

May 29, 1998

Ms. Melanie Barger-Garvey
Federal Facilities Enforcement Office
U.S. Environmental Protection Agency
401 M Street, SW 2261A
Washington, DC 20460

70-7001
70-7002

Dear Ms. Barger-Garvey:

This letter concerns consultation between the Environmental Protection Agency (EPA) and the Nuclear Regulatory Commission (NRC) regarding the gaseous diffusion plants (GDPs) located in Piketon, Ohio, and Paducah, Kentucky. In accordance with the Atomic Energy Act (Act), the United States Enrichment Corporation (USEC) has submitted to NRC its renewal applications for certification of the GDPs. As you know, the Act requires the NRC to consult with EPA with regard to certification. As part of this consultation process, we have enclosed a copy of the renewal application for both plants. USEC has based the renewals on the previous applications; the existing certificate documentation has been incorporated by reference. No additional changes to the existing documentation have been made. As part of the NRC review process there will be a public comment period on the applications that ends June 19, 1998. A copy of the Federal Register notice is also enclosed. In order for us to meet our schedule, we request that EPA's comments be provided to us no later than June 19, 1998. We have also included the updated Environmental Compliance Status and Environmental Monitoring Report for both plants for your information.

In order to facilitate your review, copies of these documents have also been sent directly to the following EPA personnel:

Craig Hooks, EPA Headquarters
Michael MacMullen, EPA, R5
David Holroyd, EPA, R4

We would appreciate receiving a single consolidated response from EPA.

Should you have any questions, Priya Patel, of my staff, can be reached at 301-415-5757.

NRC FILE CENTER COPY

Sincerely,
Original Signed By

NIF05

Elizabeth Q. Ten Eyck, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

Enclosures: As stated

4 identical ltrs sent to EPA: C. Hooks, Washington, DC; M. MacMullen, Chicago, IL;
D. Holroyd, Atlanta, GA; M. Gavey, Washington, DC

98-109

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DATE	5/8/98	5/8/98	5/8/98	5/8/98	5/8/98

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Ms. Melanie Barger-Garvey
Federal Facilities Enforcement Office
U.S. Environmental Protection Agency
401 M Street, SW 2261A
Washington, DC 20460

Dear Ms. Barger-Garvey:

This letter concerns consultation between the Environmental Protection Agency (EPA) and the Nuclear Regulatory Commission (NRC) regarding the gaseous diffusion plants (GDPs) located in Piketon, Ohio, and Paducah, Kentucky. In accordance with the Atomic Energy Act, the United States Enrichment Corporation (USEC) has submitted to the NRC its renewal applications for certification of the GDPs. As you know, the Act requires the NRC to consult with the EPA with regard to certification. As part of this consultation process, we have enclosed a copy of the renewal application for both plants. USEC has based the renewals on the previous applications; the existing documentation has been incorporated by reference. No additional changes to the existing documentation have been made. As part of the NRC review process there will be a public comment period on the applications that ends June 19, 1998. A copy of the Federal Register notice is enclosed. In order for us to meet our schedule, we request that EPA's comments be provided to us no later than June 19, 1998. We have also included the updated Environmental Compliance Status and Environmental Monitoring Report for both plants for your information.

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Sincerely,

Elizabeth Q. Ten Eyck, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

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D. Holroyd, Atlanta, GA; M. Gavey, Washington, DC

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NAME	PPatel:ij		DMartin		DMooley		EPrierson		ETen Eyck
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NUCLEAR REGULATORY COMMISSION

[Docket Nos. 70-7001, and 70-7002]

United States Enrichment Corporation, Paducah and Portsmouth Gaseous Diffusion Plants, Notice of Receipt of Application for Certification Renewal For the Gaseous Diffusion Plants and Notice of Public Comment Period

I. Receipt of Application and Availability of Documents

Notice is hereby given that the U. S. Nuclear Regulatory Commission (NRC or the Commission) has received by letters dated April 15, 1998, applications from the United States Enrichment Corporation (USEC) for the renewal of the certification of the gaseous diffusion plants (GDPs) located near Paducah, Kentucky and Piketon, Ohio. The NRC issued the initial certification for the GDPs on November 26, 1996 and assumed regulatory

responsibility for the GDPs on March 15, 1997. The USEC renewal requests are for a five-year period. The USEC applications for renewal do not contain any changes to the existing documentation; previous applications, statements, and reports are incorporated by reference into the renewal application. The USEC application for the renewal of the Paducah Gaseous Diffusion Plant is based on USEC's previous Application, as revised through Revision 24 dated April 15, 1998, and USEC's previous Compliance Plan, as revised through Revision 7 dated March 20, 1998. No additional changes to the application or Compliance Plan are being requested. The USEC application for the renewal of the Portsmouth Gaseous Diffusion Plant is based on USEC's previous application, as revised through Revision 19 dated April 15, 1998, and USEC's previous Compliance Plan, as revised through Revision 6 dated March 12, 1998. No additional changes to the Application or Compliance Plan are being requested.

