

**REQUEST FOR NRC CONSENT TO THE
TRANSFER OF CONTROL OF CERTAIN GE LICENSES TO
GE-HITACHI NUCLEAR ENERGY AMERICAS, LLC
AND FOR APPROVAL OF CONFORMING AMENDMENTS**

January 19, 2007

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I. INTRODUCTION

The purpose of this application is to request written consent from the U.S. Nuclear Regulatory Commission (NRC), pursuant to 10 CFR §§ 50.80, 70.36, and 72.50, for the transfer of control of various NRC licenses presently held by General Electric Company (GE). GE is a publicly traded corporation, incorporated in the State of New York, with its principal corporate offices in Fairfield, Connecticut.

As described in the attached request: (1) GE will transfer certain of its nuclear businesses and operations in the United States to GE-Hitachi Nuclear Energy Americas, LLC, a newly formed entity; (2) this new entity will be wholly owned by GE-Hitachi Nuclear Energy Holdings, LLC; (3) GE (through various subsidiaries) will retain a 60% ownership interest in GE-Hitachi Nuclear Energy Americas, LLC; and (4) a U.S. subsidiary or subsidiaries of Hitachi Ltd., a Japanese company, will assume an indirect 40% ownership interest in GE-Hitachi Nuclear Energy Americas, LLC. There will be a direct transfer of control of GE's existing licenses to GE-Hitachi Nuclear Energy Americas, LLC when GE transfers assets and the GE Licenses to this entity and indirect transfer of control through the creation of its parent company, GE-Hitachi Nuclear Energy Holdings, LLC.¹ The subsequent acquisition of a 40% indirect ownership interest will not involve any direct or indirect transfer of "control," but these arrangements are described herein to provide context for the approvals being sought.

The proposed transferee, GE-Hitachi Nuclear Energy Americas, LLC, is qualified to be the holder of the NRC licenses and the transfers are consistent with applicable

¹ This request does not affect, directly or indirectly, License No. SNM-1097 held by Global Nuclear Fuel-Americas, LLC for the Wilmington, North Carolina fuel fabrication facility. There will be no direct or indirect transfer of control of that license. In addition, GE or its subsidiaries will retain other NRC licenses that are similarly unaffected by the proposed transfers.

provisions of the Atomic Energy Act of 1954, as amended, NRC regulations, and orders issued by the Commission. In addition, the proposed transfers are not inimical to public health and safety or the common defense and security of the United States. Accordingly, GE respectfully requests, pursuant to 10 CFR §§ 50.80, 70.36, and 72.50, that the NRC grant its consent, in writing, to the proposed direct transfer of control of the licenses that are the subject of this request.

This correspondence is also intended to provide notice to the NRC of the planned transfer of: (1) various Certificates of Compliance issued under 10 CFR Part 71 and associated quality assurance programs; and (2) GE's 10 CFR Appendix B Quality Assurance Program governing its power reactor services business, for which no prior written NRC consent is required.

Finally, GE requests that the NRC approve conforming administrative amendments to change the name of the licensee and Certificate holder on the licenses and Certificates in order to reflect the transfer action.

It is the intention of the parties to close on the transaction as soon as practicable. Accordingly, GE respectfully requests that the NRC issue its written consent and approve the proposed conforming amendments as expeditiously as possible, but in any event, on a schedule that will support a closing by April 30, 2007.

II. DESCRIPTION OF THE TRANSACTION

Under the proposed transaction, GE will contribute certain of its nuclear businesses and operations in the United States to a newly-formed Delaware limited liability company, GE-Hitachi Nuclear Energy Americas, LLC. (Various U.S. GE subsidiaries will also contribute businesses to GE-Hitachi Nuclear Energy

Americas, LLC. These include: GE Infrastructure Technology, LLC; GE Ionics, Inc., and GE Infrastructure Technology International). GE and its various U.S. subsidiaries will form and contribute their membership interests in GE-Hitachi Nuclear Energy Americas, LLC to a separate Delaware limited liability company, GE-Hitachi Nuclear Energy Holdings, LLC, which will be the parent company of GE-Hitachi Nuclear Energy Americas, LLC. GE and its various U.S. subsidiaries will then form and contribute their membership interests in GE-Hitachi Nuclear Energy Holdings, LLC to GENE Holding, LLC, a Delaware limited liability company, that at that time will be a wholly-owned subsidiary of GE. Finally, within some period of days or weeks, GENE Holding, LLC will sell a 40% equity interest in GE-Hitachi Nuclear Energy Holdings, LLC to a U.S. subsidiary or subsidiaries directly or indirectly owned by Hitachi Ltd, a Japanese company. The transfer of NRC licenses to GE-Hitachi Nuclear Energy Americas, LLC involves a direct transfer of control that requires NRC's prior written consent, and the creation of GE-Hitachi Nuclear Energy Holdings, LLC as its parent company involves a further indirect transfer of control that requires NRC's prior written consent. However, the sale of a non-controlling 40% ownership interest to an entity or entities owned by Hitachi Ltd. will not involve any direct or indirect transfer of control.

All of the NRC licenses which are the subject of this consent request will be held by GE-Hitachi Nuclear Energy Americas, LLC, which will be wholly owned by GE-Hitachi Nuclear Energy Holdings, LLC. This parent, in turn, will be controlled through a 60% voting ownership interest held by GENE Holding, LLC, which will be controlled by GE. It is anticipated that one hundred percent of the voting interests of

GENE Holding, LLC will be held by GE, though certain GE subsidiaries may hold non-voting interests. Diagrams displaying the current corporate structure and the final corporate structure are provided as Attachment A to this consent request.²

III. LICENSES AND CERTIFICATES OF COMPLIANCE AFFECTED

The licenses that are the subject of this request govern activities and operations at two locations: (1) the Vallecitos Nuclear Center in Sunol, California; and (2) the Morris-Operation Independent Spent Fuel Storage Facility in Morris, Illinois.

A. Vallecitos Nuclear Center

GE currently holds three possession-only test or isotope production reactor licenses, one 100 kW radiography reactor license authorizing continued operation, and two Special Nuclear Material (SNM) licenses at its Vallecitos Nuclear Center (VNC) as follows:

License No.	Type and Status
1. DPR-1	Vallecitos Boiling Water Reactor (VBWR) - test reactor, possession-only license
2. DR-10	ESADA Vallecitos Experimental Superheat Reactor (EVESR) - test reactor, possession-only license
3. TR-1	General Electric Test Reactor (GETR) - medical and industrial isotope production reactor, possession-only license
4. R-33	Nuclear Test Reactor (NTR)-100kw radiography reactor – license to operate

² Attachment A shows only those corporate entities that are relevant to the transfer of control of the NRC licenses. It does not show GE's other U.S. subsidiaries or related restructurings occurring in Canada and Japan.

In addition, GE has advised the NRC that it is undertaking efforts toward the licensing of a new uranium enrichment facility based on the SILEX technology. Letter, Robert E. Brown to Jack R. Strosnider (October 11, 2006.) Since there is no existing license associated with the planned uranium enrichment facility, it is beyond the scope of this consent request. However, as part of the overall transaction, GE intends to create an additional new Delaware LLC, GE-Hitachi Nuclear Energy Enrichment LLC, to be the applicant for and holder of the uranium enrichment facility license and the sensitive nuclear enrichment technology associated with that license. Any issues associated with the transfer of uranium enrichment technology to GE-Hitachi Nuclear Energy Enrichment LLC will be addressed separately as part of that license application.

License No.	Type and Status
5. SNM-960	Special Nuclear Material license
6. SNM-1270	Shipping of Radioactive Materials Between Reactor Sites

The reactor licenses were issued pursuant to 10 CFR Part 50. The SNM licenses were issued pursuant to 10 CFR Part 70.

