Nuclear Regulatory Commission
Exhibit # - HNY000006-00-BD01
Docket # - 04003392
Identified: 12/15/2011

Admitted: 12/15/2011 Withdrawn:
Rejected: Stricken:

NRC FORM 313 **U.S. NUCLEAR REGULATORY COMMISSION**
(10-2005)
10 CFR 30, 32, 33, 34, 35, 36, 39, and 40

APPLICATION FOR MATERIAL LICENSE

APPROVED BY OMB: NO. 3150-0120 **EXPIRES: 10/31/2008**

Estimated burden per response to comply with this mandatory collection request: 4.4 hours. Submittal of the application is necessary to determine that the applicant is qualified and that adequate procedures exist to protect the public health and safety. Send comments regarding burden estimate to the Records and FOIA/Privacy Services Branch (T-5 F53), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by internet e-mail to infocollects@nrc.gov, and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0120), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

INSTRUCTIONS: SEE THE APPROPRIATE LICENSE APPLICATION GUIDE FOR DETAILED INSTRUCTIONS FOR COMPLETING APPLICATION. SEND TWO COPIES OF THE ENTIRE COMPLETED APPLICATION TO THE NRC OFFICE SPECIFIED BELOW.

APPLICATION FOR DISTRIBUTION OF EXEMPT PRODUCTS FILE APPLICATIONS WITH:

DIVISION OF INDUSTRIAL AND MEDICAL NUCLEAR SAFETY
OFFICE OF NUCLEAR MATERIALS SAFETY AND SAFEGUARDS
U.S. NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555-0001

ALL OTHER PERSONS FILE APPLICATIONS AS FOLLOWS:

IF YOU ARE LOCATED IN:

ALABAMA, CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, FLORIDA, GEORGIA, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, MISSISSIPPI, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, NORTH CAROLINA, PENNSYLVANIA, PUERTO RICO, RHODE ISLAND, SOUTH CAROLINA, TENNESSEE, VERMONT, VIRGINIA, VIRGIN ISLANDS, OR WEST VIRGINIA, SEND APPLICATIONS TO:

LICENSING ASSISTANCE TEAM
DIVISION OF NUCLEAR MATERIALS SAFETY
U.S. NUCLEAR REGULATORY COMMISSION, REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

IF YOU ARE LOCATED IN:

ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, OR WISCONSIN, SEND APPLICATIONS TO:

MATERIALS LICENSING BRANCH
U.S. NUCLEAR REGULATORY COMMISSION, REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, HAWAII, IDAHO, KANSAS, LOUISIANA, MONTANA, NEBRASKA, NEVADA, NEW MEXICO, NORTH DAKOTA, OKLAHOMA, OREGON, PACIFIC TRUST TERRITORIES, SOUTH DAKOTA, TEXAS, UTAH, WASHINGTON, OR WYOMING, SEND APPLICATIONS TO:

NUCLEAR MATERIALS LICENSING BRANCH
U.S. NUCLEAR REGULATORY COMMISSION, REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TX 76011-4005

PERSONS LOCATED IN AGREEMENT STATES SEND APPLICATIONS TO THE U.S. NUCLEAR REGULATORY COMMISSION ONLY IF THEY WISH TO POSSESS AND USE LICENSED MATERIAL IN STATES SUBJECT TO U.S.NUCLEAR REGULATORY COMMISSION JURISDICTIONS.

1. THIS IS AN APPLICATION FOR *(Check appropriate item)*
   - ☐ A. NEW LICENSE
   - ☑ B. AMENDMENT TO LICENSE NUMBER Sub-526 Docket40-3392
   - ☐ C. RENEWAL OF LICENSE NUMBER

2. NAME AND MAILING ADDRESS OF APPLICANT *(Include ZIP code)*
   Honeywell Metropolis Works
   2768 North US 45 Road
   Metropolis, IL 62960

3. ADDRESS WHERE LICENSED MATERIAL WILL BE USED OR POSSESSED
   2768 North US 45 Road
   Metropolis, IL 62960

4. NAME OF PERSON TO BE CONTACTED ABOUT THIS APPLICATION
   Michael Greeno, Acting Regulatory Affairs Manager

   TELEPHONE NUMBER
   (618) 309-5005

SUBMIT ITEMS 5 THROUGH 11 ON 8-1/2 X 11" PAPER. THE TYPE AND SCOPE OF INFORMATION TO BE PROVIDED IS DESCRIBED IN THE LICENSE APPLICATION GUIDE.

5. RADIOACTIVE MATERIAL
   a. Element and mass number; b. chemical and/or physical form; and c. maximum amount which will be possessed at any one time.

6. PURPOSE(S) FOR WHICH LICENSED MATERIAL WILL BE USED.

7. INDIVIDUAL(S) RESPONSIBLE FOR RADIATION SAFETY PROGRAM AND THEIR TRAINING EXPERIENCE.

8. TRAINING FOR INDIVIDUALS WORKING IN OR FREQUENTING RESTRICTED AREAS.

9. FACILITIES AND EQUIPMENT.

10. RADIATION SAFETY PROGRAM.

11. WASTE MANAGEMENT.

12. LICENSE FEES *(See 10 CFR 170 and Section 170.31)*
    FEE CATEGORY | AMOUNT ENCLOSED $

13. CERTIFICATION. *(Must be completed by applicant)* THE APPLICANT UNDERSTANDS THAT ALL STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION ARE BINDING UPON THE APPLICANT.

