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United States Nuclear Regulatory Commission

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M. Wong (new)

Knowing what's Best for our Community is



Not Always Easy

Dear Neighbor,

There may be questions on your mind about the National Enrichment Facility (NEF) LES is proposing to build a few miles from Eunice. Questions are good, and you should ask those questions of LES.

We have. And we got answers.

Some of us, and some of our friends, neighbors and community leaders have seen exactly how this facility will work, how the byproduct is safely stored, how well-trained the employees are and how they rave about their jobs. Some of us have talked with neighbors of the facility in the Netherlands, and have heard first hand how supportive they are of that uranium enrichment plant, similar to the facility LES will build here.

We have already seen how LES, in just a few months, has become an excellent member of our Eunice community, supporting our schools and businesses, providing information to our citizens, answering questions, opening their office and working to gain our trust.

That's the kind of business and company we welcome.

NEF will benefit the citizens of Eunice and Lea County, and will be an important part of energy independence and security for the United States of America.

So we think the NEF is what's best for our community.

Come to their next public meeting on Monday night 6 to 8 pm, February 16, at the Eunice Community Center. Ask your questions, get your answers.

Then we hope you will join us and show your support to the rest of the world.

Thank you.

Jay Thompson	Mary J Fuller
Kevin Burnham	Shirley Martin
Ann Bruner	Don Reese
Ed Ann Davis	Alma Montano
Emma Hernandez	James Bow
Dulley Price	Billy Hobbs
Mary Kay	Byron White
Paul Lewis	Tanya White
Van Hobbs	Kristi Matthews
Tracey Mitchell	

THIS AD WAS AN INSERT WEEK OF FEB 11-2004 EUNICE NEWS

The Story Louisiana

Energy Services(LES) is not telling you.

A 30-minute video program for Public Showing.

This video aired in December 2003 in Santa Fe, Albuquerque, Taos and Silver City, channel 8.

THURSDAY FEBRUARY 26, 2004
6:00 P.M. EUNICE PUBLIC LIBRARY 1049 10TH STREET

After video we will discuss(NRC)Nuclear Regulatory Commission Meeting set for Thursday March 4, 2004. How to prepare for presentation and comments and other important issues will be addressed.

The Eunice News refused to insert this paid ad in their newspaper for the week of Feb 23, 2004.

THIS WAS AD I WANTED WEEK OF FEB 23-2004
EJ

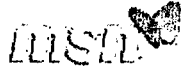
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Subject: LES in New Mexico

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Greetings Governor Richardson,

I wanted to thank you for speaking up and questioning the validity of the application submitted to NRC by LES. I have also been very concerned about the lack of supporting information regarding the safety issues and water issues. I am not pleased at all by the lack of concern these individuals have shown towards our concerns. I was actually accused by Krich as not being serious when asking questions. Sir I will not stoop to calling people names as I have been called by others in this area. There is definite opposition to the plant and those people that are opposing will speak up and voice their concerns. Please do not give this company your support. I do not believe they can answer our questions honestly as they claim. Their reputation and history precedes them and they are very smooth talkers, but I don't feel that they are very loyal even to their employers. They refuse to accept responsibility for possible associations to those that were there before them. Also Krich refused to answer to my satisfaction how the consortium accepts responsibility and accountability to its other partners namely British Nuclear Fuels. There are too many questions left unanswered in regards to the desopositon of the waste tails as you well know. Again thank you for demanding that this company answer the questions that need answering.

Sincerely

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2/21/04

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This was emailed to governor in response to article in HOBBS News Sun 2-19-04 # 6 document

Support of LES project stays high

RICHARD TROUT
NEWS-SUN

Like a sinister warning from an old sage, officials with Louisiana Energy Services said opposition to their proposed uranium enrichment plant near Eunice would grow more intense — and it would happen soon.

During a public meeting Wednesday at Hobbs City Hall, they said more than one group would likely intervene in the Nuclear Regulatory Commission's licensing process, beginning with an NRC public meeting March 4.

But with the proclamation was followed by a bit of humor from one of the attendees.

"I think those people are cave people — citizens against virtually everything," said Lea County commissioner Harry Teague, who attended the meeting with about 25 others — most of whom laughed with the jokester.

Marshall Cohen, vice president of communications, and Rod Krich, vice president of licensing, safety and nuclear engineering, addressed nearly a dozen questions, and noted they will defend their plans against any half-truths their opposition may use.

"There are national organizations that put money into opposing us," Cohen said. "All they need is a few people in a community saying they want to be an intervener, and then the national group will take over and use somebody to raise all the issues."

The crowd, which made it clear they supported the LES project, included a few local residents who got downright defensive, particular-

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HOBBS NEWS-SUN • THURSDAY, FEBRUARY 19, 2004

LES

from PAGE 1

ly toward Gov. Bill Richardson and his currently unstable support for LES.

"I'm mad at the governor, and I've written him letters but he hasn't written me back," said Mary Fuller, a Eunice city council and resident for over 13 years.

Most of the comments and questions were less heated than Fuller's remark.

Justin Roberts of Hobbs wanted to know if LES has done a complete environmental impact study.

Krich said the group's environmental impact study is included in its application to the NRC, and available in a large binder at its Hobbs office and on the NRC's Web site. The study is comprised of two parts, a safety analysis and an environmental report.

Cortney Ray of Hobbs asked how current enrichment plants have improved the economic conditions of their communities.

Of the three locations in Europe where enrichment plants are located, Krich pointed to Almelo, Netherlands, a city that Lea County residents visited last summer before LES officially committed to locating its plant in New Mexico.

"Almelo was a small town 30 years ago, a farming area, and it has grown to 70,000 people. It's a very pretty city and they're quite prosperous."

The area surrounding the plant includes farmland, houses and a camp ground, Krich noted. The Almelo plant is owned by Urenco, the majority owner of LES.

Ruben Ramirez of Kermit, Texas, wanted to know if LES employees would be wearing radiation monitors and if employees would be laid off if they had too much radiation exposure.

Krich said LES is required to have a radiation monitoring program, and that employees working in certain areas of the plant would be required to wear monitors.

Regarding the second part of Ramirez's question, Krich said the Almelo plant, during 30 years of operation, has never had a case in which an employee's exposure to radiation was above the regulatory limit. Also, the radiation levels inside the LES plant would be at such a low level that employees would have to "work really hard" to receive too much radiation, he said.

During the Hobbs meeting, Krich pointed out some of the rumors about uranium enrichment that have made their way around the country. The Almelo plant, for example, was never shut down by the government. On a few occasions it was operating on a smaller scale because of expansions at the plant, but this fact has been twisted around by some nuclear watchdog groups.

Some rumors about uranium byproduct got started with safety and health problems at a gaseous diffusion enrichment plant in Paducah, Ky. Krich also noted.

The storage of uranium byproduct did not cause any of these problems, he said, but were the result of poor safety and health regulations during the 1940s and '50s.

"If you check yourself, you'll find the problems were caused by things inside the plant — chemicals, exposure to radioactive materials, and exposure to beryllium. But no problems there are associated with storage of the byproduct," Krich said.

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LES officials offered wit and information at CSW meeting

NEWS-SUN STAFF REPORT

Top Louisiana Energy Services officials doled out a little wit along with the information they provided to a small group gathered Wednesday afternoon at College of the Southwest.

Rod Krich, vice president of licensing, safety and nuclear engineering for LES fielded questions from the 23 people assembled in the CSW library atrium and furnished information concerning the general operations of a \$1.8 billion uranium enrichment facility that is proposed out side of Eunice.

"Why did you choose this area?" asked one CSW staff member. "Was it because it was sparse?"

"No, we chose it because of the enchanting part," said Krich, referring to the state motto of being the land of enchantment. "Have you been out to the site? It's pretty enchanted."

Krich went on to explain that many factors determined the location of the facility site.

"There was a fairly long involved process in choosing the site," Krich explained. "The people living here or the number of people living here had nothing to do with it."

'If the jobs require more training then we will provide training. We are already working with the junior college to provide that training.'

**Rod Krich
LES vice president**

Both Krich and LES vice president of communications and government relations, Marshall Cohen, assured those present that the hiring pool would be local.

"We are very committed to hiring local people," said Cohen.

"If the jobs require more training then we will provide training. We are already working with the junior college to provide that training," added Krich. "We will need people to start preparing procedures. Not much happens without a procedure."

"Going to the bathroom is about as far as you will go without a procedure," joked Krich.

But all joking aside, Krich encouraged the group to learn "fact from fiction" when it comes to all the information that is available.

"There is an awful lot of information out there," Krich said, who offered places to find information pertaining to the topic. "A lot of (information) is incorrect, inaccurate and incomplete. ... Check out information. There are a lot of neutral places you can go to check out information."

Although the group was small, the message from LES officials was expressed loud and clear by Cohen.

"We're willing to talk to your students and other groups no matter the size," Cohen told the audience. "We're not just going to disappear on you."

Their message did not fall on deaf ears.

"If their was an opportunity to work for them, I would even if they required more education or training," said CSW student Gilbert Davila, a general business major. "I really hope this thing happens."



KIM RYAN/NEWS
LES officials Rod Krich (left) and Marshall Cohen discuss their company's planned facility in Eunice during a meeting Wednesday at CSW.

Richardson wanting some action from energy company

RICHARD TROUT
NEWS-SUN

Unless Gov. Bill Richardson receives concrete action addressing his concerns about byproduct coming from Louisiana Energy Service's proposed uranium enrichment plant near Eunice, he will withdraw his support for the project.

