

October 18, 2011 11-076

ATTN: Document Control Desk Director, Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards U.S. Nuclear Regulatory Commission Washington, D.C. 20555-0001

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

Subject: Process Control Limits

Dear Sir or Madam:

On February 15, 2000, BWX Technologies, Inc. received a confirmatory order issued by the U.S. Nuclear Regulatory Commission ("NRC") requiring the implementation of additional physical protection measures. Babcock & Wilcox Nuclear Operations Group – Lynchburg ("B&W") assumed responsibility for meeting this order with the approved SNM-42 license transfer in 2008 (reference TAC L32657). A section of this order required that B&W take special measures to protect specific material types with the implementation of Process Control Limits ("PCL"). A table in the confirmatory order listed the specific material types that should be placed under PCL controls. These specific material types along with their limits were also placed into B&W's Fundamental Nuclear Materials Control ("FNMC") plan that is required by 10 CFR 74.51 and reviewed and approved by the NRC. Type 3 and Type 5 fuels are specifically listed as being under PCL controls. B&W recently started receiving Type 4N fuel which is different in composition from the Type 3 and Type 5 fuels. Based on the confirmatory order and the FNMC plan, B&W concluded that type 4N material does not fall under PCL controls. B&W requests that the NRC review and provide concurrence with this conclusion.

If you have any questions relative to this request, please contact Mike Suwala, Manager of Nuclear Materials Control at (434) 522-5948.

Sincerely. nd. lok

Bárry L. Cole Manager, Licensing & Safety Analysis Babcock & Wilcox Nuclear Operations Group, Inc. - Lynchburg

cc: B&W, Mike Suwala NRC, Tom Pham NRC, Merritt Baker NRC, Region II NRC, Resident Inspector

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