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SAFETY EVALUATION REPORT
DOCKET NUMBER: 07000754
LICENSE NUMBER: SNM-960
LICENSEE: GE Hitachi Nuclear Energy
Vallecitos Nuclear Center
6705 Vallecitos Rd
Sunol, CA 94586
SUBJECT: AMENDMENT 1 TO SPECIAL NUCLEAR MATERIALS LICENSE
NUMBER 960 – APPROVAL OF CHANGE TO SAFEGUARDS
CONDITION-1.1 – COST ACTIVITY CODE/ENTERPRISE
PROJECT IDENTIFIER 000225/07000754/L-2019-SPR-0003

1.0 BACKGROUND

By letter dated March 20, 2019 (Agencywide Documents Access and Management System [ADAMS] Accession Number ML19079A195), the General Electric-Hitachi (GEH) Vallecitos Nuclear Center (VNC) requested the U.S. Nuclear Regulatory Commission (NRC) to amend Safeguards Condition 1.1 (SG-1.1) of special nuclear materials license SNM-960 to add the statement "...and as it may be further revised in accordance with the provisions of 70.32(e)."

During a March 6, 2019, conference call with NRC staff (ADAMS ML19093B339), GEH stated that the additional language in SG-1.1 was needed to clarify that GEH is allowed to make changes or revisions to the Commission-approved Physical Security Plan (PSP), without prior approval, provided that the changes do not decrease the effectiveness of the PSP in accordance with the provisions in Title 10 of the *Code of Federal Regulations* (10 CFR), Paragraph 70.32(e).

2.0 REGULATORY REQUIREMENTS

The regulation in 10 CFR 70.32(e) states that the licensee shall make no change which would decrease the effectiveness of a security plan prepared pursuant to 10 CFR 70.22(h), 70.22(k), or 73.20(c) without the prior approval of the Commission. A licensee desiring to make such a change shall submit an application for an amendment to its license pursuant to 10 CFR Section 70.34. The licensee shall maintain records of changes to the plan made without prior Commission approval, for 3 years from the effective date of the change, and shall, within 2 months after the change is made, furnish a report containing a description of each change to the Director, Office of Nuclear Material Safety and Safeguards; the report may be sent using an appropriate method listed in 10 CFR 70.5(a), and a copy of the report must be sent to the appropriate NRC Regional Office shown in Appendix A to 10 CFR Part 73.

Confirmatory Order (CO) EA-14-144 dated April 22, 2015 (ADAMS ML15076A513 - Public Version), establishes the site specific physical security requirements for the VNC. The CO is classified as Safeguards Information and, therefore, the specific information contained within is not discussed in this report.

Enclosure

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3.0 STAFF EVALUATION

GEH Request to Amend SG-1.1 of SNM-960

The NRC staff evaluated the requirements in Condition SG-1.1 of SNM-960 to determine whether the requested clarification statement was necessary. The NRC staff noted that Condition SG-1.1 states the following:

“The licensee is authorized to possess or use, at the Vallecitos Nuclear Center, special nuclear material in the quantities specified in Conditions 6, 7, and 8, above, in accordance with the Physical Security Plan dated March 21, 2016, as approved by the Commission. The licensee shall maintain and follow the Physical Security Plan in accordance with Confirmatory Order EA-14-144, dated April 22, 2015.”

The NRC staff found that the Condition was revised as a result of its evaluation of GEH’s PSP dated March 21, 2016 (ADAMS ML16117A560), and submitted as part of GEH’s final revision of its license renewal application (ADAMS ML16057A710 - dated February 26, 2016). The NRC staff evaluation of the PSP determined that the methods and procedures outlined within satisfied all the requirements specified in the CO and, as such, the PSP was approved.

The NRC staff also reviewed the requirements in 10 CFR Paragraph 70.32(e) to determine whether the inclusion of GEH’s suggested statement would create a conflict between those requirements and the requirements established in the CO. The NRC staff determined that there is no conflict. Additionally, any change resulting in a failure to comply with the requirements in the CO would constitute a decrease in effectiveness and such changes would require prior approval of the Commission under 10 CFR 70.32(e).

Minor revisions to the SNM-960 license conditions

During the evaluation of GEH’s license amendment request, the NRC staff noted that minor corrections and administrative changes were necessary for some of the conditions in both, public and non-public, versions of the SNM-960 license. The NRC staff determined that the changes were necessary for the consistency and clarity of the information throughout the documents. The proposed changes were provided to the licensee via electronic communication dated May 8, 2019, for review and comments. On May 16, 2019, the licensee provided their concurrence with the NRC staff’s additional changes (see ADAMS Accession Number ML19136A339).

4.0 ENVIRONMENTAL REVIEW

The NRC staff reviewed the information provided by GEH and determined that the proposed amendment meets the requirements for a categorical exclusion pursuant to 10 CFR 51.22, “Criterion for categorical exclusion; identification of licensing and regulatory actions eligible for categorical exclusion or otherwise not requiring environmental review.” Specifically, 10 CFR 51.22(c)(10) states:

(c) The following categories of actions are categorical exclusions:

...(10) Issuance of an amendment to a permit or license issued under this chapter which –

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...(v) Changes the format of the license or permit or otherwise makes editorial, corrective or other minor revisions, including the updating of NRC approved references.

The NRC staff determined that the licensee's requested amendment makes editorial, corrective, or other minor revisions to a condition of SNM-960. Therefore, the proposed action is categorically excluded under 10 CFR 51.22(c)(10)(v) and, as such, neither an environmental assessment, nor an environmental impact statement is warranted for this action.

5.0 CONCLUSION

Based on the review of the information provided by the licensee, and as discussed above, the NRC staff finds that the licensee's requested amendment to revise Condition SG-1.1 is acceptable. This amendment does not decrease the effectiveness of the VNC's PSP which provides reasonable assurance that the public health and safety and the environment will continue to be adequately protected. Therefore, the NRC staff recommends that SNM-960 be amended by revising Condition SG-1.1 as follows:

SG-1.1: The licensee is authorized to possess or use special nuclear material at the Vallecitos Nuclear Center in accordance with the Physical Security Plan dated March 21, 2016, as approved by the Commission and as it may be further revised in accordance with the provisions of 10 CFR Paragraph 70.32(e). The licensee shall maintain and follow the Physical Security Plan in accordance with Confirmatory Order EA-14-144, dated April 22, 2015.

All other SNM-960 license conditions remain in effect and unchanged. As discussed above, the administrative/editorial corrections made to the conditions of the public and non-public versions of the SNM-960 license are only for consistency and clarity of the information throughout the documents and do not alter the requirements established within.

6.0 PRINCIPAL CONTRIBUTORS

O. Siurano-Perez, NMSS
R. Stone, NSIR