



March 29, 2006
696-3975

Document Control Desk
Fuel Cycle Licensing Branch/Section 1
U.S. Nuclear Regulatory Commission
Mail Stop T-8A33
Two White Flint North
11557 Rockville Pike
Rockville, MD 20852-2738
ATTN: Mr. Nick Baker

Subject: Docket No. 70-734; SNM-696: Notification of Personnel Change in GA Management Organization

Dear Mr. Baker:

The purpose of this letter is to notify your office of a change of management personnel within the General Atomics (GA) organization described in GA's special nuclear materials license number SNM-696. Ms. Charlotte Engstrom has replaced Mr. Randy Walti as GA's General Counsel. Ms. Engstrom was recently promoted from Assistant General Counsel to Vice President and General Counsel reporting directly to GA's Chief Executive Officer. Accordingly, as Director of Licensing Safety and Nuclear Compliance (LSNC), I now report to Ms. Engstrom.

Ms. Engstrom had been GA's Assistant General Counsel for nearly one year before becoming Vice President and General Counsel (i.e., Vice President, Legal). Prior to joining GA, she had been an attorney at Pillsbury Winthrop Shaw Pittman LLP for about 4-1/2 years. Ms. Engstrom also has a Master of Laws (LLM) degree, focusing on environmental law, from Harvard Law School.

For the reasons given below, GA concludes that the above described change in management personnel involving Ms. Engstrom as GA's new General Counsel, will not decrease the effectiveness with which GA is assuring compliance with applicable licensing requirements and controlling the radiological and nuclear safety and safeguards of licensed materials as generally defined in Paragraph 3.2.2 of GA's SNM-696 license.

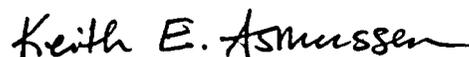
Ms. Engstrom has more than 5 years of high level general management experience, including nearly one year at GA, plus the equivalent applicable experience associated with a Master of Laws degree with a focus on environmental law. Additionally, Ms. Engstrom is committed to, and responsible for, GA's compliance with all legal requirements, including those of GA's SNM license and applicable regulations. Ms. Engstrom has direct access to and the support of the highest level of GA management.

Furthermore, the responsibility of implementing GA's program for assuring compliance with all applicable licensing and regulatory requirements and for controlling radiological and nuclear safety and safeguards of licensed materials has been delegated to the Director of LSNC (who reports directly to Ms. Engstrom). Reporting directly to the Director of LSNC and assisting in these efforts is GA's Manager of Health Physics (HP). The Director of LSNC and the Manger of HP each have over 20 years of directly applicable nuclear industry experience at GA in their respective areas of responsibility.

Moreover, it is noted that GA's SNM license has been amended to make it a possession only license. There are now no facilities on GA's site in which SNM is being processed; the only activities authorized by license SNM-696 are those associated with decommissioning. In fact, GA is nearing completion of a nearly 20-year effort to decommission its SNM-696 licensed facilities. GA currently possesses less than 100 grams of U-235 and anticipates requesting termination of its SNM-696 license later this year.

If you should have any questions regarding the above, please don't hesitate to contact me at (858) 455-2823 or at keith.asmussen@gat.com.

Very truly yours,



Keith E. Asmussen, Ph.D., Director
Licensing, Safety and Nuclear Compliance

cc: Ms. Charlotte Engstrom, GA
Dr. D. Blair Spitzberg, Chief, NMSS Branch 3, Region IV
Mr. Robert Evans, Fuel Cycle Inspector, NRC Region IV