POOR ORIGINAL

PDR 70-824

Babcock & Wilcox

Research and Development Division

P.O. Box 1260, Lynchburg, Va. 24505

Telephone: (804) 384-5111

RECEIVED
FEB 15 1980
U. S. Nuclear Regulatory Commission
NMSS
Mail Section

February 8, 1980

Mr. George W. McCorkle, Chief
Physical Security Licensing Branch
Division of Safeguards
Office of Nuclear Material Safety
and Safeguards
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Applicant.
Check No. 037466
Amount/Fee Category 140-1.6
Type of Fee. admin.
Date Check Rec'd. 2/15/80
Received By. [illegible]

License: SNM-778, docket 70-824

Dear Mr. McCorkle:

In January, 1974, I submitted a physical security plan for the Lynchburg Research Center to comply with the requirements of 10 CFR 70.32(f). As stated in my transmittal letter dated January 2, 1974, it was the intent of the Lynchburg Research Center (LRC) to maintain its inventory of special nuclear material at levels below those requiring implementation of the plan.

In 1975, the LRC embarked on a research program to examine irradiated commercial reactor fuel. The fuel assemblies contain quantities of plutonium exceeding a formula quantity. A second plan (Security Plan B) was developed, and submitted to address the physical security requirements for this operation. This plan has been implemented four times since it was approved five years ago.

With the exception of the four times when irradiated fuel assemblies have been at the LRC, the inventory of strategic special nuclear material has remained below the formula quantity. I anticipate that this will be the case in the future.

The security plan dated January 2, 1974 was approved on March 4, 1974 and has not been revised nor implemented since that time. After reviewing it I have concluded that it does not address the security requirements specified in the latest revisions of 10 CFR 73 and no longer accurately describes our facility. It does demonstrate the LRC's intent to comply with 10 CFR 70.32(f) and little else. Revising the plan would require a considerable effort on the limited resource of the Center and although it would result in a more comprehensive plan, the need for its implementation still would not exist.

I therefore request that the "Physical Protection Plan for Nuclear Materials and Facilities of the Lynchburg Research Center", dated January 2, 1974 be withdrawn. In lieu of the requirement for a physical protection plan pursuant

8005280162

15477

to 10 CFR 70.32(f), I suggest that the license conditions in MPP-1, section 9.A of the referenced license be replaced with one that reads as follows:

> Notwithstanding the requirements of 10 CFR 70.32(f), the licensee shall not possess or use formula quantities of strategic special nuclear material in unirradiated form until a physical security plan as described in 10 CFR 73.20 is submitted and such plan is approved by the Nuclear Regulatory Commission.

I believe that this action will be of benefit to the Nuclear Regulatory Commission and the Lynchburg Research Center by removing an out-of-date and ambiguous document from our docket and entering in its place a clear and concise requirement setting forth the intentions of the LRC and providing assurance that the requirements of the regulations will be addressed.

I am attaching a check in the amount of $150.00 for an administrative amendment pursuant to 10 CFR 170.

Yours very truly,

BABCOCK & WILCOX COMPANY
LYNCHBURG RESEARCH CENTER

Arne F. Olsen

Arne F. Olsen
License Administrator

AFO:ccf

Attachment

Docket No. 70-824

"SAFEGUARDS AMENDMENTS"

MC #

SG #

MCL#

PSL#

William O. Miller
License Fee Management Branch
Office of Administration

MATERIALS SAFEGUARDS AMENDMENT CLASSIFICATION

Applicant BP(U) - R&D

License No: SNM-778 Fee Category:

Application Dated: 2/8/80 Received: 2/11/80

Applicant's Fee Classification:

The above application for amendment has been reviewed by the NMSS' Division of Safeguards in accordance with Section 170.31 of Part 170 and is classified as follows:

1. Safeguard amendments to licenses in fee Categories 1A through 1H

   (a) ____Major Safeguards

   (b) ____Minor Safeguards

   (c) ____Safeguards (Categories 1D through 1G only)

   (d) ✓ Administrative

2/12/80

2. Justification for reclassification:

3. The application was filed (a) ____pursuant to written NRC request and the amendment is being issued for the convenience of the Commission, or (b) ____Other (State reason):

Signature:

Division of Safeguards, NMSS
Date:

Request for withdrawal of Phys Prot Plan

15477