

[REDACTED]

March 30, 2004

EA-04-051

Ms. B. Marie Moore, Vice President  
Safety and Regulatory  
Nuclear Fuel Services, Inc.  
P.O. Box 337, MS 123  
Erwin, TN 37650

SUBJECT: RELAXATION OF SECTION III.A OF ORDER DATED AUGUST 21, 2002,  
TO INCORPORATE REVISION 1 [REDACTED]  
[REDACTED] FOR NUCLEAR FUEL SERVICES  
(TAC L20810)

Dear Ms. Moore:

On August 21, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order that immediately modified Nuclear Fuel Services, Inc., (NFS) Special Nuclear Materials License SNM-124 to require compliance [REDACTED]. In letters dated September 11 and October 30, 2002, NFS responded to the order [REDACTED]. In a letter dated February 27, 2003, the NRC accepted NFS's [REDACTED] for meeting Section III.A of the order. NRC performed an [REDACTED] inspection in August 2003, [REDACTED].

In letters dated August 25 and September 19, 2003, NFS submitted Revision 1 [REDACTED]. On October 2, 2003, the NRC issued a letter to NFS requesting clarification of NFS's previous submittals. In letters dated October 24, 2003, January 16, and February 19, 2004, NFS submitted further changes to its revision.

We have completed our review of Revision 1 of the NFS [REDACTED] and find it acceptable. [REDACTED]

[REDACTED] Therefore, Section III.A of the order is relaxed [REDACTED]. NFS is required to comply with the schedule [REDACTED]. No additional extensions will be approved absent a strong showing of good cause. Failure to adhere to this schedule will constitute a violation of requirements and will be further evaluated for enforcement action.

[REDACTED] will be subject to future NRC inspection. If you have any questions regarding this matter, please contact Kevin Ramsey at (301) 415-7887 or by email [kmr@nrc.gov](mailto:kmr@nrc.gov).

[REDACTED]

[REDACTED]

M. Moore

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[REDACTED]

Sincerely,

*/RA/*

Martin J. Virgilio, Director  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 70-143  
License SNM-124

cc: L. Reyes, RII

[REDACTED]

March 30, 2004

[REDACTED]

Sincerely,

**/RA/**

Martin J. Virgilio, Director  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 70-143  
License SNM-124

cc: L. Reyes, RII

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\*see previous concurrence

**ML040570804**

<b>OFC</b>	FCFB	FCFB	FCFB	FCFB	NSIR
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<b>DATE</b>	1/26/04	2/26/04	2/27/04	3/3/04	3/26/04
<b>OFC</b>	OGC*	OE	R II	FCSS	NMSS
<b>NAME</b>	J. Goldberg*	C. Nolan*	D. Ayres	R. Pierson	M. Virgilio
<b>DATE</b>	3/1/04	3/3/04	/ /04	3 /26/04	3/30/04

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[REDACTED]