



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

June 9, 2014

Kelly A. Jordan, Ph.D.
Director, University of Florida Training Reactor
106 UFTR Building
University of Florida
Gainesville FL 32611-6400

SUBJECT: UNIVERSITY OF FLORIDA - REQUEST FOR ADDITIONAL INFORMATION RE:
UPDATED FINANCIAL INFORMATION FOR LICENSE RENEWAL
(TAC NO. ME1586)

Dear Dr. Jordan:

The U.S. Nuclear Regulatory Commission (NRC) is continuing its review of the University of Florida (UF) application for the renewal of Amended Facility Operating License No. R-56, submitted by letter dated July 18, 2002 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML022130145), as supplemented, in part, by letter dated May 3, 2010 (ADAMS Accession No. ML101250177), for the University of Florida Training Reactor (UFTR). During the course of our review, some of the information provided in your previous letters has become outdated and needs to reflect the current financial status of your facility. Please provide responses to the enclosed request for additional information within 90 days of the date of this letter.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.30(b), you must execute your response in a signed original document under oath or affirmation. Your response must be submitted in accordance with 10 CFR 50.4, "Written communications." Information included in your response that is considered sensitive or proprietary, that you seek to have withheld from the public, must be marked in accordance with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding." Information related to security should be submitted in accordance with 10 CFR 73.21, "Protection of Safeguards Information: Performance requirements." Following receipt of the additional information, we will continue our evaluation of your renewal request.

K. Jordan

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If you have any questions regarding this review, please contact me at (301) 415-3724 or via e-mail at Duane.Hardesty@nrc.gov.

Sincerely,

/RA/

Duane A. Hardesty, Project Manager
Research and Test Reactors Licensing Branch
Division of Policy and Rulemaking
Office of Nuclear Reactor Regulation

Docket No. 50-083

Enclosure:
Request for Additional Information

cc: See next page

University of Florida

Docket No. 50-83

cc:

Dean Cammy Abernathy
University of Florida College of Engineering
PO Box 116550
Gainesville, FL 32611

Administrator
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State Planning and Development Clearinghouse
Office of Planning and Budgeting
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The Capitol Building
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Test, Research and Training Reactor Newsletter
University of Florida
P.O. Box 118300
Gainesville, FL 32611-8300

K. Jordan

- 2 -

If you have any questions regarding this review, please contact me at (301) 415-3724 or via e-mail at Duane.Hardesty@nrc.gov.

Sincerely,

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Request for Additional Information

cc: See next page

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NRR-088

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DATE	06/05/2014	06/05/2014	06/06/2014	06/09/2014	06/09/2014

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OFFICE OF NUCLEAR REACTOR REGULATION
REQUEST FOR ADDITIONAL INFORMATION
UPDATED FINANCIAL QUALIFICATIONS FOR THE RENEWED LICENSE FOR
THE UNIVERSITY OF FLORIDA TRAINING REACTOR
LICENSE NO. R-56
DOCKET NO. 50-083

The U.S. Nuclear Regulatory Commission (NRC) is continuing its review of the University of Florida (UF) application for the renewal of Amended Facility Operating License No. R-56, submitted by letter dated July 18, 2002 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML022130145), as supplemented, in part, by letter dated May 3, 2010 (ADAMS Accession No. ML101250177), for the University of Florida Training Reactor (UFTR). During the course of our review, some of the information provided in your previous letters has become outdated and needs to reflect the current financial status of your facility. Please provide responses to the enclosed request for additional information within 90 days of the date of this letter.

As required by Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.33(f)(2), “[a]pplicants to renew or extend the term of an operating license for a nonpower reactor shall include the financial information that is required in an application for an initial license.” To comply with this requirement, please provide an update to the supplemental information provided by your letters dated February 26, 2010 (ADAMS Accession No. ML100610445), and May 3, 2010. In some cases, the responses provided in the letters may not have changed. In that case, please indicate in your response “no change,” no additional information is necessary, and the NRC staff will consider your response provided in the February 26, 2010, and May 3, 2010, submittals to remain current.

1. The NRC staff will analyze the financial statements for the current year, which are required by 10 CFR 50.71(b), to determine if the UF is financially qualified to operate the UFTR. Since UF’s financial statements included with the application are out of date, provide a copy of the latest financial statements for the NRC staff’s review.
2. Pursuant to 10 CFR 50.33(f)(2), “[t]he applicant shall submit estimates for total annual operating costs for each of the first five years of operations of the facility.” Since the information included in the application is now out of date, provide the following additional information:
 - (a) Projected operating costs of the UFTR for each of the fiscal years (FYs) 2015-2019 (the first five year period after the projected license renewal).
 - (b) UF’s source(s) of funding to cover the operating costs for the above fiscal years.

Enclosure

3. The application references a decommissioning cost estimate for the UFTR that states that the decommissioning cost estimate was \$3.28 million in 2009 dollars, and includes a 25 percent contingency factor. The NRC staff needs the following additional information to complete its review of the UFTR decommissioning cost estimate:
 - (a) A current decommissioning cost estimate in 2015 dollars for the UFTR to meet the NRC's radiological release criteria for decommissioning the facility for unrestricted use, pursuant to 10 CFR 50.75(d)(2). Accordingly, describe the basis for how the cost estimate was developed (i.e., state the references for the decommissioning cost estimate).
 - (b) A summary of total decommissioning costs by labor, waste disposal, other items (such as energy, equipment, and supplies) in current dollars, and a 25 percent contingency factor.
 - (c) Provide a numerical example showing how the 2015 cost estimate will be updated periodically in the future.

4. The application indicates that UF plans to use a statement of intent (SOI) as the method to provide decommissioning funding assurance, as provided for by 10 CFR 50.75(e)(1)(iv). Where the applicant intends to use a SOI, the NRC staff must find that the applicant "is a Federal, State, or local government licensee." To make this finding, the applicant must state that it is a State government organization and that the decommissioning funding obligations of the applicant are backed by the State government, and also provide corroborating documentation. Further, the applicant must provide documentation verifying that the signatory of the SOI is authorized to execute said document that binds the university. This document may be a governing body resolution, management directive, or other form that provides an equivalent level of assurance. As the application does not include all of the above information, submit the following:
 - (a) An updated SOI which includes the current (2015 dollars) cost estimate for decommissioning, a statement that funds for decommissioning will be obtained when necessary, and the signatory's oath or affirmation attesting to the information.
 - (b) Documentation that corroborates the statement in the application that UF is a State agency and a State of Florida government licensee under 10 CFR 50.75(e)(2)(iv).

- (c) A statement as to whether the decommissioning funding obligations for the UFTR are backed by the State of Florida government. The application must also present documentation that corroborates this statement. For example, the documentation may be a copy of or complete citation to a state statute that expressly provides that the obligations, or at least the decommissioning funding obligations, of the applicant are backed or supported by the full faith and credit of the State of Florida, or an opinion of the applicant's General Counsel with citations to statutes, regulations, and/or case law that the obligations, or at least those with respect to the decommissioning funding of the applicant are obligations backed or supported by the full faith and credit of the State of Florida.