

April 4, 2006

Mr. Rod Krich, Vice President
Licensing, Safety, and Nuclear Engineering
Louisiana Energy Services
2600 Virginia Avenue NW, Suite 610
Washington, DC 20037

SUBJECT: APPROVAL OF LOUISIANA ENERGY SERVICES REQUEST FOR
WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (LOUISIANA
ENERGY SERVICES GAS CENTRIFUGE URANIUM ENRICHMENT FACILITY)

Dear Mr. Krich:

By letter dated March 20, 2006 (NEF#06-009), Louisiana Energy Services (LES) submitted an affidavit dated March 20, 2006, executed by Mr. Rod M. Krich. In the letter, you requested that the information provided in documents related to an LES purchase agreement for limited partnership interests be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 390. The information requested to be withheld is the "Action by Unanimous Written Consent of the LES Management Committee," dated March 3, 2006, and the "Purchase Agreement for Limited Partnership Interests," dated March 3, 2006.

You did not provide a non-proprietary version of the above documents.

In the affidavit, dated March 20, 2006, Mr. Krich stated that the information related to the purchase agreement should be withheld from public disclosure for the following reasons:

1. The information contains detailed commercial and financial information regarding the manner in which LES is managed and controlled and particular relationships among the partners.
2. The documents were drafted and executed by the general and limited partners with the explicit understanding that the documents would be treated as proprietary and confidential. The general and limited partners are treating the documents as proprietary and confidential.
3. If the documents were publically disclosed, LES would suffer irreparable and incalculable harm. Competitors would gain insight into otherwise unavailable business strategies, financial underpinnings, and legal arrangements of the LES partnership and would obtain an unfair commercial advantage that would significantly affect LES' ability to compete.
4. It is information that is customarily held in confidence by LES and its partners and is in fact so held.
5. While general information about the LES partnership is publically available, the specific details of the partnership are not available in public sources.
6. It was transmitted to and received by the U.S. Nuclear Regulatory Commission in confidence.

R. Krich

- 2 -

We have reviewed the justifications you provided in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,

\RA\

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

Docket: 70-3103

cc:

William Szymanski/DOE
Monty Newman/Hobbs
Peter Miner/USEC
Glen Hackler/Andrews
Matt White/Eunice
Jerry Clift/Hartsville
Joseph Malherek/PC
Clay Clark/NMED
Roger Mulder/Texas

Fred Seifts/Jal
James Curtiss/W&S
Betty Richman/Tatum
Lue Ethridge/Lea Cty
Richard Ratliff/Texas
CO'Claire/Ohio
Ron Curry/NMED
Patricia Madrid/NMAG

Lindsay Lovejoy/NIRS
Troy Harris/Lovington
James Ferland/LES
John Parker/NMED
M. Marriotte/NIRS
Lee Cheney/CNIC
D. Watchman-Moore/NMED
Glen Smith/NMAG

We have reviewed the justifications you provided in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,

\RA\

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

Docket: 70-3103

cc:

William Szymanski/DOE
Monty Newman/Hobbs
Peter Miner/USEC
Glen Hackler/Andrews
Matt White/Eunice
Jerry Clift/Hartsville
Joseph Malherek/PC
Clay Clark/NMED
Roger Mulder/Texas

Fred Seifts/Jal
James Curtiss/W&S
Betty Rickman/Tatum
Lue Ethridge/Lea Cty
Richard Ratliff/Texas
CO'Claire/Ohio
Ron Curry/NMED
Patricia Madrid/NMAG

Lindsay Lovejoy/NIRS
Troy Harris/Lovington
James Ferland/LES
John Parker/NMED
M. Marriotte/NIRS
Lee Cheney/CNIC
D. Watchman-Moore/NMED
Glen Smith/NMAG

DISTRIBUTION:

FCSS r/f

JGiitter/FCSS
YFaraz/SPB
SFlanders/DWM
TCombs/OCA
DAyres/Reg II
KClark/Reg II
Hearing file

Docket: 70-3103

SPB r/f

MFederline/NMSS
LClark/OGC
JPark/DWM
KEverly/NSIR
DSeymour/Reg II
KO'Brien/Reg III
LES website - NO

JStrosnider/NMSS
JDavis/DWM
DMcIntyre/OPA
TFredricks/DWM
JHenson/Reg II

VMitlyng/Reg III

RPierson/FCSS
MGalloway/TSG
RVirgilio/OSTP
RTrojanowski/Reg II
RHannah/Reg II

WMaier/Reg IV

ML060930111

OFC	GCFLS		GCFLS		OGC		GCFLS		SPB	
NAME	TJohnson: TCJ		LWilliamson:L W		TRothchild		BSmith		JGiitter	
DATE	3/31/06		03 /31/06		04 /03/06		04/04/06		04/04/06	

OFFICE RECORD COPY