B. General Electric – Morris Operation

GE currently holds Special Nuclear Material License No. SNM-2500 for its Morris - Operation Independent Spent Fuel Storage Facility (ISFSI) in Morris, Illinois. This license was issued pursuant to 10 CFR Part 72.

C. Certificates of Compliance

Notice is hereby given of GE’s intent to transfer to GE-Hitachi Nuclear Energy Americas, LLC certain NRC Certificates of Compliance for which GE is the holder, as well as GE’s status as a Registered User for certain other Certificates of Compliance as applicable, as described in Attachment B.

IV. INFORMATION SUBMITTED IN ACCORDANCE WITH NUREG-1556, VOL. 15 (NOVEMBER 2000) CONSOLIDATED GUIDANCE ABOUT MATERIALS LICENSES-GUIDANCE ABOUT CHANGES OF CONTROL AND ABOUT BANKRUPTCY INVOLVING BYPRODUCT, SOURCE, OR SPECIAL NUCLEAR MATERIALS LICENSES

The following information is submitted in accordance with the guidelines in NUREG-1556, Vol. 15 (2000) “Consolidated Guidance About Materials Licenses-Guidance About Changes Of Control And About Bankruptcy Involving Byproduct, Source, Or Special Nuclear Materials Licenses.” The information provided below is applicable to *all* of the licenses listed in Section III above, regardless of whether the license is a materials license or reactor license. Additional information necessary for

the transfer of control of the reactor licenses (and the Part 72 ISFSI license) and not addressed by the criteria in NUREG-1556 is provided in Section V below.

A. Section 5.1 Description of the Transaction

1. *A complete clear description of the transaction, including any transfer of stocks or assets, mergers, etc., so that legal counsel is able, when necessary, to differentiate between name changes and changes of ownership.*

A complete description of the transaction is provided in Section II above.

2. *The new name of the licensed organization. If there is no change, the licensee should so state.*

The new name of the licensed organization will be GE-Hitachi Nuclear Energy Americas, LLC.

3. *The new licensee contact and telephone number(s) to facilitate communications.*

The new licensee contact information for the GE-Hitachi Nuclear Energy Americas, LLC licenses is as follows:

David Turner, Manager,
Vallecitos Nuclear Center
Building 102 V-18
6705 Vallecitos Rd
Sunol, CA 94586
(925) 862-4344

James Ellis, Manager,
Morris Operations
7555 East Collins Rd
Morris, IL 60450
(815) 942-5590 ext 115

As noted above, GE-Hitachi Nuclear Energy Americas, LLC and its parent companies, GENE Holding, LLC and GE-Hitachi Nuclear Energy Holdings, LLC, will be Delaware limited liability companies. The principal place of business for these companies will be:

3901 Castle Hayne Road, Wilmington, NC 28401.

B. Section 5.2 Changes of Personnel

1. *Any changes in personnel having control over licensed activities (e.g., officers of a corporation and any changes in personnel named in the license such as radiation safety officer, authorized users, or any other persons identified in previous license applications as responsible for radiation safety or use of licensed material). The licensee should include information concerning the qualifications, training and responsibilities of new individuals.*

GE-Hitachi Nuclear Energy Americas, LLC will be a single member Delaware limited liability company, and Thomas Saddlemire, who is a U.S. citizen, will act as the sole Manager for the company. Its officers will be a Chief Executive Officer (CEO), Andy White, a citizen of the United Kingdom and permanent resident of the United States, and its Chief Financial Officer (CFO), Mark Sweeney, a citizen of the United States.

GE-Hitachi Nuclear Energy Americas, LLC will be wholly owned by GE-Hitachi Nuclear Energy Holdings, LLC, a multi-member Delaware limited liability company. GE-Hitachi Nuclear Energy Holdings, LLC will have a Board of Managers comprised of seven representatives, five of whom have voting rights. Three voting members will be appointed by GE and will be U.S. citizens, and two voting members will be appointed by Hitachi. In addition, GE-Hitachi Nuclear Energy Americas, LLC's Chief Executive Officer and the Chief Executive Officer of Hitachi-GE Nuclear Energy Co., Ltd. (an entity to be formed by GE and Hitachi Ltd. as part of the proposed transaction) will serve on the Board but will have no voting rights. The three Board members appointed by GE, all of whom are U.S. citizens, will be as follows:

John Krenicki
Thomas Saddlemire
Happy Perkins

The two Board members appointed by Hitachi will be citizens of Japan. Names for these Board Members will be provided once they are identified.

The officers of GE-Hitachi Nuclear Energy Holdings, LLC, and the officers of GENE Holding, LLC will be the same two officers as the officers of GE-Hitachi Nuclear Energy Americas, LLC, as follows:

Andy White, CEO
Mark Sweeney, CFO

GENE Holding, LLC will be a Delaware limited liability company, and its three Board members, all of whom are U.S. citizens, will be as follows:

John Krenicki
Thomas Saddlemire
Happy Perkins

The names and citizenship of the Board members and key Officers of General Electric Company are provided in Attachment C.

There will be no other changes in personnel having control over licensed activities, including personnel named in the licenses, radiation safety officers, authorized users or any other person identified in previous license applications as responsible for radiation safety or use of licensed material as a result of the proposed transaction.

Provisions being made to address foreign ownership, control or domination requirements related to the existing GE reactor licenses are described in Section V below.

2. *An indication of whether the transferor will remain in non-licensed business without the license.*

GE will remain in business without the licenses that are being transferred, and GE or its subsidiaries will retain other NRC licenses relating to its business.

C. Section 5.3 Changes of Location, Equipment and Procedures

1. *A complete description of any planned changes in organization, location, facility, equipment, or procedures (i.e., changes in operating or emergency procedures).*

There are no planned changes in the organization, location, facility, equipment, or procedures associated with any of the licenses, except for the new directors and officers identified above.

2. *A detailed description of any changes in the use, possession, location or storage of the licensed materials.*

There are no planned changes in the use, possession, location or storage of the licensed materials associated with any of the licenses as a result of the transfer of control.

3. *Any changes in organization, location, facilities, equipment, procedures, or personnel that would require a license amendment even without the change of ownership.*

There are no planned changes in the organization, facilities, equipment, procedures, or personnel that would require a license amendment even without the change of ownership associated with any of the licenses.

D. 5.4 Surveillance Records

1. *An indication of whether all surveillance items and records (e.g., calibrations, leak tests, surveys, inventories, and accountability requirements) will be current at the time of transfer. A description of the status of all surveillance requirements and records should also be provided.*

Surveillance items and records associated with all of the licenses will continue to be maintained without regard to the change in ownership.

E. 5.5 Decommissioning and Related Records Transfers

1. *Confirmation that all records concerning the safe and effective decommissioning/closure of the facility: public dose and waste disposal by release to sewers, incineration, radioactive material spills, and on-site burials, have been transferred to the new licensee if licensed activities will continue at the same location.*

All records concerning the safe and effective decommissioning/closure of the facility: public dose and waste disposal by release to sewers, incineration, radioactive material spills, and on-site burials, will be transferred to GE-Hitachi Nuclear Energy Americas, LLC.

2. *A description of the status of the facility. Specifically, the presence or absence of contamination should be documented. If contamination is present, will decontamination occur before transfer? If not, is the transferee knowledgeable of the extent and levels of contamination and applicable decommissioning requirements, and does the transferee agree to assume full liability for the decontamination of the facility or site?*

As described in Section III above, all facilities and activities that are the subject of this request are active, with the exception of three test reactors at VNC (DPR-1, DR-10 and TR-1) whose licenses have been modified to possession-only status. Those reactors are presently in SAFSTOR and will be decommissioned when all other active licensed operations at VNC cease.

