



U.S. Department of
Transportation
**Maritime
Administration**

SAVANNAH Technical Staff
Office of Ship Disposal

1200 New Jersey Ave., SE
Washington, DC 20590

Ref: 10 CFR 50.75(f)(1), 50.82(a)(7) & 50.75(e)(1)(iv)

March 31, 2011

ATTN: Document Control Desk

U.S. Nuclear Regulatory Commission
Washington, DC 20555

SUBJECT: Docket No. 50-238; License No. NS-1; N.S. SAVANNAH
Submission of Decommissioning Funds Status Report for CY 2010 and updated
Governmental Statement of Intent for Decommissioning Financial Assurance

- References:
- (a) N.S. *SAVANNAH* CY 2009 Decommissioning Funds Status Report, Revision 0, submitted June 2, 2010 under cover letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission.
 - (b) N.S. *SAVANNAH* Post Shutdown Decommissioning Activities Report (PSDAR), Revision 1, submitted December 11, 2008 under cover letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission.
 - (c) Letter from U.S. Nuclear Regulatory Commission to Mr. Erhard W. Koehler (MARAD), dated August 2, 2010, Receipt of Decommissioning Funds Status Update for N.S. *SAVANNAH*
 - (d) Letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission, dated March 9, 2011, Response to Receipt of Decommissioning Funds Status Update (CY 2009) for N.S. *SAVANNAH*

The Maritime Administration (MARAD) hereby submits Revision 0 of the CY 2010 Decommissioning Funds Status Report for the Nuclear Ship *SAVANNAH* (NSS) as Enclosure 1.

In reference (a), MARAD submitted its CY 2009 Decommissioning Funds Status Report, and noted that the "... combined effects of MARAD's appropriations history in FY 2009 – 2010 and the budget request for FY 2011 is [sic] such that MARAD cannot meet the SAFSTOR Preparations activity schedule described in its PSDAR, Reference (b). Consequently, the CY 2009 Decommissioning Funds Status Report also addresses the 50.82(a)(7) requirement to notify the NRC, in writing, before making any significant schedule change from those actions and schedules described in the PSDAR."

At the present time, MARAD is still unable to meet the schedule described in reference (b); consequently, this CY 2010 report similarly address the 50.82(a)(7) PSDAR change requirement. In this report, MARAD includes a modified PSDAR schedule that takes account of its recent appropriations history; the practical effects of the President's FY2012 Budget Request for MARAD; and the inherent uncertainty in the outcome of a legislative review of an executive budget request.

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Docket No. 50-238; License NS-1; N.S. SAVANNAH
Submittal of Decommissioning Funds Status Report for CY 2010, Revision 0
and Updated Government Statement of Intent for Decommissioning Financial Assurance
March 31, 2011

In Reference (c), the NRC acknowledged receipt of Reference (a), making several observations and three requests for additional information. In Reference (d), MARAD responded to Reference (c) and made commitments that the Decommissioning Funds Status Report for CY 2010 would include the following:

- A revised decommissioning activities schedule;
- An update to the cost estimate for decommissioning that accounts for changes in scheduled activities and all applicable changes in cost; and,
- An update to the Statement of Intent that includes the following:
 - A cost estimate for decommissioning;
 - The amount of decommissioning funds estimated to be required; and,
 - A description of the assumptions and bases relied on by MARAD to escalate decommissioning costs.

This submittal contains two new Regulatory Commitments.

If there are any questions or concerns with any issue discussed in this report, please contact me at (202) 366-2631, and/or e-mail me at erhard.koehler@dot.gov.

Respectfully,



Erhard W. Koehler
Senior Technical Advisor, N.S. SAVANNAH
Office of Ship Disposal

Enclosures

Docket No. 50-238; License NS-1; N.S. SAVANNAH
Submittal of Decommissioning Funds Status Report for CY 2010, Revision 0
and Updated Government Statement of Intent for Decommissioning Financial Assurance
March 31, 2011

Enclosures

1. Decommissioning Funds Status Report for CY 2010, STS - 134
2. List of Regulatory Commitments

**Docket No. 50-238; License NS-1; N.S. SAVANNAH
Submittal of Decommissioning Funds Status Report for CY 2010, Revision 0
and Updated Government Statement of Intent for Decommissioning Financial Assurance
March 31, 2011**

cc:

Electronic copy

NSS ESC

NSS SRC

MAR 610, 612, 615

Hardcopy, cover letter only

MAR-600, 640, 640.2

Hardcopy w/ all enclosures

MAR-100, 640.2 (rf)

USNRC (John T. Buckley, Mark C. Roberts)

USNRC Regional Administrator - NRC Region I

MD Department of the Environment (Roland G. Fletcher; George S. Aburn, Jr.)

