

UNC1215W/1

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*CW Smith
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UNC Naval Products
Division of UNC Resources, Inc.
ATTN: Mr. Richard J. Gigliotti
Corporate Security Director
67 Sandy Desert Road
Uncasville, Connecticut 06382-0981

Dear Mr. Gigliotti:

This is in response to your letters of June 12, November 1, and December 15, 1989 which forwarded Revisions 9A, 9B, and 9C, respectively, to your UNC Physical Safeguards Plan pursuant to the 10 CFR 73.46 Comparability Upgrade requirements of November 10, 1988.

We have reviewed your proposed physical security plan submittals. Except for the issues discussed in Enclosure Number 1, regarding the searching of packages and the documentation of your tactical exercise program, we find your submittals acceptable in meeting the provisions of Section 73.46. Accordingly, we are hereby revising and reissuing the physical security portion of the Safeguards Amendment, designated as SG-2, to your License SNM-368, as reflected in Enclosure 2, effective upon receipt of this letter. The unresolved issues (Enclosure 1) will be addressed in future correspondence.

Please note that the current license conditions 9.2, 9.3, 9.4, 9.4a, 9.5, 9.6, and 9.7 are no longer effective and are hereby withdrawn. In addition, the unnumbered license condition issued by our letter of December 23, 1986 is hereby redesignated as license condition 9.2, effective immediately. Enclosure 2 constitutes the entire license amendment for special nuclear materials Section 9.0 entitled "Physical Protection Requirements For Strategic Special Nuclear Material."

During our review of your Comparability Upgrade Proposal, we determined that your currently approved physical security plan does not fully satisfy the requirements of 10 CFR 73.46 in areas not related to the comparability upgrade. These items, which were identified in our letter of September 11, 1989, will be the subject of forthcoming licensing actions.

In a separate matter it is requested you notify Region I at least two weeks prior to conducting each Tactical Response Team and guard exercise.

Sincerely,

D. J. Kasun, Acting Chief
Domestic Safeguards and
Regional Oversight Branch
Division of Safeguards
and Transportation, NMSS

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Enclosures: *Region comments included in revision CEB*
As stated

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OGC (Tommas) was advised of this printed approval.

*DFB
1/1*

Docket No. 70-371
Licens No. SNM-368
Amendaent 86-2

UNC Comparability Open Items

- 1). Identify, verify, and search all packages entering the protected area in accordance with 10 CFR 73.46(d)(6) for explosives and contraband using visual, x-ray and/or explosive detectors.
- 2). Search all packages prior to entering a material access area for firearms, explosives, and incendiary devices in accordance with 10 CFR 73.46(d)(9).
- 3). Provide detailed documentation incorporating planning, scenarios, evaluation, and critiques of drills and exercises using NRC guidance documents or equivalent. (Within 60 days)

ENCLOSURE 1

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D. J. Kasun, Acting Chief
Domestic Safeguards and
Regional Oversight Branch
Division of Safeguards
and Transportation, NMSS

Enclosures:
As stated

*Region comment included
in revision CRB*

SGDB	SGDB	SGDB
CGaskin:pag	ESuarez	DKasun
1/31/90	1/ /90	1/31/90

*OGC (Tommas)
was advised of this
final approval.*

Docket No. 70-371
Licens No. SNM-36B
Amendment 96-2

UNC Comparability Open Items

- 1). Identify, verify, and search all packages entering the protected area in accordance with 10 CFR 73.46(d)(6) for explosives and contraband using visual, x-ray and/or explosive detectors.
- 2). Search all packages prior to entering a material access area for firearms, explosives, and incendiary devices in accordance with 10 CFR 73.46(d)(9).
- 3). Provide detailed documentation incorporating planning, scenarios, evaluation, and critiques of drills and exercises using NRC guidance documents or equivalent. (Within 60 days)

Docket No. 70-371
License No. SNM-368
Amendment SG-2

9.0 Physical Protection Requirements For Strategic Special Nuclear Material
(See attachment for a listing of approved revisions)

- 9.1.A The licensee shall follow the physical protection plan entitled "UNC-Naval Products Physical Protection Plan, Revisions 9A, 9B, and 9C," dated June 12, November 1, and December 15, 1989, respectively, and as further revised in accordance with 10 CFR 70.32(e).
- 9.1.B The licensee shall follow the safeguards contingency plan titled "UNC-NPD Safeguards Contingency Plan (Rev.0)," dated September 19, 1978, as revised by Revision 1, dated May 15, 1979; and as further revised in accordance with the provisions of 10 CFR 70.32(g).
- 9.1.C The licensee shall follow the guard training and qualification plan titled "UNC-NPD Training and Qualification Plan Revision 4", dated September 14, 1989; and as further revised in accordance with the provisions of 10 CFR Part 70.32(e).
- 9.2 Notwithstanding that portion of 10 CFR 11.11(b)(1)(ii) which specifies that applications be submitted to and pending before the NRC, the licensee may allow individuals to work at jobs within the criteria of paragraph 11.11(a)(1), provided such individuals are currently in possession of the NRC-L or R access authorization or an equivalent current security clearance granted by another Federal agency but not yet in receipt of the NRC-U SNM access authorization; and provided that each of them has a complete application for a DOE O access authorization which has been submitted to and is pending through the U. S. Department of Energy.

Docket No. 70-371
License No. SNM-368
Amendment SG-2

SECTION 9.0

List of approved revisions

UNC Physical Security Plan

Revision 9A	reissue dated June 12, 1989.
Revision 9B	dated November 1, 1989.
Revision 9C	dated December 15, 1989.

UNC-NPD Safeguards Contingency Plan

Revision 0	dated September 19, 1978.
Revision 1	dated May 15, 1979.

UNC-NPD Training and Qualification Plan

Revision 4	dated September 14, 1989.
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ATTACHMENT