

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

May 18, 2016

Dr. Ayman I. Hawari, Director Nuclear Reactor Program North Carolina State University Department of Nuclear Engineering Campus Box 7909 Raleigh, NC 27695-7909

SUBJECT: NORTH CAROLINA STATE UNIVERSITY PULSTAR RESEARCH

REACTOR - CORRECTION TO APRIL 4, 2016, LETTER REGARDING

RENEWAL OF FACILITY OPERATING LICENSE NO. R-120,

DOCKET NO. 50-297

Dear Dr. Hawari:

On April 4, 2016, the U.S. Nuclear Regulatory Commission (NRC) issued a letter to you regarding the renewal of Facility Operating License No. R-120, Docket No. 50-297 (Agencywide Documents Access and Management System Accession No. ML16083A365).

On April 26, 2016, the NRC staff became aware that page number 2, item 2, letter a, of the letter dated April 4, 2016, was included in error. Specifically, the information request relating to being owned, controlled, or dominated by an alien, a foreign corporation, or foreign government should not have been included in the letter.

Accordingly, the NRC staff has corrected page number 2 of the letter and enclosed it for your use. Please replace page number 2 of the original letter with the enclosed page.

The NRC staff regrets any inconvenience this may have caused.

If you have any questions, please contact me at (301) 415-3724, or by electronic mail at Duane.Hardesty@nrc.gov.

Sincerely,

/RA by Michael Balazik for/

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

Docket No. 50-297 License No. R-120

Enclosure: Replacement page 2

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A. Hawari -2-

Updated Safety Analysis Report (SAR)

A complete updated edition of your SAR is required to be submitted with your renewal application. The SAR should include information that describes the facility and all changes made during the license period; the design bases and limits on its operation; and a safety analysis of the structures, components and systems to ensure that they will be able to continue to perform their intended functions. Potential and reasonable accident scenarios and their consequences should be analyzed using the best current input data and computational techniques. Information should be compared, wherever possible, with facility operating experience.

Furthermore, the SAR should include, if applicable, updated information and analyses on demography, meteorology, geology, seismology, and other natural and man-made phenomena.

2. <u>Financial Qualifications</u> (10 CFR 50.33, "Contents of applications; general information," and 10 CFR 50.75, "Reporting and recordkeeping for decommissioning planning")

Financial Qualifications (10 CFR 50.33)

Pursuant to 10 CFR 50.33(f)(2), "...Applicants to renew or extend the term of an operating license for a non-power reactor shall include the financial information that is required in an application for an initial license." To comply with this requirement, you are requested to provide a statement that none of the provisions of 10 CFR 50.33(d) apply.

As required by paragraph (b) of 10 CFR 50.71, "Maintenance of records, making of reports," the NRC staff will analyze the financial statements for the current year to determine if the applicant is financially qualified to operate the reactor. To facilitate our review, you are requested to provide the most recently published annual financial statement for NCSU.

Pursuant to 10 CFR 50.33(f)(2), you are requested to provide the estimated annual operating costs for the first 5 year period after the projected license renewal, the underlying assumptions and bases of the estimate, and the source(s) of funding to cover these costs.

Financial Qualifications (10 CFR 50.75)

Pursuant to 10 CFR 50.33(k), the NRC requires that an application for an operating license for a utilization facility to provide information to demonstrate how reasonable assurance will be provided that funds will be available to decommission the facility. Under 10 CFR 50.75(d), each non-power reactor applicant for or holder of an operating license shall submit a decommissioning report that contains a cost estimate for

CC:

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Test, Research, and Training Reactor Newsletter University of Florida 202 Nuclear Sciences Center Gainesville, FL 32611 May 18, 2016

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