NC Department of Environment & Natural Resources (Beverly O. Hall)

SC Department of Health & Environmental Control (Susan E. Jenkins; Aaron Gantt)

VA Department of Emergency Management (Michael M. Cline)

VA Department of Health (Leslie P. Foldesi)

EWK/jmo



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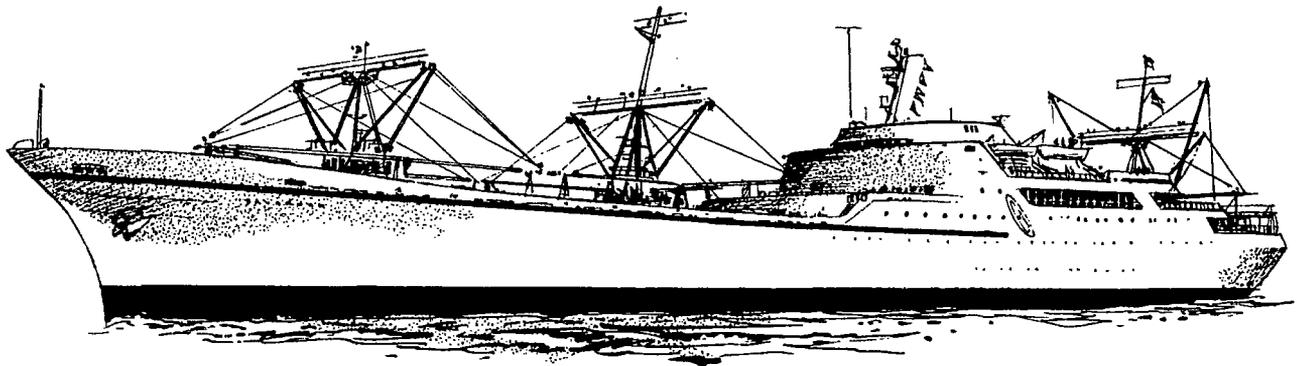
Docket No. 50-238; License No. NS-1; N.S. *SAVANNAH*

**Enclosure 1 to Submittal of Decommissioning Funds Status Report for CY 2010 and Updated
Governmental Statement of Intent for Decommissioning Financial Assurance**

DECOMMISSIONING FUNDS STATUS REPORT FOR CY 2010, STS - 134



**U.S. Department of Transportation
Maritime Administration
Office of Ship Disposal**



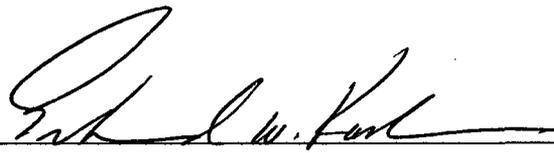
N.S. SAVANNAH

**DECOMMISSIONING FUNDS STATUS REPORT
FOR CY 2010**

STS - 134

Revision 0

Approved:



Date 03/31/2011

Manager, N.S. SAVANNAH Programs

Date

Prepared by:

Sayres and Associates Corporation

RECORD OF REVISIONS

Revision	Summary of Revisions
0	The original version of the Decommissioning Funds Status Report for CY 2010

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

LIST OF EFFECTIVE PAGES

Page No.	Rev. No.	Page No.	Rev. No.	Page No.	Rev. No.
1	0	2	0	3	0
4	0	5	0	6	0
7	0	8	0	9	0
10	0	11	0	12	0
13	0				

