



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

DEC 5 1978

Docket No. 70-1100

Combustion Engineering, Inc.  
ATTN: Mr. H. V. Lichtenberger  
Vice President - Nuclear Fuel  
Nuclear Power Systems - Manufacturing  
P. O. Box 500  
Windsor, Connecticut 06095

Gentlemen:

Subject: Inspection 70-1100/78-10

This refers to the inspection conducted by Mr. D. Donaldson of this office on November 1-3, 1978 of activities authorized by NRC License No. SNM-1067 and to the discussions of our findings held by Mr. Donaldson with Mr G. Bakevitch of your staff at the conclusion of the inspection, and to a subsequent telephone discussion between yourself and Mr. Donaldson on November 8, 1978.

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.

Our inspector also verified the steps you have taken to correct the items of noncompliance brought to your attention in a letter dated October 4, 1977. We have no further questions regarding the steps you took to correct Item B. With regard to Item A, our review of the corrective actions described in your letters of October 28, 1977 and January 6, 1978 indicates that the described corrective actions are inadequate. Consequently, in your reply to this letter, please address the following with regard to Item A:

- a. The applicability of using a 0.3 radioiodine to noble gas ratio for determining the magnitude of the release of radioactive materials as a result of a criticality;
- b. The methods that will be used for determining the magnitude of release of radioactive materials which may result from accidents other than a criticality, i.e. fire, explosion, etc.;
- c. A description of the nature and type of action guides which will be used to determine:

7902030005

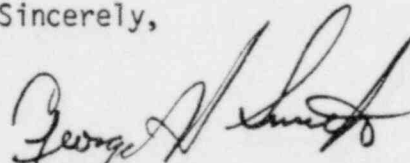
1. the need for notification of the State and local response agencies; and,
2. the general nature and scope of assistance to be provided by the State and local agencies.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. This item of noncompliance has been categorized into the levels as described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must be accompanied by an affidavit executed by the owner of the information, which identifies the document or part sought to be withheld, and which contains a statement of reasons which addresses with specificity the items which will be considered by the Commission as listed in subparagraph (b)(4) of Section 2.790. The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

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

Sincerely,



George H. Smith, Chief  
Fuel Facility and Materials Safety  
Branch

Enclosures:

1. Appendix A, Notice of Violation
2. Office of Inspection and Enforcement Inspection  
Report Number 70-1100/78-10