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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

November 10, 1988

MEMORANDUM FOR: Victor Stello, Jr.

Executive Director for Operations

FROM: Samuel J. Chilk, Secretary

SUBJECT: STAFF REQUIREMENTS - AFFIRMATION/DISCUSSION

AND VOTE, 10:00 A.M., DAY, NOVEMBER

2, 1988, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE, MARYLAND

(OPEN TO PUBLIC ATTENDANCE)

1. SECY-88-250 10 CFR Part 73 -- Safequards Requirements for Fuel Facilities Possessing Formula Quantities of Strategic Special Nuclear Material

The Commission,\* with Chairman Zech and Commissioners Roberts and Rogers agreeing, approved the staff's recommended amendments to 10 CFR Part 73, subject to the updates transmitted by the EDO's memorandum of October 25, 1988, to initiate an exemption from the new requirements for Fort St. Vrain. The amendments upgrade the safeguards requirements for fuel facilities possessing formula quantities of strategic special nuclear material. Commissioner Carr, while approving the rule changes preferred to defer the requirement for two separate barriers until completion of a performance analysis of existing security systems to support the need for such a change.

Commissioner Curtiss did not participate in this action.

(Subsequent to the meeting, on November 4, 1988, the Secretary signed the Federal Register Notice.)

\* Section 201 of the Energy Reorganization Act, 42 U.S.C. Sec. 5841, provides that action of the Commission shall be determined by a "majority vote of the members present." Commissioners Carr and Curtiss were not present when this item was affirmed. Accordingly, the formal vote of the Commission

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was 3-0 in favor of the decision. Commissioner Carr, however, had previously indicated that he would approve this paper and had he been present he would have affirmed his prior vote. Commissioner Curtiss did not-participate in this action.

397

- 2 -

The Commission, with Chairman Zech and Commissioners Roberts, Carr, and Rogers agreeing, approved the staff's recommendation to initiate, pursuant to 10 CFR Sec. 73.5, an exemption from the new requirements for Fort St. Vrain. The basis for issuing the exemption is the fact that at the Fort St. Vrain site, the special nuclear material is only in the form of fabricated fuel. This fuel would require extensive processing to yield weapons useable material. Furthermore, the weight and bulk of these fuel elements are such that they represent an undesirable source for the material. Hence, the Fort St. Vrain site is not comparable with fuel facilities possessing formula quantities of strategic special nuclear material.

(EDO) (SECY Suspense: TBD)

Commissioner Curtiss did not participate in this action.

cc: Chairman Zech

Commissioner Roberts Commissioner Carr Commissioner Rogers Commissioner Curtiss

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PDR - Advance DCS - P1-124