

Ms. Laura S. H. Holgate, Director
Office of Fissile Materials Disposition
U.S. Department of Energy
MD-1, 1000 Independence Avenue, SW
Washington, D.C. 20585

SUBJECT: MOX FUEL FACILITY

Dear Ms. Holgate:

The U.S. Nuclear Regulatory Commission, Division of Fuel Cycle Safety and Safeguards, has begun review of requirements and approaches related to the anticipated Duke Cogema Stone & Webster license application for the proposed mixed oxide (MOX) fuel fabrication facility.

In the area of international safeguards, we are proceeding under the following assumptions:

- International Atomic Energy Agency (IAEA) verification activities will be applied to the MOX fuel fabrication facility. (To enable this, we assume that the verification costs will be funded by the U.S. government as is currently done for similar activities at facilities being inspected by the IAEA.)
- IAEA verification activities conducted at the MOX fuel fabrication facility will be similar to the activities applied under the US/IAEA safeguards agreement. (We recognize that the applicable safeguards agreement may be the US/IAEA safeguards agreement, or some other agreement, e.g. one developed under the Trilateral Initiative or under a plutonium disposition agreement with Russia.)

Please advise as to the reasonableness of these assumptions.

Your timely response would help facilitate the licensing process as well as the effective and efficient implementation of IAEA verification activities.

Sincerely,

Michael F. Weber, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

cc: M. Rosenthal, DOS
R. Stratford, DOS
K. Sanders, DOE
J. Nulton, DOE
J. Johnson, DOE

Ms. Laura S. H. Holgate, Director
Office of Fissile Materials Disposition
U.S. Department of Energy
MD-1, 1000 Independence Avenue, SW
Washington, D.C. 20585

SUBJECT: MOX FUEL FACILITY

Dear Ms. Holgate:

The U.S. Nuclear Regulatory Commission, Division of Fuel Cycle Safety and Safeguards, has begun review of requirements and approaches related to the anticipated Duke Cogema Stone & Webster license application for the proposed mixed oxide (MOX) fuel fabrication facility.

In the area of international safeguards, we are proceeding under the following assumptions:

- International Atomic Energy Agency (IAEA) verification activities will be applied to the MOX fuel fabrication facility. (To enable this, we assume that the verification costs will be funded by the U.S. government as is currently done for similar activities at facilities being inspected by the IAEA.)
- IAEA verification activities conducted at the MOX fuel fabrication facility will be similar to the activities applied under the US/IAEA safeguards agreement. (We recognize that the applicable safeguards agreement may be the US/IAEA safeguards agreement, or some other agreement, e.g. one developed under the Trilateral Initiative or under a plutonium disposition agreement with Russia.)

Please advise as to the reasonableness of these assumptions.

Your timely response would help facilitate the licensing process as well as the effective and efficient implementation of IAEA verification activities.

Sincerely,

Michael F. Weber, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

cc: M. Rosenthal, DOS
R. Stratford, DOS
K. Sanders, DOE
J. Nulton, DOE
J. Johnson, DOE

Distribution

NRC File Center LIB r/f FCSS r/f NMSS r/f

G:\lib\LHolgate,DOE.wpd

*See previous concurrence

OFFICE	LIB*	LIB*	LIB*	LIB*	FCSS	FCSS
NAME	MWilliams	APersinko	LRoché	TSherr	RPierson	MWeber
DATE	12/14 /99	12/ 16 /99	12/14 /99	12/14 /99	12/ /99	12/ /99