On Wednesday, Richardson spokesman Gilbert Gallegos told the News-Sun the governor has been getting a lot of promises — but not enough action — about uranium byproduct from both LES and Sen. Pete Domenici, R-N.M.

"Obviously the governor has had concerns, and has been working with (LES) and Sen. Domenici to address them, but he just hasn't seen any concrete action taken since then," Gallegos said.

According to Gallegos, Richardson said LES's

application with the Nuclear Regulatory Commission is inconsistent with the agreement he made with LES to ensure byproduct, also called uranium tails, is stored outside of New Mexico.

The governor also is concerned because Congress has not made any progress toward adopting language to ensure byproduct is stored outside the state.

Sen. Domenici assured the governor that he would attach some sort of language to possibly a spending bill, Gallegos said.

The lack of a definitive site to store the uranium byproduct outside of New Mexico is the governor's final concern, he noted.

Domenici spokesman Matt Letourneau said Wednesday the senator is committed to ensuring byproduct does not remain in New Mexico. But Letourneau noted it's important to not act in haste choosing the appropriate vehicle in which to insert a mandate regarding byproduct storage.

"We have put provisions in the energy bill that encourage the tails to be taken out of state into a federal government facility in Ohio," he said. "But we also plan on using the legislative process to firm up that language and making sure the commitment is air tight."

Marshall Cohen, vice president of communications with LES, reiterated the

company's commitment to meeting Richardson's desire to have byproduct stored outside the state.

"We'll work in every way we can with the administration to assure that happens," he said.

LES also appreciates Sen. Domenici's efforts to find a legislative solution to Richardson's concerns, Cohen said.

The energy consortium also is making daily efforts to ensure a private de-conversion facility will be constructed in the U.S., and that this construction will coincide with LES's timetable for producing uranium byproduct.

"That is really what we believe is the best option and the most likely option to take place," he said, noting LES has been in discussions with Cogema, a French de-conversion com-

pany. More than 700,000 tons of uranium byproduct in the U.S. cannot be permanently disposed of until the byproduct is converted to a stable condition. The U.S. does not yet have a de-conversion facility for the byproduct.

The only way LES would deliver its byproduct to the DOE is if the department made it clear the byproduct would be taken out of New Mexico. LES also would do so only if it discovered a U.S. private de-conversion facility would not be possible, Cohen stressed.

A provision in the energy bill, which may be heard in Congress soon, states that LES would have the option of delivering its uranium byproduct to the DOE if its plans for a contract with a private company don't work out.



Richardson

ewpoint

SATURDAY, FEBRUARY 28, 2009

Waste also an economic opportunity

During the debate the other night amongst the Hobbs city mayoral candidates, they were asked a question about economic development.

Not surprisingly, they all said they were for economic development. Then again, I've never run into someone running for office that was not for economic development.



**Daniel
Russell**

They were later asked about the uranium byproduct left over if LES is able to build its uranium enrichment plant near Eunice. Would the candidate push to make sure the uranium is removed from this area? Again, they all said they would fight to make sure our environment is protected and the waste is removed.

Commentary Logical answers to good questions.

I only wish they had combined their answers. I hope the community has already decided to combine the answers.

The uranium byproduct problem — and yes it can be a long-term problem — is a chance to further economic growth.

Waste streams are opportunities, not necessarily obstacles to prevent projects from moving forward.

Think about the oilfield. Every day the oilfield deals with production issues. Some of those issues are environmentally sensitive — chemicals, salt water, etc. Decades ago the solution was to simply ignore it and hope Mother Nature would take its course. The long-term problems were not even afterthoughts by the regulators who told the oilfield companies what they could and could not do.

No more.

Oilfield companies spend big bucks shipping, handling and processing what could be called "waste." The average oilfield company now operates with the environment in mind. And ethics aside, fines and the economic prospects of cleaning up a problem means most oilfield companies want the waste handled correctly the first time. Regulators now even go back to the oilfield companies and require they clean up past areas, even if the area was contaminated with a past-acceptable practice.

All that environmental consciousness meant there was an economic need for new services. Trucking, land farms and environmental assessment companies sprang up to meet that need, creating more jobs for the area.

Which brings us to LES and the byproduct waste. This should be viewed as an economic opportunity, not a problem.

Enriched uranium's byproduct can be processed, commonly referred to as deconversion. This deconversion would require a multi-million dollar plant and

many new jobs.

This area had a rare opportunity when it landed the National Enrichment Facility project but it came about after years of work, vigilance and diligence by a select few in the community. Prior work done to attract a different uranium processing company helped, but a select few never gave up on the idea. When LES came on the radar screen, they were there to jump at the opportunity and make it happen. But for that select few, the project might have never come here — a billion-dollar construction with over 200 permanent high-tech jobs nearly lost because we were asleep at the wheel.

So now we should all be concerned that the economic opportunity of treating the uranium byproduct doesn't get passed by, located in some other state or be outsourced through the federal government.

While we all remain vigilant that LES upholds its promises made to our community, we should also begin to cast our eyes to the horizon when it comes to a deconversion plant.

Ask your elected representatives if they support a deconversion plant here. Ask them what they are doing to bring a deconversion plant here. Ask how you can help bring a deconversion plant here.

Readers can e-mail their comments to editor Daniel Russell at danielrussell@leaco.net or call him at 391-5440.

*When was she pulled
notified -
political
leader?!*

March 5, 2014
76th year, No. 313

FRIDAY

News-Sun

JAL EUNICE HOBBS LOVINGTON TATUM SEMINOLE

LES URANIUM ENRICHMENT PLANT

NRC gathers public input

RICHARD TROUT
NEWS-SUN

EUNICE — An Albuquerque representative and a member of the NAACP in Lea County usually don't have much in common, but they had everything in common Thursday night.

Like many of the culturally diverse crowd of speakers at

the Eunice Community Center, Rep. Janice Arnold-Jones, R-Bernalillo County, and Robert Turner of Hobbs both spoke in support of Louisiana Energy Services.

"This can be a vibrant area," Jones said during an environmental "scoping" meeting of the U.S. Nuclear Regulatory Commission. "You have a

remarkable opportunity and I think you need to stay open to that opportunity."

"I have two grandsons in Dallas," said Turner on behalf of the NAACP's local chapter. "And if I don't find some work for them here, they're going to stay in Dallas."

The NRC event was designed to take public comment on

regional environmental concerns the federal agency will consider in drafting an environmental impact statement for the \$1.8 billion uranium enrichment plant Louisiana Energy Services intends to locate about five miles east of Eunice on state Highway 176.

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FACTIVE CHARGES

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NRC

from PAGE 1

Two reports have been submitted in LES' license application — one addressing safety concerns, the other addressing environmental issues.

Comments on environmental issues also may be submitted to the NRC in a written format. Don Hancock, longtime opponent of the Waste Isolation Pilot Plant and director of the Nuclear Waste Safety Project at the Southwest Research and Information Center in Albuquerque, told the News-Sun he plans to submit comments by the NRC's March 18 deadline.

Once the NRC develops an environmental impact statement draft, it plans to hold another public meeting in Eunice to receive feedback about the draft. The NRC said it expects to conduct this meeting by late this year.

Following public input on the draft, the NRC will develop a final draft of its environmental impact statement.

A couple dozen Lea County residents — including people from Jal and Lovington — and a few other New Mexico residents made their voices heard at the Thursday meeting. Andrews city manager Glen Hackler even came forward to say, based on preliminary information, that Andrews believes the plant can become a reality.

Those speaking in favor of the plant included numerous city and county officials, local legislators, business people and even a few school officials. Although many of the speakers — especially the large pro-LES contingent — didn't address environmental concerns, several did.

County manager Dennis Holmberg, for example, said there have been many misleading statements regarding how much water the LES plant will be using.

The estimated water use by the plant will be 75 acre feet annually, he said, which is the same amount of water required for a 25 acre farm. The Eunice Golf Course uses 210 acre feet a year and the Hobbs Country Club uses 280 acre feet a year. Holmberg also noted.

Johnny Cope, owner of Lasco Construction Inc., pointed to the economic benefits to be gained by the plant, including 400 construction jobs for up to 5 years.

"There's so many people in this room who would love to have one of those jobs," Cope said.

Hermilo Ojeda, who spoke on behalf of the Hispanic Awareness Council of Hobbs, delivered his remarks in both Spanish and English. Although Ojeda noted he had initially



CODY GIDEON/NEWS-SUN

More than 150 people filled the Eunice Community Center Thursday night for a Nuclear Regulatory Commission meeting.

been concerned because of the word "uranium," he now couldn't think of a single reason to question LES.

"I support the plant 100 percent," he said.

Some of those who spoke in favor of LES also thanked the NRC for conducting its scoping meeting, even if it meant drawing criticism.

"They are giving both sides an opportunity to be heard," said Eunice mayor James Brown.

Not all the attendees were there to commend LES, however.

Lee Cheney, representing the Citizens Nuclear Information Center in Hobbs, went over a long list of concerns he has with the LES plant, from nuclear proliferation and national security to alleged failings at a similar plant in Almelo, Netherlands, operated by Urenco, one of LES' owners.

"It takes time for people to learn the truth," Cheney said. "It took Tennessee several years to learn the truth, and they had several politicians behind them."

Amy Williams of the Santa Fe-based Concerned Citizens for Nuclear Safety also brought numerous requests to the NRC's attention. She said the group's accident analysis, for example, should include risks of fire occurring at the enrichment plant and risks to the public living 50 miles within the facility.

