

15 SEP 1981

Docket No. 08778

Mclycorp, Incorporated
ATTN: Mr. Warren Warhol
Vice President for Manufacturing
461 S. Gyleston Street
Los Angeles, California



Gentlemen:

Subject: Inspection 81-01

This refers to the special safety inspection conducted by Ms. M. Campbell and Dr. L. Friedman of this office on April 16, 1981 at your York, Pennsylvania facility, and by Dr. Friedman on May 1, 1981 at your Washington, Pennsylvania facility of activities authorized by NRC License No. SMB-1393 and to the discussions of our findings held by Ms. Campbell with Mr. W. Doyle of your staff on April 16, 1981 and by Dr. Friedman with Mr. R. Hawryluk and others of your staff on May 1, 1981. This also refers to a meeting held on April 29, 1981 at our office in King of Prussia, Pennsylvania, to your letter dated May 13, 1981 and to a telephone discussion between yourself and members of your staff and Mr. James Allan, Deputy Director, Region I, and members of my staff on May 29, 1981. The subjects discussed in the April 29, 1981 meeting are described in Appendix B to this letter. Attendees at the meeting are listed in Appendix C.

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

Based on the results of these inspections, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. These items of noncompliance have been categorized into the levels described in the Federal Register Notice (45 FR 66754) dated October 7, 1980. You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

RI:DETI Campbell/wb 8/23/81	RI:DETI Friedman 8/9/81	RI:DETI Kinneman 8/9/81	RI:DETI Doynier 8/9/81	RI:DETI T. Martin 8/10/81	RI:DEPOS G. Smith 8/14/81	RI:DETI Carlson 8/10/81
OFFICIAL RECORD COPY						

IE07
S.11

15 SEP 1981

Item A in the attached Appendix A would normally be categorized as a Severity Level III violation in accordance with item C.2 in Supplement VII to the above referenced Federal Register Notice. After careful consideration of the specific facts in this case, however, the item has been reclassified as a Severity Level IV violation.

During the May 29, 1981 telephone conversation, you informed Mr. Allan that you planned to submit a license application to the NRC's Materials Licensing Branch as your corrective action for Item A in Appendix A to this letter. We note that this application was submitted on June 18, 1981. Therefore, you are not required to address this item in your response to this letter. You also indicated that you were complying with 10 CFR 19 and 20 in the operation of your York, Pennsylvania facility and that no waste containing greater than 0.05 percent by weight of licensed material would be removed from this facility until an appropriate NRC license is issued. Please confirm this statement in your response to this letter.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractors) believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within ten (10) days from the date of this letter of your intent to file a request for withholding; and (b) submit within 10 days of the date of this letter a written application to this office to withhold the information. Consistent with section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, the report will be placed in the Public Document Room. The telephone notification of your intent to request withholding, or any request for an extension of the 10 day period which you believe necessary, should be made to the Supervisor, Files, Mail and Records, USNRC Region I, at (215) 337-5223.

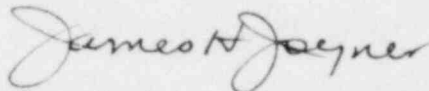
The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

OFFICIAL RECORD COPY

15 SEP 1981

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

Sincerely,


for T.T. Martin, Acting Director,
Division of Engineering
and Technical Inspection

Enclosures:

1. Appendix A, Notice of Violation
2. Appendix B, Office of Inspection and Enforcement
Meeting Summary
3. Appendix C, Attendance List
4. Office of Inspection and Enforcement Inspection
Report Number 40-08778/81-01

cc w/encls:

Mr. William Doyle, Plant Manager
Mr. Raymond Hawryluk, General Manager
Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
Commonwealth of Pennsylvania

bcc w/encls:

Region I Docket Room (with concurrences)
Chief, Operational Support Section (w/o encls)

OFFICIAL RECORD COPY