

**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**

July 11, 2007
EN-07-044

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Nuclear Fuel Services, Inc. EA-06-129, 06-133, 06-141, 06-160,
Erwin, Tennessee 06-179 and 06-182
Docket No. 70-143

Subject: CONFIRMATORY ORDER; *Federal Register* NOTICE AND RE-ISSUANCE

This is to inform the Commission that a *Federal Register* Notice will be issued on or about July 11, 2007, discussing a Confirmatory Order previously issued to Nuclear Fuel Services (NFS) confirming commitments reached as part of an alternative dispute resolution (ADR) settlement. At the same time, the previously issued Confirmatory Order will be reissued to NFS. At issue were a number of violations of NRC requirements, some of which were characterized as willful. Specifically, these violations included: 1) a licensee supervisor's willful failure to wear a full face respirator as required by license safety conditions, 2) a failure of the licensee to meet the performance requirements of a July, 2000, Confirmatory Order Modifying License involving its safeguards contingency plan, 3) a licensee building manager's willful transfer of solvent extraction raffinate without approval as required by license safety conditions, 4) a licensee failure to attend special nuclear material as required by the licensee's Physical Protection Plan, 5) an inadvertent transfer of high enriched uranyl nitrate into an enclosure that was not approved for operation, and 6) a willful failure of two security officers to conduct vehicle searches. NFS agrees that it will: 1) provide the NRC written documentation of the reasons for the violations, the corrective actions taken and planned and the completion dates for each corrective action within 60 days of the date of the Order, 2) within 60 days of the date of the order, submit a request to amend the license to revise the configuration management program, and 3) conduct an independent safety culture assessment via a third-party, implement a plan to address the findings and recommendations that result from the third-party assessment, and within 24 months following the completion of the initial assessment, provide for an additional third-party assessment of the implemented plan.

The schedule of issuance and notification is:

<i>Federal Register</i> Notice Issued	July 11, 2007
Mailing of Confirmatory Order	July 11, 2007
Telephone Notification of Licensee	July 11, 2007

The State of Tennessee will be notified.

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