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UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II 245 PEACHTREE CENTER AVENUE NE, SUITE 1200 ATLANTA, GEORGIA 30303-1257

September 20, 2018

Mr. B. J. Burch, General Manager BWXT Nuclear Operations Group, Inc. P.O. Box 785 Lynchburg, VA 24505-0785

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION INSPECTION REPORT

NUMBER 70-27/2018-402

Dear Mr. Burch:

The U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection of the Material Control and Accounting (MC&A) safeguards program at the BWXT Nuclear Operations Group Lynchburg facility (BWXT NOG) from August 27 - 30, 2018. The purpose of this inspection was to determine whether activities authorized by your license were conducted safely and in accordance with NRC requirements. The enclosed report presents the results of the inspection that were discussed with members of your staff during an exit meeting held at the end of the inspection on August 30, 2018.

This inspection examined activities conducted under your license as they relate to public health and safety, the common defense and security, and to confirm compliance with the Commission's rules, regulations, and the conditions of your license. Areas examined during this inspection included management structure, item monitoring, process monitoring, measurement systems and control, physical inventory, internal control, alarm resolution, and recordkeeping. Within these areas, the inspection consisted of performance tests, selective examinations of procedures and representative records, interviews with personnel, and observations of activities in progress. No violations of more than minor significance were identified.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public inspections, exemptions, requests for withholding," of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room, or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS); accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

The enclosure contains Sensitive Unclassified Non Safeguards Information (Security-Related Information). Upon separation, this cover letter is DECONTROLLED.

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The enclosed inspection report contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html.

Should you have any questions concerning this report, please contact Manuel Crespo at 404-997-4733, or via e-mail to manuel.crespo@nrc.gov.

Sincerely,

/RA/

Rebecca Nease, Chief Safety Branch Division of Fuel Facility Inspection

Docket No. 70-27 License No. SNM-42

Enclosure:

CC:

W. Ogden Nuclear Material Control BWXT Nuclear Operations Group, Inc. P.O. Box 785 Lynchburg, VA 24505-0785

C. Terry
Licensing and Safety Analysis
BWXT Nuclear Operations Group, Inc.
P.O. Box 785
Lynchburg, VA 24505-0785

Steve Harrison, Director Division of Radiological Health Department of Health 109 Governor Street, Room 730 Richmond, VA 23219

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