DOCKET:

70-1113

LICENSEE:

Global Nuclear Fuels - Americas (GNF-A)

Wilmington, NC

SUBJECT:

SAFEGUARDS EVALUATION REPORT: SUBMITTAL DATED JULY 7, 2005,

REVISION TO THE FUNDAMENTAL NUCLEAR MATERIAL CONTROL PLAN

TAC L31912

#### **BACKGROUND**

By cover letter dated July 7, 2005, Global Nuclear Fuel - Americas (GNF-A) submitted revisions to a number of sections of its Fundamental Nuclear Material Control (FNMC) Plan. This Plan revision was submitted under the provisions of 10 CFR 70.32(c)(1)(iii) which does not require the Nuclear Regulatory Commission (NRC) approval prior to implementation in that the changes would not result in a decrease in effectiveness of the licensee's material control and accounting (MC&A) program.

### **DISCUSSION**

The July 2005 submittal provides an attachment that lists, and describes the FNMC Plan changes. The NRC reviewers note that one of the Plan change descriptions contains a typographical error that has no bearing on the licensee's plan revision (there is a reference to 10 CFR 34.31 rather than 10 CFR 74.31) and the licensee was notified of this error. The submittal also provides an attachment, consisting of a listing of revisions by chapter, the revised table of contents, and revisions to Chapters 1, 3, 4, and 5, which the licensee requests be withheld from public disclosure pursuant to 10 CFR 2.390(d), .

The FNMC Plan changes are summarized as follows:

#### **Table of Contents**

The changes correctly reflect the new page changes resulting from the changes to the body of the FNMC Plan.

Chapter 1 Contents of the Fundamental Nuclear Material Control Plan

The two minor changes reflect "bookkeeping" changes that remove references to the Annex, which has not been a part of the FNMC Plan for some time.

Enclosure 2

# <u>Chapter 3</u> Management Structure

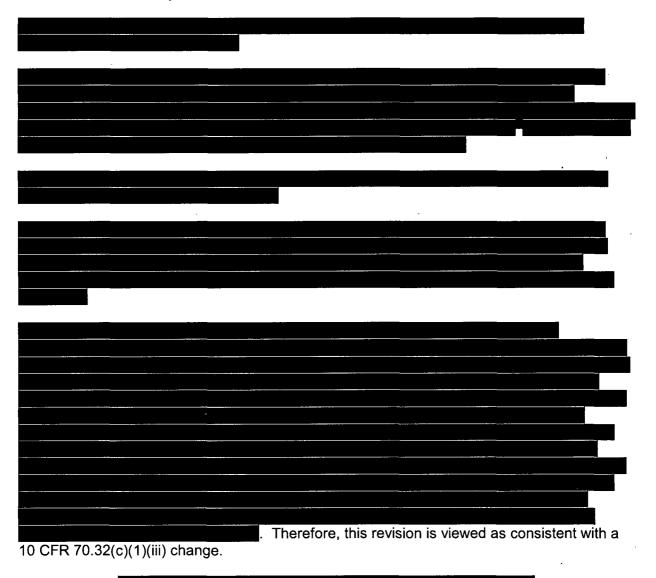
The two changes provide additional information with respect to the MC&A manager position.

### <u>Chapter 4</u> MC&A Measurements

The two changes provide additional information with respect to certain MC&A measurements.

# <u>Chapter 5</u> Physical Inventories

The final six changes are associated with physical inventories. Five of the changes are minor in scope and include the deletion of an obsolete table, and revisions that reference a critical procedure that is already listed in the FNMC Plan.



## **ENVIRONMENTAL REVIEW**

The staff has determined that the FNMC Plan revisions involve the safeguards plan and material accountability which are categorically excluded from the requirements to prepare a site-specific environmental assessment. Therefore, in accordance with 10 CFR 51.22(c)(12), neither an Environmental Assessment nor an Environmental Impact statement is warranted for this action.

#### CONCLUSION

Upon review of the revisions, the staff found that the changes are consistent with the regulatory requirements in Subpart C of 10 CFR Part 74 and the guidelines given in NUREG-1065 Rev. 2. The staff has determined that the changes to the facility's FNMC Plan are appropriate under 10 CFR 70.32(c)(1)(iii) and continue to provide an effective MC&A program at GNF-A. Accordingly, NRC staff recommend that Safeguards License Condition SG-1.1 of Materials License SNM-1097 should be amended to incorporate the revised FNMC Plan, to read as follows:

The licensee shall follow Chapters 1.0 through 9.0 of its Fundamental Nuclear Material Control Plan dated December 16, 1987, which has been partially revised as indicated by Revision 43 of Page 1 (dated July 7, 2005, and titled "Revisions by Chapter") of said Plan. This Plan may be further revised in accordance with, and pursuant to, the provisions of either 10 CFR 70.32(c)(1)(iii) or 70.34:

The NRC Region II staff has reviewed this evaluation and has no objection to this proposed action.

PRINCIPAL CONTRIBUTORS

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