

October 11, 2012

Mr. Steven A. Toelle
Director, Regulatory Affairs
United States Enrichment Corporation
2 Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: RETURN OF FINANCIAL ASSURANCE INSTRUMENTS RELATED TO UNITED STATES ENRICHMENT CORPORATION, PADUCAH GASEOUS DIFFUSION PLANT (TAC NO. L32786)

Dear Mr. Toelle:

This letter is to confirm that on September 6, 2012, the U.S. Nuclear Regulatory Commission (NRC) returned certain financial assurance instruments that the United States Enrichment Corporation (USEC) had previously provided to the NRC with respect to Paducah Gaseous Diffusion Plant, Certificate of Compliance No. GDP-1.

By letter dated August 28, 2012 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML12228A600), the NRC staff accepted USEC's decommissioning cost estimate in the amount of \$6.0 million, a \$145.9 million decrease from the previously accepted cost estimate of \$151.9 million. Accordingly, USEC is no longer required to maintain financial assurance with respect to the previous DFP amount of \$151.9 million. USEC is providing \$6 million of decommissioning financial assurance to cover the most recently approved decommissioning cost estimate and DU Management Plan. With respect to the financial assurance that USEC provided in excess of \$6 million, the NRC returned these financial assurance instruments to USEC. The financial instruments, marked cancelled by NRC, were provided to you on September 6, 2012.

USEC has informed the NRC that the National Union Fire Insurance Company of Pittsburgh, Pennsylvania, the issuer of one of the cancelled financial instruments, has requested that the NRC explicitly release it from any and all obligations associated with the cancelled bond. Therefore, with respect to the bond rider, Bond Number ESD7310340 (the "Bond"), issued by National Union Fire Insurance Company of Pittsburgh, Pennsylvania (PA), in the amount of \$67.33 million, the NRC (as the "Obligee" of the bond rider) hereby expressly releases, acquits and forever discharges National Union Fire Insurance Company of Pittsburgh, PA (the "Surety"), and the Surety's affiliates, successors and assigns of and from any and all claims, rights, liabilities, obligations, demands and/or causes of action of any kind or nature whatsoever which the NRC had, has or may ever claim to have, whether past, present or future, against the Surety arising from, under and/or by reason of the Bond previously furnished to the NRC. For your reference, a copy of the Bond, which was returned to you on September 6, 2012, is enclosed.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the

Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If there are any questions regarding this action, please contact Tilda Liu, Project Manager for PGDP, at 301-492-3217, or via e-mail to Tilda.Liu@nrc.gov.

Sincerely,

/RA/

Marissa G. Bailey, Deputy Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-7001
Certificate No. GDP-1

Enclosure:
As stated

cc: Mr. Richard T. Davies
Chartis
One Liberty Place
1650 Market Street Suite 3700
Philadelphia, PA 19103

Mr. Randall M. DeVault
U.S. Department of Energy
P.O. Box 2001
Oak Ridge, TN 37831

Mr. Vernon Shanks, Manager
Nuclear Regulatory Affairs
Paducah Gaseous Diffusion Plant
P.O. Box 1410
Paducah, KY 42001

If there are any questions regarding this action, please contact Tilda Liu, Project Manager for PGDP, at 301-492-3217, or via e-mail to Tilda.Liu@nrc.gov.

Sincerely,

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Marissa G. Bailey, Deputy Director
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Office of Nuclear Material Safety
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Docket No. 70-7001
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cc: Mr. Randall M. DeVault
U.S. Department of Energy
P.O. Box 2001
Oak Ridge, TN 37831

Mr. Vernon Shanks, Manager
Nuclear Regulatory Affairs
Paducah Gaseous Diffusion Plant
P.O. Box 1410
Paducah, KY 42001

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