

March 8, 2007

Mark L. Driscoll, Director, RSO
University of Michigan
Radiation Safety Service
1239 Kipke Drive, Room 1500
Ann Arbor, MI 48109-1010

Dear Mr. Driscoll:

On October 3, 2003, the Commission issued amended rules for financial assurance for decommissioning applicable to NRC licenses issued pursuant to 10 CFR Parts 30, 40, and 70 (68 FR 57327). The amended rules became effective on December 2, 2003; however, existing licensees were permitted to implement the rules over a period of time. The implementation schedule is shown below:

Financial Assurance Status as of October 3, 2003	New Requirement	Implementation Completion Date
Using \$750K certification amount	\$1,125K	December 2, 2004
Using \$75K certification amount	\$113K	May 2, 2005
Using \$150K certification amount	\$225K	May 2, 2005
Large irradiator not using a decommissioning funding plan (DFP)	Submit cost estimate with DFP and cover new amount	December 2, 2005
Waste broker not using a DFP	Submit cost estimate with DFP and cover new amount	December 2, 2005
Using a DFP	Revise cost estimate and cover new amount every 3 years	December 4, 2006 (unless licensee committed to earlier date in DFP)

We provided this information to our licensees in a letter dated July 14, 2004. To date we have not received your revised financial assurance.

Currently, we hold decommissioning financial assurance for the University of Michigan dated February 7, 1996, in the amount of \$1,050,000.00 for License Numbers 21-00215-04, 21-00215-06, and SNM-179. Please submit revised financial assurance in accordance with the new amounts within 60 days of the date of this letter.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," 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 document system (ADAMS). The NRC's document system is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

M. Driscoll

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If you have any questions, please contact Kevin Null of my staff at 630-829-9854.

Sincerely,

/RA/

Patricia Pelke, Chief
Materials Licensing Branch

License Nos.: 21-00215-04, 21-00215-06, and SNM-179

Docket Nos.: 030-01988, 030-06958, and 070-00192

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