

January 7, 2011

Mr. Scott Murray, Manager
GE Hitachi Nuclear Energy
Mail Code #84
3901 Castle Hayne Road
Wilmington, NC 28401

SUBJECT: PUBLIC MEETING TO DISCUSS THE RENEWAL APPLICATION OF SPECIAL
NUCLEAR MATERIAL LICENSE SNM-960: GE-HITACHI VALLECITOS FACILITY

Dear Mr. Murray:

In your letter dated December 17, 2010, you proposed an alternative to the staff's request that you provide a revised license renewal application to the U.S. Nuclear Regulatory Commission (NRC) by December 29, 2010. Your alternative proposed that the NRC hold in abeyance its request for a revised renewal application until after a public meeting is conducted to discuss the GE-Hitachi (GEH) Vallecitos Nuclear Center renewal application. In your December 22, 2010, letter you clarified your intent to submit a revised license renewal application within 60 days from the date of the public meeting.

The NRC staff is granting your request in part. Rather than granting an extension of up to 60 days from the date of the public meeting, your revised license renewal application is due on February 28, 2011. Consistent with our policy of providing advance notice of public meetings, the staff will schedule a 1-day public meeting to be held during the last week of January to discuss renewal application revision issues. The NRC requests that GEH submit its handout materials two weeks prior to the date of the meeting, so the staff can be prepared to discuss any matters you plan to raise.

As you know, over the past 20 months the NRC staff has discussed the license renewal application with GEH on several occasions, and has conducted two public meetings with GEH with the objective of obtaining a GEH license renewal application that can be docketed for detailed technical review. But the NRC has yet to receive from GEH a license renewal application that addresses the minimum regulatory requirements.

Given the lack of progress to date, if your revised license renewal application remains deficient, the staff will consider whether enforcement action is appropriate.

In accordance with Title 10 of the Code of Federal Regulations 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of the NRC's Agencywide Document Access Management System (ADAMS). ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html>. If you have any questions regarding this matter, please contact Christopher Ryder of my staff at 301-492-3189 or via e-mail at Christopher.Ryder@nrc.gov.

Sincerely,

/RA/

Brian W. Smith, Acting Deputy Director
Fuel Facility Licensing Directorate
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

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Sincerely,

Brian W. Smith, Acting Deputy Director
 Fuel Facility Licensing Directorate
 Division of Fuel Cycle Safety
 and Safeguards
 Office of Nuclear Material Safety
 and Safeguards

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