Copies of the renewal application for certification (except for classified and proprietary portions which are withheld in accordance with 10 CFR 2.790, "Availability of Public Records") are available for public inspection and copying at the Commission's Public Document Room (PDR) in the Gelman Building, 2120 L Street, NW, Washington, DC 20555 and in the Local Public Document Rooms (LPDRs) established for these facilities. A copy of the application for the Paducah plant is available at the Paducah Public Library, 555 Washington Street, Paducah, Kentucky 42003. A copy of the application for the Portsmouth plant is available at the Portsmouth Public Library, 1220 Gallia Street, Portsmouth, Ohio 45662. Copies of related correspondence and staff evaluations (except for portions withheld in accordance with 10 CFR 2.790) will also be made available at these public document rooms.

II. Notice of Comment Period

Any interested party may submit written comments on the renewal application for certification for either the Paducah plant or the Portsmouth plant for consideration by the staff. To be certain of consideration, comments must be received by June 19, 1998.

Comments received after the due date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date. Written comments on the application should be mailed to the Chief, Rules Review and

Administrative Branch, Office of Administration, U. S. Nuclear Regulatory Commission, Washington, DC 20555, or may be hand delivered to 11543 Rockville Pike, Rockville, MD 20852 between 7:45 a.m. and 4:15 p.m. Federal workdays. Comments should be legible and reproducible, and include the name, affiliation (if any), and address of the commentor. All comments received by the Commission will be made available for public inspection at the Commission's Document Room located in Washington, DC and the Local Public Document Rooms located in Paducah, Kentucky and Portsmouth, Ohio. In accordance with 10 CFR 76.62 and 76.64, a member of the public must submit written comments to petition the Commission requesting review of the Director's decision on a certification renewal.

FOR FURTHER INFORMATION CONTACT: Ms. Merri Horn, (301) 415-8126 or Mr. Yawar Faraz, (301) 415-8113; Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555.

Dated at Rockville, Maryland, this 28th day of April 1998.

For the Nuclear Regulatory Commission.

Carl J. Papariello,
Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98-11913 Filed 5-4-98; 8:45 am]

BILLING CODE 7540-01-P



JAMES H. MILLER
VICE PRESIDENT, PRODUCTION

DIR: (301) 564-3309
FAX: (301) 571-8279

April 15, 1998
GDP 98-0074

Dr. Carl J. Paperiello
Director, Office of Nuclear Material Safety and Safeguards
Attention: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Paducah Gaseous Diffusion Plant (PGDP)
Docket No. 70-7001
Application for Renewal of Certificate of Compliance GDP-1

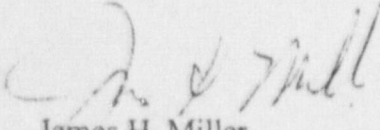
Dear Dr. Paperiello:

In accordance with 10 CFR 76.31, 76.36, and Condition No. 12 of Certificate of Compliance GDP-1 for the Paducah, Kentucky Gaseous Diffusion Plant, the United States Enrichment Corporation (USEC or Corporation) hereby submits twenty (20) copies of its application for renewal of Certificate GDP-1. This application for renewal is based on USEC's previous Application (USEC-01), as revised through Revision 24 dated April 15, 1998, and USEC's previous Compliance Plan (DOE/ORO-2026), as revised through Revision 7 dated March 20, 1998. No additional changes to the Application or Compliance Plan are being requested.

Certificate GDP-1 currently has an expiration date of December 31, 1998. Based on the information contained in the enclosed Application and incorporated by reference, USEC requests that the Nuclear Regulatory Commission (NRC) renew Certificate of Compliance GDP-1 for a 5-year period coinciding with an expiration date of December 31, 2003.

Should you have any questions regarding this matter, please contact Steve Routh at (301) 564-3251. There are no new commitments contained in this submittal.

Sincerely,


James H. Miller
Vice President, Production

4864270292
6903 Rockledge Drive, Bethesda, MD 20817-1818

Telephone 301-564-3200 Fax 301-564-3201 <http://www.usec.com>
Offices in Livermore, CA Paducah, KY Portsmouth, OH Washington, DC

Dr. Carl J. Paperiello
April 15, 1998
GDP 98-0074, Page 2

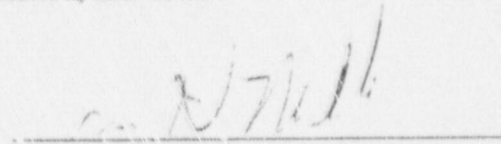
Enclosures: 1. Affidavit

2. United States Enrichment Corporation, Paducah Gaseous Diffusion Plant, Docket No. 70-7001, Application for Renewal of Certificate of Compliance GDP-1, April 15, 1998

cc: Mr. Robert C. Pierson, NRC-HQ
NRC Region III Office
NRC Resident Inspector - PGDP
NRC Resident Inspector - PORTS
Mr. Joe W. Parks, DOE

