



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

PDR

DESIGNATED ORIGINAL

AUG 21 1985

SGMI:RLJ
70-1113

General Electric Company
Nuclear Fuel Manufacturing Dept.
ATTN: C. M. Vaughan, Manager
Regulatory Compliance
M/C J26
P.O. Box 780
Wilmington, NC 28402

Gentlemen:

This is in response to your letter dated August 7, 1985, which transmitted revised Section 6.9 of your Fundamental Nuclear Material Control (FNMC) Plan. The revision is in conjunction with your letter to W. T. Crow, Uranium Process Licensing Section, dated July 10, 1985, requesting permission to utilize the Uranium Recovery from Lagoon Sludge (URLS) project facility for the purpose of conducting sludge/liquid separation tests and operations as described in the attachment to the referenced July 10, 1985, letter.

Our review has determined that the revision to your FNMC Plan is acceptable. It has further been determined that the revision dated August 7, 1985, will not adversely affect the common defense and security nor the public health and safety, and are otherwise in the public interest. 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 Willard Brown (SGMI) dated January 30, 1985, April 5, 1985, August 7, 1985 (URLS); 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).

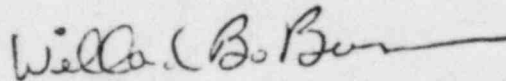
Pages 3-16 through 3-22 and Pages 7-7 through 7-17 marked "demonstration" use typical values for plant inventory and upper action limits for process control. Actual values for inventory, action limits, and custodial assignments will be maintained separately by licensee management on a current basis. 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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We have determined that the attachments to your August 7, 1985, letter 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,

A handwritten signature in dark ink, appearing to read "Willard B. Brown", with a long horizontal flourish extending to the right.

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