

70-1257

SIEMENS

December 18, 1992

U. S. Nuclear Regulatory Commission
Fuel Cycle Safety Branch
Division of Industrial and Medical Nuclear Safety, NMSS
Washington, DC 20555

Attention: Charles J. Haughney, Chief

Re: Decommissioning Financial Responsibility
License No. SNM-1227

Dear Mr. Haughney:

I am the chief financial officer of Siemens Corporation, a Delaware corporation. This letter is in support of Siemens Corporation's use of the financial test to demonstrate financial assurance, as specified in 10 CFR Part 70.

Siemens Corporation guarantees, through the parent company guarantee submitted to demonstrate compliance under 10 CFR Part 70, the decommissioning of the following facility owned and operated by Siemens Power Corporation (formerly Siemens Nuclear Power Corporation, formerly Advanced Nuclear Fuels Corporation), a subsidiary of Siemens Corporation. The current cost estimate, so guaranteed, is shown for the facility:

<u>Name of Facility</u>	<u>Location of Facility</u>	<u>Current Cost Estimate (in thousands of dollars)</u>
Siemens Power Corporation License No. SNM-1227	2101 Horn Rapids Road Richland, WA 99352	\$20,000

Siemens Corporation is not required to file a Form 10-K with the U.S. Securities and Exchange Commission.

The fiscal year of the Siemens Corporation ends on September 30. The figure for the following item marked with an asterisk is derived from Siemens Corporation's independently audited, consolidated financial statements for the year ended September 30, 1992.

Siemens Corporation

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1301 Avenue of the Americas New York, New York 10019 (212) 258-4000 FAX: (212) 767-0580

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Financial Test: Alternative II

In thousands
of dollars

- | | | |
|-----|--|---|
| 1. | Decommissioning cost estimate for facility, special nuclear material license No. SNM-1227. | \$20,000 |
| 2. | Current bond rating of the most recent issuance of this firm and name of rating service. Siemens Corporation has an active \$1.6 billion U.S. commercial paper program which is currently rated A1+ by Standard & Poor's, and P1 by Moody's. Ratings are confirmed annually. | |
| 3. | Date of issuance of bond | |
| 4. | Date of maturity of bond | |
| 5.* | Tangible net worth plus accrued decommissioning costs | \$553,585 |
| 6. | Total assets in United States (required only if less than 90 percent of the firm's assets are located in the United States). Note: Over 90% of Siemens Corporation's total assets are located in the United States. | N/A |
| | | <div style="display: flex; justify-content: space-around;"> <u>Yes</u> <u>No</u> </div> |
| 7. | Is line 5 at least \$10 million? | <div style="display: flex; justify-content: space-around;"> <u>X</u> ___ </div> |
| 8. | Is line 5 at least 6 times line 1? | <div style="display: flex; justify-content: space-around;"> <u>X</u> ___ </div> |
| 9. | Are at least 90 percent of firm's assets located in the United States? If not, complete line 10. | <div style="display: flex; justify-content: space-around;"> <u>X</u> ___ </div> |
| 10. | Is line 6 at least 6 times line 1? | <div style="display: flex; justify-content: space-around;"> <u>N/A</u> ___ </div> |

* Denotes figure derived from the Siemens Corporation consolidated financial statements for the year ended September 30, 1992.

I hereby certify that the content of this letter is true and correct to the best of my knowledge.

SIEMENS CORPORATION

By

Peter H. Kroener
(Signature)

Deputy Controller

Dr. Peter H. Kroener

(Name)

Vice President and Controller

(Title)



EXHIBIT I

SIEMENS CORPORATION

SCHEDULE RECONCILING AMOUNTS CONTAINED IN
CHIEF FINANCIAL OFFICER'S LETTER WITH AMOUNTS INCLUDED IN THE
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED

SEPTEMBER 30, 1992

	(\$ in thousands)		
	Per Consolidated Financial Statements	Reconciling Item	Per Chief Financial Officers' Letter
Stockholder's equity	\$828,611		
Less: Intangible assets, net	<u>282,384</u>		
Tangible net worth	546,227		
Add: Accrued decommissioning costs		<u>\$7,358</u>	
Tangible net worth plus accrued decommissioning costs			<u>\$553,585</u>

Price Waterhouse



December 18, 1992

Dr. Peter H. Kroener
Vice President and Controller
Siemens Corporation
1301 Avenue of the Americas
New York, New York 10019

Dear Dr. Kroener:

At your request, we have performed the procedures enumerated below with respect to the Siemens Corporation "Schedule Reconciling Amounts Contained in Chief Financial Officer's Letter With Amounts Included in the Consolidated Financial Statements for the Year Ended September 30, 1992" set forth in the accompanying Exhibit I. Siemens Corporation prepared the information contained in Exhibit I to demonstrate its financial responsibility under the U.S. Nuclear Regulatory Commission's financial assurance regulations 10 CFR Part 70, and to assist its wholly-owned subsidiary and licensee Siemens Power Corporation (formerly Siemens Nuclear Power Corporation) (License No. SNM-1227), in complying with such regulations.

Our procedures, with respect to the information contained in Exhibit I, were as follows:

1. We agreed the amounts entitled "Stockholder's equity" and "Intangible assets, net" to amounts reported on the Siemens Corporation consolidated balance sheet as of September 30, 1992 which is included in the Siemens Corporation consolidated financial statements for the year ended September 30, 1992. We have previously examined the Siemens Corporation consolidated financial statements for the year ended September 30, 1992 in accordance with generally accepted auditing standards and have issued our report thereon dated November 1, 1992.
2. We agreed the amount entitled "Accrued decommissioning costs" to an amount included in a Siemens Corporation prepared schedule. This schedule analyzes the components of the amount reported as "Other long term liabilities" on the Siemens Corporation consolidated balance sheet as of September 30, 1992 which is included in the Siemens Corporation consolidated financial statements for the year ended September 30, 1992.

December 18, 1992
Dr. Peter H. Kroener
Vice President and Controller
Siemens Corporation
Page 2



3. We determined the arithmetical accuracy of the amounts entitled "Tangible net worth" and "Tangible net worth plus accrued decommissioning costs".
4. We agreed the amount in the column captioned "Per Chief Financial Officer's Letter" to the amount reported as "Tangible net worth plus accrued decommissioning costs" in the December 18, 1992 letter from Dr. Peter H. Kroener, Vice President and Controller of Siemens Corporation, to the U.S. Nuclear Regulatory Commission.

Because the above procedures are not sufficient to constitute an examination made in accordance with generally accepted auditing standards, we do not express an opinion on any of the amounts, accounting records or the letter referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the information contained in Exhibit I should be adjusted. Had we performed additional procedures, matters might have come to our attention that would have been reported to you.

This report relates only to the Siemens Corporation "Schedule Reconciling Amounts Contained in Chief Financial Officer's Letter With Amounts Included in the Consolidated Financial Statements for the Year Ended September 30, 1992" set forth in the accompanying Exhibit I and does not extend to any other documents.

It is understood that this report is to be provided by the management of Siemens Corporation to the U.S. Nuclear Regulatory Commission to comply with the financial assurance regulations referred to in the first paragraph of this report. This report should not be referred to or distributed for any other purpose without our prior consent.

Yours very truly,

Attachment - Exhibit I