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21G-10-0162 GOV-01-55-04 ACF-10-0228

August 13, 2010

Mr. Luis A. Reyes, Regional Administrator U.S. Nuclear Regulatory Commission, Region II 245 Peachtree Center Avenue NE, Suite 1200 Atlanta, GA 30303-1257

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-10-0061), dated March 11, 2010, Mr. David Amerine (NFS) to Mr. Luis Reyes (NRC)
- 4) Letter, dated May 19, 2010, Mr. Luis A. Reyes (NRC) to Mr. David B. Amerine (NFS)
- 5) Letter (21G-10-0062), dated July 29, 2010, Mr. David Amerine (NFS) to Mr. Luis Reyes (NRC)

Subject: Start-up of Supporting Equipment in Building 301

Dear Sir:

In accordance with Reference 2, per the clarifications made in Reference 3 describing our conservative, measured approach to restart one line of production at a time, and in accordance with your request in Reference 4, Nuclear Fuel Services, Inc. (NFS) is notifying NRC or our readiness to start the use of supporting equipment in Building 301. In Reference 5, NFS provided NRC with an outline of our plans to use supporting equipment in Building 301. NFS respectfully requests NRC commence their review on August 30, 2010 of our readiness to start the following processes in Building 301: Ammonium Diuranate (ADU) Precipitation and Filtration, Calciner and Product Unloading Station, Heel Removal Station, and the Sorting Station. For your convenience, a list of applicable operating procedures is attached.

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 Quality, Safety & Safeguards, at (423) 743-1705. Please reference our unique document identification number (21G-10-0162) in any correspondence concerning this letter.

Sincerely, NUCLEAR FUEL SERVICES, INC. David B. Americe

David B. Amerine President

WRS/smd

21G-10-0162 GOV-01-55-04 ACF-10-0228 Page 2 of 3

Copy:

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

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

Mr. Steven Vias, Branch Chief Division of Fuel Facility Inspection U.S. Nuclear Regulatory Commission, Region II 245 Peachtree Center Avenue NE, Suite 1200 Atlanta, GA 30303-1257

Mr. Kevin Ramsey Fuel Manufacturing Branch Fuel Facility Licensing Directorate Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards U.S. Nuclear Regulatory Commission Washington, DC 20555

Mr. Manuel Crespo Project Inspector U.S. Nuclear Regulatory Commission, Region II 245 Peachtree Center Avenue NE, Suite 1200 Atlanta, GA 30303-1257

Mr. Galen Smith Senior Resident Inspector U.S. Nuclear Regulatory Commission

List of Operating Procedures

- 1. Ammonium Diuranate (ADU) Precipitation & Filtration
 - a. SOP 409-SEC 59, ADU PRECIPITATION AND FILTRATION
 - b. <u>SOP 409-SEC 61, WASTEWATER SYSTEM</u> (Required for ADU filtrate)
 - c. SOP 409-SEC 19U, ADU PRECIPITATION AND FILTRATION CLEANOUT
 - d. SOP 409-SEC 19W, WASTEWATER SYSTEM CLEANOUT
- 2. Calciner & Product Unloading Station
 - a. SOP 409-SEC 60, CALCINER AND PRODUCT UNLOADING STATION
 - b. SOP 409-SEC 19V, CALCINER AND UNLOADING STATION CLEANOUT
- 3. Heel Removal Station
 - a. SOP 409-SEC 57, HEEL REMOVAL STATION
 - b. SOP 409-SEC 19S, HEEL REMOVAL STATION CLEANOUT
- 4. Sorting Station
 - a. SOP 409-SEC 19L, SORTING STATION CLEANOUT
 - b. SOP 409-SEC 50, SORTING STATION