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NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 14, 1994

The Honorable Paul David Wellstone United States Senator 2550 University Avenue W., #100N St. Paul, MN 55114

Dear Senator Wellstone:

I am responding to your letter to Mr. Dennis Rathbun dated March 21, 1994, on behalf of your constituent, Mr. Vic Ormsby. You asked for information on the Louisiana Energy Services (LES) license application to construct and operate a uranium enrichment plant near Forest Grove, Louisiana.

LES is a limited partnership with four general partners: Graystone Corporation (a subsidiary of Northern States Power Company); Urenco Investments, Inc.; Claiborne Fuels, L.P. (a subsidiary of Fluor Daniel, Inc.); and Claiborne Energy Services, Inc. (a subsidiary of Duke Power Company). In addition, there are seven limited partners.

Uranium enrichment is a process in which natural uranium is enriched in the isotope uranium-235. The enriched uranium is then sent to a fuel fabrication plant where it is made into fuel for nuclear power reactors. Because LES is a private company, the proposed plant must be licensed by the Nuclear Regulatory Commission. Congressional or Department of Energy action is not required for NRC to grant a license.

LES submitted its license application on January 29, 1991. Before granting a license for this type of facility, NRC conducts a safety review and environmental review, and holds an adjudicatory hearing which is open to the public. Our safety review has been completed, and the Safety Evaluation Report was published in January 1994. The portion of the hearing on safety issues is scheduled for June 1994. Our Draft Environmental Impact Statement was published for public comment in November 1993, and the public comment period closed in January 1994. We received comments from over 500 persons and organizations. After review of these comments, we will publish the Final Environmental Impact Statement later this year, and hold the portion of the hearing on onvironmental issues in early 1995. Details on the time and place of the hearings will be published in the <u>Federal Register</u> and local Louisiana press. An intervenor group, Citizens Against Nuclear Trash, which opposes licensing of the facility, will be a party in the hearing.

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The Honorable Paul David Wellstone

There is no relationship between dry cask storage of spent reactor fuel and the proposed enrichment plant. The enrichment plant operations will be restricted to processing of uranium before it is made into fuel.

I trust that this information responds to the concerns of your constituent.

Sincerely,

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Original signed by James M. Taylor

James M. Taylor Executive Director for Operations

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