



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
799 ROOSEVELT ROAD  
GLEN ELLYN, ILLINOIS 60137

FEB. 28. 1979

Docket No. 70-36

Combustion Engineering, Inc.  
ATTN: Mr. H. V. Lichtenberger  
Vice President - Manufacturing  
Nuclear Power Systems  
Windsor, CT 06095

Gentlemen:

This refers to the inspection conducted by Mr. C. C. Peck of this office on February 12-16, 1979, of activities at Hematite, Missouri authorized by NRC Special Nuclear Material License No. SNM-33 and to the discussion of our findings with Mr. J. A. Rode and members of his staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

No items of noncompliance with NRC requirements were identified during the course of this inspection.

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 enclosed inspection report will be placed in the NRC's Public Document Room, except as follows. If this report contains information that you or your contractors believe to be proprietary, you must apply in writing to this office, within twenty days of your receipt of this letter, to withhold such information from public disclosure. The application must include a full statement of the reasons for which the information is considered proprietary, and should be prepared so that proprietary information identified in the application is contained in an enclosure to the application.

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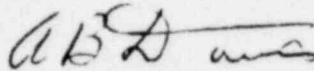
Combustion Engineering,  
Inc.

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We will gladly discuss any questions you have concerning this inspection.

Sincerely,



A. B. Davis, Chief  
Fuel Facility and  
Materials Safety Branch

Enclosure: IE Inspection  
Report No. 70-36/79-02

cc w/encl:  
Mr. J. A. Rode,  
Plant Manager  
Central Files  
Reproduction Unit NRC 20b  
PDR  
NSIC