



10 CFR 70.5

January 31, 2011

AES-O-NRC-11-00779

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

AREVA Enrichment Services LLC
Eagle Rock Enrichment Facility
NRC Docket No: 70-7015

Subject: Liability Insurance Coverage for Construction

In previous correspondence to the NRC (Ref. 1), AREVA Enrichment Services LLC (AES) agreed to procure liability insurance for the Eagle Rock Enrichment Facility (EREF) construction activities. While AES has already committed to provide \$300 million in liability insurance prior to operation, the NRC requested that AES also commit to obtaining at least \$1 million liability insurance prior to license issuance. This limit will remain in effect until the facility is ready to begin operations (i.e., introduction of UF₆ on site). Liability insurance is required to cover claims as described in 10 CFR 140.13(b).

In response to this request, enclosed is a copy of the Declarations page from the liability insurance policy indicating the \$1 million for the EREF construction activities.

If you have any questions regarding this submittal, please contact me at (508) 573-6554.

Respectfully,

A handwritten signature in black ink that reads 'J. A. Kay'.

James A. Kay
Licensing Manager

Reference: James A. Kay (AES) Letter to the U.S. Nuclear Regulatory Commission dated November 18, 2010, Subject: AREVA Enrichment Services LLC - Eagle Rock Enrichment Facility, Liability Insurance Coverage for Construction

Enclosure: Nuclear Energy Liability Insurance Policy NF-0353, Declarations, dated January 10, 2011

cc: Breeda Reilly, U.S. NRC Senior Project Manager

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M001

AREVA ENRICHMENT SERVICES LLC

Solomon Pond Park - 400 Donald Lynch Boulevard, Mariborough, MA 01752
Tel. : 508 229 2100 - Fax : 508 573 6610 - www.aveva.com

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AREVA Enrichment Services LLC
Eagle Rock Enrichment Facility
AES-O-NRC-11-00779

Enclosure
Nuclear Energy Liability Insurance Policy NF-0353,
Declarations

NUCLEAR ENERGY LIABILITY INSURANCE
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Town Center, Suite 300S, 29 South Main Street, West Hartford, CT 06107-2430

Nuclear Energy Liability Policy No. **NF-0353**
(Facility Form)

DECLARATIONS

Item 1. Named Insured AREVA Enrichment Services LLC

Address Suite 1100, Hampden Lane Bethesda, MD 20814
(No. Street Town or City State)

Item 2. Policy Period: Beginning at 12:01 A.M. on the 10th day of January, 2011, and continuing through the effective date of the cancellation or termination of this policy, standard time at the address of the named insured as stated herein.

Item 3. Description of the Facility:

Location: All of the premises, including the land and all buildings and structures, of the Eagle Rock Enrichment Facility, as shown within the Property Line on the attached Figure 1.1-3, Rev. 2 from the facility's Safety Analysis Report. The Eagle Rock Enrichment Facility is located in Bonneville County, Idaho, approximately twenty (20) miles west northwest of the city of Idaho Falls, Idaho.

Type: Enrichment Facility

The Operator of the facility is: AREVA Enrichment Services LLC

Item 4. The limit of the companies' liability is \$1,000,000 subject to all the terms of this policy having reference thereto.

Item 5. Advance Premium \$2,500.

Item 6. These declarations and the schedules forming a part hereof give a complete description of the facility, insofar as it relates to the nuclear energy hazard, except as noted:
No Exceptions

Date of Issue January 10, 2011

Countersigned by *Mary L. Urlicchio*
Authorized Representative