



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

April 29, 2021

Mr. Timothy Knowles, Director
Safety and Safeguards
Nuclear Fuel Services, Inc.
1205 Banner Hill Road
Erwin, TN 37650

SUBJECT: LICENSE AMENDMENT 14 – REVISIONS TO CATEGORY II AND III PHYSICAL PROTECTION PLANS (ENTERPRISE PROJECT IDENTIFICATION L-2020-SPR-0008)

Dear Mr. Knowles:

In accordance with your request dated March 24, 2020 (Agencywide Documents Access and Management System [ADAMS] Accession Number ML20097C643), as supplemented by your letters dated August 21, 2020 (not publicly available due to sensitive security-related information), and February 15, 2021 (ADAMS Accession Number ML21063A229), and pursuant to Part 70 of Title 10 of the *Code of Federal Regulations* (10 CFR), Materials License SNM-124 is hereby amended to approve Revision 004 of the Nuclear Fuel Services, Inc. (NFS), "Physical Protection Plan for the Protection of Category II Moderate Enriched Uranium (Special Nuclear Material)," and Revision 009 of the NFS, "Physical Protection Plan for the Protection of Category III Low Enriched Uranium (Special Nuclear Material)." The review of the U.S. Nuclear Regulatory Commission (NRC) staff is documented in the enclosed Safeguards Evaluation Report. Accordingly, Safeguards Conditions SG-3.4 and SG-3.5 of Materials License SNM-124 have been revised to reflect the approved revisions to the Physical Protection Plans (PPPs) and the modified terms of the notification and submittal needed prior to enacting the Category II PPP.

All other license conditions shall remain the same. Enclosures 1 and 2 to this letter provide the amended Materials License SNM-124. The NRC staff's review is documented in a Safeguards Evaluation Report, which is Enclosure 3 to this letter. This letter concludes action on this submittal, and Enterprise Project Identifier L-2020-SPR-0008 is considered **CLOSED**.

Enclosures 2 and 3 contain sensitive security-related information. Accordingly, they are marked as "Official Use Only," and are withheld from public disclosure. When separated from the sensitive enclosures, this letter and Enclosure 1 are decontrolled and publicly available, in accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure."

Enclosures 2 and 3 transmitted by this letter contain **Security-Related Information**. When separated from Enclosures 2 and 3, this letter and Enclosure 1 are decontrolled.

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T. Knowles

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A copy of this letter and Enclosure 1 will be available electronically for public inspection in the NRC Public Document Room, or from ADAMS. The ADAMS database is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions regarding this matter, please contact James Downs of my staff at 301-415-7744, or via e-mail to: James.Downs@nrc.gov.

Sincerely,

Jacob I. Zimmerman, Chief
Fuel Facility Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

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

Enclosures:

1. Amendment 14 to Materials License
SNM-124
2. Amendment 14 to Materials License
SNM-124 (Non-Public)
3. Safeguards Evaluation Report
(Non-Public)

cc: nfs@listmgr.nrc.gov

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T. Knowles

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DATED: April 29, 2021

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