

**David J. Anderson**  
Senior Vice President and  
Chief Financial Officer

**Honeywell Global Headquarters**  
Honeywell  
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March 24, 2008

ATTN: Document Control Desk  
Director, Office of Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

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

Subject: HONEYWELL METROPOLIS WORKS

I am the Chief Financial Officer of Honeywell International Inc. (Honeywell), 101 Columbia Road, Morristown, New Jersey, a corporation. This letter is in support of this firm's use of the self-guarantee financial test to demonstrate financial assurance, as specified in 10 CFR Part 40 (License Condition 26 of our license states "Honeywell shall submit to NRC, for review and approval, the results of the financial test and supporting documentation required by 10CFR30 Appendix C II.B(3)"). 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 Part 40, the decommissioning of the following facilities owned or operated by this firm. The current cost estimates or certified amounts for decommissioning, so guaranteed, are shown for each facility:

Honeywell Metropolis Works  
2768 North US 45 Rd.  
Metropolis, Illinois  
NRC License No. SUB-526

Cost Estimate: \$156,440,898

I hereby certify that Honeywell is currently a going concern, and that it possesses positive net worth in the amount of \$7,724,000,000, comprised of negative tangible net worth in the amount of \$(1,451,000,000) and goodwill in the amount of \$9,175,000,000.

This fiscal year of this firm ends on December 31<sup>st</sup>. The figures for the following items 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, 2007. A copy of this firm's most recent financial statements is enclosed.

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

This firm satisfies the following self-guarantee test:

Honeywell International Inc. (the Company) – NRC Financial Assurance Test  
For Year-End December 31, 2007

1.	Current decommissioning cost estimates or certified amounts	
	a. Decommissioning amounts covered by this self-guarantee	\$156,440,898
	b. All decommissioning amounts covered by other NRC or Agreement State parent company guarantees or self-guarantees	\$0
	c. All amounts covered by parent company guarantees, self-guarantees, or financial tests of other Federal or State Agencies (e.g., EPA)	<u>\$ 68,000,000</u>
	<b>TOTAL</b>	<u><b>\$224,440,898</b></u>
2.	Current bond rating of most recent unsecured issuance of this firm Rating <u>"A"</u> Name of rating service <u>Standard &amp; Poor's</u>	
3.	Date of issuance of bond <u>2/29/2008</u>	
4.	Date of maturity of bond <u>3/1/2018</u>	
*5.	Net worth <sup>1</sup> (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>\$7,724,000,000</u>
*6.	Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.)	<u>\$21,342,000,000</u>

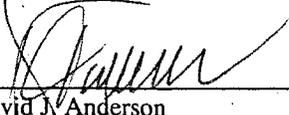
YES NO

7.	Is line 5 at least 10 times line 1?	<u>X</u>	—
8.	Are at least 90% of assets located in the U.S.? (a) If not, complete line 9	—	<u>X</u>
9.	Is line 6 at least 10 times line 1?	<u>X</u>	—
10.	Is the rating specified on line 2 "A" or better?	<u>X</u>	—
11.	Does the Company have at least one class of equity securities registered under the Securities Exchange Act of 1934?	<u>X</u>	—

\*Denotes figures derived from financial statements.

<sup>1</sup> This test differs from that in 10 CFR Part 30, Appendix C, in that the sum of tangible net worth plus goodwill (rather than tangible net worth only) must be at least 10 times the current decommissioning cost estimate. This test is based on an alternate financial test contained in Honeywell's December 1, 2006 request for an exemption from the NRC's decommissioning funding assurance requirements. That exemption request was approved as License Condition 27 in SUB-526, which was issued on May 11, 2007.

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



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David J. Anderson  
Senior Vice President and Chief Financial Officer  
March 24, 2008

**Report of Independent Accountants**

To the Management of Honeywell International Inc.:

We have performed the procedures enumerated below, which were agreed to by Company management, relating to the accompanying letter dated March 24, 2008 from Mr. David J. Anderson, Senior Vice President and Chief Financial Officer of the Company, addressed to the U.S. Nuclear Regulatory Commission in compliance with the financial requirements of the Nuclear Regulatory Commission Financial Assurance Test of Federal Register, Volume 58, Number 248 (the "Test") solely to assist you in evaluating the financial data that the Test specifies as having been derived from the audited consolidated financial statements for the year ended December 31, 2007 in the Company's Current Report on Form 10-K dated February 15, 2008. Company management is responsible for the Test. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed are summarized as follows:

- We recalculated the amount shown as "Net worth" in Item 5 in the Test utilizing balances contained within the audited consolidated financial statements for the year ended December 31, 2007 in the Company's Current Report on Form 10-K dated February 15, 2008.
- We compared the amount shown as "Total assets in U.S." in Item 6 in the Test to a reporting schedule prepared by the Company from which the audited consolidated financial statements for the year ended December 31, 2007 in the Company's Current Report on Form 10-K dated February 15, 2008 were prepared and found the amount to be in agreement.
- We obtained the amount of the Company's total assets from the audited consolidated financial statements for the year ended December 31, 2007 in the Company's Current Report on Form 10-K dated February 15, 2008 and calculated ninety percent of that amount. We compared the calculated amount to the amount shown as "Total assets in U.S." in Item 6 in the Test and noted the calculated amount was greater.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the specified elements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of the Company, and is not intended to be and should not be used by anyone other than these specified parties.

*PricewaterhouseCoopers LLP*

March 24, 2008