

Specialty Materials

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

March 22, 2010

Certified Mail
7008 1830 0002 2995 3522

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

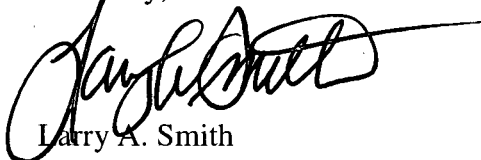
SUB-526, Docket #40-3392

RE: REQUEST FOR WITHHOLDING CERTAIN PROPRIETARY INFORMATION
FROM PUBLIC DISCLOSURE

On March 9, 2009, Honeywell International Inc. ("Honeywell") submitted draft, unexecuted copies of its alternate financial assurance package for the NRC's review. The package included a draft surety bond. Honeywell inadvertently failed to redact commercially-sensitive financial information from the draft surety bond.

In this letter, Honeywell, as the owner of the commercial and financial information, requests that the NRC withhold the proprietary commercial information contained in the draft surety bond from public disclosure. To support this request, Honeywell is providing an affidavit that sets forth the bases on which this information may be withheld from public disclosure by the Commission and addresses with specificity the considerations listed in 10 C.F.R. § 2.390(b)(4). In addition, Honeywell is providing a proprietary and a public version of the draft surety bond to facilitate public access to non-proprietary information.

Sincerely,



Larry A. Smith
Plant Manager

Enclosures

NM5501

PAYMENT SURETY BOND

Date bond executed: April 9, 2010

Effective date: April 9, 2010

Principal:

Honeywell International Inc.
101 Columbia Road
Morristown, New Jersey 07962

Type of organization: Corporation

State of incorporation: Delaware

NRC License : SUB-526

Honeywell Metropolis Works Facility
2768 U.S. Highway 45 North
Metropolis, Illinois 62960

Amount of decommissioning activities guaranteed by this bond is \$156,348,034.

Surety:

North American Specialty Insurance Company
650 Elm Street
Manchester, NH 03101

Type of organization: Corporation

State of incorporation: New Hampshire

Surety is licensed to do business in the State of Illinois. NAIC # 29874

Surety:

Swiss Reinsurance America Corporation
175 King Street
Armonk, NY 10504

Type of organization: Corporation

State of Incorporation: New York

Surety is licensed to do business in the State of Illinois. NAIC # 25364

Surety's bond number: 2109262

Total penal sum of bond: \$156,348,034.

Know all persons by these presents, that we, the Principal and Sureties hereto, are firmly bound to the U.S. Nuclear Regulatory Commission (hereinafter called NRC) in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and

assigns jointly and severally; provided that, where the Sureties are corporations acting as co Sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety; but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

WHEREAS, the U.S. Nuclear Regulatory Commission, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in title 10, Chapter I of the *Code of Federal Regulations*, Part 40, applicable to the Principal, which require that a license holder or an applicant for a facility license provide financial assurance that funds will be available when needed for facility decommissioning;

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall faithfully, before the beginning of decommissioning of each facility identified above, fund the standby trust fund in the amount(s) identified above for the facility;

Or, if the Principal shall fund the standby trust fund in such amount(s) after an order to begin facility decommissioning is issued by NRC or a U.S. District Court or other court of competent jurisdiction;

Or, if the Principal shall provide alternative financial assurance, and obtain NRC's written approval of such assurance, within 30 days after the date a notice of cancellation from the Sureties is received by both the Principal and NRC, then this obligation shall be null and void; otherwise it is to remain in full force and effect.

The Sureties shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above. Upon notification by NRC that the Principal has failed to perform as guaranteed by this bond, the Sureties shall place funds in the amount guaranteed for the facility into the standby trust fund.

The liability of the Sureties shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Sureties hereunder exceed the amount of said penal sum.

The Sureties may cancel the bond by sending notice of cancellation by certified mail to the Principal and to NRC provided, however, that cancellation shall not occur during the 90 days beginning on the date of receipt of the notice of cancellation by both the Principal and NRC, as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to NRC and to the Sureties 90 days prior to the proposed date of termination, provided, however, that no such notice shall become effective until the Sureties receives written authorization for termination of the bond from NRC.

No decreases in the penal sum takes place without the written permission of NRC.

