



Florida Institute
of Technology

Administrative Services
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February 4, 1991

Mr. Charles J. Haughney
Uranium Fuel Safety Branch
Division of Industrial and Medical
Nuclear Safety
Office of Nuclear Material Safety
and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

DOCKET NO.: 70-893
LICENSE NO.: SNM-844

Dear Mr. Haughney:

With regard to our continuing efforts to appropriately respond to 10 CFR 70.25, I respectfully submit the following to update the status of Florida Institute of Technology.

During my last conversation with Mr. Amar Datta of your staff it was determined that Florida Institute of Technology may be in the unenviable position of being the only non-public university required to respond to 10 CFR 70.25 under the format delineated by Regulatory Guide 3.66. During that conversation Mr. Datta reviewed the other 8 or 9 universities that had submitted paperwork and each of them had responded to 10 CFR 70.25 using option (4). "In the case of Federal, State, or local government licensees, a statement of intent containing a cost estimate for decommissioning or amount based on the Table in paragraph (d) of this section, and indicating that funds for decommissioning will be obtained when necessary."

Since Florida Institute of Technology is not a Federal, State, or local governmental licensee we were left with the other three options:

- (1) Prepayment of \$750,000.00
- (2) A surety methods, insurance or other guarantee method to be paid if the licensee defaults; or
- (3) An external sinking fund in which deposits are at least annually coupled with a surety method or insurance, the value of which may decrease by the amount being accumulated in the sinking fund.

As reviewed with Mr. Datta in our last conversation, option (1) the prepayment of \$750,000.00 is impractical. Options 2 and 3 have been thoroughly investigated by our Business Office and we have been unable to locate an appropriate bonding or insurance organization willing to write such an instrument. We, therefore, find ourselves in the position of being temporarily unable to appropriately respond to the requirement.

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However, much positive information has been accumulated through extensive discussions with a number of individuals at the Department of Energy Y-12 Facility at Oak Ridge, Tennessee.

We have been informed that because our material is "source" and not irradiated scrap that the Y-12 Facility is perfectly willing to accept it at their location as soon as we are able to transport it to them with appropriate approvals, etc.

Should you wish, this can be confirmed through Ms. Ann Lovell (615) 576-1619, Mr. John Miller (615) 576-9852, or Ms. Dixie Bopp (615) 576-2506 at Oak Ridge respectfully.

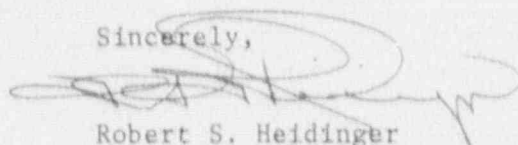
With regard to the transportation of the material in questions I have been in contact with Mr. Matthew George of Transnuclear, Inc. and Mr. Normal Ravenscroft of Edlow International.

Mr. Ravenscroft informs me that the proper packaging and safe transportation of our material can be accomplished relatively soon and at a cost of approximately \$5,000 to \$10,000 which is reasonable and the method we'd prefer to follow in solving the current situation.

I am forwarding documentation to Mr. Ravenscroft as to the exact dimensions of our source material and, as of last week, he has been investigating the acquisition of appropriate containment vessels for transport.

I hope this sufficiently informs you of our situation and conveys our sincere wish to expedite the solution of this problem.

Sincerely,



Robert S. Heidinger
Director
Administrative Services

RSH:bb