



NOTE: Attachments to this document contain confidential information submitted under 10 CFR 2.390. This information is Business Confidential to Aerotest and Nuclear Labyrinth and is identified with brackets as such [] or in the case of attachments in their entirety.

October 15, 2012

ATTENTION: Document Control Desk  
U.S. Nuclear Regulatory Commission  
White Flint North  
11555 Rockville Pike  
Rockville, MD 20852-2738

AEROTEST RADIOGRAPHY AND RESEARCH REACTOR  
DOCKET NO. 50-228/LICENSE NO. R-98.

**RESPONSE TO REQUEST FOR ADDITIONAL INFORMATION RE:  
APPLICATION FOR APPROVAL OF INDIRECT TRANSFER OF  
CONTROL OF LICENSE OF AEROTEST RADIOGRAPHY AND  
RESEARCH REACTOR PURSUANT TO 10 CFR 50.80 (TAC NO. ME8811)**

Ladies and Gentlemen:

Enclosed please find the response of Aerotest Operations, Inc. ("Aerotest") and Nuclear Labyrinth LLC ("Nuclear Labyrinth") to the U.S. Nuclear Regulatory Commission's Request for Additional Information Re: Application for Approval of Indirect Transfer of Control of License of Aerotest Radiography and Research Reactor Pursuant to 10 CFR 50.80 (TAC No. ME8811), dated September 14, 2012 including supporting affidavits on behalf of both Aerotest and Nuclear Labyrinth. Also enclosed are a request to withhold confidential information from public disclosure and a copy of the response redacting the confidential information.

Should you have any questions or require additional information regarding this submission, please contact Jay Silberg, counsel to Aerotest at 202-663-8063 or [jay.silberg@pillsburylaw.com](mailto:jay.silberg@pillsburylaw.com).

Sincerely yours,

Jay Silberg  
Counsel for Aerotest Operations, Inc.

Enclosures

A020  
NR2

October 15, 2012

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STATE OF MICHIGAN

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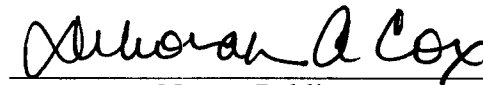
COUNTY OF OAKLAND

I, Michael S. Anderson, state that I am the Secretary of Aerotest Operations, Inc., and that I am duly authorized to execute and file this response on behalf of Aerotest Operations, Inc. To the best of my knowledge and belief, the statements contained in this document with respect to Aerotest Operations, Inc. are true and correct.

  
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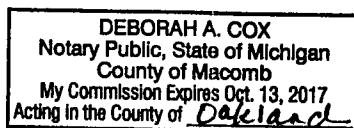
Subscribed and sworn before me, a Notary Public in and for the State of Michigan and County of Oakland, this 14<sup>th</sup> day of October 2012.

WITNESS my Hand and Notarial Seal:

  
\_\_\_\_\_

Notary Public

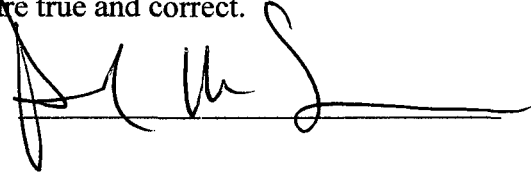
My Commission Expires: \_\_\_\_\_



October 15, 2012  
Page 3

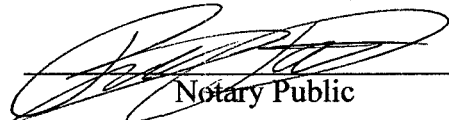
STATE OF UTAH :  
: TO WIT:  
COUNTY OF SALT LAKE COUNTY :

I, Dr. David Michael Slaughter, state that I am the Chief Executive Officer of Nuclear Labyrinth LLC, and that I am duly authorized to execute and file this response on behalf of Nuclear Labyrinth LLC. To the best of my knowledge and belief, the statements contained in this document with respect to Nuclear Labyrinth LLC are true and correct.



