

July 30, 2004

NEF#04-030

ATTN: Document Control Desk  
Director  
Office of Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

Louisiana Energy Services, L. P.  
National Enrichment Facility  
NRC Docket No. 70-3103

Subject: Revision 2 to Un-Classified Portion of the Fundamental Nuclear Material Control Plan

- References:
1. Letter NEF#03-003 dated December 12, 2003, from E. J. Ferland (Louisiana Energy Services, L. P.) to Directors, Office of Nuclear Material Safety and Safeguards and the Division of Facilities and Security (NRC) regarding "Applications for a Material License Under 10 CFR 70, Domestic licensing of special nuclear material, 10 CFR 40, Domestic licensing of source material, and 10 CFR 30, Rules of general applicability to domestic licensing of byproduct material, and for a Facility Clearance Under 10 CFR 95, Facility security clearance and safeguarding of national security information and restricted data"
  2. Letter NEF#04-002 dated February 27, 2004, from R. M. Krich (Louisiana Energy Services, L. P.) to Director, Office of Nuclear Material Safety and Safeguards (NRC) regarding "Revision 1 to Applications for a Material License Under 10 CFR 70, "Domestic licensing of special nuclear material," 10 CFR 40, "Domestic licensing of source material," and 10 CFR 30, "Rules of general applicability to domestic licensing of byproduct material"
  3. Letter NEF#04-014 dated May 19, 2004, from R. M. Krich (Louisiana Energy Services, L. P.) to Director, Office of Nuclear Material Safety and Safeguards (NRC) regarding "Response to NRC Requests for Additional Information Concerning the National Enrichment Facility Fundamental Nuclear Material Control Plan"

By letter dated December 12, 2003 (Reference 1), E. J. Ferland of Louisiana Energy Services (LES), L. P., submitted to the NRC applications for the licenses necessary to authorize construction and operation of a gas centrifuge uranium enrichment facility. Revision 1 to these applications was submitted to the NRC by letter dated February 27, 2004 (Reference 2). The Fundamental Nuclear Material Control Plan (FNMCP) was included as part of these license applications. By letter dated May 19, 2004 (Reference 3), LES provided the responses to the

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NRC Requests for Additional Information (RAI) concerning the portion of the FNMCP that did not contain classified information (i.e., confidential national security information (CNSI)). In a July 14, 2004, conference call between LES and NRC representatives, clarifications regarding RAI responses concerning the FNMCP were provided.


During the development of the revision to the FNMCP to incorporate the Reference 3 letter response to RAI FM-5, it was identified that the response should be revised to reflect the final changes made to the FNMCP. The response to RAI FM-5 indicated that the FNMCP would be revised to reflect the independence of the Uranium Management Manager position, who had the responsibility for Material Control and Accountability (MC&A) management, from production responsibilities as required by 10 CFR 74.33, "Nuclear material control and accounting for uranium enrichment facilities authorized to produce special nuclear material of low strategic significance," paragraph (c)(1). In order to best provide independence of MC&A management from production responsibilities, it was decided to move the MC&A management responsibility and function from the Uranium Management Manager to the Health, Safety, and Environment Manager and revise the FNMCP accordingly.

Changes resulting from these RAI responses and the conference call clarifications are reflected in the enclosed Revision 2 to the FNMCP. Revision 2 also revises each of the pages of the FNMCP to add the marking "Proprietary Information" consistent with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," paragraph (d)(1). This submittal does not include changes to the portion of the FNMCP that contains CNSI. The revision to the classified portion of the FNMCP, resulting from the RAI responses and conference call clarifications, is being submitted separately in accordance with 10 CFR 95.39, "External transmission of documents and material."

Revision 2 to the FNMCP is considered proprietary in accordance with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," paragraph (d)(1). Accordingly, we request that Revision 2 to the FNMCP be withheld from public disclosure.

If you have any questions, please contact me at 603-657-2813.

Respectfully,



R. M. Krich  
Vice President, Licensing, Safety, and Nuclear Engineering

Enclosure: Fundamental Nuclear Material Control Plan, Revision 2, w/o classified information

cc: T. C. Johnson, NRC Project Manager (letter only)