

**From:** Helvenston, Edward  
**To:** ["Silberg, Jay E." <jonathan.schulz@autoliv.com>](#); ["Harshaw, Kimberly A."](#)  
**Cc:** [Olvera, Eric](#); [Murray, Ruthanne](#); [Wachutka, Jeremy](#); [Kanas, Catherine](#)  
**Subject:** RE: Aerotest Financial Protection  
**Date:** Monday, May 09, 2016 12:21:00 PM  
**Attachments:** [Standby Trust Schedules for Financial Protection.docx](#)

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Mr. Silberg, Mr. Schulz, and Ms. Harshaw:

This email is a follow-up to our teleconference on May 5, 2016. During that teleconference, we had discussed your questions regarding how to adapt the forms of NUREG-1757 for use by Aerotest in order to satisfy the 10 CFR Part 140 requirement to provide financial protection by the "adequate resources" method of 10 CFR 140.14(a)(2).

Among other things, you asked about how to adapt the language in the NUREG-1757 Standby Trust Agreement form. The language for Section 5 that we had discussed was:

The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

- (a) A certificate duly executed by the Secretary of the Grantor attesting to the occurrence of the events, and in the form set forth in the attached Certificate of Events, and
- (b) A certificate attesting to the following conditions:
  - (1) That an event requiring financial protection is declared pursuant to 10 CFR Part 140;
  - (2) That the funds withdrawn will be expended for activities undertaken pursuant to 10 CFP Part 140; and
  - (3) That NRC has been given prior notice of \_\_\_\_\_ (licensee's) intent to withdraw funds from the trust fund.

You also asked about the "Schedule A" reference in the Standby Trust Agreement form. This refers to the Standby Trust Agreement Schedules form provided in NUREG-1757, Section A.12.5.

Consistent with using NUREG-1757 as a template for demonstrating "adequate resources" under 10 CFR 140.14(a)(2) and as discussed, the NRC staff would expect that your response to its RAI include appropriately modified versions of the following forms from NUREG-1757: (1) the CEO letter (Section A.8.4); (2) the CFO letter (including appropriate financial test) (Section A.8.5); (3) the Auditor's Special Report (including schedule reconciling amounts) (Section A.8.8); (4) the Parent Company Guarantee (Section A.8.10); (5) the Standby Trust Agreement (Section A.12.4); (6) the Standby Trust Agreement Schedules (Section A.12.5); (7) the specimen certificate of events (Section A.12.6); (8) the specimen certificate of resolution (Section A.12.7); and (9) the letter of acknowledgment (Section A.12.8). The attachment demonstrates, as one example, how, as we had discussed, the NUREG-1757 Standby Trust Agreement Schedules form could be appropriately adapted for use with 10 CFR Part 140.

I hope that our teleconference, and this email answering your outstanding questions and memorializing the teleconference, clarifies the NRC staff's RAI and enables your timely response to the RAI. However, as discussed during the teleconference, you may request

an extension of time to respond to the RAI for good cause shown.

Regards,  
Ed

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**From:** Helvenston, Edward

**Sent:** Thursday, May 05, 2016 5:58 PM

**To:** Silberg, Jay E. <jay.silberg@pillsburylaw.com>; 'jonathan.schulz@autoliv.com' <jonathan.schulz@autoliv.com>; 'Harshaw, Kimberly A.' <kimberly.harshaw@pillsburylaw.com>

**Cc:** Olvera, Eric <Eric.Olvera@nrc.gov>; Murray, Ruthanne <Ruthanne.Murray@nrc.gov>; Wachutka, Jeremy <Jeremy.Wachutka@nrc.gov>; Kanatas, Catherine <Catherine.Kanatas@nrc.gov>

**Subject:** Aerotest Financial Protection

Mr. Silberg, and Mr. Schulz, and Ms. Harshaw:

The members of the NRC staff on the call today were:

Ed Helvenston, Project Manager, Research and Test Reactor Licensing

Ruthanne Murray, Financial Reviewer

Eric Olvera, Financial Reviewer

Cathy Kanatas, NRC staff counsel

Jeremy Wachutka, NRC staff counsel

As discussed during the call, we can report that The Bank of New York Mellon, State Street Bank and Wells Fargo have all acted as trustees for the decommissioning trust funds of NRC licensees. Please note, however, that the NRC cannot recommend or endorse any single trustee; this list represents the first three trustees identified through a random search.

The NRC staff will need some additional time to compile the other information discussed during the call, but I expect that we will be able to provide this information by Monday.

Thanks for all of your cooperation in this process.

Regards,  
Ed

**Ed Helvenston, U.S. NRC**

Research and Test Reactor Licensing Branch (PRLB)

Division of Policy and Rulemaking (DPR)

Office of Nuclear Reactor Regulation (NRR)

O-11C14

(301) 415-4067

## Standby Trust Agreement Schedules

### Schedule A

This Agreement demonstrates financial protection for the following prescribed amounts for the following licensed activities:

U.S. NUCLEAR REGULATORY COMMISSION LICENSE <u>NUMBER(S)</u>	NAME AND ADDRESS OF <u>LICENSEE</u>	ADDRESS OF LICENSED <u>ACTIVITY</u>	FINANCIAL PROTECTION AMOUNT DEMONSTRATED BY THIS <u>AGREEMENT</u>
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The financial protection amount(s) listed here were last adjusted and approved by NRC on *[insert date]*.

### Schedule B

DOLLAR AMOUNT \_\_\_\_\_  
AS EVIDENCED BY \_\_\_\_\_

### Schedule C

*[Insert name, address, and phone number of Trustee.]*  
Trustee's fees shall be \$\_\_\_\_\_ per year.