

**From:** Josh Leftwich [Josh\_Leftwich@Cameco.com]  
**Sent:** Thursday, December 08, 2011 1:41 PM  
**To:** Mandeville, Douglas  
**Subject:** FW: Proposed license condition language for Smith Ranch financial assurance update

Doug, here is a few revised changes for the surety language.

**Josh Leftwich**  
*Director of Radiation Safety & Licensing*

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**From:** Scott Bakken  
**Sent:** Friday, December 02, 2011 10:51 AM  
**To:** Josh Leftwich  
**Cc:** Paul Goranson; Joe Brister  
**Subject:** FW: Proposed license condition language for Smith Ranch financial assurance update

Josh,

With the exception of the line item for deep disposal well SRHUP#10, the proposed changes look acceptable. Since the decommissioning costs associated with SRHUP#10 have been incorporated into the Smith Ranch financial assurance estimate of \$120,044,303, I recommend that we propose removal of this line item in LC 9.5 (see strikethrough below). In addition, since we have (or will have in the near future) one or more surety instruments (i.e., letters of credit) in place to meet the new financial assurance estimates for Smith Ranch, Highland and North Butte, I recommend that we propose changing the singular "instrument" reference to "instrument(s)" so it is clear we have the flexibility in maintaining one or more letters of credit to meet the financial assurance requirements for each project under the license.

Power Resources, Inc., shall continuously maintain an approved surety instrument(s) for the Smith Ranch Project, in favor of the State of Wyoming, in the amount of no less than \$120,044,303.00 for the purpose of complying with 10 CFR 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.

The licensee shall continuously maintain an approved surety instrument(s) for the Highland Uranium Project in the amount of no less than \$92,730,470.00, in favor of the State of Wyoming, for the purpose of complying with 10 CFR 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational Ruth facility in the amount of no less than \$183,000.00, in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational North Butte facility in the amount of no less than \$8,518,000.00 in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational Gas Hills Project facility in the amount of no less than \$3,473,800.00 in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

~~The licensee shall continuously maintain an NRC-approved surety instrument for deep disposal well SRHUP#10 at the Smith Ranch facility in the amount of no less than \$172,700.00 in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.~~

In addition to the proposed changes above, the staff proposes to remove the paragraph in LC 9.5 addressing the Reynolds Ranch satellite facility. The Reynolds Ranch satellite area has been incorporated into the Smith Ranch permit area. The Smith Ranch financial assurance estimate has been re-adjusted to include the Reynolds Ranch costs. Therefore, this paragraph is no longer necessary.

~~The licensee shall continuously maintain an approved surety instrument for the current non-operational Reynolds Ranch ISL satellite facility in the amount of no less than \$3,331,600.00, in favor of the State of Wyoming, for the purpose of complying with 10 CFR 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.~~

Thanks,

Scott A Bakken  
Manager, Quality & Special Projects  
Cameco Resources  
2020 Carey Ave, Ste 600  
Cheyenne, WY 82001  
307-316-7586 (office)  
303-621-6178 (cell)

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**From:** Josh Leftwich  
**Sent:** Monday, November 28, 2011 12:15 PM  
**To:** Scott Bakken; Miriam Whatley  
**Subject:** FW: Proposed license condition language for Smith Ranch financial assurance update

Can you all take a look at and comment on by the Thursday this week. Thanks.

**Josh Leftwich**  
*Director of Radiation Safety & Licensing*

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**From:** Mandeville, Douglas [<mailto:Douglas.Mandeville@nrc.gov>]  
**Sent:** Monday, November 28, 2011 11:27 AM

**To:** Josh Leftwich

**Subject:** Proposed license condition language for Smith Ranch financial assurance update

Josh –

We're in the process of reviewing the financial assurance updates for Smith Ranch, Highland, Ruth, North Butte, and Gas Hills. Please review the proposed changes, verify the dollar amounts and the removal of the component specific to the Reynolds Ranch facility. All of the proposed changes are to license condition 9.5. Please confirm the proposed changes are acceptable.

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Please confirm the proposed changes are acceptable.

Doug

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