

June 25, 2008

MEMORANDUM TO: Michael Tschiltz, Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

THRU: Brian W. Smith, Chief **/RA/**  
Enrichment and Conversion Branch  
Division of Fuel Cycle Safety  
and Safeguards, NMSS

FROM: Timothy C. Johnson, Senior Project Manager  
Enrichment and Conversion Branch  
Division of Fuel Cycle Safety  
and Safeguards, NMSS

SUBJECT: MAY 28-29, 2008, MEETING SUMMARY: GENERAL ELECTRIC-  
HITACHI MEETINGS WITH LOCAL AND STATE OF NORTH CAROLINA  
OFFICIALS

On May 28 and 29, 2008, U.S. Nuclear Regulatory Commission (NRC) staff met with local officials from New Hanover County, Brunswick County, Pender County, the City of Wilmington, the State of North Carolina Division of Occupational Safety and Health, and the State of North Carolina Radiation Protection Section to discuss the NRC licensing process for the General Electric-Hitachi laser-based uranium enrichment plant project. I am enclosing the meeting summary for your use. This summary contains no proprietary or classified information.

Docket No.: 70-7016

Enclosure: General Electric-Hitachi Meeting Summary

cc: William Szymanski/DOE  
Patricia Campbell/GEH  
Julie Olivier/GEH  
Albert Kennedy/GEH  
James Ross/GEH  
Tom Clements/FOTE

Bruce Shell/New Hanover County  
Marty Lawing/Brunswick County  
George Brown/Pender County  
Bill Saffo/Wilmington  
Malissa Talbert/Wilmington  
Wanda Lagoe/NCOSH

CONTACT: Timothy Johnson, NMSS/FCSS/ECB  
301-492-3121

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GEH Website-NO			

**ML081760045**

<b>OFC</b>	ECB	ECB	ECB
<b>NAME</b>	TCJohnson	VWilliams	BSmith
<b>DATE</b>	6/24 /08	6/ 25 /08	6/25 /08

**OFFICIAL RECORD COPY**

Summary of  
General Electric-Hitachi Project Meetings with Local and State Officials

Dates: May 28 and 29, 2008

Place: New Hanover County Offices; Wilmington, North Carolina  
Brunswick County Offices; Bolivia, North Carolina  
City of Wilmington Offices; Wilmington, North Carolina  
Pender County Offices; Burgaw, North Carolina  
State of North Carolina (NC) Division of Occupational Safety and Health (OSH)  
Offices; Raleigh, North Carolina

Attendees:

New Hanover County:	B. Shell, County Manager
Brunswick County:	M. Lawing, County Manager
City of Wilmington:	B. Saffo, Mayor
	M. Talbert, Communications Manager
Pender County:	G. Brown, County Commissioner
	D. McCole, Acting County Manager
NC OSH:	W. Lagoe, Bureau Chief
	K. Beauregard, Assistant Deputy Commissioner
	A. McNeely, Deputy Commissioner/Director
	A. J. Hoomani, General Counsel
NC Radiation Protection:	L. Cox, Branch Manager
	A. Sawyer, Branch Manager
NRC:	B. Smith; B. Reilly; C. Ridge; T.C. Johnson

Purpose:

The purpose of these meetings was to discuss the licensing process to be used by the U.S. Nuclear Regulatory Commission (NRC) for reviewing a license application the General Electric-Hitachi (GEH) laser-based uranium enrichment plant project.

Discussion:

During the morning of May 28, 2008, NRC staff met with Mr. Bruce Shell, the County Manager of New Hanover County, North Carolina. NRC staff provided background on the proposed project and discussed the NRC's licensing process for uranium enrichment facilities. The licensing process includes the preparation of an Environmental Impact Statement (EIS), the preparation of a Safety Evaluation Report (SER), a mandatory hearing, and a possible contested hearing. NRC staff estimated that the licensing process would take 30 months from the date NRC accepts the GEH license application for review.

In response to questions about GEH's proposed construction schedule, NRC staff indicated construction of safety-related facilities could not begin without an NRC license. NRC staff also indicated the NRC is considering allowing non-safety-related construction activities, such as clearing land and constructing administrative buildings, to begin without prior NRC approval.

Staff also discussed opportunities of public involvement in the licensing process. These included an opportunity to petition for a hearing, an opportunity to provide input into the scoping of the EIS, and an opportunity to comment on the draft EIS. NRC staff also indicated that NRC will conduct a public meeting later this summer on the NRC licensing process and also another to discuss the staff's EIS and SER after those documents are issued.

Enclosure

NRC staff noted that regulation of laser safety would be performed by the State of North Carolina Division of Occupational Safety and Health.

Mr. Shell stated that New Hanover County has a population of 192,000 and is the regional center for medical services, education, cultural, and retail activities for a 6-county area. He said that two recent local issues included upgrading the sewer system and tax incentives granted to a company proposing to build a concrete batch plant in the Castle Hayne area of the County. He said that local residents are concerned about water quality issues and potential hurricane impacts. He indicated that water quality in the Cape Fear River is of particular concern because the river is a significant drinking water source for county residents.

