



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
631 PARK AVENUE  
KING OF PRUSSIA, PENNSYLVANIA 19406

Docket No. 70-364

2 NOV 1979

Babcock and Wilcox Company  
Nuclear Materials and Manufacturing Division  
ATTN: Mr. J. S. Dziewicz  
Vice President  
P. O. Box 1260  
Lynchburg, Virginia 24505

Gentlemen:

Subject: Inspection No. 70-364/79-23

This refers to the inspection conducted by Mr. A. Della Ratta of this office on September 10-14, 1979, at Apollo and Parks Township, Pennsylvania of activities authorized by NRC License No. SNM-414 and to the discussions of our findings held by Della Ratta with Mr. E. Benson at the conclusion of the inspection.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, no items of noncompliance were observed.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of your control and accounting procedures for safeguarding special nuclear materials and your facility security procedures are exempt from disclosure; therefore, the enclosed inspection report will not be placed in the Public Document Room and will receive limited distribution.

In addition, during the exit meeting, commitments were made to the NRC inspectors by Messrs. R. Abel and E. Benson to: (1) dissolve a third plutonium metal NBS-949 standard to be used for the computation of systematic error; (2) plot on a control chart the results of this third standard; and (3) revise the measurement control section of the licensee's Fundamental Nuclear Material Control Plan to require maintenance of the control chart and calculation of the systematic error. In your response to this letter, please indicate if these commitments are in accordance with your understanding.

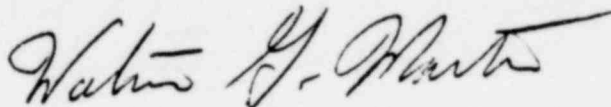
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Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



Walter G. Martin, Chief  
Safeguards Branch

Enclosure:  
Office of Inspection and Enforcement  
Inspection Report No. 70-364/79-23  
(Contains 2.790 Information)

cc w/encl:  
E. M. Benson, Manager, Pennsylvania Operations

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