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

August 11, 2022

Kelly L. Fitch, Regulatory Manager
American Centrifuge Operating, LLC
P.O. Box 628
Mail Stop 7560
3930 U.S. 23 South
Piketon, Ohio 45661

SUBJECT: APPROVAL OF AMERICAN CENTRIFUGE OPERATING'S REQUEST TO
EXTEND THE NUCLEAR REGULATORY COMMISSION'S HIGH ASSAY LOW-
ENRICHED URANIUM DEMONSTRATION PROGRAM AUTHORIZATION
EXPIRATION DATE BY 6 MONTHS (EPID L-2022-LLA-0058)

Dear Kelly Fitch:

By letter dated April 28, 2022 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML22123A143), American Centrifuge Operating (ACO), a wholly owned subsidiary of Centrus Energy Corp. (Centrus), requested that the U.S. Nuclear Regulatory Commission (NRC) modify its Materials License SNM-2011 and supporting documents for the American Centrifuge Plant (ACP) in Piketon, Ohio. The licensee's letter requested the NRC to review and approve its request to extend the expiration date of the NRC's authorization for the high assay low-enriched uranium (HALEU) demonstration program issued on June 11, 2021 (ML21138A827) by 6 months, from May 31, 2022, to November 30, 2022. ACO stated the HALEU demonstration program was on schedule to produce between 200 kg and 600 kg of HALEU using 16 AC 100M operating centrifuges by June 1, 2022, at the Piketon, Ohio facility (ML22123A143). However, completion of the HALEU demonstration program was delayed by COVID-19-related issues with the supply chain, cost increases, and scheduling. In recognition of the issues, the Department of Energy's HALEU demonstration Contract Number 89303519CNE000005, awarded to ACO on May 31, 2019, and definitized on October 31, 2019, was extended to November 30, 2022 (ML21127A153).

The NRC staff has completed its review of the April 28, 2022 request. The details associated with the review are documented in the enclosed non-public safety evaluation report (SER). Also enclosed is a redacted public version of the SER. As part of this licensing action, License Conditions (LCs) 10.c, 10.d and 10.e have been modified to incorporate, in the enclosed license, the application submitted on April 28, 2022 (ML22123A143). In addition, LC 15 and LC 16 have been modified to address the expiration date changes related to the contract and lease agreement.

Enclosures 1 and 3 transmitted herewith contain sensitive non-public information. When separated from the sensitive conditions in the enclosures, this document and Enclosures 2 and 4 are decontrolled.

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In accordance with Title 10 of the *Code of Federal Regulations*, Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter and Enclosure 3 will be available electronically for public inspection in the NRC Public Document Room (PDR), or from the Publicly Available Records component of the NRC's ADAMS. The PDR is open by appointment only. You may submit your request to the PDR via email at PDR.Resource@nrc.gov or call 1-800-397-4209 between 8:00 a.m. and 4:00 p.m. (EST), Monday through Friday, except Federal holidays. ADAMS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). Enclosures 1 and 3 to this letter contain sensitive, unclassified information, and are therefore deemed Official Use Only (OUO). Therefore, they will not be placed in the PDR, nor will they be publicly available in ADAMS.

If you have any questions regarding this action, please contact Mr. Yawar Faraz by telephone at 301-415-7220, or via email at Yawar.Faraz@nrc.gov.

Sincerely,

Thomas H.
Boyce

Digitally signed by
Thomas H. Boyce
Date: 2022.08.11
09:34:00 -04'00'

Thomas H. Boyce, Chief
Fuel Facility Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 07007004
License No. SNM-2011

Enclosures:

1. Safety Evaluation Report (OUO-SRI)
2. Safety Evaluation Report (Public)
3. Amendment 19 of the ACP License SNM-2011 (OUO-SRI)
4. Amendment 19 of the ACP License SNM-2011 (Public)

cc: L. Cutlip, Sr. Vice President, Centrus
M. Snider, General Manager, ACO
S. Harlow, DOE NE-HQ
R. Fischels, ACO
centrus_acp@listmgr.nrc.gov (w/o Enclosures 1 and 2)

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DOCUMENT DATE: August 11, 2022

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ADAMS Accession Nos.: ML22208A056 (Pkg), ML22208A057 (ltr), ML22208A058 (Encl 1, non-public), ML22216A220 (Encl 2), ML22208A059 (Encl 3, non-public), ML22208A060 (Encl 4)

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