No decontamination of any facilities will occur prior to the transfer of control. GE-Hitachi Nuclear Energy Americas, LLC will be made aware of the extent and levels of contamination and applicable decommissioning requirements and will by its officer's Affirmation of this request agree to assume full liability for the decontamination of the facilities and sites governed by the NRC licenses, in accordance with applicable NRC decommissioning requirements.

3. *A description of any decontamination plans, including financial surety arrangements of the transferee. This should include information about how the transferee and transferor propose to divide the transferor's assets and responsibility for any cleanup needed at the time of transfer.*

GE has not submitted any formal decommissioning plans to the NRC, with the exception of the Morris ISFSI decommissioning plan submitted to the NRC pursuant to 10 CFR § 72.30(a). There will be no change in that plan as a result of the planned transfer of control. As described above, all facilities and licensed operations are active, with the exception of the three test reactors that are in SAFSTOR mode. Thus, no decommissioning plans are currently required.

As discussed in Subsection F. below, decommissioning financial assurance for all of the subject licenses will be provided via a GE Parent-Company Guarantee, in accordance with applicable NRC requirements.

F. Section 5.6 Transferee's Commitment to Abide By the Transferor's Commitments

1. *Confirmation that the transferee agrees to abide by all commitments and representations previously made by the transferor. These include, but are not limited to: maintaining decommissioning records; implementing decontamination activities and decommissioning of the site; and completing corrective actions for open inspection items and enforcement actions.*

With regard to contamination of facilities and equipment, the transferee should confirm, in writing, that it accepts full liability for the site, and should provide evidence of adequate resources to fund decommissioning; or the transferor should provide a commitment to decontaminate the facility before the change of control or ownership.

With regard to open inspection items, etc., the transferee should confirm, in writing, that it accepts full responsibility for open inspection items and/or any resulting enforcement actions; or the transferee proposes alternative measures for meeting the requirements; or the transferor provides a

commitment to close out all such actions with NRC before license transfer.

GE-Hitachi Nuclear Energy Americas, LLC will abide by all commitments and representations previously made by GE. These include, but are not limited to: maintaining decommissioning records; implementing decontamination activities and decommissioning of the site; and completing corrective actions for open inspection items and enforcement actions.

GE-Hitachi Nuclear Energy Americas, LLC will by its officer's Affirmation of this request accept full liability for the sites governed by the licenses to be transferred to it with regard to contamination of facilities and equipment.

With respect to adequate resources to fund decommissioning, GE had previously provided a Self-Guarantee in accordance with 10 CFR Part 30, Appendix C for all of the licenses that are the subject of this consent request. GE now intends to provide a Parent-Company Guarantee, in accordance with 10 CFR Part 30, Appendix A, for all of the licenses that are the subject of this consent request. A copy of the existing Self- and Parent-Company Guarantees issued by GE and related documents are provided as Attachment D to this request. This information demonstrates GE's qualifications pursuant to the financial tests set forth in 10 CFR Part 30, Appendix A to issue guarantees for GE-Hitachi Nuclear Energy Americas, LLC to satisfy the requirements for financial assurance of decommissioning funding for the licenses to be transferred to it. GE plans to conduct an annual update of its decommissioning cost estimates for 2006, and the guarantees to be executed upon transfer of the licenses will reflect both these updated estimates and demonstration of GE's financial qualification pursuant to the financial tests based upon its 2006 audited financial results. The language of the

Parent-Company Guarantee will be substantially the same as the existing GE Guarantees and fully consistent with the standard format and content set forth in NUREG-1757, Vol. 3, "Consolidated NMSS Decommissioning Guidance" (2002). These documents will be executed and submitted to the NRC within thirty (30) days after closing the transaction.

With regard to open inspection items, GE-Hitachi Nuclear Energy Americas, LLC will by its officer's Affirmation of this request confirm that it accepts full responsibility for open inspection items and/or any resulting enforcement actions.

2. *Documentation that the transferor and transferee agree to the change in ownership or control of the licensed material and activity, and the conditions of the transfer; and the transferee is made aware of all open inspection items and its responsibility for possible resulting enforcement actions.*

As confirmed by the Affirmation accompanying this request, GE agrees to the change in ownership or control of the licensed material and activities, and the conditions of the transfer. By its officer's Affirmation of this request, GE-Hitachi Nuclear Energy Americas, LLC will affirm its agreement to the change in ownership or control of the licensed material and activities, and the conditions of the transfer. GE-Hitachi Nuclear Energy Americas, LLC will be made aware of all open inspection items prior to closing the transaction and accepts responsibility for any possible resulting enforcement action.

3. *A commitment by the transferee to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing licenses. If not, the transferee must provide a description of its program to ensure compliance with the license and regulations.*

GE-Hitachi Nuclear Energy Americas, LLC will by its officer's Affirmation of this request agree to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing licenses.

V. ADDITIONAL INFORMATION RELATED TO REACTOR AND ISFSI LICENSES PURSUANT TO 10 CFR PARTS 50 AND 72

The Atomic Energy Act and NRC regulations in 10 CFR Parts 50 and 72 governing the transfer of control of licenses issued under those Parts call for certain information to be provided by a license transfer applicant. The required additional information is provided below.

A. Statement of Purpose of the Transfer

10 CFR §§ 50.80(b) and 72.50(b)(1) require a statement regarding the “purposes for which the transfer of the license[s] is requested [and] the nature of the transaction necessitating or making desirable the transfer of the license.” The requested transfer is intended to effectuate the agreement between GE and Hitachi Ltd. to form a global alliance that will combine their new nuclear power plant and services businesses, strengthen their existing operations, accelerate the development of new products and services, and position their alliance for growth in the nuclear energy industry.

B. Technical Qualifications

10 CFR § 50.80(b) states that an application for transfer of a reactor license “shall include as much of the information described in §§ 50.33 and 50.34 of this part with respect to the identity and technical ... qualifications of the proposed transferee as would

be required by those sections if the application were for an initial license.” Similarly, 10 CFR § 72.50(b)(1) states that an application for transfer of an ISFSI license shall include comparable information, as described in 10 CFR §§ 72.22 and 72.28.

Information on the identity of GE-Hitachi Nuclear Energy Americas, LLC is provided in Section II above. GE-Hitachi Nuclear Energy Americas, LLC will possess the same technical qualifications as GE with respect to the affected licenses. There will be no significant change in the management and technical personnel responsible for licensed activities including reactor safety, nuclear safety and other personnel identified in the existing licenses or previous license applications as responsible for the use of licensed materials.

C. Financial Qualifications

10 CFR § 50.80(b) states that an application for transfer of a reactor license “shall include as much of the information described in §§ 50.33 and 50.34 of this part with respect to the ... financial qualifications of the proposed transferee as would be required by those sections if the application were for an initial license.” Similarly, 10 CFR § 72.50(b)(1) states that an application for transfer of an ISFSI license shall include comparable information as described in 10 CFR §§ 72.22 and 72.28.

10 CFR § 50.33(f)(2) requires the submittal of estimates of annual operating costs for the first five years of operation for a new reactor licensee, along with a description of the sources of funds to cover those costs. Similarly, 10 CFR § 72.22(e) requires an ISFSI license applicant to submit sufficient information to demonstrate adequate financial qualifications to conduct the licensed activities. That information must show either that the applicant possesses the necessary funds or has reasonable assurance of obtaining the

necessary funds, or that by a combination of the two, the applicant will have the necessary funds to cover: (1) estimated operating costs over the planned life of the ISFSI; and (2) the costs of decommissioning after removal of spent fuel from storage.

Attachment E-Proprietary to this request contains a proprietary five year *pro forma* which addresses estimated operating costs and sources of funds to cover those costs. Costs for the three shutdown reactors are based upon the continued maintenance of those facilities in SAFSTOR mode. A proprietary estimated balance sheet, using conservative (*i.e.*, liabilities are projected in the high range of expectations) projections of anticipated liabilities (*e.g.*, long term debt), for GE-Hitachi Nuclear Energy Americas, LLC is also provided. Attachment E-Proprietary is provided in a separately bound Addendum, and GE requests that this information be withheld from public disclosure pursuant to 10 CFR § 2.390. A non-proprietary version suitable for public disclosure is provided as Attachment E, along with an Affidavit supporting GE's request for confidential treatment of the Addendum.

