



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET, SW, SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

[REDACTED]

August 22, 2006

EA-06-179  
CAL No. 02-06-003  
NRC Event Nos. 42393, 42411

Mr. Dwight B. Ferguson, Jr.  
President, Chief Executive Officer  
Nuclear Fuel Services, Inc.  
P. O. Box 337, MS 123  
Erwin, TN 37650

SUBJECT: CONFIRMATION OF CLOSED PRE-DECISIONAL ENFORCEMENT  
CONFERENCE (NRC INSPECTION REPORT NO. 70-143/2006-006),  
NUCLEAR FUEL SERVICES, INC. - DOCKET NO. 70-143

Dear Mr. Ferguson:

This letter confirms the conversation of August 17, 2006, between Marie Moore of your staff and William Gloersen of this office concerning the pre-decisional enforcement conference that has been scheduled for September 5, 2006, at 9:00 a.m. (EDT) in the Region II Office, located at the Sam Nunn Atlanta Federal Center, 61 Forsyth Street SW, Suite 23T85, Atlanta, GA 30303. A meeting notice is enclosed. The purpose of the pre-decisional enforcement conference is to discuss the apparent violations associated with the inadvertent transfer of approximately [REDACTED] of high enriched uranyl nitrate solution to a filter enclosure not approved for operation in the blended low enriched uranium (BLEU) preparation facility (BPF) which subsequently spilled onto the [REDACTED] floor on March 6, 2006. The apparent violations were discussed in Inspection Report No. 70-143/2006-006. For further details, please refer to our letters to you dated June 9 and August 4, 2006.

We note that you formally requested that the issues related to this event be resolved under the NRC's Alternative Dispute Resolution (ADR) pilot program rather than our normal enforcement process. If we proceed with a conference using the ADR process, representatives of my staff will contact you to reach a mutually acceptable date and time for the conference. Otherwise, the pre-decisional enforcement conference as noted above will be closed to public observation in accordance with the Commission's program as discussed in the Enforcement Policy due to the discussion of proprietary information and the sensitive nature of information to be discussed pursuant to 10 CFR 2.390.

[REDACTED]

[REDACTED]

[REDACTED]

D. B. Ferguson, Jr.

2

Should you have any questions concerning this letter, please contact me at (404) 562-4700 or Ms. Carolyn F. Evans, Enforcement Officer, at (404) 562-4414.

Sincerely,

*/RA/*

Douglas M. Collins, Director  
Division of Fuel Facility Inspection

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

Enclosure: Meeting Notice

cc w/encl:  
B. Marie Moore  
Vice President  
Safety and Regulatory Management  
Nuclear Fuel Services, Inc.  
P. O. Box 337, MS 123  
Erwin, TN 37650

L. Edward Nanney, Director  
Division of Radiological Health  
Tennessee Dept. of Environment & Conservation  
L&C Annex, Third Floor  
401 Church Street  
Nashville, TN 37243-1532

Distribution w/encl (E-mail): (See page 3)



Distribution w/encl (Email):

NRC Attendees

K. Clark, Public Affairs Officer, RII  
Region II Administrator's Secretary  
RII DFFI Division Secretary

D. Ayres, RII

D. Collins, RII

W. Gloersen, RII

S. Burris, RII

G. Smith, RII

W. Travers, RII

C. Evans, RII

M. Burrell, OE

G. Morell, OE

R. Pierson, NMSS

G. Janosko, NMSS

M. Galloway, NMSS

K. Ramsey, NMSS

M. Lamastra, NMSS

D. Morey, NMSS

OEMAIL

OEWEB

ADAMS:  Yes ACCESSION NUMBER: \_\_\_\_\_

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII:EICS			
SIGNATURE	/RA/	/RA/		/RA/			
NAME	WGloersen	DAyres		CEvans			
DATE	08/22/2006	08/22/2006	08/ /	08/22/2006	May 17, 2008	May 17, 2008	May 17, 2008
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY

DOCUMENT NAME: E:\Filenet\ML062360118.wpd





UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET, SW, SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

[REDACTED]

August 22, 2006

SUBJECT: CLOSED MEETING NOTICE

FACILITY: Nuclear Fuel Services, Inc.

DOCKET: 70-143

DATE & TIME: Tuesday, September 5, 2006  
9:00 am to 12:00 pm (Pre-decisional Enforcement Conference )

LOCATION: Region II Office  
Sam Nunn Atlanta Federal Center  
61 Forsyth Street SW  
Suite 23T85  
Atlanta, GA 30303

PURPOSE: The purpose of the Pre-decisional Enforcement Conference is to discuss the apparent violations associated with the inadvertent transfer of approximately [REDACTED] of high enriched uranyl nitrate solution to a filter enclosure not approved for operation in the blended low enriched uranium (BLEU) preparation facility (BPF) which subsequently spilled onto the [REDACTED] floor on March 6, 2006. This meeting will be closed to the public due to the discussion of proprietary and sensitive material.

ADAMS ACCESSION  
NUMBER FOR  
MEETING PACKAGE: ML062330221

NRC OFFICES  
PARTICIPATING: NMSS, Region II

OTHER  
ORGANIZATION  
PARTICIPATING: Nuclear Fuel Services, Inc.

MEETING  
CONTACT: William B. Gloersen, NRC, RII; 404-562-4713; [wbg@nrc.gov](mailto:wbg@nrc.gov)

[REDACTED]