



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 16, 2003

Ms. Judy Mack
Vice President
Mandall Armor Design & MFG., Inc.
901 E. Madison Street
Phoenix, Arizona 85034

Dear Ms. Mack:

This letter is in response to your letter of May 13, 2003, and your e-mail of May 27, 2003, in which you requested that Mike Mandall and you be authorized access to safeguards information (SGI) and the new design basis threat statement that NRC controls as SGI.

Pursuant to 10 CFR 73.21(c)(1)(i), a "person" acting as a "contractor" for a power reactor licensee may have access to SGI provided that the person has a "need-to-know" and has undergone a Federal Bureau of Investigation (FBI) criminal history check in accordance with 10 CFR 73.57. Since the NRC has confirmed Mr. Mandall has a DOE "L" clearance and since you have a DOE "Q" clearance, no further criminal history check is required. However, NRC licensees make the need-to-know determination for their contractors, not the NRC. Therefore, Mr. Mandall and you cannot be authorized access to SGI until Mandall Armor enters into a contract with a reactor licensee. In addition, to satisfy the FBI criminal history check requirement, each licensee your company contracts with must contact the NRC directly to verify clearance levels for Mr. Mandall and you before the licensee can disclose SGI to the two of you.

Please thank Mr. Mandall for taking the time to speak to members of our Reactor Safeguards Oversight group last March regarding modern breaching technologies and Mandall Armor's barrier systems. The briefing was quite informative. If you have any questions regarding this matter, please contact J. Keith Everly of my staff at (301) 415-7048.

Sincerely,

/RA/

Ralph Way, Deputy Director
for Nuclear Security Operations
Division of Nuclear Security
Office of Nuclear Security
and Incident Response

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Sincerely,

(Original Signed by:)

Ralph Way, Deputy Director
for Nuclear Security Operations
Division of Nuclear Security
Office of Nuclear Security
and Incident Response

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