

May 14, 2007

Mr. Scott P. Murray, Manager
Licensing & Liabilities
General Electric - Energy Nuclear
P.O. Box 780 - M/C (K-84)
Wilmington, NC 28402

SUBJECT: GENERAL ELECTRIC COMPANY UPDATED COST ESTIMATE AND
SELF-GUARANTEE OF FUNDS FOR DECOMMISSIONING (TAC L32621 AND
L32627)

Dear Mr. Murray:

We have reviewed your updated cost estimates, dated March 9, 2007, and self-guarantee of funds for decommissioning, dated March 15, 2007, for the Vallecitos Nuclear Center and the Morris Operation. The self-guarantee covers Vallecitos Nuclear Center licenses DPR-1, R-33, TR-1, DR-10, and SNM-960 and Morris Operation License SNM-2500. We have determined that the total amount guaranteed covers the updated cost estimates and is acceptable. If you have any questions regarding this matter, please contact me at (301) 415-7249, or via e-mail to mta@nrc.gov.

In accordance with 10 CFR 2.390 of the Nuclear Regulatory Commission's (NRC) "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible through the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Mary T. Adams, Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket Nos.: 70-754, 72-1, 50-18, 50-73, 50-70, 50-183
License Nos.: SNM-960, SNM-2500, DPR-1, R-33, TR-1, DR-10,

cc: Mr. David Turner, Manager
General Electric Company
Vallecitos Nuclear Center
6705 Vallecitos Road
Sunol, CA 94586

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