



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

November 16, 2007

Mr. D. B. Ferguson, Jr.
President & Chief Executive Officer
Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

SUBJECT: RELAXATION OF SECTION V.3.B OF ORDER DATED FEBRUARY 21, 2007,
TO INCORPORATE UPGRADES TO THE SAFETY CULTURE
IMPLEMENTATION PLAN FOR NUCLEAR FUEL SERVICES, INC.

Dear Mr. Ferguson:

This refers to your letter dated September 24, 2007, in which you submitted the revised Independent Nuclear Safety Culture Assessment Plan in response to our letter dated August 29, 2007, which summarized commitments regarding potential upgrades to the original plan submitted on May 22, 2007. In your response, you also requested an extension of 90 days for the development and implementation of employee surveys to complete the independent third party safety culture assessment, required by Section V.3.b of the Order dated February 21, 2007.

Based on the validation of the revised plan and recommendations of our Safety Culture and Configuration Management Improvement Oversight Panel (Panel), I find cause to extend the current deadline to complete the independent third party safety culture assessment. Therefore, Section V.3.b of the order is relaxed to allow development and implementation of the employee surveys. Within 360 days of the February 21, 2007, Confirmatory Order (Order), the independent third party will complete its safety culture assessment.

No additional extensions will be approved absent a showing of good cause. Failure to adhere to this deadline will constitute a violation of requirements and will be further evaluated for enforcement action.

Enclosed with this letter is a summary of the milestone due dates of the Order that are affected by this change.

In accordance with 10 CFR 2.390 of NRC's "Rules of Practice," this letter and its enclosure may be accessed through the NRC's public electronic reading room, ADAMS, on the Internet at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions concerning this letter, please contact us.

Sincerely,

Victor McCree For /RA/

William D. Travers
Regional Administrator

Docket No. 70-143
License No. SNM-124

Enclosure: ARD Order Milestone Modifications
due to Order Relaxation

cc w/encl:
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ADR Order Milestone Modifications Due To Order Relaxation

Section V.3.b

Completion of third party independent safety culture assessment.

Originally due: November 19, 2007 (270 days after February 21, 2007)

Modified to: February 16, 2008 (360 days after February 21, 2007)

Section V.3.c

Submission of assessment report to NRC and plan for implementing recommendations.

Originally due: February 16, 2008 (90 days after V.3.b)

Modified to: May 16, 2008 (90 days after V.3.b)

Section V.3.e

Submit to NRC an additional third-party safety culture assessment.

Originally due: February 2010 (24 months after V.3.c)

Modified to: May 2010 (24 months after V.3.c)

Enclosure