

TERRANCE G. ALEXANDER, EXECUTIVE DIRECTOR

November 21, 2011

Cynthia Pederson
Acting Regional Administrator
U.S. Nuclear Regulatory Commission, Region III
2443 Warrenville Road, Suite 210
Lisle, Illinois 60532-4352

**RE: Reply to a Notice of Violation
NRC Inspection Report No. 050-00002/11-001 (DNMS)
University of Michigan
(License No. R-28 / Docket No. 050-00002)**

Dear Ms. Pederson:

The U.S. Nuclear Regulatory Commission (NRC) conducted an on-site inspection August 9 – 11, 2011 at the University of Michigan – Ford Nuclear Reactor in Ann Arbor, Michigan with subsequent in-office review through October 12, 2011. The purpose of the inspection was to determine whether decommissioning activities were conducted safely and in accordance with NRC regulations.

Based on the results of the inspection, the NRC determined that a Severity Level IV violation of NRC requirements occurred and a Notice of Violation (NOV) was issued to the University in a correspondence dated October 24, 2011. Specifically, Technical Specification 6.3 requires, in part, that decommissioning operations are independently monitored or audited to ensure they are being performed safely and in accordance with applicable license and registrations held by the University and in compliance with applicable federal and state regulatory requirements; the quality assurance is independently monitored or audited to verify that performance criteria are met as well as to determine the effectiveness of the program in satisfying the quality assurance requirements; and, monitoring or audits shall be performed annually, at a minimum.

Contrary to the above requirements, from 2009 until 2011, the University of Michigan had not independently monitored or audited either the decommissioning operations or the quality assurance program annually as required.

Reason for the Violation – the violation of Technical Specification 6.3 was an oversight on the part of the current FNR decommissioning staff. The reactor manager who had been responsible for overseeing all decommissioning activities since 2002/2003 resigned from the University in June 2009 and his duties were reassigned to staff who were less familiar with the technical specifications incorporated into the FNR license (R-28).

RECEIVED NOV 22 2011

Corrective Steps Taken – the NOV and Technical Specification 6.3 were discussed with the FNR decommissioning staff and FNR Decommissioning Review Committee (DRC) during the DRC meeting held November 7, 2011. Recommendations were made with respect to who should conduct the annual review of the decommissioning activities and quality assurance program.

Corrective Steps To Be Taken – the University will obtain a qualified individual or individuals to conduct an independent audit of decommissioning activities and the quality assurance program and ensure these independent audits are conducted on an annual basis until decommissioning activities have been terminated. As noted in Technical Specification 6.3, the auditor shall not be directly associated with the decommissioning activities, shall not be a member of the FNR Decommissioning Project Team, and shall be familiar with quality assurance requirements applicable to the decommissioning of nuclear facilities.

Date of Full Compliance – the University will be in full compliance on or before February 29, 2012.

Thank you for your time, effort, and consideration in this matter. Please do not hesitate to contact me [(734) 647-2253] or Mark Driscoll / Radiation Safety Officer [(734) 647-2251] should you have any questions or comments regarding this U-M response to Inspection Report 050-00002/11-001 (DNMS) dated October 24, 2011.

Sincerely,



Terrance G. Alexander, Executive Director
Department of Occupational Safety & Environmental Health

cc: Mark Banaszak Holl, Ph.D., Associate VP, Chair – Decommissioning Review Committee
Robert Blackburn, Assistant Manager, Laboratory Operations, MMPP
Mark Driscoll, Radiation Safety Officer, Radiation Safety Service / OSEH
Ruthann Nichols, Ph.D., Chair, Radiation Policy Committee