

January 15, 2010

Mr. David C. Ward, Interim Director
Safety and Regulatory
Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

SUBJECT: NUCLEAR FUEL SERVICES, INC. – NON-ACCEPTANCE OF EXEMPTION FROM
REQUIREMENT TO MEASURE HEELS IN URANIUM HEXAFLUORIDE
CYLINDERS

Dear Mr. Ward:

We have received your letter dated December 31, 2009, requesting an exemption from the requirement to measure the uranium hexafluoride heel remaining in 2S cylinders after processing. Our acceptance review has identified deficiencies that prevent us from accepting the application for detailed review. Specifically, the letter requests that the entire application (2 pages) be withheld from the public under the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390(d). We recognize that the request contains information related to your material control and accounting program. However, Section 189 of the Atomic Energy Act establishes the right to request a hearing by any person whose interest may be affected by a Commission proceeding, which includes all licensing actions. To exercise that right, general information concerning the exemption request must be available to the public. The provisions in 10 CFR 2.390(a) state that correspondence to and from the U.S. Nuclear Regulatory Commission (NRC) shall not be withheld without a compelling reason. Your letter failed to provide a compelling reason for withholding the entire application.

If you wish us to consider the exemption, please move sensitive information to an enclosure and resubmit the request with a transmittal letter containing general information which can be released to the public after the enclosure is detached.

In accordance with 10 CFR 2.390 of the NRC "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Agency-wide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

D.C.Ward

- 2 -

If you have any questions concerning this letter please contact me at (301) 492-3123, or via email to Kevin.Ramsey@nrc.gov.

Sincerely,

/RA/

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

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

If you have any questions concerning this letter please contact me at (301) 492-3123, or via email to Kevin.Ramsey@nrc.gov.

Sincerely,

/RA/

Kevin M. Ramsey, Senior Project Manager
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M. Chitty, RII T. Pham, MCAB

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DATE	1/12/2010	1/12/2010	1/15/2010

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