

PDR 70-734

GENERAL ATOMIC COMPANY
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July 2, 1979

In Reply
Refer To: SHP-1076

Mr. G. W. McCorkle, Chief
Physical Security, Licensing Branch
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Subject: Transportation of Formula Quantity SNM Under 10 CFR 73 Conditions.

- Reference:
- (a) SNM-696; Docket 70-734; MPP-1 Section 10.
 - (b) Transnuclear Physical Protection and Contingency Plans.
 - (c) TRI-State Motor Inc. Physical Protection and Contingency Plans.
 - (d) TRI-State Guard Training & Qualification Plans.

Dear Mr. McCorkle:

General Atomic Company is planning to receive a formula quantity shipment of HLU on or about July 30, 1979. The shipment is FOB the supplier facility and will require physical protection pursuant to 10 CFR 73. We request your approval of our plans to implement the intended 10 CFR 73 physical protection for such material in transit. In essence our plan is to have:

- (1) TRI-State provide the transport services, including transporters, and escort vehicles as well as the armed guard escorts as stipulated in their approved plan.
- (2) Transnuclear will coordinate the planning and details of the shipment to assure GAC and NRC that all requirements of 10 CFR 73.30 through 36, and 73.70 are met.
- (3) General Atomic Co., in conjunction with TRI-State and Transnuclear, will be responsible for compliance with 10 CFR 73.71.
- (4) General Atomic will assure that advance notifications required by 10 CFR 73.72 are given either by GAC or its agent Transnuclear.

General Atomic Company's approved plan for the physical protection of in-transit SNM (section 2.2(a)) allows us to utilize the services of a carrier who has an approved plan. Within such practice, the remaining portions of the plan applicable to a private carriage by GAC are not used.

FEE EXEMPT

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*info - no fee
containing
see 7/13/79*

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General Atomic Company has not submitted a transit contingency plan since we do not contemplate the transport of formula quantity of SNM. Rather, on those infrequent events, where we are involved as the consignee, we plan to engage carriers or freight forwarders who specialize in these shipments and have Commission approved plans.

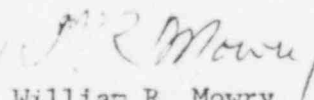
Recently the Commission has in 10 CFR 70.20(a) issued a general license to persons who possess SNM in transit. We understand the Commission has approved the TRI-State and Transnuclear security plans (both physical security and contingency plans) which fulfill the 10 CFR 73 requirements for the physical protection of in-transit SNM. These plans specify the interactions between the carrier, NRC and the consignor or consignee and assure the NRC will be notified of any interruption in the shipping schedule. ✓

Notwithstanding the general license issued under 10 CFR 70.20(a), we understand that General Atomic Company is responsible for causing the shipment. Accordingly, our direct interest in the shipment mandates that we have prior knowledge of the detailed shipping plans and any unscheduled events during the shipment. GAC has established contact points to appropriately receive such notifications.

Based upon our understanding of the regulation, we do not believe that General Atomic Company is required to submit an in-transit contingency plan for shipping arrangements of this type where others having such plans are licensed to transport and protect SNM. Please confirm our understanding. We strongly believe that your confirmation will promote the needed physical protection for the SNM while minimizing the redundancy and overlapping administration of the shipment. In addition to the above, please also confirm your intent that our generic license condition 10.3.1 (Audits) need not be performed where shipments such as these are accomplished on a sporadic, infrequent, probably one time, basis.

We would appreciate your confirmation of our understanding and approval of our basic plans for such SNM shipments no later than July 20, 1979.

Very truly yours,



William R. Mowry
Licensing Administrator
Nuclear Materials Control Division

WRM:hcs

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