

January 16, 2004

MEMORANDUM TO: Michael T. Lesar, Chief
Rules and Directives Branch
Division of Administrative Services
Office of Administration

FROM: Lawrence E. Kokajko, Chief
Environmental and Performance Assessment Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

SUBJECT: PUBLICATION IN FEDERAL REGISTER OF NOTICE OF INTENT TO
PREPARE ENVIRONMENTAL IMPACT STATEMENT FOR LOUISIANA
ENERGY SERVICES PROPOSED GAS CENTRIFUGE URANIUM
ENRICHMENT FACILITY

Attached is an original signed copy of a Federal Register notice announcing the U.S. Nuclear Regulatory Commission's intent to prepare an Environmental Impact Statement (EIS) and the solicitation of comments on the scope of this EIS. Five copies of the notice and a diskette containing an electronic version of the notice are also attached. Please transmit the Federal Register notice to the Office of the Federal Register for publication.

Attachments:

1. Signed original FRN
2. 5 copies of FRN
3. Diskette

CONTACT: Matthew Blevins, NMSS/DWM
(301) 415-7684

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MB
Initials

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Date

NUCLEAR REGULATORY COMMISSION

**Notice of Intent to Prepare an Environmental Impact Statement for the Proposed LES
Gas Centrifuge Uranium Enrichment Facility**

AGENCY: United States Nuclear Regulatory Commission

ACTION: Notice of Intent (NOI)

SUMMARY: Louisiana Energy Services (LES) submitted a license application on December 12, 2003, that proposes the construction, operation and decommissioning of a gas centrifuge uranium enrichment facility to be located near Eunice, New Mexico. The U.S. Nuclear Regulatory Commission (NRC), in accordance with the National Environmental Policy Act (NEPA) and its regulations at 10 CFR part 51, announces its intent to prepare an Environmental Impact Statement (EIS). The EIS will examine the potential environmental impacts of the proposed LES facility.

DATES: The public scoping process required by NEPA begins with publication of this NOI and continues until March 18, 2004. Written comments submitted by mail should be postmarked by that date to ensure consideration. Comments mailed after that date will be considered to the extent practical.

The NRC will conduct a public scoping meeting to assist in defining the appropriate scope of the EIS, including the significant environmental issues to be addressed. The meeting date, times and location are listed below:

- Meeting Date: March 4, 2004
- Meeting Location: Eunice Community Center, 1115 Avenue I, Eunice, NM
- Scoping Meeting Time: 7:00 p.m. to 10:00 p.m.

ADDRESSES: Members of the public are invited and encouraged to submit comments to the Chief, Rules Review and Directives Branch, Mail Stop T6-D59, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Please note Docket No. 70-3103 when submitting

comments. Due to the current mail situation in the Washington, D.C. area, commentors are encouraged to send comments electronically to LES_EIS@nrc.gov or by facsimile to (301) 415-5398, ATTN.: Melanie Wong.

FOR FURTHER INFORMATION CONTACT: For general or technical information associated with the license review of the LES application, please contact: Tim Johnson at (301) 415-7299. For general information on the NRC NEPA process, or the environmental review process related to the LES application, please contact: Melanie Wong at (301) 415-6262.

Information and documents associated with the LES project, including the LES license application (submitted on December 12, 2003), are available for public review through our electronic reading room: <http://www.nrc.gov/reading-rm/adams.html>. Documents may also be obtained from NRC's Public Document Room at U.S. Nuclear Regulatory Commission Headquarters, 11555 Rockville Pike (first floor), Rockville, Maryland.

SUPPLEMENTARY INFORMATION:

1.0 Background

LES submitted a license application and an environmental report for a gas centrifuge uranium enrichment facility to the NRC on December 12, 2003. The NRC will evaluate the potential environmental impacts associated with LES enrichment facility in parallel with the review of the license application. This environmental evaluation will be documented in draft and final Environmental Impact Statements in accordance with NEPA and NRC's implementing regulations at 10 CFR Part 51.

2.0 LES Enrichment Facility

The LES facility, if licensed, would enrich uranium for use in manufacturing commercial nuclear fuel for use in power reactors. Feed material would be natural (not enriched) uranium in the form of uranium hexafluoride (UF₆). LES proposes to use centrifuge technology to enrich isotope uranium-235 in the uranium hexafluoride to up to 5 percent. The centrifuge would operate at below atmospheric pressure. The capacity of the plant would be up to 3 million separative work units (SWU) [SWU relates to a measure of the work used to enrich uranium].