The risks of transporting uranium hexafluoride from Illinois to New Mexico and out of New Mexico also should be addressed, Williams noted, as well as the suitability of Lea Regional Medical Center in handling victims of radiation poisoning.

Economic development alternatives to the enrichment plant should be included in the environmental impact statement, such as renewable energy research and development, she said.

"As I learned today, considering the strength of the wind in this area, the possibility of wind farms should be investigated," Williams said.

Rosé Gardner of Eunice, one of the few local residents who spoke in opposition to the plant, reviewed her concerns about road conditions, the evaporation pond LES would use for contaminated water, plant emissions and property values.

While the subject of uranium byproduct waste storage was cited by members on both sides of the fence, one U.S. lawmaker noted his commitment to helping solve the currently unresolved matter.

"I understand LES' preferred option is to contract with a private firm, and I remain committed to the facility where necessary including this private de-conversion option," said Diane Ventura from a letter by Sen. Jeff Bingaman, D-NM.

John Goldstein of the New Mexico Environment Department read a letter by cabinet secretary Ron Curry that requested the most thorough and intensive environmental review possible. The letter stated that the department's main concerns are environmental justice and waste management.

"NMED will require up to eight permits for this facility, including regulation of air, ground water and surface water discharges, as well as hazardous waste," Goldstein said. "Through the process of permit review, the state intends to thoroughly examine each and every aspect of this proposed facility before any approvals are given. We expect that the NRC will take a similarly intense approach in the licensing of this facility."

Thus far, the level of cooperation and information sharing the department has seen from LES has been good, Goldstein added.

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3-6-15-23-25

TEXAS PICK 5

DAY: 5-2-8 NIGHT: 4-2-0

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March 7, 2004

77th year, No. 2

SUNDAY



Eagle Scout tradition Page 17

News-Sun

JAL EUNICE HOBBS LOVINGTON TATUM SEMINOLE DENVE

Activist: LES support will erode

RICHARD TROUT NEWS-SUN

During Louisiana Energy Services' 17-year quest to operate a uranium enrichment plant in the United States, local support eroded in Louisiana and Tennessee, and at least one man thinks it's bound to gradually erode in New Mexico as well.

Don Hancock, longtime opponent of the Waste Isolation Pilot Plant and director of the Nuclear Waste Safety Project at the Southwest Research and Information Center in Albuquerque, said local support

for LES may be fleeting. New Mexico's most prominent anti-nuclear activist didn't succeed in stopping WIPP, but that doesn't mean he's any less determined in way-laying other nuclear projects in the state.



Hancock

"Over time, even that (south-east New Mexico) support will erode some," he said. "... The

proof will be in the pudding in the next year or two in terms of the local support."

Of course, LES officials have a different point of view, and one they're equally willing to share.

Although Hancock hasn't determined whether his group will intervene in the U.S. Nuclear Regulatory Commission's hearing process for the LES plant, he does plan to submit — by the March 18 deadline — written comments during the NRC's environmental "scoping" process to develop an environ-

mental impact statement.

Speaking in the calm, measured tone of a university professor, Hancock belies the commonly held notion of the kooky anti-nuclear activist.

Hancock doesn't believe there is a need for a uranium enrichment plant. He bases this belief on statements the U.S. Department of Energy has made, though LES questions the credibility of this assertion.

"The Department of Energy itself says the demand for

SEE ACTIVIST, Page 5

SO professional for a newspaper

Activist

from PAGE 1

enriched uranium for power plants is not likely to be growing much. In fact, it may go down some over the next seven to 12 to 15 years," he said.

If LES is going to be fulfilling an international need, which is projected to be increasing some, then building a plant in New Mexico doesn't make sense, Hancock said, as the state is farther away from, for example, the Japanese market than almost any other region.

Back in 1987, when LES first proposed its enrichment plant in Louisiana, it was saying the product was going to be needed before the year 2000, he noted.

"Well, we're well past 2000 and neither LES nor anybody else has built a new uranium enrichment plant in this country, and no power plants have shut down. Clearly, the need is being met. So I don't think the case can be made we need the plant anyplace or that we need the waste anyplace."

Support questioned

Based on Hancock's predictions, LES is doomed to repeat its past failings despite the current showing of strong support in southeast New Mexico.

Whether LES may run into the same opposition that has stalled its effort for 17 years, the activist responded with "absolutely."

As the project's implications become more apparent statewide, nationally and internationally, the roadblocks to uranium enrichment in New Mexico will continue to stall LES, Hancock said. The local support may now be as strong as ever in Eureka and Lea County, he suggested, but other regions may be inclined to behave differently.

"In the rest of New Mexico and the rest of the country, it's hard to imagine much benefit to anybody," he said.

After LES experienced increasing opposition in Louisiana and Tennessee, it just makes sense they will begin to experience the same thing in New Mexico, Hancock said.

Something that suggests LES and local leaders were unsure about local support is the fact those leaders had to go all the way to Europe to tour a uranium enrichment plant, he contends.

"They didn't go to Paducah, Ky, or to Portsmouth, Ohio, to look at the United States' experience with uranium enrichment. They didn't go to northwestern New Mexico — even

closer — to look at the experience thousands of New Mexicans have with dealing with uranium."

USEC shut down its Portsmouth plant several years ago but is still operating the Paducah facility.

"It's fine for them to go to Europe, but before they made any decisions they should have also gone to Kentucky and Ohio and northwestern New Mexico, and they should have talked to workers and people in this state and other parts of the country about uranium enrichment and the health and environmental hazards of uranium in particular."

LES responds

Regarding both the demand and support issues, LES couldn't be more at odds with Hancock's opinion.

To begin, LES president Jim Ferland said the partnership needs to show there is demand for enriched uranium in its license application. While it's not necessary to name specific commercial clients, LES does have to indicate that it will be receiving enough income to cover its operating costs.

In terms of the DOE report Hancock referenced, Ferland said it's probably not one of DOE's more recent reports. The

FROM THE FRONT PAGE 5

DOE at one point in time — about five years ago — may have stated that the number of nuclear power plants was flat or decreasing as nuclear power plants were nearing the end of their lifetimes, Ferland said. But in the last two or three years, he said, the trend has been for power plants to apply for license renewals, which last 24 years, and to increase their capacity.

"Actually, what we have seen for demand in the U.S. is a very slow rise because a lot of the nuclear power plants are going through power upgrades. And when they do that, they need a little more enriched uranium for fuel."

According to 2002 data, Ferland said, enriched uranium coming from the U.S. has been meeting only 15 percent of the market need. In other words, 85 percent of the enriched uranium used in U.S. nuclear reactors is imported.

Rod Krich, vice president of safety, licensing and nuclear engineering, said this market demand doesn't even include another practice taking place in the U.S. — the down-blending of weapons-grade material from Russia for use at American power plants.

LES has also taken into account the fact that its competitor, USEC, wants to build an

enrichment plant in Portsmouth, Ohio.

"All our numbers show that there is room in the U.S. market for our plant, the new USEC plant and the down-blending," Ferland said.

Moreover, he noted LES has already sold 50 percent of the output for the Eunice plant's first 10 years of production — and this occurred even before LES had submitted its license application to the NRC.

"The customers are driving this. The customers believe there is a need, and they're willing to sign unprecedented contracts with us to support our ability to build a plant," Ferland said.

Almelo defended

Ferland and Krich also contested Hancock's charge that LES wasn't confident in its local support by taking Lea County residents to an enrichment plant in Almelo, Netherlands.

For example, the plant LES plans to build near Eunice is essentially a duplicate of the plant in Almelo, he said, whereas the Paducah plant operated by USEC in the U.S. uses an entirely different technology — a less advanced gaseous diffusion process.

"It's like taking somebody to a

chemical factory if you're going to manufacture automobiles. It doesn't make sense," Ferland said.

And even if LES wanted to take Lea County residents to the USEC plant it wouldn't have been able to because USEC is a competitor, he noted.

"They're not going to do anything to help us; they certainly aren't going to let us onto their site for a tour," Ferland said.

Krich, meanwhile, said he's encouraged local residents to go see the Paducah plant on their own and talk to people who work there.

Not only were local residents able to get a better impression of LES by visiting the Almelo plant, but they were also able to see the plant's impact on the community and environment, because it's been operating for 25 years, Ferland said.

"And they can hear what the town thinks about having a uranium enrichment plant that's based on centrifuges," he added. The LES officials also noted they've been more than happy with their support in Lea County. Just as important, they noted, is that it's not blind support.

"It's support based on knowledge," Krich said. "These people have sucked up all the information they can about this."

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**National Enrichment Facility (NEF)
Eunice Public Information Office**

Thursday, March 4, 2004

**1323 Main Street
Eunice, New Mexico**

5:00 pm – 6:45 pm.

**Refreshments will be served.
Information on NEF will be provided.
For more information please call 394-0156
or by email at info@nefnm.com.**

You may also visit our website at www.nefnm.com.

We look forward to seeing you there.



*INSERT AD IN EUNICE NEWS
AND STOREFRONTS IN
EUNICE*



FOR IMMEDIATE RELEASE
Contact: Marshall Cohen - 505-417-2395
April Wade - 505-440-9441

Lea County Expresses Support for LES at NRC Hearing

Hobbs, New Mexico - March 5, 2004 – Over two hundred Lea County citizens showed their support for the LES National Enrichment Facility to the Nuclear Regulatory Commission (NRC) last night in Eunice, New Mexico. Business leaders, educators, law enforcement officials, fire and rescue workers, community activists, non-profit organizations, residents and state and local elected officials attended the meeting and spoke in support of LES.

