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February 09, 2005

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 60 - REQUEST FOR
UPDATED DECOMMISSIONING SCHEDULE FOR THE NORTH SITE (TAC
No. L31861)

Dear Ms. Moore:

In accordance with your application dated November 17, 2004 (NFS No. 21-G-04-0171), and pursuant to Part 70 to Title 10 of the Code of Federal Regulations (CFR), Materials License SNM-124 is hereby amended to include the updated decommissioning schedule for the North Site. Accordingly, Safety Condition S-1 has been revised to include the date November 17, 2004.

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), which includes the Environmental Review.

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.

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This letter contains sensitive, unclassified 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 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.: 70-143
License No.: SNM-124
Amendment 60

Enclosures:

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



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CLOSES TAC NO. L31861

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DOCKET: 70-143

LICENSEE: Nuclear Fuel Services, Inc.
Erwin, Tennessee

SUBJECT: SAFETY EVALUATION REPORT FOR NUCLEAR FUEL SERVICES, INC. -
AMENDMENT 60 - REQUEST FOR APPROVAL OF UPDATED
DECOMMISSIONING SCHEDULE FOR THE NORTH SITE (TAC No. L31861)

BACKGROUND

By letter dated November 17, 2004, Nuclear Fuel Services, Inc., (NFS) submitted a request to amend Materials License SNM-124 to reflect the updated decommissioning schedule for the North Site and to include the changed pages to the license application.

DISCUSSION

NFS has been performing decommissioning activities for the past several years under an NRC-approved Decommissioning Plan. Currently, additional soil remediation is still needed and a final status survey must be performed before decommissioning is completed. By letter dated November 17, 2004, NFS submitted a decommissioning schedule for these activities as specified in Section 7.4, *Schedules*, of its referenced license. Furthermore, revisions to this schedule must be submitted to the Nuclear Regulatory Commission in conformance with requirements cited in Section 7.4 of SNM-124.

Also in the November 17, 2004, letter, NFS submitted page changes to Chapter 7 of its license application. In the page changes, NFS removes references to completed decommissioning-related activities for several areas on the site (Southwest trenches, Building 234, the 200 Complex, Building 400, and Building 410). Building 234, the 200 Complex, Building 400, and

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Building 410 have been dismantled and the Southwest Burial Trenches have been completely excavated. The radiological contaminants in soils underlying the 200 Complex and Building 234 have been evaluated to ensure that they are protective of human health and the environment. Furthermore, the Building 234 soils beneath the previous wet cell area will be removed as a future source reduction measure in accordance with the activities approved by the NRC in Materials License SNM-124 Amendment 38, Source Reduction, dated May 7, 2003.

Since NFS continues to decommission its site in accordance with NRC regulations and applicable license conditions, the staff has determined that the amendment request is acceptable.

ENVIRONMENTAL REVIEW

These changes are considered administrative and procedural and do not affect the scope or nature of the licensed activity. 10 CFR 51.22(c)(11) allows for a categorical exclusion if the following requirements have been satisfied:

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

The above changes are considered administrative in nature. There are no changes in the types of effluents nor are there any increases in the amounts of effluents. Occupational exposure is expected to remain the same. These changes involve no additional construction activity. Therefore, there will be no construction impact.

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.

CONCLUSION

The NRC staff finds that the requested amendment will not endanger life, property, common defense or security, and is in the public interest. Therefore, the staff approves the amendment request to amend Materials License SNM-124 to reflect the updated decommissioning schedule for the North Site and to include the changed pages to the license application.

The inspection staff has no objection to this proposed action.

PRINCIPAL CONTRIBUTORS

Julie Olivier