

October 5, 2006

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

SUBJECT: AMENDMENT 11 - AREVA NP, INC. (LYNCHBURG), REVISION 18 OF THE  
FUNDAMENTAL NUCLEAR MATERIAL CONTROL PLAN FOR SNM-1168  
(TAC L31964)

Dear Mr. Holman:

This letter refers to your submittal, dated December 20, 2005, in which you provided Revision 18 of your Fundamental Nuclear Material Control (FNMC) Plan. Our review determined that the changes do not decrease the effectiveness of the Material Control and Accounting (MC&A) program in your license application.

Pursuant to Part 70 of Title 10 of the Code of Federal Regulations, Materials License SNM-1168 is hereby amended to incorporate Revision 18 of the FNMC Plan. Accordingly, Safeguards Condition SG-1.1 will be changed to the following:

SG-1.1 The licensee shall follow Chapters 1.0 through 9.0 of its "Fundamental Nuclear Material Control Plan," Revision 18, dated December 20, 2005. This Plan may be further revised in accordance with, and pursuant to, the provisions of either 10 CFR 70.32(c) or 70.34.

All other conditions of this license shall remain the same.

We note that the description of the changes made for the item W-1, as presented in Attachment 1 of your submittal, does not match the actual text on Page 4-3 of Revision 18. Because the key part of the revision for W-1 on Page 4-3 is consistent with what is described in Attachment 1, the discrepancy has no bearing on Revision 18 to the FNMC Plan with respect to 10 CFR 70.32( c)(1)(iii). Additionally, in a September 18, 2006, phone conversation, you confirmed that the text on Page 4-3 in Revision 18 of the FNMC Plan is correct and that Attachment 1 is incorrect.

Enclosed are copies of the revised Materials License SNM-1168 (Enclosure 1) and the Safety Evaluation Report (SER) (Enclosure 2), which includes the Environmental Review.

If you have any questions regarding this letter, please contact Breeda Reilly of my staff at (301) 415-8103, or via e-mail to [bmr@nrc.gov](mailto:bmr@nrc.gov).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and the Amendment (Enclosure 1) 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 Documents Access System. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

In accordance to the provisions of 10 CFR 2.390(d), the SER (Enclosure 2) contains sensitive, unclassified security information, and is therefore deemed Official Use Only and will not be placed in the Public Document Room nor the Publicly Available Records component of the NRC's Agencywide Documents Access and Management System (ADAMS) document system.

Sincerely,

/RA/

Gary S. Janosko, Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 70-1201  
License No.: SNM-1168  
Amendment 11

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

