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21G-09-0104
GOV-01-55-04
ACF-09-0208

June 30, 2009

Director
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555-0001

Reference: 1) Docket No. 70-143; SNM License 124

Subject: Renewal of Special Nuclear Material (SNM) License 124

Dear Sir:

Pursuant to the requirements of 10 CFR 70.73, Nuclear Fuel Services, Inc. (NFS) requests the renewal of Special Nuclear Material License SNM-124 (Reference 1) for a period of 40 years. The format of the renewal application has changed significantly in order to follow Regulatory Guide 3.52, Revision 2, and the "Standard Review Plan for the Review of a License Application for a Fuel Cycle Facility (NUREG-1520)". All references to "chapters" in this letter refer to chapters in the renewal application, a copy of which is enclosed.

Sensitive information in this renewal application has been moved to an addendum marked "Official Use Only" in accordance with 5 U.S.C. 552, and as such, the addendum is not suitable for public release.

The applicant remains NFS, a privately owned corporation incorporated in the State of Delaware. The corporate structure of NFS is discussed in Chapter 1. There is no control or ownership exercised over NFS by any alien, foreign corporation, or foreign government.

The activities for which SNM is used, the plan for carrying out these activities, and the locations where the material is used have not changed. This information, as well as the name, amount, and specifications (including the chemical and physical forms) of the SNM used at NFS, is included in Chapter 1.

The technical qualifications, including training and experience, of NFS personnel who have responsibilities for safety under this renewal application are described in Chapter 2.

Descriptions of equipment, facilities, and procedures used for the protection of health and the minimization of the danger to life or property are addressed throughout the renewal application.

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nuclear fuel services, inc., a subsidiary of The Babcock & Wilcox Company

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In accordance with 10 CFR 70.25, the decommissioning funding plan is discussed in Chapter 10.

Additional plans required by NRC regulations that support SNM-124 exist as stand-alone documents and are not enclosed with this renewal application. The plans for the control and accountability of SNM and for safeguarding SNM have been reviewed, and no changes were necessary. The emergency plan was also reviewed, and no changes were necessary.

An updated environmental report is enclosed and is intended to replace, in its entirety, the "NFS Environmental Report" dated December 1996, and its supplement dated November 2001. The format has been changed in order to follow "Environmental Review Guidance for Licensing Actions Associated with NMSS Programs (NUREG-1748)", and the environmental monitoring data has been updated to reflect the time period from 2001 through 2008. No other significant changes were necessary.

Annual updates to the NFS ISA Summary were submitted as required by 10 CFR 70.72(d)(3) in January 2009, and no further updates are required to support this renewal application.

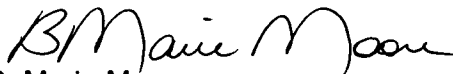
Based on recent Industry and NRC discussions, it is NFS' understanding that other licensees are authorized to evaluate changes to their renewed licenses using 10 CFR 70.32 and 10 CFR 70.72 criteria to determine if the change must be approved by NRC prior to implementation. NFS respectfully requests the authorization to make such changes to its renewed license.

Based on this timely request for renewal, NFS understands that the current version of SNM-124 will remain in effect after the July 31, 2009, expiration date pursuant to the provisions of 10 CFR 70.38(a).

If you or your staff have any questions, require additional information, or wish to discuss this, please contact me, or Mr. Rik Droke, Licensing and Compliance Director, at (423) 743-1741. Please reference our unique document identification number (21G-09-0104) in any correspondence concerning this letter.

Sincerely,

NUCLEAR FUEL SERVICES, INC.



B. Marie Moore
Director of Safety and Regulatory

DMG/pdj
Enclosures

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