



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

DEC 19 1980

SGML:CWE
70-371

United Nuclear Corporation
Naval Products
ATTN: Mr. W. F. Kirk, Manager
Nuclear and Industrial Safety
67 Sandy Desert Road
Uncasville, Connecticut 06382

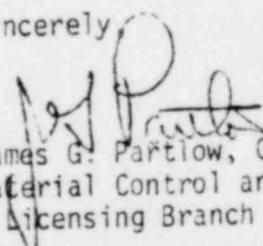
Gentlemen:

This is in response to your letter dated November 19, 1980 which transmitted partial revisions to Chapters 3.0 and 4.0 of your Fundamental Nuclear Material Control Plan. These revisions were implemented and reported under the provisions of 10 CFR 70.32(c).

We have determined that the revisions are acceptable and will not adversely affect the common defense and security nor the public health and safety. However, in connection with the revised control procedure for the Sartorius scale, we hasten to point out that it is imperative that the scale's performance be closely monitored since obviously its performance capabilities have changed. An obligation remains to evaluate potential bias contributions from this source and to consider any identified bias in the overall corrections applicable to shipper-receiver comparisons and inventory difference quantities. In order to incorporate the revised pages, we are revising License Condition 2.1 of Amendment MPP-1 to your License No. SNM-368, as set forth in the enclosure, effective immediately.

We have determined that the enclosure to your letter dated November 19, 1980 contains information of a type specified in 2.790(d). Accordingly, pursuant to Section 2.790(d)(1), such information is deemed to be commercial or financial information within the meaning of 10 CFR 9.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12.

Sincerely,


James G. Partlow, Chief
Material Control and Accountability
Licensing Branch

Enclosure:
As stated

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Sections 1.0 Through 8.0
of Materials and Plant Protection
American MPP-1 to License No. SNM-368

Effective October 28, 1980

1.0 FACILITY ORGANIZATION

1.1 Review/audit results shall be documented and communicated to management in accordance with the following criteria:

- Deficiencies which seriously weaken the material control system shall be reported to management immediately upon identification and corrective actions initiated,
- A summary of review/audit results and recommendations shall be verbally communicated to management at the conclusion of the activity but in no case more than ten (10) working days after completion of the review/audit,
- Within thirty (30) working days after completion of the review/audit, a schedule shall be developed for corrective actions.

2.0 FACILITY OPERATION

2/18/80 2.1 The licensee shall follow the UNC Naval Products Fundamental Nuclear Material Control Plan, Revision 1 dated September 1, 1980 and as revised September 4 and October 3, 1980, and in accordance with the provisions of 10 CFR 70.32(c).

2.2 No statement in the licensee's Plan identified in Condition 2.1 shall relieve the licensee of a requirement of 10 CFR Part 70 unless granted in a specific exemption or exception set forth as a condition of this license.

2.3 Operations involving special nuclear material which are not described in the Plan identified in Condition 2.1 shall not be initiated until an appropriate safeguards plan has been approved by the Nuclear Regulatory Commission.

3.0 MEASUREMENTS

3.1 The licensee or his designated agent shall measure, except as specified in 70.58(e) and in License Condition 5.1, the uranium and uranium-235 content of all special nuclear material receipts, shipments, waste discards and material inventoried.