OATH AND AFFIRMATION

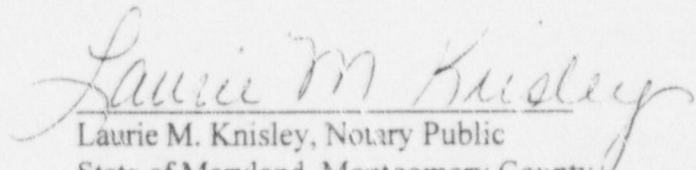
I, James H. Miller, swear and affirm that I am Vice President, Production, of the United States Enrichment Corporation (USEC), that I am authorized by USEC to sign and file with the Nuclear Regulatory Commission this April 15, 1998 Application for Renewal of Certificate of Compliance GDP-1, for the Paducah Gaseous Diffusion Plant, contained in USEC Letter GDP 98-0074, that I am familiar with the contents thereof, and that the statements made and matters set forth therein are true and correct to the best of my knowledge, information, and belief.



James H. Miller

On this 15th day of April, 1998, the officer signing above personally appeared before me, is known by me to be the person whose name is subscribed to within the instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof I hereunto set my hand and official seal.



Laurie M. Knisley, Notary Public
State of Maryland, Montgomery County
My commission expires March 1, 2002

**United States Enrichment Corporation
Paducah Gaseous Diffusion Plant
Docket No. 70-7001
Application for Renewal of Certificate of Compliance GDP-1
April 15, 1998**

In accordance with 10 CFR 76.31, 76.36, and Condition No. 12 of Certificate of Compliance GDP-1 for the Paducah Gaseous Diffusion Plant (PGDP), the United States Enrichment Corporation (USEC or Corporation) hereby submits its application for renewal of Certificate GDP-1. This application for renewal is based on USEC's previous Application (USEC-01), as revised through Revision 24 dated April 15, 1998, and USEC's previous Compliance Plan (DOE/ORO-2026), as revised through Revision 7 dated March 20, 1998. No additional changes to the Application or Compliance Plan are being requested.

1.0 Requested Expiration Date

Certificate GDP-1 currently has an expiration date of December 31, 1998. Based on the information contained in this Application and incorporated by reference, USEC requests that the Nuclear Regulatory Commission (NRC) renew Certificate of Compliance GDP-1 for a 5-year period coinciding with an expiration date of December 31, 2003.

2.0 Information Required by 10 CFR 76.31 and 76.36

76.31 The Corporation shall periodically apply to the Commission for a certificate of compliance, in accordance with Sec. 76.36, on or before April 15 of the year specified in an existing certificate of compliance as determined by the Commission, but not less frequently than every 5 years.

76.36(a) After issuance by the Commission of the initial certificate of compliance and/or an approved compliance plan, the Corporation shall file periodic applications for renewal, as required by Sec. 76.31.

In accordance with Condition 12 of Certificate GDP-1, USEC was granted an exemption from the annual renewal requirement previously contained in 10 CFR 76.31 and 76.36 as a result of legislative changes enacted in the USEC Privatization Act. 10 CFR 76.31 and 76.36 were subsequently amended to delete the annual renewal requirement and now require the filing of "periodic" applications for renewal instead. Condition 12 of Certificate GDP-1 requires USEC to file its renewal application by April 15, 1998.

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76.36(b) Information contained in previous applications, statements, or reports filed with the Commission may be referenced as part of the application, provided that the reference is clear and specific.

Section 5.0 specifically identifies previous applications, statements, and reports that are incorporated by reference into this renewal application.

76.36(c) An application for renewal is subject to the requirements in Sec. 76.33 and must contain the following information:

- (1) The information specified in Sec. 76.35; or,*
- (2) A statement by the Corporation that the NRC may rely upon the information provided in the previous application(s) upon which the existing certificate is based, except for:*
 - (i) Any proposed changes in the existing certificate of compliance conditions or technical safety requirements*
 - (ii) Any proposed changes to the documents submitted with the previous application in accordance with Sec. 76.35*
 - (iii) Any changes which the Corporation has made without prior NRC approval pursuant to Sec. 76.68; and,*
 - (iv) Any changes to certificate conditions or technical safety requirements for which the Corporation has sought and received Commission approval pursuant to Sec. 76.45.*

10 CFR 76.35 specifies the contents of an initial application for a certificate of compliance. USEC's initial application and Compliance Plan for PGDP, as approved by the NRC on November 26, 1996 and as subsequently revised in accordance with 10 CFR 76, satisfy those requirements. Pursuant to 10 CFR 76.36(b) and (c)(2), the NRC may rely upon the information provided in USEC's previous application for PGDP, and the NRC-approved Compliance Plan for PGDP, upon which Certificate GDP-1 is based except for any changes which USEC has made without prior NRC approval pursuant to 10 CFR 76.68. Records of the changes made in accordance with 10 CFR 76.68 are retained and are available at the site for NRC review.

In connection with this application for renewal, USEC is not proposing to make any additional changes to the existing certificate conditions, technical safety requirements, or other documents submitted with its previous application (as revised through Revision 24) and Compliance Plan (as

revised through Revision 7) and is therefore not submitting any additional information with respect to these topics pursuant to 10 CFR 76.36(c)(2)(i) and (ii).

