

Official

JUL 29 1985

✓ Babcock and Wilcox Company
ATTN: Dr. T. C. Engelder, Director
Lynchburg Research Center
Research and Development Division
P. O. Box 11165
Lynchburg, VA 24506-1165

Gentlemen:

SUBJECT: REPORT NOS. 70-824/85-05 AND 50-013/85-01

On June 10-14, 1985, NRC inspected activities authorized by NRC License Nos. SNM-824 and CX-10 for your B&W Lynchburg Research facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed inspection report.

The NRC's concerns relative to the inspection findings were discussed by J. P. Stohr, of this office and yourself, in an enforcement conference held at Region II office on June 27, 1985.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

The inspection findings indicate that certain activities violated NRC requirements. The violations, references to pertinent requirements, and elements to be included in your response are presented in the enclosed Notice of Violation.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosures will be placed in the NRC's Public Document Room.

The responses directed by this letter and the enclosures are not subject to the clearance procedures of the Office of Management and Budget issued under the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, please contact us.

Sincerely,

J. Philip Stohr, Director
Division of Radiation Safety
and Safeguards

Enclosures: (See page 2)

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PDR ADOCK 05000013
G PDR

IE06

Enclosures:

1. Notice of Violation
2. Inspection Report Nos. 70-824/85-05
and 50-13/85-01

bcc w/encl:

Document Control Desk
✓ Safeguards and Materials Program
Branch, EWW-359
✓ Fuel Facility Safeguards Licensing
Branch, 881-SS
✓ Director, Enforcement Staff, OIE

bcc w/Inspection Summary:
Commonwealth of Virginia

bcc w/o encl:
License Fee Management Branch

RII

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RAIbright:dr
7/18/85

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CHosey
7/18/85

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DCollins
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JKahle
7/18/85

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EMcAlpine
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KPBarr
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AHardin
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PFredrickson
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DVerrelli
7/26/85

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GJenkins
7/25/85