



OFFICE OF THE
SECRETARY

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 18, 1997

Daniel Bosse
5514 N. Pointer Ct.
Baton Rouge, LA 70808

REFERENCE: Louisiana Energy Services
Docket No. 70-3070-ML

Dear Mr. Bosse:

Thank you for the letter you sent to President Clinton on May 14, 1997 regarding the Louisiana Energy Services (LES) facility. The White House staff sent your letter to the U.S. Nuclear Regulatory Commission on June 3, 1997 for direct response to you. We have forwarded your correspondence to the staff for appropriate action. A copy of your correspondence and this reply will be placed in Agency records pertaining to the Louisiana Energy Services facility.

Sincerely,

Emile L. Julian
Assistant for Rulemakings
and Adjudications

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President William Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20515

May 14, 1997

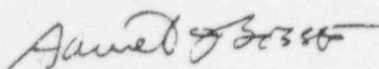
Dear Mr. President,

The executive order you signed back in 1994, requiring federal agencies to look for bias against minorities or poor people in environmental issues, has reared its ugly head. The recent ruling against a proposed uranium enrichment plant, close to Homer, Louisiana, is a farce.

The economic impact combined with the extremely low environmental risk made this project a great opportunity for both the state of Louisiana and the surrounding communities. Unfortunately, unaffected and ulterior motivated individuals had an impact on what would have been a wonderful life altering opportunity for a poor rural area. These opportunities do not come along very often!

In the future, I would like my President to think such executive orders completely through. Rather than allow uninformed extremist environmentalist the opportunity to fan the flames of doom perhaps the level headed scientist and economic researchers should play a greater role in the decision making process. Once again a decision rendered under the gaze of good has disallowed a proven technology and allowed a small group of judges to legislate the will of the people from the bench. Shame on this whole process.

God Bless You,



Daniel Bosse
Concerned Citizen
5514 N. Pointer Ct.
Baton Rouge, LA 70808
Day Phone: (504) 751-9000

6/6...To EDO for Direct Reply....Suspense: June 20²³....Cpy to: Chairman, SECY to
Ack...97-0579

ENVIRONMENTAL JUSTICE

Race factor in denial of uranium plant

PETER SHINKLE

Cale staff writer

a decision widely viewed as a milestone in the national debate over "environmental justice," a federal agency denied a license for a proposed uranium enrichment plant in north Louisiana, saying its location could discriminate against black people living near the site. The Atomic Safety and Licensing Board dropped short of saying Louisiana Energy Services L.P., the multinational corporation seeking to build the plant, had actually

discriminated.

Instead, the board pointed to an executive order signed in 1994 by President Clinton that requires federal agencies to look for bias against minorities or poor people in environmental matters.

The board said Louisiana Energy could not get a license, partly because federal officials failed to meet their obligations under Clinton's order when they reviewed the company's process for choosing the plant site.

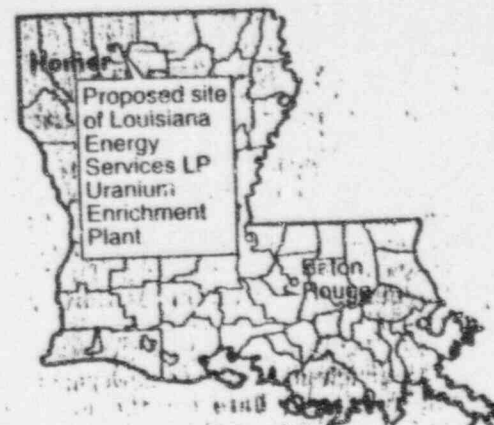
The company started the process by searching nationwide, then narrowed its

scope to 78 possible sites in north Louisiana.

It ultimately chose a location between two small communities where the total population — about 250 people — was more than 97 percent African American, the highest percentage of black population among any of the sites considered, the board said.

Pointing to those statistics and allegations of racial bias leveled by the plant's opponents, the board said "significant" evi-

See PLANT, Page 6A



Advocate map

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CONTINUED FROM PAGE 1A

device existed that "racial considerations played a part in the site selection process."

Louisiana Energy bought the 442-acre site in 1990 for \$536,462 from Joe LeSage Jr., a Shreveport lawyer, former state senator and longtime member of the LSU Board of Supervisors.

