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April 2, 2013

Mr. Mark P. Elliott, Director
Quality, Safety, and Safeguards
Nuclear Fuel Services, Inc.
1205 Banner Hill Road
Erwin, TN 37650

SUBJECT: NUCLEAR FUEL SERVICES, INC., AMENDMENT 2 –APPROVAL OF SITE
SECURITY TRAINING AND QUALIFICATION PLAN, REVISION 4 (L33235)

Dear Mr. Elliott:

In accordance with your application dated August 31, 2012, as supplemented by your letter dated January 18, 2013, and pursuant to Part 70 to Title 10 of the *Code of Federal Regulations* (10 CFR), Materials License SNM-124 is hereby amended to approve Revision 4 of the Site Security Training and Qualification Plan. Accordingly, Safety Condition S-1 has been revised to include the date of January 18, 2013, and Safeguards Condition SG-3.3 is revised to read as follows:

SG-3.3 The licensee shall follow the training and qualification plan titled "NFS Site Security Training and Qualification Plan," Revision 4, and as the plan may be further revised in accordance with the provisions of 10 CFR 70.32(e).

A new Safeguards Condition SG-3.7 has been added as follows:

SG-3.7 Notwithstanding the requirements of 10 CFR 73.46(b) for security officers to qualify and re-qualify "every 12 months," the licensee may requalify security officers within a 12 calendar-month period where a calendar-month is considered to include any day of the month. This is in addition to exemption issued in 1999 (ADAMS No. ML11325A131) and renewed in 2012 (ADAMS No. ML102780085), which permits the licensee to extend the requalification period for 30 days due to unforeseen scheduling matters.

In addition, the following conditions have been updated to reflect previous reviews:

- Safety Condition S-6 has been revised to reference Revision 17 of the Emergency Plan which we found acceptable in our letter dated February 13, 2013 (ADAMS no. ML13042A183).

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M. Elliott

2

- Safeguards Condition SG-3.1 has been revised to reference Revision 11 of the Physical Protection Plan for Category I, High-Enriched Uranium which we found acceptable in our letter dated February 22, 2013 (ADAMS no. ML13051A832).

All other conditions of this license shall remain the same. Enclosed are copies of the revised Materials License SNM-124 and the Safety Evaluation Report.

This letter both concludes the action on this application and closes the assigned Technical Assignment Control Number L33235.

This letter transmits sensitive unclassified information. Accordingly, it is marked as Official Use Only. Upon removal of the sensitive information, it is decontrolled. In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide 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).

If you have any questions regarding this matter, please contact Kevin Ramsey of my staff at 301-492-3123, or via e-mail to Kevin.Ramsey@nrc.gov.

Sincerely,

/RA/

Robert K. Johnson, Chief
Fuel Manufacturing Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

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

Enclosures:

1. Materials License SNM-124
2. Safeguards Evaluation Report

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OFFICE	NMSS/FMB	NMSS/FMB	OGC	NSIR	NMSS/FMB
NAME	KRamsey	TRichmond	AGendelman	RCaldwell	RJohnson
DATE	02/27/2013	02/27/2013	03/28/2013	03/04/2013	04/02/2013

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