Supporters of the NEF are encouraged by the prospect of a brighter economy, and confident of the safety of the proposed uranium enrichment plant. "By supporting the construction of this facility, I am, in reality, supporting the creation permanent jobs," said Hector M. Ramirez, Lea County Commissioner.

NOT ALL OF EUNICE EMBRACES LES

"Eunice, New Mexico, has embraced the NEF for the simple reason that we know and understand the benefits on both sides of the coin," commented Tanya & Lynn White, editors of the Eunice News.

NEF supporters also praised LES representatives for continually offering Lea County residents clear, concise and honest information about the project. LES has hosted tours of a similar uranium enrichment facility in Almelo, Netherlands and has held numerous public meetings to answer community questions.

"As a school board member and father of three children, I have paid close attention to the information provided by NEF. I feel very confident about the facts provided by NEF as well as the views of community leaders who have traveled to the Almelo facility," said Hobbs resident, Paul Campbell. "All of those who made the trip have assured me, as well as the entire community, about the safety and cleanliness of this industry."

"I plan to live in Lea County the rest of my life. I have to children in high school and welcome their return to the county when they complete their education. I would not subject myself or my family's well being if I were not completely reassured of the safety of the LES facility," said T. J. Parks, Superintendent of Tatum Municipal Schools.

Organizations such as the NAACP, Lea County United Way, Hispanic Awareness Council, Hobbs Chamber of Commerce, Eunice Fire and Rescue Service, The City of Hobbs, The Lea County State Bank, the Tatum Municipal Schools, and The Economic Development Corporation of Lea County, numerous private businesses and individuals submitted letters of support to the NRC at the meeting.

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Domenici critics claim energy bill provision billion-dollar pork

WASHINGTON (AP) — Senate Energy Committee Chairman Pete Domenici, R-N.M., added a provision to the failed energy bill that would have accelerated licensing of a \$1.2 billion uranium enrichment plant in his state — a project critics call corporate welfare and pork.

Moreover, Domenici's top committee aide, Alex Flint, spent two years as a paid lobbyist for two companies that would benefit from construction of the facility.

"This isn't just your ordinary pork project," Sen. John McCain, R-Ariz., said during debate on the Senate floor. "It is almost in a class by itself."

McCain said the perk would cost taxpayers \$500 million to \$1 billion, although Flint calls that "a misstatement of fact." The Congressional Budget Office has said that there would be no cost to the taxpayer.

Can this assertion be proven?

A Domenici spokeswoman, Marni Funk, referred all questions on the matter to Flint.

The energy bill stalled in the Senate, but Republican leaders have vowed to revive the measure when they return next year.

The Domenici provision was added to the bill in the final stages of negotiations, without a hearing or public comment. It was unveiled two days before Congress was scheduled to approve it.

The provision would have forced the Nuclear Regulatory Commission to act within two years on an application by Louisiana Energy Services, which has been trying to build its uranium enrichment plant since the late 1980s.

It also provided a method for the government to assume responsibility for the radioactive waste from the enrichment process.

Louisiana Energy Services is a partnership led by Urenco Ltd. — a consortium of the British, Dutch and German governments — and Westinghouse Electric Corp. Three U.S. utilities are also part of the project: Exelon Corp., Duke Energy Inc., and Entergy Corp.

The group is in a race with USEC Inc. — the only outfit currently enriching uranium in the United States — to win approval and construct a new plant using centrifuge technology to enrich uranium.

Flint, Domenici's top energy staffer, spent the last two years as a lobbyist whose clients included Westinghouse and Exelon. Flint said his work focused on reactor licensing, not uranium enrichment. He also lobbied for LES's competitor, USEC.

Interesting background

"This is a convergence of two of Senator Domenici's favorite subjects," Flint said. "This is economic development in New Mexico and the rebirth of nuclear technology in the United States."

Louisiana Energy Services asked the NRC last year to expedite its licensing through provisions similar to those in the energy bill, but it was met with an avalanche of opposition from critics who said LES was cutting corners on public involvement and environmental review.

"It is, in a word, grotesque in terms of making a mockery of any real public involvement," said Geoff Fettus, an attorney with the Natural Resources Defense Council, an environmental group. "This is an astonishing bit of greasing the skids for a polluting industry."

Why rush it?

McCain called the provision the "epitome of corporate welfare."

"Allowing foreign companies with questionable reputations to circumvent long-standing environmental and nuclear regulations is just simply wrong," he said.

Marshall Cohen, LES vice president of communications and government relations, said the expedited licensing does not solely benefit LES.

And the provision that requires the government to take responsibility for the waste from the enrichment process if LES chooses is the same benefit that USEC already receives.

The provision merely "levels the playing field," Cohen said.

What the government would do with LES waste is unclear. The Energy Department has more than 700,000 tons of depleted uranium, mostly packed in cylinders and stacked in huge piles at plants in Ohio and Kentucky.

DOE is building a plant to reprocess the waste, enabling it to be stored in a low-level waste dump. Cohen said LES is interested in the prospect of a private deconversion facility.

LES has assured New Mexico Gov. Bill Richardson, energy secretary under the Clinton administration, that the tailings won't be left in the state.

LES initially tried to build its plant in Homer, La., but it was met with opposition and complaints that it had selected a predominantly black community. Its second try, Trousdale County, Tenn., refused the necessary zoning.

INEUNICE WE HAVE 1/3 POP. hispanic that I do not believe the knowledge necessary to make informed decisions

LES is expected to submit its application to the Nuclear Regulatory Commission within three weeks. USEC has said it will submit its application for a commercial facility next year.

Click here to return to story:

http://lubbockonline.com/stories/120603/nat_1206030068.shtml



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Santa Fe New Mexican.com

The Online Edition of THE SANTA FE NEW MEXICAN

Sunday, February 29, 2004

'Islamic Bomb' Chief Linked to Eunice

By BEN NEARY | The New Mexican

Sunday, February 29, 2004

The recent confession by Pakistan's foremost scientist that he covertly sold nuclear-weapons materials and technology to rogue nations North Korea, Iran and Libya has sent shockwaves through U.S. and foreign intelligence agencies. The repercussions can be felt all the way to Lea County, N.M.

In Pakistan, scientist A.Q. Khan is widely regarded as a national hero for developing and testing that country's first atomic bomb in 1998.

Pakistanis proudly believe Khan's claims that he invented the bomb technology on his own. But Western intelligence agencies have long suspected Khan stole the critical uranium-enrichment technology from a European company called Urenco when he worked there in the 1970s.

Urenco is the majority owner of Louisiana Energy Services, the company now pushing to open a uranium-enrichment plant near the little town of Eunice, N.M. The billion-dollar plant would produce fuel for commercial nuclear reactors.

This month, following a long-running intelligence probe by the CIA and other agencies, Khan admitted he had provided nuclear-weapons expertise and materials to Libya, North Korea and other nations for his own profit.

In a televised address this month, Khan offered his "deepest regrets and unqualified apologies," the BBC reported. "I take full responsibility for my actions and seek your pardon," he said.

Pakistani President Pervez Musharraf instantly pardoned Khan and announced that his nation will not allow Western intelligence agencies to inspect records at Pakistani labs to try to gauge the extent of Khan's activities.

Even though Khan said he ran his own nuclear black market without Pakistani government sanction, apparently few in the international intelligence community believe him. Intelligence officials tell the world press it's impossible that Khan moved uranium-enrichment machines to other countries without the Musharraf regime having full knowledge.

In any case, the Pakistani proliferation case has dire implications given the interest among terrorist groups in obtaining nuclear weapons.

In a speech on Feb. 11, President Bush lauded the American and British intelligence officers who pieced together information about Khan.

"Breaking this network is one major success in a broad-based effort to stop the spread of terrible weapons," Bush said of Khan's operation. The president stopped short of criticizing the Pakistani government, presumably in recognition of its importance in ongoing U.S. military operations in the region.

Nonetheless, U.S. and other Western intelligence agencies are scrambling to determine the extent of the nuclear proliferation Khan caused.

"We don't still know the full scale of the activity," British Foreign Minister Jack Straw told the Reuters news agency this month. "(But) what we had here was somebody who had made a bomb, an operational bomb, who knew all the technology and who was selling this on the black market basically to anybody who could pay his price, and we know he had sold technology to Libya and other countries."

i Meanwhile, Urenco is the biggest player in a consortium of mostly European companies that owns Louisiana Energy Services. That company recently applied to the Nuclear Regulatory Commission for a permit to open the uranium-enrichment plant in New Mexico.

The Louisiana Energy Services project calls for using basically the same sort of Urenco uranium centrifuge technology in the Lea County plant as Khan sold on the nuclear black market.

Late last year, Urenco issued a statement denying a link between the company and uranium-enrichment technology that United Nations inspectors had found in Iran.

But this month Louisiana Energy Services issued a statement reading in part, "It is likely, however, that Dr. Khan did, in fact, steal what is now obsolete but still workable uranium-enrichment technology from Urenco in the 1970s and took it to Pakistan. ... Some reports have suggested that Iran obtained information from Pakistan."

Marshall Cohen, vice president of Louisiana Energy Services, said Friday that Khan's presumed theft at Urenco occurred nearly 25 years ago and only after Dutch security officials cleared Khan to work at the uranium facility.

