



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

November 21, 2016

Gary J. Laughlin, Chief Nuclear Officer
and Head of Operations
URENCO USA
P.O. Box 1789
Eunice, NM 88231

SUBJECT: LOUISIANA ENERGY SERVICES, L.L.C., URENCO USA FACILITY, DOCKET
NUMBER 70-3103, AUTHORIZATION FOR OPERATIONS OF THE SOLID
WASTE COLLECTION FACILITY AND VENTILATED ROOM

Dear Mr. Laughlin:

By this letter and verbal authorization provided on November 16, 2016, the U.S. Nuclear Regulatory Commission (NRC) authorizes the operations associated with the new and revised items relied on for safety (IROFS) in the Solid Waste Collection Facility and Ventilated Room, located in the Cylinder Receipt and Dispatch Building (CRDB) at the Louisiana Energy Services (LES), URENCO USA facility located in Eunice, New Mexico. The operation of these rooms is part of Production Phase 2c described in LES' Safety Analysis Report, Chapter 12, "Phased Operation." This authorization is pursuant to the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 70, Paragraph 70.32(k) and 10 CFR 40.41(g) which state, "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 inspections for the CRDB where the Solid Waste Collection Facility and Ventilated Room are located, and the operational readiness inspections completed on October 27, 2016, for various aspects of the new and revised IROFS. The results of the construction inspections are included in several inspection reports listed in the enclosure to this letter (Enclosure). The inspection results for the new and revised IROFS will be documented in inspection report 70-3103/2016-005, which should be issued no later than January 31, 2017. During the operational readiness inspections of the IROFS, no violations of NRC requirements were identified. The NRC staff determined that the systems, structures, and components designed to support safe operation of the Solid Waste Collection Facility and the Ventilated Room were constructed in accordance with the requirements of your license. Specifically, our inspections verified that: (1) there was reasonable assurance that the design, construction, and implementation of IROFS will protect against natural phenomena and the consequences of potential accidents, and (2) the construction and testing of IROFS were completed in accordance with the documents comprising the license and the Integrated Safety Analysis. Please note that this authorization does not apply to any system other than the Solid Waste Collection Facility and the Ventilated Room. In addition, this authorization does not apply to any other facility operations not previously authorized.

In accordance with Title 10 of the Code of Federal Regulations 2.390, "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter and inspection report 70-3103/2016-005 will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions concerning this letter, please contact Mr. Brannen Adkins at 404-997-4620.

Sincerely,

/RA/ L. Wert for

Mark S. Lesser, Director
Division of Fuel Facility Inspection

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

Enclosure:
Construction and Quality Assurance Inspection
Reports for the Cylinder Receipt and Dispatch
Building (CRDB)

cc: (See page 3)

In accordance with Title 10 of the Code of Federal Regulations 2.390, "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter and inspection report 70-3103/2016-005 will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions concerning this letter, please contact Mr. Brannen Adkins at 404-997-4620.

Sincerely,

/RA/ L. Wert for

Mark S. Lesser, Director
Division of Fuel Facility Inspection

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

Enclosure:
Construction and Quality Assurance Inspection
Reports for the Cylinder Receipt and Dispatch
Building (CRDB)

cc: (See page 3)

DISTRIBUTION:

M. Lesser, RII
M. Sykes, RII
J. Rivera-Ortiz, RII
B. Adkins, RII
T. Grice, NMSS
M. Raddatz, NMSS
T. Liu, NMSS
PUBLIC

☒ PUBLICLY AVAILABLE ☐ NON-PUBLICLY AVAILABLE ☐ SENSITIVE ☒ NON-SENSITIVE
ADAMS: ☒ Yes ACCESSION NUMBER: ML16346A243 ☒ SUNSI REVIEW COMPLETE ☒ FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII: DFFI		
SIGNATURE	/RA/	/RA/	/RA/	LWert for		
NAME	J. Rivera-Ortiz	B. Adkins	J. Munson	M. Lesser		
DATE	11/16/16	11/16/16	11/16/16	11/21/16		
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\DFFI\PROJECTS BRANCH 1\LES - URENCO\2016\CRDB
SOLID-VENTILATED RM AUTHORIZATION LETTER.DOCX

cc:

Butch Tongate, Deputy Secretary
New Mexico Department of Environment
Office of the Secretary
1190 St. Francis Drive
P.O. Box 26110
Santa Fe, NM 87502-0157

Matt White, Mayor
City of Eunice
P.O. Box 147/1106 Ave J
Eunice, NM 88231

The Honorable Sam D. Cobb, Mayor
City of Hobbs
200 E. Broadway
Hobbs, NM 88240

Cheryl Chance, Mayor
City of Jal
P.O. Drawer 340
Jal, NM 88252

Chair Ron R. Black
Lea County Board of County Commissioners
Lea County Courthouse
100 North Main Avenue, Suite 4
Lovington, New Mexico 88260

Daniel F. Stenger, Counsel
Hogan and Hartson
555 13th Street, NW
Washington, DC 20004

