

From: Liu, Tilda
Sent: Monday, March 22, 2010 6:15 PM
To: Greeno, Michael
Cc: Kline, Kenneth; Rader, Robert; Hiltz, Thomas; Hull, John; Przygodzki, Roman
Subject: Clarification needed for Honeywell CFO Letters from 2007-2009

Mike,

In the e-mail that I sent you on 3/17/2010 (attached below), the amount for the cost estimate in Honeywell's current Chief Financial Officer (CFO) letter dated March 23, 2009, was \$156,440,898, and not \$156,440,034 as shown. This was a typo on our part. However, the staff noted that your 3/19/2010 response back to us (also attached below) cited the typo amount, \$156,440,034.

In summary, the staff found that \$156,440,898, an incorrect cost estimate for decommissioning liabilities, is listed in the following Honeywell CFO letters dated:

- March 23, 2009
- March 24, 2008
- March 30, 2007

By NRC's July 12, 2007 letter, a cost estimate of \$156,348,034 was approved. Hence, the amount of \$156,440,898 regarding Honeywell's cost estimate appeared to be erroneous which was also addressed in an RAI dated May 14, 2007.

Therefore, regarding the discrepancy between the NRC approved cost estimate and the cost estimate stated in the above dated Honeywell CFO letters, please provide a letter to the NRC clarifying the correct amount at your earliest opportunity. Your letter will be considered a supplemental letter to your submittal of 3/9/2010, entitled "Alternate Financial Assurance Arrangements and Draft Financial Instruments."

You may reference this e-mail as part of the responseto the staff. This e-mail will be placed in ADAMS as publicly available.

Thank you for your attention,
Tilda

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

From: Greeno, Michael [mailto:Michael.Greeno@Honeywell.com]
Sent: Friday, March 19, 2010 9:47 AM
To: Liu, Tilda
Cc: Ferrans, Michael E; Smith, Tyson R.
Subject: FW: Regarding Honeywell's 3/9/10 Submittal on Alternate Financial Assurance Arrangement and Draft Financial Instruments

Hello Tilda –

We are providing the following responses to the questions from your email below:

The decommissioning cost estimate approved by the NRC is \$156,348,034. The discrepancy arose because the 2006 Honeywell cost estimate from Duratek shows the amount as \$156,440,034. This was corrected by Honeywell in a response to an RAI back in 2007. The use of the \$156,440,034 value in the March 2009 CFO letter was a mistake. The amount in the draft surety bond, \$156,348,034, is correct.

The address from the draft Standby Trust Agreement below is correct (the other address from the CFO letter is just for a different department) :

**Honeywell International, Inc.
PO Box 1053
Morristown, NJ 07962**

I will let you know soon regarding making these documents available to the public.

Mike Greeno

From: Liu, Tilda [mailto:Tilda.Liu@nrc.gov]
Sent: Wednesday, March 17, 2010 2:25 PM
To: Greeno, Michael
Cc: Przygodzki, Roman; Kline, Kenneth; Hull, John; Rader, Robert; Hiltz, Thomas
Subject: Regarding Honeywell's 3/9/10 Submittal on Alternate Financial Assurance Arrangement and Draft Financial Instruments

Mike,

The staff has performed a high level preliminary review of your submittal dated 3/9/2010 (ML100750378), and has the following comments which requires your feedback at your earliest opportunity:

In NRC's July 12, 2007 letter (ML071900436), NRC approved a cost estimate of \$156,348,034. Honeywell's current CFO Letter dated March 23, 2009, indicates a cost estimate of \$156,440,034 . *The cost estimate of \$156,348,034, is the number is reflected on the draft Financial Instruments.* Possibly coincidentally, the higher number was a typo on Honeywell's cost estimate (which was addressed in RAIs dated May 14, 2007). Please clarify.

Additionally, please confirm the address of the Honeywell International (the Licensee) (not the Metropolis Works facility). Schedule A of the draft Standby Trust Agreement lists the address as:

Honeywell International, Inc.
PO Box 1053
Morristown, NJ 07962

However, the CFO letter has an address of:

Honeywell
PO Box 1219
Morristown, NJ 07962-1219

If the latter is the correct address, then it should be addressed in the attached letter as well.

Tilda
Senior Project Manager
NMSS/FCSS/AFCB
301-492-3217

E-mail Properties

Mail Envelope Properties ()

Subject: Clarification needed for Honeywell CFO Letters from 2007-2009
Sent Date: 3/22/2010 11:29:44 AM
Received Date: 3/22/2010 6:15:00 PM
From: Liu, Tilda

Created By: Tilda.Liu@nrc.gov

Recipients:

Michael.Greeno@Honeywell.com (Greeno, Michael)

Tracking Status: None

Kenneth.Kline@nrc.gov (Kline, Kenneth)

Tracking Status: None

Robert.Rader@nrc.gov (Rader, Robert)

Tracking Status: None

Thomas.Hiltz@nrc.gov (Hiltz, Thomas)

Tracking Status: None

John.Hull@nrc.gov (Hull, John)

Tracking Status: None

Roman.Przygodzki@nrc.gov (Przygodzki, Roman)

Tracking Status: None

Post Office:

Files	Size	Date & Time
MESSAGE	19674	3/22/2010

Options

Expiration Date:

Priority: oImportanceNormal

ReplyRequested: False

Return Notification: False

Sensitivity: oNormal

Recipients received: