

January 26, 2012

Ms. Liz Woodruff
Executive Director, Snake River Alliance
P.O. Box 1731
Boise, ID 83701

Dear Ms. Woodruff:

This letter is in response to your November 30, 2011, correspondence regarding the Atomic Safety and Licensing Board's (ASLB or Board) recent decision concerning the AREVA Enrichment Services LLC (AES) Eagle Rock Enrichment Facility (EREF). In your letter, you raised concerns regarding the U.S. Nuclear Regulatory Commission (NRC) staff's position and the ASLB's findings on the need for the uranium enrichment facility, particularly in light of the recent events at the Fukushima Daiichi site in Japan. You requested, among other things, that the Commission review the Board's decision and that the NRC staff develop a supplemental environmental impact statement (EIS) that revisits the need for the project.

While you indicated that the Snake River Alliance (SRA) was unable to formally intervene in the EREF proceeding due to funding issues, SRA was able to avail itself of other opportunities for public participation in this open process. Specifically, pursuant to the provision in Title 10 of the *Code of Federal Regulations* (10 CFR) § 2.315, SRA staff made a limited appearance both in writing and in person before the ASLB regarding the SRA's position on the need for the project as discussed in the EIS. In addition, SRA staff attended portions of the evidentiary hearing in Idaho Falls, Idaho.

During the mandatory hearing, the Board acknowledged that the issue of the need for the project in light of the Fukushima Daiichi accident was raised during the limited appearances; the Board, in turn, solicited the positions of AES and the NRC staff regarding whether EIS supplementation was warranted (See Transcript of Evidentiary Hearing Held July 12, 2011, Agencywide Documents Access and Management System (ADAMS) Accession Number ML11196A212 at 457-461). In addition, as you discussed in your letter, in its Second and Final Partial Initial Decision (Uncontested/Mandatory Hearing on Environmental Matters), the Board provided a lengthy explication of the purpose and need of the EREF and, while under no duty to respond to limited appearance statements under the regulations, once again acknowledged your concerns regarding supplementation and explained its determination (ADAMS Accession Number ML11280A250 at 13-34).

After careful deliberation, the Board determined that there is a need for the EREF and that the staff does not need to supplement the final EIS in the wake of the Fukushima Daiichi accident. Pursuant to 10 CFR 2.341(a)(2), the Commission had the opportunity to review the Board's decision on its own motion, but declined review.

The Commission and the staff are appreciative of your contribution to the licensing process.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System component of the NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

John D. Kinneman, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-7015
License No. SNM-2015

cc: Mr. James Kay (AREVA)
Mr. Sam Shakir (ARVEA)
Mr. George A. Harper (AREVA)

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/RA/

John D. Kinneman, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
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