

APPENDIX A
NOTICE OF VIOLATION

Babcock and Wilcox Company

License No. SNM-778

Based on the results of the NRC inspection conducted on September 11-15, 1978, it appears that certain of your activities were not conducted in full compliance with NRC requirements as indicated below. These items have been categorized as described in our correspondence to you dated December 31, 1974.

Appendix E, Section 13.2.1 of the license application which is incorporated by Appendix A.8.4.5 to SNM-778 states that except for quantities kept in shelf reagent bottles, all flammable liquids shall be stored in approved safety cans.

Contrary to the above requirements, on September 14, 1978, it was observed that approximately one and one-half gallons of paint thinner were being stored in containers that were not safety approved. This item is an infraction and applies to license SNM-778.