



GE Nuclear Energy

General Electric Company
175 Curtin Road, Schenectady, NY 12305

April 4, 1991

DM /PR -8 /A 11:27

RECEIVED
NRC
REGION V

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what*

Region I
US Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406
Attention: Regional Director

Region II
US Nuclear Regulatory Commission
101 Marietta Street, N.W. Suite 2900
Atlanta, GA 30323
Attention: Regional Director

Region III
US Nuclear Regulatory Commission
799 Roosevelt Road
Glen Ellyn, IL 60137
Attention: Regional Director

Region V
US Nuclear Regulatory Commission
1450 Maria Lane
Suite 210
Walnut Creek, CA 94596
Attention: Regional Director

Dear Sir/Madam:

Re: Financial Assurance for Decommissioning
Nuclear Facilities (53 Fed. Reg. No. 123,
pages 24019 et seq., 6/27/88)

Enclosed are copies of the financial assurance documents submitted by Dr. Bertram Wolfe, Vice President and General Manager, GE Nuclear Energy, on behalf of GE business components that operate facilities licensed by the NRC under Chapter I of Title 10 of the Code of Federal Regulation. The originals of these documents were personally delivered to Mr. John H. Austin, Chief, Decommissioning and Regulatory Issues Branch, LLW Division on March 22, 1991 at NRC's Washington, D. C. offices (White Flint).

Delivery was made in this manner in order to comply with the deadline arising out of the denial, on March 7, of GE's petition for reconsideration of the Commission's rejection of our request for an exception from the decommissioning rule's requirements for parent company guarantees.

Information in this record was deleted
in accordance with the Freedom of Information
Act, exemptions 4
FOIA- 2007-304

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PDR TORRP EMVGENE
PDR

USNRC Regions I, II, III, V
April 4, 1991
Page 2

For your information, the March 22 meeting with Mr. Austin and representatives of the NRC's Office of General Counsel, which was also attended by representatives of Westinghouse Electric Corporation, was for the purpose, among other things, of discussing a possible petition for rule-making with regard to the relevant provision of the decommissioning rule.

If further information is needed, please let me know.

Sincerely,

Harry C. Burgess
Harry C. Burgess, Counsel
Technologies & Government Programs

HCB:e

cc: B. Wolfe



Bartram Wolfe

March 22, 1991

Mr. Robert M. Bernero
Director
Office of Nuclear Material
Safety and Safeguards
U.S. Nuclear Regulatory Commission
One White Flint North Bldg.
11555 Rockville Pike
Rockville, Maryland 20852

RECEIVED
NRC
REGION V
MAR - 9 11:28

Re: Financial Assurance for Decommissioning
Nuclear Facilities (53 Fed. Reg. No. 123,
pages 24019 et seq., 6/27/88)

Dear Mr. Bernero:

General Electric Company (GE) is in receipt of the Commission's response, dated March 7, denying our petition for reconsideration of the Commission's denial of a request for an exception from the financial assurance requirements of the NRC's Decommissioning Rule, effective July 27, 1988 (Rule). Pursuant to that notification, and in accordance with the provisions of the Rule, we are submitting to you herewith evidence of compliance with the financial assurance requirements for those facilities owned and operated by GE and licensed by the Nuclear Regulatory Commission under the applicable parts of Chapter I of Title 10 of the Federal Code of Regulations.

Financial assurance is being provided pursuant to a single mechanism; namely, a standby letter of credit from the Manufacturers Hanover Trust Company and an associated Standby Trust Agreement to receive funds when and if paid under the letter of credit. Since this single instrument provides financial assurance with respect to a number of GE facilities located in different NRC Regions and licenses under different Parts of Chapter I of Title 10, we are first submitting this package to you, with the originals of the financial documents, including a Certification of Financial Assurance covering all these facilities. Copies of these documents will be promptly submitted to each NRC Regional Office with jurisdiction over one or more of the listed licensed facilities for which financial assurance for decommissioning is provided by the Manufacturers Hanover letter of credit enclosed herewith.

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Mr. Robert M. Bernero
March 22, 1991
Page 2

We appreciate your cooperation in assuring that the documents submitted herewith come to the attention of the appropriate responsible personnel at the NRC Headquarters and are properly maintained there for future reference.

Very truly yours,

Leif W. Wolfe

/ci
cc w/encl:

Regional Administrator
NRC Regions I, II, III and V

DATE: MARCH 19, 1991
PAGE NO.: 1

IRREVOCABLE STANDBY LETTER OF CREDIT NO. (b)(4) EX-4

THIS CREDIT EXPIRES: MARCH 22, 1992

ISSUED TO: U.S. NUCLEAR REGULATORY COMMISSION;
WASHINGTON, DC 20555

DEAR SIR OR MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. (b)(4) IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF GENERAL ELECTRIC CO. 570 LEXINGTON AVE. NEW YORK, N.Y. 10022 ATTN: R.A. LATTERNER UP TO THE AGGREGATE AMOUNT OF THIRTY FIVE MILLION SIX HUNDRED THOUSAND U.S. DOLLARS (XXXX35,600,000.00 U.S. DOLLAR) AVAILABLE UPON PRESENTATION OF:

- (1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. (b)(4) AND
- (2) YOUR SIGNED STATEMENT READING AS FOLLOWS: "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO REGULATIONS ISSUED UNDER AUTHORITY OF -----"

THIS LETTER OF CREDIT IS ISSUED IN ACCORDANCE WITH REGULATIONS ISSUED UNDER THE AUTHORITY OF THE U.S. NUCLEAR REGULATORY COMMISSION ("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. THE NRC HAS PROMULGATED REGULATIONS IN TITLE 10, CHAPTER 1 OF THE CODE OF FEDERAL REGULATIONS, PART (30, 40, 70 OR 72), WHICH REQUIRE THAT A HOLDER OF, OR AN APPLICANT FOR, A LICENSE ISSUED UNDER 10 CFR PARTS (30, 40, 70 OR 72) PROVIDE ASSURANCE THAT FUNDS WILL BE AVAILABLE WHEN NEEDED FOR DECOMMISSIONING.

