JUL 2 7 1982

Babcock and Wilcox Company
ATTN: Mr. R. A. Alto, Manager
Virginia Operations, Nuclear Materials
and Manufacturing Division
Commercial Nuclear Fuel Plant
P. O. Box 800
Lynchburg, VA 24505

Gentlemen:

Subject: Report No. 70-1201/82-10

This refers to the routine safeguards inspection conducted by Mr. G. A. Todd of this office on June 28 - July 1, 1982, of activities authorized by NRC License No. SNM-1168 at the Commercial Nuclear Fuel Plant and to the discussions of our findings held with Mr. C. D. Ballentine of your staff at the conclusion of the inspection.

Areas examined during this inspection included your program for nuclea, material control and accountability under the applicable provisions of Title 10, Code of Federal Regulations, Part 70, "Special Nuclear Material," and specific license conditions. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, performance tests, and observations by the inspectors.

Within the scope of this inspection, no violations or deviations were disclosed.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations, activities involving safeguards and security measures are exempt from public disclosure; therefore, the enclosed report with the exception of the cover page, which is an inspection summary, will not be placed in the Public Document Room.

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

Sincerely,

(Original signed by A. F. Gibson)

A. F. Gibson, Chief Technical Inspection Branch Division of Engineering and Technical Programs

Enclosures: See Page 2

MATERIAL TRANSMITTED HEREWITH CONTAINS 2.790 INFORMATION

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Enclosures:

 Inspection Report No. 70-1201/82-10 (Exempt from Disclosure)

 Inspection Summary (Not Exempt)

bcc w/o encl: License Fee Management Branch

bcc w/Inspection Summary: Commonwealth of Virginia

bcc w/encl: Document Management Branch Chief of Safeguards Branch, DSRSI Chief, MC&A, Licensing Branch, NMSS

RII CATOdd: ht 7/12/82

RII

GFRAUB.

RII

EJMdAlpine

AFGibson 7/g/82