"So he was fully cleared ... and was doing some work involving centrifuge technology," Cohen said of Khan. "And he went on a holiday to Pakistan and never came back. And the next thing you know, it comes out that he's putting together a Pakistani (nuclear-weapons) program. Since that time in the 1970s, there's never been another incident where anyone has been able to do that. Urenco has changed its policies since that."

The U.S. Nuclear Regulatory Commission, as part of its review of the Louisiana Energy Services application, will look carefully at security measures proposed for the New Mexico plant, Cohen said. The company is confident no one will walk out of the Eunice plant with information that could be used to develop weapons, he said. *We should all be so confident but we are not.*

"Obviously, it's a most unfortunate thing," Cohen said. "We're as distressed by the proliferation business that Mr. Khan went into as anybody."

The Nuclear Regulatory Commission plans to meet in Eunice this week to get public comment about

what the agency should consider in its environmental impact statement for the proposed uranium plant.

Tim Johnson, project manager for the NRC in Maryland, said last week that his agency's review will focus on the Urenco technology and the reliability of the equipment -- but not on the company's central role in nuclear proliferation.

"The problems with Pakistan and other countries, I'm not sure they're directly applicable," Johnson said of his agency's review. "LES has to meet our requirements for securing classified information, the same way any Department of Defense or Department of Energy or NRC entity that deals with classified information has to protect it."

Don Hancock, with the Southwest Center for Research and Information, has monitored Louisiana Energy Services' plans in the state. New Mexicans should be concerned about Urenco's international security record, he said.

"Just like Urenco didn't do a good job of holding onto some of its secrets with Khan some years ago, it raises the question of who's going to be looking at this plant (in New Mexico)," Hancock said.

Meanwhile, Hancock said, if the Louisiana Energy Services plant is licensed here, it will be impossible for the public to track how well the security procedures are followed because that portion of the company's application is classified.

Although the NRC hasn't begun its environmental and permitting reviews of Louisiana Energy Services' application, New Mexico's congressional delegation and Gov. Bill Richardson have already expressed their approval of the project. The Lea County Commission last year approved an industrial-bond issue of more than \$1 billion to help with plant construction.

Richardson this month said he was considering withdrawing his support for the project because of his concern that waste from the plant might remain in New Mexico. But a spokesman now says the governor is happier with the project.

The uranium-enrichment process produces a radioactive waste called "tails." No plant operating in the United States can "deconvert" such tails into a stable form that can be disposed of safely.

Although Louisiana Energy Services officials have promised Richardson that no waste will remain in the state, a provision in the pending Senate energy bill written by Sen. Pete Domenici, R-N.M., would allow private uranium-enrichment plants to turn their waste over to the U.S. Department of Energy.

Domenici, chairman of the Senate Energy Committee and a longtime proponent of nuclear energy, has backed the Louisiana Energy Services project. He invited company officials to move their operations to New Mexico after public opposition blocked the company's earlier plans to open plants first in Louisiana and then in Tennessee.

Alex Flint, Domenici's top energy aide, oversaw insertion of language to help Louisiana Energy Services in last year's energy bill, *The Wall Street Journal* reported in December. In 2001, Flint had worked as a lobbyist for the energy company Excelon, one of Louisiana Energy Services' limited partners on the New Mexico project, the newspaper reported.

The energy bill Domenici has proposed this year contains the same language as last year's bill allowing Louisiana Energy Services to turn over waste to the federal government and force federal regulators to process the company's application quickly.

*How can
it be
declassified?*

Richardson has said his support for the project hinges on Domenici including language in an appropriations bill in Congress to specify that the DOE may not keep any radioactive waste from the plant in New Mexico.

Pahl Shipley, spokesman for Richardson, said this week that the governor has spoken with Domenici and "the senator reassured the governor that he would be going ahead with legislative language that would prohibit long-term storage of LES waste in New Mexico. And that's certainly a constructive step in the right direction."

Cohen said the company's first choice for disposing of the radioactive waste from its plant would be to find a commercial company willing to open a waste-deconversion plant in the United States. Although Louisiana Energy Services has said that French energy giant Cogema has expressed interest in opening such a plant, none is operating and there are no license applications pending with the NRC to do so.

The federal government intends to open deconversion plants to handle stockpiled waste from uranium-enrichment plants it operated in Ohio and Tennessee.

There are some 700,000 tons of such waste in those states awaiting treatment.

Ohio Gov. Bob Taft recently wrote to the NRC saying Ohio doesn't want any waste from the planned plant in New Mexico to be shipped to Ohio for disposal.

Domenici's office recently said it questions Taft's authority on the matter.

Domenici's pending energy bill would give the NRC 24 months to review and act on Louisiana Energy Services' application.

In response to the company's permit application, the NRC said it needs 30 months to review the application.

Asked what the NRC will do if Congress passes Domenici's energy bill, NRC project manager Johnson said, "We'd do our best to try to do what's in the law. And we would have to reprogram things in order to do that."

Related Links

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Does this mean that if time limit expires you'll rush to make application approval? - I hope not. Don't allow a politician to call the shots - this is too important.

Rose Paul

HEATHER WILSON
1ST DISTRICT, NEW MEX.CO

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February 24, 2004

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Dear Rose,

Thank you for your e-mail about the Louisiana Energy Services (LES) proposal to build a uranium enrichment facility near Eunice, and your concerns about the company and its plans.

We are at the beginning of a long process in which the plans for this facility and for the disposal paths for the byproduct material will be developed, with considerable scrutiny. That scrutiny will come from the Nuclear Regulatory Commission (NRC), my colleagues and I in the Congress, the State of New Mexico, and citizens like you writing to us to let us understand your views.

I do support developing this facility as LES has described it, which includes the commitments made in August 2003 and reaffirmed in December 2003 by letters to Governor Richardson, and licensing approval by the NRC. The commitments LES has made include that there will be no disposal or long term storage, beyond the life of the plant, of Uranium Byproduct Cylinders in New Mexico. LES has also said it will aggressively pursue disposal paths for these cylinders. In particular LES has said it will encourage development of a commercial facility to change the chemical form of the depleted uranium in the Byproduct Cylinders to a more chemically stable form suitable for long-term disposal and which could be sent to a low level waste repository. I am told that this chemical process is not new, and has been used successfully in Europe. LES said it will work with qualified vendors pursuing a commercial facility for this task, to seek to develop long-term contracts that could assist those vendors in their efforts to secure financing for that facility.

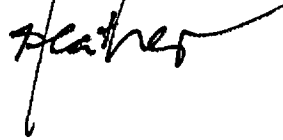
Protection of the local environment and public health will be a part of the NRC licensing review. In fact, a full Environmental Impact Statement will be prepared with public input. The NRC has just announced a public meeting on the subject in Eunice for March 4. I am attaching a copy of this press release, which can also be found on the web at <http://www.nrc.gov/reading-rm/doc-collections/news/2004/04-020.html>. You can also find and track the NRC's licensing process for the LES facility at <http://www.nrc.gov/materials/fuel-cycle-fac/lesfacility.html>.

The NRC licensing review of the LES proposal will take years. It will be important to make sure that the pieces do come together properly so that the facility's safety is validated by

the NRC license and that byproducts will be disposed of elsewhere at an appropriate facility for the long term.

Rose, I encourage you to participate in the NRC meetings, both to ensure your concerns are raised and to help you gain more information about the project. Thank you again for writing to me. Please continue to contact me about issues that are important to you.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Wilson", written over a vertical line that extends from the word "Sincerely," above.

Heather Wilson
Member of Congress

HW:PG

P.S. You can get current news from Congress every week **FREE** by signing up at <http://www.house.gov/wilson> for our e-newsletter.

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TIME

NATION

Monday, Mar. 01, 2004

A Radioactive Project Hits a Snag with Bush Administration

A proposed uranium enrichment plant in New Mexico is getting extra scrutiny from senior officials, as it involves a company linked to leaked nuclear secrets.

By ADAM ZAGORIN

If the U.S. government approves, several thousand inhabitants of Eunice, New Mexico are about to get a new corporate citizen: URENCO, the state-owned European consortium whose centrifuge designs have leaked to most of the world's rogue nuclear states. The consortium is revving up to build a new uranium enrichment facility just outside of Eunice not far from the Texas border. But the deal is anything but sealed. The massive project is raising eyebrows among Bush administration officials concerned that a company linked to the spread of nuclear weapons technologies would be operating on U.S. soil.

In the past few weeks U.S. regulators have begun processing an application to construct the \$1.8 billion plant, which has strong backing from powerful state and federal officials, including Republican Pete Domenici, who is chairman of the Senate Energy Committee. URENCO, an Anglo-Dutch-German consortium, hopes to build in New Mexico as part of Louisiana Energy Services, or LES, an alliance that includes the big American firms Exelon, Duke and Entergy, as well as Cameco, a uranium mining company and Westinghouse, a nuclear fuel manufacturer. If it is built, the plant would produce fuel for nuclear power generation in the U.S. and abroad.

But the plant's construction is facing some tough questions in the wake of President Bush's recent call for strict nuclear non-proliferation safeguards, and new revelations from A. Q. Khan, a Pakistani atomic scientist who has admitted passing nuclear design secrets on to Iran, North Korea and Libya. Khan obtained those design secrets, allegedly based on URENCO drawings, after being employed in the 1970's by a subsidiary of a Dutch company that worked closely with URENCO.

