

CASTLE HAVNE ROAD . P. O. BOX 780 . WILMINGTON, N.S. 28400 : 1979 343-5000

## NUCLEAR ENERGY PRODUCTS DIVISION

WILMINGTON MANUFACTURING DEPARTMENT

October 5, 1979

Mr. J. T. Sutherland U. S. Nuclear Regulatory Commission, RII 101 Marietta Street, NW - Suite 3100 Atlanta, Georgia 30303

Dear Mr. Sutherland:

References:

- (1) NRC Inspection Report RII: JBK, 70-1113/79-19, dated 9/10/79
- (2) NRC License SNM-1097, Docket #70-1113

Thank you for your letter referenced above which reported the results of the inspection of our fuel fabrication plant by Mr. J. B. Kahle of your office on August 20-24, 1979.

Pertaining to the item of apparent noncompliance with NRC requirements in your letter, the reply to this item is given in the attachment to this letter.

We appreciate your inspectors comments and suggestions related to our employee safety and environmental protection programs. These comments and suggestions are helpful to us in our constant efforts to improve these programs, ensure the continued health and safety of plant personnel, and ensure our compliance with NRC regulations and license conditions. We also welcome further discussion with your staff on the item in your letter and in our related rep'y, if necessary, for further clarification of this item.

Your inspection report referred to above does not contain information which we believe to be proprietary.

Very truly yours,

GENERAL ELECTRIC COMPANY

Arthur L. Kaplan, Manager

Licensing & Compliance Audits

M/C J26

ALK: bmw

NSD-I

Attachment

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OFFICIAL CONT.

Mr. J. T. Sutherland October 5, 1979

## POOR ORIGINAL

## ATTACHMENT

The information given below refers to the item in Appendix A, "Notice of Violation," in the NRC Inspection Report RII: JEK, 70-1113/79-19, dated September 10, 1979. The corrective actions detailed below have already been implemented or will be implemented by the dates shown.

As required by 10 CFR 71.53(c), prior to applying the model number, the licensee shall determine that the packaging has been fabricated in accordance with the design approved by the Commission.

Contrary to the above, the model number had been conspicuously and durably marked on new BU-7 Certificate of Compliance packagings prior to inspection and acceptance in accordance with the design approved by the Commission.

This is a deficiency.

We instructed the vendor to mark the model number on each new BU-7 container he manufactured prior to delivering these containers to us, because it appeared appropriate to us for him to do so in the same manner as and at the same time as he applied all the other markings to the exterior of each container.

The corrective action taken for this item was to remove the model number marking from all BU-7 containers that had not yet been inspected and accepted in accordance with the design approved by the Commission. This action was completed on August 23, 1979.

In order to avoid further noncompliance of this nature, two actions were taken:

- The vendor for the BU-7 containers was notified to stop the practice of stenciling the model number on new containers prior to delivering them to us.
- 2) The purchase order applying to acquisition of the BU containers was modified to remove the instruction to the vendor which led to his marking the BU-7 containers with the model number prior to delivering them to us.

Both of these actions were completed on August 23, 1979.