

October 9, 2008

The Honorable Larry E. Craig
United States Senate
Washington, D.C. 20510

Dear Senator Craig:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of August 28, 2008, in which you requested that the NRC conduct a prompt and expeditious review of the license application that AREVA NC, Inc. (AREVA) plans to submit, seeking authorization to construct and operate a uranium enrichment facility in Bonneville County, Idaho. The NRC stands ready to review AREVA's license application once received. If the NRC finds that the application contains sufficient information to begin a detailed technical review, the NRC will accept the application for review, establish a review schedule, and issue a notice of hearing. However, should the agency be operating under a Continuing Resolution for Fiscal Year 2009, the NRC staff may be forced to extend the review schedule in order to keep NRC resources focused on the safety oversight of existing licensees.

For planning purposes, the NRC has been using a 30-month schedule as the basis for projecting agency resource needs and does not foresee completing the licensing process in less than 30 months. The NRC would, however, incorporate lessons-learned from previous licensing proceedings in an effort to achieve efficiencies and shorten the overall licensing schedule. Although it may be possible to commence the staff review prior to completion of international agreements, the lack of such agreements has the potential to limit access to needed information and could result in extending the total period for the staff's review.

As noted in your letter, an important consideration in the NRC's schedule for the review of a license application is providing opportunities for public input as part of the environmental review required under the National Environmental Policy Act. The two main opportunities for public participation are during the scoping period before the draft environmental impact statement (EIS) is written and during the comment period for the draft EIS. The scoping period would be expected to last approximately 45 days and would include a public meeting near the site to hear comments. After the NRC publishes the draft EIS, the agency would announce a comment period for the draft and hold another public meeting. The comment period on the draft EIS would also be expected to last about 45 days. Given the need for public comment, it is difficult to compress the schedule for a license review beyond the 30-month schedule described above.

Also, based on a ruling in the United States 9th Circuit Court of Appeals, the Commission has directed the staff to prepare its environmental reviews for certain facilities in that court's jurisdiction to include consideration of potential impacts caused by terrorist attacks. Incorporating terrorism into the environmental review increases the complexity of the NRC's evaluation and contributes greater uncertainty to the schedule.

Additionally, in your letter, you encourage the NRC to adopt, for new enrichment plants, the approach taken for the conduct of required mandatory hearings for new reactor applicants. In June 2007, the Commission approved a recommendation of the Combined License Review Task Force that the Commission itself conduct mandatory hearings on applications for combined licenses for the construction and operation of nuclear power plants. However, mandatory hearings for license applications for new enrichment facilities were not considered in the Commission's decision. The Commission considers it more efficient to address this matter on a case-by-case basis for enrichment facilities and may consider doing so closer to the time of any docketing and acceptance review for the AREVA NC application so that any final decisions relating to scheduling associated with the hearings can be made with knowledge of the status of all of the above factors.

Thank you for sharing your recommendations on the anticipated AREVA application review. If you have any questions, please do not hesitate to contact me.

Sincerely,

/RA/

Dale E. Klein

Identical letter sent to:

The Honorable Larry E. Craig
United States Senate
Washington, D.C. 20510

The Honorable Mike Crapo
United States Senate
Washington, D.C. 20510

The Honorable Mike Simpson
United States House of Representatives
Washington, D.C. 20515

The Honorable Bill Sali
United States House of Representatives
Washington, D.C. 20515