

was approved for the fabrication of magnesium and thorium alloy castings for the aircraft industry. This license authorized alloying thorium ingots, containing up to 41 percent by weight of thorium, with magnesium and other additives to produce magnesium/thorium alloy castings containing up to 4 percent by weight of thorium. On January 28, 2003, Hitchcock notified the NRC of the license termination.

The NRC staff has prepared an Environmental Assessment (EA) in support of this licensing action in accordance with the requirements of 10 CFR part 51. The conclusion of the EA is a Finding of No Significant Impact (FONSI) for the proposed licensing action.

II. EA Summary

The staff has examined Hitchcock's request and the information that the licensee has provided in support of its request, including the surveys performed by Hitchcock to demonstrate compliance with 10 CFR 20.1402, "Radiological Criteria for Unrestricted Use," to ensure that the NRC's decision protects the public health and safety and the environment. Based on its review, the staff has determined that the affected environment and the environmental impacts associated with the unrestricted use of Hitchcock Industries, Inc. facilities are bounded by the impacts evaluated by the "Generic Environmental Impact Statement in Support of Rulemaking on Radiological Criteria for License Termination of NRC-Licensed Nuclear Facilities" (NUREG-1496). The staff also finds that the proposed release for unrestricted use of the Hitchcock facility is in compliance with the 10 CFR part 20.1402.

III. Finding of No Significant Impact

The staff has prepared the EA (summarized above) in support of Hitchcock's proposed license amendment to release the Minneapolis facility for unrestricted use. On the basis of the EA, the staff has concluded that the environmental impacts from the proposed action would not be significant. Accordingly, the staff has determined that a FONSI is appropriate, and has determined that the preparation of an environmental impact statement is not warranted.

IV. Further Information

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," Hitchcock's request, the EA summarized above, and the documents related to this proposed action are available electronically for public inspection and copying 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.html>. These documents include Hitchcock's letter dated January 28, 2003, and faxes dated April 8, 11, and 21, 2003, with enclosures (Accession

No. ML031990158); fax dated May 16, 2003, with enclosures (Accession No. ML031990380); and the EA summarized above (Accession No. ML032120132). Any questions with respect to this action should be directed to Dr. Peter J. Lee, Division of Nuclear Materials Safety, U.S. Nuclear Regulatory Commission, Region III, 801 Warrentonville Road, Lisle, Illinois 60532-4351; telephone (630) 829-9870 or by e-mail at pjl2@nrc.gov.

Dated at Lisle, Illinois, this 31st day of July, 2003.

For the Nuclear Regulatory Commission.

Christopher G. Miller,

Chief, Decommissioning Branch, Division of Nuclear Materials Safety, RIII.

[FR Doc. 03-20149 Filed 8-6-03; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

[Docket No. 70-143, License No. SNM-124 EA-03-132]

In the Matter of Nuclear Fuel Services, Inc., Erwin, TN; Confirmatory Order Modifying License (Effective Immediately)

I

Nuclear Fuel Services, Inc., (NFS) is the holder of Special Nuclear Material License No. SNM 124 issued by the U.S. Nuclear Regulatory (NRC or Commission) pursuant to 10 CFR part 70. NFS is authorized by their license to receive, possess, and transfer special nuclear material in accordance with the Atomic Energy Act of 1954, as amended, and 10 CFR part 70. The NFS license, originally issued on September 18, 1957, was renewed on July 2, 1999, and is due to expire on July 31, 2009.

II

On September 11, 2001, terrorists simultaneously attacked targets in New York, NY, and Washington, DC, utilizing large commercial aircraft as weapons. In response to the attacks and intelligence information subsequently obtained, the Commission issued a number of Safeguards and Threat Advisories to its licensees in order to strengthen licensees' capabilities and readiness to respond to a potential attack on a nuclear facility. The

Commission has also communicated with other Federal, State and local government agencies and industry representatives to discuss and evaluate the current threat environment in order to assess the adequacy of security measures at licensed facilities. In addition, the Commission has been conducting a comprehensive review of its safeguards and security programs and requirements.

As a result of its consideration of current safeguards and security plan requirements, as well as a review of information provided by the intelligence community, the Commission has determined that certain compensatory measures are warranted as prudent, interim measures to address the current threat environment. Therefore, the Commission is imposing interim requirements, set forth in Attachment 1¹ of this Order, which supplement existing regulatory requirements, to provide the Commission with reasonable assurance that the public health and safety and common defense and security continue to be adequately protected in the current threat environment. These requirements will remain in effect until the Commission determines otherwise.

III

In February 2003, NRC issued Orders to Category III fuel cycle licensees directing each licensee to implement interim compensatory measures (ICMs) to enhance physical security at its facilities. NFS did not receive an order at that time because an amendment authorizing operation of a new Category III complex was still pending. In a letter to NFS dated February 11, 2003, NRC provided a copy of the ICMs to NFS for its information and use in designing the new complex. NFS responded on March 25, 2003, indicating its intention to comply with the ICMs.