In accordance with 10 CFR 76.36(c)(iv), all changes to certificate conditions or technical safety requirements for which USEC has sought and received NRC approval have been incorporated into USEC's previous application for PGDP (USEC-01) as revised through Revision 24 dated April 15, 1998.

76.36(d) The changes which are submitted as part of an application for renewal in accordance with paragraph (c)(2) of this section, must be in the form of specific changes to the documentation specified in Sec. 76.35. The changes must be marked and dated for easy identification.

Section 5.0 specifically identifies the revisions of the Application (USEC-01) and the Compliance Plan (DOE/ORO-2026) that are incorporated by reference into this renewal application. The referenced revisions are in the form of specific changes to the documentation specified in 10 CFR 76.35 which have been marked and dated for easy identification.

3.0 Information Required by 10 CFR 76.35(n)

76.35(n) A description of the funding program to be established to ensure that funds will be set aside and available for those aspects of the ultimate disposal of waste and depleted uranium, decontamination and decommissioning, relating to the gaseous diffusion plants leased to the Corporation by the Department of Energy, which are the financial responsibility of the Corporation. The Corporation shall establish financial surety arrangements to ensure that sufficient funds will be available for the ultimate disposal of waste and depleted uranium, and decontamination and decommissioning activities which are the financial responsibility of the Corporation. The funding mechanism, such as prepayment, surety, insurance, or external sinking fund, must ensure availability of funds for any activities which are required to be completed both before or after the return of the gaseous diffusion facilities to the Department of Energy in accordance with the lease between the Department and the Corporation. The funding program must contain a basis for cost estimates used to establish funding levels and must contain means of adjusting cost estimates and associated funding levels over the duration of the lease. The funding program need not address funding for those aspects of decontamination and decommissioning of the gaseous diffusion plants assigned to the Department of Energy under the Atomic Energy Act of 1954, as amended. The Corporation should address the adequacy of the financing mechanism selected in its periodic application for certification.

Revision 24 of USEC-01 (See Reference 5.1) includes changes to the Decommissioning Funding Program Description (DFP). The DFP has been updated to estimate the costs associated with waste

disposal and the disposition of depleted uranium through the end of USEC's Fiscal Year 1998 (June 30, 1998). Assurance of adequate funding is provided through an Adjustment to Decommissioning Funding which updates the amount of funding as provided for in the statement of intent subscribed to and endorsed by the USEC Board of Directors.

In support of privatization, documents required to assure funding for USEC's portion of PGDP decontamination and decommissioning costs will be submitted to the NRC as required by Issue 39 of DOE/ORO-2026, "Plan for Achieving Compliance with NRC Regulations at the Paducah Gaseous Diffusion Plant (the Compliance Plan)."

4.0 Information Required by 10 CFR 76.68(b)

76.68(b) To ensure the approved application remains current with respect to the actual site description and that the plant's programs, plans, policies, and operations are in place, the Corporation shall submit revised pages to the approved application and safety analysis report, marked and dated to indicate each change. The Corporation shall evaluate any as-found conditions that do not agree with the plant's programs, plans, policies, and operations in accordance with paragraph (a) of this section. These revisions must be submitted before April 15 of each calendar year, or at a shorter interval as may be specified in the certificate. If a renewal application for a certificate is filed in accordance with Sec. 76.36 of this part, the revisions shall be incorporated into the application.

In accordance with 10 CFR 76.68(b), the 1998 Annual Update (USEC-01 Revision 24, April 15, 1998) to the certification documents for PGDP was submitted to the NRC by USEC letters GDP 98-0071, GDP 98-0072, and GDP 98-0073 dated April 14, 1998. The 1998 Annual Update is incorporated by reference into this renewal application.

5.0 Information Incorporated by Reference

The following information is incorporated by reference into this application for renewal of Certificate GDP-1.

- 5.1 USEC-01, "Application for United States Nuclear Regulatory Commission Certification," Paducah Gaseous Diffusion Plant, Docket No. 70-7001, Revisions 1 through 24 as shown in the following table.

USEC-01 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
1	9/15/95	GDP 95-0014, GDP 95-0015, GDP 95-0016 dated 9/15/95	Transmit Volumes 1 through 4 of the Application for initial certification.
2	1/19/96	GDP 96-0027, GDP 96-0028 dated 2/13/96 GDP 96-0034 dated 2/21/96	Transmit changes to the Application for initial certification.
3	5/31/96	GDP 96-0111, GDP 96-0112, GDP 96-0115 dated 5/31/96	Transmit changes to the Application for initial certification.
4	7/26/96	GDP 96-0150, GDP 96-0151 dated 7/26/96	Transmit changes to the Application for initial certification.
5	8/1/96	GDP 96-0161 dated 8/1/96	Transmit changes to the TSRs for initial certification.
6	8/12/96	GDP 96-0169 dated 8/12/96	Transmit changes to the TSRs for initial certification.
7	3/7/97	GDP 97-0031 dated 3/7/97	Transmit changes to TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.

