

November 26, 2003

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

SUBJECT: NUCLEAR FUEL SERVICES, INC., ACCEPTANCE OF OXIDE CONVERSION  
BUILDING AMENDMENT REQUEST (TAC NO. L31791)

Dear Ms. Moore:

We have received your application for amendment of Materials License SNM-124 transmitted by letter dated October 23, 2003 (NFS No. 21G-03-0277). Your request has been assigned TAC No. L31791. Please reference this number in any future correspondence associated with this request.

We have completed our acceptance review of your application and have identified one major deficiency. The application did not provide the nuclear criticality safety basis, specifically, the application did not address how the criticality requirements in 10 CFR 70.61(b) and (d) and 70.64 (a)(9) were met.

However, the application has been accepted for formal review, except for the criticality section. You should provide a revised criticality section within 10 days of the date of this letter. Please note that the complete technical review may identify additional omissions in the submittal information or technical issues that require additional information.

Based on our acceptance review and projection of current review schedules, we anticipate completing our review by the end of July 2004. This date could change depending on the findings of our technical review, urgent assignments, or other factors. We will promptly communicate any significant changes to this schedule.

If you have any questions regarding this matter, please contact me at (301) 415-8139 or by e-mail at [mxl2@nrc.gov](mailto:mxl2@nrc.gov).

In addition, a copy of your submittal has been forwarded to the License Fee and Accounts Receivable Branch, Office of the Chief Financial Officer, who will contact you separately for billing, as your request is subject to full cost fee recovery.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov.reading-rm/adams.html>.

Sincerely,

**/RA/**

Michael A. Lamastra, Project Manager  
Fuel Cycle Facilities Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket 70-143  
License SNM-124

November 26, 2003

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov.reading-rm/adams.html>.

Sincerely,

**/RA/**

Michael A. Lamastra, Project Manager  
Fuel Cycle Facilities Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket 70-143  
License SNM-124

**CLOSES TAC NO. L31784****DISTRIBUTION:**

FCFB r/f      Dayers, RII      DRich, SRI      WGloersen, RII  
PSilva      KRamsey      TPham  
C:\ORPCheckout\FileNET\ML033350450.wpd

**ML033350450**

<b>OFC</b>	FCFB		FCFB		FCFB	
<b>NAME</b>	MLamastra		JMuszkiewicz		JLubinski	
<b>DATE</b>	11/26/03		11/25/03		11/26/03	

**OFFICIAL RECORD COPY**