HAZARDS ANALYSIS BY THE TEST & HOWER REACTOR SAFETY BRANCH

Superscued

DIVISION OF REACTOR LICENSING

LOCKHEED AIRCRAFT CORPORATION

DOCKET NO. 50-172

RADIATION EFFECTS REACTOR Cimende # 5

By letter dated March 2, 1964, Lockheed Aircraft Corporation requested renewal . of Facility License No. R-86 under which Lockheed operates the Radiation Effects Reactor at the Government owned Georgia Muclear Laboratories. Although the license was to have expired on April 4, 1964 it was allowed to continue in effect beyond the expiration date pending outcome of negotiations which were then in progress between Lockbeed and the General Services Administration for extension of the lease under which Lookheed occupies and utilizes the Georgia Nuclear Laboratory. By letter dated June 12, 1964, Lockheed informed the Commission that the lease had been extended to December 1, 1964 and requested renewal of the facility license for a period of five years subject to cancellation if Lockheed loses possession of the facility.

By letter dated June 15, 1964, the General Services Administration affirmed that the lease had been extended and requested that GSA be licensed as the facility Finer under License No. R-86 for the same period of time that Lockheed is licensed to operate the facility. The terms of the government lease to Lockheed are the same as those previously furnished the Compission (Lease No. DA-09-133-ENG-4142) except that the Army Corps of Engineers no longer represents OSA under the lease.

Inasmuch as the extended lease has not been substantially changed, the terms of the facility license will remain essentially the same as those under which Lockheed has successfully operated the facility to date. Lockheed has been found to be technically qualified to operate the facility and under the terms of the lease and the license will continue to be directly responsible for maintenance and safe operation of the facility. Inseruch as Lockheet provides for the operational safety and for the proper maintenance of the facility for GSA, we find this service provides sufficient technical qualification to permit GSA to possess title to the facility.

Although the Lease Agreement between Lockbeed and GSA expires on December 1, 1964, it appears reasonable to extend the facility license for a period of five years as proposed since there is expectation that the lease may be extended again. So long as the terms of any future lease extension are compatable with the terms of the facility license, such extension would have no effect on Lockheed's presently defined responsibilities for maintaining the reactor and operating it in a safe manner. The terms of the license should require that timely notice be given by Lockheed and OSA of any intent to extend, modify, or terminate the lease so that appropriate action can be taken by the Commission.

1-170

In view of the foregoing, we have concluded that Facility License No. R-86 can be renewed as proposed, with Lockheed licensed as the operator and GSA licensed as the owner, without substantially changing the hazards considerations beretofore reviewed by the Commission and that the reactor can be operated under the terms of the renewed license without undue risk to the health and safety of the public.

FOR THE ATOMIC ENERGY COMMISSION

Briginal Signed by

A. Levine

Saul Levine, Chief Test & Power Reactor Safety Branch Division of Reactor Licensing

Date: AND | 8 1964