

October 13, 2006

Mr. Sean O'Kelly  
Associate Director  
Nuclear Engineering and Teaching Laboratory  
The University of Texas at Austin  
10100 Burnet Road  
Austin, TX 78758

SUBJECT: THE UNIVERSITY OF TEXAS AT AUSTIN, AMENDMENT 3 (CORRECTED) -  
TO AUTHORIZE AN INCREASE IN PLUTONIUM POSSESSION LIMIT FOR  
SPECIAL NUCLEAR MATERIALS LICENSE SNM-180 (TAC L31944)

Dear Mr. O'Kelly:

The U. S. Nuclear Regulatory Commission's transmittal dated October 6, 2006, contained an incorrect reference to the Texas Department of State Health Services license. This letter and its enclosure correctly identifies the license as L00485.

In your request for amendment of Materials License SNM-180, transmitted by letter dated March 27, 2006, the University of Texas requested an increase in the plutonium possession limit.

In accordance with your request and supplemental information dated August 11, 2006, and pursuant to the Code of Federal Regulations (CFR) Part 70, Materials License SNM-180 is hereby amended to increase the plutonium possession limit of License Condition 8.B to [REDACTED] to accommodate [REDACTED] plutonium-238/beryllium neutron sources and [REDACTED] plutonium-239/beryllium source. License Condition 8.B reads as follows:

8.B [REDACTED]

Accordingly, License Condition 9 has been revised to include the dates of March 27 and August 11, 2006. License Condition 9 reads as follows:

9. Authorized use: For use in accordance with the statements, representations, and conditions specified in the licensee's application dated October 24, 1997, and supplements dated May 3, July 8, November 10, 2004; January 25 and February 10, 2005; and March 27 and August 11, 2006.

[REDACTED]

License Condition 18 was added to require implementation of the increased controls of Order EA 05-090 required for radioactive material quantities of concern. By letter dated August 11, 2006, you notified the NRC that you completed the implementation of requirements addressed in this condition. Notwithstanding any provisions of the Commission's regulations to the contrary, all measures implemented or actions taken in response to the IC requirements shall be maintained until the Commission orders otherwise or until the Commission explicitly modifies its regulations to reflect increased controls, and states in modifying its regulations that the revisions are to supersede Order EA-05-090.

The new License Condition 18 reads as follows:

18. The licensee will comply with the requirements for "Increased Controls for Licensees that Possess Sources Containing Radioactive Material Quantities of Concern" (IC) (Accession No. ML053130364) published in the *Federal Register* (FR) on December 1, 2005 (70 FR 72128), as "Attachment B" to EA-05-090, "Order Imposing Increased Controls," (Accession No. ML053130218). The licensee will complete implementation of the IC requirements by the first day that radionuclides specified in Table 1, "Radionuclides of Concern," (Accession No. ML053130250) of the IC are possessed at or above the limits specified in the table. For radionuclides transferred from the Texas Department of State Health Services license (L00485), possession for the purposes of this condition is considered to occur at the time the radionuclides are removed from L00485.

All other conditions of this license remain the same.

Enclosed are copies of the revised Materials License SNM-180 and the Safety Evaluation Report. The Safety Evaluation Report includes the Environmental Review and the determination that this action did not require an Environmental Assessment nor an Environmental Impact Statement.

If you have any questions regarding this matter, please contact Joel Wiebe of my staff at (301) 415-6606, or via e-mail to [jsw4@nrc.gov](mailto:jsw4@nrc.gov).

[REDACTED]

[REDACTED]

This letter and its enclosures contain sensitive, unclassified information, and therefore is identified as Official Use Only - Security Related information. In accordance with 10 CFR 2.390, it will not be placed in the Public Document Room nor will it be publically available in the NRC Agencywide Documents Access and Management System (ADAMS).

Sincerely,

/RA/

Gary S. Janosko, Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 70-157  
License No.: SNM-180  
Amendment 3

Enclosures: 1. Materials License SNM-180  
2. Safety Evaluation Report

cc: Dr. S. Landsberger, University of Texas  
Mr. David Wood, Texas Bureau of Radiation Control

[REDACTED]

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/RA/

Gary S. Janosko, Deputy Director  
Fuel Facility Licensing Directorate  
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Mr. David Wood, Texas Bureau of Radiation Control

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