

July 12, 2007

Mr. David B. Edwards, Plant Manager
Honeywell Specialty Chemicals
P.O. Box 430
Metropolis, IL 62960

SUBJECT: APPROVAL OF RECLAMATION COST ESTIMATE (TAC L32365)

Dear Mr. Edwards:

Our examination of the "Reclamation Cost Estimate" dated January 10, 2007, is complete. The guidance of NUREG-1757, Vol. 3, "Consolidated Nuclear Material Safety Safeguard Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness," was used to evaluate the cost estimate.

Our initial review resulted in a request for additional information dated April 17, 2007. We received two responses to that request, one dated May 14, 2007, the other dated June 21, 2007. The responses clarified our understanding of the reclamation cost estimate for the Metropolis Works facility allowing us to conclude that your estimates are acceptable.

Please provide the U.S. Nuclear Regulatory Commission (NRC) a signed original of the financial instrument reflecting the approved amount of \$156,348,034 within 30 days of the date of this letter. This action closes TAC L32365.

In accordance with 10 CFR 2.390 of the NRC's "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 (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> (the Public Electronic Reading Room).

D. Edwards

2

If you have any questions regarding this matter, I can be reached at (301) 492-3108, or via e-mail, to mgr@nrc.gov.

Sincerely,

/RA, by J. Olivier for/

Michael Raddatz, Project Manager
Enrichment & Conversion Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-3392
License No.: SUB-526

cc: John Tus, Honeywell
John Riley, Honeywell
David Repka, Winston & Strawn
Bill Horin, Winston & Strawn

D. Edwards

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Bill Horin, Winston & Strawn

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