Decommissioning financial assurance will provided using a GE Parent-Company Guarantee as discussed above. *See* Attachment D.

D. Foreign Ownership, Control or Domination

Section 104d. of the Atomic Energy Act of 1954 as amended provides that “[n]o license [for a reactor] may be issued to any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government.” Upon completion of the transaction, GE (through its subsidiaries) will hold a majority 60% indirect ownership interest in GE-Hitachi Nuclear Energy Holdings, LLC. Through one or more U.S. subsidiary,

Hitachi Ltd. will hold a 40% indirect ownership interest in GE-Hitachi Nuclear Energy Holdings, LLC. Hitachi's minority share in GE-Hitachi Nuclear Energy Holdings, LLC will not allow it to exercise control or domination over the licensed activities of its subsidiary, GE-Hitachi Nuclear Energy Americas, LLC, in general, or over the maintenance, possession or use of the reactor licenses, in particular.

Hitachi's minority interest on GE-Hitachi Nuclear Energy Holdings, LLC's Board of Managers will not allow for control or domination. As described earlier, GE-Hitachi Nuclear Energy Holdings, LLC's Board of Managers will be comprised of seven representatives, five of whom have voting rights. Three voting members will be appointed by GE and will be U.S. citizens, and two voting members will be appointed by Hitachi. The other two Board members will have no voting rights. Most decisions of the Board will be made on the basis of a majority vote. While certain decisions of the Board may not be made without the prior approval of the members of the Board designated by Hitachi, none of those decisions relate to the safety of operation or safe shutdown of the licensed facilities or activities. Potential influence over NRC-licensed activities will be further mitigated by delegating decision-making authority to a subcommittee of the board controlled by U.S. citizens as described further immediately below.

In order to mitigate any potential that it might exercise control or influence over the licensed activities of its subsidiary, GE-Hitachi Nuclear Energy Holdings, LLC's Board of Managers intends to establish a Nuclear Oversight Committee made up solely of U.S. citizens and intends to initially appoint John Krenicki, Thomas Saddlemire, and Happy Perkins to this Committee. If any member of the Committee is appointed by entities owned or controlled by Hitachi Ltd., such member will be a citizen of the United

States. The Board plans to delegate to that committee decision-making authority for all decisions which it might make that may affect the safety or security of the reactors licensed to GE-Hitachi Nuclear Energy Americas, LLC, as well as decisions relating to the control of any Restricted Data, other classified information, or sensitive nuclear information, including the former reprocessing equipment at the Morris Facility. A copy of the Charter of the Nuclear Oversight Committee of the GE-Hitachi Nuclear Energy Holdings, LLC Board of Managers is provided as Attachment F.

Therefore, there is no reason to believe that GE-Hitachi Nuclear Energy Americas, LLC is owned, controlled, or dominated by any alien, foreign corporation or foreign government. As such, the transfer of the reactor licenses to GE-Hitachi Nuclear Energy Americas, LLC will not result in any foreign ownership, control or domination within the meaning of the Atomic Energy Act of 1954, as amended.

In addition, the transfer to GE-Hitachi Nuclear Energy Americas, LLC is not inimical to the common defense and security of the United States. In addition to the control over GE-Hitachi Nuclear Energy Americas, LLC exercised by U.S. citizens and the foreign-ownership mitigation provided by the Nuclear Oversight Committee's control of any role that GE-Hitachi Nuclear Energy Holdings, LLC may have over NRC-licensed activities as the parent company of the NRC licensee, there should be no concern with respect to non-controlling, indirect ownership interests being held by a Japanese company. The U.S. government has repeatedly acknowledged that Japan has an impeccable record with regard to nuclear non-proliferation matters. In his November 9, 1987 letter to Congress transmitting the text of a new U.S.-Japan Agreement for Cooperation Concerning Peaceful Uses of Nuclear Energy, President Reagan stated that

“Japan is not only a close ally of the United States but is also party to the Treaty on the Non-Proliferation of Nuclear Weapons [NPT] and has long been one of the strongest supporters of the international non-proliferation regime.” Annual Presidential reports to Congress, pursuant to section 601 of the Nuclear Non-Proliferation Act of 1978 (NNPA), have documented Japan’s faithful performance of the Agreement for Cooperation with the United States, the NPT and safeguards agreements with the International Atomic Energy Agency. In issuing dozens of export licenses for the shipment of nuclear material and components to Japan, the NRC found that Japan meets the NNPA’s export criteria.

E. Access to Restricted Data and National Security Information

Pursuant to 10 CFR §§ 50.80(b) and 50.37, GE and GE-Hitachi Nuclear Energy Americas, LLC agree that they will not permit any individual to have access to, or any facility to possess, Restricted Data (RD) or National Security Information (NSI) until the individual and/or facility has been approved for such access under the provisions of 10 CFR Parts 25 and/or 95. GE-Hitachi Nuclear Energy Holdings, LLC’s Board of Managers will adopt a Charter for its Nuclear Oversight Committee which includes acknowledgement and confirmation of the restrictions on access to RD and NSI.

See Attachment F.

F. Environmental Considerations

There is no requirement for any environmental review associated with this request since requests for consent to license transfers are categorically excluded from such review pursuant to 10 CFR § 51.22(c)(21).

G. Antitrust Information

The referenced reactor licenses were issued pursuant to Section 104c of the Atomic Energy Act and therefore are not subject to NRC antitrust review. Furthermore, based upon the Commission's decision in *Kansas Gas and Electric Co.*, (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999), the Atomic Energy Act does not require or authorize antitrust reviews of post-operating license transfer applications.

H. Price-Anderson Indemnity and Nuclear Insurance

In accordance with Article IV.2 of the NRC Price-Anderson indemnity agreements for the reactors at VNC, the Applicants request NRC approval of the assignment and transfer of the Price-Anderson indemnity agreements to GE-Hitachi Nuclear Energy Americas, LLC. Prior to the license transfer, GE-Hitachi Nuclear Energy Americas, LLC will obtain all required nuclear energy liability insurance pursuant to Section 170 of the AEA and 10 CFR Part 140.

VI. CONFORMING AMENDMENTS

Various administrative amendments to the licenses which are the subject of this request will be needed in order to conform those licenses and certificates to reflect the transfers of control (*e.g.*, changes to the name of the licensee). Copies of the conforming changes to the licenses and the Certificates of Compliance will be provided in a subsequent submittal. Pursuant to 10 CFR § 2.1315(a), the NRC has determined that amendments such as those proposed here, which do no more than conform the licenses to reflect the transfer action, involve "no significant hazards consideration" with respect to

the utilization facility licenses and involve “no genuine issue as to whether the health and safety of the public will be significantly affected” with respect to the ISFSI license.

VII. CONCLUSION

For the reasons stated above, GE and GE-Hitachi Nuclear Energy Americas, LLC respectfully request that the NRC grant its written consent to the transfer of control of the above-referenced licenses pursuant to 10 CFR §§ 50.80, 70.36, and 72.50 and approve conforming license amendments.



