



Nuclear Fuel Services, Inc.

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21G-19-0119  
GOV-01-55-04  
ACF-19-0210

October 2, 2019

Director  
Office of Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555

- Reference:
- 1) Docket No. 70-143; SNM License 124
  - 2) Letter from Richard J. Freudenberger to NRC, dated November 30, 2018, (21G-18-0148), Updated Decommissioning Funding Plan as Required by 10 CFR 70.25(e)(2)
  - 3) Letter from NRC to Richard J. Freudenberger, dated March 28, 2018, (Enterprise Project Identification Code L-2018-DFA-0011), Request for Additional Information Concerning Updated Decommissioning Funding Plan
  - 4) Letter from Richard J. Freudenberger to NRC, dated April 25, 2019 (21G-19-0044), Response to NRC Request for Additional Information (RAI) Concerning Updated Decommissioning Funding Plan
  - 5) Letter from NRC to Richard J. Freudenberger, dated June 24, 2019, NFS Interim Approval of Decommissioning Cost Estimate Amount (Enterprise Project Identifier L-2018-DFA-0011)

**Subject: Financial Assurance Instruments to Support the NFS Decommissioning Funding Plan**

Nuclear Fuel Services, Inc. (NFS), hereby submits the financial assurance documents supporting the Decommissioning Funding Plan (DFP) for the NFS Site. Additionally, per License Condition S-2, minor administrative changes to SNM-124, Chapter 10, "Decommissioning," are being submitted as a result of the DFP update.

The financial assurance instruments contained herein guarantee that sufficient funds will be available when needed for decommissioning the NFS Site. Attachment 1 contains a summary of the methods of financial assurance in use and the corresponding instruments currently in place. Attachments 2, 3, and 4 contain an updated Statement of Intent, Amendment No. 3 of the Standby Trust Agreement, and an updated Surety Bond. Attachment 5 contains a Certification of Financial Assurance that has been prepared in conformance with the Consolidated NMSS Decommissioning Guidance (NUREG-1757, Vol. 3).

MOD 1

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Attachment 2 is a copy of the original document that was submitted directly to NRC by DOE/Naval Reactors under a separate cover letter. Attachments 3, 4, and 5 are copies of

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originally-signed documents. To ensure proper handling of the fully executed, originally-signed documents, the original attachments are being provided to the NRC Project Manager for NFS as an enclosure to his copy of this submittal. NFS is requesting that the NRC acknowledge and accept Amendment No. 3 of the Standby Trust Agreement and the Surety Bond by signing the bottom of the two documents as flagged on the originals.

As mentioned above, Attachment 1 contains a summary of the methods of financial assurance in use and the corresponding instruments currently in place. Upon completion of your review, please return the financial assurance documents currently on file that have now been superseded and are no longer required. These documents include DOE Statements of Intent (dated 11/07/2016 and 11/09/2016), a Certification of Financial Assurance (dated 12/14/2016), and Amendment No. 2 to the Standby Trust Agreement (dated 06/12/2017).

NFS is submitting a revised Chapter 10 for the SNM license as a result of this latest DFP update; it is included in Attachment 6. The revised chapter is included in its entirety, in addition to a revised Chapter Index. Changes are noted by vertical lines in the right margin of affected pages. In accordance with the criteria of License Condition S-2, NFS has determined that the changes are administrative in nature and do not reduce safety or the level of effectiveness of the License Application.

If you or your staff have any questions, require additional information, or wish to discuss this, please contact me, or Mr. Tim Knowles, Licensing Manager, at (423) 735-5061. Please reference our unique document identification number (21G-19-0119) in any correspondence concerning this letter.

Sincerely,

NUCLEAR FUEL SERVICES, INC.



Richard J. Freudenberger, Director  
Safety and Safeguards

AAM/pj

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- Attachment 1: Summary of NFS D&D Liability and Financial Assurance
- Attachment 2: Statement of Intent from DOE/Naval Reactors, dated 08/22/2019
- Attachment 3: Amendment No. 3 of the Standby Trust Agreement, dated 03/01/2016 (Re-issued 08/30/2019)
- Attachment 4: Surety Bond
- Attachment 5: Certification of Financial Assurance
- Attachment 6: SNM-124, Chapter 10, Update Per License Condition S-2

Copy:

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