

August 12, 2004

MEMORANDUM TO: Joseph G. Gitter, Chief
Special Projects Branch
Division of Fuel Cycle Safety
and Safeguards

THRU: Brian W. Smith, Chief /RA/
Gas Centrifuge Facility Licensing Section
Special Projects Branch, FCSS

FROM: Timothy C. Johnson /RA/
Senior Mechanical Systems Engineer
Gas Centrifuge Facility Licensing Section
Special Projects Branch, FCSS

SUBJECT: AUGUST 6 AND 9, 2004, TELEPHONE SUMMARIES: LOUISIANA
ENERGY SERVICES REQUESTS FOR ADDITIONAL INFORMATION

On August 6 and 9, 2004, the U.S. Nuclear Regulatory Commission (NRC) staff held telephone conference calls with staff from Louisiana Energy Services (LES) to discuss separation of the Integrated Safety Analysis (ISA) summary from the license application. I am attaching the telephone summary for your use. The summary contains no proprietary or classified information.

Docket: 70-3103

Attachment: Louisiana Energy Services
Telephone Summary

| | | | |
|-----|-----------------------------|-------------------------|-----------------------|
| 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 Clarke/NMED | Patricia Madrid/NMAG | Glenn Smith/NMAG |
| | Lindsay Lovejoy/NIRS | | |

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| KClark/RegII | VMitlyng/RegIII | DHartland/Reg II | WMaier/RegIV |
| Hearing file | DAyres/Reg II | DSeymour/RegII | JHenson/RegII |
| LES website - No | | | |

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| OFC | GCFLS | | GCFLS | | MOFLS | | GCFLS | |
| NAME | TCJohnson/os | | LMarshall | | WTroskoski | | BSmith | |
| DATE | 08/10 /04 | | 08/11/04 | | 08/11/04 | | 08/12/04 | |

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Telephone Conference Call Summary

Integrated Safety Analysis

Date and Time: 3:15 PM; August 6, 2004

| | |
|---------------------------------|----------------|
| Call Participants: B. Smith/NRC | J. Giitter/NRC |
| W. Troskoski/NRC | R. Krich/LES |
| D. Green/LES | |

A telephone conference call was held to discuss the Louisiana Energy Services (LES) license application for a gas centrifuge enrichment facility. In Request for Additional Information ISA-1 in the U.S. Nuclear Regulatory Commission (NRC) letter to LES dated April 19, 2004, the staff noted that the format of the application did not match the requirements of 10 CFR 70.65(b), which prohibits incorporation of the Integrated Safety Analysis (ISA) Summary in the license. As currently proposed by LES, the ISA Summary is an integral part of the overall license application and the specific information required to be contained in the ISA Summary is not separate from the license application content required by 10 CFR 70.22. The staff requested LES to identify the ISA Summary.

During the call, LES staff stated that it was considering several options to resolve this issue. The first would involve the development of a separate ISA Summary. However, LES believed that this option would be difficult to perform because much of the material would have to be cross referenced between the two documents. In addition, LES was also concerned that based on past NRC practice of incorporating the license application into the license via a license condition, no changes to any of the referenced information in the application would be permitted under the 10 CFR 70.72 change process. The second option would be the development of a stand alone document that contained all of the commitments that would require NRC approval prior to implementing the change. This document would then be incorporated into the LES license via a license condition.

Staff informed LES that its proposal would be reviewed and that a decision would be made by the following Tuesday.

Telephone Conference Call Summary

Integrated Safety Analysis

Date and Time: 4:00 PM; August 9, 2004

| | |
|-------------------------------------|----------------|
| Call Participants: T.C. Johnson/NRC | B. Smith/NRC |
| W. Troskoski/NRC | J. Giitter/NRC |
| R. Krich/LES | D. Green/LES |

The U.S. Nuclear Regulatory Commission (NRC) staff conducted a conference call with Louisiana Energy Services (LES) to discuss the approach proposed by LES for separating the Integrated Safety Analysis (ISA) Summary information from the LES application. NRC staff indicated that the proposed approach introduced new legal questions that would require an Office of the General Counsel (OGC) decision. It would also introduce new technical review issues and potentially increase litigation risk. NRC staff indicated that in referencing the application in the license, as discussed in the meeting held on July 8, 2004, it would ensure that language is inserted to specifically allow changes to be made in accordance with 10 CFR 70.72.

Based on this discussion, LES staff concluded that the best approach would be to modify applicable parts of the application to separate information related to the ISA summary.