

[REDACTED]

May 13, 2004

EA-04-051

Mr. Steve W. Schilthelm
Safety and Licensing Manager
BWX Technologies, Inc.
Naval Products Division
P.O. Box 785
Lynchburg, Virginia 24505-0785

SUBJECT: RELAXATION OF SECTION III.A OF ORDER DATED AUGUST 21, 2002, AND
CORRECTION OF LETTER DATED DECEMBER 19, 2003 (TAC L20809)

Dear Mr. Schilthelm:

On December 19, 2003, the U.S. Nuclear Regulatory Commission (NRC) granted BWX Technologies', Inc., (BWXT) request for relaxation of the date for [REDACTED]. Following issuance of this letter, several errors were detected. It was noted in the subject line that the Category III Order was referenced instead of the correct Category I Order. In the first paragraph, the correct Category I Order issue date of August 21, 2002, was not used. Also, the completion date was incorrectly listed as July 31, 2004, instead of the approved September 30, 2004, date. To reduce any confusion associated with the Order and completion dates, this letter will replace the NRC letter dated December 19, 2003, in its entirety.

On August 21, 2002, the NRC issued an Order that immediately modified BWXT's Special Nuclear Materials License SNM-42 to require [REDACTED]. In letters dated September 10 and December 12, 2002, BWXT responded to the order and provided [REDACTED] implementation plan. In a letter dated January 22, 2003, the NRC accepted BWXT's implementation plan for meeting Section III.A of the order.

In a previous licensing action involving the implementation plan, in a letter dated August 4, 2003, BWXT requested that the August 21, 2003, implementation date be relaxed until December 31, 2003. By letter dated September 5, 2003, the NRC granted BWXT's request.

In letters dated November 21 and December 5, 2003, BWXT advised the NRC that [REDACTED] could not be completed by December 31, 2003, and requested relaxation of the completion date until September 30, 2004. Because of issues involving procurement and installation of specialized equipment beyond the licensee's control, we find good cause for extending the current deadline to September 30, 2004, in order to complete implementation of the measures required by the Order. Therefore, Section III.A of the

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S. Schilthelm

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order is relaxed to allow implementation of the revised completion date. BWXT is required to comply with this schedule. No additional extensions will be approved absent a strong showing of good cause. Failure to adhere to this schedule will constitute a violation of a requirement of the Category I Order issued August 21, 2001.

The revised completion dates will be subject to future NRC inspection. If you have any questions regarding this letter, please contact Don Stout, of my staff, at (301) 415-5269 or by email des1@nrc.gov.

[REDACTED]

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

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

cc: L. Reyes, RII

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S. Schilthelm

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[REDACTED]

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

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

cc: L. Reyes, RII

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*see previous concurrence

ML041170079

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