Critics of the plant claimed LeSage's friendship with former U.S. Sen. J. Bennett Johnston, who ardently supported the project in Congress, led to the land sale. But that claim dropped out of sight in a formal hearing before the board, where opponents pressed the issue of racial discrimination.

In its May 2 ruling, the board said the case marks the first time it has addressed racial bias in a licensing matter. The board is the arm of the U.S. Nuclear Regulatory Commission that rules on license disputes involving nuclear power plants and other facilities.

The ruling is the first time racial discrimination was cited as an issue in denying a federal permit for an industrial facility, said several lawyers who handle environmental cases.

Officials of the U.S. Environmental Protection Agency and the Louisiana Department of Environmental Quality also said the ruling is without precedent.

"It is a landmark decision," said Jim Friloux, DEQ's ombudsman, who has worked on racial issues in matters before his agency.

Until Clinton issued his order, federal agencies weren't required to consider bias against poor or minority populations in making decisions on industrial permits, Friloux said. The ruling shows Clinton's order has changed that, he said.

Louisiana Energy spokeswoman Mary Boyd said the company's position is clear.

"The entire conclusion of the board is wrong," she said.

It's too early to say whether Louisiana Energy will appeal the ruling and seek a hearing before the full Nuclear Regulatory Commission, Boyd said.

Louisiana Energy already has appealed other rulings of the board that went against the company. Earlier board rulings cited significant problems with Louisiana Energy's plans for financing the project and for disposing of the thousands of tons of toxic and radioactive waste it would produce at the site near Homer in Claiborne Parish.

The facility would enrich uranium, part of the process of preparing it for use as fuel in nuclear power plants.

Essie Youngblood, a black woman who lives in Center Springs, one of the two communities, said she was pleased with the ruling because it supports her opinion of why Louisiana Energy officials chose the site in the predominantly black area.

"They thought we wouldn't be able to resist them. They thought it would be an easy job," she said.

The May 2 ruling was issued by a panel of three administrative judges who serve on the licensing board: Thomas Moore, Richard Cole and Frederick Shon.

The judges said the NRC staff, which usually deals with highly technical nuclear issues, had found itself "far afield" from its usual work when it came to probing possible racial discrimination.

But the board still chided the staff for doing only a "facial review" of information provided by Louisiana Energy.

"Racial discrimination is rarely, if ever, admitted. Instead, it is rationalized under some other seemingly racially neutral guise, making it difficult to ferret out," a three-judge panel of the board wrote in the May 2 ruling. "In other words, the staff must lift some rocks and look under them."

Diane Curran, an attorney for Citizens Against Nuclear Trash, the citizens group that filed the



Advocate file photo

At events like this July 1990 protest, members of Citizens Against Nuclear Trash, or CANT, have fought the uranium enrichment plant proposed for Claiborne Parish.

tal policy

"It gives teeth to the president's executive order," she said.

But just how far-reaching the president's order will be is open to debate, and observers expressed a range of views on the implications of the board's ruling.

Johnston, reached at his lobbying firm in Washington, D.C., said the ruling wasn't "based on facts," warning it could have dire implications for industry.

The ruling suggests that unless companies can prove they don't discriminate in site selection, they can put new facilities "only in affluent areas," Johnston said.

"It is a new set of legal hoops to jump through," he said.

Johnston said he wasn't aware of any racial discrimination in the site-selection process, and attributed the board's ruling to pressure from the National Association for the Advancement of Colored People and other critics of the project.

"It was very much of a political decision," Johnston said.

He said that instead of hurting the minority community, the \$800 million plant would double the parish's tax base, aiding schools, roads and public services.

Johnston also denied his friendship with LeSage had any role in the sale of the property.

"Joe is a friend. We served in the state Senate, but I've never been to Joe's house. I don't know if he's been to mine or not. If he has, it's been many years past. We were friends, not chums," he said.