USEC-01 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
8	4/15/97	GDP 97-0055, GDP 97-0056, GDP 97-0057 dated 4/15/97	Transmit the 1997 Annual Update of changes to the Application that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
9	5/4/97	GDP 97-0071 dated 4/30/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 1 to Certificate GDP-1.
10	5/21/97	GDP 97-0083 dated 5/27/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 2 to Certificate GDP-1.
11	6/15/97	GDP 97-0090 dated 6/11/97	Transmit changes to: (1) the TSRs that were approved by the NRC via Amendment 3 to Certificate GDP-1, (2) TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
12	7/24/97	GDP 97-0119 dated 7/15/97	Transmit changes to: (1) the TSRs that were approved by the NRC via Amendment 5 to Certificate GDP-1, (2) TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
13	8/4/97	GDP 97-0124 dated 7/28/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 4 to Certificate GDP-1.
14	8/23/97	GDP 97-0152, GDP 97-0154 dated 8/25/97	Transmit changes to: (1) the SAR and TSRs that were approved by the NRC via Amendment 6 to GDP-1, (2) programs and plans that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
15	9/5/97	GDP 97-0160 dated 9/8/97	Transmit changes to the Fundamental Nuclear Materials Control Plan that were approved by the NRC via Amendment 7 to Certificate GDP-1.

USEC-01 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
16	10/2/97	GDP 97-0177 dated 10/6/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 8 to Certificate GDP-1.
17	10/31/97	GDP 97-0194 dated 11/14/97	Transmit changes to the TSRs that were approved by the NRC via Amendment 12 to Certificate GDP-1.
18	11/1/97	GDP 97-0195 dated 11/14/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 9 to Certificate GDP-1.
19	11/15/97	GDP 97-0196 dated 11/17/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 10 to Certificate GDP-1.
20	11/20/97	GDP 97-0199 dated 11/20/97	Transmit changes to the SAR that were acknowledged by the NRC in a letter dated October 21, 1997.
21	12/15/97	GDP 97-0221, GDP 97-0222, GDP 97-0223 dated 12/24/97	Transmit changes to the SAR and programs and plans that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
22	2/20/98	GDP 98-0022 dated 2/25/98	Transmit changes to the TSRs that were approved by the NRC via Amendment 13 to Certificate GDP-1.
23	2/25/98	GDP 98-0023 dated 2/25/98	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 14 to Certificate GDP-1.
24	4/15/98	GDP 98-0071, GDP 98-0072, GDP 98-0073 dated 4/14/98	Transmit the 1998 Annual Update of changes to the Application that were reviewed in accordance with 10 CFR 76 and were determined not to require prior NRC approval.

5.2 DOE/ORO-2026, "Plan for Achieving Compliance with NRC Regulations at the Paducah Gaseous Diffusion Plant (the Compliance Plan)," Docket No. 70-7001, Revisions 3 through 7 as shown in the following table.

Compliance Plan Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
3	7/9/96	GDP 96-0136, GDP 96-0137 dated 7/12/96	Transmit changes to the Compliance Plan for initial certification.
	7/15/96	GDP 96-0142 dated 7/15/96	
	7/17/96	GDP 96-0143 dated 7/18/96	
3A	8/1/96	GDP 96-0163, GDP 96-0164 dated 8/1/96	Transmit changes to the Compliance Plan for initial certification.
4	9/5/97	GDP 97-0160 dated 9/8/97	Transmit changes that were approved by the NRC via Amendment 7 to Certificate GDP-1.
5	10/16/97	GDP 97-0186 dated 10/28/97	Transmit changes that were approved by the NRC via Amendment 11 to Certificate GDP- 1.
6	11/20/97	GDP 97-0199 dated 11/20/97	Transmit changes that were acknowledged by the NRC in a letter dated October 21, 1997.
7	3/20/98	GDP 98-0056 dated 3/27/98	Transmit changes that were approved by the NRC via Amendment 15 to Certificate GDP- 1.



JAMES H. MILLER
VICE PRESIDENT, PRODUCTION

DIR: (301) 564-3309
FAX: (301) 571-8279

April 15, 1998
GDP 98-0070

Dr. Carl J. Paperiello
Director, Office of Nuclear Material Safety and Safeguards
Attention: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Portsmouth Gaseous Diffusion Plant (PORTS)
Docket No. 70-7002
Application for Renewal of Certificate of Compliance GDP-2

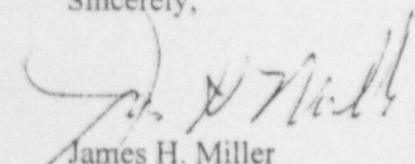
Dear Dr. Paperiello:

In accordance with 10 CFR 76.31, 76.36, and Condition No. 12 of Certificate of Compliance GDP-2 for the Portsmouth, Ohio Gaseous Diffusion Plant, the United States Enrichment Corporation (USEC or Corporation) hereby submits twenty (20) copies of its application for renewal of Certificate GDP-2. This application for renewal is based on USEC's previous Application (USEC-02), as revised through Revision 19 dated April 15, 1998, and USEC's previous Compliance Plan (DOE/ORO-2027), as revised through Revision 6 dated March 12, 1998. No additional changes to the Application or Compliance Plan are being requested.

