



OFFICE OF THE  
GENERAL COUNSEL

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

July 31, 2003

Thomas S. Moore, Chairman  
Administrative Judge  
U. S. Nuclear Regulatory Commission  
Atomic Safety and Licensing Board Panel  
Mail Stop: T-3F23  
Washington, D.C. 20555

Charles N. Kelber  
Administrative Judge  
U. S. Nuclear Regulatory Commission  
Atomic Safety and Licensing Board Panel  
Mail Stop: T-3F23  
Washington, D.C. 20555

Peter S. Lam  
Administrative Judge  
U. S. Nuclear Regulatory Commission  
Atomic Safety and Licensing Board Panel  
Mail Stop: T-3F23  
Washington, D.C. 20555

In the Matter of  
DUKE COGEMA STONE & WEBSTER (DCS)  
(Mixed Oxide (MOX) Fuel Fabrication Facility, Construction Authorization Request)  
Docket No. 70-3098-ML

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Dear Administrative Judges:

I am enclosing copies of a decontrolled cover letter, dated July 28, 2003, from the NRC's Robert Pierson to Peter Hastings of DCS, which transmitted classified information (the revised design basis threat and related interim compensatory measures for existing Category 1 fuel cycle facilities). The July 28 letter is relevant to an issue raised by the Board in its July 2, 2003 order, and pertains to a matter set for discussion in the upcoming August 5 oral presentation session. To avoid mail delays, I am also today sending facsimile copies of the decontrolled cover letter to counsel for GANE and DCS.

Sincerely,

A handwritten signature in dark ink, appearing to read "John T. Hull".  
John T. Hull  
Counsel for NRC Staff

Enclosure: As stated

cc w/encs: Donald J. Silverman, Esq.  
Glenn Carroll, GANE  
Louis A. Zeller, BREDL

Office of the Secretary  
Office of Commission Appellate Adjudication  
Diane Curran, Esq.



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

July 28, 2003

**CONFIDENTIAL**

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Mr. Peter Hastings  
Licensing Manager  
Duke Cogema Stone & Webster  
P.O. Box 31847  
Mail Code FC12A  
Charlotte, NC 28231-1847

**SUBJECT: DESIGN BASIS THREAT**

Dear Mr. Hastings:

This is to provide you with physical protection program information pertinent to the issuance of a license for the receipt and possession of special nuclear material at a mixed oxide fuel fabrication facility (MFFF). The existing regulations provide the physical protection and materials control and accounting requirements for a MFFF. The Commission has, though, by order, recently revised the design basis threat (DBT) for existing Category I fuel cycle facility licensees to address the current threat environment. The revised DBT for Category I fuel cycle facilities is enclosed for your information and general consideration. We are also including, for your information, the interim compensatory measures (ICMs) for Category I fuel cycle facilities that were also imposed by order. These documents are classified as **CONFIDENTIAL** and should be protected accordingly.

U.S. Nuclear Regulatory Commission regulations are, of course, subject to revision through rulemaking. The DBT and other requirements could be revised if a significant change in the threat environment has occurred, or the Commission determines that other changes are needed. We will endeavor to keep you informed of any proposed changes to the Commission's regulations or any changes to supplemental safeguards that become the subject of subsequent orders to future licensees.

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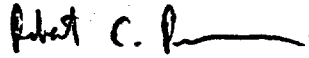
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P. Hastings

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If you have any questions, please contact Mr. Andrew Persinko at 301-415-6522.

Sincerely,



Robert C. Pierson, Director  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Enclosures: Category I Design Basis Threat  
(CONFIDENTIAL)  
Category I Interim Compensatory Measures  
(CONFIDENTIAL)

Docket No. 70-3098

cc: w/o Enclosure  
J. Johnson/DOE  
H. Porter/SC Dept. of HEC  
J. Conway/DNFSB  
L. Zeller/BREDL  
G. Carroll/GANE  
D. Curran/GANE  
D. Silverman/DCS

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