

April 26, 2004

MEMORANDUM TO: Joseph G. Giitter, Chief
Special Projects Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

THROUGH: Brian W. Smith, Chief **/RA/**
Gas Centrifuge Facility Licensing Section
Special Projects Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

FROM: Yawar H. Faraz, Senior Project Manager **/RA/**
Gas Centrifuge Facility Licensing Section
Special Projects Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

SUBJECT: APRIL 13, 2004, CLOSED MEETING SUMMARY: INTERNATIONAL
SAFEGUARDS OBLIGATIONS AFFECTING AMERICAN
CENTRIFUGE PLANT AND LEAD CASCADE

On April 13, 2004, U.S. Nuclear Regulatory Commission (NRC) staff held a closed meeting with USEC Inc. staff at the Portsmouth Gaseous Diffusion Plant in Piketon Ohio to discuss U.S. Government commitments regarding International Atomic Energy Agency safeguards and compliance activities with respect to the American Centrifuge Lead Cascade Facility and the American Centrifuge Plant, to be built and operated at the Portsmouth Gaseous Diffusion Plant site in Piketon, Ohio. I am attaching a meeting summary for your use. Department of Energy officials also attended the meeting.

Dockets: 70-7003, 70-7004

Attachment: Meeting Summary

cc:	William Szymanski/DOE	Michael Marriotte/NIRS	Rod Krich/LES
	Dan Minter/SODI	Carol O'Claire/Ohio EMA	Peter Miner/USEC Inc.
	Steven Toelle/USEC Inc.	Randall DeVault/DOE	

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MEMO: ML041170491 PKGE: ML041170490

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Office	SPB		SPB		NSIR		SPB	
Name	YFaraz		LGross		VOrdaz		BSmith	
Date	4/ 26 /04		4/ 26 /04		4/ 26 /04		4/ 26 /04	

OFFICIAL RECORD COPY

Meeting Summary

Date: April 13, 2004

Place: Portsmouth Gaseous Diffusion Plant
3930 US Route 23 South
Building X-710, Jules Ratliff Conference Room
Piketon, Ohio 45661

Attendees: See Attachment 1

Purpose:

The purpose of this meeting was to discuss U.S. Government commitments regarding International Atomic Energy Agency (IAEA) safeguards and compliance activities with respect to the American Centrifuge Lead Cascade Facility and the American Centrifuge Plant, to be built and operated at the Portsmouth Gaseous Diffusion Plant site in Piketon, Ohio. This meeting was closed to members of the public due to the proprietary nature of information to be discussed pursuant to 10 CFR 2.390.

Discussion:

Following introduction of individuals attending the meeting, the NRC's IAEA safeguards coordinator made a presentation on the subject of the meeting (Attachment 2). During the meeting, USEC Inc. voiced its concerns about the feasibility and costs of implementing the IAEA safeguards approach because of the presence of classified materials related to the centrifuge enrichment process. The NRC's IAEA safeguards coordinator indicated that in the near future he planned to meet with the IAEA in Austria to discuss IAEA safeguards approaches for centrifuge enrichment plants. He further identified that eligibility of the Lead Cascade facility for IAEA inspections was under discussion within the U.S. Government committees overseeing IAEA safeguards in the United States.

NRC Action Items:

None

Attachments: 1. Attendee list
2. NRC Presentation

ATTENDEES

<u>NAME</u>	<u>ORGANIZATION</u>
J.B. Morgan	USEC Inc.
R. Dively	USEC Inc.
R. Lawton	USEC
K. Coriell	USEC Inc.
G. Shoemaker	USEC Inc.
T. Manes	USEC Inc.
D. Seymour	NRC
L. Trocine	NRC
Rick Coriell	USEC
Wayne M. Yoder	AFM, LLC
P. Williams	DOE- Ports
H. Christensen	NRC
Douglass Collins	NRC
Jay Henson	NRC
Mark Lesser	NRC
Yawar Faraz	NRC
Bruce Moran	NRC
Peter Miner	USEC