

October 1, 2002

MEMORANDUM TO: Melvyn N. Leach, Chief
Special Projects and Inspection Branch
Division of Fuel Cycle Safety
and Safeguards

THRU: Joseph G. Gitter, Chief
Special Projects Section
Special Projects and Inspection Branch, FCSS

FROM: Timothy C. Johnson
Senior Mechanical Systems Engineer
Special Projects Section
Special Projects and Inspection Branch, FCSS

SUBJECT: SEPTEMBER 24-25, 2002, MEETING SUMMARY: MEETINGS WITH
STATE OFFICIALS AND COUNTY EXECUTIVES ON LOUISIANA
ENERGY SERVICES PROPOSED APPLICATION

On September 24 and 25, 2002, I met with State of Tennessee and the County Executives from Trousdale, Wilson, and Smith Counties to discuss the proposed Louisiana Energy Services (LES) application for gas centrifuge uranium enrichment plant proposed to be constructed in Hartsville, Tennessee. I am attaching the meeting summary for your use.

Docket: 70-3103

Attachment: Meeting Summary

cc: William Szymanski/DOE
Rod Krich/Exelon
James Curtiss/W&S
Mario Robles/USEC
George Dials/LES
Ed Nanney/Tennessee
Jerry Clift/Trousdale County

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*SEE PREVIOUS CONCURRENCE

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NAME	TCJohnson:dw		KValloch		JGiitter	
DATE	10/ 01 /02		10/ 01 /02		10/ 01/02	

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Meeting Summary

Dates: September 24-25, 2002

Place: Lebanon, TN; Wilson County Executive; September 24, 2002
Nashville, TN; State of Tennessee, Department of Environment & Conservation;
September 24, 2002
Hartsville, TN; Trousdale County Executive; September 25, 2002
Carthage, TN; Smith County Executive; September 25, 2002

Purpose:

The purpose of these meetings was to discuss with State of Tennessee, Department of Environment & Conservation (DEC) staff and the County Executives of Trousdale, Wilson, and Smith Counties the proposed Louisiana Energy Services (LES) gas centrifuge enrichment plant license application and the U.S. Nuclear Regulatory Commission (NRC) licensing process.

Discussion:

On the morning of September 24, 2002, I met with Robert Dedman, the Wilson County Executive. I explained that NRC is an independent agency charged with ensuring that commercial uses of radioactive materials will be performed in a manner that protects public and health and safety. I provided a brief discussion of the NRC uranium enrichment facility licensing process and where the public will be offered opportunities to provide input. I indicated that NRC is not a promoter of the facility and will issue a license only if the proposed facility meets the NRC regulatory requirements. The NRC would also prepare an environmental impact statement (EIS) for the project and inspect the construction and operations of the facility if a license is issued. I gave Mr. Dedman a copy of the April 30, 2002, LES meeting summary that explained what LES would be proposing in their upcoming license application. Mr. Dedman indicated that he wants to be sure that an independent party will review the application and make a determination that the operation will be safe.

In the afternoon of September 24, 2002, I met with staff from the State of Tennessee DEC, including E. Nanney from the Division of Radiological Health. I explained the gas centrifuge enrichment plant licensing process, including the statutory requirement that the facility is defined as a production facility and would, therefore, not require licensing by the Division of Radiological Health for possession and use of radioactive material. Other non-radiological activities would require State of Tennessee permitting. Tennessee staff indicated that LES personnel would be meeting with DEC staff later in the week to discuss permitting issues. I indicated that NRC would also prepare an EIS for the project and inspect the construction and operations of the facility if a license is issued. E. Nanney requested that he be put on the LES distribution list and I agreed to do that.

State of Tennessee staff asked about waste management issues, including the requirement for the Department of Energy (DOE) to dispose of depleted uranium tails for the facility operations. I indicated that LES will need to negotiate an arrangement for depleted uranium tails disposition, and, at this time, DOE has not provided guidance for disposal of these wastes.

I briefed the State of Tennessee staff on the policy issues that were raised by LES and are under consideration by the staff. I indicated that NRC and LES had met on these issues in a meeting open for public observation and that the issue papers and the meeting summary are available to the public in ADAMS.

State of Tennessee staff asked about the plans for LES to hire locally. I indicated that LES had not provided NRC with detailed information on its hiring plans. Tennessee staff stated that when the Saturn automobile plant located in Tennessee, many of the employees were not hired locally, but came from other automobile plants. They indicated that this caused some local problems.

In the morning of September 25, 2002, I met with Jerry Clift, the Trousdale County Executive and Mayor of Hartsville. I explained the NRC's independent role in ensuring public and worker safety and that NRC would not issue a license unless it is convinced the proposed operations will be safe. The NRC would also prepare an EIS for the project and inspect the construction and operations of the facility if a license is issued. I explained the opportunities the public will have to participate in the process and I gave Mr. Clift a copy of the April 30, 2002, LES meeting summary that explained what LES would be proposing in their upcoming license application.

I also responded to questions about uranium hexafluoride hazards, depleted uranium tails disposition, uranium downblending operations undertaken by Russia through the U.S.-Russian agreement, transportation, decommissioning, and decommissioning financial assurance. T. Dixon, of Mr. Clift's staff indicated that the County is planning a forum for the public to ask questions on the LES project. The forum is tentatively planned for October 14, 2002, and would involve LES and public groups opposing the facility. Mr. Clift invited the NRC to participate and I accepted. Mr. Clift also invited me to respond to questions at a County Commission meeting scheduled for October 21, 2002. I indicated that I would attend that meeting as well.

I briefed Mr. Clift and his staff on the policy issues that were raised by LES and are under consideration by the staff. I indicated that NRC and LES had met on these issues in a meeting open for public observation and that the issue papers and the meeting summary are available to the public in ADAMS.

In the afternoon of September 25, 2002, I met with Michael Nesbitt, the Smith County Executive. I explained NRC's licensing role and process and the opportunities of public participation in the process. I gave Mr. Nesbitt a copy of the April 30, 2002, LES meeting summary that explained what LES would be proposing in their upcoming license application. The NRC would also prepare an EIS for the project and inspect the construction and operations of the facility if a license is issued. Mr. Nesbitt asked about uranium hexafluoride hazards, transportation, and depleted uranium issues. He also asked for website addresses for obtaining independent information on Urenco's European enrichment operations. I indicated that I would try to obtain this information. I briefed Mr. Nesbitt on the policy issues that were raised by LES and are under consideration by the staff. I indicated that NRC and LES had met on these issues in a meeting open for public observation and that the issue papers and the meeting summary are available to the public in ADAMS.

Action Items:

1. Place E. Nanney of LES distribution list
2. Obtain website information on Urenco operations