National security sources tell TIME that the New Mexico plant could face closer scrutiny and a more rigorous approval process. "What U.S. technologies might become available to URENCO as a result of its operations here?" asks a senior U.S. national security official. "Given the

President's non-proliferation initiative, we will need to go beyond technical aspects of the plant and look at the strategic policy implications." A high-level U.S. nuclear administrator raised nearly identical concerns last year about URENCO/LES plans to build a comparable facility in Tennessee, but those plans were withdrawn by the company. If the New Mexico project moves forward, the senior U.S. national security official said that the National Security Council would likely get involved in a more extensive, high-level review.

At this point, however, approval for the New Mexico project rests with the Nuclear Regulatory Commission, a federal agency which reviews technical aspects such as the reliability of the plant's enrichment equipment, but not national security implications. The review process normally takes about three years, but Senator Domenici has promised to introduce legislation in Congress that would cut that to two years or less. Domenici's proposal would also make approval of the plant more likely by limiting review of the plant's environmental impact, truncating the appeals process for those who object to the plant and allowing the US government to process the facility's radioactive waste using a tax-payer subsidy.

If the plan meets federal approval, the consortium will eventually install enrichment machines at the New Mexico site worth over \$1 billion, nearly all of which would probably be built in Europe to URENCO specifications. The company has said its centrifuge technology will be subject to the strictest safeguards, and has denied authorizing the leaks of any of its technology to rogue states. LES has described the link between URENCO and nuclear proliferation as "long ago and far-fetched at this point."

The first supposed leak of URENCO technology occurred in the 1970's and involved Pakistan. Since then, components associated with URENCO technology, consultants or sub-contractors have been said to have turned up in Iran, Iraq, Libya and North Korea. Last week, for example, the United Nations nuclear agency said it found undeclared components compatible with advanced uranium-enrichment centrifuge designs in Iran. The components were compatible with a so-called "P2" uranium-enrichment centrifuge, a Pakistani version of the URENCO "G2" centrifuge. The P2 can be used to produce material for nuclear weapons.

In 1998, Ernest Piffel, managing director of the German firm Team GmbH near Stuttgart, received a three and half year prison sentence for illegally exporting thousands of centrifuge components to a Pakistani nuclear laboratory. An expert at the trial testified that Piffel had in his possession a classified drawing of a URENCO component .

In Febraury 1986, components en route to Pakistan were seized by Swiss authorities that had apparently been manufactured from URENCO designs in West Germany.

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published by WISE News Communiqué on March 17, 2000

Enrichment: Run on centrifuges

Gas diffusion enrichment plants can't compete any more with centrifuge plants. France and the US possess the three last giant gas diffusion plants. As their plants are ageing, they are looking for a replacement technology: the ultra-centrifuge as developed by Urenco and Russia.

(525.5144) WISE Amsterdam - The race for centrifuges is on, prices are getting higher and their very existence is at stake. As we reported in WISE News Communiqué 523, the British bid on Urenco was rejected. The next candidate is Cogema from France.

THEY APPEAR TO BE A NICE FAMILY!

Although Cogema offered to pay three to four times as much as BNFL for the German and Dutch Urenco shares, and the German Minister Mueller seems willing to accept the deal, the sale proves to be problematic. The Treaty of Almelo forbids that any Urenco partner operate an enrichment plant outside Urenco. Thus, if Cogema buys into Urenco, either the Treaty of Almelo has to be changed, or Cogema must sell its 69% share in the 22-year-old Eurodif gas diffusion plant at Tricastin. It will be difficult, however, to find a buyer for the old Eurodif plant, since its production costs are much higher than Urenco's. It is more likely that the Eurodif plant will close soon. In that case no change of the Almelo Treaty is necessary if Cogema becomes part of Urenco.

In the US a comparable development is taking place. The privatized US Enrichment Company (USEC) wants to close one of its two remaining gas diffusion plants for the same reason: the technology is too expensive. After it canceled its AVLIS laser enrichment program last year, USEC was looking at all centrifuge options. First it considered to buy a part of Urenco or its centrifuge know-how. The current prices for Urenco shares are too high for the USEC, however, and Urenco will not sell its centrifuges. USEC remaining centrifuge options are: to buy the Russian centrifuge know-how or to produce its own centrifuges, based on designs owned by the Department of Energy (DOE), dating from before 1985 when the US decided to stop its centrifuge program. The USEC plans to have its own centrifuge enrichment plant operating at Portsmouth, Ohio, in 2004.

Analysts question the project: the production price of the new plant will be higher than current Urenco prices. In 1998, the Louisiana Enrichment Services (a consortium led by Urenco) finally gave up its plan to build an enrichment plant near in the US, after a license was denied on environmental justice grounds. On a meeting of the German Atomic Forum, Urenco managing director Klaus Messe said a joint venture with USEC to built and operate a centrifuge plant in the US using Urenco centrifuges "would make sense and be logical". Messer also said on that January 17 meeting, USEC right now holds about 34% of the world enrichments market, compared to 12% for Urenco. But said he was optimistic that Urenco's market share will expand in coming years. Market sources agree evidently and expect that Urenco would be the big winner anyhow, gaining a major market share this decade.

Russia's enricher Tenex is prevented from expanding its market share, through protective measures in the US and the European Union, where its share is unofficially limited by Euratom to 20% of the market.

Sources:

Nuclear Fuel 24 JAN 7 & 21 FEB 2000
 NY TIMES 17 JAN 2000
 WISE NEWS COMM 491.4872 @ May 1998

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Natural Resources Conservation Service
6200 Jefferson N.E. Suite 305
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NEWS RELEASE

June 12, 2003

Contact: Barbara Garrett, (505)761-4406
Public Affairs Specialist

Ogallala Water Level Declines and Solutions Featured at Upcoming Workshop

In an area south of the Canadian River in New Mexico the average water-level decline from 1980 to 1999 was about 26 feet or 1.4 feet per year. The consequences of this dwindling water supply and what can be done is the topic of a July 15-16 workshop in Portales sponsored by the New Mexico Soil and Water Conservation Society, USDA Natural Resources Conservation Service, and New Mexico State University.

The workshop, entitled "Land Uses and their Effects on the Ogallala Aquifer", will feature presentations on the future impacts on stakeholders, technological challenges, and needs in a time of uncertainty. It offers presentations on symptoms of poor irrigation efficiency, pump efficiencies, and subsurface drip irrigation systems. There will be discussion of economics of cropping alternatives and limited/non-irrigated production options. Speakers include Robert Gold, United States Geological Survey; Lee Tillman, Eastern Plains Council of Governments; Joe Whitehead, Natural Resources Conservation Service; Lowell Catlett, New Mexico State University; and many others.

The search for solutions to the declining water level in the Ogallala Aquifer recently gained momentum with the introduction of the "High Plains Aquifer Hydrogeologic Characterization Mapping, Modeling and Monitoring Act" (S.2773) by Senator Jeff Bingaman. This legislation seeks to extend the life of the Ogallala by setting up the framework needed to work toward long-term solutions to reduce the rate at which water from the aquifer is being mined.

How long the precious water of the Ogallala Aquifer will last is not known. Therefore, conservation is critical. Solutions must be sought and alternatives explored. The Portales workshop will provide a forum to identify and address the issues and opportunities associated with agricultural use of the Ogallala Aquifer while improving or sustaining the natural resources. The Natural Resources Conservation Service in New Mexico, for example, is offering farmers incentives to transition from high water use to low use irrigation or dryland cropping and grazing through the 2002 Farm Bill, Ground and Surface Water Conservation program.

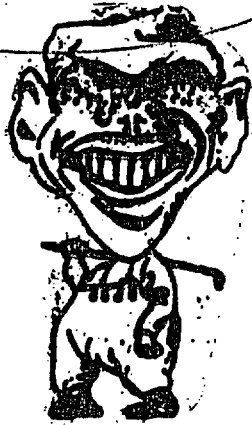
Urgent attention and action is called for when the Ogallala Aquifer is being drained in Curry County at a rate of 206,898 acre feet per year, according to the Office of the State Engineer, and only recharging itself in the region by 50,760 acre feet annually.

For more information about the workshop contact Linda Scheffe, Soil and Water Conservation Society president, at (505)761-4448 or Linda.Scheffe@nm.usda.gov.

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FEBRUARY 26, 2004

Eunice News



MURPH SEZ,

Every two years we get to this same spot--Election Time--and we are urging everyone to get out and vote!

One thing about it, we are certainly not limited in our candidates. There are twelve people running for the five different positions. The more the merrier we say.

Who are we going to vote for? Anyone that can show me that progress is the name of the game.

The whole picture is what I am looking for. Without the whole picture, you might bet blind sided and make an unwise decision.

Just what is the whole picture? It takes in the whole city and you have to know where we have come from, where we are now, and where we are going in the future.

The whole picture is what I am looking for. Without the whole picture, you might bet blind sided and make an unwise decision.

Just what is the whole picture? It takes in the whole city and you have to know where we have come from, where we are now, and where we are going in the future.

All you have to do is to look around and see where we have come from. It's quite a way.

The City of Eunice has been cleaning up things for two years now and it's beginning to show.

Many, many lots have been cleaned, some houses and buildings have been demolished, and you don't see all the old clunkers hanging around town.

They are not all gone and all the lots haven't been cleaned but progress has certainly been made.

Eunice has finished the water line to supply us with plenty of water and now work is already progressing towards getting new city water lines and sewer lines that will have to be piece meal in order to finish.

We are getting ready to zone and plan for this city and this is one of the most important pieces of progress we have ever had.

It's hard for me to imagine this city not being zoned, ever, but this is where we are.

We are getting our own clinic soon and this is going to be a tremendous impact on all of us.

