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21G-09-0180
GOV-01-55-04
ACF-09-0331

December 1, 2009

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

- References:
- 1) Docket No. 70-143; SNM License 124
 - 2) Letter from B. Marie Moore to NRC, dated December 1, 2006 (21G-06-0211), Updated Decommissioning Cost Estimate as Required by 10 CFR 70.25(e)
 - 3) Letter from B. Marie Moore to NRC, dated May 23, 2007 (21G-07-0071), Reply to RAI Concerning NFS' Updated Decommissioning Cost Estimate

Subject: Updated Decommissioning Cost Estimate as Required by 10 CFR 70.25(e)

Dear Sir:

Nuclear Fuel Services, Inc. (NFS) hereby submits an updated Decommissioning Cost Estimate per the requirements set forth in 10 CFR 70.25(e). The updated cost estimate is based on over 20 years of experience conducting decommissioning projects at the NFS Erwin site (e.g., Buildings 230, 233, 234, 400, and 410; the Radiological Burial Ground; and the North Site), as well as commercial off-site decommissioning projects (e.g., UCAR and Fluor Fernald).

Attachment 1 contains the Summary of Differences between the 2006 and 2009 estimates. Attachment 2 contains the general Basis and Assumptions for how the updated cost estimate was prepared, and also the updated cost estimate data.

Financial assurance information regarding assumption of liability for decommissioning costs is contained in SNM-124, Part I, Chapter 7, Section 7.2, and Part II, Chapter 9, Appendices A and B.

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Following the NRC's acceptance of the attached cost estimate, NFS will modify its financial assurance mechanisms as appropriate to ensure that the revised costs are fully covered by the mechanisms (e.g., letters of credit) and will provide the revised documents to the NRC.

The information contained in the enclosed attachments is considered proprietary in nature as set forth in the enclosed affidavit; therefore, NFS requests that this information be withheld from public disclosure.

If you or your staff have any questions, require additional information, or wish to discuss this, please contact me, or Mr. Rik Droke, Licensing and Compliance Director, at (423) 743-1741. Please reference our unique document identification number (21G-09-0180) in any correspondence concerning this letter.

Sincerely,

NUCLEAR FUEL SERVICES, INC.



B. Marie Moore
Director of Safety and Regulatory

DMG/pdj
Attachments

Copy:

Regional Administrator
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AFFIDAVIT

TRADE SECRETS OR COMMERCIAL INFORMATION

I, B. Marie Moore, Director of Safety & Regulatory at Nuclear Fuel Services, Inc. (NFS), that to the best of my knowledge and beliefs, make the following representation contained herein:

- A. The following document(s) which Nuclear Fuel Services, Inc. (NFS) wishes to have withheld from public disclosure is:

Attachments 1 and 2 to Letter (21G-09-0180) dated December 1, 2009:

Updated Decommissioning Cost Estimate as Required by 10 CFR 70.25(e)

- B. The information contained in the document(s) cited in A above has been held in confidence by Nuclear Fuel Services, Inc. (NFS), in that it contains trade secrets or commercial information as specified in Title 10, Code of Federal Regulations, Part 2.390(a). The basis for requesting that this document(s) be withheld from public disclosure is explicitly marked on the cover page to each of the aforementioned documents and/or the top of each affected page, as appropriate, in accordance with 10 CFR 2.390(b)(i)(B).
- C. The information contained in the document(s) cited in A above is the intellectual property of Nuclear Fuel Services, Inc. (NFS), and as such is customarily held in confidence by Nuclear Fuel Services, Inc. (NFS). As such, Nuclear Fuel Services, Inc. (NFS) has customarily submitted privileged and confidential information of this type to the Nuclear Regulatory Commission (NRC) and to its predecessor, the Atomic Energy Commission (AEC), in confidence.
- D. The information contained in the document(s) cited in A above has not been made available to public sources by Nuclear Fuel Services, Inc. (NFS), nor has Nuclear Fuel Services, Inc. (NFS) authorized that it be made available. In accordance with Nuclear Fuel Services, Inc. (NFS) policies governing the protection and control of information, proprietary information contained herein has been made available, on a limited basis, to others outside NFS only as required and under suitable agreement providing for nondisclosure and limited use of the information.
- E. The public disclosure of the information contained in the document(s) cited in A above is likely to cause substantial economic harm to the competitive advantage held by Nuclear Fuel Services, Inc. (NFS). The basis for withholding said information is that it contains distinguishing aspects of a process, methodology,

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Attachment 1
Summary of Differences
Between the 2006 and 2009 Estimates

2 pages to follow

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**Attachment 2
Cost Estimate**

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