

Telephone Conference Call Summary

Honeywell International Discussion of Proposed Edits to Model Financial Instruments For Honeywell Metropolis Works

DATE AND TIME: 2:30 P.M. (EST); February 25, 2010

CALL PARTICIPANTS: K. Kline, U.S. Nuclear Regulatory Commission (NRC)
R. Przygodzki, NRC
B. Reilly, NRC
M. Greeno, Honeywell International (Honeywell)
T. Smith, Winston & Strawn

During the conference call, NRC staff provided feedback on edits that Honeywell is considering to the model standby letter of credit and model surety bond found in NUREG-1757, Volume 3, "Consolidated NMSS Decommissioning Guidance." The edits are based on Honeywell's discussions with the financial institutions, selected by Honeywell, that may issue the financial instrument(s). Honeywell indicated that they anticipate no changes to the language in the model standby trust agreement. Honeywell mentioned that they currently have a self-guarantee in place and are aiming to put alternate financial assurance arrangements in place by the end of March 2010 **but, in any event, will provide alternate financial assurance arrangements by April 10, 2010.** NRC staff suggested that keeping the language in the financial instruments as similar as possible to the model language will facilitate NRC's review. Honeywell also mentioned that their corporate office is appealing the denial of its exemption request in the DC court of appeals. **In the meantime** While the appeal is pending, Honeywell intends to provide alternate financial assurance to meet the regulatory requirements.