



NUCLEAR FUEL SERVICES, INC.

a subsidiary of The Babcock & Wilcox Company

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David B. Amerine, President

20G-10-0028

GOV-01-55

DBA-10-017

May 25, 2010

Mr. Joseph Shea, Director
Division of Fuel Facility Inspection
U.S. Nuclear Regulatory Commission, Region II
245 Peachtree Center Avenue, NE
Suite 1200
Atlanta, GA 30303-1257

Subject: Schedule for Resumption of BPF UAI Operations

- References:
- 1) Docket No. 70-143; SNM-124
 - 2) Confirmatory Action Letter (CAL No. 2-2010-001), dated January 7, 2010, Mr. Luis A Reyes (NRC) to Mr. David L. Kudsin (NFS)
 - 3) Letter (21G-10-0085), dated April 26, 2010, Mr. David Amerine (NFS) to Mr. Luis Reyes (NRC)

Dear Mr. Shea:

In Reference 3, Nuclear Fuel Services, Inc. (NFS) confirmed its readiness to restart the Blended Low Enriched Uranium Preparation Facility (BPF) and requested that NRC commence their review of NFS' readiness to restart the BPF Uranium (U) Metal/Oxide process and associated support systems. NFS' confidence in its readiness to restart the BPF was based on a period of deliberate actions and evaluations. The success of the restart of the Naval Production Product Line (NPPL) provided a substantial basis and demonstration that the restart of the BPF was appropriate. A similar effort will be conducted to determine our readiness to restart the Uranium Aluminum (UAI) process line and associated equipment.

In an effort to keep NRC fully informed of our schedule and intentions to restart the remaining BPF processes to support UAI feed materials, we offer the following success-based plans. Since the facility management is the same for UAI as U metal and oxide feeds, the difference is of course the feed materials and the small amount of additional equipment needed to accommodate those materials. Specifically, the UAI dissolution equipment in building 333 and the column dissolvers in building 301 are the main differences. Our current best estimate is to be ready for an NRC review of our readiness during the week of June 14th. Our confidence in that schedule will be determined by successful completion of another Management Readiness Assessment (MRA) Start-up Check List, as judged by the MRA Board. Additionally, as defined in our Restart Plan, the MRA Board will also complete another formal "Way Point Evaluation" just prior to June 9th.

We remain confident in our conservative, measured approach to restart of the facility; however, it should always be noted that any evidence of degradation in the areas of management oversight, communications, questioning attitude, or safety over production will result in immediate and effective corrective actions, and if warranted, standing the facility back down until actions are completed and our confidence is restored. Appropriate management oversight

is imperative to ensure the organization stays on course with regard to safe, compliant, and reliable operations.

If you or your staff have any questions, require additional information, or wish to discuss this further, please contact me at (423) 743-1702, or Mr. Mark Elliott, Director of Safety and Security, at (423) 743-1705.

Sincerely,

NUCLEAR FUEL SERVICES, INC.



David B. Amerine
President

Copy:

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