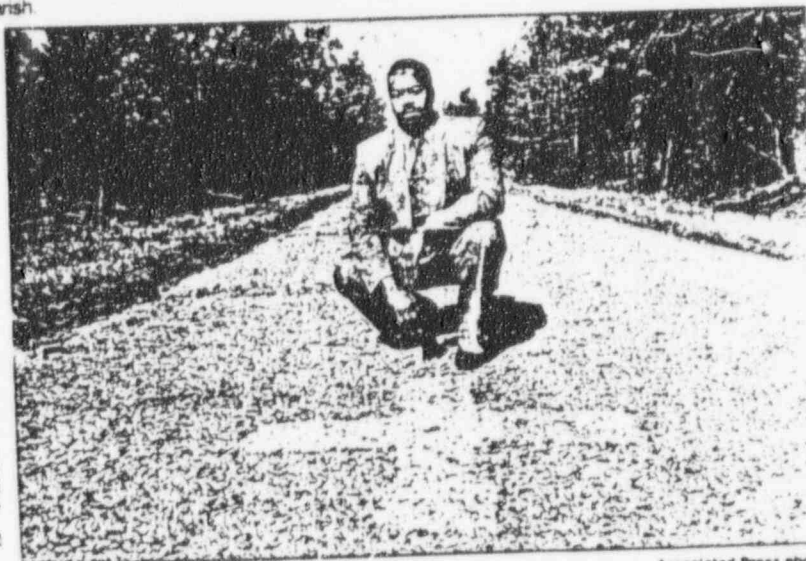
LeSage was appointed to the LSU Board of Supervisors in 1956 by then Gov. Earl Long and was reappointed by former Gov. Edwin Edwards in 1992. LeSage could not be reached for comment.

While Johnston denied any role in selecting the LeSage property, he did acknowledge advising people in the project that he had some preferences on the plant's location.

"I did say I'd like it in north Louisiana because south Louisiana had a lot more economic activity," he said. "I said that informally, not as directions."

The issue of how the plant selection process came to focus on north Louisiana drew little attention from the Atomic Safety and Licensing Board.

Instead, the board looked at what



Associated Press photo

Claiborne Parish Police Jury member Roy Mardis is among those who opposed the construction of a uranium enrichment plant near two small black communities. In 1995, he knelt near a cross marking the place where the plant would be built.

The board pointed to testimony during a 1995 hearing by an expert for CANT, Professor Robert Bullard of Clark Atlanta University.

Bullard said that at each phase of the site selection process, the remaining possible sites had a surrounding population that was increasingly black, until finally the site between the two small towns was left, according to the board.

Bullard also said he had entered the process when an employee of Fluor Daniel Inc., a partner in the project, studied nine sites still under consideration in early 1989.

The employee, Larry Engwall, rated the sites on several factors, including population. The project's planners desired a site in a sparsely populated area.

In a sworn statement, Engwall said he did an "eyeball assessment," driving through the two towns, where he saw "a small cluster of houses" and "boarded up houses." He gave the site a score of 9 out of 10.

Engwall again used his "eyeball

surrounded by vacation homes. He scored that site 7.

Asked why, Engwall pointed to its "proximity to the lake." He went on to say, "we just felt, opinion-wise, people probably would not want this plant to be close to their pride and joy of their lake where they go fishing," according to the board.

Bullard, CANT's expert, said Engwall's assessment had the effect of discriminating against Forest Grove and Center Springs "because their residents' lifestyle and socioeconomic status was on a much lower plane."

In their ruling, the judges supported Bullard, saying Engwall's testimony "raises a strong inference that race and economic status played a role in the scoring of the two sites."

The board said Bullard's claims would require further examination by the NRC staff before Louisiana Energy could be licensed.

Don Kuehn, professor of environmental law at Tulane University in New Orleans, said the precedent

Nor did the board say how much evidence is needed to prove racial bias occurred in siting decisions, or what should be done when it does occur, Kuehn said.

Randy Young, a lawyer at Koon, Miller, Hawthorne, D'Armond, McCowan & Jarman L.P., a firm that often represents industry in environmental matters, also said he considers the decision in the current row in scope.

"I'm not convinced that it doesn't take any giant, new, bold steps," he said.

But Kary Moss, an attorney for the NAACP in a lawsuit against Michigan's governor over the siting of a power plant in a black community, said the ruling is "definitely a precedent."

In the past, environmental agencies have had "see-no-evil, hear-no-evil" policy on racial discrimination, she said. Poor and minority communities often lack the resources to fight industrial facilities in technical debates over their permits, she said.

Now the ruling means that groups