



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
245 PEACHTREE CENTER AVENUE N.E., SUITE 1200
ATLANTA, GEORGIA 30303-1257

May 7, 2024

Ronald Dailey, President
Nuclear Fuel Services, Inc.
P.O. Box 337
MS 123
Erwin, TN 37650-0337

SUBJECT: NUCLEAR FUEL SERVICES – PHYSICAL SECURITY CORE INSPECTION
REPORT 07000143/2024401 AND NOTICE OF VIOLATION

Dear Ronald Dailey:

On April 11, 2024, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at Nuclear Fuel Services and discussed the results of this inspection with Danielle Rogers and other members of your staff. The results of this inspection are documented in the enclosed report.

The enclosed report documents a cited Severity Level IV violation. We determined that this violation did not meet the non-cited violated (NCV) criteria specified in Section 2.3.2 of the NRC Enforcement Policy, which can be found at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The NRC has determined that the reason, corrective actions taken and planned to address recurrence, and the date when full compliance was achieved for this violation is adequately addressed and captured on the docket in the enclosed report. Therefore, you are not required to respond to this letter unless the record does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

If you contest the violation or the significance or severity of the violation 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."


Enclosure(s) transmitted herewith contain(s) SUNSI. When separated from enclosure(s), this transmittal document is decontrolled.
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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 05/07/24

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

Docket No. 07000143
License No. SNM-124

Enclosure:

1. ~~Notice of Violation~~
2. ~~NRC Physical Security Core Inspection Report 07000143/2024401~~

cc w/o encl: Distribution via LISTSERV