



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PENNSYLVANIA 19406-2713

October 11, 2012

Docket No. 03010925
Control No. 577735

License No. 07-01579-19

Mark A. Barteau
Vice Provost
University of Delaware
General Services Building
Occupational Health and Safety, Room132
222 South Chapel Street
Newark, DE 19716

SUBJECT: UNIVERSITY OF DELAWARE, REQUEST FOR ADDITIONAL INFORMATION
CONCERNING FINANCIAL ASSURANCE DOCUMENTS, CONTROL NO.
577735

Dear Mr. Barteau:

This is in reference to your email dated August 31, 2012 providing financial assurance for decommissioning for Nuclear Regulatory Commission License No. 07-06199-01. In order to continue our review, we need the following additional information:

1. The Chief Executive Officer/Chief Financial Officer (CEO/CFO) Letter was completed and signed by the Vice President for Finances and Administration and marked as a Letter from the Vice President of Finances and Administration. All other documents submitted by the licensee refer to the CFO's Letter. Please ensure that the letter is signed by either the CEO or CFO, the appropriate header is used, and the other documents submitted refer to the proper letter.
2. The Letter from the Vice President for Finances and Administration does not reference an Independent Auditor's Report. The fifth paragraph of the aforementioned letter should reference the independent auditor's report and actions per the model letter in NUREG-1757, Volume 3, Revision 1, Section A.9.4, "Chief Financial Officer's/Chief Executive Officer's Letter.
3. The audit provided as an attachment to your email was performed by an office of the University of Delaware and, hence, is not considered an independent audit. The format is correct, however, the audit needs to be performed by an agency not associated with the university.
4. The Auditor's Report contains a typographical error in the fourth paragraph. The portion of the sentence "... regulation with the University of Financial ..." should read "... **regulations** with the University of **Delaware** ..."

5. The licensee used the model form for the Trust Agreement in NUREG-1757, Volume 3, Section A.4.4. instead of the Standby Trust Agreement in NUREG-1757, Volume 3, Revision 1, Section A.12.4. Since the licensee has opted to use a Self-Guarantee, the Standby Trust Agreement is the proper instrument with the required wording to accept funds when decommissioning becomes necessary at some future date. Most of the verbiage is the same and the following are errors that should be corrected if you are not redoing the document in its entirety.
 - a. The third "Whereas" statement in your draft Trust Agreement states that the Grantor shall use the trust fund to provide all of such financial assurance necessary. You have submitted a Self-Guarantee as your financial assurance instrument, so the words "trust fund" should be changed to "Self-Guarantee."
 - b. The fourth "Whereas" statement required for a Standby Trust Agreement found in NUREG-1757, Volume 3, Revision 1, Section A.12.4 is missing from your document.
 - c. In Sections 3 and 10, wherever the words "trust fund" appear they should be changed to "standby trust fund."

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Med, Ind, & Academic Uses**; then **Licensee Toolkits**, see our **toolkit index page**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 8:00 a.m. to 5:30 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to my attention at the Region I Office and refer to Mail Control No. 577735. If you have any technical questions regarding this deficiency letter, please call me at (610) 337-5075.

Please note that the office of the Region I Division of Nuclear Materials Safety has moved effective May 9, 2012. Our new address is:

U.S. Nuclear Regulatory Commission
Region I
2100 Renaissance Boulevard, Suite 100
King of Prussia, PA 19406-2713

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's Safety Culture Web Site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

M. Barteau

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Your cooperation with us is appreciated.

Sincerely,

Original signed by Steve Courtemanche

Steven Courtemanche
Health Physicist
Commercial and R&D Branch
Division of Nuclear Materials Safety

cc:
William Fendt, Radiation Safety Officer
Marcie Copson-Hall, Treasury Analyst

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SUNSI Review Complete: SCourtemanche

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