JUN 0 5 1986

General Electric Company

ATTN: Mr. Eugene A. Lees, General Manager

Nuclear Fuel and Component

Manufacturing

P. O. Box 780

Wilmington, NC 28402

Gentlemen:

SUBJECT: REPORT NO. 70-1113/86-09

On April 28 - May 2, 1986, NRC inspected activities authorized by NRC License No. SNM-1097 for your Wilmington facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed inspection report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

The inspection findings indicate that certain activities violated NRC requirements. The violation, references to pertinent requirements, and elements to be included in your response are presented in the enclosed Notice of Violation.

Your attention is invited to unresolved items identified in the inspection report. These matters will be pursued during future inspections.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure; therefore, the enclosures to this letter, with the exception of the report cover page which presents a non-exempt summary, will not be placed in NRC's Public Document Room.

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

Should you have any questions concerning this letter, please contact us.

Sincerely,

8606100488 860605 PDR ADUCK 07001113 C PDR

Kenneth P. Barr, Chief Nuclear Materials Safety and Safeguards Branch Division of Radiation Safety and Safeguards

Enclosure: (See page 2)

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Enclosure:

Notice of Violation

(Exempt from Disclosure)

 Inspection Report No. 70-1113/86-09 (Exempt from Disclosure)

cc w/encl: T. Preston Winslow, Manager Licensing and Nuclear Materials Management

bcc w/encl:
Document Control Desk
Safeguards and Materials Program
Branch, EWS-305
Fuel Facility Safeguards Licensing
Branch, 881-SS

bcc w/Inspection Summary: State of North Carolina

bcc w/o encl: License Fee Management Branch

DWJones:1b 05/3 /86 RII JBKahle 06/3/86

EJMcAlpine 06/3/86