



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

July 1, 2021

MEMORANDUM TO: David L. Pelton, Director  
Division of Nuclear Materials Safety

FROM: Michael A. Kunowski, Chief */RA/*  
Materials Inspection Branch  
Division of Nuclear Materials Safety

SUBJECT: DEVIATION FROM NEXT INSPECTION DATE FOR LICENSEE:  
EBV EXPLOSIVES ENVIRONMENTAL COMPANY, D/B/A  
GENERAL DYNAMICS ORDNANCE AND TACTICAL SYSTEMS,  
MUNITION SERVICES

On August 30, 2018, the U.S. Nuclear Regulatory Commission (NRC) issued license No. SUB-9939 to EBV Explosives Environmental Company, d/b/a General Dynamics Ordnance and Tactical Systems, Munition Services (EBV), which is authorized to possess, store, and disassemble military munitions that contain depleted uranium, at its Carthage, MO, facility. Per Inspection Manual Chapter (IMC) 2800, an initial inspection was due to be performed by August 30, 2019 but was rescheduled to be completed no later than February 28, 2020, in accordance with the allowance in IMC 2800 as the licensee had not yet taken possession of any licensed material.

On January 13, 2020, a regional materials inspector attempted to perform an initial inspection at EBV. At that time, the licensee had still not taken possession of any licensed material and had not started principal activities, so in accordance with IMC 2800, the inspector indicated on the NRC Form 591 and on the associated inspection planner a next inspection date of January 13, 2021, one year from the date of the attempted initial inspection. This inspection due date was subsequently extended to July 13, 2021, in accordance with the revised IMC 2800 guidance, as the licensee had still not taken possession of any licensed material.

In a letter to the NRC dated August 5, 2020, the licensee notified the NRC that it had not conducted principal activities under the license for a period of 24 months (since the license was issued) in accordance with 10 CFR 40.43(d)(3). In the letter, the licensee's radiation safety officer (RSO) stated that the licensee would notify the NRC no later than 30 days after the receipt of licensed material and the conduct of principal activities.

On May 17, 2021, a regional materials inspector contacted the licensee's RSO to coordinate another attempt at performing an initial inspection. During this call, the RSO informed the inspector that the licensee had not yet taken possession of any licensed material and reaffirmed that he would contact the NRC after they had begun principal activities.

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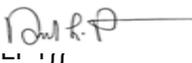
As described in Section 06.04, "Other Changes in Inspection Interval," of IMC 2800, at the discretion of regional management, changes in inspection intervals may be made to achieve efficiencies in the use of inspection resources. Because the licensee has still not taken possession of any licensed material, MIB requests to be exempted from the requirement to complete the next inspection for DCS Corporation by July 13, 2021.

The branch requests to deviate from the timeliness goals in IMC 2800 and complete the initial inspection only when the licensee has notified the NRC of the receipt of licensed material. In the meantime, MIB will change the next inspection date in WBL to July 13, 2022. This will allow the region to make the most efficient use of inspection resources.

The request is consistent with a similar, approved request for DCS Corporation (see attached memo), a licensee in Warren, Michigan, who has a license for possessing and using depleted uranium so that it can bid on military contracts but who has not yet possessed any radioactive material in a number of years since the license was issued. On June 16, 2021, the Materials Inspection Branch (MIB) presented this topic at the June 2021 Commercial and Academic call with the other Regions and NMSS to see if the other Regions had similar examples and if a change to IMC 2800 could be made so that similar cases do not have to be handled by memo. Coordinating with NMSS, MIB will work with the IMC 2800 working group to propose a change that addresses the issue.

Docket No.: 040-38404  
License No.: SUB-9939

Enclosure: As stated

Approved signature:  D.L.P.

Signed by Pelton, David  
on 07/01/21

July 1, 2021

David L. Pelton, Director  
Division of Nuclear Materials Safety

Memo Requesting Deviation from IMC 2800 Initial Inspection Timeline for EBV Explosives Environmental Company DATE July 1, 2021

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