Christopher J. Monetta
General Manager, Environment, Safety and Health
GE Energy, Nuclear

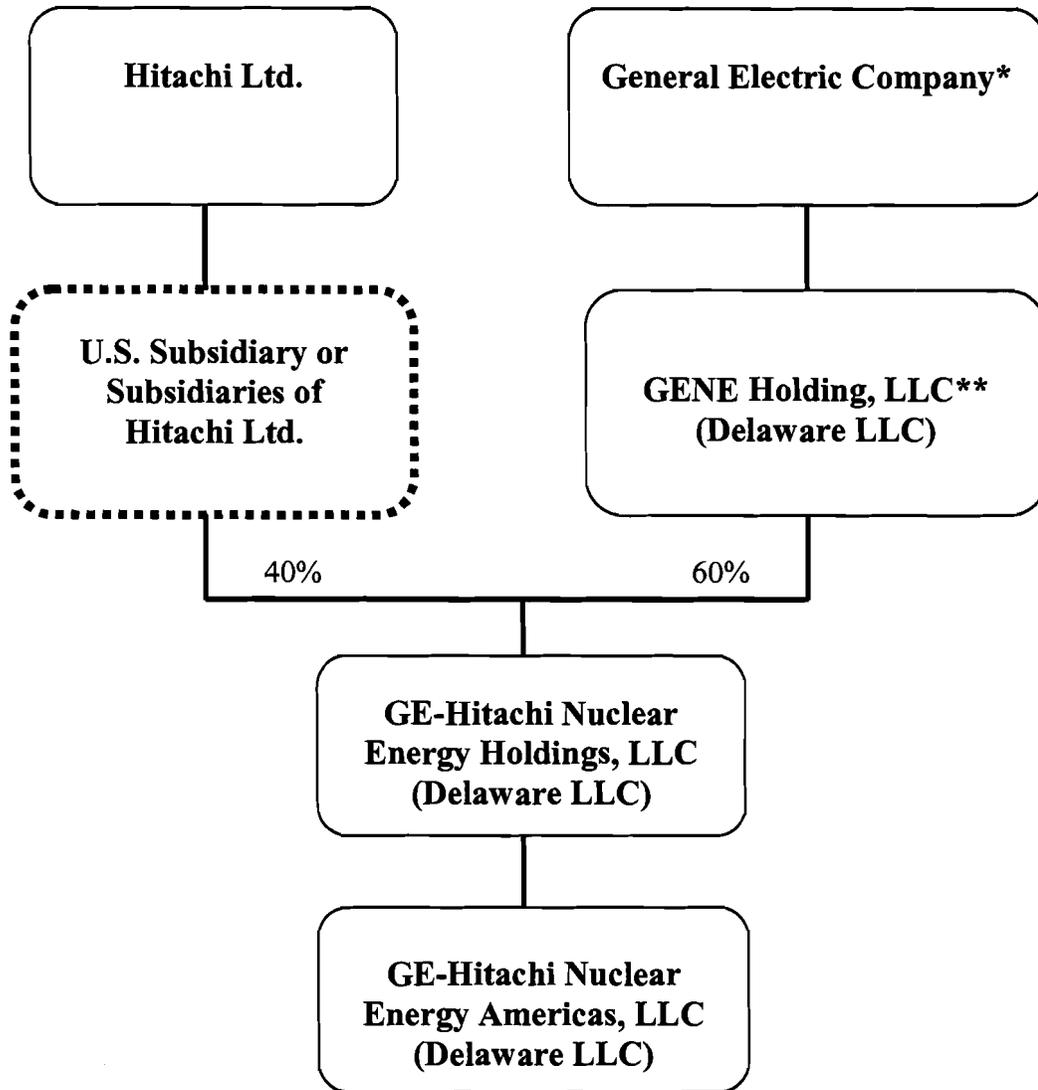
Description of the Transaction

Current Corporate Structure

General Electric Company *

*All affected NRC licenses are held by General Electric Company.

Final Corporate Structure



* It is anticipated that GE will hold 100% of the voting interests in this entity. Certain GE subsidiaries that had contributed assets to the new company may have non-voting interests; further information will be provided if any entity other than GE is to hold any voting interest.

** A subsidiary, GE-Hitachi Nuclear Energy Enrichment, LLC, will be the applicant for, and holder of, the planned uranium enrichment facility license. Issues associated with the transfer of uranium enrichment technology to GE-Hitachi Nuclear Energy Enrichment, LLC will be addressed separately as part of the license application for that facility.

CERTIFICATES OF COMPLIANCE

COC Number	Type	Status
5926	GE Model 100 Cask	Holder
5939	GE Model 1500 Cask	Holder
9228	GE Model 2000 Cask	Holder
9225	Type B Package	Registered User
9277	Type B Package	Registered User
5979	Type B Package	Registered User
6648	Type B Package	Registered User
9208	Type B Package	Registered User
9010	Type B Package	Registered User
9204	Type B Package	Registered User

DIRECTORS AND OFFICERS OF GENERAL ELECTRIC COMPANY

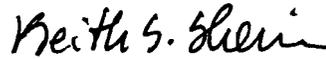
Name	Title	Citizenship
James I. Cash, Jr.	Director	United States
Sir William Castell	Director	United Kingdom
Ann M. Fudge	Director	United States
Claudio X. Gonzalez	Director	Mexico
Susan Hockfield	Director	United States
Jeffrey R. Immelt	Director, Chairman of the Board, and CEO	United States
Andrea Jung	Director	Canada
A.G. Lafley	Director	United States
Robert W. Lane	Director	United States
Ralph S. Larsen	Director	United States
Rochelle B. Lazarus	Director	United States
Sam Nunn	Director	United States
Roger S. Penske	Director	United States
Robert .J. Swieringa	Director	United States
Douglas A. Warner III	Director	United States
Robert C. Wright	Director, Vice Chairman of the Board and Executive Officer, General Electric Company; Chairman and Chief Executive Officer, NBC Universal, Inc.	United States
P.D. Ameen	Vice President and Comptroller	United States

Name	Title	Citizenship
K.A. Cassidy	Vice President and GE Treasurer	United States
W.J. Conaty	Senior Vice President-Corporate Human Resources GE	United States
Pamela Daley	Senior Vice President –Corporate Business Development	United States
Brackett B. Denniston III	Senior Vice President and General Counsel	United States
Joseph M. Hogan	Senior Vice President- GE Healthcare	United States
John F. Lynch	Senior Vice President-Corporate Human Resources GE	United Kingdom
Michael A. Neal	Vice Chairman of General Electric Company; President& CEO, GE Capital Services	United States
David R. Nissen	Senior Vice President - GE Consumer Finance	United States
John G. Rice	Vice Chairman of General Electric Company; President& CEO, GE Infrastructure	United States
Keith S. Sherin	Senior Vice President - Finance and Chief Financial Officer	United States
Lloyd G. Trotter	Vice Chairman of General Electric Company; President& CEO, GE Industrial	United States

CERTIFICATION

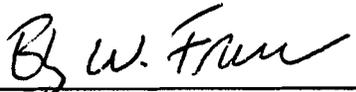
I, Keith S. Sherin, Senior Vice President - Finance, of the General Electric Company, do hereby certify that the attached Minute #10855 entitled "Execution of Contracts and Other Instruments" is a true and correct copy of a portion of the minutes of the meeting of the board of Directors of General Electric Company held on April 26, 1988, which minutes were approved by the Board of Directors at its meeting on May 27, 1988, and revised on December 20, 1991.

Dated this 16th day of March 2006



Keith S. Sherin
Keith S. Sherin
Senior Vice President-Finance

ATTEST:



B. W. Fran
Attesting Secretary



GE
3135 Easton Turnpike
Fairfield, CT 06828
USA

Letter from Chief Financial Officer to Demonstrate
Financial Assurance for **Decommissioning**

March 16, 2006

Director, Office of Nuclear Material and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

I am the chief financial officer of the General Electric Company, 1 River Road, Schenectady, N.Y. 12345, a corporation. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in 10 CFR Part 70.

