

PRELIMINARY NOTIFICATION

EXEMPT FROM PUBLIC DISCLOSURE PURSUANT TO 10 CFR 2.790(d)

March 3, 1977

PRELIMINARY NOTIFICATION OF SAFEGUARDS EVENT--

PNS-77-07

This preliminary notification constitutes EARLY notice of events of POSSIBLE national security or public interest significance. The information presented is as initially received without verification or evaluation and is basically all that is known by IE staff as of this date.

Facility: U S. Nuclear, Inc. (Docket No. 70-1327)

Subject: POSSIBLE CLOSE-DOWN OF PRODUCTION OPERATIONS

Region II, Atlanta, received preliminary information on March 2, 1977, from Oak Ridge (Tennessee) Operations Office, ERDA, that U. S. Nuclear is anticipating ceasing production operations on or about April 1, 1977. If this occurs, they will revert to a stand-by operation for an indefinite period.

All security and accountability controls required by license would remain in effect. All finished fuel elements will be shipped to the customers. One problem could be the elements for South Africa, for which an export license was requested about two years ago and has not yet been received. This material could be stored at one of the ERDA facilities at Oak Ridge, if necessary.

If the production operations cease, Region II, Atlanta, will follow very closely the implementation of required security and accountability controls. By shipping all finished fuel elements, U. S. Nuclear inventory may drop below 5 kg. U-235.

No additional action is planned by Region II, Atlanta, at this time. The licensee has issued a press release.

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