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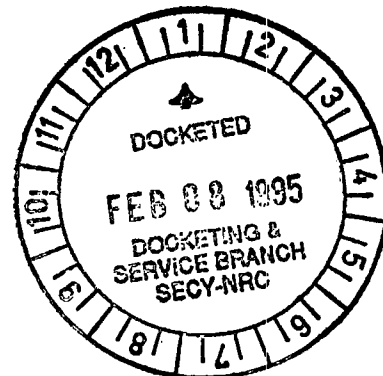
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FILE NO. 13292.001

February 8, 1995

VIA TELECOPIER: (301)415-5599

Administrative Judge James P. Gleason, Chairman  
Administrative Judge Jerry R. Kline  
Administrative Judge G. Paul Bollwerk, III  
Administrative Judge Thomas D. Murphy  
Atomic Safety and Licensing Board Panel  
Mail Stop: EW-439  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555



RE: In re: Sequoyah Fuels Corporation and General  
Atomics; Docket No. 40-8027-EA

Dear Members of the Atomic Safety and Licensing Board:

Late on the afternoon of Friday, February 3, 1995, the NRC Staff Counsel telecopied to me a copy of the Staff's Supplement to Oral Argument Regarding Motion for Protective Order. Unfortunately, pages were missing from the document. A complete copy was received in the mail yesterday.

In its Supplement, the Staff has advanced several arguments with which General Atomics strongly disagrees. Rather than filing yet another pleading on the issue of the Proposed Protective Order, General Atomics respectfully submits the following for the Board's consideration.

1. Contrary to the statement in the Supplement, General Atomics has not "acceded to" and does not consent to the "procedural jurisdiction" or any other jurisdiction of the NRC with respect to the matters which are the subject of this proceeding. General Atomics is participating in this proceeding solely for the limited purpose and to the extent necessary to defend itself and to challenge the arbitrary Order of October 15, 1993 by which the Commission is unlawfully exercising jurisdiction over General Atomics.

2. The Staff's suggestion that "any delay," including one of as little as 24 hours, "could harm a potential investigation" is unreasonable on its face. If the Staff's position is adopted by

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U.S. NUCLEAR REGULATORY COMMISSION  
DOCKETING & SERVICE SECTION  
OFFICE OF THE SECRETARY  
OF THE COMMISSION

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Administrative Judge James P. Gleason, Chairman  
February 8, 1995  
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the Board, an agency of the government will have totally unfettered discretion to arbitrarily provide sensitive, proprietary commercial information regarding General Atomics to people unconnected with the proceeding in which it was obtained -- a proceeding which is itself under challenge by General Atomics.

3. No charge of any form of wrong-doing or improper conduct has been made against General Atomics.

4. For the purposes of the matters which are the subject of this proceeding, General Atomics is not a licensee of the NRC.

5. Any decision by the Board that discovery materials obtained from General Atomics may be used by the NRC Staff for purposes unrelated to this proceeding, including General Atomics' challenge to the jurisdiction of the NRC, would necessarily and inevitably involve a premature decision by the Board -- without the benefit of an evidentiary or other hearing -- on the fundamental question of the NRC's jurisdiction over non-licensees which are not charged with wrongful conduct.

6. The presiding officer of the Board has the duty to conduct a fair and impartial hearing according to law and he has all powers necessary to those ends, including the powers to regulate the course of the hearing and the conduct of the participants, to dispose of procedural requests or similar matters, and to take any other action consistent with the law. 10 C.F.R. § 2.718(e), (f), (m).

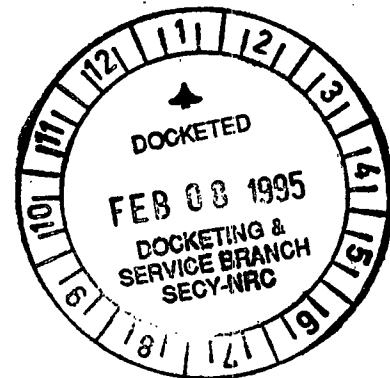
Sincerely,



Stephen M. Duncan

/mp

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION  
ATOMIC SAFETY AND LICENSING BOARD



In the Matter of )  
 )  
SEQUOYAH FUELS CORPORATION ) Docket No. 40-8027-EA  
and GENERAL ATOMICS )  
 )  
(Gore, Oklahoma Site ) February 8, 1995  
Decommissioning and Funding) )

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Letter from Stephen M. Duncan, Counsel for General Atomics, to Administrative Judges James P. Gleason, Chairman, Jerry R. Kline, G. Paul Bollwerk, III, and Thomas D. Murphy, was served on February 8, 1995, upon the following persons by deposit in the United States mail, first class postage prepaid and properly addressed, and to those persons marked with an asterisk (\*) by telecopy:

Office of the Secretary \*  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555  
Attention: Docketing & Service Branch  
(Original and two copies)

Office of Commission Appellate Adjudication \*  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

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Washington, D.C. 20555

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Dated this February 8, 1995.

  
\_\_\_\_\_  
Stephen M. Duncan

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Counsel for General Atomics