



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

February 5, 1997

Dr. John W. Poston
Head of Nuclear Engineering
Texas A&M University
Coke Building Second Floor
College Station, Texas 77843-1246

SUBJECT: PROPOSED RENEWAL OF FACILITY OPERATING LICENSE NO. R-23

Dear Dr. Poston:

This letter is to remind you that Facility Operating License No. R-23 for the Texas A&M University AGN-201 Research Reactor is scheduled to expire on August 26, 1997, and to provide you with guidance for preparing your application for renewal of the license, if you so choose.

The NRC considers the renewal of a non-power reactor operating license to be equivalent to reissuing the license. Therefore, renewal is not merely a routine administrative step, but involves in-depth reviews of all documentation related to the facility, an onsite review, and publication in the Federal Register of a notice of the renewal application that provides the opportunity for public participation, as well as a notice of the results of our review of the application.

A renewal application must address the requirements in applicable sections of Title 10 of the Code of Federal Regulations, and must demonstrate that the reactor can continue to be operated safely and without adverse impact on the environment or the public. Title 10 of the Code of Federal Regulations (10 CFR 2.109) would allow continued operation under the current license until the U.S. Nuclear Regulatory Commission (NRC) acts upon an application for renewal provided the application is received at least 30 days prior to the expiration date of the current license.

As you may be aware the NRC issued NUREG-1537, "Guidelines for Preparing and Reviewing Applications for the Licensing of Non-Power Reactors, Format and Content, Part 1, and Standard Review Plan and Acceptance Criteria, Part 2." Part 1 describes the acceptable format and content of the safety analysis report (SAR) to be submitted to the NRC by an applicant or licensee of a non-power reactor for a new license, license renewal, or license amendment. Part 2, a companion document, gives criteria to assist NRC staff reviewers in effecting comparable, complete, and consistent reviews of licensing applications for non-power reactors. Applicants could peruse the Standard Review Plan to gain further insight into the review process for finding non-power reactor applications acceptable. In the ensuing paragraphs the applicable sections of NUREG-1537 are referenced for your information and use as appropriate.

In order for us to perform an adequate review, all of the following documentation should be included as part of a renewal application in accordance with applicable portions of 10 CFR 50.33 and 50.34 (see Part 1, Appendix A):

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1. Updated Safety Analysis Report (SAR)

A complete updated edition of the Safety Analysis Report (SAR) is required to be submitted with the renewal application. The SAR should include information that describes the facility with 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, and should be compared, wherever possible with facility operating experience.

Furthermore, the SAR should include updated information and analyses on demography, meteorology, geology, seismology, and other site characteristics (see Chapters 1-13).

2. Financial Qualifications to Continue Operation (10 CFR 50.33(f))

This information must show that there is reasonable assurance that the funds necessary to cover estimated operating costs for the period of the requested license renewal plus the estimated costs of permanently shutting down the facility and decommissioning will be available. To facilitate our review, we request that the following be provided and appropriately certified (see Chapter 15):

- a. the most recently published annual financial statement of the licensee and the source of funds utilized to cover costs of operation of the reactor facility;
- b. the estimated annual cost to operate the reactor for the requested period of renewal, the underlying assumptions and bases of the estimate, and certification that future budgets will include these funds; and
- c. the estimated costs of eventually shutting down the reactor and safely disposing of it, the option of decommissioning contemplated, a listing of what is included in the costs, the assumptions underlying these estimated costs, and the source of funds to cover these costs.

3. Environmental Report (10 CFR Part 51)

The Environmental Report (ER) should include sufficient operational data, analyses, and discussions to provide a substantial basis for NRC to develop its environmental assessment (see Section 12.12).

4. Technical Specifications

The content and format for Technical Specifications should be in conformance with ANSI/ANS 15.1-1990, "The Development of Technical Specifications for Research Reactors." Any substantive changes to the current Technical Specifications should be proposed and justified at the

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5. Operator Regualification Program (10 CFR 50.54 (1-1) and 10 CFR Part 55)

A copy of the current and implemented operator regualification program must be submitted to ensure that it is reviewed with the renewal application and meets current NRC requirements for non-power reactors (see Section 12.10).]

6. Emergency Plan (10 CFR 50.54(q) and (r) and 10 CFR 50, Appendix E)

As the Emergency Plan (EP) has been approved by NRC, only references to the licensee submittals and NRC approval documents need be provided. However, if the EP is to be modified, any changes must be submitted for NRC review in accordance with the above cited regulations (see Section 12.7).

7. Physical Security Plan (10 CFR 73.67)

The approved Physical Security Plan on file will be reviewed. Accordingly, the renewal application need only reference the license amendment containing that documentation. However, if the Physical Security Plan is to be modified, changes should be made in accordance with the requirements of 10 CFR 50.54 (p) or 10 CFR 50.90 (see Section 12.8).

The requirements for submitting the renewal application and all other formal documentation relating to the license with respect to addressee, notarization, signature and number of copies are defined in 10 CFR 50.4 and 10 CFR 50.30.

As a part of our review of the facility, members of the NRC licensing staff will expect to visit the facility for a few days. This visit will be coordinated with the licensee following receipt of the application for renewal.

For the review of a renewal application, the NRC staff will consider the guidance contained in the RC Division 2 Regulatory Guides for Research Reactors (Enclosure 1) and the industry standards in the American Nuclear Society ANS 15 Series for research reactors.

February 5, 1997

Enclosure 2, a copy of a license packages issued for the University of New Mexico research reactor, may provide further guidance in preparing information to be included in your potential license renewal application. This includes the staff's Safety Evaluation Report and Environmental Assessment, and the new license for the reactor. We emphasized that these enclosures, except for the Technical Specifications, were developed and issued by the staff and are provided as examples of the type of findings we must make to renew a license for a non-power reactor. Therefore, if you choose to apply for renewal of the license for your research reactor, your documentation must provide the technical and descriptive information that will support our issuance of similar evaluation.

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

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. 50-59

Enclosures:
As stated

cc w/o enclosures
See next page

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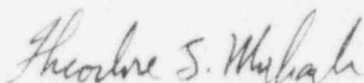
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Enclosures:
As stated

cc w/o enclosures
See next page

Texas A&M University

Docket No. 50-59

cc:

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