

SAFEGUARDS INFORMATION

July 15, 2003

Mr. Steven Toelle
Director, Nuclear Regulatory Affairs
United States Enrichment Corporation
2 Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: LEAD CASCADE PROJECT PHYSICAL PROTECTION GUIDANCE

Dear Mr. Toelle:

This is to provide you with physical protection program information pertinent to your February 12, 2003, lead cascade gas centrifuge plant license application. The existing regulations provide the basis for the physical protection and materials control and accounting requirements needed for a gas centrifuge enrichment facility. The Commission has imposed interim compensatory measures (ICMs) on existing Category III fuel cycle facility licensees to address the current threat environment. These ICMs are attached for your information and general consideration. Under these ICMs, current Category III fuel cycle facilities must identify critical target areas, if any, and provide a means for protecting the critical target areas. Critical target areas are determined based on radiological exposures and exposures to chemicals related to licensed radioactive materials.

U.S. Nuclear Regulatory Commission regulations are, of course, subject to revision through rulemaking. The ICMs could be altered if a significant change in the threat environment has occurred, or the Commission determines that other changes are needed. We will endeavor to keep you informed of any potential changes to the Commission's regulations or any changes to supplemental safeguards that could be the subject of subsequent orders to future licensees. We are also providing for your information the most current advisory information provided to Category III fuel cycle facilities.

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S. Toelle

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If you have any questions, please contact Mr. Yawar Faraz at 301-415-8113.

Sincerely,

/RA/

Kathy Halvey Gibson, Acting Chief
Special Projects and Inspection Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Enclosure: Category III ICMs
Current Advisory Information

Docket No. 70-3103

cc: w/o Enclosure
William Szymanski/DOE
James Curtiss/W&S
Mario Robles/USEC
Michael Marriotte/NIRS
Randall DeVault/DOE

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