The Commission recognizes that some of the requirements set forth in Attachment 1² to this Order have already been initiated by NFS in response to previously-issued advisories, or on its own³ and that some measures have been tailored to specifically accommodate the specific circumstances and characteristics existing at NFS's facility to achieve the

¹ Attachment 1 contains safeguards information and will not be released to the public.

² To the extent that specific measures identified in Attachment 1 to this Order require actions pertaining to NFS's possession and use of chemicals, such actions are being directed on the basis of the potential impact of such chemicals on radioactive materials and activities subject to NRC regulation.

³ See letter from B. Marie Moore, Vice President, NFS, to Mary T. Adams, NRC, dated July 3, 2003.

intended objectives and avoid any unforeseen effect on safe operation.

By letter dated July 3, 2003, NFS consented to this Order with the commitments as described in Section IV below. NFS further agreed in its July 3, 2003, letter that this Order is to be effective upon issuance and that it has waived its right to a hearing. Implementation of this commitment provides enhanced assurance that sufficient resources will be applied to the physical protection program.

I find that NFS' commitment as set forth in its letters of March 25 and July 3, 2003, is acceptable and necessary, and conclude that with this commitment, the public health and safety, and common defense and security, are reasonably assured. In view of the foregoing, I have determined that the public health and safety, and common defense and security, require that NFS' commitment be confirmed by this Order. Based on the above and NFS' consent, this Order is immediately effective upon issuance.

IV

Accordingly, pursuant to Sections 53, 63, 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR part 70, *it is hereby ordered, effective immediately, that material license SNM-124 is modified as follows:*

A. NFS shall, notwithstanding the provisions of any Commission regulation or license to the contrary, comply with the requirements described in Attachment 1 to this Order. NFS shall immediately start implementation of the requirements in Attachment 1 to the Order and shall complete implementation *before the introduction of Category III quantities of special nuclear material into the Blended Low-enriched Uranium Complex.*

B. NFS shall report to the Commission when it has achieved full compliance with the requirements described in Attachment 1.

C. Notwithstanding any provision of the Commission's regulations to the contrary, all measures implemented or actions taken in response to this Order shall be maintained until the Commission determines otherwise.

NFS's response to Condition B above shall be submitted in accordance with 10 CFR 70.5. In addition, NFS's submittals that contain safeguards information shall be properly marked and handled in accordance with 10 CFR 73.21.

The Director, Office of Nuclear Material Safety and Safeguards, may, in writing, relax or rescind any of the

above conditions upon demonstration by NFS of good cause.

V

Any person adversely affected by this Confirmatory Order, other than the Licensee, may request a hearing within twenty (20) days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. Any request for a hearing shall be submitted to the Secretary, Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, ATTN: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Materials Litigation and Enforcement at the same address, to the Regional Administrator, NRC Region II, Sam Nunn Atlanta Federal Center, Suite 23 T85, 61 Forsyth Street, SW Atlanta, GA 30303-3415, and to NFS. Because of possible disruptions in delivery of mail to United States Government offices, it is requested that answers and requests for hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101 or by e-mail to hearingdocket@nrc.gov and also to the Office of the General Counsel either by means of facsimile transmission to 301-415-3725 or by e-mail to OGCMailCenter@nrc.gov. If a person requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final twenty (20) days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a

hearing request has not been received. *An answer or a request for hearing shall not stay the immediate effectiveness of this order.*

For the Nuclear Regulatory Commission.
Dated this 8th day of July, 2003.

Martin J. Virgilio,

Director, Office of Nuclear Material Safety and Safeguards.

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NUCLEAR REGULATORY COMMISSION

[Docket No. 70-143]

Notice of Issuance of License Amendment 39 for Nuclear Fuel Services, Inc., Blended Low-enriched Uranium Project Uranyl Nitrate Building

ACTION: Notice of issuance of Amendment 39 to Materials License SNM-124.

FOR FURTHER INFORMATION CONTACT:

Mary Adams, Fuel Cycle and Safety Branch, Office of Nuclear Materials, Safety and Safeguards, 11554 Rockville Pike, Rockville, MD 20852; telephone (301) 415-7249; or by e-mail at mta@nrc.gov.

SUPPLEMENTARY INFORMATION: Pursuant to 10 CFR 2.106, the U.S. Nuclear Regulatory Commission (NRC) is noticing the issuance of Amendment 39 to Special Nuclear Material License SNM-124, held by Fuel Services, Inc., (NFS) to authorize: (1) The receipt and storage of low-enriched uranyl nitrate solution in a new uranyl nitrate storage building and (2) the possession and use of an increased quantity of special nuclear material at the NFS facility located in Erwin, TN.

This amendment complies with the standards and requirements of the Atomic Energy Act of 1954 as amended, and NRC's rules and regulations as set forth in 10 CFR chapter 1. Accordingly, this amendment was issued on July 7, 2003, and is effective immediately.

NRC prepared a non-proprietary (public) version of the Safety Evaluation Report (SER) that documents the information that was reviewed and NRC's conclusions. This SER is included in the license amendment package which is available electronically for public inspection and copying for a fee in the NRC Public Document Room, One White Flint North Building, 11555 Rockville, MD 20852, or from the Publicly Available Records (PARS) component of NRC's Agency-wide Documents Access and