babcock & wilcox technical services group
2016 mt. athos road lynchburg, va 24505-5447 usa
phone 434.522.6000 fax 434.522.5450 www.babcock.com

February 12, 2008

R. William Borchardt
Executive Director of Operations
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Subject: Notice of Intent to Submit an Application to License and Operate a Medical Isotope Production System
(Update of December 13, 2007, proprietary Notice of Intent)

Dear Mr. Borchardt:

This letter serves as notification of the Babcock and Wilcox Company (B&W) intent to license and operate a Medical Isotopes Production System (MIPS) at a site to be determined. The MIPS License Application will include a small, non-power, low-enriched aqueous homogenous reactor system and associated processing systems to produce ^{99}Mo for use in the medical industry.

B&W plans to submit a license application by late 2010. In our original notice, we stated the application would be for a combined construction and operating license. While this is still our preferred approach, we intend to review design, construction, and licensing schedules with NRC to determine whether a one or two-step licensing process is most efficient and best achieves the overall project schedule.

This notice is provided to facilitate your resource and budget planning. As part of the pre-licensing process, B&W has proposed solutions to and requested NRC disposition of potential policy issues related to the licensing and operation of the facility that have been identified as key to the success of the project. We look forward to your determination on these topics.

Sincerely,

S. Robert Cochran
President, Babcock & Wilcox Technical Services Group, Inc.