

June 1, 2006

Mr. R. E. Link, Manager
Environmental, Health, Safety and Licensing
AREVA NP, Inc.
2101 Horn Rapids Road
Richland, WA 99354-5102

SUBJECT: AREVA NP, INC. - AMENDMENT 46 - APPLICATION FOR INCREASED
U-235 POSSESSION LIMIT AND NAME CHANGE (TAC L31920 AND L31937)

Dear Mr. Link:

In accordance with your amendment request submitted via letter dated April 25, 2005, supplemented by revised license pages submitted on March 17, 2006, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations (CFR), Materials License SNM-1227 is hereby amended to increase the possession limit for Uranium-235 to 75,000 kilograms. Chapter 1 of the License Application was revised to reflect the increased possession limit.

Additionally, in accordance with your amendment request for the facility name change, submitted via letter dated March 27, 2006, and notification of name change dated March 8, 2006, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations, Materials License SNM-1227 is hereby amended to replace the former licensee name, "Framatome ANP, Inc.," with the licensee's new name, "AREVA NP, Inc." Consequently, Chapter 1 of the License Application, and Condition 1 of the license have been revised to read "AREVA NP, Inc." This closes TAC L31937.

As part of this action, the U.S. Nuclear Regulatory Commission (NRC) performed a review of the updated Decommissioning Funding Plan (DFP), submitted via letter dated December 19, 2005, and determined that the DFP is acceptable, and was properly submitted under the provisions of 10 CFR 70.25. The above three actions close TAC L31920.

Please be advised that, until such time as the U.S. Nuclear Regulatory Commission (NRC) receives and approves an updated financial assurance instrument for decommissioning, the current guarantee remains in effect.

License Condition S-1 has been modified to include the dates April 25, 2005, December 19, 2005, March 8, 2006, March 17, 2006, and March 27, 2006. All other conditions of this license shall remain the same. Enclosed are copies of the amended Materials License SNM-1227 and the Safety Evaluation Report, which includes the Categorical Exclusion.

If you have any questions regarding this matter, please contact Merritt N. Baker of my staff at (301) 415-6155 or via e-mail to mnb@nrc.gov.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-1257
License No.: SNM-1227
Amendment 46

Enclosures: 1. Materials License SNM-1227
2. Safety Evaluation Report

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Sincerely,

/RA/

Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

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Closes TAC L31920
Closes TAC L31937

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