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UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555-0001

May 16, 2019

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

SUBJECT: NUCLEAR FUEL SERVICES, INC. – U.S. NUCLEAR REGULATORY COMMISSION PHYSICAL SECURITY INSPECTION REPORT NO. 07000143/2019201

Dear Mr. Stewart:

On March 29, 2019, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection at your Erwin, Tennessee facility. On April 4, 2019, the NRC inspectors discussed the results of this inspection with Mr. Tom Evans, Site Security Director, and other members of your staff. The results of this inspection are documented in the enclosed report.

The NRC inspectors did not identify any findings or violations of more-than-minor significance. This letter will be available for public inspection at <u>http://www.nrc.gov/reading-rm/adams.html</u> and at the NRC Public Document Room in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Request for Withholding."

The enclosure transmitted herewith, contains Sensitive, Unclassified, and Non-Safeguards Information. When separated from the enclosure, this transmittal document is decontrolled.

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The enclosed report contains Security-Related Information and will not be made publicly available in accordance with 10 CFR 2.390(d)(1). If you choose to provide a response that contains Security-Related Information, please mark your entire response "Security-Related Information – Withhold from Public Disclosure Under 10 CFR 2.390," in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). The NRC is waiving the affidavit requirements for your response in accordance with 10 CFR 2.390(B)(1)(ii).

Sincerely,

/RA/

Danté Johnson, Branch Chief Security Performance Evaluation Branch Division of Security Operations Office of Nuclear Security Incident Response

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

Nonpublic Enclosure: Inspection Report 07000143/2019201

cc: See next page

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cc: w/Enclosure Mr. Steve Bowen, Director of Security US Department of Energy Naval Reactors Laboratory Field Office PO Box 1069 Schenectady, NY 12301

cc: w/o Enclosure Jon A. Hagemann Operations Director Nuclear Fuel Services, Inc. Electronic Mail Distribution

Richard J. Freudenberger Safety & Safeguards Director Nuclear Fuel Services, Inc. Electronic Mail Distribution

Debra G. Shults Director, TN Dept. of Environment & Conservation William R. Snodgrass TN Tower 312 Rose L. Parks Avenue, 15th Floor Nashville, TN 37243

Doris D. Hensley Mayor, Town of Erwin 211 N. Main Avenue P.O. Box 59 Erwin, TN 37650

Greg Lynch Mayor, Unicoi County P.O. Box 169 Erwin, TN 37650

Johnny Lynch Mayor, Town of Unicoi P.O. Box 39 Unicoi, TN 37692

David W. Deming Manager, Program Field Office – NFS Naval Nuclear Laboratory 1205 Banner Hill Rd Erwin, TN 37650

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SUBJECT: NUCLEAR FUEL SERVICES, INC. – U.S. NUCLEAR REGULATORY COMMISSION PHYSICAL SECURITY INSPECTION REPORT NO. 70-143/2019-403

Date: May 16, 2019

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