The enriched UF₆ would be transported to a fuel fabrication facility. The depleted UF₆ would be stored on site until it can be sold or disposed of commercially, or by the Department of Energy.

3.0 Alternatives to be Evaluated

No-Action -- The no-action alternative would be to not build the proposed LES gas centrifuge uranium enrichment facility. Under this alternative, the NRC would not approve the license application. This serves as a baseline for comparison.

Proposed action -- The proposed action involves the construction, operation, and decommissioning of a gas centrifuge uranium enrichment facility located near Eunice, NM. The applicant would be issued an NRC license under the provisions of 10 CFR Parts 30, 40, and 70.

Other alternatives not listed here may be identified through the scoping process.

4.0 Environmental Impact Areas to be Analyzed

The following areas have been tentatively identified for analysis in the EIS:

- *Land Use*: plans, policies and controls;
- *Transportation*: transportation modes, routes, quantities, and risk estimates;
- *Geology and Soils*: physical geography, topography, geology and soil characteristics;
- *Water Resources*: surface and groundwater hydrology, water use and quality, and the potential for degradation;
- *Ecology*: wetlands, aquatic, terrestrial, economically and recreationally important species, and threatened and endangered species;
- *Air Quality*: meteorological conditions, ambient background, pollutant sources, and the potential for degradation;
- *Noise*: ambient, sources, and sensitive receptors;
- *Historical and Cultural Resources*: historical, archaeological, and traditional cultural resources
- *Visual and Scenic Resources*: landscape characteristics, manmade features and viewshed;
- *Socioeconomics*: demography, economic base, labor pool, housing, transportation, utilities, public services/facilities, education, recreation, and cultural resources;
- *Environmental Justice*: potential disproportionately high and adverse impacts to minority and low-income populations;

- *Public and Occupational Health:* potential public and occupational consequences from construction, routine operation, transportation, and credible accident scenarios (including natural events);
- *Waste Management:* types of wastes expected to be generated, handled, and stored; and
- *Cumulative Effects:* impacts from past, present and reasonably foreseeable actions at, and near the site(s).

This list is not intended to be all inclusive, nor is it a predetermination of potential environmental impacts. The list is presented to facilitate comments on the scope of the EIS. Additions to, or deletions from this list may occur as a result of the public scoping process.

5.0 Scoping Meeting

One purpose of this NOI is to encourage public involvement in the EIS process, and to solicit public comments on the proposed scope and content of the EIS. The NRC will hold a public scoping meeting in Eunice, New Mexico, to solicit both oral and written comments from interested parties.

Scoping is an early and open process designed to determine the range of actions, alternatives, and potential impacts to be considered in the EIS, and to identify the significant issues related to the proposed action. It is intended to solicit input from the public and other agencies so that the analysis can be more clearly focused on issues of genuine concern. The principal goals of the scoping process are to:

- Ensure that concerns are identified early and are properly studied;
- Identify alternatives that will be examined;
- Identify significant issues that need to be analyzed;
- Eliminate unimportant issues; and
- Identify public concerns.

The scoping meeting will begin with NRC staff providing a description of the NRC's role and mission. A brief overview of the licensing process will be followed by a brief description of the environmental review process. The bulk of the meeting will be allotted for attendees to make oral comments.

6.0 Scoping Comments

Written comments should be mailed to the address listed above in the ADDRESSES Section.

The NRC staff will make the scoping summaries and project-related materials available for public review through our electronic reading room:

<http://www.nrc.gov/reading-rm/adams.html>. The scoping meeting summaries and project-related materials will also be available on the NRC's LES web page:

<http://www.nrc.gov/materials/fuel-cycle-fac/lesfacility.html> (case sensitive).

7.0 The NEPA Process

The EIS for the LES facility will be prepared according to the National Environmental Policy Act of 1969 and the NRC's NEPA Regulations at 10 CFR Part 51.

After the scoping process is complete, the NRC and its contractor will prepare a draft EIS. A 45-day comment period on the draft EIS is planned, and public meetings to receive comments will be held approximately three weeks after distribution of the draft EIS. Availability of the draft EIS, the dates of the public comment period, and information about the public meetings will be announced in the Federal Register, on NRC's LES web page, and in the local news media when the draft EIS is distributed. The final EIS will incorporate public comments received on the draft EIS.

Signed in Rockville, MD. this 16th day of January 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

Lawrence E. Kokajko, Chief
Environmental and Performance Assessment Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards