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NUCLEAR FUEL SERVICES, INC.
a subsidiary of The Babcock & Wilcox Company

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**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

30Y-10-0072
GOV-01-55-04
NFE-10-0262
ACF-10-0282
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November 1, 2010

Director
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Caller Box 2500
Rockville, MD 20352

REFERENCE: (1) Docket No. 70-143; SNM License 124
(2) HEU FNMC Plan, Section 4, Revision 20, October 2010

Subject: HEU FNMC Plan Changes (U)

Dear Sir:

Enclosed are three copies of the referenced Section 4 of the Fundamental Nuclear Material Control Plan (10 CFR Part 74 Subpart E), that is being submitted by Nuclear Fuel Services, Inc. (NFS) under the provisions of 10 CFR Part 70.32.

Section 4 was revised to include management title changes, some minor critical procedure name changes, and changes to the shipper-receiver evaluations. In the Shipper-Receiver Differences section, the wording from NUREG 1280 was added to allow NFS to define a "lot" as multiple receipts combined for processing through recovery for purposes of shipper-receiver evaluation. This has been added to clarify the method by which NFS can combine multiple scrap receipt documents for shipper-receiver evaluation. Wording was also added to allow use of NFS' measurement uncertainty as the shipper's measurement uncertainty for purposes of calculating the shipper-receiver standard deviation estimator if the shipper has not provided its measurement uncertainty.

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ENCLOSURE(S) IS REMOVED

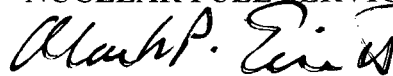
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None of the changes decrease the effectiveness of the overall material control and accounting program or the measurement control program implemented pursuant to 10 CFR Part 74 Subpart E.

The enclosures to this letter contain **CONFIDENTIAL RESTRICTED DATA**. Since a disclosure of the information contained in the attachments to this letter would tend to weaken the safeguards and security measures and is deemed commercial and financial proprietary information within the intent of 10 CFR 9.17(a)(4), it should be withheld from public disclosure under the provisions of 10 CFR 2.390(d).

Sincerely,

NUCLEAR FUEL SERVICES, INC.



Mark P. Elliott
Quality, Safety & Safeguards
Director

/dkw

Enclosure: FNMC Plan, Section 4, Revision 20

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