NRC FORM 374

U.S. NUCLEAR REGULATORY COMMISSION

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	
1. Framatome ANP, Inc. Lynchburg, Virginia Facility	3. License Number SNM-1168 - Amendment 3
2. P.O. Box 11646 Lynchburg, Virginia 24506-16465	4. Expiration Date August 30, 2013
	5. Docket No. 70-1201 Reference No.

6. Byproduct Source, and/or Special Nuclear Material	7. Chemical and/or Physical Form	8. Maximum amount that Licensee May Possess at Any One Time Under This License
A. Uranium enriched (and enriched processed uranium containing plutonium and other transuranic isotopes) up to 5.1%U-235	A. Uranium oxide pellet or pellet scrap	A. 15,000 kilograms of U-235
B. Uranium, natural or depleted	B. Oxide, pellet or powder	B. 100,000 kilograms of uranium
C. Byproduct material	C. Sealed sources	C. 10 curies with atomic numbers 3 to 83, inclusive
D. Plutonium	D. Sealed sources	D. 6 grams plutonium
E. Californium-252	E. Sealed sources	E. 4 milligrams of Californium-252
F. Uranium enriched in U-235	F. Any	F. 350 grams of U-235
G. Americium-241	G. Sealed sources	G. 5 curies Americium-241
H. Byproduct material and Plutonium	H. Contamination on/ within equipment, tooling, and components and waste	H. 1,000 curies, total

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Renewal

I. Any licensed material between atomic numbers 3-96	I. Sealed sources	I. 1 µCi total

9. Authorized place of use: The licensee's existing facilities at Lynchburg, Virginia. Material identified in Condition 6.I., 7.I., and 8.I., may be used at temporary job sites throughout the United States where the U.S. Nuclear Regulatory Commission retains jurisdiction for regulating the use of licensed materials.

10. This license shall be deemed to contain two sections: Safety Conditions and Safeguards Conditions. These sections are part of the license, and the licensee is subject to compliance with all listed conditions in each section.

FOR THE NUCLEAR REGULATORY COMMISSION

Date: 06/07/05

By: **/RA/**
Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS
Washington, DC 20555

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Renewal

SAFETY CONDITIONS

S-1. Authorized use: For use in accordance with statements, representations, and conditions of the licensee's application dated March 28, 2002; and supplements dated November 8, 2002, July 18, July 30, August 4, and December 18, 2003.

S-2. The licensee shall inform the Regional Administrator, Region II, within 30 days if the State-permitting agency revokes the State-issued NPDES permit for the discharge of liquid effluents and shall inform the Regional Administrator, Region II, on a semiannual basis if the State-permitting agency supersedes, conditions, modifies, or otherwise nullifies the effectiveness of the State-issued NPDES permit for the discharge of liquid effluents.

S-3. The licensee is hereby granted the exemptions and special authorizations in Section 1.5 of the application.

S-4. Notwithstanding Section 5.2d of the licensee's application, when determining subcriticality based on computer calculations, the k_{eff} of a system or process shall not exceed 0.87 for normal conditions or 0.95 for credible abnormal conditions, including bias and uncertainty.

Prior to modifying the nuclear criticality safety validation methodology (as defined in July 18, 2003 submittal), Framatome must perform an analysis to determine if the proposed methodology is more or less conservative than that described in the July 18, 2003 submittal. If the analysis shows that the new methodology is more, or equally, conservative, then Framatome must submit a detailed description of the new methodology, and a justification for the conservatism, 60 days prior to implementation. If the analysis determines the methodology to be less conservative, then Framatome must obtain a license amendment before implementation.

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SAFEGUARDS CONDITIONS

Section 1.0 - Material Control & Accounting

SG-1.1 The licensee shall follow Chapters 1.0 through 9.0 of its "Fundamental Nuclear Material Control Plan," Revision 16, dated March 10, 2004. This Plan may be further revised in accordance with, and pursuant to, the provisions of either 10 CFR 70.32(c) or 70.34.

SG-1.2 Deleted by Amendment 2, September 2004

Section 2.0 - Physical Protection For SNM of Low Strategic Significance

SG-2.1 The licensee shall follow the physical protection plan entitled "Framatome ANP, Inc., Mt. Athos Road Facility Security Plan, dated July 13, 2004 (USNRC Materials License SNM-1168, Docket-70-1201;" and as it may be further revised in accordance with the provisions of 10 CFR 70.32(e).

Section 3.0 - International Safeguards

SG-3.1 The licensee shall follow Codes 1 through 6 of the Transitional Facility Attachment No. 6A dated December 4, 1995, to the US/IAEA Safeguards Agreement.