

**OFFICIAL USE ONLY — BUSINESS PROPRIETARY**

May 29, 2012

Mr. Jay Laughlin  
Chief Nuclear Officer  
Louisiana Energy Services, LLC  
P.O. Box 1789  
Eunice, NM 88231

SUBJECT: REVIEW OF LOUISIANA ENERGY SERVICES DECOMMISSIONING FUNDING PLAN (TAC L34123)

Dear Mr. Laughlin:

In a letter dated December 19, 2011, you submitted an updated decommissioning funding plan cost estimate in accordance with condition 16.c of materials license SNM-2010. In a separate letter dated January 31, 2012, you proposed a change to a new trustee (Huntington National Bank) due to the resignation notice of the previous trustee (Bank of America, National Association).

In addition to the above documents, also we considered your April 4, 2012, and May 7, 2012, responses to our requests for additional information dated February 24, 2012, and April 23, 2012, respectively.

On the basis of our review, which is documented in the attached Safety Evaluation Report, we find that you have demonstrated: (1) the new trustee meets the regulatory requirements in Title 10 *Code of Federal Regulations* (10 CFR) 70.25, guidance in NUREG-1757, Volume 3, Appendix A, and Section 13.b of the Standby Trust Agreement (STA); (2) the cost estimate decommissioning and decontaminating the site and facility to unrestricted release criteria is consistent with NUREG-1757, Volume 3, and therefore, is acceptable; (3) the currently approved surety bond, STA Certification, and supporting documentation are acceptable; and (4) that an appropriate amount of decommissioning financial assurance is provided. Therefore, Louisiana Energy Services (LES) satisfies the regulatory requirement of providing adequate financial assurance as set forth in 10 CFR 70.25. However, our final approval is contingent on you providing final executed copies of the reviewed financial assurance instruments to the U.S. Nuclear Regulatory Commission (NRC) within 30 days of the date of this letter to include:

- Certification of Financial Assurance
- An originally signed duplicate of the financial instrument obtained to provide financial assurance for decommissioning (Surety Bond)
- Amendment to STA (Schedules A and B) for the updated surety bond amount

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This terminates our efforts on this licensing action and this TAC has been closed. If you have any questions, please contact Mr. Michael Raddatz at (301) 492-3108, or via e-mail to [Michael.Raddatz@nrc.gov](mailto:Michael.Raddatz@nrc.gov).

Sincerely,  
**/RA/**

Brian W. Smith, Chief  
Uranium Enrichment Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 70-3103  
License No. SNM-2010

Enclosure:  
Safety Evaluation Report

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Sincerely,  
**/RA/**

Brian W. Smith, Chief  
Uranium Enrichment Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 70-3103  
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Enclosure:  
Safety Evaluation Report

cc: w/o enclosure

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