



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 30, 1997

70-7001
70-7002

Mr. Robert L. Woolley, Manager
Nuclear Regulatory Assurance and Policy
U. S. Enrichment Corporation
2 Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: PORTSMOUTH (PORTS) AND PADUCAH (PGDP) REQUEST FOR APPROVAL
OF ALTERNATE SCHEDULES FOR SUBMITTAL OF MATERIAL BALANCE AND
INVENTORY REPORTS (PORTS TAC NO. L32024, PGDP TAC NO. L32023)

Dear Mr. Woolley:

By letter dated April 2, 1997, we received your request to submit material balance and inventory reports, according to a schedule which is different than that specified in 10 CFR 74.13(a)(1) and to make the March 31 report in accordance with Department of Energy (DOE) requirements. Your request has been assigned TAC No. L32024 for PORTS and L32023 for PGDP. Please reference these numbers in any future correspondence associated with this request.

You have requested that beginning with the period ending September 30, 1997, that USEC be allowed to file its reports within 60 days of the end of the reporting period instead of within 30 days as required by 10 CFR 74.13(a)(1). U.S. Enrichment Corporation has further requested that the report due for the period ending March 31, 1997, be made consistent with DOE requirements.

10 CFR 74.13(a)(1) requires USEC to submit material balance and inventory composition reports concerning special nuclear material received, produced, possessed, transferred, consumed, disposed of or lost. For NRC licensees, the reports are to be prepared and submitted in accordance with instructions contained in NUREG/BR-0007 and NMMSS Report D-24 within 30 days after the end of the period (March 31 and September 30) covered by the report. Under DOE, you state that USEC reported the material balances by reconciling facility records with Report M-742, which is issued from NMMSS following closure of all domestic facility transactions. The NMMSS report is typically available from 60 to 90 days after the inventory period.

Current reporting guidance contained in NUREG/BR-0007 does not adequately address the needs for gaseous diffusion uranium enrichment facilities. Therefore, until this guidance is revised and appropriate programming changes are made on the NMMSS system, USEC is granted an exemption from the reporting requirements in 74.13(a)(1) and shall instead, continue to make the transaction data reports, and reconcile facility records with NMMSS Report M-742 every 2 months, in accordance with DOE Order 5633.3B and the latest written DOE requirements that were in effect before March 3, 1997. Once

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Mr. Robert L. Woolley

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April 30, 1997

NUREG/BR-0007 and the NMMSS system have been appropriately revised, reports must be made in accordance with 10 CFR 74.13(a)(1), unless otherwise agreed to by NRC in future correspondence. USEC will be notified in writing when this has occurred. A decision regarding USEC's request to be allowed to file its future reports within 60 days of the end of the semiannual reporting period, instead of 30 days as required by 10 CFR 74.13(a)(1), will also be made at that time.

If you have questions, please contact Mr. Yawar Faraz at (301) 415-8113 or Mr. Tom Pham at (301) 415-8154.

Sincerely,

(Original signed by)

Carl J. Paperiello, Director
Office of Nuclear Material Safety
and Safeguards

Dockets 70-7001, 70-7002
Certificate GDP-1, GDP-2

cc: Mr. Randall DeVault, DOE
Mr. Dale Allen, PORTS
Mr. Steve Polston, PGDP

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OFC	SPB	SPB*	FCLB*	SPB*	SPB*	SPB*
NAME	YFaraz:ij	DHoadley	TPham	MHorn	DMartin	RPierson
DATE	4/28/97	4/28/97	4/11/97	4/28/97	4/28/97	4/28/97

OFC	OGC*	FCSS	NMSS				
NAME		ETenEyck	CPaperiello				
DATE	4/28/97	4/29/97	4/29/97				

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regarding USEC's request to be allowed to file its future reports within 60 days of the end of the semiannual reporting period, instead of 30 days as required by 10 CFR 74.13(a)(1), will also be made at that time.

If you have questions, please contact Mr. Yawar Faraz at (301) 415-8113 or Mr. Tom Pham at (301) 415-8154.

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G:\MC&ALTR2.YHF *See Previous Concurrence

OFC	SPB	SPB*	FCLB*	SPB*	SPB*	SPB*
NAME	YFaraz:ij	DHoadley	TPham	MHorn	DMartin	RPierson
DATE	4/28/97	4/28/97	4/11/97	4/28/97	4/28/97	4/28/97

OFC	OGC*	FCSS	NMSS			
NAME		EtenEyck	CPaperiello			
DATE	4/28/97	4/28/97	4/ /97			

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For future NRC material control and accounting inspection purposes, within 30 days of the date of this letter, please provide a listing of the latest written DOE requirements concerning the subject matter, that were in effect before March 3, 1997.

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G:\MC&ALTR2.YHF *See Previous Concurrence

OFC	SPB	C	SPB	✓	FCLB*		SPB	C	SPB		SPB	
NAME	YFaraz		YHoadley		TPham		MHorn		DMartin		RPlaton	
DATE	4/28/97		4/28/97		4/11/97		4/ /97		4/28/97		4/28/97	

OFC	OGC		FCSS		NMSS							
NAME	S. Truby		ETenEyck		CPaperiello							
DATE	4/28/97		4/ /97		4/ /97							

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SPB r/f KWinsberg, OGC GShear, RIII BHorn, FRIB
PTing, FCOB COng, FCOB MWeber, FCLB WBrach, FCSS

G:\MC&ALTR2.YHF

OFC	SPB	E	SPB	E	FCLB	E	SPB	C	SPB	SPB
NAME	YFaraz:lj		DHoadley		TPham		WHorn		DMartin	RPierson
DATE	4/24/97		4/11/97		4/11/97		4/11/97		4/24/97	4/25/97

OFC	OGC	FCSS	NMSS							
NAME	KWinsberg	ETenEyck	CPaperiello							
DATE	4/24/97	1/97	1/97							

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