NUCLEAR ENERGY

ENGINEERING

DIVISION

LPDR

GENERAL ELECTRIC COMPANY, P.O. BOX 460, PLEASANTON, CALIFORNIA 94566

June 20, 1980

Mr. Donald J. Kasun
Physical Security Licensing Branch
Division of Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Washington, D.C. 20555

Ref: Telephone Conversation, G. E. Cunningham to D. J. Kasum, 6/17/80

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Dear Mr. Ka un:

This letter is to confirm my understanding of your interpretation of 10CFR73 that we discussed in our conversation of June 17, 1980 (Ref. 1). That understanding is that a site licensed to possess quantities of SNM requiring physical security may possess and use SNM outside secured areas provided the total quantity of SNM involved is less than a "low strategic significance" quantity (10CFR73.2(y)).

If I am incorrect in any way in this interpretation, please let me know. Thank you very much for your help in this matter.

Sincerely,

D.E.C\_

G. E. Cunningham

Senior Licensing Engineer

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needs response

Applicant.
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