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

Table of Contents

1.0	INTRODUCTION	5
1.1	N.S. SAVANNAH DECOMMISSIONING Status	5
1.2	Budget Request Background	5
2.0	10 CFR 50.75(f)(1) Annual report	6
2.1	CY 2010 Funds Status	7
2.1.1	Fiscal Year 2010 Enacted	8
2.1.2	Fiscal Year 2011 Enacted	8
2.1.3	Fiscal Year 2012 Requested	8
3.0	RESOLUTION OF COMMITMENTS REGARDING DECOMMISSIONING FUNDS	8
3.1	Revised Decommissioning Activities Schedule	8
3.2	Updated Cost Estimate For Decommissioning	10
3.3	Updated Statement of Intent	10
4.0	REFERENCES	10
APPENDIX A.	Statement of Intent	12

1.0 INTRODUCTION

In accordance with the requirements of 10 CFR 50.75(f)(1), each power reactor that has already closed is required to report annually the status of its decommissioning funds to the Nuclear Regulatory Commission (NRC) on a calendar year (CY) basis. This Decommissioning Funds Status Report is submitted by the Maritime Administration (MARAD) as licensee for the Nuclear Ship *SAVANNAH* (NSS) and covers the CY 2010 reporting period. Information in the report is current through March 25, 2011 (see section 2.1 for details).

This report is arranged into three major sections and an appendix:

- 1) Introduction with explanatory narrative;
- 2) The required reporting items for CY 2010;
- 3) The response to issues raised by NRC regarding the CY 2009 Decommissioning Funds Status Report; and,
- 4) Appendix A provides MARAD's "Statement of Intent" to satisfy the 10 CFR 50.75(e)(1) requirement to provide the licensee's financial assurance methodology to the NRC.

This report incorporates the guidance contained in Regulatory Guide (RG) 1.159-1, "Assuring the Availability of Funds for Decommissioning Nuclear Reactors," Rev 1, Reference (a).

1.1 N.S. SAVANNAH DECOMMISSIONING STATUS

The NSS is presently in protective storage. This phase of decommissioning activities is characterized by active surveillance, monitoring and maintenance of the nuclear facilities housed onboard the ship, and custody and maintenance of the ship as the primary physical boundary and protective barrier of the licensed site. Collectively, these are referred to as MARAD's licensed activities, and are reported annually to the NRC.

As described in Reference (b) and elsewhere, the license termination deadline for the NSS is December 3, 2031.¹ Final decommissioning of the NSS nuclear facilities will be by the DECON method. In the interim, a project to bring the NSS into conformance with contemporary NRC SAFSTOR criteria has been described and committed to in Reference (b).

This report will address the funding status for all three of these decommissioning activities – licensing activities, conforming to contemporary NRC SAFSTOR criteria and DECON.

1.2 BUDGET REQUEST BACKGROUND

The Maritime Administration is a modal agency of the United States Department of Transportation (DOT). It is a federal licensee as defined by the NRC. As such, funds for decommissioning and termination of the NSS license will be provided by federal appropriations. The process by which such appropriations are requested is deliberative and privileged, and is subject to Executive Branch priorities and direction. As MARAD has stated in References (b) and (c), it recognizes that it bears ultimate responsibility for requesting budgetary resources in sufficient quantity to meet its decommissioning obligations. However, MARAD by itself cannot guarantee that such resources will be requested by the President or authorized and appropriated by the Congress in any given fiscal year. MARAD can only commit that it will continue to work within the budget process to seek and obtain the decommissioning resources necessary to meet the NSS license termination deadline of 2031.

¹ December 3, 1971 is the de facto date of permanent cessation of operations date based on completing the reactor defueling that date by tensioning the reactor vessel head with six studs.

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

MARAD first determined to advance the NSS decommissioning (DECON and license termination) in early calendar year 2002. Since that time, MARAD, working with the Office of the Secretary of Transportation (OST) and the Office of Management and Budget (OMB), has developed and submitted budget requests to support NSS decommissioning activities, with varying levels of success. The President's FY 2005 Budget Request for the Maritime Administration, submitted to the Congress in February 2004, was the first instance where resources were specifically requested to support NSS decommissioning activities. During the CY 2004-2006 period, MARAD included all NSS decommissioning activities in the budget requests that it developed and submitted for consideration by OST and OMB; in preparation for incremental funding requests to execute DECON beginning in FY 2008. As described in section 6.1 of Reference (b), however, by late CY 2006 it became apparent that the incremental funding approach lacked the stability necessary for MARAD to maintain its commitment to advance DECON and license termination. Consequently, MARAD deferred the near-term DECON project, and maintained the NSS in protective storage while addressing licensee deficiencies reported to the NRC, and improving its licensee competency and proficiency for the anticipated protective storage period.

