

February 2, 2017

MEMORANDAM TO: Marilyn Diaz, Acting Chief
Enrichment and Conversion Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

FROM: Yawar H. Faraz, Senior Project Manager **/RA/**
Enrichment and Conversion Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

SUBJECT: JANUARY 13, 2017, TELEPHONE CALL SUMMARY: DISCUSS
CENTRUS LETTER ACO 16-0045 REQUESTING THE U.S.
NUCLEAR REGULATORY COMMISSION APPROVAL FOR
DISPOSING CLASSIFIED LEAD CASCADE FACILITY WASTE
AT THE NEVADA NATIONAL SECURITY SITE

On January 13, 2017, the U.S. Nuclear Regulatory Commission (NRC) staff held a telephone conference call with staff from Centrus Energy Corp. (Centrus) to discuss Centrus' letter dated December 2, 2016 (ACO 16-0045, Agencywide Documents Access and Management System Accession No. ML16344A432), in which Centrus requested NRC approval for disposing the Lead Cascade Facility's classified waste at the Department of Energy's Nevada National Security Site. I am attaching the telephone summary for your use. The summary contains no proprietary or classified information.

The contents of the summary were discussed with Centrus for factual correctness.

Enclosure:
Telephone Conference Call Summary

cc:
Mr. Steven Toelle, Director Regulatory Affairs
Mr. Larry B. Cutlip, Vice President
Mr. Mario Robles, Regulatory Manager

Docket No. 07007003
License No. SNM-7003

CONTACT: Yawar H. Faraz
(301) 415-7220

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ADAMS Accession Package Number: ML17018A339

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NAME	YFaraz	TBrockington	MDiaz	YFaraz
DATE	01/18/17	01/19/17	01/30/17	02/2/17

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TELEPHONE CONFERENCE CALL SUMMARY
CENTRUS ENERGY CORP. REQUEST TO DISPOSE CLASSIFIED WASTE

Date and Time: 11:30 AM; January 13, 2017

Call Participants: U.S. Nuclear Regulatory Commission (NRC):
Yawar Faraz, Marilyn Diaz, Theodore Smith

Centrus Energy Corp. (Centrus):
John Corrado, Dave Fosson, Mario Robles, Kelly Wiehle, Rob Jacobs,
Grover Jones, Steve Toelle, Chuck Kerner

The purpose of the call was for the NRC to get clarification regarding the reference to Paragraph 61.3(a) of Title 10 of the *Code of Federal Regulations* (10 CFR) contained in ACO 16-0045. Specifically, it was NRC's understanding that ACO 16-0045 was not only requesting a security approval for the burial site located at the Nevada National Security Site (NNSS) based on Section 2.16 of NR-3605-0004, Security Program for the American Centrifuge Plant, but also an environmental safety approval based on the License Application's Environmental Protection chapter (Section 9.2.2.3.6 "Waste Disposal"). In this section, Centrus commits to disposing its wastes at commercial disposal facilities licensed in accordance with 10 CFR Part 61 or applicable NRC Agreement State requirements. Accordingly, ACO 16-0045 made reference to 10 CFR 61.3(a) which states "No person may receive, possess, and dispose of radioactive waste containing source, special nuclear, or byproduct material at a land disposal facility unless authorized by a license issued by the Commission pursuant to this part, or unless exemption has been granted by the Commission under 10 CFR 61.6 of this part." However, this regulation applies to the operator of the NNSS, which in this case would be the Department of Energy, who is neither regulated by the NRC nor an applicable NRC Agreement State.

Centrus clarified that the purpose of ACO 16-0045 was not to seek an environmental safety approval from the NRC. But rather it was only seeking a security approval per its current 10 CFR Part 70 licensing document, the American Centrifuge Plant Security Program. Centrus stated that it would immediately withdraw ACO 16-0045 and resubmit its request in two parts (letters); one addressing the security aspects and the other addressing the environmental safety aspects related to the packaging, storage and transport of the waste destined for disposal at NNSS and any other appropriately authorized waste disposal facility. Since Centrus is conducting activities leading to the ultimate decommissioning of the American Centrifuge Plant Lead Cascade Facility, the NRC staff indicated that Centrus will need to pay attention to 10 CFR Section 70.38 in developing its request in addressing the environmental safety aspects.

Following the conference call, on the same day, Centrus issued a letter (ACO 17-0008) formally requesting the NRC to suspend its review of ACO 16-0045, and issue its security approval per the American Centrifuge Plant Security Program. Accordingly, the NRC staff has initiated its process for closing its licensing action (Cost Activity Code L34380) pertaining to ACO 16-0045 and starting a new action pertaining to ACO 17-0008.

PRINCIPAL CONTRIBUTOR
Yawar Faraz

Enclosure