November 2, 2006

Mr. R. E. Link, Manager Environmental, Health, Safety and Licensing AREVA NP, Inc. 2101 Horn Rapids Road Richland, WA 99354-5102

SUBJECT: AREVA NP, INC. - AMENDMENT 48 - REVISION 3 TO AREVA PHYSICAL PROTECTION PLAN (TAC L31951)

Dear Mr. Link:

The U. S. Nuclear Regulatory Commission (NRC) staff has completed its review of Revision 3 to the Physical Protection Plan (Plan), dated October 20, 2006, which also included the Request For Additional Information response provided by letter dated September 22, 2006. We have determined that these changes do not decrease the effectiveness of the Plan, therefore, were properly submitted under the provisions of 10 CFR 70.32(e). Accordingly, the revisions to your Plan are acceptable, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations, Materials License SNM-1227 is hereby amended to reflect the current changes to the Plan. Accordingly, Safety Condition S-1 has been revised to include the date of October 20, 2006. In addition, Safeguards Condition SG-2.1 has been revised and reads as follows:

SG-2.1 The licensee shall follow the Physical Protection Plan entitled "Physical Protection Plan for SNM for Low Strategic Significance, Revision 3.0 for AREVA NP Inc.'s Richland, Washington Fuel Fabrication Facility," dated October 20, 2006; and as it may be further revised in accordance with the provisions of 10 CFR 70.32(e).

All other conditions of this license shall remain the same.

Enclosed are copies of the revised Materials License SNM-1227 (Enclosure 1) and the Safety Evaluation Report (Enclosure 2).

If you have any questions regarding this matter, please contact Matt Bartlett at (301) 415-5754 or via email to <u>mab11@nrc.gov</u> or Nick Baker at (301) 415-6155 or via e-mail to <u>mnb@nrc.gov</u>.

R. Link

This letter 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.: 70-1257 License No.: SNM-1227 Amendment 48

Enclosures: 1. Materials License SNM-1227 2. Safety Evaluation Report This letter 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.: 70-1257 License No.: SNM-1227 Amendment 48

Enclosures: 1. Materials License SNM-1227 2. Safety Evaluation Report

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Closes TAC L31951

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