

January 5, 2007

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 75 - REQUEST TO
INCORPORATE CHANGES TO CHAPTER 3 (TAC L31939)

Dear Ms. Moore:

In accordance with your application dated March 10, November 8, and December 13, 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 your changes to Chapter 3, "Radiation Protection" of your application. Accordingly, Safety Condition S-1 has been revised to include the dates of your submittals.

As stated in our letter of November 13, 2006, we are amending License Condition S-24 at this time to reflect Revision 10 of your Emergency Plan, as indicated by changes provided in your May 22, 2006, correspondence.

In accordance with our letter dated October 11, 2006, we are also amending License Condition SG-6.1 at this time to reflect Revision 4 of your Physical Protection Plan as indicated by changes provided in your January 27, February 28, March 31, July 27, and September 14, 2006, submittals.

We are also amending, as stated in our letter of August 7, 2006, License Conditions SG-6.2, and SG-6.3 to reflect Revision 1 of your Safeguards Contingency Plan, and Revision 1 of your site security training and qualification plan, as indicated by changes provided in your March 31, 2006, correspondence.

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 Mike Lamastra of my staff at (301) 415-8139, or via e-mail to mxl2@nrc.gov.

[REDACTED]

B. Moore

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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 Nuclear Regulatory Commission's Agencywide Documents Access and Management 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.: 70-143
License No.: SNM-124
Amendment 75

Enclosures:

1. Materials License SNM-124
 2. Safety Evaluation Report
- [REDACTED]

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Sincerely,

/RA/

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

Docket No.: 70-143
License No.: SNM-124
Amendment 75

Enclosures:

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

Closes TAC L31939

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DOCKET: 70-143

LICENSEE: Nuclear Fuel Services, Inc.

SUBJECT: SAFETY EVALUATION REPORT: LETTER DATED MARCH 10, 2006,
REQUEST TO INCORPORATE CHANGES TO CHAPTER 3 OF SNM-124

1.0 BACKGROUND

By letter dated March 10, 2006, Nuclear Fuel Services, Inc., (NFS) requested an amendment to its License SNM-124 to incorporate changes to chapter 3 "Radiation Protection" of its application. NFS explained that the purpose of the changes were to reflect improvements to its radiation protection program and to align chapter 3 with NUREG-1520 "Standard Review Plan For The Review of a License Application for a Fuel Cycle Facility."

2.0 DISCUSSION

The Nuclear Regulatory Commission (NRC) staff evaluated NFS's amended Chapter 3 with its current application and determined that most of the changes were administrative in nature (e.g., changes in its ALARA program documentation process, and removing duplications between Chapter 3 (Part 1) and Chapter 12 (Part II) of its application). These changes do not reduce the effectiveness of NFS's radiation safety program and is acceptable to the NRC. NFS did request to change its Radiation Work permit (RWP) program to allow its Health Physicist (HP) to waive RWP requirements on a case by case basis. This is considered within the normal responsibilities of a facility's HP and is acceptable to the NRC.

3.0 ENVIRONMENTAL REVIEW

These changes are considered procedural in nature. 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

The staff concludes that approving the licensee's changes to Chapter 3 is justified and will not reduce the effectiveness of the licensee's radiation safety program. The Regions II inspection staff has no objection to this proposed action.

PRINCIPAL CONTRIBUTORS

Mike Lamastra

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