



~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

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

October 23, 2015

EA-15-191

Mr. Joel Duling
President
Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

SUBJECT: CLOSED MEETING SUMMARY - PRE-DECISIONAL ENFORCEMENT
CONFERENCE – NUCLEAR FUEL SERVICES, INC., DOCKET NO. 07000143

Dear Mr. Duling:

This refers to the pre-decisional enforcement conference conducted at your request at the Region II Office in Atlanta, GA on October 15, 2015. The purpose of the meeting was to discuss the inspection findings documented in the U.S. Nuclear Regulatory Commission's (NRC) Inspection Report 07000143/2015403, and our letter dated September 18, 2015. The meeting was not open to the public because of the discussions regarding security-related information.

The discussions focused on the inspection findings involving apparent violations (AVs) and associated corrective actions, causal and contributing factors, and Nuclear Fuel Services, Inc.'s (NFS) security culture. During the conference, NFS acknowledged the security violations presented. However, NFS believed that the issue represented one AV of NRC regulations. The results of the NRC's review and decision will be discussed in separate correspondence.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public inspections, exemptions, requests for withholdings," of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room, or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS); accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

The material enclosed herein contains Security-Related Information in accordance with 10 CFR 2.390(d)(1), and its disclosure to unauthorized individuals could present a security vulnerability.

~~Enclosure 2 contains Sensitive Unclassified Non-safeguards Information. When separated from these Enclosures, this Transmittal letter and Enclosure 1 are decontrolled.~~

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Therefore, the material in the Enclosure 2 will not be made available electronically for public inspection in the NRC Public Document Room, or from the PARS component of NRC's ADAMS.

Should you have any questions concerning this meeting, please contact me at 404-997-4519.

Sincerely,

/RA/

Binoy Desai, Chief
Plant Support Branch 2
Division of Reactor Safety

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

Enclosures:

1. List of Attendees
2. ~~Licensee Presentation~~

cc: (See page 3)

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J. Duling

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Sincerely,

/RA/

Binoy Desai, Chief
Plant Support Branch 2
Division of Reactor Safety

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

Enclosures:

- 1. List of Attendees
- 2. ~~Licensee Presentation~~

cc: (See page 3)

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 C. Stancil, RII, DFFI
 S. Price, RII, ORA/RC
 L. Gibson, RII, EICS
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OFFICE	RII:DRS/PSB2	RII:DRS/PSB2	RII:DFFI/BR1	RII:EICS	RII:DRS/PSB2	
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J. Duling

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SIGNATURE	OXS1	ICH	MDS1	SES for DLG2	BBD		
NAME	O. Smith	I. Hall	M. Sykes	D. Gamberoni	B. Desai		
DATE	10/ 21 /2015	10/ 21 /2015	10/ 21 /2015	10/ 21 /2015	10/ 23 /2015		
E-MAIL COPY	YES NO	YES NO	YES NO	YES NO	YES NO		

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cc:

Richard A. Freudenberger
Director
Quality, Safety & Safeguards
Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

LIST OF ATTENDEES

Nuclear Fuel Services Inc.

Joel Duling	President
Rich Freudenberger	Safety & Safeguards Director
Ron Dailey	Engineering Director
Tom Evans	Security Director
James Lee	Security Systems Manager
Randy Shackelford	Nuclear Safety & Licensing Section Manager
Andy Sabisch	Licensing & ISA Manager
Jamie Rogers	IT Manager

Nuclear Regulatory Commission, Region II

Leonard Wert	Acting Regional Administrator
Sarah Price	Enforcement Officer
Scott Sparks	Senior Enforcement Specialist
Anthony Gody	Division Director, Division of Reactor Safety
Mark Lesser	Division Director, Division of Fuel Facility Inspection
Marvin Sykes	Branch Chief, Division Fuel Facility Inspection Branch 1
James Shehee	Senior Physical Security Inspector, Team Lead, Plant Support Branch 2
Otis Smith	Senior, Fuel Facility Physical Security Inspector, Plant Support Branch 2
Jonathan Brown	Physical Security Inspector, Plant Support Branch 2

Nuclear Regulatory Commission, Headquarters

Frederick Sullivan	Senior Security Specialist, Office of Nuclear Security & Incident Response (NSIR)
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