

SGML:CWE
70-371

SEP 18 1981

"Return to NMSS/SGML, Mail Stop 881-SS"

DISTRIBUTION:

PDR JJoyner
Docket file 70-371 (R0:I)
NMSS r/f
Case file
MCL r/f
CEmeigh
CNSmith
SGPL
DWeiss
FGillespie, RES
WBrown, IE
RPage, FC

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 September 1, 1981 which transmitted proposed revisions to your Fundamental Nuclear Material Control Plan to accommodate installation of a fuel development project.

We have determined that the proposed revisions will not adversely affect the common defense and security nor the public health and safety and are otherwise in the public interest. Concurrent with our approval of this submittal, we are revising License Condition 3.1 and adding a new license condition to permit shipment and receipt without measurement of a specified encapsulated fuel form. Accordingly, in order to incorporate the revisions and the exemption referenced above, we are hereby revising License Condition 2.1 and 3.1 and adding a new License Condition 3.2 to Amendment MPP-1 to your License No. SNM-368, as contained in the enclosure, to be effective immediately.

We have determined that your September 1, 1981 letter and certain pages in the enclosure contain classified information. They will be handled accordingly. Further, the remaining unclassified pages have been determined to contain information of a type specified in 10 CFR 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,

151
Robert A. Erickson, Acting Chief
Material Control and Accountability
Licensing Branch

Enclosure:
As stated

9/18/81

OFFICE	SGML	SGML	SGML	8201200101 810918		
SURNAME	CEmeigh:jml	CNSmith	RErickson	PDR ADOCK 07000371		
DATE	9/18/81	9/18/81	9/18/81	C PDR		

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

Effective October 28, 1981

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 DESCRIPTION

9/16/81) 2.1 The licensee shall follow the UNC Naval Products Fundamental Nuclear Material Control Plan, Revision 1, dated September 1, 1980; as revised September 4, October 3 and December 2, 1980; February 18, March 6, except for the first and fourth sentences in Section 4.5.1 and September 1, 1981 except for the next to last paragraph of Section 2.1.1; 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

9/16/81) 3.1 The licensee or his designated agent shall measure, except as specified in 70.58(e) and in License Conditions 3.2 and 5.1, the uranium and uranium-235 content of all special nuclear material receipts, shipments, waste discards and material inventoried.

- (18/81) 3.2 Notwithstanding the requirements of 70.58(e) and (g)(1) to measure the uranium and uranium-235 content of encapsulated fuel element packs shipped offsite for additional processing and subsequently returned, the licensee may ship and receive such items on the basis of previous measurements provided the cladding remains intact.

4.0 MEASUREMENT CONTROL

- 4.1 The licensee shall perform appropriate process and engineering tests to establish the validity of sampling whenever:
- (a) a change in process parameter affects the physical properties of the material, and
 - (b) the sampling technique or the sampling equipment is changed.
- 4.2 The licensee shall assure that all measurements, including those performed to establish correction factors applied due to (1) non-representativeness between reference standards and process materials and (2) variability in measurement conditions, are traceable to national standards or nationally accepted measurement systems.
- 4.3 Notwithstanding the requirements of 10 CFR 70.57(b)(8) to measure standards and replicates for volume systems, to not provide de minimis quantities for bias calculations, bias corrections and systematic errors, to determine separate random errors for sampling and analytical, to generate random errors for bulk and NDA from replicate measurements of process materials, to perform replicate isotopic analyses and to perform replicate sampling and replicate analyses of liquid and stack discards, the licensee shall follow Sections 4.2.2, 4.2.4, and 4.4 of the Plan identified in License Condition 2.1.
- 4.4 Notwithstanding the requirements of 10 CFR 70.57(b)(4) to determine systematic sampling error and to conduct engineering tests on all material types, the licensee shall follow Section 4.3 of the Plan identified in License Condition 2.1.
- 4.5 Notwithstanding the requirements of 10 CFR 70.57(b)(11) to use control charts to monitor the quality of each program measurement, for control of scales and balances, the licensee shall follow Section 4.5.1.1 of the Plan identified in License Condition 2.1.
- 4.6 All identifiable covariance effects shall be taken into account in the calculation of LEID.
- 4.7 All measurement systems utilized for material control and accounting purposes shall be included in the comprehensive measurement control program.