

ENCLOSURE 1

NOTICE OF VIOLATION

Babcock and Wilcox Company
Lynchburg Research Center

Docket Nos. 70-824 and 50-013
License Nos. SNM-824 and CX-10

The following violations were identified during an inspection conducted on June 10-14, 1985. The Severity Levels were assigned in accordance with the NRC Enforcement Policy (10 CFR Part 2, Appendix C).

1. 10 CFR 71.5(a) requires a licensee, who transports licensed material outside the confines of his plant or other place of use or delivers any licensed material for transport, to comply with the applicable requirements of the Department of Transportation (DOT) regulations presented in 49 CFR Parts 170 through 189. 49 CFR 173.425 requires that Low Specific Activity (LSA) radioactive materials consigned for exclusive use be packaged in DOT Specification 7A Type A package or in a strong, tight package so that there will be no leakage of radioactive material under conditions normally incident to transportation.

Contrary to the above, the licensee failed to package a shipment of LSA radioactive material in a DOT Specification 7A Type A package or a strong, tight package in that on May 7, 1985, Shipment No. LRC-23 arrived at the burial facility, and a hole was found in one drum.

This is a Severity Level IV violation (Supplement V).
(This violation is applicable to License No. SNM-824).

2. 10 CFR 71.87 requires that prior to each shipment of radioactive material the shipper ensure that each package is proper for its contents, the package is in unimpaired physical condition except for superficial defects such as marks or dents, and that each closure device of the package, including any required gasket, is properly installed, secured and free of defects. 49 CFR 173.465 requires that Type A packages used to ship Fissile Class II materials pass a free drop test.

Contrary to the above, the requirements to ensure, prior to shipment, that the package is proper for the contents to be shipped, that the package is in unimpaired physical condition except for superficial defects such as marks and dents, and that each closure device of the package is free of defects were not met, in that:

- a. On May 1, 1985, the licensee shipped Fissile Class II material in six packages designated by the licensee to be DOT Specification 7A Type A packages without having performed the free drop test.

(This example is applicable to License No. SNM-824).

- b. On August 21, 1984, the licensee shipped special nuclear material in a package that had a crack approximately four inches long under the weld for a closure device.

(This example is applicable to License No. CX-10).

This is a Severity Level IV violation (Supplement V).

3. 10 CFR 20.301 specifies authorized methods for disposal of licensed material and prohibits disposal by other means. One authorized method is by transfer to an authorized recipient. Washington State License No. WN-1019-2 for the U. S. Ecology Land Disposal Site, License Condition 27(K), requires that when waste is labeled with a DOT White I, Yellow II or Yellow III label that a waste classification label appear next to or in close proximity to each DOT label.

Contrary to the above, the requirement to display the waste classification label near each DOT label was not met, in that, on May 1, 1985, six drums were transferred to the U. S. Ecology Low Level Waste Disposal Facility with two DOT Yellow II labels but only one waste classification sticker affixed to each drum.

This is a Severity Level V violation (Supplement IV).
(This violation is applicable to License No. SNM-824).

Pursuant to 10 CFR 2.201, you are required to submit to this office within 30 days of the date of this Notice, a written statement or explanation in reply, including: (1) admission or denial of the alleged violations; (2) the reasons for the violations if admitted; (3) the corrective steps which have been taken and the results achieved; (4) corrective steps which will be taken to avoid further violations; and (5) the date when full compliance will be achieved.

Security or safeguards information should be submitted as an enclosure to facilitate withholding it from public disclosure as required by 10 CFR 2.790(d) or 10 CFR 73.21.

Date: JUL 29 1985