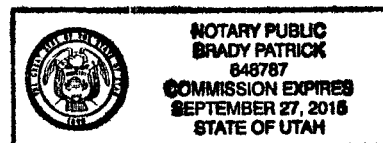
Subscribed and sworn before me, a Notary Public in and for the State of Utah and County of Salt Lake, this 11 day of October 2012.

**WITNESS** my Hand and Notarial Seal:

  
Notary Public

My Commission Expires:

09/27/15  
Date



October 15, 2012

Page 4

Enclosures

1. Response to Request to Request for Additional Information – proprietary copy
2. Response to Request to Request for Additional Information – non-proprietary copy
3. Request to Withhold From Public Disclosure

cc: U.S. NRC Office of Nuclear Reactor Regulation/NRLPO  
U.S. NRC Region IV, Regional Administrator  
NRC, NRR (Traiforos)  
NRC, OGC (Uttal)  
NRC, OGC (Safford)

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**Aerotest Radiography and Research Reactor**

**Docket No. 50-228**

Enclosure 2

Non-Proprietary Copy

October 15, 2012

1. The NRC's regulation under 10 CFR 50.33(f)(2) states that: [T]he applicant shall submit information that demonstrates the applicant possesses or has reasonable assurance of obtaining the funds necessary to cover estimated operation costs for the period of the license.

Under Section V, "Financial Qualifications," of the application, the applicant stated that "[. . .]at closing of the transaction [the] seller [Autoliv] will transfer funds sufficient to fund approximately twelve months of operating expenses during the restart of the facility and its resumption of commercial operations." Attachment 6, "Initial Year Income Estimate for Aerotest Operations," and Attachment 7, "5 Year Projected Income Statement for Aerotest Operations, Inc." of the application indicated that the projected costs of operation for the first year after consummation of the transfer are approximately [

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Based on information provided in the application, clarify this discrepancy regarding the first year of operating costs, and explain how the initial contribution from Autoliv will fund the operating expenses of Aerotest for a 12-month period.

~~— PROPRIETARY BUSINESS CONFIDENTIAL TRADE SECRET —~~

~~— Confidential information submitted under 10 C.F.R. § 2.390 —~~

~~— Withhold from public disclosure under 10 C.F.R. § 2.39 —~~

2. Inspections of fuel have determined that certain fuel elements need to be removed from service (see NRC Inspection Report No. 50-228/2012-204 dated August 14, 2012). Describe the anticipated operating condition of the reactor at the time of license transfer. If the reactor will not be fully operational (e.g., will be operated at reduced power because of reactivity limitations due to limited fuel inventory) at the time of license transfer, describe the operational limitations that will be in place.

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*It is expected that the reactor will be fully operational at the time of closing the transaction and the license transfer. However, it is unknown at this time whether there will be operational limitations as a result of the fuel elements removed from service. Aerotest is currently performing reviews and analyses of the fuel inventory, which could identify limitations in the ability of the facility to achieve its licensed power level. Should such limitation be identified, the transaction will not close until the facility is fully operational.*

3. The NRC's regulation under 10 CFR 50.33(f)(2) states: [T]he applicant shall submit information that demonstrates the applicant possesses or has reasonable assurance of obtaining the funds necessary to cover estimated operation costs for the period of the license. In addition, 10 CFR 50.33(f)(4) states: [N]ewly-formed entity organized for the primary purpose of constructing and/or operating a facility must also include information showing: (i) [t]he legal and financial relationships it has or proposes to have to with its stockholders or owners; (ii) [t]he stockholders' or owners financial ability to meet any contractual obligation to the entity which they have incurred or proposed to incur; and (iii) [a]ny other information considered necessary by the Commission to enable it to determine the applicant's financial qualification.

