

October 10, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS MEMORANDUM – SECY-07-0146 –
REGULATORY OPTIONS FOR LICENSING NEW URANIUM
CONVERSION AND DEPLETED URANIUM DECONVERSION
FACILITIES

The Commission approved the staff's recommendation to conduct a rulemaking to amend 10 CFR Part 40 to require that only certain new applicants and existing licensees for conversion and deconversion facilities be licensed by the NRC. Specifically, large facilities with significant quantities of uranium hexafluoride or uranium tetrafluoride would only be licensed by the NRC. All other conversion and deconversion facilities would be licensed by the NRC or an Agreement State depending upon its location. These requirements would not apply to existing facilities currently undergoing decommissioning. If new license applications are submitted before the completion of the rulemaking, the staff shall impose 10 CFR Part 70, Subpart H, performance requirements as part of the licensing basis for the application review.

The Commission also approved the staff's recommendation to keep the Starmet and Aerojet Ordnance facilities under Agreement State jurisdiction. Prior to developing the proposed rule, the staff should conduct a workshop with stakeholders and invite comment on the appropriateness of the staff's proposed threshold limits for determining when a facility will be regulated by the NRC or an Agreement State.

The staff should revisit the Official Use Only designation of the paper and this memorandum to make as much of this information available to the stakeholders as possible.

cc: Chairman Klein
Commissioner Jaczko
Commissioner Lyons
OGC
CFO
OCA
OPA