



March 31, 1997  
696/38/67-2703

Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, D.C.

Attention: Mr. Alexander Adams, Jr.  
Mr. Charles E. Gaskin

**Subject: Docket Nos. 50-89, 50-163 and 70-734: License Nos. R-38, R-67 and SNM-696 Respectively; Submittal of Revised Financial Documents (1996) Re: Financial Assurance for Decommissioning**

- References:
- 1) Asmussen, Keith E., Letter No. 38/67-1884 to U.S. Nuclear Regulatory Commission ATTN: Mr. Marvin Mendonca, "Docket Nos. 50-89 and 50-163: License Nos. R-38 and R-67; Decommissioning Report and Financial Assurance" dated July 26, 1990.
  - 2) Asmussen, Keith E., Letter No. 696-1963 to Mr. John W. N. Hickey, U.S. Nuclear Regulatory Commission, "Docket No. 70-734; License No. SNM-696; Submittal of Decommissioning Funding Plan," dated September 10, 1992.
  - 3) Asmussen, Keith E., Letter No. 696-2581 to U.S. Nuclear Regulatory Commission ATTN: Mr. Alexander Adams, Jr. and Mr. Charles E. Gaskin, "Docket Nos. 70-0734, 50-89 and 50-163; Decommissioning Financial Assurance," dated May 20, 1996.
  - 4) Weiss, Seymour H. and Robert C. Pierson, Letter to Dr. Keith E. Asmussen, "FINANCIAL ASSURANCE FOR NRC LICENSES SNM-696, R-38, R-67 DOCKET NOS. 70-0734, 50-89, 50-163," Dated July 9, 1996.

Gentlemen:

General Atomics (GA) possesses two TRIGA research reactors under Nuclear Regulatory Commission (NRC) License Nos. R-38 and R-67, and conducts operations involving the possession of special nuclear material under NRC License No. SNM-696. In compliance with 10 CFR Parts 50.33 and 70.25, GA previously submitted financial assurance for the estimated cost of decommissioning its reactors and its SNM-696 licensed facilities (Refs. 1 & 2). The financial assurance was provided by a parent company guarantee based on the financial test contained in Appendix A of 10 CFR 30.

Subsequently, for reasons detailed in Reference 3, GA was and is, in non-compliance with the applicable NRC financial assurance regulations (10 CFR 50.75 and 70.25). As a consequence, GA proposed that an alternate method of compliance be approved by the NRC (Ref. 3). After reviewing GA's proposal, consolidated financial statements, and other relevant

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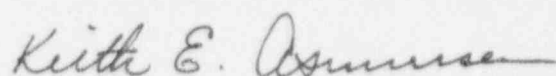
information, the NRC agreed to exercise its discretion and forbear enforcement; provided, however, that should circumstances materially change such that GA's parent would be able to qualify under the regulations to provide a guarantee for the full amount of the estimated costs of decommissioning, this forbearance shall cease (Ref. 4).

The guarantee included a commitment by General Atomic Technologies Corporation (GATC), the parent guarantor, to submit revised financial statements, financial test data, and a special auditor's report and reconciling schedule annually within 90 days of the close of the parent guarantor's fiscal year. Accordingly, submitted herewith is said information for 1996. This same information demonstrates that the circumstances described in Ref. 3 have not changed materially (and GA's parent does not qualify under the regulations to provide the necessary guarantee).

As set forth in the enclosed affidavit of Mr. Jones, GATC requests that this information be treated as proprietary information under the provisions of 10 CFR 2.790. GATC is a privately held corporation and the enclosed financial statements contain sensitive financial information.

If you should have any questions regarding this submittal, please do not hesitate to contact me at (619) 455-2823.

Very truly yours,



Keith E. Asmussen, Director  
Licensing, Safety and Nuclear Compliance

Enclosures as stated

cc: Mr. Ellis W. Merschoff, NRC Region IV (w/o enclosures)

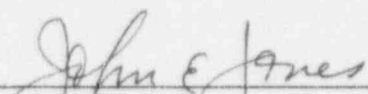
STATE OF CALIFORNIA     )  
                                  ) ss  
COUNTY OF SAN DIEGO    )

**AFFIDAVIT OF JOHN E. JONES**

I, John E. Jones, Secretary and Treasurer of General Atomic Technologies Corporation, do hereby affirm and state:

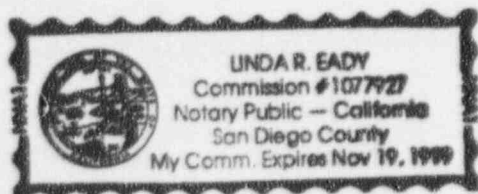
1. I am an officer of General Atomic Technologies Corporation and I am authorized to execute this affidavit on behalf of General Atomic Technologies Corporation.
2. The affidavit is submitted under the provisions of 10 CFR 2.790 in order to withhold the enclosed financial statements and other enclosed financial information of General Atomic Technologies Corporation from public disclosure or publication.
3. The subject documents constitute confidential financial information of a privately-held corporation which has been held in confidence by the owner and are customarily held in such confidence, and are not available in public sources. Public disclosure would create substantial harm to the owner by providing detailed financial information to its competitors and other parties whose interest may be adverse to the owner.

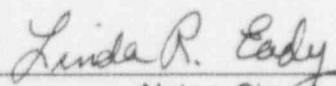
GENERAL ATOMIC TECHNOLOGIES CORPORATION

  
\_\_\_\_\_  
John E. Jones  
Secretary and Treasurer

Subscribed and sworn to before me this 31st day of March 1997.

**WITNESS** my hand and official seal.



  
\_\_\_\_\_  
Notary Signature

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On March 31, 1997 before me, Linda R. Eady, Notary Public

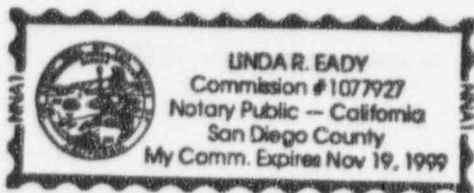
Date

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Keith E. Asmussen

Name(s) of Signer(s)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Linda R. Eady

Signature of Notary Public

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: Letter No. 694/38/67-2703 to NRC

Document Date: March 31, 1997 Number of Pages: 3

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Keith E. Asmussen

- ☐ Individual
- ☐ Corporate Officer
- Title(s): \_\_\_\_\_
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☒ Other: Director, Licensing

Safety & Nuclear Compliance

Signer Is Representing:

General Atomics

RIGHT THUMBPRINT  
OF SIGNER

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Signer's Name: \_\_\_\_\_

- ☐ Individual
- ☐ Corporate Officer
- Title(s): \_\_\_\_\_
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: \_\_\_\_\_

Signer Is Representing:

RIGHT THUMBPRINT  
OF SIGNER

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