



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

PDR
DESIGNATED ORIGINAL

SGM:RLJ
70-1113

AUG 15 1985

General Electric Co.
Nuclear Fuel Manufacturing Dept.
ATTN: C. H. Vaughan, Manager
Regulatory Compliance
H/C J26
P. O. Box 730
Wilmington, NC 28402

Gentlemen:

This is in response to your letter dated January 30, 1985, which transmitted revised Section 7.2.3, Quantity Determination, of your Fundamental Nuclear Material Control (FNMC) Plan under the provisions of 10 CFR 70.34.

Our review has determined that the use of weighted uranium factors as described in Attachment 1 to your January 30, 1985, letter and the details provided in the above referenced FNMC Plan section is acceptable; will not decrease the effectiveness of your safeguards program and will not adversely affect the common defense and security nor the public health and safety, and is otherwise in the public interest. We are also taking this opportunity to recognize the Region II July 22, 1985, and July 26, 1985, approval of FNMC Plan revisions dated June 10, 1985, and June 24, 1985, respectively, under the provisions of 10 CFR 70.32(c). Accordingly, License Condition 2.1 to Amendment SG-1 to your License No. SNM-1097 is hereby revised, effective immediately, to read as follows:

- 2.1 "The licensee shall follow the Fundamental Nuclear Material Control (FNMC) Plan dated June 24, 1977; the FNMC Plan pages transmitted to W. Brown (SGMI) dated January 30, 1985 and April 5, 1985; as amended according to the Schedule of Pages transmitted to J. N. Grace (Region II) dated June 24, 1985; and as may be further revised in accordance with the provisions of 10 CFR 70.32(c).

"Pages 3-16 through 3-22 and Pages 7-7 through 7-17 marked "demonstration" use typical values for plant inventory and upper action limits for process control. Actual values for inventory, action limits, and custodial assignments will be maintained separately by licensee management on a current basis. Appendix A site description and Appendix D descriptive data for annual inventory are included for clarification and are not part of the FNMC Plan."

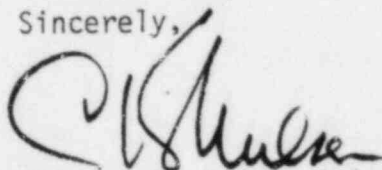
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In conclusion, we are taking this opportunity to also acknowledge the receipt of your "Discrepant U-Factor Investigation" attached to your letter dated June 25, 1985. The study, in conjunction with the December 28, 1984, revised FNMC Plan submittal approved by Region II April 4, 1985, satisfies the request made in our letter to you dated September 7, 1984.

We have determined that the attachments to your letter dated January 30, 1985, contain information of the type specified in 10 CFR 2.790(d). Accordingly, pursuant to Section 2.790(d)(1), such information is deemed to be commercial or financial within the meaning of 10 CFR 9.5(a)(4), and shall be withheld from public disclosure, unless subject to the provisions of 10 CFR 9.12.

Sincerely,



For Willard B. Brown, Chief
Safeguards Material Licensing and
International Activities Branch
Division of Safeguards, NMSS