

July 30, 2013

Mr. Mark P. Elliott, Director
Quality, Safety and Safeguards
Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

SUBJECT: NUCLEAR FUEL SERVICES, INC. – NONACCEPTANCE OF ONE-TIME CHANGE
TO FUNDAMENTAL NUCLEAR MATERIAL CONTROL PLAN (TECHNICAL
ASSIGNMENT CONTROL L33273)

Dear Mr. Elliott:

We reviewed your letter dated March 22, 2013, informing us of a one-time change to your Fundamental Nuclear Material Control Plan under Title 10 of the *Code of Federal Regulations* (10 CFR), Section 70.32. We find that the change was unacceptable because Nuclear Fuel Services (NFS) was required to obtain prior U.S Nuclear Regulatory Commission (NRC) approval. Specifically, we find that 10 CFR 74.59(d)(1) requires that NFS establish and maintain a system of measurements to substantiate the uranium element and isotope content of the material. The use of receipt values after the material has been placed in process is less effective than a direct measurement. Therefore, the change was a decrease in the effectiveness of the measurement program and prior NRC approval was required.

In addition, we note that your letter referenced Section 4.5.3.7 of your plan which states that factors may be used for inventory values for certain materials. This reference provides no relief in this case because the material in question is not one of the materials listed in the plan.

No further licensing action is warranted because the inventory has been completed. This matter has been referred to inspection staff for follow-up action. Technical Assignment Control Number L33273 is considered **CLOSED**.

In accordance with 10 CFR 2.390 of 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 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).

P. Elliot

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If you have any questions concerning this letter, please contact me at (301) 287-9116, or via e-mail to Kevin.Ramsey@nrc.gov.

Sincerely,

/RA/

Kevin M. Ramsey, Project Manager
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

If you have any questions concerning this letter, please contact me at (301) 287-9116, or via e-mail to Kevin.Ramsey@nrc.gov.

Sincerely,

/RA/

Kevin M. Ramsey, Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety
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Office of Nuclear Material Safety
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Docket No. 70-143
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