OCT 05 1982

Docket No. 99900300

t Industries rbanks Morse Engine Division Colt Industries Fairbanks Morse Engine Division ATTN: Mr. J. Moriarty Manager, Utility Sales 701 Lawton Avenue Beloit, Wisconsin 53511

Gentlemen:

In regard to your letter of August 3, 1982, you should be aware that Woodward Governor Company was cited for their failure to adopt appropriate procedures with respect to Section 21.21(a) of 10 CFR Part 21 and also their failure to post in accordance with the requirements of Section 21.6 of 10 CFR Part 21. In that their activities on specific contracts which invoked 10 CFR Part 21 as an applicable regulation could be complete, an option was given to the Woodward Governor Company to notify affected customers of their failure to comply with the 10 CFR Part 21 regulation in the manufacture of governors. As a result of this option you have been notified by the Woodward Governor Company.

Accordingly, it is our position that the dedication of governors as a basic component, as defined by 10 CFR Part 21, falls on the procuring party. We would, therefore, expect that full implements on of this regulation would be the direct responsiblity of customers of this manufacturer.

Sincerely,

"Original Signed by: C. J. HALE"

Uldis Potapovs, Chief Vendor Program Branch

bcc: NRC: PDR JTCollins. EHJohnson RLBangart JAMarshall **IBarnes**

RIV SC: R&CPS IBarnes/rf 9/23/82

BC: VPB UPotapovs? 9/2/82

EHJohnson JTGallins

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