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July 3, 2006

Ms. B. Marie Moore, Vice President  
Safety and Regulatory  
Nuclear Fuel Services, Inc.  
P.O. Box 337, MS 123  
Erwin, TN 37650

SUBJECT: NUCLEAR FUEL SERVICES, INC. - AMENDMENT 72 - REQUIRED  
EXPERIENCE OF DISCIPLINE VICE-PRESIDENT (TAC L31958)

Dear Ms. Moore:

In accordance with your application dated June 16, 2006, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations (CFR), Materials License SNM-124 is hereby amended to approve the revised experience requirement for a Discipline Vice-President in Chapter 2, Part I of License SNM-124. Accordingly, Condition S-1 has been revised to include the date of your submittal.

All other conditions of this license shall remain the same.

Enclosed are copies of the revised Materials License SNM-124 (Enclosure 1), and the Safety Evaluation Report (Enclosure 2).

If you have any questions regarding this matter, please contact Kevin Ramsey of my staff at (301) 415-7887, or via e-mail to [kmr@nrc.gov](mailto:kmr@nrc.gov).

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B. Moore

2

This letter and its enclosures contain sensitive, unclassified information, and are therefore deemed Official Use Only. They will not be placed in the Public Document Room nor will they be publicly available in the NRC Agencywide Documents Access and Management System (ADAMS).

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.: 70-143  
License No.: SNM-124  
Amendment 72

Enclosures:

1. Materials License SNM-124
2. Safety Evaluation Report

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**Closes TAC L31958**

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DOCKET: 70-143

LICENSEE: Nuclear Fuel Services, Inc.  
Erwin, Tennessee

SUBJECT: SAFETY EVALUATION REPORT: LETTER DATED JUNE 16, 2006,  
REQUIRED EXPERIENCE OF DISCIPLINE VICE-PRESIDENT

### 1.0 BACKGROUND

By letter dated June 16, 2006, Nuclear Fuel Services, Inc., (NFS) requested an amendment to clarify the experience requirements for a Discipline Vice-President specified in Part I, Chapter 2 of License SNM-124.


### 2.0 DISCUSSION

The current commitment from NFS, included as a requirement in its license, states that a Discipline Vice-President shall have "ten years of industrial experience in manufacturing or research - - five of which have been in a supervisory position in the nuclear industry." NFS is concerned that a narrow interpretation of the commitment would exclude experience in nuclear power operations. NFS proposes to revise the commitment to state that a Discipline Vice-President shall have "ten years of experience in industry or nuclear power operations - - five of which have been in a supervisory position in the nuclear industry or reactor operations." The Nuclear Regulatory Commission (NRC) staff agrees that training and experience with handling licensed material in accordance with regulatory requirements at a nuclear power reactor is equivalent to the training and experience gained at other industrial manufacturing and research facilities. Nuclear power reactors involve industrial operations that must be conducted in accordance with a strict radiation safety program similar to a fuel cycle facility. In addition, a nuclear power reactor must comply with a security program similar to security programs at fuel cycle facilities. The NRC staff concludes that such experience would continue to result in a finding, pursuant to 10 CFR 70.23(a)(2), that the licensee is qualified by reason of training and experience to use licensed material in accordance with NRC regulations.

### 3.0 ENVIRONMENTAL REVIEW

The staff has determined that the changes are considered administrative and procedural and do not affect the scope or nature of the licensed activity. A categorical exclusion is authorized in accordance with 10 CFR 51.22(c)(11) if the following requirements are satisfied:

- i. There is no significant change in the types, or significant increase in the amounts of any effluents that may be released offsite.

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- ii. There is no significant increase in individual or cumulative occupational radiation exposure.
  - iii. There is no significant construction impact.
  - iv. There is no significant increase in the potential for or consequences from radiological accidents.

The revised experience requirements are considered administrative in nature. There is no significant change in the types of effluents nor is there a significant increase in the amounts of any effluents. Occupational exposure is expected to remain the same. These changes do not involve additional construction activity. There is no significant increase in the potential for or consequences from radiological accidents.

The staff has determined that the proposed changes do not adversely affect public health and safety or the environment and are categorically excluded from the requirement to prepare a site-specific environmental assessment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an environmental assessment nor an environmental impact statement is warranted for this action.

#### 4.0 CONCLUSION

Upon review of the amendment request, the staff has determined that the revised experience requirements for a Discipline Vice President are acceptable. Accordingly, approval of the request is recommended.

#### PRINCIPAL CONTRIBUTORS

Kevin Ramsey