

AUG 20 1980

SGPL:RRR
70-734

Mr. H. N. Wellhouser, Director
Nuclear Materials Control Division
General Atomic Company
P.O. Box 81608
San Diego, California 92133

Dear Mr. Wellhouser:

Your letter of August 1, 1980, has been reviewed in detail and I am responding to it for the purpose of clarifying a few issues relative to the implementation of security programs to meet the intent of the Upgrade Rule.

As we discussed in my office on July 15, 1980 and as later confirmed in my letter to you of July 17, 1980, the deferral of plan submittals does not in any way imply approval of a corresponding deferral in the implementation of upgraded security measures.

Your most recent letter refers to possible delays that might be anticipated resulting from the need for new construction or structural modification. The new regulation anticipated that problems could arise in this connection and included allowances for such situations. In this connection, please note that 73.20(c)(1) & (2) contain details relative to implementing new security programs. In short, we will expect that GAC will have in place measures to meet the Upgrade Rule on March 20, 1981 or 90 days after security plan approval, whichever is later. If new construction or significant modification is involved, however, then those portions of the plan dependent on those actions need not be implemented until September 15, 1981 or 180 days after plan approval, whichever is later. In the absence of any specific information that might impact on such a schedule, it would appear that the regulation provides a reasonable degree of flexibility for implementation of your upgraded security system. We fully recognize that unanticipated events such as major strikes and nonavailability of certain items of hardware might impact on the capability of a licensee to meet these target dates. Adjustments in the dates will be considered upon request on an individual basis.

Once again as we discussed in my office in July, the application of measures to meet the intent of the Upgrade Rule must meet the level of protection required by the Rule by the programmed implementation date or dates.

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As always, members of my staff stand ready to provide assistance as appropriate during this transition period.

Sincerely,

Robert F. Burnett

Robert F. Burnett, Director
Division of Safeguards, NMSS

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