

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION I 631 PARK AVENUE

KING OF PRUSSIA, PENNSYLVANIA 19406

Docket No. 50-201

NOV 1 3 1978

Nuclear Fuel Services, Incorporated ATTN: Mr. R. W. Deuster President Suite 600 6000 Executive Boulevard Rockville, Maryland 20352

Gentlemen:

Subject: Inspection 50-201/78-08

This refers to the inspection conducted by Mr. J. Kottan of this office on Totober 24-26, 1978, at West Valley, New York, of activities authorized by NRC License No. CSF-1 and to the discussions of our findings held by Mr. Kottan with Mr. W. Oldham and others 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.

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

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. 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 statement of reasons which addresses with specificity the items which will be considered by the Commission as listed in subparagraph (b)(4) of Section 2.790. 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 period, the report will be placed in the Public Document Room.

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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,

George H. Smith, Chief Fuel Facility and Materials Safety

Enclosure: Office of Inspection and Enforcement Inspection Report

Number 50-201/78-38

cc w/encl:

W. A. Oldham, General Manager