Under Section V. "Financial Qualifications," of the application, the applicant did not identify any sources of funds to cover the projected operating costs identified in Projected Income Statement included in Attachment 7, pursuant to 10 CFR 50.33(f)(2). On July 5, 2012, the NRC staff requested Aerotest and Nuclear Labyrinth to supplement the application to provide the source(s) of funds to cover the projected operating costs, specifically to state if there are any committed sources of funds (e.g., commercial, government, or educational) for operations of the ARRR facility, and to provide any applicable commitments, letters of intent, or contracts with these sources. In the July 19, 2012, supplement to the application, the applicant stated that **"Aerotest currently has no contracts committing individual customers to purchase testing services. Historically, Aerotest provided services based on customer purchase orders and did not use long-term contracts. It has not asked any customers for firm commitments, since it is not possible to predict when operations at the facility could resume. Aerotest does believe, however, that within the first year after full operations resume, a significant number of its historic customers will return."** In addition, the applicant also stated that Nuclear Labyrinth was created for the purpose of purchasing the shares of Aerotest, and that as a newly formed entity, it has no financial statements to submit to the NRC.

Based on the information provided in the application, provide the following additional information, pursuant to 50.33(f) regarding financial qualification:

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- a. **Describe any actions that have been taken to obtain committed sources of funds for the operation costs of Aerotest. If action has not been taken, describe when and by what means Aerotest and Nuclear Labyrinth plan to obtain committed sources of funds.**

[

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*As stated in our July 19 response, Aerotest's previous customers have expressed an interest in purchasing services from Aerotest. However, these customers need assurance that the facility will be returned to operation in a time frame that meets their business needs prior to contracting for such services. Given the current status of the NRC review process, it is not possible to predict with any confidence a schedule when the facility might return to operation. Once Aerotest is able to develop such a schedule, Aerotest will develop a plan, including a schedule, setting forth the activities necessary to return the facility to operational status. Once this plan is developed, Aerotest will inform customers of the return to service date and solicit commitments to purchase services.*

- b. **Provide any alternative sources of funds to cover the projected operating costs in the event that the historical customers do not return and/or Aerotest cannot obtain new customers.**

*As discussed in the response to Question 1, the operating cost projections provided in the Application at Attachments 6 and 7 include costs associated with providing services to customers. The operating costs of the facility will be significantly less if services are not being provided to customers. If Aerotest does not provide services to customers, the operating costs will be [ ] per year. Until Aerotest obtains new customers, Aerotest will limit operation of the facility to demonstrating capabilities to potential clients and to performing regulatory required surveillances. In this case, Aerotest will have sufficient funds to maintain the facility in its current status for 12 months.*

*NRC guidance with respect to power reactor licenses provides that where the applicant does not have long-term contracts or other committed sources of revenue, the NRC will consider other relevant financial information such as whether the applicant has cash to pay fixed operating costs during an outage of at least 6 months, the amount of decommissioning funds collected or guaranteed for the plant in relation to the current estimated decommissioning costs, and any other relevant factors. See NUREG-1577, Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance at 10. Applying this guidance to the present case, Aerotest will have sufficient funds to pay operating costs, without customers, for more than a year upon closing of the transaction. Furthermore, because funds sufficient to cover the currently estimated cost of decommissioning will be transferred at closing, Aerotest will have sufficient funds to cover decommissioning. If Aerotest is unable to obtain customers sufficient to offset operational costs and it exhausts its committed operational funds, then Aerotest would commence decommissioning unless it is able to obtain further funds to*

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*maintain its operational status. Aerotest will provide the NRC with a report indicating the balance of funds and efforts to retain customers four months after the close of the transaction and every four months thereafter until such time as Aerotest demonstrates that operating costs are being funded by ongoing services.*

- c. Provide information to demonstrate Nuclear Labyrinth's financial ability to provide funding for all liabilities regarding the management, storage, removal and disposal of the nuclear fuel located at the facility, as described in the application. In addition, provide the costs in 2012 dollars associated with the stated liabilities.

