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General Atomic Company
ATTN: Mr. W. R. Mowry
Licensing Administrator
Nuclear Materials Control Division
P. O. Box 81608
San Diego, California 92138

Gentlemen:

Reference is made to your letter (696-3057) dated February 26, 1982 regarding safeguards measures to be provided during the conduct at your facility of the LANL/NRC Holdup Measurement Program. Reference is also made to your existing (interim) Modified Safeguards Plan for the period August 31, 1981 to August 31, 1982 and your proposed plan, "Fixed Site and Transportation Plan for the Protection of Special Nuclear Material of Moderate and Low Strategic Significance," dated October 1981.

From your most recent letter, we understand that you propose to provide physical protection during the Measurement Program in accordance with the requirements of 10 CFR 73.67(d). That is, certain measures of your current plan will respond to §73.67(d)(8), (9), and (11); Sections 3.1 through 3.5 of the proposed plan will respond to §73.67(d)(4), (5), (6), and (7); and the commitments in your letter (696-3057) and its Attachments 1 and 2 will respond to requirements of §73.67(d)(1), (2), and (3). We agree that these commitments are appropriate and acceptable. Moreover, although explicit measures to fulfill the requirement of §73.67(d)(10) are not identified, the general performance objective of that section is met by the commitment to the "two-man work concept" contained in your letter 696-3057. Therefore, we find your proposals relative to physical protection to be acceptable.

We also understand that it is your intention to follow the "Modified Safeguards Plan for the period August 31, 1981 to August 31, 1982" for most of the material control and accounting aspects of the LANL/NRC Holdup Measurement Program. The remainder of the material control and accounting will be provided by the commitments of your February 26, 1982 letter. However, approval of the inventory procedure proposed in that letter requires the granting of an exemption from 10 CFR 70.51(f)(3)(ii). Such an exemption is acceptable in view of the fact that the material will not change form and only small amounts will be removed as holdup material.

OFFICE ▶
SURNAME ▶
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We have determined that approving the proposed safeguards measures for the LANL/NRC Holdup Measurement Program and granting the aforementioned exemption from 10 CFR 70.51(f)(3)(ii) will not adversely affect the common defense and security nor the public health and safety and is otherwise in the public interest. Accordingly, we are hereby amending Materials and Plant Protection Amendment MPP-1 to your License No. SNM-696 by adding the following license conditions, effective upon receipt:

Notwithstanding 10 CFR 70.51(f)(3)(ii) which requires the measurement at inventory time of all material for which the validity of prior measurements has not been assured by tamper-safing, the licensee may follow the inventory procedure described in Attachment 1 of the letter dated February 26, 1982 for the material being used in the LANL/NRC Holdup Measurement Program.

In addition to currently effective commitments, the licensee shall follow Sections 3.1 through 3.5 of the proposed plan, "Fixed Site and Transportation Plan for the Protection of Special Nuclear Material of Moderate and Low Strategic Significance," dated October 1981 and the letter, 696-3057, dated February 26, 1982 including Attachments 1 and 2.

Sincerely,

Original Signed By:
L. J. Evans, Jr.

L. J. Evans, Jr., Chief
Fuel Facility Safeguards
   Licensing Branch
Division of Safeguards, NMSS

| OFFICE ▶ | SGFF | SGFF | SGFF | SGFF | | | |
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| SURNAME ▶ | DCarlson:ah | RRentschler | CNSmith | LJEvans, Jr. | | | |
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