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

In Witness Whereof, the Principal and Sureties have executed this financial guarantee bond and

have affixed their seals on the date set forth above. The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Sureties.

Principal

Honeywell International Inc.
101 Columbia Road
Morristown, New Jersey 07962

State of Incorporation: Delaware

Lois H. Fuchs
Assistant Treasurer

Surety

North American Specialty Insurance Company
650 Elm Street
Manchester, NH 03101

State of Incorporation: New Hampshire

BY: _____

Kay Hull, Attorney In Fact

Surety

Swiss Reinsurance America Corporation
175 King Street
Armonk, NY 10504

State of Incorporation: New York

BY: _____

Brian Passolt, Attorney In Fact

Liability limit: \$156,348,034.

Bond Premium: _____
per annum on the initial Bond Penal Sum of \$156,348,034.

Withheld under
10 CFR 2.309(a)(4)

Affidavit of John J. Tus In Support of Request for Withholding

(a) I am the Treasurer of Honeywell International Inc. ("Honeywell"), and as such have the responsibility of reviewing the proprietary information sought to be withheld from public disclosure in connection with financial assurance for decommissioning. I am authorized to apply for the withholding of such proprietary information from public disclosure on behalf of Honeywell.

(b) I am making this affidavit in conformance with the provisions of 10 C.F.R. § 2.390 of the regulations of the Nuclear Regulatory Commission ("NRC"), and in conjunction with Honeywell's request for withholding which accompanies this affidavit.

(c) I have knowledge of the criteria used by Honeywell in designating information as proprietary or confidential.

(d) By this submittal, Honeywell seeks to protect from disclosure certain proprietary information contained in the following draft, non-executed document submitted to the NRC on March 9, 2010:

Payment Surety Bond

The Payment Surety Bond includes information that is commercially sensitive and that has been held in confidence by Honeywell. Publication of the rate of the surety would provide other financial institutions with data that they could use to charge Honeywell higher rates and thereby harm Honeywell's competitive position. The information, if used by a competitor, could reduce its expenditure of resources or improve its competitive position in the production of similar products as Honeywell. The rate of most of Honeywell's letters of credit and surety bonds is less than the rate charged by Swiss Re in this instance because of the large size of the single bond and the surety's inability to significantly modify the form of the bond that the NRC will accept.

(e) Pursuant to the provisions of 10 C.F.R. § 2.390(b)(4), the following is furnished for consideration by the NRC in determining whether the proprietary information sought to be protected should be withheld from public disclosure.

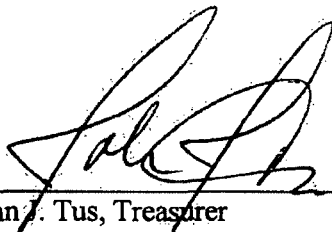
- (i) The information for which protection from disclosure is sought has been held in confidence by Honeywell. This information is commercially sensitive to Honeywell, and Honeywell seeks to protect it as such. The information proprietary to Honeywell is found in the documents listed in paragraph (d), above. Honeywell has provided the NRC with both a proprietary and a public version of the draft surety bond.
- (ii) The information sought to be withheld is of a type that would customarily be held in confidence by Honeywell. The information consists of commercial and financial information that provides a competitive advantage to Honeywell.

- (iii) The information sought to be withheld is being provided to the NRC in confidence, and, under the provisions of 10 C.F.R. § 2.390, it is to be received in confidence by the NRC.
- (iv) The information sought to be withheld is not available in public sources, to the best of Honeywell's knowledge and belief.
- (v) Public disclosure of the proprietary information Honeywell seeks to protect is likely to cause substantial harm to Honeywell's competitive position within the meaning of 10 C.F.R. § 2.390(b)(4)(v). The information, if used by a competitor, could reduce its expenditure of resources or improve its competitive position in the production of similar products as Honeywell. The proprietary information has substantial commercial value to Honeywell.

For all of the reasons discussed above, Honeywell requests that this proprietary information be withheld from public disclosure in its entirety.

I declare under penalty of perjury that the foregoing is true and correct

Executed on March 19, 2010



John J. Tus, Treasurer
Honeywell International Inc.
101 Columbia Rd.
Morristown, NJ 07962