



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

September 7, 1999

Mr. Richard M. Bartosik, Licensing Manager
BWX Technologies, Inc.
R.D. 1, Box 355
Vandergrift, PA 15690

7/26/01
@ 3:55
told Andrew
to proceed
with submittal
of the LOC
as per 5/15/01

Dear Mr. Bartosik:

I am writing in response to your letter dated August 2, 1999, requesting guidance on the information the Nuclear Regulatory Commission (NRC) staff will require for reviewing and approving a revision to the financial assurance mechanism for the decommissioning of your Parks Township, PA, facility (Parks facility). Per your letter, you intend to revise the amount of financial assurance to reflect a reduction in estimated future costs, due to the completion of several decommissioning activities, and that a portion of the costs for decommissioning will be assumed by the U.S. Government. To support your request, you provided a summary of the revised cost estimate to complete the decommissioning of the Parks facility, and stated that BWX Technologies (BWXT) had entered into a Consent Decree with the U.S. Government that stipulates that the U.S. Government is responsible for 39.5 percent of the total cost of decommissioning the Parks facility.

NRC regulations at 10 CFR 70.25(f) do not currently contemplate the use of a Consent Decree to demonstrate that the U.S. Government will provide for all, or part, of the cost for decommissioning. As such, unless BWXT intends to provide a Statement of Intent from the U.S. Government, that complies with the guidance in Draft Regulatory Guide DG-3014 "Standard Format and Content of Financial Assurance Mechanisms Required for Decommissioning under 10 CFR Parts 30, 40, 70, and 72" (Enclosure), NRC may need to consider your request to be a request for an exemption from the requirements of 10 CFR 70.25(f) and manage the request accordingly.

In order to evaluate your request, as an exemption or otherwise, the staff will require a detailed cost estimate for the remaining decommissioning activities at the Parks Township, PA, facility. The revised cost estimate should be of the same scope and level of detail as the original decommissioning cost estimate for the Parks facility. In addition, if BWXT intends to rely on a Consent Decree rather than a Statement of Intent, BWXT should provide copies of the Consent Decree and all documents related to the Consent Decree cited in your August 2, 1999, letter, demonstrating that the U.S. Government will provide BWXT with the amount of funds cited in your letter. This is needed for us to determine whether an exemption from the requirements of 10 CFR 70.25(f) will be required. If BWXT intends to submit a Statement of Intent, you should ensure that it meets criteria described in DG-3014.

B/12

R. Bartosik

If you have any questions concerning this letter, please contact Dominick A. Orlando, of my staff, at (301) 415-6749.

Sincerely,

[Original signed by:]
Robert A. Nelson, Chief
Special Projects Section
Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket Number: 70-364
License Number: SNM-414

Enclosure: As stated

cc: PTS Dist. List

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*See previous concurrence.

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8/30/99

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