

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II 245 PEACHTREE CENTER AVENUE NE, SUITE 1200 ATLANTA, GEORGIA 30303-1257

January 29, 2020

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. 70-143/2020-401

Dear Mr. Stewart:

This letter refers to the onsite inspection conducted from January 6-9, 2020, at your Erwin, Tennessee facility. The purpose of the inspection was to determine whether activities authorized by Nuclear Fuel Services, Inc. (NFS) were conducted safely, and in accordance with the U.S. Nuclear Regulatory Commission's (NRC's) requirements. At the conclusion of the onsite inspection, the findings were discussed with members of your staff.

Areas examined during the inspection consisted of your programs related to Category I fuel cycle facility strategic special nuclear material security controls and physical protection facility approval and safeguarding of national security information and restricted data. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations of activities in progress.

The enclosed inspection report contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made 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.

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Should you have any questions concerning this letter, please contact Jonathan Brown at 404-997-4637, or via email at Jonathan.Brown@nrc.gov.

Sincerely,

/RA: Jon H. Wallo for/

James Shehee, Acting Chief Plant Support Branch Division of Reactor Safety

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

Enclosure:

NRC Inspection Report 70-143/2020-401
-w/Attachment: Supplemental Information

cc: See page 3

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CC:

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

J. Stewart

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