



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II  
245 PEACHTREE CENTER AVENUE N.E., SUITE 1200  
ATLANTA, GEORGIA 30303-1200

March 31, 2022

Mr. Ronald Dailey  
NFS President  
Nuclear Fuel Services, Inc.  
P.O. Box 337, MS 123  
Erwin, TN 37650

SUBJECT: NUCLEAR FUEL SERVICES – PHYSICAL SECURITY REPORT  
07000143/2022407

Dear Mr. Dailey:

On March 3, 2022, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at Nuclear Fuel Services and discussed the results of this inspection with you and other members of your staff. The results of this inspection are documented in the enclosed report.

No NRC-identified or self-revealing violations were identified during this inspection.

Licensee-identified violations which were determined to be Severity Level IV are documented in this report. We are treating these violations as non-cited violations (NCVs) consistent with Section 2.3.2 of the Enforcement Policy.

If you contest the violations or the significance or severity of the violations documented in this inspection report, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region II; the Director, Office of Enforcement; the Director, Office of Nuclear Security and Incident Response; and the NRC Resident Inspector at Nuclear Fuel Services.

This letter will be made available for public inspection and copying at <http://www.nrc.gov/reading-rm/adams.html> and at the NRC Public Document Room in accordance with Title 10 of the Code of Federal Regulations 2.390, "Public Inspections, Exemptions, Requests for Withholding."

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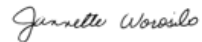
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R. Dailey

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The enclosed report contains Security-Related Information, so the enclosed report will not be made publicly available in accordance with Title 10 of the *Code of Federal Regulations* (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,



Signed by Worosilo, Jannette  
on 03/31/22

Jannette G. Worosilo, Chief  
Plant Support Branch  
Division of Reactor Safety

Docket No. 07000143  
License No. SNM-124

Enclosure:  
As stated

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