This firm guarantees, through the parent company guarantee submitted to demonstrate compliance under 10 CFR Part 70, the decommissioning of the following facility owned or operated by a subsidiary of this firm. The current cost estimates or certified amounts for decommissioning, so guaranteed, are shown for the facility:

Name of Facility	License Number	Location of Facility	Current Cost Estimates
Wilmington Nuclear Energy Production Facility	SNM-1097	Castle Haynes Road Wilmington, NC 28401	\$107,700,000

This firm is required to file a Form 10-K with the U.S. Securities and Exchange Commission for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures on the attached Financial Test II that are marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended December 31, 2005. A copy of this firm's most recent financial statements is enclosed.

I hereby certify that the content of this letter is true and correct to the best of my knowledge.

Keith S. Sherin

Keith S. Sherin
Senior Vice President - Finance
March 16, 2006



GE
3135 Easton Turnpike
Fairfield, CT 06828
USA

March 16, 2006

Director, Office of Nuclear Material and Safeguards
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

**SUBJECT: GENERAL ELECTRIC COMPANY SELF-GUARANTEED OF FUNDS FOR
DECOMMISSIONING**

I am the Chief Financial Officer of the General Electric Company (GE), 1 River Road, Schenectady, NY 12345, a corporation. This letter is in support of the firm's use of the financial test to demonstrate financial assurance, as specified in 10 CFR 70 AND 10 CFR 72. This firm has no parent company holding majority control of its voting stock.

This firm guarantees, through the Self-Guarantee, submitted to demonstrate compliance under 10 CFR 70 and 10CFR 72, the decommissioning of the following facilities owned and operated by this firm. The current cost estimates or certified amounts for decommissioning, so guaranteed, are shown for each facility:

NRC License No.	Name & Address of Licensee	Address of Licensed Activity	(\$ in thousands) Cost Estimate
DPR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	8,400
R-33	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	4,500
TR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	9,700
DR-10	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	7,000
SNM-960	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	18,300
SNM-2500	General Electric Company Morris Operation 7555 East Collins Rd. Morris, IL 60450	GE Nuclear Energy Morris Operation 7555 East Collins Rd. Morris, IL 60450	38,900
Total Cost Estimate:			\$ 86,800

I hereby certify that General Electric Company is currently a going concern, and that it possesses positive tangible net worth in the amount of \$27,628,000.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 2005. A copy of the firm's most recent financial statements is enclosed.

This firm is required to file a Form 10K with the U.S. Securities and Exchange Commission (SEC) for the latest fiscal year. The firm has at least one class of equity securities registered under the Securities Exchange Act of 1934.

The firm satisfies the following self-guarantee test:

1.	Current decommissioning cost estimates or certified amounts:		<i>(Dollars in Thousands)</i>
	a. Decommissioning amounts covered by this self-guarantee		<u>\$ 86,800</u>
	b. All decommissioning amounts covered by other NRC or Agreement State parent company guarantees or self-guarantees		<u>\$110,900</u>
	c. All amounts covered by parent company guarantees, self-guarantees, or financial tests of other Federal or State agencies (e.g., EPA)		<u>162,600</u>
	TOTAL		<u>\$ 360,300</u>
2.	Current bond rating of most recent unsecured issuance of this firm Rating: <u>Aaa</u> Name of rating service: <u>Moody's</u>		
3.	Date of issuance of bond: <u>12/09/05</u>		
4.	Date of maturity of bond: <u>12/09/08</u>		
*5.	Tangible net worth** (if any portion of estimates for decommissioning is included in total liabilities on your firm's financial statements, you may add the amount of that portion to this line)		<u>\$ 27,628,000</u>
*6.	Total assets in United States (required only if less than 90 percent of firm's assets are located in the United States)		<u>\$327,704,000</u>
		<u>Yes</u>	<u>No</u>
7.	Is line 5 at least 10 times line 1?	X	
8.	Are at least 90 percent of firm's assets located in the United States? If not, complete line 9		X
9.	Is line 6 at least 10 times line 1?	X	
10.	Is the rating specified on line 2 "A" or better?	X	
11.	Does the licensee have at least one class of equity securities registered under the Securities Exchange Act of 1934?	X	

* Denotes figures derived from financial statements.

** Tangible net worth is defined as net worth minus intangible assets.

I hereby certify that the contents of this letter are true and correct to the best of my knowledge.

Keith S. Sherin
Keith S. Sherin
Senior Vice President – Finance

March 16, 2006
Date

**GENERAL ELECTRIC COMPANY SELF GUARANTEE
OF DECOMMISSIONING FUNDING**

Guarantee made this 16th day of March, 2006 by the General Electric Company, a corporation organized under the laws of the State of New York herein referred to as "guarantor," to the U.S. Nuclear Regulatory Commission (NRC), beneficiary, on behalf of ourselves as licensee.

Recitals

1. The guarantor has full authority and capacity to enter into this guarantee under its bylaws, articles of incorporation, and the laws of the State of New York, its State of incorporation. Guarantor has approval from its Board of Directors to enter into this guarantee.

2. This guarantee is being issued to comply with regulations issued by the NRC, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. NRC has promulgated regulations in Title 10, Chapter I of the Code of Federal Regulations, Part 70 and Part 72 which require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR 70 and 10CFR 72 provide assurance that funds will be available when needed for required decommissioning activities.

3. The guarantee is issued to provide financial assurance for decommissioning activities for the following licenses:

NRC License No.	Name & Address of Licensee	Address of Licensed Activity	(\$ in thousands) Cost Estimate
DPR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	8,400
R-33	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	4,500

TR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	9,700
DR-10	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	7,000
SNM-960	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	18,300
SNM-2500	General Electric Company Morris Operation 7555 East Collins Rd. Morris, IL 60450	GE Nuclear Energy Morris Operation 7555 East Collins Rd. Morris, IL 60450	38,900

as required by 10 CFR 70 and 10 CFR 72. The decommissioning costs for these activities are as indicated above.

4. The guarantor meets or exceeds the financial test criteria in Financial Test II (10 CFR Part 30 App. C Section II.A.2) and agrees to comply with all notification requirements as specified in 10 CFR Parts 50 and 72, as well as Part 70.

The guarantor meets the following financial test:

- (a) Tangible net worth at least 10 times the current decommissioning cost estimates for all decommissioning activities for which the company is responsible as a self-guaranteeing licensee as and a parent-guarantor; and
- (b) Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the current decommissioning cost estimates for all decommissioning activities for which the company is responsible as a self-guaranteeing licensee and as a parent-guarantor; and
- (c) At least one class of equity securities registered under the Security Exchange Act of 1934; and
- (d) A current rating for its most recent bond issuance of AAA, AA, or A as issued by Standard & Poors" or Aaa, Aa, or A as issued by Moody's.

5. The guarantor does not have a parent company holding majority control of its voting stock.
6. Decommissioning activities as used below refer to the activities required by 10 CFR 70 and 10 CFR 72 for decommissioning of the facilities identified above.
7. Pursuant to the guarantor's authority to enter into this guarantee, the guarantor guarantees to the NRC that the guarantor shall:
 - (a) carry out the required decommissioning activities, as required by License Numbers DPR-1, R-33, TR-1, DR-10, SNM-960 and SNM-2500. or
 - (b) set up a trust fund in favor of the above identified beneficiary in the amount of the current cost estimate for these activities.
8. The guarantor agrees to submit revised financial statements, financial test data, and a special auditor's report and reconciling schedule annually within 90 days of the close of its fiscal year.
9. The guarantor agrees that if, at the end of any fiscal year before termination of this self-guarantee, it fails to meet the self-guarantee test criteria, it shall send, by certified mail, immediate notice to the NRC that the licensee intends to provide alternative financial assurance as specified in 10 CFR 70 and/or 10CFR 72. Within 120 days of such notice, the guarantor shall establish such financial assurance.
10. The guarantor also agrees to notify the beneficiary promptly if the ownership of the licensed activity is transferred, and to maintain this guarantee until the new licensee provides alternative financial assurance acceptable to the beneficiary.
11. The guarantor agrees that if it determines, at any time other than as described in Recital 9, that it no longer meets the self-guarantee test criteria or it is disallowed from continuing as a self-guarantor, it shall establish alternative financial assurance as specified in 10 CFR Part 70 or 10 CFR 72, as applicable, within 30 days

