April 18, 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., REQUEST FOR ADDITIONAL INFORMATION CONCERNING UPDATED DECOMMISSIONING COST ESTIMATE (TAC L32599)

Dear Ms. Moore:

This letter is in response to your letter dated December 1, 2006, submitting an updated decommissioning cost estimate. Our review has identified that additional information is needed before your request can be approved. The required additional information, specified in the enclosure, should be provided within 30 days from the date of this letter.

This action has be assigned Technical Assignment Control (TAC) number L32599. Please reference the above TAC number in any future correspondence related to this action.

If you have any questions concerning this letter, please contact me at (301) 415-7887, or via e-mail to <u>kmr@nrc</u>.

Sincerely,

/RA/

Kevin M. Ramsey, Project Manager Fuel Manufacturing Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards

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

Enclosure: Request for Additional Information

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

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Enclosure: Request for Additional Information

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Request for Additional Information Nuclear Fuel Services, Inc.

The following information is required to demonstrate that an adequate decommissioning cost estimate has been submitted in accordance with 10 CFR 70.25(e):

- 1. Provide the allowance for contractor overhead and profit. These costs should be reported explicitly. The licensee may base its estimate of contractor overhead on its own overhead rates, if it provides justification that its overhead rates are not less than contractor overhead rates.
- 2. Explain the costs charged to "Depreciation" and "Capital Investment".
- 3. Either list costs of packaging, labor, transportation, and disposal, or state that packaging, labor and transportation are included in the disposal cost.
- 4. Provide the unit cost for waste disposal.
- 5. List the cost of the final status survey separately.
- 6. Explain the costs charged to General and Administrative Expenses.
- 7. Explain the costs charged to Transfer Maintenance.
- 8. Provide more detail on unit costs, materials, and labor hours. The detail should be a summary of costs. An adequate level of detail for the cost estimate is illustrated in NUREG-1757, "Consolidated NMSS Decommissioning Guidance Financial Assurance Recordkeeping, and Timeliness," Vol. 3, Appendix A.

Enclosure