



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II

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

[REDACTED]

February 2, 2005

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

SUBJECT: NUCLEAR FUEL SERVICES, INC. - DOCKET NO. 70-143  
OPERATION OF BLENDED LOW-ENRICHED URANIUM OXIDE  
CONVERSION BUILDING [REDACTED]

Dear Mr. Schutt:

This letter confirms the discussion of January 31, 2005, between Marie Moore of your staff and David A. Ayres of this office during which it was advised that the NRC has no objection to the introduction of low enriched uranium (LEU) into the [REDACTED] in the Oxide Conversion Building (OCB). This NRC position is based on the inspection of safety controls relevant to this equipment conducted during the periods January 3 - 7 and January 10 - 12, 2005. These NRC inspections were conducted at your Erwin plant to review your preparations for operation of this process. The NRC staff reviewed the equipment, startup test results, procedures, and hazards and safety analyses. The staff also conducted interviews with Nuclear Fuel Services Inc., and Areva/Framatome personnel who will be involved in the process including employees in operations, technical support and management. Details from the inspections will be discussed in Inspection Report 70-143/2004-12.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

Nuclear Fuel Services, Inc.

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NRC would like to be informed of the date and time when introduction of LEU into the process is planned.

We appreciate your cooperation in this matter. Please provide the above requested information to Daniel Rich, Senior Resident Inspector, as it becomes available. If you have any questions regarding the foregoing, please call David Ayres at 404-562-4711.

Sincerely,

/RA/

William D. Travers  
Regional Administrator

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

cc:  
B. Marie Moore, Vice President  
Safety and Regulatory Management  
Nuclear Fuel Services, Inc.  
P.O. Box 337, MS 123  
Erwin, TN 37650

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See previous concurrence

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII:DFFI	RII:ORA		
SIGNATURE	via e-mail	/RA/	/RA/	T. Decker for			
NAME	* D.Rich	* W. Gloersen	D. Ayres	D. Collins	L. Plisco		
DATE	02/01/05	02/01/05	02/01/05	02/02/05			
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