



**GE Corporate  
Environmental Programs**

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Gary Janosko, Chief  
Fuel Cycle Licensing Branch  
US Nuclear Regulatory Commission  
Mail Stop T-8A33  
Washington, D.C. 20555

**Subject: Church Rock Financial Surety Requirement**  
**Source Materials License SUA-1475 -40-8907**

Dear Mr. Janosko:

I am writing on behalf of United Nuclear Corporation, holder of source materials license SUA-1475. License condition No. 25 requires that United Nuclear Corporation provide an annual update of the surety amount, and maintain an NRC approved surety arrangement, consistent with 10 CFR 40, Appendix A, Criteria 9 and 10. This letter transmits the annual update as Attachment 1. It is recommended that the surety amount be increased from \$1,772,728 to \$1,800,974.

I will forward a copy of the bond to you as soon as I receive the reissued certificate rider.

As of September 1997 United Nuclear Corporation became a wholly-owned, indirect subsidiary of General Electric Company. GE Corporate Environmental Programs has been retained through a separate administrative services agreement to assist United Nuclear both technically and administratively with environmental issues at the Church Rock site. Please contact me if you have any questions.

Sincerely,

Roy S. Blickwedel  
Remedial Project Manager

cc: Roger Florio, GE  
Larry Bush, UNC  
✓ Bill vonTill, NRC (via fax)  
NRC Region IV

NMSSD1



**ATTACHMENT 1  
PROPOSED SURETY CALCULATION**

Evaporation pond decommissioning	\$	367,289
Well plugging	\$	20,612
Construction supervision	\$	83,272
Seepage cleanup	\$	456,000
Total Direct Reclamation Cost		\$927,174
(Inflation 5.68%)		\$52,663
Contingency (15%)		\$146,976
Long-term surveillance (\$637,927 from 2001 adjusted @ 5.68% inflation)		\$674,161
TOTAL SURETY		\$1,800,974

**NOTES:**

1. Base costs are from the annual surety update submitted in March 2001.
2. The consumer price index for all urban consumers has increased 5.68% between March 2001 through February 2004.