



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE, NE SUITE 1200
ATLANTA, GEORGIA 30303

July 21, 2010

David E. Sexton, Chief Nuclear Officer
and Vice President of Operations
Louisiana Energy Services, L.L.C.
P.O. Box 1789
Eunice, NM 88231

SUBJECT: LOUISIANA ENERGY SERVICES, L.L.C., URENCO USA FACILITY, DOCKET
70-3103, AUTHORIZATION TO INTRODUCE URANIUM HEXAFLUORIDE INTO
CASCADE 2

Dear Mr. Sexton:

This letter confirms our discussion of July 21, 2010, during which you were informed that the NRC has authorized the introduction of uranium hexafluoride into Cascade 2 at the Louisiana Energy Services (LES), URENCO USA Facility located in Eunice, New Mexico. This authorization is pursuant to the provisions of Part 70, Paragraph 70.32(k) of Title 10 of the *Code of Federal Regulations* (CFR) that states, "No person may commence operation of a uranium enrichment facility until the Commission verifies through inspection that the facility has been constructed in accordance with the requirements of the license."

This NRC authorization is based on the results of construction and quality assurance inspections of Cascade 2 described in the inspection reports listed in the enclosure. The NRC staff determined that the systems, structures, and components designed to support safe operation of Cascade 2 were constructed in accordance with the requirements of your license. Specifically, our inspections provided: (1) reasonable assurance that the design, construction, and implementation of items relied on for safety (IROFS) will protect against natural phenomena and the consequences of potential accidents, (2) verification that the Quality Assurance Program was adequately implemented during construction; and (3) verification that the construction of the IROFS was completed in accordance with the documents comprising the license and the Integrated Safety Analysis.

During our inspections, the NRC staff reviewed and inspected procurement, receipt inspections, installation and testing of the Cascade 2 centrifuge header piping, upper and lower steelworks and flomels for compliance to Quality Level 1 requirements. The staff also conducted interviews with LES and contractor personnel including employees in operations, technical support and management. The publically available inspection reports that describe the construction and quality assurance inspections of Cascade 2 are accessible through the NRC's public electronic reading room, Agency-wide Document Access and Management System (ADAMS) at http://www.nrc.gov/reading_rm/adams.html, at the accession numbers listed in the enclosure.

Please note that this authorization does not apply to any cascade other than Cascade 2, and that it does not apply to processes or components associated with future phases of facility operations.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," this document may be accessed through ADAMS on the internet at <http://www.nrc.gov/readingrm/adams.html>.

Should you have any questions concerning this letter, please contact Jay Henson at (404) 997-4731.

Sincerely,

/RA/

Luis A. Reyes
Regional Administrator

Docket No. 70-3103
License No. SNM-2010

Enclosure: List of Cascade 2 Inspection Reports

cc w/encl: (See next page)

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cc w/encl: (See next page)

☒ PUBLICLY AVAILABLE
 ☐ NON-PUBLICLY AVAILABLE
 ☐ SENSITIVE
 ☒ NON-SENSITIVE

ADAMS: O Yes ACCESSION NUMBER: _____

O SUNSI REVIEW COMPLETE

OFFICE	RII:DFFI	RII: DFFI	RII:DCP	HQ:NMSS			
SIGNATURE	JH 7/21/10	JS 7/21/10	TG 7/21/10	Via email 7/21			
NAME	J. Henson	J. Shea	T. Gody	M. Tschiltz			
DATE	11/ /2010	11/ /2010	11/ /2010	11/ /2010	11/ /2010	11/ /2010	11/ /2010
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\LES\Cascade Authorization\LES Cascade Authorization Cascade2.doc

cc w/encl:

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Letter to David Sexton from Luis Reyes, dated July 21, 2010

SUBJECT:

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PUBLIC

Construction and Quality Assurance Inspection Reports for Cascade 2

Inspection Report Number	ADAMS Accession Number
70-3103/2009-007	ML100271177
70-3103/2010-007	ML100900329
70-3103/2010-008	ML101170813
70-3103/2010-010	ML101480080
70-3103/2010-12	ML102020385

Enclosure