

MATERIAL TRANSMITTED HEREWITH CONTAINS 2.790 INFORMATION UNITED STATES NUCLEAR REGULATORY COMMISSION REGION II 101 MARIETTA ST., N.W., SUITE 3100 ATLANTA, GEORGIA 30303

JUN 1 7 1980

In Reply Refer To: RII:DEM 50-269/80-22

> Duke Power Company ATTN: W. O. Parker, Jr. Vice President, Steam Production P. O. Box 2178 Charlotte, NC 28242

Gentlemen:

This refers to the inspection conducted by W. T. Orders of this office on May 28, 1980, of activities authorized by NRC License No. DPR-38 for an irradiated fuel shipment from Oconee 1, Seneca, South Carolina at B&W's Lynchburg Research Center, Lynchburg, VA and to the discussions of our findings held with J. E. Smith at the conclusion of the inspection.

Areas examined during this inspection included your program for safeguarding special nuclear material under the applicable provisions of Title 10, Code of Federal Regulations, Part 73, "Physical Protection of Plants and Materials" and the specif c requirements of license conditions and your approved Security Plan. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, performance tests, and observations by the inspector.

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

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, activities involving safeguards and security measures are exempt from public disclosure; therefore, the enclosed inspection report with the exception of the report cover page, which is an inspection summary, will not be placed in the Public Document Room.

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

Sincerely. B. Kenna, Chief

Safeguards Branch

Enclosure: Inspection Report No. 50-269/80-22

cc w/encl: J. E. Smith, Station Manager P. O. Box 1175 Seneca, SC 29678

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