NOTICE OF VIOLATION
INSPECTION NO. 70-36/98-204

ABB Combustion Engineering, Inc.   Docket No. 70-36
Hematite, Missouri 63047   License No. SNM-33

During a Nuclear Regulatory Commission (NRC) inspection conducted on December 7 - 11, 1998, a violation of NRC requirements was identified. In accordance with the "General Statements of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is described below.

VIOLATION NO. 98-204-01

10 CFR 74.31 (c) (6) states in part:

"The licensee shall maintain current knowledge of items when the sum of the time of existence of an item, the time to make a record of the item, and the time necessary to locate the item exceeds 14 days."

Contrary to the above, the licensee failed to maintain current knowledge of items in that eight fuel bundles were shipped on November 18, 1998, but the item control data base was not updated until December 8, 1998. During this time interval, which exceeds 14 days, the licensee had not maintained a current knowledge of the eight fuel bundles.

This is a severity level IV violation (Supplement III).

Pursuant to the provisions of 10 CFR 2.201, ABB Combustion Engineering is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with copies to the Regional Administrator, Region III, and Chief, Fuel Cycle Operations Branch, Division of Fuel Cycle Safety and Safeguards, NMSS, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps which have been taken and the results achieved, (3) the corrective steps taken to avoid any further violations, and (4) the date when full compliance will be achieved.

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Your response may reference or include previously docketed correspondence if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or Demand for Information may be issued as to why the license should not be modified, suspended or revoked, or why such other actions as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected, and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated at Rockville, Maryland
this 19th day of January 1999