

SUBJECT: Safeguards Evaluation Report Global Nuclear Fuel-Americas (GNF-A) LLC, Wilmington, NC. Docket No: 70-1113, License No: SNM-1097, Fixed Site and In-Transit Physical Protection Plan for Protection of Category III Low Enriched Uranium, Revision 9, Dated April 6, 2009, hereafter referred to as the Physical Security Plan (PSP). (TAC L33003)

## **BACKGROUND**

By letter dated July 12, 2010, GNF-A submitted a request for a license amendment to increase possession limits of SNM. Additionally, the staff reviewed the PSP to ensure that it addresses current regulations.

On January 3, 2011, NRC Staff issued a Request for Additional Information (RAI). The RAIs focused on elements of the Transportation Security Plan (TSP). The TSP was not in compliance with the current regulations with regards to event notification, shipment notification, and conducting trace investigations in a timely manner.

By letter dated February 4, 2011, GNF-A provided responses to the RAI in the form of Revision 10 to the PSP.

## **REGULATION**

### **Fixed Site Security:**

Title 10 of the *Code of Federal Regulations* (10 CFR) 73.67, fixed site and in-transit requirements for the physical protection of special nuclear material of moderate and low strategic significance.

## **REGULATORY GUIDANCE**

Regulatory Guide (RG) 5.59, "Standard Format and Content for a Licensee Physical Security Plan for the Protection of Special Nuclear Material of Moderate or Low Strategic Significance" (1983)

NRC Regulatory Issue Summary 2005-22, "Requirements for the Physical Protection During Transportation of Special Nuclear Material of Moderate and Low Strategic Significance: 10 CFR Part 73 vs. Regulatory Guide 5.59 (1983)" (2005)

## **ACTION REQUESTED**

The Office of Nuclear Material Safety and Safeguards (NMSS) requested that the NSIR staff

- (1) Review the license application to confirm whether changes are necessary to GNF-A PSP.
- (2) Review license amendment application to determine whether the 2005 security order does or does not continue to be adequate; and
- (3) Provide details of any concerns or issues from your review, or provide input to safety evaluation report for amendment.

## **DISCUSSION**

By letter dated July 12, 2010, GNF-A submitted a request for a license amendment to increase possession limits of SNM. The staff reviewed the PSP to ensure that it addresses current

regulations. Additionally the staff reviewed the Interim Compensatory Measures Order (ICMO) issued to GNF-A on February 6, 2003 and determined that it was still in effect and adequate.

On January 3, 2011, NRC Staff issued a Request for Additional Information (RAI). The RAIs focused on elements of the Transportation Security Plan (TSP). The TSP was not in compliance with the current regulations with regards to event notification shipment notification, and conducting trace investigations in a timely manner.

By letter dated February 4, 2011, GNF-A submitted PSP Revision 10, which incorporated the responses to the RAI. The PSP also included the transportation security plan (TSP). The PSP and TSP were reviewed to ensure the licensee has an acceptable understanding of the security requirements outlined in 10 CFR Part 73 and committed to implementing the general performance objectives of 10 CFR 73.67(a), the specific fixed site and in-transit security requirements of 10 CFR 73.67(c), (f), (g), and other applicable requirements set forth in § 73 and 74.

The PSP was reviewed to ensure the licensee committed to ensuring that SNM will be stored only in a CAA, monitored by an intrusion detection system or other approved procedures, will have guard force and offsite response force available to respond to unauthorized penetrations or activities, establish and maintain response procedures for dealing with threats of theft or theft of SNM, and reporting safeguards events as required by regulation.

The TSP was reviewed to ensure that the licensee committed to providing advance notification, receiving confirmation from receiver prior to shipping material, providing in-transit security, transport the material in tamper indicating sealed containers, verifying the integrity of seals on shipments received, notifying shipper of receipt of shipment, and implementing the proper reporting and investigations in the event of lost or unaccounted for.

## **CONCLUSIONS**

The U.S. Nuclear Regulatory Commission (NRC) staff's review of the licensee's Physical Security Plan (PSP) for the protection of Special Nuclear Materials (SNM) of Low Strategic Significance (LSS) contains information that has been marked as "Safeguards Information" by the licensee, pursuant to 10 CFR 2.390. NRC staff reviewed the licensee's PSP. The methods and procedures outlined in the PSP satisfy the performance objectives, systems capabilities, and reporting requirements specified in 10 CFR 73.67 and 73.71. The PSP for the facility is acceptable and provides reasonable assurance that the requirements for the physical protection of SNM-LSS will be met.

The U.S. Nuclear Regulatory Commission (NRC) staff's review of the licensee's Transportation Security Plan (TSP) for the Transportation of Special Nuclear Material (SNM) of Low Strategic Significance (LSS) contains information that has been marked as "Safeguards Information" by the licensee, pursuant to 10 CFR 2.390. NRC staff reviewed the licensee's PSP for SNM-LSS shipments originating from, or arriving at, the facility. The approaches and procedures outlined in the TSP satisfy the performance objectives, systems capabilities, and event and advance notification requirements specified in 10 CFR 73.67(a), 73.67(f)(g)(1)-(5), 73.71, 73.73, and 73.74.

NRC staff has concluded that the facility PSP is acceptable and provides reasonable assurance that the requirements for the physical protection of SNM-LSS in transit will be met.

The staff concludes that revision 10 to the PSP which includes the Transportation Security Plan submitted by letter dated February 4, 2011, provides reasonable assurance that the 10 CFR 73.67 requirements for the protection of Category III special nuclear material will be met and recommends that it be approved.

**PRINCIPAL CONTRIBUTOR**

Barry L. Wray