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UNITED NUCLEAR CORPORATION



March 29, 2021

ATTN: Document Control Desk
Mr. Bo Pham, Deputy Director
Division of Decommissioning, Uranium Recovery, and Waste Programs
Office of Nuclear Materials Safety and Safeguards
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Mailstop 5E14
Rockville, MD 20852-2738

04008907

Subject: Church Rock Financial Surety Requirement- Source Material License No. SUA-1475

Dear Mr. Pham:

Source Materials License No. SUA-1475, License Condition 25, requires that United Nuclear Corporation (UNC) provide an annual update of the surety amount and maintain a Nuclear Regulatory Commission (NRC) approved surety arrangement, consistent with 10 CFR 40, Appendix A, Criteria 9 and 10. This letter transmits the annual surety update.

UNC completed a comprehensive re-baseline of the surety requirement that was submitted in July 2020. The conditions used in the re-baselined surety calculation have not changed from the re-baselined adjustment. Additionally, a Site-Wide Supplemental Feasibility Study (SWSFS), directed by U.S. Environmental Protection Agency (EPA) in 2005, is in progress at the site. Once the SWSFS is complete, a review of the study results will be conducted and where applicable, compared against the conditions used in the 2020 re-baseline calculation.

This correspondence calculates the change to the annual surety amount based on the .98% increase in the consumer price index for all urban consumers from the end of December 2020 (260.474) through the end of February 2021 (263.014). As a result of continued steady-state conditions at the site and the ongoing SWSFS, it is recommended that the surety amount be increased from **\$23,421,383** to **\$23,649,776** and the license be amended to reflect the change. There follows an enclosure to detail how this amount was calculated.

I will forward a copy of the bond to you as soon as I receive the reissued certificate rider. As of September 1997, UNC became a wholly owned, indirect subsidiary of the General Electric (GE) Company. GE Corporate Environmental Programs have been retained through a separate administrative services agreement to assist UNC both technically and administratively with environmental issues at the Church Rock site. Please contact me at (484)213-0300 if you have any questions or would like additional information.

NMSS01

Sincerely,

A handwritten signature in black ink, appearing to read "Lance M. Hauer". The signature is fluid and cursive, with the first name "Lance" being more prominent than the last name "Hauer".

Lance M. Hauer P.E.
Legacy Site Team Leader – Remediation
GE Global Operations – EHS

cc: Jim Smith, NRC Region IV (via E-mail)

Enclosure: 2021 Annual Surety Update

Summary of Surety Costs		
Item	Reclamation or Decommissioning Task	Baselined Field Cost*
1	Procurement	\$22,500
2	Site Preparation Work	\$374,363
3	Jetty Borrow Haul Road Construction	\$10,108
4	Repository Construction/Preparation for Mine Waste	\$605,046
5	Mine Waste Transportation within Site and Disposal in Repository	\$1,313,503
6	Repository ET Cover Construction (Material Placement and Grading)	\$3,493,751
7	Mill Site Final Grading and Seeding	\$72,009
8	Permanent Stormwater Features construction	\$4,949,010
9	Final Revegetation	\$179,965
10	Monitoring, Testing, and Verification Controls	\$3,026,190
11	Mill Site Debris Excavation and Disposal	\$420,235
12	Cover Evaporation Ponds	\$319,396
13	Mill Site Well Decommissioning	\$539,180
14	Short-Term Surveillance	\$1,186,024
15	Groundwater Monitoring - Maintenance and Sampling	\$2,819,195
16	Land Surveying	\$673,755
17	Engineering and Fees	\$2,101,321
18	Contingency	\$3,315,833
Existing USEPA Financial Assurance Bond		-\$2,000,000
Total 2020 Surety Amount		\$23,421,383
2020 December unadjusted CPI-U value		260.474
2021 February unadjusted CPI-U value		263.014
Total 2021 Surety Amount		\$23,649,776

* Baselined on Dec. 2020 unadjusted CPI-U value