

Construction Permits Nos. CPEP-1, CPEP-2
Docket Nos. 50-603, 50-604

AUG 18 1989

Stephen A. Irving, Esq.
All Chemical Isotope Enrichment, Inc.
Pine Ridge Office Park, 202-B
702 S. Illinois Avenue
Oak Ridge, Tennessee 37830

Dear Mr. Irving:

Enclosed is an Order, effective immediately, modifying Construction Permits Nos. CPEP-1 and CPEP-2 to require notification of the Commission before All Chemical Isotope Enrichment, Inc. (licensee) takes possession of any classified equipment, and requiring the licensee to show cause why Construction Permits Nos. CPEP-1 and CPEP-2 should not be revoked.

The enclosed Order has been issued because I find that I lack reasonable assurance that the licensee can proceed with the proposed activities in compliance with the Commission's requirements and in such a way as to assure adequate protection of the common defense and security of the United States.

In accordance with §2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed Order will be placed in the NRC's Public Document Room.

The responses directed by this letter and accompanying Order are not subject to the clearance procedures of the Office of Management and Budget, as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

(Signed) Hugh L. Thompson, Jr.

Hugh L. Thompson, Jr.
Deputy Executive Director for
Nuclear Materials Safety, Safeguards,
and Operations Support

Enclosure: Order Modifying Licenses

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Distribution: w/encl.

Project M-47	PDR	Docket 50-603/50-604	
NRC File Center	Reg II	DWeiss, LFMB	DKasun, SGDB
RGramann, SGIB	NMSS R/F	IMSB R/F	SHO
GSjoblom	IMAF R/F	NMSS Office R/F	GTroup, RII
RECunningham	JSwift	CNilsen, RES	RBrady, SEC
RFonner, OGC	FBrown (2)		
JGoldberg, OGC			

DF03
/1

EKraus	*see previous	<i>no legal objection</i>	
OFC: IMAF *	OGC:	<i>IMSB for LCR</i>	DD/IMNS
NAME: JSwift: jc:	JGoldberg:	JCRouse:	GSjoblom:
DATE: 8/18/89	8/18/89	8/18/89	8/18/89
OFC: D/IMNS: *	DD/NMSS:	D/NMSS:	DEDS:
NAME: RECunningham:	Garlotto:	RMBernero:	HThompson
DATE: 8/18/89	8/18/89	8/18/89	8/18/89

8908250091 890818
PER ADDOCK 05000603
A PDC