NUCLEAR REGULATORY COMMISSION REGION III

799 ROOSEVELT ROAD GLEN ELLYN, ILLINOIS 60137



JUN 2 6 1975

Korr-McGee Nuclear Corporation ATTN: Mr. W. J. Shelley, Director Regulation and Control Kerr-McGee Center Oklahoma City, Oklahoma 73125

Docket No. 70-1193

Gentlemen:

Thank you for your letters dated May 13 and May 20, 1975, informing us of the steps you have taken to correct the items of noncompliance which ve brought to your attention in our letter dated April 24, 1975. Our comments on the corrective action you have taken or propose to take era contained in the enclosure to this letter.

As explained in the enclosure, it appears to us that certain of the actions you have taken are not sufficient to achieve full compliance with certain license requirements. Therefore we request that you reexamine these requirements and advise us in writing within twenty days of your receipt of this letter of the additional steps that you have taken to achieve full compliance. If you determine that there are reasons why full compliance with these requirements cannot be schieved, you should contact the Office of Nuclear Material Safety and Safeguards.

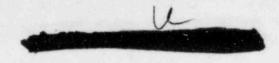
The enclosure to this letter concerns a subject matter which is exempt from public disclosure according to Section 2.790 (d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Consequently, the enclosure to this letter and your response to the enclosure will not be placed in the Public Document Room.

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Your protest of our strict interpretation of the phrase "effective immediately" in determining your noncompliance with some of the recently revised parts of License Condition 3.9 is acknowledged. The letter of February 21, 1975 from the Division of Baieguards which transmitted the revised license conditions to you contained this phrase, and in the absence of any provision in the letter for a delay in implementation, it was necessary for us to make non-compliance findings in accordance with our observations during the inspection of March 6-12. However, your prompt efforts to achieve compliance which began immediately upon receipt of the new requirements were also noted.

Sincerely yours,

J. A. Hind, Chief Materials and Plant Protection Branch



ENCLOSURE

Korr-McGee Nuclear Corporation License No. SNM-1174

The actions you describe for correcting the noncompliance items identified in our letter April 24, 1975 as Infractions A, C, and E and Deficiencies A and B appear to be adequate to achieve compliance. We will examine these matters during a subsequent inspection.

Your actions to correct the noncompliance items identified as Infractions B and D appear to be insufficient to achieve compliance with the requirements of the related license conditions. You state that the inspection of women's handbags (and presumbably other packages and containers) at entry and exit from the plant will adequately assure that these personal containers are not being used to conceal SNM on exit or contraband on entry into the plant. The intent of License Condition 3.9.14 of Amendment MPP-1 to your license is to prevent packages and containers (such as handbags) from entry into the MAA where they could be used to transport SNM from the plant during drills when the normal personnel exit would not necessarily be used. Similarly, we believe that your inspection procedures subsequent to monitoring do not constitute compliance with License Condition 3.9.16. This requirement states that no packages, containers, or coats shall be carried through the search devices by exiting personnel. There is no provision for a subsequent search of these articles as a substitute for this requirement. Although this search does afford some protection against diversion, it does not appear to meet the intent of License Condition 3.9.16 which is to achieve a separation of any items that might contain or be used for shielding SNM from the individual carrying them.

> IE Control No. 30 Copy No. 2 of 4

