



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, ILLINOIS 60532-4352

JUL 26 2012

Mark Driscoll
RSO-Director/Radiation Safety Service
The Regents of the University of Michigan
OESH-Radiation Safety Service
1239 Kipke Drive
Ann Arbor, MI 48109-1010

Dear Mr. Driscoll:

Enclosed is your NRC Material License No. 21-00215-07 in accordance with your request.

Please note that this license is being issued without approved decommissioning financial assurance (DFA). We have received and are in the process of reviewing your Statement of Intent (SOI) dated July 29, 2010, which provided an estimate of the cost to decommission activities under this license at 1,000,000 dollars.

Based on our July 26, 2012, telephone call, it is our understanding that you will be submitting a revision to the University's SOI dated April 25, 2007, to include the DFA for the new production license, which will replace the July 29, 2010, SOI. Upon approval of the revised April 25, 2007, SOI, we will return the July 29, 2010, SOI.

As a result of the pending final approval of DFA for this license, we have added license condition number 19 which requires that the University provide acceptable DFA as required by 10 CFR Part 30, Section 30.35. The condition also requires that the University submit DFA progress reports to the U.S. Nuclear Regulatory Commission, Region III, Attention: Chief, Nuclear Materials Licensing Branch, 2443 Warrenville Road, Suite 210, Lisle, Illinois 60532 to update the NRC on the status of securing DFA, and submit those reports every 30 days until such time that DFA is submitted to the NRC for review. If the NRC determines that the DFA is not acceptable, DMC will need to continue to submit DFA progress reports every 30 days until acceptable DFA is provided to the NRC.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Please be advised that your license expires at the end of the day, in the month, and year stated in the license. Unless your license has been terminated, you must conduct your program involving byproduct materials in accordance with the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate in accordance with NRC regulations 10 CFR Part 19, "Notices, Instructions and


Reports to Workers; Inspections," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

2. Notify NRC, in writing, within 30 days:
 - a. When the Radiation Safety Officer permanently discontinues performance of duties under the license or has a name change; or
 - b. When the mailing address listed on the license changes.
3. In accordance with 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in writing, and request termination of the license:
 - a. When you decide to terminate all activities involving materials authorized under the license; or
 - b. If you decide not to complete the facility, acquire equipment, or possess and use authorized material.
4. Request and obtain a license amendment before you:
 - a. Order byproduct material in excess of the amount, or radionuclide, or form different than authorized on the license;
 - b. Add or change the areas of use or address or addresses of use identified in the license application or on the license; or
 - c. Change ownership of your organization.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically 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>.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin G. Null".

Kevin G. Null
Materials Licensing Branch

License No. 21-00215-07
Docket No. 030-38353

Enclosures: 1. License No.21-00215-07
2. New License Package