Medical care is a must for any town and sure enough, it's just months away.

What's in the future? Plenty! We need paved streets. We need apartments. We need housing. We need a revitalized downtown. We need recreation for everyone, young, middle aged, and senior citizens.

We need assisted living. We need new businesses and most important we need people.

Our future is definitely bright now that LES will be coming here soon and that's why we have to get ready, now. A little while is just around the corner.

One thing I refuse to do is to step backwards in any direction. I want to move forward as fast as we can.

It's exciting, it's the right thing to do, and it offers Eunice the opportunity to take care of our own destiny.

Get out and vote, Tuesday, March 2!

**Subscribe
to the
Eunice News**

MITCHELL AND THOMPSON SEEK SEATS ON CITY COUNCIL

This is the last week that the Eunice News will be interviewing the candidates who signed up to run for the various seats up for election on the Eunice City Council. Each candidate was given an

interview sheet and a picture was taken. Citizens of Eunice are urged to cut out these interviews and to take careful consideration when going to the polls on Tuesday, March 2, 2004.

The sixth candidates to be interviewed are Mary R. Mitchell (Ward 4, Four Year Term) and Fay E. Thompson (Write-In Candidate, Ward 4, Two Year Term).



Mary Mitchell

NAME: Mary R. Mitchell
EDUCATION: Eunice High School
CURRENT JOB: Homemaker; Retired secretary/bookkeeper
HOW LONG AT CURRENT JOB:
SPOUSE NAME: Fred
CHILDREN'S NAMES & AGES: David, Janet, Susan, Elizabeth, and Frances; Many bright and beautiful

grandchildren
POSITION SEEKING: Ward IV - 4 year term as city councilor
REASONS FOR SEEKING OFFICE: The current leadership in office is accomplishing a great deal for the City of Eunice and I want to be a part of the exciting progress being made.
WHAT ARE EUNICE'S GREATEST NEEDS (Please rank in importance) Five lines provided: 1) New roofs for city hall, the police complex, and the senior citizens building; 2) The new cemetery must be made ready for use; 3) Renovate the city's sewer plant; 4) Keeping our Fire Department qualified and equipped to best serve our community and area; 5) Welcoming and supporting LES into our community
WHAT GOALS DO YOU HOPE TO ACCOMPLISH IF ELECTED: To see the medical clinic up and running, serving Eunice. To see the Compliance Review

Boards work continue and maybe even kick up a notch. To see the Planning and Zoning Board's Comprehensive plan be accepted and ENFORCED. To see the fruits of the work being done by the current leadership in city hall; Eunice could become THE place to live in Lea County.
DO YOU SUPPORT OR NOT SUPPORT THE PROPOSED NATIONAL ENRICHMENT FACILITY LOCATED NEAR EUNICE? WHY? To have this gift (NEF) dropped in our laps is almost beyond believing! The diversification in industry supporting our community is finally beginning to happen. To say 'I'm pleased' is a gross understatement. Eunice and the surrounding area have so much for which to be grateful. Our need to expand our support system in this area is essential to the continuation of EUNICE!!

Eunice

News

FEBRUARY 26, 2004

NAME: Fay E. Thompson
EDUCATION: Eunice and Monument Schools
CURRENT JOB: Owner - Bakery & More Cafe
HOW LONG AT CURRENT JOB: 5 years, opened on January 22, 1999
SPOUSE NAME: Bob Owens
CHILDREN'S NAMES & AGES: Donna Walker, Danny Thompson, Dennis Thompson
POSITION SEEKING: Write-In Candidate for City Council, Ward 4, 2 Year Term
REASONS FOR SEEKING OFFICE: To help the people of Eunice enjoy a better way of life through good government and good people.
WHAT ARE EUNICE'S GREATEST NEEDS

(Please rank in importance) Five lines provided: 1) Try to have an understanding for our neighbors opinion until we all work together. We can't grow and thrive, we just survive; 2) Update existing water and sewer lines; 3) More housing so our town can grow; 4) Increase recreation for people of all age groups; 5) Review the possibilities of getting an assisted living complex for senior citizens.
WHAT GOALS DO YOU HOPE TO ACCOMPLISH IF ELECTED: See that the water and sewer plans are completed; To continue the progress being made here in Eunice. Be able to help where and when I can.
DO YOU SUPPORT OR NOT SUPPORT THE



Fay E. Thompson

PROPOSED NATIONAL ENRICHMENT FACILITY LOCATED NEAR EUNICE? WHY? Yes, very much. It will make a better way of life for all of us.



NATIONAL ENRICHMENT FACILITY

The LES team wants to answer all of your questions regarding the National Enrichment Facility (NEF). This is the first of a series of questions people have asked us about the NEF.

Ask LES:

What is LES' Position Regarding Byproduct Disposal?

1. LES fully supports Governor Richardson's goal that the byproduct be disposed of outside of New Mexico.
2. LES' preferred plausible strategy as stated (page 4.13-8 of the NEF environment report) in the license application is to use a private deconversion facility and take the depleted uranium byproduct to a private low-level waste repository. Several of these repositories exist in the United States outside of New Mexico.
3. LES is actively pursuing the construction and operation of a private deconversion facility somewhere the NEF.
*LES is pursuing this possibility with a leading deconversion company and is prepared to enter into discussions to sign long-term contracts with them to take the byproduct. This company operates a deconversion facility in Europe, and is the world leader in this technology.
4. Senator Domenici's office is introducing legislation this year that will ensure that no disposal of byproduct takes place in New Mexico. LES fully supports this legislation.
5. As for the potential for Department of Energy (DOE) to take the byproduct:
*LES will not use this option unless DOE guarantees the byproduct leaves New Mexico.
*LES will not use this option without extensive discussions with New Mexico elected officials.
*LES will only use this option if it is found that there is absolutely no alternative for disposal.
*LES is not depending on DOE to dispose of the byproduct.

If you would like more information about this question, or if you have a question you would like answered, please contact LES.

324 N Turner
Hobbs, NM 88240
505-393-9494



LES
PO Box 1749
Eunice, NM 88231

Email info@nefnm.com

MARCH 11, 2004

Eunice News

NRC HOLDS SCOPING MEETING IN EUNICE

The Nuclear Regulatory Commission (NRC) met in Eunice on Thursday, March 5, 2004, for a scoping meeting concerning the safety of the environment.

The meeting featured Lawrence Kokjako of the reactor licensing department, Melanie Wong, project manager, and Tim Johnson of the safety review board.

Coordinator Chip Cameron of the environmental review board was there to listen to anyone for or against the Louisiana Energy Services (LES) licensing process.

It was a packed house of almost 300 people that came to the meeting to hear what everyone had to say about the new LES enrichment plant.

There were 45 speakers registered to speak with 39 of the speakers ranging from U.S. Senator Jeff Bingaman's office, U. S. Congressman Steve Pearce's office, to citizens showing tremendous support for the project.

There were 6 of the 45 speakers that spoke out in opposition of the project naming contamination of the ogalalla water, wind blowing acid dust, major explosions, property devaluation, bad roads, and storage of nuclear waste.

Mayor James Brown welcomed the NRC to Eunice and stated that debate is a

healthy sign.

State Senator Carroll Leavell informed the audience that southeast New Mexico knows and understands the safety issues being questioned by people.

Representative Don Whitaker stated that we have lived with NORMS all our lives and we accept this.

Whitaker also said we need to diversify this part of the state and LES will have a tremendous impact on the economy in this part of the state.

Representative Janice Arnold-Jones of Albuquerque was on hand and told the audience she was not afraid of uranium at all by having adopted a current lesson learned by working in the nuclear business.

She stated she was impressed with LES because they are always looking for ways to make their service and product better.

This is a remarkable way to diversify the economy because it is a long term commitment that will create numerous jobs.

County Commission President, Harry Teague, presented the NRC with over 2,000 signed petitions from all over New Mexico and West Texas showing major support for the LES project.

He recommended to the

very few anti-enrichment project people to go home and leave us alone.

Robbie Roberts of the Lovington Chamber of Commerce and the Lovington Economic Development that he supports LES 100%.

Mr. Roberts is a chemical engineer and stated that the process purposed by LES is safe and environmentally sound with no pollution and no emissions.

Joan Tucker of College of the Southwest noted that there is very much emotion when it comes to nuclear energy.

She stated that questions needed asking will be, will this business add to our quality of life? How many jobs will it bring and how do the owners treat their employees and are they good corporate citizens? When you answer these questions you will know that LES is right for us.

The NRC stated that another 18 months will be required before any permits will be issued.

They are looking to have another meeting in Eunice later in the year.

We welcome the NRC to Eunice and know that these people are here to protect and to preserve a better way of life for everyone.

MARCH 11, 2004

Eunice News

NEWLY ELECTED CITY OFFICIALS SWORN IN

The Eunice City Council met in regular session on Tuesday, March 9, 2004. The meeting was the organizational meeting since the recent election.

Newly elected council persons, Mary Fuller, Mary Mitchell, Wardell Allen, Maurice Gardner, and Gailand Overton were sworn in on Monday, March 8.

