

10 SEP 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 70-371/81-14

This refers to the safeguards inspection conducted by Mr. E. Woltner of this office on July 21-24, 1981 of activities authorized by NRC License No. SNM-368 and to the discussions of our findings held by Mr. Woltner with T. Collopy of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Our inspector also verified the steps you have taken to correct the items of noncompliance brought to your attention in the enclosure to our letters dated May 7, 1981 and May 14, 1981. We have no further questions regarding the steps you took to correct items 2 and 3 of the May 7, 1981 letter and item 2 of the May 14, 1981 letter. With regard to the remaining items, they will be reviewed during future inspections.

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

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special nuclear materials and your facility security measures for physical protection are deemed to

R1:DETI
Woltner/wb
8/14/81
EPW
8/27/81

R1:DETI
Joyner
9/2/81

R1:DRPI
Keimig
9/4/81

JRC for
H.W. Crisler
9/3/81

JE03
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1/1

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ADD:
DOE/Barber E 201



ENCLOSURES TRANSMITTED HEREWITH
CONTAIN 10 CFR 2.790 INFORMATION

UNC Naval Products

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10 SEP 1981

be commercial or financial information within the meaning of 10 CFR 2.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12; therefore, the enclosed inspection report will not be placed in the Public Document Room and will receive limited distribution.

No reply to this letter is required; however, should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

original signed by

Edward G. Greenman

R.R. Keimig, Chief, Projects
Branch #2, Division of Resident
and Project Inspection

Enclosure: Office of Inspection and Enforcement Inspection
Report Number 70-371/81-14 (Contains 2.790(d) Information)

cc (with copy of report cover sheet only):

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

State of Connecticut

bcc:

Region I Docket Room (with concurrences)

Chief, Operational Support Section (w/o encl)

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