

June 28, 2004

Mr. Mike Faris  
1306 Yucca Drive  
Lovington, NM 88260

SUBJECT: PROPOSED URANIUM ENRICHMENT PLANT IN LEA COUNTY, NEW MEXICO

Dear Mr. Faris:

This is in response to your letter to the U.S. Nuclear Regulatory Commission dated May 4, 2004, in which you expressed your concerns about the proposed Louisiana Energy Services (LES) gas centrifuge uranium enrichment plant in Eunice, New Mexico. The concern you raised relates to deconversion of depleted uranium hexafluoride to an oxide form. The commission established a "plausible strategy" standard for addressing disposition of depleted uranium tails. This issue is currently being discussed in the hearing process for the proposed plant. You are correct in stating in your letter that under the USEC Privatization Act, the U.S. Department of Energy is required to dispose of the byproduct from this process. As clarification, under the same act, LES would bear the cost of disposal, not the taxpayers.

If you have any questions, please contact me at 301-415-7299.

Sincerely,

/RA/

Timothy C. Johnson, Project Manager  
Special Projects Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket: 70-3103

cc:	William Szymanski/DOE	Claydean Claiborne/Jal	Rod Krich/LES
	Monty Newman/Hobbs	James Curtiss/W&S	Troy Harris/Lovington
	Peter Miner/USEC	Betty Richman/Tatum	James Ferland/LES
	Glen Hackler/Andrews	Dennis Holmberg/Lea Cty	William Floyd/NMED
	James Brown/Eunice	Richard Ratliff/Texas	M. Marriotte/NIRS
	Jerry Clift/Hartsville	CO'Claire/Ohio	Lee Cheney/CNIC
	Derrith Watchman-Moore/NMED	Joseph Malherek/PC	Ron Curry/NMED
	Clay Clark/NMED	Patricia Madrid/NMAG	Glen Smith/NMAG
	Lindsay Lovejoy/NIRS		

Mr. Mike Faris  
1306 Yucca Drive  
Lovington, NM 88260

SUBJECT: PROPOSED URANIUM ENRICHMENT PLANT IN LEA COUNTY, NEW MEXICO

Dear Mr. Faris:

This is in response to your letter to the U.S. Nuclear Regulatory Commission dated May 4, 2004, in which you expressed your concerns about the proposed Louisiana Energy Services (LES) gas centrifuge uranium enrichment plant in Eunice, New Mexico. The concern you raised relates to deconversion of depleted uranium hexafluoride to an oxide form. The commission established a "plausible strategy" standard for addressing disposition of depleted uranium tails. This issue is currently being discussed in the hearing process for the proposed plant. You are correct in stating in your letter that under the USEC Privatization Act, DOE is required to dispose of the byproduct from this process. As clarification, under the same act, LES would bear the cost of disposal, not the taxpayers.

If you have any questions, please contact me at 301-415-7299.

Sincerely,  
/RA/  
Timothy C. Johnson, Project Manager  
Special Projects Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

cc: William Szymanski/DOE  
Monty Newman/Hobbs  
Peter Miner/USEC  
Glen Hackler/Andrews  
James Brown/Eunice  
Jerry Clift/Hartsville  
Derrith Watchman-Moore/NMED  
Clay Clark/NMED  
Lindsay Lovejoy/NIRS

Claydean Claiborne/Jal  
James Curtiss/W&S  
Betty Richman/Tatum  
Dennis Holmberg/Lea Cty  
Richard Ratliff/Texas  
CO'Claire/Ohio  
Joseph Malherek/PC  
Patricia Madrid/NMAG

Rod Krich/LES  
Troy Harris/Lovington  
James Ferland/LES  
William Floyd/NMED  
M. Marriotte/NIRS  
Lee Cheney/CNIC  
Ron Curry/NMED  
Glen Smith/NMAG

**DISTRIBUTION:** Docket: 70-3103

NMSS r/f	FCSS r/f	SPB r/f	RPierson
JHolonich	JGiitter	YFaraz	MGalloway
LClark/OGC	ACoggins/OGC	LPittiglio/NRR	THarris/DWM
MDelligatti/DWM	MWong/DWM	SFlanders/DWM	KEverly/NSIR
SGagner/OPA	DMcIntyre/OPA	RVirgilio/OSTP	TCombs/OCA
DYres/Reg II	DSeymour/RegII	JHenson/RegII	RHannah/RegII
KClark/RegII	KO'Brien/Reg III	VMitlyng/RegIII	DHartland/Reg II
WMaier/RegIV	Hearing file		

**ML041810450**

OFC	SPB		SPB		SPB		SPB	
NAME	WHeld/os		TCJohnson		LMarshall		BSmith	
DATE	6/21/04		6/24/04		6/25/04		6/28/04	

C = COVER

E = COVER & ENCLOSURE

N = NO COPY

**OFFICIAL RECORD COPY**