#### OFFICIAL USE ONLY - SECURITY-RELATED INFORMATION



# UNITED STATES NUCLEAR REGULATORY COMMISSION

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

April 1, 2020

EN-54473

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. 70-143/2019-403

Dear Mr. Stewart:

This letter refers to the onsite inspection conducted from March 9-12, 2020, at your Erwin, Tennessee facility. The purpose of the inspection was to determine whether activities authorized by the license 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 you and members of your staff.

Areas examined during the inspection consisted of your programs related to category I fuel facility access control measures and liensee reported safeguards events. 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 us at 404-997-4563.

Sincerely,

/RA/

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

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

Enclosure:

NRC Inspection Report 70-143/2020-402 w/Attachment: Supplemental Information

(OUO)

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J. Stewart

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CC:

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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 SUBJECT: NUCLEAR FUEL SERVICES, INC. – U.S. NUCLEAR REGULATORY COMMISSION PHYSICAL SECURITY INSPECTION REPORT NO. 70-143/2020-402 dated April 1, 2020

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### ADAMS: ☐ Yes ACCESSION NUMBER: ML20098F450

OFFICE	RII:DRS/PSB	RII:DFFI/BR1	RII:DRS/PSB		
NAME	O. Smith	R. Williams	J. Shehee		
DATE	3/ 27 /2020	3/ 26 /2020	4/ 1 /2020		
E-MAIL COPY	YES NO	YES NO	YES NO		

OFFICIAL RECORD