Filed: 08/30/2022



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

August 30, 2022

BY ELECTRONIC FILING

Mark Langer, Clerk of Court United States Court of Appeals for the District of Columbia Circuit 333 Constitution Ave., NW Washington, DC 20001

Re: Ohio Nuclear-Free Network v. NRC, Case No. 21-1162

Dear Mr. Langer:

Pursuant to Rule 28(j) of the Federal Rules of Appellate Procedure, Respondent U.S. Nuclear Regulatory Commission (NRC), on behalf of the Federal Respondents, writes to inform the Court of a recent update concerning the agency action that is the subject of the petition for review in this case.

This petition for review concerns the NRC's approval of a request from American Centrifuge Operating to engage in the "High-Assay Low-Enriched Uranium Demonstration Program" (Demonstration Program). The administrative record contains numerous references to May 31, 2022, as the expiration date of this authorization.¹ As explained in our brief, pp. 11-12, the length of NRC's authorization was coextensive with the length of American Centrifuge's contract with the Department of Energy to deliver this enriched uranium.

On April 28, 2022, American Centrifuge sought from the NRC a six-month extension of the Demonstration Program through November 30, 2022, consistent with an extension of its contract with the Department of Energy (see Intervenor's Brief at 30-31). The NRC approved this extension request on August 11, 2022. A copy of the cover letter conveying this approval is attached as an Enclosure.

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¹ See, e.g., NRC Environmental Assessment (Joint Appendix (Apx) 202); NRC Approval Letter (Apx 231-232); NRC Safety Evaluation Report (Apx 240).

We are notifying the Court of this development to clarify that the agency action being challenged has not "expired." Additionally, as stated in the Intervenor's Brief (p. 30), the Department of Energy has issued a solicitation notice for bids for the completion and operation of the Demonstration Program, and it is unknown what relevant impacts (if any) the outcome of this solicitation may have for this case beyond November 30, 2022. The Federal Respondents will continue to provide the Court with any pertinent updates.

Respectfully,

Filed: 08/30/2022

/s/ Eric Michel
Counsel for U.S. Nuclear
Regulatory Commission

Encl.: Cover Letter from T. Boyce, U.S. NRC, to K. Fitch, American Centrifuge Operating, Conveying Approval of Request to Extend High-Assay Low-Enriched Uranium Demonstration Program Authorization (Aug. 11, 2022)

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

August 11, 2022

Kelly L. Fitch, Regulatory Manager American Centrifuge Operating, LLC P.O. Box 628 Mail Stop 7560 3930 U.S. 23 South Piketon, Ohio 45661

SUBJECT: APPROVAL OF AMERICAN CENTRIFUGE OPERATING'S REQUEST TO

EXTEND THE NUCLEAR REGULATORY COMMISSION'S HIGH ASSAY LOW-ENRICHED URANIUM DEMONSTRATION PROGRAM AUTHORIZATION

EXPIRATION DATE BY 6 MONTHS (EPID L-2022-LLA-0058)

Dear Kelly Fitch:

By letter dated April 28, 2022 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML22123A143), American Centrifuge Operating (ACO), a wholly owned subsidiary of Centrus Energy Corp. (Centrus), requested that the U.S. Nuclear Regulatory Commission (NRC) modify its Materials License SNM-2011 and supporting documents for the American Centrifuge Plant (ACP) in Piketon, Ohio. The licensee's letter requested the NRC to review and approve its request to extend the expiration date of the NRC's authorization for the high assay low-enriched uranium (HALEU) demonstration program issued on June 11, 2021 (ML21138A827) by 6 months, from May 31, 2022, to November 30, 2022. ACO stated the HALEU demonstration program was on schedule to produce between 200 kg and 600 kg of HALEU using 16 AC I00M operating centrifuges by June 1, 2022, at the Piketon, Ohio facility (ML22123A143). However, completion of the HALEU demonstration program was delayed by COVID-19-related issues with the supply chain, cost increases, and scheduling. In recognition of the issues, the Department of Energy's HALEU demonstration Contract Number 89303519CNE000005, awarded to ACO on May 31, 2019, and definitized on October 31, 2019, was extended to November 30, 2022 (ML21127A153).

The NRC staff has completed its review of the April 28, 2022 request. The details associated with the review are documented in the enclosed non-public safety evaluation report (SER). Also enclosed is a redacted public version of the SER. As part of this licensing action, License Conditions (LCs) 10.c, 10.d and 10.e have been modified to incorporate, in the enclosed license, the application submitted on April 28, 2022 (ML22123A143). In addition, LC 15 and LC 16 have been modified to address the expiration date changes related to the contract and lease agreement.

Enclosures 1 and 3 transmitted herewith contain sensitive non-public information. When separated from the sensitive conditions in the enclosures, this document and Enclosures 2 and 4 are decontrolled.

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K. Fitch 2

In accordance with Title 10 of the Code of Federal Regulations, Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter and Enclosure 3 will be available electronically for public inspection in the NRC Public Document Room (PDR), or from the Publicly Available Records component of the NRC's ADAMS. The PDR is open by appointment only. You may submit your request to the PDR via email at PDR.Resource@nrc.gov or call 1-800-397-4209 between 8:00 a.m. and 4:00 p.m. (EST), Monday through Friday, except Federal holidays. ADAMS is accessible from the NRC website at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room). Enclosures 1 and 3 to this letter contain sensitive, unclassified information, and are therefore deemed Official Use Only (OUO). Therefore, they will not be placed in the PDR, nor will they be publicly available in ADAMS.

If you have any questions regarding this action, please contact Mr. Yawar Faraz by telephone at 301-415-7220, or via email at Yawar.Faraz@nrc.gov.

Sincerely,

Digitally signed by Thomas H. Thomas H. Boyce Date: 2022.08.11

Boyce 09:34:00 -04'00'

Thomas H. Boyce, Chief Fuel Facility Licensing Branch Division of Fuel Management Office of Nuclear Material Safety and Safeguards

Docket No. 07007004 License No. SNM-2011

Enclosures:

- 1. Safety Evaluation Report (OUO-SRI)
- 2. Safety Evaluation Report (Public)
- 3. Amendment 19 of the ACP License SNM-2011 (OUO-SRI)
- 4. Amendment 19 of the ACP License SNM-2011 (Public)

CC: L. Cutlip, Sr. Vice President, Centrus

M. Snider, General Manager, ACO

S. Harlow, DOE NE-HQ

R. Fischels, ACO

centrus acp@listmgr.nrc.gov (w/o Enclosures 1 and 2)