February 1, 2006

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 CHANGES TO CERTAIN

ADMINISTRATIVE PROGRAMS CLOSED WITHOUT PREJUDICE

(TAC L31904)

Dear Ms. Moore:

Your application dated December 3, 2004, and supplemental letter dated June 22, 2005, proposed the following changes, in part, to administrative programs under Material License SNM-124:

- 1. Deletion of requirements for Safety-Related Equipment (SRE) and Configuration Controlled Equipment (CCE), and
- 2. Frequency of procedure reviews by the Safety Review Committee.

On August 24, 2005, Amendment 64 was issued to approve other program changes, but these two changes remained open. On September 27, 2005, we provided our conclusion that this information was inadequate to approve the changes and identified the additional information needed. No additional information has been received. Therefore, we are closing this action without prejudice to resubmission with additional information.

The following is our understanding of the impact of closing this action on the effective pages in Parts I and II of your license. Please submit necessary page changes within 30 days of the date of this letter.

Chapter 1, Page 12 - reverts back to Revision 2, dated January 11, 2001.

Chapter 2, Page 17 - change submitted as Revision 6, dated December 3, 2004, was carried forward with subsequent changes. Amendment 67 approved Revision 8, dated September 29, 2005, with respect to the number of committee members reviewing procedures only. Extending the procedure review period from 2 years to 5 years was not approved by Amendment 67. This page must be revised to reflect the 2-year review period previously stated in Revision 5, dated December 20, 2000.

Chapter 2, page 20 - reverts back to Revision 5, dated October 19, 1998. Revision 6 was submitted with a separate request that resulted in Amendment 67. Amendment 67 approved changes with respect to the number of committee members reviewing procedures only. Extending the procedure review period from 2 years to 5 years was not approved by Amendment 67.

Chapter 2, page 32 - previously reverted back to Revision 0, dated April 16, 2003, pursuant to Nuclear Fuel Services' letter, dated June 22, 2005 (noted here for completeness only).

Chapter 6, page 3 - reverts back to Revision 7, dated May 21, 1999.

Chapter 11, Section B, page 6 - change submitted as Revision 3 was carried forward in subsequent change. Amendment 67 approved Revision 4, dated September 29, 2005, with respect to the number of committee members reviewing procedures only. Extending the procedure review period from 2 years to 5 years was not approved by Amendment 67. This page must be revised to reflect the 2-year review period previously stated in Revision 2, dated June 28, 2001.

If you have any questions, please contact me at (301) 415-7887 or via e-mail to kmr@nrc.gov.

Sincerely,

/RA/

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

Docket No.: 70-143 License No.: SNM-124 Chapter 2, page 20 - reverts back to Revision 5, dated October 19, 1998. Revision 6 was submitted with a separate request that resulted in Amendment 67. Amendment 67 approved changes with respect to the number of committee members reviewing procedures only. Extending the procedure review period from 2 years to 5 years was not approved by Amendment 67.

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Sincerely,

/RA/

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

CLOSES TAC L31904

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