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USNRC

April 26, 2004

April 28, 2004 (10:51AM)

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Alan S. Rosenthal
Administrative Judge
Presiding Officer
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dr. Richard F. Cole
Administrative Judge
Special Assistant
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: Nuclear Fuel Services, Inc. (Erwin, Tennessee)
Docket Nos. 70-143-MLA, 70-143-MLA-2, 70-143-MLA-3
Proposed Pre-hearing Conference Regarding Written Presentations

Dear Administrative Judges:

In your Memorandum and Order of April 9, 2004, you asked the parties to provide you with notice regarding any matters of a possibly controversial nature that they would like to raise at the prehearing conference scheduled for Wednesday, April 28. Counsel for Nuclear Fuel Services, hereby provide such notice regarding the following matters.

First, counsel for NFS, the Sierra Club, and the NRC Staff met last week to discuss a potential schedule for the proceeding. Because the central issue in the proceeding will be whether the NRC Staff should prepare an environmental impact statement (EIS) for NFS's BLEU Project, the parties jointly propose that the Sierra Club file its initial written presentation 60 days after the NRC Staff publishes either an EIS or a finding of no significant impact stating that an EIS is not necessary for the third BLEU Project license amendment, or by October 1, 2004, whichever is later. (The October 1 date is based on the Staff's estimate that it will publish its environmental review sometime in July.) The parties propose that NFS's and the NRC Staff's responsive written presentations be due 60 days later, and that the Sierra Club's reply filing be due 30 days after that, but in any event no earlier than January 15, 2005, to allow for the December and New Year's holidays. Finally, the parties propose that if the Sierra Club's reply filing contains any new material to which NFS and the NRC Staff did not have the opportunity to respond, that NFS and the Staff have the option of a reply filing addressing the new material 30 days after the Sierra Club's reply filing.

Second, because NFS's licensing documents contain a significant amount of proprietary information regarding the design of NFS's facilities and NFS's financial and

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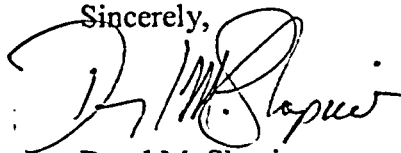
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decommissioning funding arrangements, the parties propose that they file a joint motion for a protective order to provide for protection of the information and access to it by counsel and appropriate party experts.

Third, because of the potentially very broad nature of the concerns advanced by the Sierra Club, NFS plans to request clarification of the scope of the issues to be heard, particularly with respect to past and ongoing operations at NFS's facilities, as opposed to the proposed BLEU Project operations. NFS believes that clarification at this point could save the parties a significant amount of effort in preparing written presentations and the Presiding Officer a significant amount of effort in ruling upon them.

We appreciate your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. M. Shapiro', written over a horizontal line.

Daryl M. Shapiro

D. Sean Barnett

Counsel for Nuclear Fuel Services, Inc.

cc: Service List