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UNITED STATES NUCLEAR REGULATORY COMMISSION REGION II 101 MARIETTA ST., N.W., SUITE 3100 ATLANTA, GEORGIA 30303

In Reply Refer To: RHT:GPC 70-1201/80-11 OCT 21 1980

Babcock and Wilcox Company ATTN: W. F. Heer, Manager Virginia Operations, Nuclear Materials and Manufacturing Division Commercial Nuclear Fuel Plant P. O. Box 800 Lynchburg, VA 24505

Gentlemen:

Thank you for your letter of October 9, 1980, informing us of steps you have taken to correct the item of noncompliance concerning activities under NRC License No. SNM-1168 brought to your attention in our letter of September 19, 1980. We will examine your corrective actions and plans during subsequent inspections.

We appreciate your cooperation with us.

Sincerely,

ille B. Kenna, Chief Safeguards Branch