

[REDACTED]

July 28, 2006

Ms. Leah R. Morrell
Licensing Officer
BWX Technologies, Inc.
Nuclear Products Division
P.O. Box 785
Lynchburg, Virginia 24505-0785

SUBJECT: BWX TECHNOLOGIES, INC., AMENDMENT 114 - REVISION TO PHYSICAL PROTECTION PLAN (TAC L31953)

Dear Ms. Morrell:

This letter is in reference to your submittal dated May 16, 2006, which provided changes to your fence line as described in your Physical Protection Plan (PPP), under the provisions of 10 CFR 70.32(e). We have completed the review of the change and have determined that this change did not decrease the effectiveness of the security plan, and was submitted within the two month period, as required.

Accordingly, pursuant to Part 70 of Title 10 of the Code of Federal Regulations, Materials License SNM-42 is hereby amended to accommodate your request. Safeguards Condition SG-6.1 will read as follows:

SG-6.1 The licensee shall follow the measures described in the plan titled, "BWX Technologies Nuclear Products Division, Physical Protection Plan," dated May 18, 2006, submitted as Revision 7, and security procedures that are used to comply with the plan as it may be further revised in accordance with the provisions of 10 CFR 70.32(e).

By letter dated July 10, 2006, which approved the changes to your PPP and Safeguards Contingency Plan, the following Safeguards Condition changes were held until the issuance of this amendment.

Safeguards Condition SG-6.3 will read as follows:

SG-6.3 The licensee shall follow the measures described in the plan titled, "BWX Technologies Nuclear Products Division, Safeguards Contingency Plan," dated March 3, 2006, submitted as Revision 3, and as it may be further revised in accordance with the provisions of 10 CFR 70.32(g).

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Safety Condition S-2 has been updated to reflect the most recent revision to the Emergency Plan dated September 13, 2004 (reference the Nuclear Regulatory Commission (NRC) letter dated November 4, 2004). Thus, License Condition S-2 has been revised and reads as follows:

S-2 The licensee shall maintain and execute the response measures in the Emergency Plan as revised on September 13, 2004, or as further revised by the licensee, consistent with 10 CFR 70.32(i).

On October 13, 1999, the NRC notified BWX Technologies, Inc. (BWXT) that the blend tank portion of the BWXT [REDACTED] was selected for the International Atomic Energy Agency (IAEA) safeguards inspections, pursuant to Article 39(b) of the U.S. IAEA Safeguards Agreement. BWXT was informed that it was required to comply with 10 CFR Part 75 and the safeguards arrangements for the [REDACTED] agreed upon by the U.S. Government and IAEA. The safeguards arrangements are contained in the Facility Attachment document (Facility Attachment Number 17, dated October 12, 2005). Therefore, the following new section and license condition are included in the license as agreed to by you and Billy Gleaves, via telephone conversation, on April 7, 2006:

Section 7.0 – INTERNATIONAL SAFEGUARDS

SG-7.1 The Licensee shall comply with the current version of Facility Attachment No. 17 of the Subsidiary Arrangements to the U.S. IAEA Safeguards Agreement. Facility Attachment 17 applies to the areas of the BWXT [REDACTED] identified in the current version of the IAEA Design Information Questionnaire for the facility.

In addition, this amendment will also correct an editorial error inadvertently introduced in Amendment 113, Section X.1 (page three of license). The correct quantity of alpha TRU is [REDACTED] as stated in Amendment 112.

All other conditions of this license shall remain the same. Enclosed are copies of the revised Materials License SNM-42 (Enclosure 1) and the Safeguards Evaluation Report (Enclosure 2), which includes the Categorical Exclusion determination, the Environmental Review and determination that this action did not require an environmental assessment or environmental impact statement.

If you have any questions concerning this letter, please contact Billy Gleaves of my staff by phone at (301) 415-5848 or via email to bcb@nrc.gov.

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L. Morrell

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This letter contains sensitive, unclassified security information, and is therefore deemed Official Use Only and will not be placed in the Public Document Room nor the Publicly Available Records component of the NRC's Agencywide Documents Access and Management System (ADAMS) document system.

Sincerely,

/RA/

Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-27
License No.: SNM-42
Amendment 114

Enclosures: 1. Materials License SNM-42
2. Safeguards Evaluation Report

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L. Morrell

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Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
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[REDACTED]

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DOCKET: 70-27

LICENSEE: BWX Technologies, Inc.
Nuclear Products Division
Lynchburg, VA

SUBJECT: SAFEGUARDS EVALUATION REPORT - REVIEW OF THE PHYSICAL
PROTECTION PLAN, REVISION 7

BACKGROUND

By letter dated May 16, 2006, BWX Technologies, Inc. (BWXT) submitted changes to its Physical Protection Plan (PPP). These changes specified modifications to the protected area [REDACTED] of the licensee's site. The information contained in the submittal is, in part, Confidential.

10 CFR 70.32(e) requires: "The licensee shall make no change which would decrease the effectiveness of a security plan prepared pursuant to 70.22(h), without the prior approval of the Commission." This section further requires that notification of the changes be made to the U.S. Nuclear Regulatory Commission (NRC) within two months after the change is made.

DISCUSSION

BWXT has made changes to the location of the fence line surrounding the [REDACTED] portion of its facility. When the fence line was moved, BWXT also moved the [REDACTED] that is used in conjunction with the fencing surrounding the [REDACTED] sections of the facility. This change was made to add protection to the areas of the facility that are used for housing or processing [REDACTED], and is an increase in the security of the site. The submitted site plans provided details of this change. The NRC staff observed this change prior to the submittal.

ENVIRONMENTAL REVIEW

The NRC considers this change relate solely to safeguards matters, and an approval of a revision to a safeguards plan that does not involve any significant construction impact. Therefore, pursuant to the exclusion provided under 10 CFR 51.22(c)(12), neither an environmental assessment nor an environmental impact statement is warranted for this action.

Enclosure 2

[REDACTED]



CONCLUSION

The staff concludes that BWXT has provided sufficient information for the staff to conclude that the licensee's plan changes were in compliance with 10 CFR 70.32 (e) and do not decrease the effectiveness of their security plan. The staff recommends that the plan be approved.

Safeguards Condition SG-6.1 is recommended to read as follows:

SG-6.1 The licensee shall follow the measures described in the plan titled, "BWX Technologies Nuclear Products Division, Physical Protection Plan," dated May 18, 2006, submitted as Revision 7, and security procedures that are used to comply with the plan as it may be further revised in accordance with the provisions of 10 CFR 70.32(e).

PRINCIPAL CONTRIBUTOR

Ed Johannemann, III

