



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
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KING OF PRUSSIA, PENNSYLVANIA 19406-1415

May 30, 2006

Zahra Ziaie
Laboratory Manager
University City Science Center
3701 Market Street
Philadelphia, PA 19104

SUBJECT: LESSOR RESPONSIBILITIES WHEN TENANTS POSSESS NRC LICENSES

Dear Dr. Ziaie:

This is in reference to your letter received May 18, 2006, inquiring about the responsibilities of the University City Science Center (UCSC) when UCSC tenants (resident companies) possess NRC licenses. Specifically, you requested responses to three questions:

(1) Is the UCSC required to have an NRC license if its resident companies have a license?

No, the UCSC is not required to have an NRC license if the resident company has a license. An NRC license is issued to the entity responsible for the safe use of licensed radioactive material at the facility, in your case the resident company. Issuance of licenses to both the UCSC and the resident company authorizing activities in the same facility is prohibited by NRC policy because it confuses this responsibility.

(2) Are there any specific requirements by the NRC that must be incorporated in the tenant's space license agreement?

The licensed entity must be able to control access to areas where licensed radioactive material is used or stored. In your letter you indicate that each resident company will have its own separate laboratory space with access control and UCSC will manage and control common labs and areas within the facility. The resident company holding the NRC license must restrict its use of licensed radioactive material to areas where they can control access. Also, prior to the termination of the license and release of the facility for unrestricted use, NRC will require that the licensee demonstrate that the facilities (including air exhaust ducts and building sewer lines) are free of radioactive contamination or that remaining levels of contamination are within regulatory limits and are as low as is reasonably achievable (ALARA). Since these facilities will eventually be released to the UCSC, you may want to consider placing restrictions in the space license agreement that minimize the chances of the facility being returned to you with legal, but measurable, levels of contamination.

(3) Is third party surveying and monitoring required?

No. Third party surveying and monitoring are not required by the NRC. The licensee will be required to survey their facilities using appropriate equipment at a frequency described in their license and NRC will inspect the licensee, in part, to confirm that the survey of the facilities is being performed and that contamination is maintained at safe

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University City Science Center

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levels. You may require in your space license agreement with the resident company that third party surveying and monitoring be performed; however, the surveying and monitoring would have to be performed under the jurisdiction of the NRC license issued to the resident company or under another NRC license.

In your letter you give the indication that other resident companies may decide in the future to get NRC licenses so they can work with licensed radioactive material. As previously stated, NRC has specific concerns regarding the issuance of NRC licenses to more than one entity within a facility because of the potential difficulty in determining responsibility for licensed activities within the facility. Many issues would have to be resolved before more than one NRC license would be issued within the same facility including, but not limited to, how each licensee will keep its radioactive material separate from another licensee's material from the receipt of incoming packages through to the disposal of radioactive waste, how the responsibility for cleaning up contamination in common or unrestricted areas is handled and decided, and how air and water effluents to a common exhaust or sanitary sewer system are monitored. These are just a few examples of issues involved with multiple licensees in the same facility.

I hope this response is helpful. If you have additional questions, or need more information, please do not hesitate to contact John Nicholson of my staff at 610-337-5236.

Sincerely,

Original signed by James P. Dwyer

James P. Dwyer, Chief
Commercial and R&D Branch
Division of Nuclear Materials Safety

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