At the meeting on Tuesday, Mayor James Brown presented a list of various board appointments: Lea County Water Users Association - EA Woodell; Lea County Solid Waste Authority - Bill Robinson; Golf Board - Mark Vinson, Tommy Pearson, Cynthia Sims, KenDon Fish, Bill Weaver, EA Woodell, Kathy Robbins, Russell Lee; Library Board - Eugenia Pearce, Avis Hobbs, Alene Sims, Myrt Erdwurm, Peggy Myers, Irene McCasland;

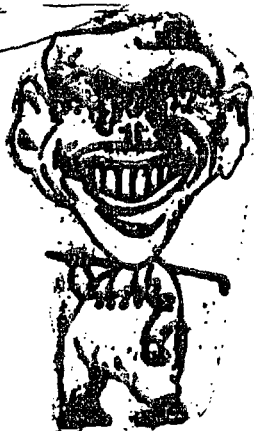


Standing L-R: Magistrate Judge Russell Martin, Gailand Overton, Wardell Allen, Maurice Gardner; Seated L-R: Mary Mitchell, Mary Fuller

Housing Authority - Arsenia Muro, Denice Ferbrache, Espino, Newman Shanks, Gail Koeberle, Janniece Pool, Bill Myers, Glenn Jenkins, Eloisa Espino, Justin Billy Well; Youth Center - Yarbrough, Shirley Curtis, Marshel Mitchell, Adam Rosie Acosta; Planning &

MARCH 11, 2004

Eunice News



MURPH SEZ,

I get more tickled everyday people like Don Hancock of the Nuclear Waste Safety Project at the Southwest Research and Information Center in Albuquerque opens his mouth.

Now that's a big title attached to Donny boy's name and you might get real impressed at first glance but then you have to find out just who pays this ole boy's salary.

Would you believe WIPP? That's right! This guy isn't anything but a whipping boy for WIPP. He's there to counteract anything positive about WIPP, LES, or anything nuclear in this country.

He's a tree hugger that doesn't have anything good to say about nuclear energy and he's probably paid by all of us sap sucker taxpayers.

When he gets pinned down by highly educated people in the nuclear business, he starts crawfishing. He crawfishes because he knows he is wrong but he doesn't want to lose any of his constituents along the way.

If you were at the NRC meeting, you were able to hear from some very powerful people that know nuclear energy backwards and forwards.

We heard from U.S. Senators, U. S. Congressmen, state senators and representatives, and the governor's office.

All have endorsed LES with flying colors and welcome LES into New Mexico with open arms.

Take for example, Janice Arnold-Jones, a member of the House of Representatives, and works in the nuclear energy field.

Throw in Robbie Roberts, a chemical engineer from Lovington that has worked for many nuclear projects, and then add Tom Jones of Andrews and now manager of the WCS waste site.

If I'm going to listen to someone about nuclear energy concerning the safety and advantages of the above, would you want to listen to experts or resort to a naysayer that is paid to write bad news about nuclear energy.

The "average" man on the street is going to listen to the experts.

Our county is literally being reduced to a third world power when it comes to energy uses because of all the tree huggers out there.

Don't believe me? Take a good, long, hard look at the oil industry and see what's happening to it and why.

It's because of people like little Donny that have fostered so many regulations on the industry, the big companies are giving up the ghost.

Don't believe me? Go ask the experts and you will be shocked to what your ears will hear.

SHOP EUNICE

RCH 11, 2004



**Thank You, to all our
friends in Lea County**
for your continued support and
the strong showing at the Nuclear
Regulatory Commission Meeting.

*page
add*

LES has a strong commitment to the citizens of Lea County. We strive to be a positive community partner, and our contributions to Lea County are vital elements of our business philosophy. The NEF project will greatly contribute to the local economy, providing jobs and long-term benefits to New Mexico.

We look forward to further developing our relationship with Lea County.

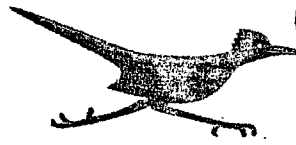
If, at any time, you have questions or concerns we will address them directly.

LES
PO Box 1749
Eunice, NM 88231



324 N Turner
Hobbs, NM 88240
505-393-9494

Email info@nefnm.com



Congratulates LES

Economic Development Corporation of Lea County

On The Acceptance Of Their Application For NRC Review



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001
January 22, 2004

Mr. Rod Krich, Vice President
Licensing, Safety, and Nuclear Engineering
Louisiana Energy Services
1133 Connecticut Avenue NW, Suite 200
Washington, D.C. 20036

SUBJECT: LICENSE APPLICATION FOR THE NATIONAL ENRICHMENT FACILITY
ACKNOWLEDGMENT RECEIPT

Dear Mr. Krich:

We have received your application, including an Environmental Report (ER) and Integrated Safety Analysis (ISA) Summary, dated December 12, 2003, to possess and use, for 30 years, special nuclear, source, and by-product material in the National Enrichment Facility (NEF). The NEF, which is to be located in Eunice, New Mexico, is proposed to enrich uranium up to an assay level of 5 percent U-235. We have completed our acceptance review of your application and ER and will inform the Commission that the application and ER are acceptable for the staff to begin its detailed review.

If you have any questions regarding this matter, I can be reached at (301) 415-7299.

Sincerely,

Timothy C. Johnson, Project Manager
Special Projects Section
Special Projects and Inspection Branch
Division of Fuel Cycle Safety
and Safeguards,
Office of Nuclear Material Safety
and Safeguards

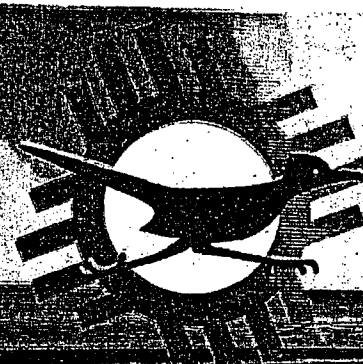
Docket No. 70-3103

cc. William Szymanski/DOE
James Curtiss/W&S
Mario Robles/USEC
James Ferland/LES
Dennis Holmberg/Lea County
James Brown/Eunice
Bobby Wallach/Hobbs
Michael Marriotta/NIRS
Lee Cheney/CNIC

Claydean Claiborne/Jal
Troy Harris/Lovington
Betty Richman/Tatum
Glen Hackler/Andrews
William Floyd/New Mexico
Richard Ratliff/Texas
Jerry Cliff/Hartsville
Derrith Watchman-Moore/New Mexico

"The Economic Development Corporation of Lea County participated in a tour of a like facility in Almelo, Netherlands and has reviewed the public acceptance and positive benefits enjoyed by the citizens of Almelo and the country of Holland. The Economic Development Corporation of Lea County supports locating such a facility in Southeast New Mexico in the interest of regional economic growth and stability for the County of Lea and the State of New Mexico."

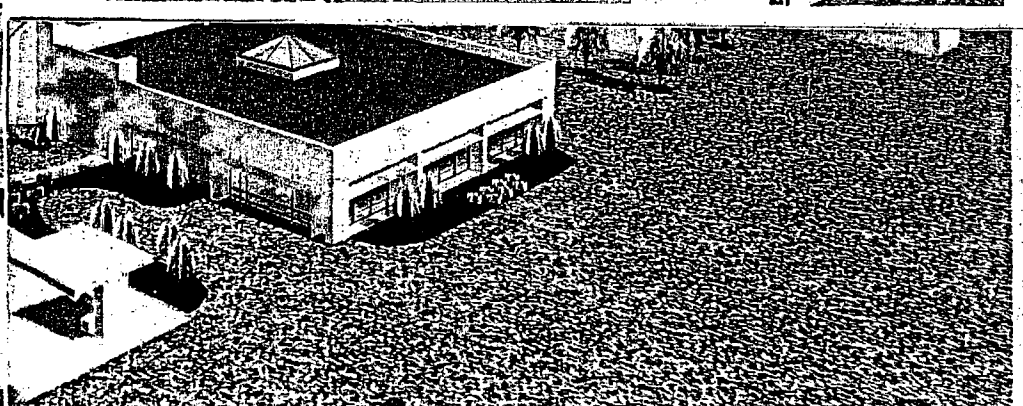
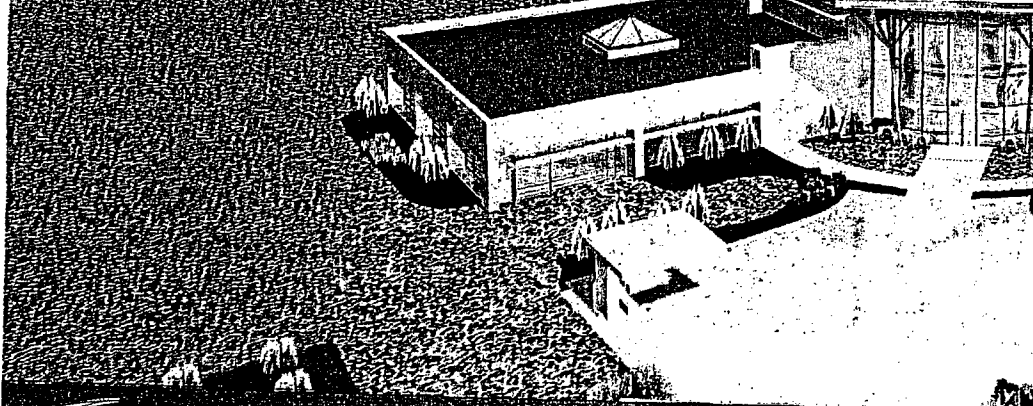
If you have any questions please call the Economic Development Corporation of Lea County at 397-2039 or the National Enrichment Facility Public Information Offices at 393-9494 or 394-0156.



**ECONOMIC
DEVELOPMENT
CORPORATION**
of Lea County

SUPPORTS

2702 North Cimarron - Suite 300 - 907-2039



NATIONAL ENRICHMENT FACILITY

EPC SUPPORT BLDG