*The cost categories associated with fuel disposition include casks and packaging, transportation, and disposal fees. Aerotest has a contract with the DOE specifying the fee for cask use, transportation, and disposal. The contract provides that the fee will be [ ] plus interest. The interest is calculated from October 1, 2010 to the date payment is made based upon the 13-week Treasury bill rate. The estimated value of the fee today including interest is [ ]. The fuel canisters for transport of damaged fuel elements are not included in the contract price and therefore have to be procured separately. Department of Energy (DOE) representatives provided a cost estimate of [ ] for canisters approved for transport of damaged fuel elements within the casks using actual costs adjusted to 2012 dollars.*

[

]

- d. Provide a pro forma balance sheet, which recognizes decommissioning costs as a liability, for Nuclear Labyrinth.

*Nuclear Labyrinth's pro forma balance sheet is provided as Attachment 1.*

- e. Inspections of fuel have determined that certain fuel elements need to be removed from service (see NRC Inspection Report No. 50-228/2012-204 dated August 14, 2012). State whether the projected operating costs include the costs associated with damaged fuel, such as the technical analysis, replacement, and/or repairs, etc., before the reactor can be returned to operation. If the projected operating costs do not include these costs, provide information on how these costs will be covered (e.g., the reactor be returned to an operating state before the license transfer).

*The projected operating costs do not include costs associated with damaged fuel. Activities associated with the damaged fuel are expected to be completed prior to closing the transaction and the license transfer and will therefore be paid by the current licensee.*



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- f. If reactor operation is limited at the time of license transfer (e.g., reactor will need to operate at reduced power because of limited fuel inventory), describe how the potential limitations will affect the projected revenue as provided in Attachment 7 of the application. In addition, update Attachments 6, 7, and 9 to reflect the potential impact of the operation limitation on cost and revenue.

*As described in the response to question 2, it is anticipated that the reactor will be fully operational at the time of closing the transaction and license transfer. Thus, there will be no limitations impacting the projected revenue provided in the application.*

4. The NRC's regulation under 10 CFR 50.75(d)(1) states: Each non-power reactor applicant for or holder of an operating license for a production or utilization facility shall submit a decommissioning report as required by § 50.33(k). . .

Pursuant to 10 CFR 50.75(d)(2), the decommissioning report must: (i) contain a cost estimate for decommissioning the facility; (ii) indicate which method or methods described in paragraph (e) [ . . . ] as acceptable to the NRC will be used to provide funds for decommissioning; and (iii) Provide a description of the means of adjusting the cost estimate and associated funding level periodically over the life of the facility.

Under Section VI, "Decommissioning Funding," of the application, the applicant provided a decommissioning cost estimate prepared by EnergySolutions. The applicant stated that: (1) decommissioning funding assurance would be held in a decommissioning trust, with Autoliv to provide the initial decommissioning trust fund contribution of \$3,285,800; (2) future funding will be provided by Aerotest per the schedule included in Attachment 9; (3) for the purposes of projecting future costs, the schedule included in Attachment 9 uses a cost escalation factor of 3 percent; and (4) the future funds will be from decommissioning fees charged to users of the ARRR for the first five years of operation under the new ownership.

Based on the information provided in the application, provide the following additional information, pursuant to 50.75(d) regarding financial assurance:

- a. Update the decommissioning cost estimate to current 2012 dollars.

The updated decommissioning cost estimate is [ ] in terms of 2012 dollars.

- b. Provide the basis for the cost escalation factor of 3 percent (e.g., independent study, consumer price index long-term historical data etc.)

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*The cost escalation factor of 3 percent is a conservative estimate based on historical inflation data. See [http://inflationdata.com/Inflation/Inflation\\_Rate/HistoricalInflation.aspx](http://inflationdata.com/Inflation/Inflation_Rate/HistoricalInflation.aspx). NRC guidance in Regulatory Guide 1.159 suggest that estimates for inflation should be based on recent economic performance, i.e., within the past 10 years. The inflation rate for the ten years from 2002 to 2011 is 2.43 percent. Thus, the use of 3% is a conservative estimate based on this data.*

- c. Provide a revised method or methods that will be used to provide funds for decommissioning since future funds from customers is not credited for decommissioning financial assurance unless the licensee meets the requirements of 10 CFR 50.75(e)(1)(ii)(A) or (B), or (e)(1)(v).

