



UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 REGION I
 631 PARK AVENUE
 KING OF PRUSSIA, PENNSYLVANIA 19406

22 JUN 1981

Docket No. 70-371

UNC Naval Products
 Division of United Nuclear Corporation
 A UNC RESOURCES Company
 ATTN: Mr. D. E. Ganley
 President and General Manager
 67 Sandy Desert Road
 Uncasville, Connecticut 06382



Gentlemen:

Subject: Inspection 70-371/80-17

This refers to your letter dated February 27, 1981, in response to our letter dated January 20, 1981.

With reference to Appendix A, Item A, to our letter dated January 20, 1981, and Details, Item 2, of our report, please note that Section 2.7.1 of your license was identified, not Sections 2.7.2, 2.7.3 and 2.7.4. Section 2.7.1 states that daily checks shall be made, and also states: "Results of daily checks, inspections and audits shall be documented and all observed deficiencies including corrective action initiated and/or completed, shall be included in the documentation." Your license requires documentation of the results of daily checks, regardless of the findings. Failure to document is noncompliance. We shall continue to review the daily check documentation until such time as it is no longer a part of your license.

Regarding Appendix A, Item B, and Details, Item 3, of our report, License Condition No. 10 of SNM-368 specifically incorporates Part I of your application dated June 4, 1976. Part II is not considered a license condition. Therefore, it is never referenced. Part I, Section 4.6.3, does not limit Special Work Permit usage to a controlled area. It states: "A Special Work Permit system shall be used to guide contractor and UNC personnel in performing non-routine work operations that could cause or threaten to cause personnel exposure to uranium contamination or radiation." Failure to provide a Special Work Permit in this case is noncompliance.

With regard to your statement that the use of radioactive material or other sources of radiation not licensed by the Commission is not subject to regulations, note that 10 CFR 20.1(b), in its entirety, states: "The use of radioactive material or other sources of radiation not licensed by the

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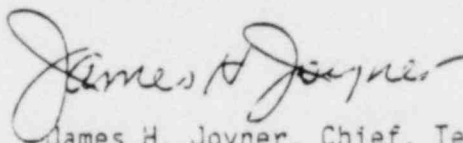
Commission is not subject to the regulations in this part. However, it is the purpose of the regulations in this part to control the possession, use, and transfer of licensed material by any licensee in such a manner that the total dose to an individual (including exposures to licensed and unlicensed radioactive material and to other unlicensed sources of radiation, whether in the possession of the licensee or any other person, but not including exposures to radiation from natural background sources or medical diagnosis and therapy) does not exceed the standards of radiation protection prescribed in the regulations in this part."

We have reexamined Item C of Appendix A, and this item of noncompliance is hereby withdrawn. Your enforcement history will be corrected accordingly.

Regarding Appendix A, Item D, the new information provided in your letter will be verified at a subsequent inspection.

With reference to Items A and B of Appendix A to our letter dated January 20, 1981, please submit to this office within twenty-five days of the date of this letter, a written statement of explanation in reply, including: (1) the corrective steps which have been taken and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; (3) the date when full compliance will be achieved. Under the authority of Section 182 of the Atomic Energy Act of 1954, as amended, this response shall be submitted under oath or affirmation.

Sincerely,



James H. Joyner, Chief, Technical
Inspection Branch, Division of
Engineering and Technical Inspection

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