THE APPLICANT AND ANY OFFICIAL EXECUTING THIS CERTIFICATION ON BEHALF OF THE APPLICANT, NAMED IN ITEM 2, CERTIFY THAT THIS APPLICATION IS PREPARED IN CONFORMITY WITH TITLE 10, CODE OF FEDERAL REGULATIONS, PARTS 30, 32, 33, 34, 35, 36, 39, AND 40, AND THAT ALL INFORMATION CONTANED HEREIN IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF.

WARNING: 18 U.S.C. SECTION 1001 ACT OF JUNE 25, 1948 62 STAT. 749 MAKES IT A CRIMINAL OFFENSE TO MAKE A WILLFULLY FALSE STATEMENT OR REPRESENTATION TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES AS TO ANY MATTER WITHIN ITS JURISDICTION.

CERTIFYING OFFICER – TYPED/PRINTED NAME AND TITLE	SIGNATURE	DATE
Mitch Tillman, Plant Manager		

FOR NRC USE ONLY

TYPE OF FEE	FEE LOG	FEE CATEGORY	AMOUNT RECEIVED	CHECK NUMBER	COMMENTS
			$		
APPROVED BY				DATE	

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

April 1, 2009 UPS: 301-415-8147

US Nuclear Regulatory Commission
Director, Office of Nuclear Material Safety & Safeguards
Attention: Document Control Desk
Mail Stop T8A33, Two White Flint N, 11545 Rockville Pike
Rockville, MD 20852-2738

Subject: HONEYWELL METROPOLIS WORKS (DOCKET NO. 40-3392) – REQUEST FOR EXTENSION OF EXEMPTION FROM DECOMMISSIONING FINANCIAL ASSURANCE REQUIREMENTS CONTAINED IN LICENSE CONDITION 27 IN SUB-526, ISSUED ON MAY 11, 2007.

References:

1. Letter dated August 22, 2008, from Director, Office of Nuclear Material Safety and Safeguards (NRC) to M. Tillman (Honeywell International, Inc.) granting Honeywell International Inc. an exemption from decommissioning financial assurance requirement contained in License Condition 27 on SUB-526.

2. "Request for Exemption from Decommissioning Financial Assurance Requirements," Attachment 1 to letter dated December 1, 2006 from J. Tus (Honeywell International, Inc.) to Director, Office of Nuclear Material Safety and Safeguards (NRC)

By letter dated August 22, 2008, NRC granted Honeywell International, Inc. (Honeywell) a one-year exemption from a portion of the financial test in 10 C.F.R. Part 30, Appendix C which would have required that Honeywell's year-end tangible net worth be equal to at least ten times its total decommissioning liabilities. The exemption permitted Honeywell to include goodwill in the determination of tangible net worth and was contained in license condition 27 in SUB-526. On March 23, 2009, Honeywell filed with the NRC a letter in support of its use of the self-guarantee financial test for the fiscal year ended December 31, 2008 in which it demonstrated that its net worth, as measured in accordance with the exemption, was more than 10 times its current decommissioning cost estimates.

In accordance with 10 C.F.R. § 40.14, "Specific Exemptions," and 10 C.F.R. § 30.11, "Specific Exemptions," Honeywell now requests that the NRC extend the exemption from the same portion of the financial test in 10 C.F.R. Part 30, Appendix C until the earlier to occur of (1) May 11, 2010 and (2) the effective date of a final rule amending 10 C.F.R. Part 30 consistent with the proposed rule published in the Federal Register on January 22, 2008.

The rationale for seeking an extension of the exemption granted to Honeywell in the NRC's August 22, 2008 action is largely the same as was set forth in Attachment 1 to

the letter dated December 1, 2006 from J. Tus (Honeywell International, Inc.) to Director, Office of Nuclear Material Safety and Safeguards (NRC) entitled "Request for Exemption from Decommissioning Financial Assurance Requirements". Specifically, inclusion of goodwill in the determination of tangible net worth in the financial test in 10 C.F.R. Part 30, Appendix C satisfies the intent of the decommissioning funding requirements without imposing a significant and unnecessary burden on Honeywell. The exemption should be continued because it is authorized by law, does not endanger life or property or the common defense and security, and is otherwise in the public interest. Further, continuing the exemption will not result in any significant impact to the environment.

The NRC should also grant Honeywell's request for an extension to the exemption granted in August 2008 because the exemption is entirely consistent with a proposed rule published on January 22, 2008. The proposed rule includes, *inter alia.,* an amendment to 10 C.F.R. Part 30, Appendix C that would allow the licensee to use intangible assets, if the licensee also has an investment grade bond rating. As set forth in the letter submitted by Honeywell on March 23, 2009, Honeywell currently maintains an investment grade bond rating of "A" from Standard & Poor's.

Honeywell continues to be fully-committed to the safe and proper operation of our Metropolis Works Facility, including providing financial assurance for decommissioning funding. This is consistent with our corporate commitment to the continued safety of our workers and the public, and the protection of the environment. This letter does not contain any new regulatory commitments.

Sincerely,

Mitch Tillman
Plant Manager

Attachment

cc: U.S. Nuclear Regulatory Commission (UPS: 301-492-3108)
Attention: Michael Raddatz, Sr. Project Manager
Fuel Cycle Licensing Branch
Mail Stop EBB-C40M
Two White Flint North, 11545 Rockville Pike
Rockville, MD 20852-273

U.S. Nuclear Regulatory Commission (UPS: 301-492-3217)
Attention: Tilda Liu
Fuel Cycle Licensing Branch
Mail Stop EBB-C40M
Two White Flint North, 11545 Rockville Pike
Rockville, MD 20852-273

M. Greeno
B. Stokes
L. Litinski
L. Parscale