During the decommissioning protective storage period, MARAD has continued to request funds for its licensed activities as part of its annual budget. These funds are sourced within MARAD's Ship Disposal appropriation. For each of the last few years, \$3 million has been budgeted for NSS licensed activities.

As described in Reference (b), MARAD has developed a SAFSTOR project to bring the NSS into conformance with contemporary NRC requirements for protective storage. The estimated cost for SAFSTOR preparation activities was reported in Reference (b) as \$7.9 million in 2008 dollars. To date, MARAD has received no funds to implement SAFSTOR preparation activities.

2.0 10 CFR 50.75(f)(1) ANNUAL REPORT

This section provides a discussion of the seven items required by the regulations, and incorporates the guidance contained in Reference (a).

The reporting requirements and corresponding MARAD information are provided below.

1. The amount of decommissioning funds estimated to be required.
 - a) *Current licensed activities require approximately \$3 million annually. The NSS is scheduled to be drydocked for regular maintenance once (2018) during the protective storage period, at an estimated cost of \$6.8 million.*
 - b) *The SAFSTOR project is currently estimated to require \$8.5 million.*
 - c) *The November 2010 revised site-specific DECON-License Termination cost estimate is \$96 million.*
2. The amount accumulated to the end of the calendar year preceding the date of the report.

MARAD has accumulated zero funds for decommissioning because accumulation of funds is not applicable to the NSS. As a federal licensee, 10 CFR 50.75(e)(1)(iv) allows funding for decommissioning activities to be obtained by appropriations when necessary.
3. A schedule of the annual amounts remaining to be collected.

Annual collection of funds is not applicable to the NSS. As a federal licensee, 10 CFR 50.75(e)(1)(iv) allows funding for decommissioning activities to be obtained by appropriations when necessary.
4. The assumptions used regarding rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections.

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

The 2010 revised site-specific DECON-License Termination cost estimate used the 2010 Barnwell disposal rates for disposing low level radioactive waste (LLRW). All industrial task costs were determined using either actual 2010 industry costs or escalating costs at 3 percent.

There are no rates of earnings on decommissioning funds.

Other factors are composites based on actual, published costs for the U.S. Mid-Atlantic region, and are reviewed annually.

5. Any contracts upon which the licensee is relying pursuant to paragraph (e)(1)(v) of this section.

Not applicable because MARAD, as a federal licensee, is funded per the 10 CFR 50.75(e)(1)(iv) method.

6. Any modifications occurring to a licensee's current method of providing financial assurance since the last submitted report.

None.

7. Any material changes to trust agreements.

Not applicable because MARAD, as a federal licensee, is funded per the 10 CFR 50.75(e)(1)(iv) method. Consequently, no trust agreements exist.

2.1 CY 2010 FUNDS STATUS

The period covered by the CY 2010 status report includes three federal fiscal years (FY); 2010, 2011, and 2012. During the reporting period, actual funds were available and expended in the first two years listed. The budget request process for the third fiscal year listed was in progress for much of the reporting period. Because this report is submitted to the NRC on or before March 31 annually, and because the report is reasonably expected to be forward-looking, the public details of the 2012 request are included even though the funds it may provide fall outside the calendar year reporting period.

The narratives included in the detailed budget estimates of the President's requests from FY 2009 - 2011 did not clearly identify the cost estimates for the SAFSTOR project described here and in Reference (b); because the cost estimate was not yet finalized in time for the 2009 request, and because funding for those activities was not included in the 2010 and 2011 requests. The 2009 narrative discussed preliminary SAFSTOR preparation activities, but funds were not appropriated to execute those activities. The 2010 and 2011 narratives stated that MARAD can execute the SAFSTOR project when necessary resources are provided (see 2.1.1 and 2.1.2). The FY 2011 budget request narrative included the following language that specifically addresses this point:

This request does not include the SAFSTOR implementation project which is based on a defined series of technical and engineering tasks necessary to bring the NSS facilities into conformance with contemporary NRC requirements. MARAD has completed the engineering plans and studies for the required SAFSTOR upgrades, and is in a position to implement them when sufficient resources become available.

