

Dr. John Patterson,
Dean of Engineering
Manhattan College
Riverdale, New York 10471

January 28, 1997

SUBJECTS: 1. FINANCIAL ASSURANCE FOR DECOMMISSIONING
2. FUTURE USE OF MANHATTAN COLLEGE ZERO POWER REACTOR

Dear Dr. Patterson:

Enclosed is a copy of a letter dated July 17, 1996, sent to Dr. W. Duggan, Reactor Administrator of the Manhattan College Zero Power Reactor (MCZPR), which requested an update of the Financial Assurance costs for decommissioning the MCZPR. Please provide a response to this letter by February 28, 1997.

It has come to our attention, as a result of the NRC Inspection Report No. 50-199/96-01, that it is probable that all licensed operators for the MCZPR will not be available within the next six months. If this condition would occur, the license conditions for the MCZPR would have to be modified to a possession-only license, and the Technical Specifications would also have to be changed to assure that, if the fuel remains on site, proper storage and handling will be available.

We request that you inform us of your plan for the future use of the MCZPR. If you plan to continue operation with new operators, provide us with their names and the time frame for their preparation to take the operator licensing examination and the expected date for their availability to take the examination. If you plan to cease operation, provide us with a possession-only license amendment application.

Please provide either the operator qualification time frame plan or a possession-only license amendment application by March 31, 1997. If you have any questions, please contact me at 301-415-1102.

This requirement affects nine or fewer respondents and, therefore, is not subject to Office of Management and Budget review under P.L. 96-511.

Sincerely,

Original signed by:

Theodore S. Michaels, Senior Project Manager
Non-Power Reactors and Decommissioning
Project Directorate
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

Docket No. 50-199

Enclosure: As stated

cc w/enclosure: See next page

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

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Dean of Engineering
Manhattan College
Riverdale, New York 10471

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Sincerely,

A handwritten signature in cursive script that reads "Theodore S. Michaels".

Theodore S. Michaels, Senior Project Manager
Non-Power Reactors and Decommissioning
Project Directorate
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

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Enclosure: As stated

cc w/enclosure: See next page

Manhattan College

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cc:

Municipal Reference & Research Center
31 Chambers Street
New York, New York 10007

Mr. John P. Spath
NYS Energy Research and Development
Authority
Corporate Plaza West
286 Washington Avenue Extension
Albany, New York 12203-6399



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

July 17, 1996

Dr. William Duggan
Reactor Administrator
Zero Power Reactor
c/o Mechanical Engineering Dept.
Manhattan College
Riverdale, New York 10471

SUBJECT: FINANCIAL ASSURANCE FOR DECOMMISSIONING

Dear Dr. Duggan:

Each non-electric utility applicant or licensee is required by the regulation in 10 CFR 50.75(d) to provide the means of adjusting the cost estimate and associated funding level for decommissioning periodically over the life of the facility.

Dr. Berlin's letter of September 14, 1990, estimated that the cost associated with the decommissioning of the Manhattan College Zero Power Reactor as essentially negligible, and that the need for setting aside decommissioning funds was not necessary. In order to update our records, we are requesting that you review this conclusion, and inform us as to its current validity or alternatively providing us with the estimated decommissioning costs and financial assurance method that may be needed under 10 CFR 50.75(e)(1).

If you have any questions, please call me at (301) 415-1102.

Sincerely,

A handwritten signature in cursive script, reading "Theodore S. Michaels".

Theodore S. Michaels, Senior Project Manager
Non-Power Reactors and Decommissioning
Project Directorate
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

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cc: See next page

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Manhattan College

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Municipal Reference & Research Center
31 Chambers Street
New York, New York 10007

Mr. John P. Spath, Director
Radioactive Waste Policy and Nuclear
Coordination
NYS Energy Research and Development
Authority
2 Empire State Plaza, Suite 1901
Albany, New York 12223-1253