

October 3, 2005

Mr. Charlie F. Holman, Manager
Environmental, Health, Safety
and Licensing
Framatome ANP, Inc.
1724 Mount Athos Road
P.O. Box 11646
Lynchburg, VA 24506-1646

SUBJECT: AMENDMENT 7 - FRAMATOME ANP, INC. (LYNCHBURG), REQUEST FOR
EXTENSION TO FUNDAMENTAL MATERIAL CONTROL PLAN
COMMITMENTS (TAC L31908)

Dear Mr. Holman:

In accordance with your application for license amendment dated September 9, 2005, as supplemented by email dated September 22, 2005, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations, Materials License SNM-1168 is hereby amended to allow an additional temporary 60-day time extension for computing the shipper receiver difference for the 12 shipments listed in Enclosure 1 of your application. The staff's review has determined that the proposed changes are acceptable. The following temporary Safeguards Condition, SG-1.4 has been added to your license, and is effective immediately:

SG-1.4 Notwithstanding the commitment, in Sections 2.1.2.1 and 7.1 of the Fundamental Nuclear Material Control (FNMC) Plan, identified in Safeguard Condition SG-1.1, to complete and confirm shipper receiver differences within 60 days of receipt, the licensee will have an additional 60 days to fulfill the above-stated commitment relative to the 12 receipts identified in the September 9, 2005, application, and the September 22, 2005, supplement. The material from each shipment should not be processed until the shipper receiver difference evaluation for that shipment has been completed and satisfactorily resolved. This condition expires on January 24, 2006.

This temporary safeguards condition is approved pursuant to 10 CFR 70.34 based on our determination that, in view of the specific circumstances, the additional time requested was justified and warranted, and it will not reduce the effectiveness of the licensee's safeguards program.

The staff identified some minor administrative errors in SG-1.1 and SG-2.1. We have incorporated the revisions in this amendment.

Safety Condition S-1 has also been amended to include the dates of September 9, and September 22, 2005. All other safety conditions will remain the same.

Enclosed are copies of amended Materials License SNM-1168 and the Safeguards Evaluation Report which includes the categorical exclusion from performing an environmental impact statement or environmental assessment as described in 10 CFR Part 51.20 and §51.21.

If you have any questions regarding this letter, please contact Billy Gleaves of my staff at (301) 415-5848 or via e-mail to bcg@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and Material License SNM-1168 (Amendment 7) will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Document Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room)

The Safety Evaluation Report (Enclosure 2) to this letter contains sensitive, unclassified information, and is therefore deemed Official Use Only - Security-Related Information and will not be placed in the Public Document Room nor the Publicly Available Records component of the NRC's ADAMS document system.

Sincerely,

/RA/

Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No: 70-1201
License No: SNM-1168
Amendment 7

Enclosures: 1. Materials License SNM-1168
2. Safeguards Evaluation Report

October 3, 2005

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Gary S. Janosko, Chief
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 Division of Fuel Cycle Safety
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CLOSES TAC L31908

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