

Specialty Materials

Honeywell
P.O. Box 430
Highway 45 North
Metropolis, IL 62960

January 8, 2010

Certified Mail
7008 1830 0002 2995 3546

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUB-526, Docket # 40-3392

RE: HONEYWELL METROPOLIS WORKS DECOMMISSIONING COST ESTIMATE

Pursuant to 10 CFR 40.36(d) and License Condition 25 of License No. SUB-526, Honeywell International Inc. ("Honeywell") is providing the attached Decommissioning Cost Estimate for the required decommissioning activities at Honeywell's conversion facility in Metropolis, Illinois. The attached Decommissioning Cost Estimate updates the previous Site Reclamation Cost estimate, which was submitted to the NRC on January 10, 2007 and approved by the NRC on July 12, 2007. The Decommissioning Cost Estimate was prepared using guidance contained in NUREG-1757, Vol. 3, "Consolidated Nuclear Material Safety Safeguard Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness."

Currently, Honeywell provides decommissioning financial assurance through a self-guarantee. However, following the NRC's denial, in a letter dated December 11, 2009, of Honeywell's request for an exemption from a portion of the NRC's financial assurance requirements, Honeywell must provide alternate financial assurance arrangements by April 10, 2009. Consistent with this obligation and as required by License Condition 25, Honeywell will provide to the NRC a signed original of an appropriate financial instrument reflecting an amount sufficient to cover the approved cost estimate after resolution of any NRC comments on the adjusted estimate.

Should you have any questions on the enclosed information, please contact Mr. Michael Greeno, Regulatory Affairs Manager, at 618-309-5005.

Sincerely,



Larry Smith
Plant Manager

Enclosures

NM5501
NM55

cc: Thomas Hiltz, Chief, Advanced Fuel Cycle
Enrichment and Uranium Conversion Branch
Mail Stop EBB 2-C40M
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Tilda Liu, NMSS Project Manager
Mail Stop EBB 2-C40M
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

M. Ferrans
M. Greeno
L. Litinski