

September 8, 2006

Mr. Robert E. Link, Manager
Environmental, Health, Safety and Licensing
AREVA NP, Inc.
2101 Horn Rapids Road
Richland, WA 99352-0130

SUBJECT: APPROVAL OF AREVA NP, INC.'S (RICHLAND) SUBMITTAL OF ANNUAL
FINANCIAL TEST UPDATE FOR DECOMMISSIONING FINANCIAL
ASSURANCE (TAC L31946)

Dear Mr. Link:

The U. S. Nuclear Regulatory Commission (NRC) staff has reviewed the Annual Financial Test transmitted by letter dated April 14, 2006, and the updated financial assurance instruments transmitted by letters dated April 19 and 20, 2006. The staff has determined that the updated financial test performed by AREVA NP, Inc. demonstrated continued qualification to use a parent company guarantee as financial assurance for decommissioning costs, therefore is acceptable.

This letter will close TAC L31946. If you have any questions regarding this letter, please contact me by phone at (301) 415-6155, or via e-mail to mnbc@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electron Reading Room).

Sincerely,

/RA/

Merritt N. Baker, Project Manager
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-1257
License No.: SNM-1227

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(Closes TAC L31946)

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