



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555

August 1, 2001

COMMISSIONER

The Honorable Jeff Bingaman  
United States Senate  
Washington, D.C. 20510

Dear Senator Bingaman:

I am writing to you as a Commissioner of the U.S. Nuclear Regulatory Commission (NRC). NRC's mission is to regulate the safe use of nuclear materials and nuclear energy in the United States. Enclosed, please find correspondence between me, Mr. Lee Bollinger, the President of the University of Michigan and Mr. Fawwaz T. Ulbay the Vice President for Research also at the University of Michigan.

I wrote to Mr. Bollinger because of my concern that the university was considering closing their research reactor training facilities because of funding considerations. The nuclear science and engineering programs at this and similar facilities provide valuable educational, research, and industrial services and opportunities and are extremely valuable to many industries, the NRC, and to the overall safe use of nuclear materials in the United States.

I am forwarding these letters to you because I believe they are relevant to legislation you have introduced to strengthen the nuclear science and engineering programs at American universities, colleges, and national laboratories (Section 1441 of S. 597, University Nuclear Science and Engineering Support). I support your efforts and believe that Section 1441 will provide a much needed jump-start to these important science and engineering programs.

Please contact me if I may be of assistance on this or any other matter.

With best regards,

A handwritten signature in black ink, appearing to read "Jeffrey S. Merrifield".

Jeffrey S. Merrifield

Enclosures: As stated

cc: Senator Larry E. Craig  
Senator Michael D. Crapo  
Senator Pete V. Domenici  
Senator Bob Graham  
Senator Ernest F. Hollings  
Senator Frank H. Murkowski  
Senator Debbie Stabenow

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555

June 6, 2001

COMMISSIONER

Mr. Lee C. Bollinger  
President, University of Michigan  
2074 Fleming Administration Building  
Ann Arbor, MI 48109-1340

Dear President Bollinger:

I am writing to you as a Commissioner of the U.S. Nuclear Regulatory Commission (NRC). NRC's mission is to regulate the safe use of nuclear materials and nuclear energy in the United States. In this capacity, I am contacting you regarding the research reactor program at the University of Michigan School of Engineering.

I would like to commend the University for its long history of outstanding graduates and research in the nuclear field. Your nuclear facilities provide valuable educational, research, and industrial services and opportunities. These services are extremely valuable to the NRC, many industries, and to the overall safe use of nuclear materials in the United States.

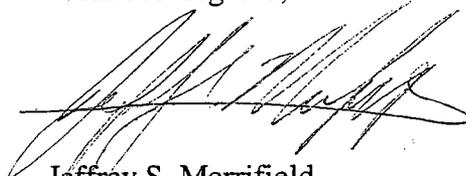
When I was appointed Commissioner by President Clinton in 1998, the nuclear power industry had no plans to build another nuclear power plant and the opportunities for nuclear engineers were declining. However, over the past two years, there has been a dynamic change in the industry. For the first time in many years, the industry is discussing the possibility of building new nuclear plants in the United States. In order to meet the growing demand for qualified nuclear engineers and scientists, it is critical that the United States maintain its educational and research infrastructure. It is therefore vital that we continue to train and provide hands-on experience to those interested in the nuclear field at facilities such as those at the University of Michigan.

Your nuclear facilities are also important assets to the NRC. The NRC, through research being conducted at the University of Michigan, in collaboration with the Oak Ridge National Laboratory and the University of Santa Barbara, is conducting research which focuses on the potential damage to reactor vessels by irradiation. This research is vital to the safety of the nation's reactor program.

Recently, the NRC was informed that the University of Michigan is considering closing its research reactor. I believe it is important that you consider the vital role this reactor serves when considering this matter. Since your reactor has had a excellent history of training and research, and I believe it would be of tremendous future benefit to the nation's nuclear program, I felt you should be aware of the important national significance of this facility.

I will be traveling to Michigan within the next 6 months and would be interested in meeting with you to discuss these issues, or if you prefer, we can meet here in Washington next time you are in town. I will have my scheduler contact your staff to see if there is an opportunity for us to meet.

With best regards,

A handwritten signature in black ink, appearing to read "Jeffrey S. Merrifield", written over a horizontal line.

Jeffrey S. Merrifield



FAWWAZ T. ULABY  
VICE PRESIDENT FOR RESEARCH

THE UNIVERSITY OF MICHIGAN

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June 14, 2001

Mr. Jeffrey S. Merrifield  
Commissioner, United States Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Commissioner Merrifield:

I am writing in reply to your letter of June 6, 2001, to President Lee Bollinger. The Ford Nuclear Reactor (FNR), to which you refer, operates as one of the service units under the responsibility of my office.

On behalf of the University of Michigan, I thank you for your interest in our Nuclear Engineering program. We are proud of the high ranking of our Nuclear Engineering department, and are committed to maintaining its high academic and research stature. I am familiar with the use the Nuclear Regulatory Commission (NRC) has made of the FNR for its studies of reactor vessels, and I was pleased to learn that the NRC has recently committed additional funds to help pay a larger fraction of the operating costs that are incurred in operating the reactor for the NRC studies.

As you know, and as was recently described by the NERAC "Report of the University Research Reactor Task Force (April 30, 2001)", only 20-30% of the research utilizing the FNR is done by Michigan faculty, with the remaining 70-80% being for Federal and commercial use, as well as researchers from other universities. At the same time, the operating deficit of the reactor has continued to climb, with less than 20% of its operational costs coming from user fees and Federal support. As I am certain you can appreciate, the University of Michigan cannot reasonably be expected to continue to operate a facility that generates such a high cost to the University, but that provides value primarily to researchers from outside of the University of Michigan community.

We have been pleased to learn that the DOE is concerned with the plight of University-based research reactors. The recommendations that were made in the NERAC task force report could, if fully implemented, provide funds to cover the operating deficit of the Ford reactor (currently \$1.7 M/year) and to undertake much needed renovations to the physical plant at the reactor (estimated cost of \$10M to \$20M). If these funds were made available, the University of Michigan would reconsider its decision to decommission the Ford Nuclear Reactor.

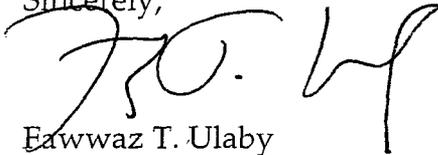
As you probably know, similar recommendations were made to the DOE in earlier studies of the University Research Reactors (studies from 1988 and 1998). To date, such recommendations have never been implemented. Given this history, we cannot help

RE: Ford Nuclear Reactor

but be skeptical as to whether the current recommendations will indeed be implemented. Nevertheless, we are committed to providing sufficient time to allow the DOE to undertake a serious reorganization of the University Research Reactor program. For that reason, I have directed that the Ford Nuclear Reactor remain operational through at least December 31, 2002. I trust that the NRC will use this time to encourage the DOE to implement the recommendations of the NERAC panel, or, barring that, that the NRC will use this time to make arrangements to continue its reactor vessel irradiation experiments at other nuclear facilities.

I would be pleased to talk with you further concerning the Ford Nuclear Reactor and to explore ways we can work together to secure Federal funding for its continued operation. I would be glad to meet with you at your office in Washington or here as our guest in Michigan.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. Ulaby', written over the printed name.

Fawwaz T. Ulaby

FTU/jcr

cc: Lee C. Bollinger  
Cynthia H. Wilbanks

*hd/ftu.0010.fnr*