



June 30, 2006  
696/38/67-3998

**VIA OVERNIGHT DELIVERY**

Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555  
**ATTN: Mr. Merritt N. Baker**  
**Mr. Alexander Adams, Jr.**

**Docket Nos.: 50-89, 50-163 and 70-734; License Nos. R-38, R-67 and SNM-696, Respectively**

**Subject: Submittal of Revised Financial Documents (2005) Re: Financial Assurance for Decommissioning**

Dear Mr. Baker and Mr. Adams:

General Atomics (GA) possesses two TRIGA research reactors under Nuclear Regulatory Commission (NRC) License Nos. R-38 and R-67, and 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 & 3). 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 4, GA was in non-compliance with the applicable NRC financial assurance regulations (10 CFR 50.75 and 70.25). As a consequence, GA proposed (Ref. 4), and NRC approved (Ref. 5), an alternate method of compliance.

The alternate method of compliance 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 prepared by an independent certified public accountant annually within 90 days of the close of the parent guarantor's fiscal year. However, in its letter to NRC dated March 31, 2006 (Ref. 6), GA explained why GA's certified public accountant was unable to complete the required reports within 90 days of the close of FY 2005, and committed to submit the required FY 2005 financial information immediately upon the information being provided to GA by its certified public accountant.

GA is now in receipt of the required financial information. Accordingly, submitted herewith is said information for FY 2005. GA regrets having been unable to submit the enclosed information sooner and will make every reasonable effort to be timely in the future.

The enclosed information demonstrates that the circumstances described in Ref. 4 have not changed materially and GA's parent company does not qualify under the regulations to provide the guarantee. Therefore, GA will continue to provide financial assurance pursuant to the alternate method of compliance.

*A020*

As set forth in the enclosed affidavit of Mr. Navarra, GATC requests that this information be treated as proprietary information under the provisions of 10 CFR 2.390. 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 (858) 455-2823 or at [keith.asmussen@gat.com](mailto:keith.asmussen@gat.com).

Very truly yours,

*Keith E. Asmussen*

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

Enclosures as stated

cc: Ms. Patricia K. Holahan, Acting Regional Director, NRC Region IV (w/o enclosures)

- 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. 696/38/67-2903 to U.S. Nuclear Regulatory Commission ATTN: Mr. Alexander Adams, Jr. and Mr. Charles E. Gaskin, "Docket Nos. 50-89, 50-163 and 70-734; License Nos. R-38, R-67 and SNM-696 Respectively: Submittal of Revised Parent Company Guarantee Re: Financial Assurance for Decommissioning," dated April 28, 1998
  - 4) 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
  - 5) 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
  - 6) Asmussen, Keith E., Letter No. 696/38/67-3977 to U.S. Nuclear Regulatory Commission ATTN: Mr. Nick Baker and Mr. Alexander Adams, Jr., "Docket Nos. 50-89, 50-163 and 70-734; License Nos. R-38, R-67 and SNM-696 Respectively; Notification of Inability to Meet Schedule for Submitting Revised Financial Documents (2005) Re: Financial Assurance for Decommissioning," dated March 31, 2006

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of SAN DIEGO

} ss.

On JUNE 30, 2006, before me, KAREN SCHULTZ, 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

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.



Place Notary Seal Above

WITNESS my hand and official seal.

*Karen R. Schultz*

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: Financial Assurance for Decommissioning - NRC

Document Date: 06/30/06 Number of Pages: 2

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

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

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

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

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

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

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

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

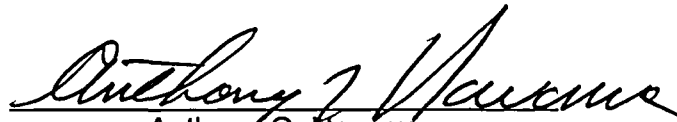
STATE OF CALIFORNIA        )  
                                      ) SS  
COUNTY OF SAN DIEGO     )

**AFFIDAVIT OF ANTHONY G. NAVARRA**

I, Anthony G. Navarra, Assistant Treasurer of General Atomic Technologies Corporation, do hereby affirm and state:

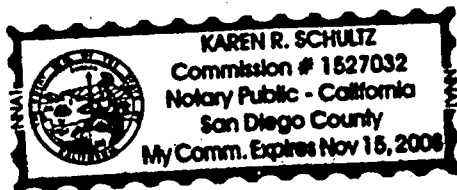
1. I am an officer of General Atomic Technologies Corporation and I am authorized to execute this affidavit on behalf of General Atomic Technologies Corporation.
2. The affidavit is submitted under the provisions of 10 CFR 2.390 in order to withhold the enclosed financial statements and other enclosed 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

  
Anthony G. Navarra  
Assistant Treasurer

SUBSCRIBED AND SWORN to before me this 30th day of June 2006.

WITNESS my hand and official seal.



  
Notary Public 6/30/06