



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

PD R

NOV 3 1978

SGMC:CWE  
70-734

General Atomic Company  
ATTN: Mr. W. Mowry  
Licensing Administrator  
P.O. Box 81608  
San Diego, California 92138

Gentlemen:

We have reviewed your letter dated October 11, 1978 which transmitted a revision to your Fundamental Nuclear Material Control Plan describing the internal control system to localize losses in Plant I. This submittal was in response to our request of May 31, 1978.

We have determined that the system which you have described should provide sufficient capability to localize losses in Plant I. Accordingly, the Materials and Plant Protection Amendment, MPP-1, to License No. SNM-696 is hereby amended, effective immediately, to incorporate revised Section 2.1.2.3 in your FNMC Plan.

We have determined that your letter dated October 11, 1978 and the attachment contain information of a 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 information within the meaning of 10 CFR 9.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12.

Sincerely,

A handwritten signature in dark ink, appearing to read "James G. Partlow", written over a horizontal line.

James G. Partlow, Chief  
Material Control Licensing Branch  
Division of Safeguards

7811130418<sup>4</sup>

## Enclosure 2

### Revision of Sections 1.0 through 8.0 In Their Entirety To Materials and Plant Protection Amendment MPP-1 To License No. SNM-696

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#### 1.0 FACILITY ORGANIZATION

#### 2.0 FACILITY OPERATION

- 2.1 The licensee shall follow the "Fundamental Nuclear Material Control Plan", GA-A-13248, Revision 2, dated February 1976, as amended March 24, 1976, November 10, 1976, September 26, 1977 and August 14, 1978, and as revised September 27, 1978, October 11, 1978 and in accordance with the provisions of 10 CFR 70.32(c).
- 2.2 No statement in the licensee's Plan identified in Condition 2.1 shall relieve the licensee of a requirement of 10 CFR Part 70 unless granted in a specific exemption or exception set forth as a condition of this license.
- 2.3 Operations involving special nuclear materials which are not described in the Plan identified in Condition 2.1 shall not be initiated until an appropriate safeguards plan has been approved by the Nuclear Regulatory Commission.
- 2.4 For the low enriched uranium production campaign described in the September 28, 1978 letter, the licensee shall follow the material control and accounting program modifications described in the September 28 and October 12, 1978 letters.

#### 3.0 MEASUREMENTS

- 3.1 A system shall be established, maintained and followed for the measurement of special nuclear material received, produced, transferred between MBAs, transfers from MBAs to ICAs, on inventory or shipped, discarded, or otherwise removed from inventory and for the determination of the limit of error associated with each such measured quantity except as specified in Conditions 3.1.1 and 3.1.2. The system shall provide for sufficient measurements to substantiate the quantities of element and isotope measured and the associated limits of error.
- 3.1.1 Measurements are not required on PuBe sources, samples which have been determined by other means to contain less than 10 grams U-235, U-233 or Pu each; reactor-irradiated fuels involved in research, development, and evaluation programs, and encapsulated SNM sources which are used unopened for research and development or calibration activities.