Certificate GDP-2 currently has an expiration date of December 31, 1998. Based on the information contained in the enclosed Application and incorporated by reference, USEC requests that the Nuclear Regulatory Commission (NRC) renew Certificate of Compliance GDP-2 for a 5-year period coinciding with an expiration date of December 31, 2003.

Should you have any questions regarding this matter, please contact Steve Routh at (301) 564-3251. There are no new commitments contained in this submittal.

Sincerely,



James H. Miller
Vice President, Production

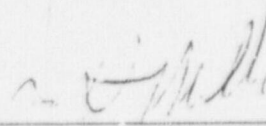
Dr. Carl J. Paperiello
April 15, 1998
GDP 98-0070, Page 2

Enclosures: 1. Affidavit
2. United States Enrichment Corporation, Portsmouth Gaseous Diffusion Plant,
Docket No. 70-7002, Application for Renewal of Certificate of Compliance
GDP-2, April 15, 1998

cc: Mr. Robert C. Pierson, NRC-HQ
NRC Region III Office
NRC Resident Inspector - PGDP
NRC Resident Inspector - PORTS
Mr. Joe W. Parks, DOE

OATH AND AFFIRMATION

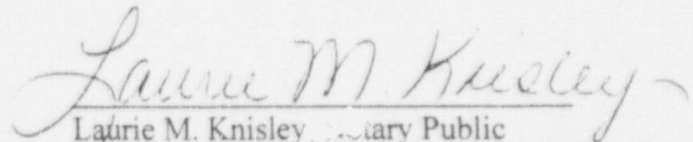
I, James H. Miller, swear and affirm that I am Vice President, Production, of the United States Enrichment Corporation (USEC), that I am authorized by USEC to sign and file with the Nuclear Regulatory Commission this April 15, 1998 Application for Renewal of Certificate of Compliance GDP-2, for the Portsmouth Gaseous Diffusion Plant, contained in USEC Letter GDP 98-0070, that I am familiar with the contents thereof, and that the statements made and matters set forth therein are true and correct to the best of my knowledge, information, and belief.



James H. Miller

On this 15th day of April, 1998, the officer signing above personally appeared before me, is known by me to be the person whose name is subscribed to within the instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof I hereunto set my hand and official seal.



Laurie M. Knisley, Notary Public
State of Maryland, Montgomery County
My commission expires March 1, 2002

**United States Enrichment Corporation
Portsmouth Gaseous Diffusion Plant
Docket No. 70-7002
Application for Renewal of Certificate of Compliance GDP-2
April 15, 1998**

In accordance with 10 CFR 76.31, 76.36, and Condition No. 12 of Certificate of Compliance GDP-2 for the Portsmouth Gaseous Diffusion Plant (PORTS), the United States Enrichment Corporation (USEC or Corporation) hereby submits its application for renewal of Certificate GDP-2. This application for renewal is based on USEC's previous Application (USEC-02), as revised through Revision 19 dated April 15, 1998, and USEC's previous Compliance Plan (DOE/ORO-2027), as revised through Revision 6 dated March 12, 1998. No additional changes to the Application or Compliance Plan are being requested.

1.0 Requested Expiration Date

Certificate GDP-2 currently has an expiration date of December 31, 1998. Based on the information contained in this Application and incorporated by reference, USEC requests that the Nuclear Regulatory Commission (NRC) renew Certificate of Compliance GDP-2 for a 5-year period coinciding with an expiration date of December 31, 2003.

2.0 Information Required by 10 CFR 76.31 and 76.36

76.31 *The Corporation shall periodically apply to the Commission for a certificate of compliance, in accordance with Sec. 76.36, on or before April 15 of the year specified in an existing certificate of compliance as determined by the Commission, but not less frequently than every 5 years.*

76.36(a) *After issuance by the Commission of the initial certificate of compliance and/or an approved compliance plan, the Corporation shall file periodic applications for renewal, as required by Sec. 76.31.*

In accordance with Condition 12 of Certificate GDP-2, USEC was granted an exemption from the annual renewal requirement previously contained in 10 CFR 76.31 and 76.36 as a result of legislative changes enacted in the USEC Privatization Act. 10 CFR 76.31 and 76.36 were subsequently amended to delete the annual renewal requirement and now require the filing of "periodic" applications for renewal instead. Condition 12 of Certificate GDP-2 requires USEC to file its renewal application by April 15, 1998.

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76.36(b) Information contained in previous applications, statements, or reports filed with the Commission may be referenced as part of the application, provided that the reference is clear and specific.

Section 5.0 specifically identifies previous applications, statements, and reports that are incorporated by reference into this renewal application.