12. The guarantor, as well as its successors and assigns, agree to remain bound jointly and severally under this guarantee notwithstanding any or all of the following: amendment or modification of license or NRC-approved decommissioning funding plan for that facility, the extension or reduction of the time of performance of required activities, or any other modification or alteration of an obligation of the licensee pursuant 10 CFR 70 or 10 CFR 72.
13. The guarantor agrees that it shall be liable for all litigation costs incurred by the beneficiary, NRC, in any successful effort to enforce the agreement against the guarantor.
14. The guarantor agrees to remain bound under this self-guarantee for as long as it, as licensee, must comply with the applicable financial assurance requirements of 10 CFR 70 and 10 CFR 72, for the previously listed facilities, except that the guarantor may cancel this self-guarantee by sending notice by certified mail to the NRC, such cancellation to become effective no earlier than 120 days after receipt of such notice by the NRC, as evidenced by the return receipt.
15. The guarantor agrees that if it, as licensee, fails to provide alternative financial assurance as specified in 10 CFR 70 and / or 10 CFR 72, as applicable, and obtain written approval of such assurance from the NRC within 90 days after a notice of cancellation by the guarantor is received by the NRC from the guarantor, the guarantor shall make full payment under the self-guarantee.
16. The guarantor expressly waives notice of acceptance of this self-guarantee by the NRC. The guarantor also expressly waives notice of amendments or modification of the decommissioning requirements.
17. If the guarantor files financial reports with the U.S. Securities and Exchange Commission, then it shall promptly submit them to its independent auditor and to the NRC during each year in which this guarantee is in effect.

18. The guarantor agrees that if, at any time before termination of this self-guarantee, its most recent bond issuance ceases to be rated in the category of "A" or above by either Standard & Poor's or Moody's, it shall provide notice in writing of such fact to the NRC with 20 days after publication of the change by the rating service.

I hereby certify that this guarantee is true and correct to the best of my knowledge.

General Electric Company

Keith S. Sherin March 16, 2009
Keith S. Sherin Date
Senior Vice President - Finance

Witness of Notary

Andrea E. Ramos

ANDREA E. RAMOS
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2009

**GENERAL ELECTRIC COMPANY PARENT-COMPANY GUARANTEE
OF DECOMMISSIONING FUNDING
FOR GLOBAL NUCLEAR FUEL (AMERICA), LLC**

Guarantee made this 16th day of March, 2006 by the General Electric Company, a corporation organized under the laws of the State of New York herein referred to as "guarantor," to the U.S. Nuclear Regulatory Commission (NRC), obligee, on behalf of our subsidiary Global Nuclear Fuel (America), LLC, Wilmington Nuclear Energy Production Facility, P.O. Box 780, Wilmington, NC 28402.

Recitals

1. The guarantor has full authority and capacity to enter into this guarantee under its bylaws, articles of incorporation, and the laws of the State of New York, its State of incorporation. Guarantor has approval from its Board of Directors to enter into this guarantee.

2. This guarantee is being issued to comply with regulations issued by the NRC, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. NRC has promulgated regulations in Title 10, Chapter I of the Code of Federal Regulations, Part 70 which require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR Part 70 provide assurance that funds will be available when needed for required decommissioning activities.

3. The guarantee is issued to provide financial assurance for decommissioning activities for the Wilmington Nuclear Energy Production Facility, P.O. Box 780, Wilmington, NC 28402, NRC License No. SNM-1097, as required by 10 CFR Part 70. The decommissioning costs for these activities are as follows: \$103,800,000.

4. The guarantor meets or exceeds the financial test criteria in Financial Test II (10 CFR Part 30 App. A Section II.A.2) and agrees to comply with all notification requirements as specified in 10 CFR Part 70 and Appendix A to 10 CFR Part 30.

The guarantor meets the following financial test:

- (i) A current rating for its most recent bond issuance of AAA, AA, A, or BBB as issued by Standard & Poor's, or Aaa, Aa, A or Baa as issued by Moody's; and

 - (ii) Tangible net worth at least six times the costs covered by financial tests; and

 - (iii) Tangible net worth of at least \$10 million; and

 - (iv) Assets located in the United States amounting to at least 90 percent of total assets or at least six times the costs covered by financial tests.
-
5. The guarantor has majority control of the voting stock for the following licensee covered

by this guarantee: Global Nuclear Fuel (America), LLC, Wilmington Nuclear Energy Production Facility, P.O. Box 780, Wilmington, NC 28402, NRC License No. SNM-1097.

6. Decommissioning activities as used below refer to the activities required by 10 CFR Part 70 for decommissioning of the facilities identified above.

7. For value received from Global Nuclear Fuel (America), LLC and pursuant to the guarantor's authority to enter into this guarantee, the guarantor guarantees to the NRC that if the licensee fails to perform the required decommissioning activities, as required by License No. SNM-1097, the guarantor shall
 - (a) carry out the required activities, or

 - (b) set up a trust fund in favor of the above identified beneficiary in the amount of the current cost estimates for these activities.

8. The guarantor agrees to submit revised financial statements, financial test data, and a special auditor's report and reconciling schedule annually within 90 days of the close of the parent guarantor's fiscal year.

9. The guarantor agrees that if, at the end of any fiscal year before termination of this

guarantee, it fails to meet the financial test criteria, the licensee shall send within 90 days of the end of the fiscal year, by certified mail, notice to the NRC that the licensee intends to provide alternative financial assurance as specified in 10 CFR Part 70. Within 120 days after the end of the fiscal year, the guarantor shall establish such financial assurance if Global Nuclear Fuel (America), LLC has not done so.

10. The guarantor also agrees to notify the beneficiary promptly if the ownership of the licensee or the parent firm is transferred and to maintain this guarantee until the new parent firm or the licensee provides alternative financial assurance acceptable to the beneficiary.
11. The guarantor agrees that if it determines, at any time other than as described in Recital 9, that it no longer meets the financial test criteria or it is disallowed from continuing as a guarantor, it shall establish alternative financial assurance as specified in 10 CFR Part 30, 40, 70, as applicable, within 30 days, in the name of Global Nuclear Fuel (America), LLC unless Global Nuclear Fuel (America), LLC has done so.
12. The guarantor as well as its successors and assigns agree to remain bound jointly and severally under this guarantee notwithstanding any or all of the following: amendment or modification of license or NRC-approved decommissioning funding plan for that facility, the extension or reduction of the time of performance of required activities, or any other modification or alteration of an obligation of the licensee pursuant 10 CFR Part 70.

13. The guarantor agrees that all bound parties shall be jointly and severally liable for all litigation costs incurred by the beneficiary, NRC, in any successful effort to enforce the agreement against the guarantor.

14. The guarantor agrees to remain bound under this guarantee for as long as Global Nuclear Fuel (America), LLC must comply with the applicable financial assurance requirements of 10 CFR Part 70, for the previously listed facility, except that the guarantor may cancel this guarantee by sending notice by certified mail to the NRC and to Global Nuclear Fuel (America), LLC, such cancellation to become effective no earlier than 120 days after receipt of such notice by both the NRC and Global Nuclear Fuel (America), LLC as evidenced by the return receipts.

15. The guarantor agrees that if Global Nuclear Fuel (America), LLC fails to provide alternative financial assurance as specified in 10 CFR Part 70, as applicable, and obtain written approval of such assurance from the NRC within 90 days after a notice of cancellation by the guarantor is received by both the NRC and Global Nuclear Fuel (America), LLC from the guarantor, the guarantor shall provide such alternative financial assurance in the name of Global Nuclear Fuel (America), LLC or make full payment under the guarantee.

