

MAY 12 1989

Docket No. 70-36

Combustion Engineering, Inc.
 ATTN: Dr. P. L. McGill
 Vice President
 Manufacturing
 Nuclear Power Systems
 Windsor, CT 06095

Gentlemen:

This refers to the routine safety inspection conducted by Mr. G. M. France, III of this office on March 20-23, 1989, of activities at your Hematite facility authorized by NRC Special Nuclear Material License No. SNM-33, and to the discussion of our findings with the Hematite Plant Manager, Mr. J. A. Rode and others at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

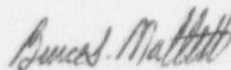
No violation of NRC requirements were identified during the course of this inspection.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC Public Document Room.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

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Bruce S. Mallett, Ph.D., Chief
 Nuclear Materials Safety Branch

Enclosure: Inspection Report
 No. 70-0036/89001(DRSS)

cc w/enclosure:
 J. A. Rode, Plant Manager
 DCD/DCB (RIDS)

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 France/ib
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