76.36(c) An application for renewal is subject to the requirements in Sec. 76.33 and must contain the following information:

- (1) The information specified in Sec. 76.35; or,*
- (2) A statement by the Corporation that the NRC may rely upon the information provided in the previous application(s) upon which the existing certificate is based, except for:*
 - (i) Any proposed changes in the existing certificate of compliance conditions or technical safety requirements*
 - (ii) Any proposed changes to the documents submitted with the previous application in accordance with Sec. 76.35*
 - (iii) Any changes which the Corporation has made without prior NRC approval pursuant to Sec. 76.68; and,*
 - (iv) Any changes to certificate conditions or technical safety requirements for which the Corporation has sought and received Commission approval pursuant to Sec. 76.45.*

10 CFR 76.35 specifies the contents of an initial application for a certificate of compliance. USEC's initial application and Compliance Plan for PORTS, as approved by the NRC on November 26, 1996 and as subsequently revised in accordance with 10 CFR 76, satisfy those requirements. Pursuant to 10 CFR 76.36(b) and (c)(2), the NRC may rely upon the information provided in USEC's previous application for PORTS, and the NRC-approved Compliance Plan for PORTS, upon which Certificate GDP-2 is based except for any changes which USEC has made without prior NRC approval pursuant to 10 CFR 76.68. Records of the changes made in accordance with 10 CFR 76.68 are retained and are available at the site for NRC review.

In connection with this application for renewal, USEC is not proposing to make any additional changes to the existing certificate conditions, technical safety requirements, or other documents submitted with its previous application (as revised through Revision 19) and Compliance Plan (as

revised through Revision 6) and is therefore not submitting any additional information with respect to these topics pursuant to 10 CFR 76.36(c)(2)(i) and (ii).

In accordance with 10 CFR 76.36(c)(iv), all changes to certificate conditions or technical safety requirements for which USEC has sought and received NRC approval have been incorporated into USEC's previous application for PORTS (USEC-02) as revised through Revision 19 dated April 15, 1998.

76.36(d) The changes which are submitted as part of an application for renewal in accordance with paragraph (c)(2) of this section, must be in the form of specific changes to the documentation specified in Sec. 76.35. The changes must be marked and dated for easy identification.

Section 5.0 specifically identifies the revisions of the Application (USEC-02) and the Compliance Plan (DOE/ORO-2027) that are incorporated by reference into this renewal application. The referenced revisions are in the form of specific changes to the documentation specified in 10 CFR 76.35 which have been marked and dated for easy identification.

3.0 Information Required by 10 CFR 76.35(n)

76.35(n) A description of the funding program to be established to ensure that funds will be set aside and available for those aspects of the ultimate disposal of waste and depleted uranium, decontamination and decommissioning, relating to the gaseous diffusion plants leased to the Corporation by the Department of Energy, which are the financial responsibility of the Corporation. The Corporation shall establish financial surety arrangements to ensure that sufficient funds will be available for the ultimate disposal of waste and depleted uranium, and decontamination and decommissioning activities which are the financial responsibility of the Corporation. The funding mechanism, such as prepayment, surety, insurance, or external sinking fund, must ensure availability of funds for any activities which are required to be completed both before or after the return of the gaseous diffusion facilities to the Department of Energy in accordance with the lease between the Department and the Corporation. The funding program must contain a basis for cost estimates used to establish funding levels and must contain means of adjusting cost estimates and associated funding levels over the duration of the lease. The funding program need not address funding for those aspects of decontamination and decommissioning of the gaseous diffusion plants assigned to the Department of Energy under the Atomic Energy Act of 1954, as amended. The Corporation should address the adequacy of the financing mechanism selected in its periodic application for certification.

Revision 19 of USEC-02 (See Reference 5.1) includes changes to the Decommissioning Funding Program Description (DFP). The DFP has been updated to estimate the costs associated with waste

disposal and the disposition of depleted uranium through the end of USEC's Fiscal Year 1998 (June 30, 1998). Assurance of adequate funding is provided through an Adjustment to Decommissioning Funding which updates the amount of funding as provided for in the statement of intent subscribed to and endorsed by the USEC Board of Directors.

In support of privatization, documents required to assure funding for USEC's portion of PORTS decontamination and decommissioning costs will be submitted to the NRC as required by Issue 38 of DOE/ORO-2027, "Plan for Achieving Compliance with NRC Regulations at the Portsmouth Gaseous Diffusion Plant (the Compliance Plan)."

4.0 Information Required by 10 CFR 76.68(b)

76.68(b) To ensure the approved application remains current with respect to the actual site description and that the plant's programs, plans, policies, and operations are in place, the Corporation shall submit revised pages to the approved application and safety analysis report, marked and dated to indicate each change. The Corporation shall evaluate any as-found conditions that do not agree with the plant's programs, plans, policies, and operations in accordance with paragraph (a) of this section. These revisions must be submitted before April 15 of each calendar year, or at a shorter interval as may be specified in the certificate. If a renewal application for a certificate is filed in accordance with Sec. 76.36 of this part, the revisions shall be incorporated into the application.

