



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II  
245 PEACHTREE CENTER AVENUE NE, SUITE 1200  
ATLANTA, GEORGIA 30303-1257

May 28, 2013

Ms. Barbara O'Neal  
Erwin Citizens Awareness Network  
P.O. Box 1151  
Erwin, TN 37650

SUBJECT: RESPONSE TO WRITTEN COMMENTS PROVIDED AT THE NUCLEAR FUEL  
SERVICES, INC. LICENSEE PERFORMANCE REVIEW MEETING ON APRIL 29,  
2013

Dear Ms. O'Neal:

This letter is in response to the handout you provided the Nuclear Regulatory Commission (NRC) at the Licensee Performance Review (LPR) public meeting on April 29, 2013. The handout is available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> using accession number ML13141A268.

In the handout, you stated you had not received a response from NRC regarding your questions from the public meeting held on August 30, 2012. Please note that on September 20, 2012, a letter responding to your questions was mailed to you from Robert Johnson, Chief of the Fuel Manufacturing Branch. The letter can be found in ADAMS using the accession number ML12258A127. In addition, the handouts submitted by members of the public at the August 30 meeting were included as Attachments 5 and 6 to the public meeting summary issued on September 25, 2012. This package can be found in ADAMS using the accession number ML12258A184. If you are unable to locate these letters and the responses to your August 30, 2012 questions, please contact me.

The responses to your new questions submitted on April 29 are enclosed in this letter.

B. O'Neal

2

Should you have any additional questions or comments, please contact me at [alan.blamey@nrc.gov](mailto:alan.blamey@nrc.gov) or via telephone at 404-997-4415.

Sincerely,

*/RA/*

Alan J. Blamey, Chief  
Fuel Facility Inspection Branch 1  
Division of Fuel Facility Inspection

Enclosure:  
Questions and Responses

B. O'Neal

2

Should you have any additional questions or comments, please contact me at [alan.blamey@nrc.gov](mailto:alan.blamey@nrc.gov) or via telephone at 404-997-4415.

Sincerely,

*/RA/*

Alan J. Blamey, Chief  
Fuel Facility Inspection Branch 1  
Division of Fuel Facility Inspection

Enclosure:  
Questions and Responses

PUBLICLY AVAILABLE       NON-PUBLICLY AVAILABLE       SENSITIVE       NON-SENSITIVE

ADAMS:  Yes      ACCESSION NUMBER: ML13148A145       SUNSI REVIEW COMPLETE  FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI					
SIGNATURE	/RA/	/RA/					
NAME	MCrespo	ABlamey					
DATE	5/21/2013	5/28/2013	5/ /2013	5/ /2013	5/ /2013	5/ /2013	5/ /2013
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY      DOCUMENT NAME: \\NRC.GOV\NRC\R2\OFFICE\DFFI\BRANCH 1\NFS\2013\FAQ DEVELOPMENT\DRAFT LETTER TO ONEAL REGARDING APRIL 29 2013 HANDOUT.DOCX

Response to Questions Received from Barbara O'Neal on April 29, 2013

Question 1: The NRC requested on March 27, 2013 that NFS provide an updated Table 1 of the Decommissioning Plan to reflect current cost estimate values by method of financial assurance per 10 CFR 70.25(e). Did NFS provide the response in the 30 days in which they were allotted?

Yes. NFS provided the response on April 27, 2013. The response is located on ADAMS at ML13115A278.

Question 2: Why is NFS buying up all this property and demolishing the homes on Berkshire Drive, Carolina Avenue, Jackson Love Hwy, and Stalling Lane? Could it be because these houses and property are contaminated? Or after 57 years of operation, they finally realize they need a bigger buffer zone? Or, are they expanding?

The purchases of property in the vicinity of NFS are business decisions and are not needed to comply with NRC requirements. Increasing the open area around the facility would increase the buffer zone, but as noted above there is no NRC requirement for an increased buffer zone. We have no reason to believe the properties are contaminated and we are unaware of any plans to expand the facility.

Question 3: Will there be another Independent Safety Assessment and, if so, when?

Yes. The 2010 Confirmatory Order (ML103210221) requires that an Independent Safety Culture Assessment be completed in 2013 and every 24 months thereafter until NRC determines that sustained improvement has been demonstrated.

Question 4: Why is NFS requesting a one-time change to use inventory values for scrap material receipts and why is this request necessary?

In the licensing request, NFS informed the NRC of materials received that are in a physical form in which NFS cannot measure the uranium content in time for the next inventory. The one-time change is to allow NFS to use the uranium content values provided by the shipper of the material instead of NFS' own sampling results. The request is under NRC review.

Question 5: What is the difference in the mission of the Y-12 facility in Oak Ridge, TN and the mission of NFS? Does the Y-12 facility produce fuel for the Navy because we understood that NFS was the sole producer of this type of material?

The Y-12 facility in Oak Ridge, TN is regulated by the Department of Energy; not the NRC. The NRC is unaware of their current projects.

The National Nuclear Security Administration (NNSA) issues contracts to NFS for fuel products for the Navy. The NNSA may have other contracts with other facilities or companies. For more information on the NNSA, you may reference their website at <http://nnsa.energy.gov/>.

Enclosure

Question 6: What is the status of the National Academy of Science cancer study?

The status of the National Academy of Science cancer study is active and is in the 'pilot study' stage. The NRC has been developing administrative details required to start the project in the near-term. The project was delayed due to the limited budget situation affecting government agencies, however, the project is continuing to move forward.

## Part 2 – Safeguards

Question 1: Why are NRC inspection reports of NFS from 1978 to 1999 considered “non-public” and not available for the public to review?

After a security concern was raised in 2004, all records for Category I fuel facilities (including NFS) were withdrawn from public document collections. After the security concern was addressed, the staff asked the Commission how much of our limited resources should be spent redacting and releasing old records. The Commission directed the staff to redact and release a limited number of past reports. The Commission did not want the staff to expend resources redacting and releasing older documents unless it was required to respond to a Freedom of Information Act (FOIA) request.

Question 2: Are NFS guards trained to the level of homeland security standards?

Security guards at NRC-regulated facilities are trained and inspected to the standards in NRC regulations (10 CFR Part 73). The NRC does not regulate to Department of Homeland Security requirements.