*The financial assurance method to be used for decommissioning funds is a prepaid trust to be fully funded with an amount equal to the decommissioning cost estimate. As provided in the application, Autoliv will transfer funds in an amount equal to the decommissioning cost estimate to the Aerotest decommissioning trust fund. In 2012 dollars, this amount is equal to [ ]. In addition, Nuclear Labyrinth will maintain a [ ] line of credit from a Federally Insured Bank to be used in the event that future updates to the cost estimate or fund performance reveal a shortfall in the fund balance.*

5. The NRC's regulation under 10 CFR 50.75(e)(1) states: A licensee that has prepaid funds on a site-specific estimate [ . . . ] may take credit for projected earnings on the prepaid decommissioning trust funds, using up to a 2 percent annual real rate of return from the time of future funds' collection through the projected decommissioning period, provided that the site-specific estimate is based on a period of safe storage that is specifically described in the estimate.

The NRC's regulation under 10 CFR 50.75(f)(5) states: If necessary, the cost estimate, for power and non-power reactors, shall also include plans for adjusting levels of funds assured for decommissioning to demonstrate that a reasonable level of assurance will be available when needed to cover the cost of decommissioning.

Under Section VI, "Decommissioning Funding," of the application, the applicant stated that the projection for decommissioning financial assurance uses a real rate of return of 1.96 percent based on an imputed tax affected rate of return on 30 year t-bills, on average, since 2001. In addition, the applicant stated that the required decommissioning funding level will be adjusted on a bi-annual basis based on updated decommissioning cost estimates to be prepared by outside experts, after the first five years of operation. Attachment 9, "Decommissioning Financial Assurance Projection," shows funds and decommissioning cost projection for the first nine years of operation.

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Based on the information provided in the application, provide the following additional information, pursuant to 10 CFR 50.75(d) regarding decommissioning funding assurance:

- a. Clarify if the amounts shown in Attachment 9, "Decommissioning Financial Assurance Projection," are in current dollars or future dollars. The NRC Staff noted that Attachment 9 includes a cost escalation of 3 percent on the decommissioning cost and a real rate of return of 1.96 percent on the Autoliv contribution.

*The decommissioning cost estimate, which is the [ ] Autoliv contribution, is in 2011 dollars.*

- b. Provide a summary schedule of annual expenses to include safe storage cost, projected earnings, and end-of-year fund balances, expressed in 2012 dollars, in order to take earning credit. Otherwise, update Attachment 9 to exclude the real rate of return.

*The decommissioning cost estimate of [ ] is in 2012 dollars and is sufficient to cover costs for immediate decommissioning. This estimate does not include safe storage. Aerotest requests that Attachment 9 be removed from the application.*

- c. Clarify how often the decommissioning cost estimate will be prepared by outside experts after the first five years of operation.

*Following the first five years of operation, the decommissioning cost estimate will be updated every two years by a qualified independent firm.*

- d. Describe how Nuclear Labyrinth will monitor and ensure decommissioning funding levels during the year(s) where a decommissioning cost estimate is not being assessed by outside experts.

*A review of the decommissioning account will be completed on an annual basis. The Aerotest Board and management team will compare the balance of the decommissioning account to the 2012 decommissioning cost estimate and adjust the trust balance as necessary.*

- e. Describe how decommissioning financial assurance levels will be adjusted to account for higher than planned cost escalation rates or lower than planned real rates of return.

*As described above, the decommissioning account will be reviewed on an annual basis by the Board and management team. Based on this review, any recommended funding adjustments will be implemented within 30 days of approval.*

- f. State any actions Nuclear Labyrinth will take to cover shortfalls in the decommissioning trust fund and how quickly they will be covered.

