

October 12, 2006

Dr. Keith E. Asmussen, Director
Licensing, Safety & Nuclear Compliance
General Atomics
P.O. Box 85608
San Diego, CA 92186-9784

SUBJECT: SUBMISSION OF 2005 FINANCIAL STATEMENTS RE: FINANCIAL
ASSURANCE FOR DECOMMISSIONING - GENERAL ATOMICS
(TAC L31962)

Dear Dr. Asmussen:

By letter dated June 30, 2006, General Atomics (GA) submitted to the U.S. Nuclear Regulatory Commission (NRC) the consolidated financial statements of General Atomic Technology Corporation (GATC), the parent corporation of GA. These statements were submitted in accordance with a commitment made by GATC as part of an alternate method of compliance, agreed to by NRC, with the financial assurance requirements for decommissioning.

Our review of the information confirmed that GATC does not meet the regulations to provide a parent company guarantee and that the alternate method of compliance remains necessary. Our review also concludes that GA has provided adequate financial assurance pursuant to the conditions of the alternate compliance method agreed to by the NRC

The NRC has completed its review, therefore, this letter will close TAC L31962.

If you have any questions regarding this letter, please call me at (301) 415-6155, or by email to mnb@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's Rules of Practice, a copy of this letter will be available electronically from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Merritt N. Baker, Project Manager
Fuel Facility Licensing Directorate
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-734
License No.: SNM-696

cc: Dr. Ron Rogus, State of California

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Sincerely,

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Merritt N. Baker, Project Manager
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