For the convenience of the NRC, Reference (c) provides a listing of internet addresses for the DOT budget requests for FY 2009 - 2012 (inclusive). For each fiscal year, the reference provides a link to both the DOT Budget in Brief (a summary and overview of the Department's \$68 billion budget request) and the detailed MARAD Budget Estimates that support the DOT request. Discussions of NSS funding will be found in the chapters describing MARAD's Ship Disposal Program. The NSS is mentioned in the DOT Budgets in Brief in the MARAD summary chapter.

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

2.1.1 FISCAL YEAR 2010 ENACTED

FY 2010 began on October 1, 2009 and ended on September 30, 2010. The President's FY 2010 Budget Request for the Department of Transportation, including MARAD, was submitted to the Congress on February 2, 2009. The request for the Ship Disposal account was \$15.0 million, of which \$3.0 million was described for NSS licensed activities and historic stewardship. Although no funds were specifically requested for either the SAFSTOR or DECON projects in the President's request, both projects were described and a statement was included that MARAD was prepared to execute either one when resources were made available. The enacted MARAD appropriation for FY 2010 included the requested total of \$15.0 million in the Ship Disposal account, without specific reference to the NSS.

2.1.2 FISCAL YEAR 2011 ENACTED

FY 2011 began on October 1, 2010 and continues through September 30, 2011. The President's FY 2011 Budget Request for the Department of Transportation, including MARAD, was submitted to the Congress on February 1, 2010. The request for the Ship Disposal account was \$10.0 million, of which \$3.0 million was described for NSS licensed activities and historic stewardship. No funds were specifically requested for either the SAFSTOR or DECON projects. The SAFSTOR Implementation Plan was noted; with a statement that MARAD was prepared to execute that implementation plan whenever the necessary resources were made available. During the reporting period, and extending to March 4, 2011, MARAD operations were funded under four Continuing Resolutions. No specific mention was made of the NSS in any of the resolutions.

2.1.3 FISCAL YEAR 2012 REQUESTED

The President's FY 2012 Budget Request for the Maritime Administration was submitted to the Congress on February 14, 2011. The request for NSS activities is \$3.046 million. No specific dollar amount is requested or described for SAFSTOR preparations.

