

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II

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

February 1, 2005

Nuclear Fuel Services, Inc. ATTN: Mr. Kerry Schutt President P. O. Box 337, MS 123 Erwin, TN 37650

SUBJECT:

NUCLEAR FUEL SERVICES: WILLFUL FAILURE TO ENERGIZE SPEAKER AMPLIFIERS WHILE TROUBLESHOOTING CRITICALITY ACCIDENT AND ALARM SYSTEM (OFFICE OF INVESTIGATIONS CASE NO. 2-2004-040/RII-2004-A-0082)

Dear Mr. Schutt:

This letter refers to the completed investigation and associated report by the Nuclear Regulatory Commission (NRC) Office of Investigation (OI) regarding the failure to energize the speaker amplifiers during a troubleshooting event of the Criticality Accident and Alarm System (CAAS). OI determined that there was insufficient evidence to substantiate that a deliberate violation of procedures occurred when the speaker amplifiers of the CAAS were not energized. Unless the NRC receives additional information that suggests that our conclusions should be altered, we plan no further action with regard to this matter. Enclosed for your information is the synopsis of the completed OI report.

No response to this letter is required. The enclosure will not be made publicly available.

Should you have any questions regarding this issue, please contact me at 404-562-4711 or Carolyn Evans, Region II, Enforcement Officer at 404-562-4414.

Sincerely.

/RA/

David A. Ayres, Chief Fuel Facility Inspection Branch 1 Division of Fuel Facility Inspection

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

Enclosure: Investigative Synopsis,

OI Case No.2-2004-040

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