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*To the extent that the Board and management team determine that additional funding is necessary, Nuclear Labyrinth will adjust the fund balance using on hand assets or draw on the standby line of credit from a Federally Insured Bank. As provided above, any adjustments will be made within 30 days of approval.*

6. The NRC's regulation under 10 CFR 50.33(f)(5) states: The Commission may request an established entity or newly-formed entity to submit additional or more detailed information respecting its financial arrangements and status of funds if the Commission considers this information appropriate.

Under Section III, "General Corporate Information Regarding Aerotest Operations, Inc. and Nuclear Labyrinth, LLC," of the application, the applicant stated that "Nuclear Labyrinth is a business that evolved from E-Cubed Inc. (E3) established in 1989 in the State of Utah. In addition the applicant stated that "[i]n approximately 2002, the State of Utah awarded Dr. Slaughter funds for a Center of Excellence, which, among other things, was to identify nuclear based spinoff. This effort was the impetus for changing the company name to Nuclear Labyrinth." In the July 19, 2012, supplement to the application, the applicant stated that Nuclear Labyrinth was created to purchase the shares of Aerotest and that it is a newly formed entity.

Based on the information provided in the application, provide the following additional information, pursuant to 10 CFR 50.33(f)(5) regarding financial qualifications:

- a. Clarify when Nuclear Labyrinth was formed and its relationship with E3.

*Nuclear Labyrinth was formed as an unincorporated business entity in 2007. It was organized in Utah as a limited liability company (LLC) in 2012. There is no corporate relationship between Nuclear Labyrinth LLC and E-Cubed.*

- b. Explain any funding sources from E3 that will assist NRC staff to review the financial qualification of Nuclear Labyrinth.

*There are no current funding sources for E3.*

7. The NRC's regulation under 10 CFR 50.80(b)(2) states: The application shall include [...] the nature of the transaction necessitating or making desirable the transfer of the license.

Under Section 1. "Introduction," of the application, the applicant stated that "Aerotest Operations, Inc. the owner of the ARRR, is a wholly owned subsidiary of OEA Aerospace, Inc., a wholly owned subsidiary of OEA, Inc., which is a wholly-owned subsidiary of Autoliv "ASP, Inc. (collectively, "seller")." The Funding Agreement included within the July

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19, 2012 supplement to the application, stated that Autoliv ASP, Inc. an Indiana corporation or its designated affiliate, is the Seller.

Please provide the details on the proposed transaction, include the type of transaction (merger, acquisition, transfer of stocks, etc), the actual current owner of Aerotest stock, and the actual seller of the Aerotest stock.

*The transaction is anticipated to be a sale of all of the issued and outstanding shares of stock of Aerotest Operations, Inc. to Nuclear Labyrinth, LLC. All of the issued and outstanding shares of stock of Aerotest Operations, Inc. are owned by OEA Aerospace, Inc. OEA Aerospace, Inc. would be the actual seller of the stock of Aerotest Operations, Inc.*

Attachments:

1. Nuclear Labyrinth Pro Forma Balance Sheet

**ATTACHMENT (1)**

**PROPRIETARY – BUSINESS CONFIDENTIAL TRADE SECRET**

Confidential information submitted under 10 C.F.R. § 2.390

Withhold from public disclosure under 10 C.F.R. § 2.390

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**Nuclear Labyrinth Pro Forma Balance Sheet**

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License No. R-98  
October 15, 2012

Document Control Desk  
U.S. Nuclear Regulatory Commission  
11555 Rockville Pike  
Rockville, MD 20852-2738

**Aerotest Radiography and Research Reactor**  
**Docket No. 50-228**  
**Request for Withholding of Proprietary Information related to Aerotest**  
**Radiography and Research Reactor**

Ladies and Gentlemen:

Pursuant to 10 CFR 2.390. Public Exemptions, Request for Withholding, Aerotest Operations, Inc. (Aerotest) and Nuclear Labyrinth LLC (Nuclear Labyrinth) hereby request that certain information contained in their Response to Request for Additional Information Re: Application for Approval of Indirect Transfer of Control of License of Aerotest Radiography and Research Reactor Pursuant to 10 CFR 50.80 (the "Response") be withheld from public disclosure as such information contains trade secrets, commercial information, and financial information which is Business Proprietary.

