

40-8948



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 29, 1997

Deutsche Bank AG  
New York Branch  
P. O. Box 890  
New York, NY 10101-0890  
Attn: James Roces

RE: STANDBY LETTER OF CREDIT NO. 839-51288

Dear Mr. Roces:

The above-identified Letter of Credit was issued for the benefit of the U.S. Nuclear Regulatory Commission at the request of Shieldalloy Metallurgical Corporation. Pursuant to discussions between the NRC and Shieldalloy, a determination has been made for the NRC to draw upon the full value of this Letter of Credit (\$1,500,000.00). This determination has been previously discussed with you.

In accordance with the Letter of Credit, I certify that the amount of the draft is payable pursuant to regulations issued under authority of the NRC, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. I further certify that this draft is drawn under Standby Letter of Credit No. 839-51288, dated July 18, 1990, and the total of this draft and all other drafts previously drawn under this Standby Letter of Credit does not exceed \$1,500,000.00. Pursuant to internal NRC procedures in Management Directive 8.12, revised October 1, 1996, I am an authorized official of the NRC to sign documents drawing on decommissioning financial assurance instruments, which includes this Letter of Credit.

Pursuant to a Standby Trust with Mellon Bank, the \$1,500,000.00 is to be transferred to that institution. We have discussed this matter with Mellon and they have provided us the following instructions, which you are requested to specifically use in making the transfer. The funds should be wired to Mellon Bank NA, ABA 04, Account No. 900-9010, ABA# 043000251. Please also reference account 1024-2A. The funds should be wired to the attention of Ms. Claire Seidener, who can be reached at (412) 234-5292 should you have any questions regarding the transfer.

Although the Letter of Credit permits you thirty (30) days to honor this request, we request you to expedite this transfer in light of the need to complete this transfer prior to February 20, 1997, in connection with a pending bankruptcy proceeding. Thank you for your prompt attention to this request.

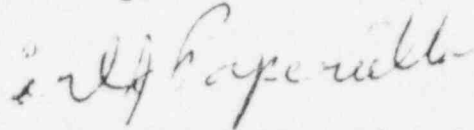
NH17/1

J. Roces

-2-

If you have any questions on this matter, please contact Stephen Lewis of the NRC's Office of the General Counsel at (301) 415-1684.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carl J. Paperiello".

Carl J. Paperiello, Director  
Office of Nuclear Material  
Safety and Safeguards

Docket No.: 040-08948  
License No.: SMB-1507

cc: David R. Berz, Esq.  
Claire Seidener  
Edward Smith, Esq.

J. Roces

-2-

If you have any questions on this matter, please contact Stephen Lewis of the NRC's Office of the General Counsel at (301) 415-1684.

Sincerely,

Original signed by Carl J. Paperiello

Carl J. Paperiello, Director  
Office of Nuclear Material  
Safety and Safeguards

Docket No.: 040-08948  
License No.: SMB-1507

cc: David R. Berz, Esq.  
Claire Seidener  
Edward Smith, Esq.

Ticket: N/A

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JL PROOFED FOR CATHY 1/29

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NAM E	JKennedy *	RNelson *	TJohnson *	JHickey *	STreby *			
DAT E	1/24/97	1/27/97	1/24/97	1/27/97	1/27/97	1/28/97	1/1	1/1
OFC	NMSS							
NAM E	CPaperiello							
DAT E	1/29/97	1/1	1/1	1/1				

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LSS: YES \_\_\_ NO \_\_\_

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J. Roces

-2-

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Sincerely,

Carl J. Paperiello, Director  
Office of Nuclear Material  
Safety and Safeguards

Docket No.: 040-08948  
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cc: David R. Berz, Esq.  
Claire Seidener  
Edward Smith, Esq.

Ticket: N/A

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OFC	NMSS
NAME	CPaperiello
DATE	/ /

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ACNW: YES ☐ NO ☐  
IG: YES ☐ NO ☐  
LSS: YES ☐ NO ☐

Category: Proprietary ☐ or CF Only ☐  
Delete file after distribution: Yes ☐ No ☐

J. Roces

-2-

If you have any questions on this matter, please contact Stephen Lewis of the NRC's Office of the General Counsel at (301) 415-1684.

Sincerely,

Carl J. Paperiello, Director  
Office of Nuclear Material  
Safety and Safeguards

cc: David R. Berz, Esq.  
Claire Seidener  
Edward Smith, Esq.

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IG: YES \_\_\_ NO \_\_\_

Delete file after distribution: Yes \_\_\_ No \_\_\_

J. Roces

-3-

Addresses for cc's:

Edward Smith, Esq.

United States Attorney's Office

Southern District of New York

100 Church Street, 19th Floor

New York, NY 10007

David R. Berz, Esq.

Weil, Gotshal & Manges

1615 I. Street, N.W.

Washington, DC 20036-0940

Ms. Claire Seidener

Mellon Bank NA

Two Mellon Bank Center

Room 325

Pittsburgh, PA 15259