

January 26, 2011

James Dailey
Radiation Safety Officer/Health Physics Manager
Diversified Scientific Services, Inc.
657 Gallaher Road
Kingston, TN 37763

SUBJECT: REQUEST FOR ALTERNATIVE REPORTING PERIOD UNDER 10 CFR 150.17

Dear Mr. Dailey:

As stated in Title 10 of the *Code of Federal Regulations* (10 CFR) 150.17 the U.S. Nuclear Regulatory Commission (NRC) requires all licensees possessing 1 gram or more of special nuclear material (i.e., plutonium, U-233 or U-235 contained in enriched uranium) to make an inventory report to the Nuclear Materials Management and Safeguards System (NMMSS) by March 31 of each year. Additionally, the NRC may, when good cause is shown, permit a licensee to submit Material Balance Reports and Physical Inventory Listing Reports at other times.

The NRC has considered the request by Diversified Scientific Services Inc. (DSSI) to change the timing of the DSSI inventory reporting to NMMSS to coincide with its December 1st through November 30th yearly inventories, via your telephone call with Mr. Ward on December 3, 2010, and subsequent electronic mail correspondence dated December 6, 2010. The NRC approves this request to change the reporting period dates for DSSI to report for Reporting Identification Symbol XSK. In accordance with this revised reporting schedule, the Material Balance Report and Physical Inventory Listing Report, DOE/NRC Forms 742 and 742c, respectively, shall be submitted to NMMSS no later than 60 calendar days from the end of your reporting period each year.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system Agencywide Document Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Thomas A. Grice, Acting Chief
Fuel Facility Licensing Directorate
Material Control and Accounting Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

cc:
State of Tennessee
Department of Environment and Conservation
Division of Radiological Health
Attn: Billy Freeman
3rd Floor L & C Annex, 401 Church St
Nashville, TN 37243

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Sincerely,

/RA/

Thomas A. Grice, Acting Chief
Fuel Facility Licensing Directorate
Material Control and Accounting Branch
Division of Fuel Cycle Safety
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Office of Nuclear Material Safety
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cc:
State of Tennessee
Department of Environment and Conservation
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Attn: Billy Freeman
3rd Floor L & C Annex, 401 Church St
Nashville, TN 37243

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