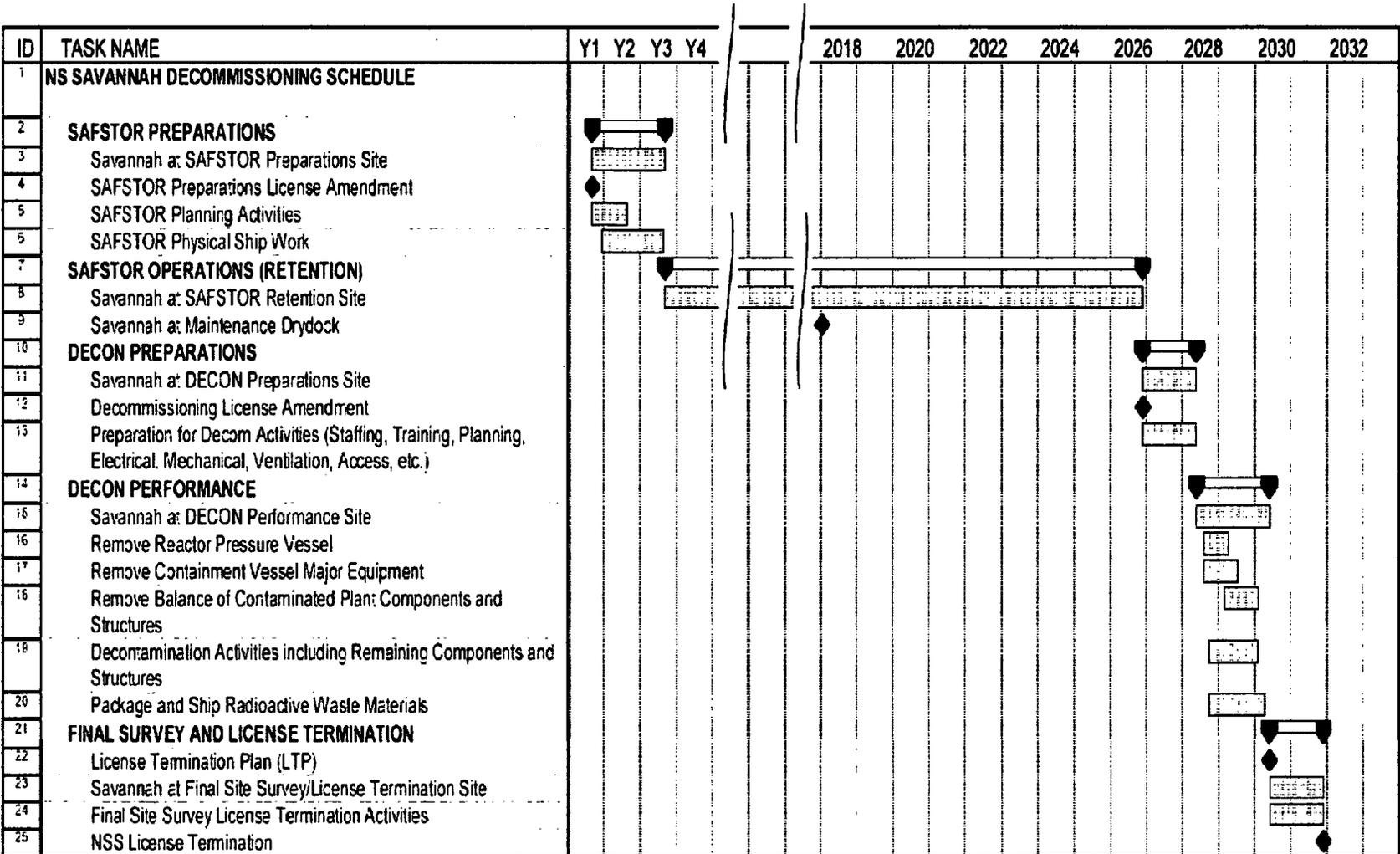
**3.0 RESOLUTION OF COMMITMENTS REGARDING
DECOMMISSIONING FUNDS**

In Reference (d), MARAD submitted its Decommissioning Funds Status Report for CY 2009. Reference (d) also included notification of a change to the decommissioning schedule included in MARAD's PSDAR, Revision 1, Reference (b). The NRC acknowledged receipt of that report in Reference (e), and noted that the NRC staff determined that the report met both the financial reporting requirements of 10 CFR 50.75(e)(1)(iv) and 10 CFR 50.75(f)(1), and the requirements of 10 CFR 50.82(a)(7) to notify NRC of major changes to the Post-Shutdown Decommissioning Activities Report (PSDAR). Reference (e) also contained four (4) observations and a Request for Additional Information (RAI) comprised of three (3) comments. In Reference (f), MARAD responded to Reference (e) and committed that the Decommissioning Funds Status Report for CY 2010 would include MARAD's response to the RAI comments. The RAI responses follow.

3.1 REVISED DECOMMISSIONING ACTIVITIES SCHEDULE

Commitment 1 Provide a revised decommissioning activities schedule

The revised decommissioning activities schedule is on the next page. Note that the timescale of the schedule for SAFSTOR is annotated Year 1 (Y1), Year 2 (Y2), etc., for the SAFSTOR Preparations and initial SAFSTOR Operations activities. This schedule presumes that SAFSTOR activities can not start until sufficient funds have been appropriated by Congress; this event driven date is Y1 in the schedule. From the maintenance drydocking activity in 2018 to license termination in 2031, the activities schedule is unchanged from Reference (b). At present, only the start date of SAFSTOR Preparations and the overall length of the SAFSTOR Operations period are dictated by funding issues.



SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

This section is intended to satisfy the 10 CFR 50.82(a)(7) requirement to notify the NRC, in writing, before (emphasis added) making any significant schedule change from those actions and schedules described in the PSDAR. By making the SAFSTOR Preparations activity start date defined by receipt of funding through appropriations, there will be no schedule change arising from any near-term absence of appropriated funds for that activity. Consequently, there is no need to adjust the schedule if funds are not appropriated in subsequent fiscal years.

