Dr. Robert E. Gamble Manager, ESBWR General Electric Company 175 Curtner Avenue, M/C 365 San Jose, CA 95125-1014

SUBJECT: GENERAL ELECTRIC REQUEST FOR NRC SAFEGUARDS INFORMATION

Dear Dr. Gamble:

By letter dated August 11, 2003, we described the process by which the Nuclear Regulatory Commission (NRC) could provide General Electric (GE) with the February 25, 2002, interim compensatory measures (ICMs) for power reactors and relevant portions of the April 29, 2003, revision of the design basis threat (DBT) issued by orders to licensees of all operating reactors to aid in the development of your application for certification of the ESBWR reactor design. The subject information has been determined to be sensitive-unclassified information of a type specified as safeguards information (SGI) in Title 10 of the *Code of Federal Regulations* (10 CFR) Section 73.21.

In your response dated June 26, 2004, you requested that the NRC provide the ICMs and revised DBT to GE. You also described GE's process for protecting SGI against unauthorized disclosure in accordance with 10 CFR 73.21 and NUREG-0794, "Protection of Unclassified Safeguards Information." This process is contained in GE's Engineering Operating Procedure (EOP) 60-7.00, Protection of Safeguards Information. A member of the NRC staff visited your office on August 23, 2004, to observe GE's SGI storage facilities and to provide comments on EOP 60-7.00, Protection of Safeguards Information, Revision 2, dated May 21, 2004. Draft G of EOP 60-7.00, Protection of Safeguards Information, Revision 3, was provided to the NRC by letter dated April 19, 2005, to address NRC comments.

Your April 19, 2005, letter also requested NRC approval of the use of a security storage container alternative. A security storage container, as defined in 10 CFR 73.2, includes any of the following repositories: (1) For storage in a building located within a protected or controlled access area, a steel filing cabinet equipped with a steel locking bar and a three position, changeable combination, GSA approved padlock; (2) A security filing cabinet that bears a Test Certification Label on the side of the locking drawer, or interior plate, and is marked, General Services Administration Approved Security Container on the exterior of the top drawer or door; (3) A bank safe-deposit box; and (4) Other repositories which in the judgement of the NRC, would provide comparable physical protection. The staff has reviewed your proposed security storage container alternative, and concludes that the proposed alternate container would provide comparable physical protection to the repositories specified in 10 CFR 73.2. Therefore, the staff approves the use of the security storage container alternative as identified in Section 2.2.1.1 of Draft G of EOP 60-7.00, Protection of Safeguards Information, Revision 3. As stated in section 2.2.1.3 of the EOP, NRC approval would be required for the use of an alternate container other than that specified in section 2.2.1.1 of the EOP.

Based on the staff's review of Draft G of EOP 60-7.00, Revision 3, and staff observation of GE's facilities, the NRC has determined that GE has provided assurance that it will protect the information in accordance with the requirements of 10 CFR 73.21. Therefore, a copy of the February 25, 2002, ICMs and revised DBT will be sent to you under separate cover. Future requests for additional SGI will be considered on a case-by-case basis consistent with your need-to-know and continued compliance in protecting SGI.

If further assistance is necessary, please contact Amy Cubbage at 301-415-2875 or aec@nrc.gov.

Sincerely,

/RA/

William D. Beckner, Program Director New, Research and Test Reactors Program Division of Regulatory Improvement Programs Office of Nuclear Reactor Regulation Based on the staff's review of EOP 60-7.00, Revision 3, and staff observation of GE's facilities, the NRC has determined that GE has provided assurance that it will protect the information in accordance with the requirements of 10 CFR 73.21. Therefore, a copy of the February 25, 2002, ICMs and revised DBT will be sent to you under separate cover. Future requests for additional SGI will be considered on a case-by-case basis consistent with your need-to-know and continued compliance in protecting SGI.

If further assistance is necessary, please contact Amy Cubbage at 301-415-2875 or aec@nrc.gov.

Sincerely,

/RA/

William D. Beckner, Program Director New, Research and Test Reactors Program Division of Regulatory Improvement Programs Office of Nuclear Reactor Regulation

Project No. 717

cc: See next page

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## **ESBWR**

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