In support of our request we state the following:

1. The information sought to be withheld from public disclosure are sections of the Response to Request for Additional Information Re: Application for Approval of Indirect Transfer of Control of License of Aerotest Radiography and Research Reactor Pursuant to 10 CFR 50.80 dated October 15, 2012 submitted by Aerotest Operations Inc. and Nuclear Labyrinth marked as Business Confidential including Attachment (1).
2. The persons making this request are Michael S. Anderson of Aerotest and Dr. David M. Slaughter of Nuclear Labyrinth.
3. The basis for proposing that the information be withheld from public disclosure is that the information marked as Business Confidential contained in the Response is confidential business and financial information of Aerotest and Nuclear Labyrinth, which information has been held in confidence by Aerotest and Nuclear Labyrinth, is a type customarily held in confidence, is not available in public sources, and if publicly disclosed would be likely to cause substantial harm

~~PROPRIETARY – TRADE SECRET~~

Confidential information submitted under 10 C.F.R. § 2.390.

Withhold from public disclosure under 10 C.F.R. § 2.390

to the competitive position of Aerotest and Nuclear Labyrinth taking into account the value of the information, the amount of effort and money expended by Aerotest and Nuclear Labyrinth in developing the information and the difficulty with which the information could be acquired or duplicated by others;

4. If such information were disclosed to the public, Aerotest and Nuclear Labyrinth believe that competitive harm would result;
5. The Response has been marked to show locations of the information sought to be withheld.



~~PROPRIETARY TRADE SECRET~~

Confidential information submitted under 10 C.F.R. § 2.390.

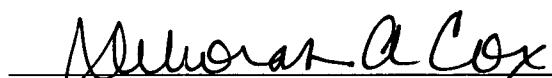
Withhold from public disclosure under 10 C.F.R. § 2.390

Michael S. Anderson, being dully sworn, states that he is Secretary of Aerotest, that he is authorized on the part of said Company to sign and file with the U. S. Nuclear Regulatory Commission this request for the Aerotest Radiography and Research Reactor, and that all the matter and facts set forth herein are true and correct to the best of his knowledge.

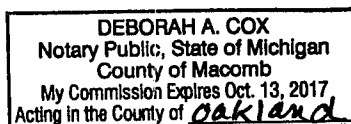


Michael S. Anderson  
Secretary

Subscribed and sworn to before me, a Notary Public, in and for the State of Michigan and County of Oakland, this 11<sup>th</sup> day of October 2012.

  
Notary Public in and for the State of Michigan

My Commission Expires: \_\_\_\_\_

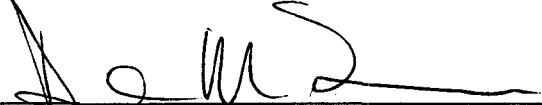


~~PROPRIETARY - TRADE SECRET~~

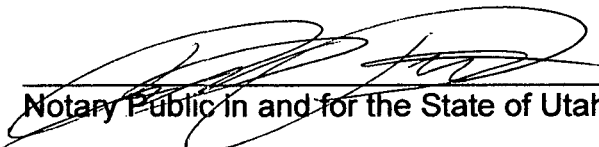
Confidential information submitted under 10 C.F.R. § 2.390.

Withhold from public disclosure under 10 C.F.R. § 2.390

David M. Slaughter, PhD, being dully sworn, states that he is Chief Executive Officer of Nuclear Labyrinth, that he is authorized on the part of said Company to sign and file with the U. S. Nuclear Regulatory Commission this request for Nuclear Labyrinth, and that all the matter and facts set forth herein are true and correct to the best of his knowledge.

  
\_\_\_\_\_  
David M. Slaughter, PhD  
Chief Executive Officer

Subscribed and sworn to before me, a Notary Public, in and for the State of Utah and County of Salt Lake, this 11 day of October 2012.

  
\_\_\_\_\_  
Notary Public in and for the State of Utah

My Commission Expires: 09/27/15