In accordance with 10 CFR 76.68(b), the 1998 Annual Update (USEC-C2 Revision 19, April 15, 1998) to the certification documents for PORTS was submitted to the NRC by USEC letters GDP 98-0068 and GDP 98-0069 dated April 14, 1998. The 1998 Annual Update is incorporated by reference into this renewal application.

5.0 Information Incorporated by Reference

The following information is incorporated by reference into this application for renewal of Certificate GDP-2.

- 5.1 USEC-02, "Application for United States Nuclear Regulatory Commission Certification," Portsmouth Gaseous Diffusion Plant, Docket No. 70-7002, Revisions 1 through 19 as shown in the following table.

USEC-02 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
1	9/15/95	GDP 95-0010, GDP 95-0011, GDP 95-0012 dated 9/15/95	Transmit Volumes 1 through 4 of the Application for initial certification.
2	1/19/96	GDP 96-0029, GDP 96-0030, GDP 96-0035 dated 2/13/96	Transmit changes to the Application for initial certification.
3	5/31/96	GDP 96-0113, GDP 96-0114, GDP 96-0116 dated 5/31/96	Transmit changes to the Application for initial certification.
4	7/26/96	GDP 96-0152, GDP 96-0153, GDP 96-0154 dated 7/26/96	Transmit changes to the Application for initial certification.
5	8/1/96	GDP 96-0162 dated 8/1/96	Transmit changes to the TSRs for initial certification.
6	8/12/96	GDP 96-0170 dated 8/12/96	Transmit changes to the TSRs for initial certification.
7	3/7/97	GDP 97-0032 dated 3/7/97	Transmit changes to: (1) the TSRs that were approved by the NRC via Amendment 1 to Certificate GDP-2, (2) TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.

USEC-02 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
8	4/15/97	GDP 97-0053, GDP 97-0059, GDP 97-0060 dated 4/15/97	Transmit the 1997 Annual Update of changes to the Application that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
9	5/14/97	GDP 97-0072 dated 5/12/97	Transmit changes to the TSRs that were approved by the NRC via Amendment 2 to Certificate GDP-2.
10	5/23/97	GDP 97-0010 dated 6/13/97	Transmit changes to TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
11	7/17/97	GDP 97-0123 dated 7/16/97	Transmit changes to the TSRs that were approved by the NRC via Amendment 3 to Certificate GDP-2.
12	9/5/97	GDP 97-0157, GDP 97-0161, GDP 97-0162 dated 9/10/97	Transmit changes to programs and plans that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
13	9/29/97	GDP 97-0174 dated 10/2/97	Transmit changes to: (1) the SAR and TSRs that were approved by the NRC via Amendment 4 to Certificate GDP-2, (2) TSR basis statements that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
14	11/5/97	GDP 97-0197 dated 11/17/97	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 5 to Certificate GDP-2.
15	12/19/97	GDP 97-0218, GDP 97-0219, GDP 97-0220 dated 12/24/97	Transmit changes to the SAR and programs and plans that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
16	1/4/98	GDP 97-0225 dated 12/30/97	Transmit changes to the SAR that were approved by the NRC via Amendment 8 to Certificate GDP-2.

USEC-02 Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
17	1/12/98	GDP 98-0005 dated 1/20/98	Transmit changes to the SAR and TSRs that were approved by the NRC via Amendment 7 to Certificate GDP-2.
18	2/6/98	GDP 98-0020 dated 2/10/98	Transmit changes to: (1) the TSRs that were approved by the NRC via Amendment 6 to Certificate GDP-2, (2) the SAR and TSRs that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.
19	4/15/98	GDP 98-0068, GDP 98-0069, dated 4/14/98	Transmit the 1998 Annual Update of changes to the Application that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval.

5.2 DOE/ORO-2027, "Plan for Achieving Compliance with NRC Regulations at the Portsmouth Gaseous Diffusion Plant (the Compliance Plan)," Docket No. 70-7002, Revisions 3 through 6 as shown in the following table.

Compliance Plan Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
3	7/9/96	GDP 96-0136, GDP 96-0137 dated 7/12/96	Transmit changes to the Compliance Plan for initial certification.
	7/15/96	GDP 96-0142 dated 7/15/96	
	7/17/96	GDP 96-0143 dated 7/18/96	
3A	8/1/96	GDP 96-0163, GDP 96-0164 dated 8/1/96	Transmit changes to the Compliance Plan for initial certification

Compliance Plan Revision	Date of Revision	Transmitted by USEC Letter(s)	Purpose of Revision
4	4/15/97	GDP 97-0058, GDP 97-0059 dated 4/15/97	Transmit changes to: (1) Issues 4 and 21 that were reviewed in accordance with 10 CFR 76 and determined not to require prior NRC approval; (2) Issues 8, 9, 23, 24, 30, 32, and A.4 that were acknowledged by the NRC in a letter dated December 18, 1996.
5	1/4/98	GDP 97-0225 dated 12/30/97	Transmit changes that were approved by the NRC via Amendment 8 to Certificate GDP-2.
6	3/12/98	GDP 98-0048 dated 3/16/98	Transmit changes that were approved by the NRC via Amendment 9 to Certificate GDP-2.