

[REDACTED]

June 2, 2004

EA-04-051

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

SUBJECT: RELAXATION OF SECTION III.A OF ORDER DATED AUGUST 21, 2002, TO
INCORPORATE CHANGES TO REVISION 1 OF TH [REDACTED]
[REDACTED] FOR NUCLEAR FUEL SERVICES, INC.

Dear Ms. Moore:

On August 21, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an immediately effective Order that modified Nuclear Fuel Services, Inc., (NFS) Special Nuclear Materials License SNM-124, to require compliance with specified [REDACTED]. In letters dated September 11 and October 30, 2002, NFS responded to the Order and provided [REDACTED]. In a letter dated February 27, 2003, the NRC accepted NFS's [REDACTED] for meeting Section III.A of the Order. [REDACTED]

In letters dated August 25 and September 19, 2003, NFS submitted Revision 1 [REDACTED]. On March 30, 2004, the NRC issued a letter to NFS approving Revision 1 [REDACTED]. In letters dated April 21, April 27, and May 11, 2004, NFS requested changes to Revision 1 [REDACTED].

We have completed our review of the requested changes to Revision 1 of the NFS [REDACTED] and find them acceptable because [REDACTED] of the site is maintained. Because of issues [REDACTED] beyond that described in the original [REDACTED], we find good cause to accept the proposed changes to Revision 1 [REDACTED]. Therefore, Section III.A of the Order is relaxed to allow implementation of the changes to Revision 1 [REDACTED] dated May 11, 2004. NFS is still required to comply with the August 21, 2002, Order and Revision 1 of the [REDACTED]. No additional extensions will be approved absent a strong showing of good cause. Failure to adhere to this schedule will constitute a violation of requirements of the Order and will be evaluated for enforcement action.

[REDACTED]

[REDACTED]

B. Moore

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The changes to Revision 1 [REDACTED] will be subject to future NRC inspection. If you have any questions regarding this matter, please contact Julie Olivier at (301) 415-8098 or by email at jao@nrc.gov.

[REDACTED]

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

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

[REDACTED]

[REDACTED]

B. Moore

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June 2, 2004

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[REDACTED]

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

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

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*see previous/parallel concurrence

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OFC	FCFB		FCFB		FCFB		FCFB		NSIR	
NAME	J. Olivier*		J. Muszkiewicz*		J. Lubinski*		G. Janosko		G. Tracy*	
DATE	5/12/04		5/12/04		5/12/04		5/27/04		5/21/04	

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NAME	J. Goldberg*		C. Nolan*		R. Pierson		J. R. Strosnider	
DATE	5/19/04		5/14/04		05/28/04		06/ 02/04	

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