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U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
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via courier

Aerotest Radiography and Research Reactor
Docket No. 50-228
Seventeenth Response to NRC Letters of February 26, 2011 and May 24, 2011

Ladies and Gentlemen:

This letter provides the seventeenth response to U.S. Nuclear Regulatory Commission ("NRC") letters dated February 26, 2011 and May 24, 2011 in the above docket. This letter forwards an affidavit executed by Dario Brisighella on January 20, 2012, updating the previous responses. A summary of the more significant changes in the attached are:

- Aerotest is evaluating offers outlining the terms for acquisition of the Aerotest Radiography and Research Reactor ("ARRR") and expects to select one of the offerors for finalizing the terms for acquiring ARRR. By the end of March 2012, Aerotest will submit to the NRC either (1) a notice that negotiations have ended, or (2) a schedule for submitting a license transfer application to the selected offeror.
 1. If Aerotest submits a schedule for a license transfer application, Aerotest will also identify the date on which it expects to resume commercial operation of ARRR.
 2. In the event that Aerotest instead submits a notice that negotiations have ended, Aerotest will submit by the end of April 2012 an application for a possession only license and a decommissioning plan for ARRR.

Aerotest will provide its next update by February 7, 2012.

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The undersigned affirms the accuracy of the contents of this letter to best of his knowledge and belief. If you have any questions regarding this submittal, please contact the undersigned at (202) 663-9086 (robert.haemer@pillsburylaw.com) or Michael S. Anderson, Secretary of Aerotest at (248) 475-0442 (mike.anderson@autoliv.com).

Sincerely,

A handwritten signature in black ink, reading "Robert B. Haemer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert B. Haemer

Counsel for Aerotest Operations, Inc.

cc: U.S. NRC Office of Nuclear Reactor Regulation/NRLPO
U.S. NRC Region IV, Regional Administrator
NRC, NRR (S. Traiforos)
NRC, OGC (S. Uttal)

AFFIDAVIT OF DARIO BRISIGHELLA

STATE OF UTAH)
) ss
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COUNTY OF WEBER)

I, Dario Brisighella, President Aerotest Operations, Inc., do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of Aerotest Operations, Inc. (hereinafter referred to as "Aerotest").
2. I provide this affidavit pursuant to the actions described in the NRC letter to Aerotest of February 26, 2011, also known as a Confirmatory Action Letter. This affidavit also responds to the request for additional information in NRC letter of May 24, 2011 and sets forth additional information discussed at the January 18, 2012 public meeting between Aerotest and the NRC Staff.
3. Three potential buyers have signed Non-Disclosure Agreements. Aerotest has received written offers from two outlining the terms for acquisition of the Aerotest Radiography and Research Reactor ("ARRR") and is expecting a written offer from the third. Aerotest will evaluate the offers to select the offer with maximum likelihood of meeting all conditions expected to be prerequisites to closing a sale, including NRC approval of the license transfer. Aerotest, by the end of March 2012, will submit to the NRC either: (1) a statement that negotiations have ended; or (2) a schedule for submitting a license transfer application pursuant to 10 C.F.R. § 50.80 to the offeror selected by Aerotest. In the event that Aerotest submits the statement described in (1) above, Aerotest will submit to the NRC by the end of April, 2012 an application for a "possession only license" ("POL") under 10 C.F.R. Part 50 and a decommissioning plan.
4. Current operations and status of the ARRR remain as described in paragraph 1 of Aerotest letter of January 7, 2011. If Aerotest submits a schedule for submitting a

license transfer application, Aerotest will also identify the date on which it expects to resume commercial operation of the ARRR.

5. Current staffing of the ARRR remain as described in paragraph 2 of Aerotest letter of January 7, 2011.

6. After reviewing proposals from two decommissioning contractors, EnergySolutions, Inc. ("EnergySolutions") was selected as the decommissioning contractor in January 2011. A contract with EnergySolutions was signed in late February 2011.

7. EnergySolutions has submitted a draft decommissioning plan to Aerotest and associated supporting documents to Aerotest for review. The draft decommissioning plan assumes spent fuel has been removed from the site. Reflecting a September 2010 change to the Aerotest contract with the U.S. Department of Energy ("DOE") for spent fuel acceptance under which the DOE would not agree to remove the fuel from the ARRR site until 2055 or later, EnergySolutions proposes that Aerotest not plan to submit the decommissioning plan to the NRC until 18 months after spent fuel is removed from the ARRR site. Aerotest will provide EnergySolutions comments on the draft decommissioning plan by February 21, 2012 based on the assumption that the decommissioning plan will be submitted to NRC as set forth in para. 3 above and will request EnergySolutions be prepared to finalize the plan for submittal consistent with the schedule described in para. 3.

8. The NRC guidance in the Guidelines for Preparing and Receiving Applications for the Licensing of Non-Power Reactors (NUREG-1537), Part 1, § 17.1.5, is based on a project promptly commencing spent fuel removal and decontamination. If the project cannot meet these conditions, the guidance states that the licensee should contact the appropriate NRC project manager. Aerotest and the NRC project manager have had discussions starting on November 21, 2011 relating to the guidance in § 17.1.5. Aerotest and the NRC at the January 18, 2012 meeting discussed additional guidance for preparing a decommissioning plan with spent fuel on site at ARRR but deferred the discussion of options that did not involve the long-term maintenance of a Part 50

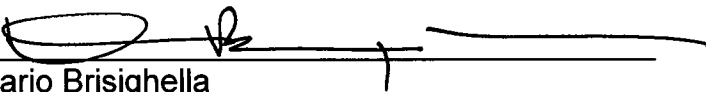
license. Aerotest expects to have follow-on discussions with the NRC on the deferred topic.

9. Aerotest has commenced drafting a POL application, but that work is complicated by needing to address retaining fuel on site. Fuel management options continue to be studied; and these options impact the details of any revisions to the technical specifications that would accompany a POL request.


10. Aerotest is developing a decommissioning funding plan and a fuel management funding plan in parallel with the EnergySolutions finalizing the decommissioning plan cost estimate.

11. Aerotest has no plans to commence research or N-ray work at the ARRR unless Aerotest submits to the NRC a schedule for transferring the license. Aerotest is not aware of any regulatory approvals required prior to resuming such work.

Dario Brisighella, being duly sworn, states that I am President of Aerotest, that I am authorized on the part of said Company to sign and file with the U. S. Nuclear Regulatory Commission this affidavit, and that all the matter and facts set forth herein are true and correct to the best of my knowledge.


Dario Brisighella
President, Aerotest Operations, Inc.

Subscribed and sworn to before me, a Notary Public, in and for the county and state above named, this 22 day of January, 2012.


Notary Public in and for the State of Utah

My Commission Expires: 10/20/2012

