

DCS

JUN 21 1979

SGML:RLJ
70-1113

NOTE TO: Jim Partlow
 FROM: Ray Jackson
 THRU: Ron Brightsen
 SUBJECT: EVALUATION OF GE-WILMINGTON'S REQUEST TO (1) DELAY IMPLEMENTING CERTAIN SECTIONS OF THEIR 70.57 PLAN AND (2) REVISION OF CURRENT LICENSE CONDITION 2.1

- (1) The licensee in his letters dated May 29 and June 1, 1979 requested that time extensions beyond the June 3, 1979 implementation date of the 70.57 Plan be granted for seven specific program requirements. These program requirements are as required by 10 CFR 70.57 and/or license conditions issued as a result of our review identifying deficiencies in the Plan.

It is apparent, after our discussions with the licensees at the May 31, 1979 meeting held here and as a result of reviewing Attachments 1 and 2 of their May 29 and June 1, 1979 submittals, that much of the procedures have already been implemented and the balance being worked on. The requested delay is a matter of allowing additional time for the procedures to be fully implemented.

This reviewer believes the licensee has been forthright in his attempt to effectuate his Material Measurement Control Plan and that the granting of the request will not adversely effect the Safeguards program at GE-Wilmington. I urge approval of new License Condition 2.1.1 as found in the attached rough draft letter.

- (2) The GE-Wilmington letter of March 13, 1979 requests that License Condition 2.1 be revised to include specific reference to Appendix C of their FNMC Plan to ensure compliance with License Condition 2.2, i.e.,

"No statement in the licensee's Plan shall relieve the licensee of a requirement of 10 CFR Part 70 unless granted in a specific exemption or exception set forth as a condition of this license."

Appendix C contains previously reviewed and approved descriptions of alternative safeguards systems for meeting regulatory requirements. License Condition 2.1 which was effective prior to the revision,

made as a result of the 70.57 Plan review, read as follows:

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"The licensee shall follow the Fundamental Nuclear Material Control Plan dated January 24, 1975 and as revised according to the schedule of pages dated May 19, 1978 attached to his letter dated June 9, 1978; the pages dated September 19, 1978 (Chapter 6.0) attached to his letter of September 25, 1978, with the exception of those pages listed as Demonstration, and with the exceptions noted below, and as amended in accordance with the provisions of 10 CFR 70.32(c).

- a. Chapter 4.0
- b. Appendices A, B, and D."

This version implied that Appendix C was a valid - enforceable part of the FNMC. No problem with the wording existed until Dean James, GE Internal Auditor, felt the condition was in conflict with the previously stated License Condition 2.2 in that Appendix C was not specifically mentioned as containing acceptable alternative safeguards systems for meeting regulatory requirements.

Revised License Condition 2.1, issued May 4, 1979 as a result of incorporating Chapter 4.0 (Measurement Control) into the FNMC, reads as follows:

"The licensee shall follow the Fundamental Nuclear Material Control Plan dated as specified on pages xix through xxvi dated April 25, 1979 except Appendix A; and as revised in accordance with the provisions of 10 CFR 70.32(c)."

Again, no specific mention is made of Appendix C. Dean James, GE Internal Auditor, brought the matter to the attention of GE personnel once again. After a re-review and reanalysis, MCL staff members agreed there could be a conflict with existing License Condition 2.2. Hence, the revision of License Condition 2.1 is as stated in the attached rough-draft letter. I urge approval of the revised condition.

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Ray Jackson

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