Michael Ortiz, Chief
Radiation Controls Bureau
Field Operations Division
Environmental Department
Harold S. Runnels Building
1190 St. Francis Drive, Room S 2100
P.O. Box 26100
Santa Fe, NM 87502-0157

David Sexton, President and Chief Executive Officer
Louisiana Energy Services, LLC
URENCO USA
P.O. Box 1789
Eunice, NM 88231
Dave.Sexton@Urenco.com

cc: (Cont'd on page 4)

(cc: cont'd)

Clint Williamson, Director
Community Affairs and Government Relations
Louisiana Energy Services, LLC
URENCO USA
P.O. Box 1789
Eunice, NM 88231
Clint.Williamson@urencos.com

Stephen Cowne
P.O. Box 1789
Eunice, NM 88231
stephen.cowne@urencos.com

Salem Thyne
P.O. Box 1789
Eunice, NM 88231
salem.thyne@urencos.com

Perry Robinson, Outside General Counsel
URENCO USA
P.O. Box 1789
Eunice, NM 88231

Richard A. Ratliff, PE, LMP
Radiation Program Officer
Bureau of Radiation Control
Department of State Health Services
Division for Regulatory Services
1100 West 49th Street
Austin, TX 78756-3189

Construction and Quality Assurance Inspection Reports for the Cylinder Receipt and Dispatch Building (CRDB)

Report Number	ADAMS Accession Number	NRC Inspection Purpose
2006001	ML070190661	Evaluate Quality Assurance (QA) Program implementation and construction activities
2007001	ML071440430	Evaluate QA Program implementation related to ongoing design activities
2007002	ML072280647	Evaluate QA Program implementation related to ongoing backfill activities and concrete batch plant preparation
2007003	ML073060571	Evaluate QA Program implementation and construction activities
2007004	ML080670475	Determine that structural design and related QA program activities were in accordance with the codes and standards committed to in the Safety Analysis Report and in the Integrated Safety Analysis
2008001	ML081160345	Evaluate QA Program implementation and construction activities
2008002	ML081930118	Evaluate QA Program implementation and construction activities
2008003	ML083040618	Evaluate QA Program implementation and construction activities
2008004	ML083540709	Evaluate portions of the licensee's design and document control program and management controls program, including as-built design of the CRDB
2008006	ML090790642	Evaluate oversight of a vendor's QA activities
2009001	ML090850669	Evaluate QA Program implementation and construction activities
2009002	ML091770643	Evaluate QA Program implementation and construction activities
2009003	ML092730612	Evaluate QA Program implementation, construction activities, radiation protection, and environmental protection programs
2009006	ML092820188	Evaluate QA Program implementation and construction activities
2009007	ML100271177	Evaluate the implementation of the Commercial Grade Dedication (CGD) Program with emphasis on the procurement and installation of IROFS 41 mechanical components.
2010001	ML101810503	Evaluate QA program implementation and Quality Level 1 safety-related construction activities
2010002	ML102700390	Evaluate QA program implementation and safety-related construction activities
2010003	ML103510562	Evaluate QA Program implementation and safety-related construction activities
2010005	ML100850424	Determine whether activities associated with initial plant operation could be conducted safely and in accordance with NRC requirements and license requirements.
2010009	ML101300087	Reactive inspection to evaluate the CGD Program
2010015	ML103560272	Programmatic and performance-based review of the quality assurance and quality control program
2011002	ML111190268	Determine whether activities were conducted safely and in accordance with NRC requirements and the license

Enclosure

Report Number	ADAMS Accession Number	NRC Inspection Purpose
2011003	ML112070634	Determine whether activities were conducted safely and in accordance with NRC requirements and the license
2011004	ML11301A218	Determine whether activities were conducted safely and in accordance with NRC requirements and the license
2011005	ML12030A239	Determine whether activities were conducted safely and in accordance with NRC requirements and the license
2011010	ML111730397	Verify compliance to Quality Level - 1G requirements for the CRDB foundation/footing system
2012002	ML12121A579	Determine whether activities were conducted safely and in accordance with NRC requirements and the license
2012003	ML12188A105	Determine whether activities authorized under the license were conducted safely and in accordance with NRC requirements. The inspection verified that the licensee was implementing the license requirements for CRDB Phase 2a activities.
2012004	ML12304A009	Determine whether activities were conducted safely and in accordance with NRC requirements and the license requirements
2012005	ML13030A027	Determine whether activities authorized under the license were conducted safely and in accordance with NRC requirements
2012007	ML12356A289	Verify compliance to Quality Level 1G requirements for the CRDB and to review and evaluate the licensee's corrective actions related to previously opened items
2013002	ML13116A175	Determine whether activities authorized under the license were conducted safely and in accordance with NRC requirements
2013004	ML13305A074	Determine whether activities authorized under the license were conducted safely and in accordance with NRC requirements
2013006	ML13214A141	Evaluate QA program implementation and Quality Level 1 safety-related construction activities