 percent of ANM (see figure below).



AREVA's request to terminate SNM-2015 license

Before submitting its revised SPPP to fully meet Condition 1 of the Order, by letter dated March 10, 2017 (ADAMS Accession Number ML17074A294), ANM requested the NRC to terminate License SNM-2015 for the EREF. Following this request, by electronic communication from Mr. Jim Kay, Licensing Manager, EREF, dated March 29, 2017 (ADAMS Accession Number ML17103A089), ANM requested the NRC to put on hold, for 30 days, any actions on the license termination request. The NRC acknowledged receipt of ANM's license termination and Mr. Kay's requests via electronic communication dated April 12, 2017 (ADAMS Accession Number ML17103A090). Based on Mr. Kay's request, the NRC placed AREVA's license termination request on hold pending notification from AREVA on its final decision. By letter dated July 11, 2017 (ADAMS Accession Number ML17194A826), AREVA requested the NRC to rescind its license termination request. In its letter, AREVA affirmed that it will take all necessary actions to maintain its license.

ANM's SPPP

Condition 1 of Order number EA-16-201 served as a reminder to AREVA that, pursuant to 10 CFR 95.19, AES (to be renamed ANM) was required to submit an updated SPPP for the EREF in March 2017. On September 6, 2017, the NRC staff held a conference call with Mr. Kay (ADAMS Accession Number ML17275A971) to discuss the not yet submitted update to the SPPP. During the call, the NRC staff briefly discussed AREVA's completed actions in response to the conditions of the Order and noted that the updated SPPP was the final action required for the NRC to issue the amended SNM-2015 materials license naming ANM as the licensee. Mr. Kay stated that the company's reorganization, as it pertained to its French holdings, was not complete, which caused delays in submitting the updated SPPP. Mr. Kay further stated there were still ongoing internal discussions and actions and AREVA would be submitting a letter to the NRC describing the status of the transactions. Based on this information, the NRC staff determined to hold all efforts regarding the issuance of the amended SNM-2015 and wait until AREVA's letter on the status of the transactions is received.

By letter dated November 1, 2017 (ADAMS Accession Number ML17311A156), ANM transmitted its updated SPPP for the EREF. The SPPP was revised to reflect the new ownership and management structure. By letter dated December 18, 2017 (ADAMS Accession Number ML17341A660), the NRC staff acknowledged receipt of the updated SPPP and stated

that no additional action was necessary. The NRC staff had no comments on the information provided.

Conclusion

The NRC staff has completed its review of AREVA's December 21, 2016, November 18, 2016, and November 1, 2017, submittals in response to the Order and has determined that AREVA has met all the conditions of Order EA-16-201. As a result, Amendment 4 of SNM-2015, naming ANM as the licensee, is provided as an enclosure to this letter. All other conditions of the license remain the same. Materials License SNM-2015 will remain in effect until October 12, 2041.

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).

If you have any questions, please contact Mr. Jacob Zimmerman, Branch Chief, by telephone at (301) 415-1220, or via e-mail at Jacob.Zimmerman@nrc.gov.

Sincerely,

\RA

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

Docket No.: 07007015
License No.: SNM-2015

Enclosure:
Special Nuclear Materials License
Number 2015 Amendment 4

cc: Mr. Jim Kay
AREVA Nuclear Materials, LLC

