



# NRC NEWS

**U. S. NUCLEAR REGULATORY COMMISSION**

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## **NRC APPROVES LICENSE AMENDMENT FOR NUCLEAR FUEL SERVICES, INC.**

The Nuclear Regulatory Commission has approved a license amendment to allow Nuclear Fuel Services, Inc., to possess and use Special Nuclear Material at the newly constructed uranyl nitrate building on its Erwin, Tennessee, complex.

The amendment, issued July 7, is the first of three NFS has proposed as part of its Blended Low-Enriched Uranium (BLEU) project. The project is part of a U.S. Department of Energy program to reduce stockpiles of surplus high-enriched uranium through re-use or disposal as radioactive waste. NFS currently manufactures high-enriched nuclear reactor fuel and is constructing a new complex at the Erwin site to manufacture low-enriched nuclear reactor fuel.

The license amendment allows NFS to begin receiving down-blended, low-enriched uranium from the Savannah River Site complex in South Carolina for eventual use in the BLEU project. The amendment also increases the amount of uranium-235 NFS is allowed to possess.

Special Nuclear Material refers to plutonium, uranium-233, or uranium enriched in the isotopes uranium-233 or uranium-235.

On July 8, the NRC issued a confirmatory order noting that NFS has agreed to implement security enhancements ordered by the Commission earlier this year for similar fuel cycle facilities. The advance implementation, undertaken voluntarily by the licensee, ensures that there will be no gaps in security following the license amendment for the new building. Implementation of the security measures was verified by an NRC inspection team in June; a report on that inspection is expected to be made public soon.

NFS applied for the amendment in February 2002. A second amendment application, for the blended, low-enriched uranium preparation facility, was submitted in October and is currently under NRC review. The company has not yet formally applied for the third license amendment, which will be for the oxide conversion facility. Together, the three amendments make up the BLEU project.

Notice of the approved license amendment, along with non-proprietary portions of the NRC staff's safety evaluation report on the amendment application, will be available soon on the NRC's Agencywide Documents Access and Management Systems (ADAMS). Help in using ADAMS is available by contacting the NRC Public Document Room staff at 301-415-4737 or 1-800-397-4209, or by sending a message to [pdn@nrc.gov](mailto:pdn@nrc.gov) via e-mail. The documents will also be available for inspection at the NRC's Public Document Room in Rockville, Maryland.

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