3.2 UPDATED COST ESTIMATE FOR DECOMMISSIONING

- Commitment 2 Provide an update to the cost estimate for decommissioning that will include the following:
- An accounting for changes in scheduled activities and all applicable changes in cost; and.
 - A description of the assumptions and bases relied on by MARAD to escalate decommissioning costs.

The November 2010 Site-Specific Decommissioning Cost Estimate is \$96 Million.

This is a site-specific estimate for DECON and License Termination. It revises the previous estimate described in the PSDAR, Revision 1 (Reference b). It accounts for new assumptions such as per diem, additional work activities and oversight staff. The estimate also accounts for the 2010 Barnwell disposal rates for disposing low level radioactive waste (LLRW). All industrial task costs were determined using either actual 2010 industry costs or escalating costs at 3 percent for industrial activities.

MARAD commits to submit a new estimate annually by using either the 10 CFR50.75(c)(2) formula escalation or by revising the site specific estimate based on circumstances that affect its underlying assumptions. The site specific estimate will be revised at least every five (5) years.

3.3 UPDATED STATEMENT OF INTENT

- Commitment 3 Provide an update to the Statement of Intent that includes the cost estimate for decommissioning.

The Updated Statement of Intent is Appendix A.

4.0 REFERENCES

- a. Regulatory Guide 1.159, Assuring the Availability of Funds for Decommissioning Nuclear Reactors, Rev. 1, October 2003
- b. Letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission (NRC), dated December 11, 2008, Submittal of Post Shutdown Decommissioning Activities Report, Revision 1
- c. U.S. Department of Transportation Fiscal Year 2009 Budget In Brief
<http://www.dot.gov/bib2009/hm/index.html>
U.S. Department of Transportation Fiscal Year 2010 Budget Highlights
<http://www.dot.gov/budget/2010/bib2010.htm>
U.S. Department of Transportation Fiscal Year 2011 Budget Estimates
<http://www.dot.gov/budget/2011/budgetestimates/>
U.S. Department of Transportation Fiscal Year 2012 Budget Estimates
<http://www.dot.gov/budget/2012/budgetestimates>

SAVANNAH Technical Staff

STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

Department of Transportation, Maritime Administration, Budget Estimates. Fiscal Year 2009, Submission for Use of the Committee on Appropriations
<http://www.dot.gov/bib2009/budgetestimates/marad.pdf>

Department of Transportation, Maritime Administration, Budget Estimates. Fiscal Year 2010, Submission for Use of the Committee on Appropriations
<http://www.dot.gov/budget/2010/budgetestimates/marad.pdf>

Department Of Transportation, Maritime Administration, Budget Estimates. Fiscal Year 2011, Submission for Use of the Committee on Appropriations
<http://www.dot.gov/budget/2011/budgetestimates/marad.pdf>

Department Of Transportation, Maritime Administration, Budget Estimates. Fiscal Year 2012, Submission for Use of the Committee on Appropriations
<http://www.dot.gov/budget/2012/budgetestimates/marad.pdf>

- d. Letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission, dated June 04, 2010, Submittal of Decommissioning Funds Status Update for CY 2009 and Governmental Statement of Intent for Decommissioning Financial Assurance
- e. Letter from U.S. Nuclear Regulatory Commission to Mr. Erhard W. Koehler (MARAD), dated August 2, 2010, Receipt of Decommissioning Funds Status Update for N.S. *SAVANNAH*
- f. Letter from Mr. Erhard W. Koehler (MARAD) to U.S. Nuclear Regulatory Commission, dated March 9, 2011, Response to Receipt of Decommissioning Funds Status Update (CY 2009) for N.S. *SAVANNAH*

APPENDIX A. STATEMENT OF INTENT

In accordance with the provisions of 10 CFR 50.75(e)(1)(iv), the purpose of this Statement of Intent is to provide evidence of financial assurance on the part of the United States Department of Transportation, acting by and through the Maritime Administration (MARAD) as licensee for the Nuclear Ship *SAVANNAH*, License NS-1. This Statement of Intent affirms that decommissioning funds for the NS-1 facility will be requested by MARAD and provided through Federal appropriations as allowed for Federal licensees under 10 CFR 50.75(e)(1)(iv).

