

From: Larry McGonagle <Larry_McGonagle@cameco.com>
Sent: Thursday, February 05, 2015 4:48 PM
To: Mandeville, Douglas
Cc: Arlene Tiensvold; Beth Frye
Subject: RE: Proposed License Conditions for Smith Ranch Highland

Hello Doug

I have reviewed the numbers in the proposed license condition change and agree that those are the surety estimates that we have agreed upon. I also noted the change of address in license condition 9.2 and will submit any correspondences to the NRC to both of those addresses.

Thank you
Larry

Larry McGonagle
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From: Mandeville, Douglas [<mailto:Douglas.Mandeville@nrc.gov>]
Sent: Thursday, February 05, 2015 10:20 AM
To: Larry McGonagle
Subject: Proposed License Conditions for Smith Ranch Highland

Larry –

Below are proposed updated license conditions for Smith Ranch Highland. The staff is proposing changes to license condition 9.2 and to license condition 9.5. The change to license condition 9.2 addresses the reorganization of the uranium recovery licensing branch to the Office of Nuclear Materials Safety and Safeguards, while the change to license condition 9.5 updates the financial assurance requirements. Note that staff is proposing two new sentences at the beginning of license condition 9.5 that identifies the total financial assurance amount for all facilities on the license (Smith Ranch, Highland, Reynolds, North Butte, Gas Hills, and Ruth). Additionally, the last paragraph of license condition 9.5 has been modified to remove the references to the Reynolds Ranch and North Butte satellite facilities.

License Condition 9.2

All written notices and reports to NRC required under this license shall be addressed to:
ATTN: Document Control Desk, Director, Office of Nuclear Material Safety and Safeguards, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001. An additional copy shall be submitted to: Deputy Director, Division of Decommissioning,

Uranium Recovery, and Waste Programs, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mailstop T8 F5, 11545 Rockville Pike, Two White Flint North, Rockville, MD 20852-2738.

License Condition 9.5

Power Resources, Inc. shall maintain approved surety instrument(s) in the total amount of no less than \$237,632,300.00 for all facilities under this license. The minimum amount for each area of the license is identified in the following paragraphs.

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 \$122,273,500.00 for the purpose of complying with 10 CFR Part 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 \$89,979,400.00, in favor of the State of Wyoming, for the purpose of complying with 10 CFR Part 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.

At least six months prior to the expected commencement of construction of a commercial facility at the Ruth, and Gas Hills Project sites, the licensee shall submit for NRC and State approval, an itemized cost estimate for implementation of the NRC-approved decommissioning/restoration plan for the commercial facility. Site construction activities shall not commence until the NRC and State approve the surety amount and accept the surety arrangement. This surety shall be written in favor of the State of Wyoming or the NRC and shall be continuously maintained until a replacement is authorized by both the State of Wyoming and the NRC.

Response by email is acceptable.

Doug

Douglas T. Mandeville
U.S. NRC
Uranium Recovery Licensing Branch
301-415-0724

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