Mr. Shell asked about waste streams to be generated. NRC staff indicated that the largest waste stream would be the depleted uranium tails from the enrichment process. NRC staff stated that GEH intends to use the disposition path provided by law, which requires the U.S. Department of Energy (DOE) to accept depleted uranium tails from enrichment facilities licensed by NRC. Tails would be stored on-site until transfer to DOE under a future contract to be negotiated between DOE and GEH.

Mr. Shell recommended that NRC use University of North Carolina at Wilmington (UNCW) facilities for its public meetings. He also said that the County has some facilities, but these facilities have limited seating capacities. Mr. Shell said he would provide NRC a list of local newspaper and radio stations for advertising the public meeting.

Mr. Shell stated that the Lumbee Tribe in Lumberton, North Carolina, is the nearest Native American group and that he is unaware of other significant populations of Native Americans in the area. Mr. Shell also stated that minority populations are generally consistent with percentages throughout the State of North Carolina.

Mr. Shell requested a one-page summary of the plant and the NRC licensing process. NRC staff indicated that it would provide the requested information.

In the afternoon of May 28, NRC staff met with Mr. Marty Lawing, the County Manager of Brunswick County, North Carolina. NRC staff provided project background information and a discussion of NRC's licensing process for a uranium enrichment plant, including opportunities for public input, as discussed above.

Mr. Lawing indicated that local residents are concerned about water quality, pollution of the Cape Fear River, and hurricane impacts. He also stated that GEH should include Brunswick County in its Emergency Planning activities. He also indicated that he would like to be kept up-to-date on public meeting activities.

Mr. Lawing stated that he is unaware of any significant populations of Native Americans in the local area.

Mr. Lawing stated that local newspapers include the Wilmington Star News, the Wilmington Journal, the Southport State Port Pilot, the Brunswick Beacon, and the Myrtle Beach Sun News.

In the morning of May 29, 2008, NRC met with Mayor Bill Saffo from the City of Wilmington and Malissa Talbert, the City of Wilmington Communications Director. NRC staff provided project background information and a discussion of NRC's licensing process for a uranium enrichment plant as discussed above.

Mr. Saffo and Ms. Talbert were interested in what opportunities would be available for public input. NRC staff stated that these included an opportunity to petition for a hearing, an opportunity to provide input into the scoping of the EIS, and an opportunity to comment on the draft EIS. NRC staff also indicated that NRC will conduct a public meeting later this summer on the NRC licensing process and also another to discuss the staff's EIS and SER after those documents are issued. NRC staff stated that the meetings will probably be held at UNCW. Ms. Talbert asked to be kept informed of the dates of these meetings.

Mr. Saffo asked what were the issues raised in the licensing of the Louisiana Energy Services and USEC Inc. license applications. NRC staff indicated that the primary issues were disposition of depleted uranium tails and financial assurance for decommissioning. NRC staff explained that GEH intends to use the DOE disposition path and that NRC evaluates in its licensing review how GEH will provide assurance that money will be available to decommission the facility, including removal of all wastes on-site, in the event that GEH is unable to do so.

Mr. Saffo noted potential environmental concerns about wetlands and also stated that local resident concerns in the past have focused on water quality issues. Ms. Talbert also noted the development of the Titan cement plant on the Cape Fear River near the GEH site.

Later in the morning of May 29, 2008, NRC staff met with Mr. George Brown, one of the Pender County Commissioners, and Mr. David McCole, the Acting County Manager. NRC staff provided project background information and a discussion of NRC's licensing process for a uranium enrichment plant as discussed above.

Mr. Brown was interested in opportunities for public involvement. NRC staff stated that these included an opportunity to petition for a hearing, an opportunity to provide input into the scoping of the EIS, and an opportunity to comment on the draft EIS. NRC staff also indicated that NRC will conduct a public meeting later this summer on the NRC licensing process and also another to discuss the staff's EIS and SER after those documents are issued. NRC staff stated that the meetings will probably be held at UNCW.

Mr. Brown stated that residents read the Pender Chronicle, the Pender Post, the Wilmington Star News, and the Topsail Voice.

Mr. Brown indicated that he is unaware of any significant public interest in Pender County in the GEH proposed project.

In the afternoon of May 29, NRC staff met with officials from the State of North Carolina OSH and Radiation Control Program. NRC staff provided project background information and a discussion of NRC's licensing process for a uranium enrichment plant as discussed above. NRC indicated that, under law, it would have licensing responsibility for all radioactive material activities at a uranium enrichment facility and North Carolina would be responsible for regulating laser safety.

NRC staff indicated that it is preparing a draft Memorandum of Understanding (MOU) addressing facility clearance and information security issues. North Carolina OSH staff stated that they had contacted the Federal Occupational Safety and Health Administration (OSHA) and OSHA has individuals with security clearances that could perform inspections, if necessary. However, North Carolina OSH staff indicated that they may need access to classified information in addressing complaints or incidents involving laser safety.

North Carolina OSH staff asked who would classify reports generated by OSH staff. NRC stated that it could add this to NRC's responsibilities under the MOU. NRC staff could also add providing information security training to OSH staff as well.

North Carolina OSH staff requested personnel security clearance forms. NRC staff stated it would provide this information.

Action Items:

- Prepare one-page summary of GEH project
- Add public officials to NRC distribution list for GEH project
- Provide draft MOU to North Carolina OSH for review
- Provide information on security clearance forms to North Carolina OSH