A.1. IDENTIFICATION OF THE FACILITY FOR WHICH MARAD PROVIDES THE FINANCIAL ASSURANCE

Nuclear Ship (N.S.) *SAVANNAH*, License No. NS-1

A.2. DECOMMISSIONING COSTS

The decommissioning cost is currently estimated to be \$96 million.

A.3. STATEMENT THAT FUNDS FOR DECOMMISSIONING WILL BE REQUESTED AND OBTAINED SUFFICIENTLY IN ADVANCE OF DECOMMISSIONING TO PREVENT DELAY OF REQUIRED ACTIVITIES

The Maritime Administration recognizes that it bears ultimate responsibility for requesting budgetary resources in sufficient quantity to meet its decommissioning obligations and to prevent delay of its required activities. MARAD will continue to work within the budget process to seek and obtain the decommissioning resources necessary to meet the NSS license termination deadline of December 3, 2031. In the interim MARAD will continue to request and/or provide resources to support the NSS as required.

A.4. EVIDENCE OF THE AUTHORITY OF THE OFFICIAL OF THE GOVERNMENT ENTITY TO SIGN THE STATEMENT OF INTENT

This Statement of Intent is transmitted under the signature authority of the Maritime Administration's Senior Technical Advisor, N.S. *SAVANNAH*, in accordance with the provisions of Technical Specification 3.1.2. Prior to signature, this document was routed for concurrence in accordance with established MARAD procedures. Interagency correspondence is required to receive concurrence at the Administrator level. Maritime Administrator David T. Matsuda concurred on this document (concurrence record on file and available for inspection). The Maritime Administrator's authority is delegated from the (United States) Secretary of Transportation under the provisions of 49 CFR Parts 1.45 and 1.66, and DOT Order 1100.69A.

This Statement of Intent is signed by David T. Matsuda, Maritime Administrator. The Maritime Administrator's responsibility to exercise overall financial management of the Maritime Administration is delegated from the (United States) Secretary of Transportation under the provisions of 49 CFR Parts 1.45 and 1.66, and DOT Order 1100.69A.

A.5. EVIDENCE THAT THE LICENSEE'S DECOMMISSIONING OBLIGATION IS SUPPORTED BY THE FULL FAITH AND CREDIT OF THE U.S. GOVERNMENT.

The Maritime Administration is a Federal Licensee. As defined by NRC in 10 CFR 50.2, a Federal Licensee is one whose obligations "are guaranteed by and supported by the full faith and credit of the United States Government." No further evidence is required.

SAVANNAH Technical Staff
STS – 134, Decommissioning Funds Status Report for CY 2010, Revision 0

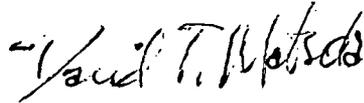
A.6. CERTIFICATION

I am the Administrator of the United States Department of Transportation, Maritime Administration. This Statement of Intent supports this agency's use of Federal Appropriations to demonstrate its financial assurance for decommissioning funding, as specified in 10 CFR Part 50.75.

I hereby certify that the content of this statement is true and correct to the best of my knowledge.

Executed on MARCH 30, 2011

Sincerely,



David T. Matsuda
Maritime Administrator



U.S. Department
of Transportation
**Maritime
Administration**

SAVANNAH Technical Staff
Office of Ship Disposal

1200 New Jersey Ave., SE
Washington, DC 20590

Docket No. 50-238; License No. NS-1; N.S. SAVANNAH

**Enclosure 2 to Submittal of Decommissioning Funds Status Update for CY 2010 and Updated
Governmental Statement of Intent for Decommissioning Financial Assurance**

LIST OF REGULATORY COMMITMENTS

The following table identifies those actions committed to by MARAD in this document. Any other statements in this submittal are provided for information purposes and are not considered to be regulatory commitments. Please direct questions regarding these commitments to Erhard Koehler (202) 366-2631, and/or erhard.koehler@dot.gov.

REGULATORY COMMITMENT	TYPE (Check One)		DUE DATE
	One Time Action	Continuing Action	
Submit a new estimate annually by using either the 10 CFR 50.75(c)(2) formula escalation or by revising the site specific estimate based on circumstances that affect its underlying assumptions.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10 CFR 50.75(f)(1)
The site specific estimate will be revised at least every five (5) years.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10 CFR 50.75(f)(1)