



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

July 1, 2025

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 07000143/2025402

Dear Ronald Dailey:

On June 12, 2025, 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.

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

A licensee-identified violation which was determined to be Severity Level IV is documented in this report. We are treating this violation as a non-cited violation (NCV) consistent with Section 2.3.2 of the Enforcement Policy.

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.
--

R. Dailey

2

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 07/01/25

Jannette G. Worosilo, Chief
Nuclear Security Branch
Division of Fuels, Radiological Safety, and Security

Docket No. 07000143
License No. SNM-124

Enclosure:
As stated

cc w/o encl: Distribution via LISTSERV

R. Dailey

SUBJECT: NUCLEAR FUEL SERVICES – PHYSICAL SECURITY CORE INSPECTION
REPORT 07000143/2025402 DATED JULY 1, 2025

DISTRIBUTION:

J. Lara, RA
J. Downs, NMSS
L. Suggs, RII
R. Penmetsa, RII
B. Davis, RII
R. Skokowski, RII
N. Peterka, RII
L. Cooke, RII
J. Clark, NSIR
R2ACES
SOSB Insp Rpt Distro

ADAMS ACCESSION NUMBER: ML25181A765 (Cover letter w/ enclosure(s))

ADAMS ACCESSION NUMBER: ML25181A773 (Cover letter)

Entire Report: x SUNSI Review		<input type="checkbox"/> Non-Sensitive x Sensitive			<input type="checkbox"/> Publicly Available x Non-Publicly Available	
Cover Letter Only: x SUNSI Review		<input type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive			<input type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available	
OFFICE	RII/DFRSS	RII/DFRSS	RII/DFRSS			
NAME	J. Brown	R. Womack	J. Worosilo			
DATE	7/1/25	7/1/25	7/1/25			

OFFICIAL RECORD COPY