16. The guarantor expressly waives notice of acceptance of this guarantee by the NRC or by

Global Nuclear Fuel (America), LLC. The guarantor also expressly waives notice of amendments or modification of the decommissioning requirements and of amendments or modification of the license.

17. If the guarantor files financial reports with the U.S. Securities and Exchange Commission, then it shall promptly submit them to the NRC during each year in which this guarantee is in effect.

I hereby certify that this guarantee is true and correct to the best of my knowledge.

General Electric Company

Keith S. Sherin
Keith S. Sherin
Senior Vice President - Finance

Witness
Andrea E. Ramos

ANDREA E. RAMOS
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2009

FINANCIAL TEST II
 (10 CFR Part 30 App. A Section II.A.2)
 GENERAL ELECTRIC COMPANY PARENT-COMPANY GUARANTEE
 OF DECOMMISSIONING FUNDING
 FOR GLOBAL NUCLEAR FUEL (AMERICA), LLC

1. Current decommissioning cost estimates or certified amounts: *(Dollars in Thousands)*
1. Decommissioning amounts covered by this parent company guarantee \$ 107,700
 2. All decommissioning amounts covered by other NRC or Agreement State parent company guarantees or self-guarantees \$ 90,000
 3. All amounts covered by parent company guarantees, self-guarantees, or financial tests of other Federal or State agencies (e.g., EPA) \$ 162,600^{-a)}
- a) Total Company Financial Assurance net of NRC
- TOTAL \$ 360,300
2. Current bond rating of most recent unsecured issuance of this firm
 Rating: Aaa
 Name of rating service: Moody's
3. Date of issuance of bond: 12/09/05
4. Date of maturity of bond: 12/09/08
- *5. Tangible net worth** (if any portion of estimates for decommissioning is included in total liabilities on your firm's financial statements, you may add the amount of that portion to this line) \$ 27,628,000
- *6. Total assets in United States (required only if less than 90 percent of firm's assets are located in the United States) \$ 327,704,000
- | | <u>Yes</u> | <u>No</u> |
|---|------------|-----------|
| 7. Is line 5 at least \$10 million? | <u>X</u> | ___ |
| 8. Is line 5 at least 6 times line 1? | <u>X</u> | ___ |
| 9. Are at least 90 percent of firm's assets located in the United States? If not, complete line 10. | ___ | <u>X</u> |
| 10. Is line 6 at least 6 times line 1? | <u>X</u> | ___ |

Yes No

11. Is the rating specified on line 2 BBB or better
(if issued by Standard & Poor's) or Baa or better
(if issued by Moody's)?

X

* Denotes figures derived from financial statements.

** Tangible net worth is defined as net worth minus intangible assets.

Five Year *Pro Forma*
&
Projected Opening Balance Sheet
(Non-Proprietary Version)

GE-Hitachi Nuclear Energy Americas, LLC

Pro Forma Income Statements

For the years ended December 31, 2007 through 2011

\$ in Millions	2007	2008	2009	2010	2011
Sales					
Costs and expenses:					
Cost of sales					
Depreciation and amortization					
Other costs and expenses					
Interest Expense					
Total costs and expenses					
Earnings Before Income Taxes					
Income Taxes					
Net Earnings					

**CHARTER OF THE
NUCLEAR OVERSIGHT COMMITTEE
OF THE BOARD OF MANAGERS
OF GE-HITACHI NUCLEAR ENERGY AMERICA, LLC**

1. Purpose. The Board of Managers (the "Board") of GE-Hitachi Nuclear Energy America, LLC (the "Company") shall appoint a Nuclear Oversight Committee (the "Committee") to provide oversight with respect to the Company's ownership, maintenance and operation of the following reactor facilities: (a) Vallecitos Boiling Water Reactor; (b) ESADA Vallecitos Experimental Superheat Reactor; (c) General Electric Test Reactor; and (d) Nuclear Test Reactor ("the Reactors").

2. Members. The Board shall appoint the Committee, which shall consist of all of the members of the Board who are citizens of the United States of America and who otherwise meet the requirements of applicable law to serve on the Committee, and will designate one member as chairperson. Each member of the Committee shall serve for a term commencing on the earlier of the adoption of this Charter or the date of election to the Board and ending when such member's term as a Manager expires or such Manager becomes ineligible by law to serve on the Committee.

3. Duties and Responsibilities. The duties and responsibilities of the Committee shall be as follows:

(a) Except as otherwise provided in Section 4 of this charter, the Committee shall have sole discretion and decision-making authority on behalf of the Company as to all matters involving Safety Issues with respect to its ownership interest in the Reactors. Any powers that the Board generally might otherwise have with respect to matters involving Safety Issues are, except as otherwise expressly provided in this charter, permanently and irrevocably delegated to the Committee. For purposes hereof, Safety Issues are matters which concern any of the following:

(i) implementation or compliance with any Generic Letter, Bulletin, Order, Confirmatory Order or similar requirement issued by the Nuclear Regulatory Commission ("NRC");

(ii) prevention or mitigation of a nuclear event or incident or the unauthorized release of radioactive material,

(iii) placement of a reactor in a safe condition following any nuclear event or incident;

(iv) compliance with the Atomic Energy Act of 1954, as amended ("AEA"), the Energy Reorganization Act of 1974, as amended, or any NRC rule or applicable successor legislation or rule;

(v) compliance with a specified NRC license and its technical specifications;
or

(vi) compliance with any other licensing basis document;

provided that any matter which the Committee shall vote in accordance with this charter that is not substantially or primarily one of nuclear safety shall not constitute a Safety Issue, so that, for purposes of illustration only, any plant expenditure of a material nature intended to extend the economic operational life or improve the economic performance of the reactor in question shall not be considered a Safety Issue.

(b) The Committee shall report to the Board periodically with respect to its activities.

(c) The Committee shall perform such other responsibilities as may be further delegated to it by the Board from time to time that are consistent with its purpose and this charter.

4. Certain Decisions Reserved to the Board of Managers. Notwithstanding Section 3 of this charter, with respect to any of the Reactors, the full Board shall have, after consultation with the Committee, the following rights:

(a) the right to vote as to whether or not to close a facility and begin its decommissioning, and as to whether to seek relicensing;

(b) the right to decide to sell, lease, or otherwise dispose of the Company's interest in a Reactor;

(c) the right to take any action which is ordered by the NRC or any other agency or court of competent jurisdiction.

5. Outside Advisors. The Committee, and any subcommittee, shall have the authority to retain at the expense of the Company such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions.

6. Meetings. The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Committee determines. The majority of the members of the Committee (or any subcommittee) shall constitute a quorum. The Committee, and any subcommittee, shall maintain minutes of its meetings and records related to those meetings and shall report periodically to the full Board (or the Committee, as the case may be) with respect to its activities.

7. Access to Restricted Information. To the extent that the Company, by virtue of its ownership of any of the Reactors, obtains any information as to which access is restricted pursuant to the provisions of the AEA, or any rules, regulations or orders of the NRC, access to such information shall be limited solely to the members of the Committee, and the members of Committee shall not, without the permission of the NRC, reveal any such information to any foreign citizen or other person with whom it shall be unlawful to share any such information.

8. Amendments. The provisions of this Charter shall not be materially changed, amended, or repealed without the prior consent of the NRC, unless and until (i) the provisions of

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the Atomic Energy Act are amended to remove the current provisions thereof restricting foreign ownership, control, or domination of nuclear reactors, or (ii) the Company shall, with the prior written consent of the NRC, have transferred or disposed of all of its interests, direct or indirect, in the licenses for any of the Reactors. In the event that either such condition shall have been met, the Company shall, prior to amending or repealing the provisions of this Charter, notify the NRC of its intent to effect such amendment or repeal.