

## GEHitachiUELAPem Resource

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**From:** Kennedy, Albert E (GE Infra, Energy) [albertE.kennedy@ge.com]  
**Sent:** Wednesday, March 18, 2009 3:41 PM  
**To:** Smith, Brian; Johnson, Timothy  
**Subject:** FW: GE Hitachi Letter Regarding DOE DU Estimate  
**Attachments:** Request for Revised DOE DU Estimate 3-18-09.pdf

I'll call and discuss this with you.

Al Kennedy  
EHS Facility Licensing Manager  
GE Hitachi Nuclear Energy

T 910 819 1925  
M 910 200 9805  
F 910 675 5285

> \_\_\_\_\_  
> From: Kennedy, Albert E (GE Infra, Energy)  
> Sent: Wednesday, March 18, 2009 3:34 PM  
> To: DOE (Ross Bradley Tails Estimate) (ross.bradley@em.doe.gov)  
> Cc: 'DOE, Bill Szymanski'  
> Subject: GE Hitachi Letter Regarding DOE DU Estimate  
>  
> Ross,  
> Thank you for taking the time to discuss our DU estimate the other  
> day. Your assistance is greatly appreciated.  
>  
> Per our discussion I have attached my letter outlining our discussion  
> and asking for a revised estimate. If you need any additional  
> information, please do not hesitate to contact me.  
>  
> Hope you enjoy March Madness...  
>  
>  
> <<Request for Revised DOE DU Estimate 3-18-09.pdf>>  
>  
> Al Kennedy  
> EHS Facility Licensing Manager  
> GE Hitachi Nuclear Energy  
>  
> T 910 819 1925  
> M 910 200 9805  
> F 910 675 5285  
>

**Hearing Identifier:** GEHitachiUE\_LicenseApplication\_Public  
**Email Number:** 10

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**Subject:** FW: GE Hitachi Letter Regarding DOE DU Estimate  
**Sent Date:** 3/18/2009 3:41:13 PM  
**Received Date:** 3/18/2009 3:41:21 PM  
**From:** Kennedy, Albert E (GE Infra, Energy)

**Created By:** albertE.kennedy@ge.com

**Recipients:**  
"Smith, Brian" <Brian.Smith@nrc.gov>  
Tracking Status: None  
"Johnson, Timothy" <Timothy.Johnson@nrc.gov>  
Tracking Status: None

**Post Office:** ALPMLVEM13.e2k.ad.ge.com

<b>Files</b>	<b>Size</b>	<b>Date &amp; Time</b>
MESSAGE	1053	3/18/2009 3:41:21 PM
Request for Revised DOE DU Estimate 3-18-09.pdf		66597

**Options**  
**Priority:** Standard  
**Return Notification:** No  
**Reply Requested:** No  
**Sensitivity:** Normal  
**Expiration Date:**  
**Recipients Received:**



**HITACHI**

**GE Hitachi Nuclear Energy**

Al Kennedy  
Facility Licensing Manager  
Environment, Health & Safety

P.O. Box 780 M/C L-65  
3901 Castle Hayne Road  
Wilmington, NC 28402

T 910 819 1925  
F 910 675 5285  
Alberte.Kennedy@ge.com

March 18, 2009

Mr. Ross Bradley  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585-0113

**Subject: DOE Cost Estimate for the Disposition of Depleted Uranium Hexafluoride**

Dear Mr. Bradley:

Thank you for speaking with me on March 11, 2009. We appreciate your agreement that the items we discussed regarding the Department of Energy's ("DOE") March 17, 2008 UF<sub>6</sub> disposal estimate for Global Laser Enrichment (GLE) will not increase, and will likely decrease, the per kg estimated cost of UF<sub>6</sub> tails disposal. A summary of the items we discussed during the call is provided below:

- In our November 30, 2007 letter to DOE, we inadvertently understated the amount of UF<sub>6</sub> tails that the GLE Commercial Facility ("CF") will generate. Specifically, the GLE CF's projected output per year of UF<sub>6</sub> tails is 10,500 metric tons – not 7,100.
- Additionally, the GLE CF's total projected output of UF<sub>6</sub> tails is 391.5K metric tons – not 284K. The incorrect 284K metric tons value is used as part of the calculation of the "Capital Cost" and "Decontamination & Decommissioning" components of the March 17, 2008 disposal estimate. However, based on the calculation method used, an increase in total GLE CF output should result in a decreased estimate per kg of UF<sub>6</sub> tails.
- GLE intends to submit its license application for the GLE CF in the second quarter of 2009. As a result, we expect GLE CF operations to begin several years following license approval for a total duration of forty (40) years. The March 17, 2008 disposal estimate anticipates the GLE CF beginning operations in 2010. We do not expect that amending these dates will impact the estimate in any way.

To address these issues, we request that DOE amend the March 17, 2008 disposal estimate by sending us a letter that includes a revised disposal estimate based on the corrected information (*i.e.*, output of 10,500 metric tons of UF<sub>6</sub> tails, a total projected output of 391.5K metric tons of UF<sub>6</sub> tails, and an operating period of forty years). To simplify the process of revising the estimate, we suggest that DOE not change any of the calculation methods or the base year used (*i.e.*, FY07) in the March 17, 2008 disposal estimate. Instead, we suggest that DOE simply recalculate the "Capital Cost" and "Decontamination & Decommissioning" components of the disposal estimate by using the corrected total GLE CF total output of 391.5K metric tons rather than 284K metric tons.

We are in the process of finalizing the GLE CF license application and would appreciate the amended estimate by April 3, 2009. In the event that this is not possible, we plan to file the license application with the understanding that the March 17, 2008 disposal estimate contains the maximum expected cost disposal estimate (*i.e.*, \$5.72 per kg in FY07 dollars).

Please contact me at 910-819-1925 if you require additional information or have any questions. We greatly appreciate your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Al Kennedy', written over a printed name.

Al Kennedy  
GE Hitachi Nuclear Energy  
Facility Licensing Manager

cc: Tammy Orr (GLE)  
Lori Butler (GEH)  
Harold Neems (GEH)  
Bob Brown (GEH)  
Don Silverman (Morgan Lewis)  
Martin O'Neill (Morgan Lewis)  
Brian Smith (NRC NMSS)