THIS LETTER OF CREDIT IS EFFECTIVE AS OF MARCH 22, 1991 AND SHALL EXPIRE ON MARCH 22, 1992, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR ON MARCH 22, 1992 AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST 90 DAYS BEFORE THE THEN CURRENT EXPIRATION DATE, WE NOTIFY BOTH YOU AND GENERAL ELECTRIC CO., BY CERTIFIED MAIL, AS SHOWN ON THE SIGNED RETURN RECEIPTS. IF GENERAL ELECTRIC CO. IS UNABLE TO SECURE

CONTINUED



Manufacturers Hanover Trust Company
Geoserve Trade Services
4 New York Plaza
New York, NY 10004

DATE: MARCH 19, 1991
PAGE NO: 2

ALTERNATIVE FINANCIAL ASSURANCE TO REPLACE THIS LETTER OF CREDIT WITHIN 30 DAYS OF NOTIFICATION OF CANCELLATION THE NRC MAY DRAW UPON THE FULL VALUE OF THIS LETTER OF CREDIT PRIOR TO CANCELLATION. THE BANK SHALL GIVE IMMEDIATE NOTICE TO THE APPLICANT AND THE NRC OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING (1) THE INSOLVENCY OR BANKRUPTCY OF THE FINANCIAL INSTITUTION OR (2) ANY VIOLATIONS OF REGULATORY REQUIREMENTS THAT COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE TO DO BUSINESS. THE FINANCIAL INSTITUTION ALSO SHALL GIVE IMMEDIATE NOTICE IF THE BANK, FOR ANY REASON, BECOMES UNABLE TO FULFILL ITS OBLIGATION UNDER THE LETTER OF CREDIT.

WHENEVER THIS LETTER OF CREDIT IS DRAWN ON UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT, WE SHALL ONLY HONOR SUCH DRAFT UPON ITS PRESENTATION TO US WITHIN 30 DAYS, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT DIRECTLY INTO THE STANDBY TRUST FUND OF GENERAL ELECTRIC CO. IN ACCORDANCE WITH YOUR INSTRUCTIONS.

EACH DRAFT MUST BEAR ON ITS FACE THE CLAUSE: "DRAWN UNDER LETTER OF CREDIT NO. (b)(4) DATED MARCH 19, 1991, AND THE TOTAL OF THIS DRAFT AND ALL OTHER DRAFTS PREVIOUSLY DRAWN UNDER THIS LETTER OF CREDIT DOES NOT EXCEED U.S. DOLLARS 35,600,000.00."

8x4

VERY TRULY YOURS,

KRISTINE SIEBEL
ASSISTANT VICE PRESIDENT
MARCH 19, 1991

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 400.



Manufacturers Hanover Trust Company
 Geoserve Trade Services
 4 New York Plaza
 New York, NY 10004

EW4

DATE OF AMENDMENT
 MARCH 21, 1991

AMENDMENT TO NUMBER
 IRREVOCABLE (b)(4)
 STANDBY LETTER
 OF CREDIT

APPLICANT:
 GENERAL ELECTRIC CO.
 570 LEXINGTON AVE.
 NEW YORK, N.Y. 10022
 ATTN: R.A. LATTERNER

BENEFICIARY:
 U.S. NUCLEAR REGULATORY
 COMMISSION,
 WASHINGTON, D.C. 20555

ADVISING BANK:

AMENDMENT SEQUENCE NUMBER
 501

THIS AMENDMENT IS TO BE
 CONSIDERED AS PART OF THE
 ABOVE MENTIONED CREDIT AND MUST
 BE ATTACHED THERE TO:

WE HEREBY AMEND THIS CREDIT AS FOLLOWS:

IN THE PARAGRAPH BEGINNING QUOTE THIS LETTER OF CREDIT IS ISSUED
 UNQUOTE THAT PART READING QUOTE PART (30, 40, 70 OR 72), UNQUOTE
 IS HEREBY DELETED AND SUBSTITUTED BY QUOTE PART 30, 40, 50 OR
 70, UNQUOTE

ADDITIONALLY IN THE SAME PARAGRAPH, THAT PART READING QUOTE
 10 CFR PARTS (30, 40, 70 OR 72) UNQUOTE IS HEREBY DELETED AND
 SUBSTITUTED BY QUOTE 10 CFR PARTS 30, 40, 50, OR 70 UNQUOTE

ALL OTHER CONDITIONS REMAIN UNCHANGED.

AUTHORIZED SIGNATURE

KRISTINE SIEBEL
 ASSISTANT VICE PRESIDENT