

August 29, 2011

Ms. Michele M. Gutman  
Assistant General Counsel  
Westinghouse Electric Company  
Legal and Contracts, Environment,  
Health & Safety  
P.O. Box 355  
Pittsburgh, PA 15230-0355

SUBJECT: APPROVAL OF REQUEST TO USE A PARENT COMPANY GUARANTEE AS  
FINANCIAL ASSURANCE FOR DECOMMISSIONING (TAC L33096)

In a letter dated December 9, 2010, Westinghouse Electric Company, LLC, (Westinghouse) requested U.S. Nuclear Regulatory Commission (NRC) authorization to provide financial assurance for decommissioning with a Parent Company Guarantee (PCG). Currently, Westinghouse is relying on Letters of Credit (LOCs) to provide financial assurance. Westinghouse requested to replace its LOCs with a guarantee by its parent company, Toshiba Corporation.

Nuclear facilities licensed under Title 10 of the *Code of Federal Regulations* (10 CFR) Parts 30, 40, and 70 are required to establish adequate financial assurance for decommissioning, decontamination and reclamation pursuant to 10 CFR 30.35, 40.36, and 70.25, "Financial Assurance and Recordkeeping for Decommissioning." Westinghouse is a holder of two Special Nuclear Material Licenses, SNM-1107 and SNM-33, for its Columbia Fuel Fabrication Facility (Docket 70-1151) located in Columbia, South Carolina; and its Hematite Facility (Docket 70-36), located in Festus, Missouri, respectively.

The NRC staff reviewed the December 9, 2010, submittal; responses to Request for Additional Information, dated May 5, 2011; Amendment No. 1 to Westinghouse's Standby Trust Agreement (STA) submitted on February 15, 2011; revised Certification of Financial Assurance (Certification); Amendment No. 2 to Westinghouse's STA submitted on May 13, 2011; and its revised PCG and supporting documentation submitted on May 31, 2011.

The NRC staff determined that the revised PCG, dated May 24, 2011; revised Certification; and Amendments No.1 and No. 2 to its existing STA are in compliance with the applicable NRC regulations. Therefore, the NRC staff approves the use of a PCG for financial assurance. The NRC staff review of Westinghouse's request is documented in the enclosed Safety Evaluation Report.

TAC L33096 is now closed.

In accordance with 10 CFR 2.390(d) of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System component of NRC's document system Agencywide Documents Access and Management System [ADAMS]. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions, please contact Christopher Ryder of my staff at 301-492-3189 or via e-mail to [christopher.ryder@nrc.gov](mailto:christopher.ryder@nrc.gov).

Sincerely,

**/RA/**

Anthony Hsia, Acting Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Enclosure:  
Safety Evaluation Report (Public)

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If you have any questions, please contact Christopher Ryder of my staff at 301-492-3189 or via e-mail to [christopher.ryder@nrc.gov](mailto:christopher.ryder@nrc.gov).

Sincerely,

**/RA/**

Anthony Hsia, Acting Deputy Director  
 Fuel Facility Licensing Directorate  
 Division of Fuel Cycle Safety  
 and Safeguards  
 Office of Nuclear Material Safety  
 and Safeguards

Enclosure:  
 Safety Evaluation Report (Public)

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