



General Electric Company
P.O. Box 780, Wilmington, NC 28402
(910) 675-5000

October 4, 1996

U.S. Nuclear Regulatory Commission
Document Control Desk
Washington, D.C. 20555-0001

Subject: REPLY TO NOTICE OF VIOLATION

References: (1) NRC License SNM-1097, Docket 70-1113
(2) NRC Inspection Report 70-1113/96-204 Dated 9/5/96

Thank you for your letter reporting the results of the inspection conducted at our licensed fuel fabrication plant by Mr. D. L. Whaley and S. R. Caudill of your office on August 5-9, 1996.

The inspection report comments and suggestions are helpful to us in our continuing efforts to improve our programs and ensure our compliance with NRC regulations and license conditions.

Pertaining to the items of apparent noncompliance with NRC requirements in your letter, the reply is given in the Attachment 1 to this letter.

Please contact T. P. Winslow on (910) 675-5461, if you have any questions or would like to discuss the matter further.

Sincerely,

GE NUCLEAR ENERGY

R. J. Reda, Manager
Fuels and Facility Licensing

/zb
attachment

cc: RJR-96-114
G. L. Troup - Region II
P. Ting - Headquarters

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ATTACHMENT 1

The information given below refers to the items in Enclosure 3, "Notice of Violation", in the NRC Inspection Report 70-1113/96-204 dated September 5, 1996.

Violation 96-204-02:

Section 6.2.6.2, "Tamper-Safe Seal Access," of the Fundamental Nuclear Material Control Plan (FNMCP) states the following:

Tamper-safe seals are locked in storage cabinets or rooms and remain secured until issued to a user. Each user is required to maintain tamper-safe seals in a secured area when unattended.

Contrary to the above, the licensee failed to maintain seals in a secured condition until issued to a user, in that inadequate key control was being maintained for the keys to the locks securing the seals. Those keys were not adequately secured to maintain appropriate controls.

This is a Severity level IV violation (Supplement III).

GE RESPONSE

The inadequate key security observed for personnel with authorized access to tamper indicating devices (TIDs) was the result of inadequate training to sensitize the personnel in maintaining a high level of security for the key associated with the locked TIDs. In the Bundle Assembly/Packing area, the TID padlocks were replaced with combination padlocks prior to the conclusion of the NRC inspection on 8/9/96 to preclude the need to rely on physical key control for multi-authorized individuals. With respect to the Powder Pack area, separate single individuals are assigned responsibility for each locked TIDs storage location. For all TID locations the personnel authorized for TID access have been instructed to maintain a high level of security by not providing the keys/combinations to non-authorized individuals, and to always maintain the combinations and/or keys in a secured manner that is not accessible to non-authorized individuals. Additionally, the logs for each area are now maintained in a separate locked storage area with equivalent high level of sensitivity for security of the combinations and/or keys. Based on these completed actions, GE is in full compliance to assure continued security of the TIDs.