

2/6/2008

NFS continues to demonstrate performance improvement in several areas

Latest government review shows both improvements and the need for additional improvements

(Erwin, Tenn.) – The most recent Licensee Performance Review (LPR) by the U.S. Nuclear Regulatory Commission (NRC) of Nuclear Fuel Services, Inc. (NFS) shows continued improvement in three areas of plant operations.

“NFS is demonstrating continuous improvement in most areas of its operations,” Treadway concluded. “Our commitment to being a world-class nuclear operation is ongoing and the fact that there were no findings in safety operations, radiological controls or safeguards is proof of that improvement. However, there was an increase in the number noted violations during the reporting period in two specific areas still in need of improvement.”

An LPR is prepared on a regular basis for all NRC-licensed facilities in the U.S. The most recent for NFS covers the period of July 29, 2007 through December 31, 2007. The report found no areas needing improvement in three of five key areas of review – including safety operations.

According to Victor M. McCree, NRC Acting Regional Administrator, “During the review period, NFS continued to maintain safety and security for its workers and the public.” All violations noted during the period were of the lowest NRC category of cited violations. Such violations form the basis for continued improvement by NFS but do not involve any monetary penalties.

The NRC noted a continued need for improvement in facility support. “NFS agrees with the NRC’s evaluation that continued improvement is necessary in this area,” said Treadway. The second area noted for needing improvement relates to licensing

activities. “The company will continue to work closely with NRC management to enhance the planning and oversight associated with license submittals.”

NFS and NRC officials plan to discuss the most recent performance review during a meeting to be held that will be open to the public on February 28th. The meeting will be held at the NFS Career Development Center on Jackson-Love Highway in Erwin.