



September 16, 2016  
NRC:16:023

U.S. Nuclear Regulatory Commission  
Document Control Desk  
11555 Rockville Pike  
Rockville, MD 20852

**Response to a Request for Additional Information on Consent to Transfer Licenses; Docket Numbers 04002259, 07007015, 07001257, and 07003098**

- Ref. 1: Letter, David Royer (AREVA Inc.) to Document Control Desk (NRC), "AREVA Internal Reorganization Request for NRC Consent to License Transfers," NRC:16:019, July 25, 2016.
- Ref. 2: Letter, Thomas A. Grice (NRC) to Gary Peters (AREVA Inc.), "Acceptance of AREVA Inc.'s Request for U.S. Nuclear Regulatory Commission Consent to License Transfers – Cost Activity Code L34377," August 31, 2016.
- Ref. 3: Letter, Thomas A. Grice (NRC) to Gary Peters (AREVA Inc.), "Request for Additional Information Regarding Request for U.S. Nuclear Regulatory Commission's Consent to License Transfers (Cost Activity Code L34377)," September 15, 2016.

In Reference 1, AREVA Inc. (AREVA) requested the U.S. Nuclear Regulatory Commission's (NRC's) consent to the indirect transfer of control of License SNM-2015 for the Eagle Rock Enrichment Facility currently held by AES, and the direct transfer of control of License SUA-672 for the Lucky Mc Uranium Mill and Export License No. XSOU8780 from AREVA to AES, and Export License Nos. XSNM3643 and XSNM3722 from AREVA to TN Americas, LLC. AREVA also requested approval of conforming amendments to reflect the new name of the licensees, AREVA Nuclear Materials, LLC and TN Americas, LLC, which will hold the licenses to be transferred pursuant to the request for NRC consent to license transfers. The NRC conducted an acceptance review of the request and determined that the information provided was acceptable for detailed review in Reference 2.

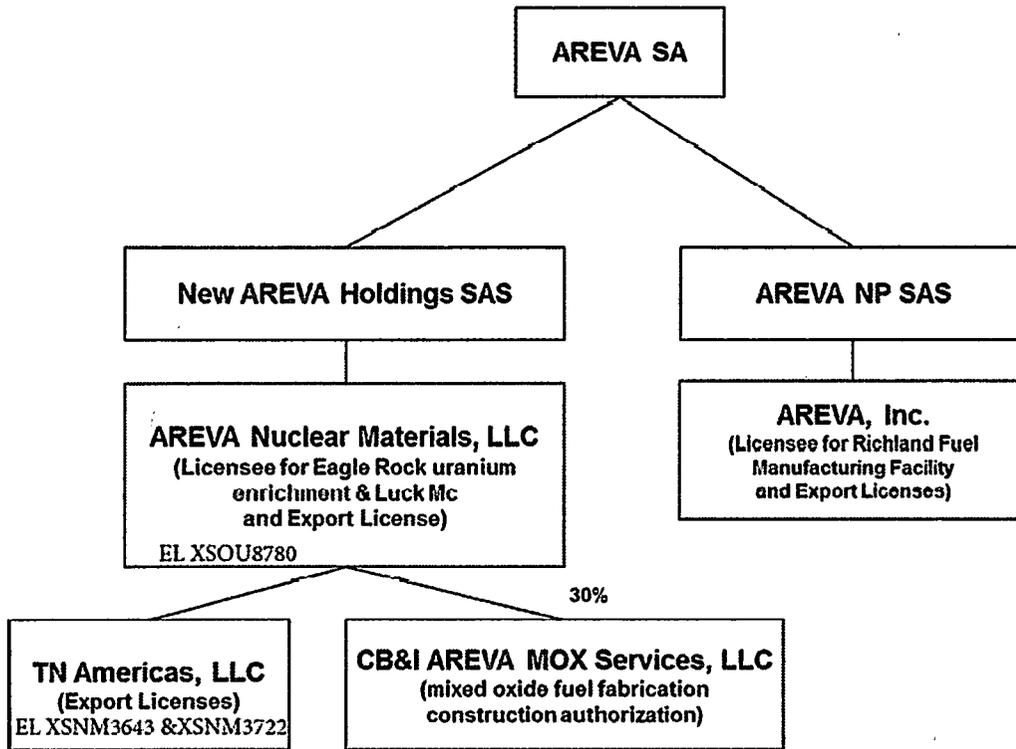
The NRC provided a Request for Additional Information in Reference 3. Specifically, the NRC requested "[f]inancial statements, certificates of incorporation, [and] financial assurance documents stating the new names of the companies that will hold the [] licenses that are being transferred."

In response the request, AREVA states as follows:

- 1) **Names of Subject LLCs** - Per AREVA Inc.'s July 25, 2016 letter (NRC:16:019) ADAMS Accession Number ML 16207A715), requesting the U.S. Nuclear Regulatory Commission (NRC) consent, the two limited liability companies impacted by the request are:
  - AREVA Nuclear Materials LLC (f/k/a AREVA Enrichment Services LLC), and
  - TN Americas LLC (f/k/a AREVA Enrichment Services Operations LLC)

NMSSDT

Each of these LLCs is an existing legal entity formed under Delaware law (see paragraph 2 below). The below organizational chart indicates how subject licenses will be held respectively following the reorganization.



AREVA notes that there will be an indirect transfer of control of License Number SNM-2015 for the Eagle Rock Enrichment Facility, currently held by AREVA Nuclear Materials LLC, when control of this company is transferred to a new intermediate parent company, New AREVA Holdings SAS.

- 2) **Corporate Documents** - Certificates of Formation, Certificates of Amendment and related company documentation for the two subject limited liability companies are attached to this response (see attachments 1- 6)
- 3) **Financial Information** – Both AREVA Nuclear Materials LCC and TN Americas LLC will be financially sound companies with ample assets and a backlog of business to ensure long-term sustainability in the marketplace. While currently there are no financial statements available for AREVA Nuclear Materials LLC or TN Americas LLC, effective October 1, 2016 upon completion of the reorganization, according to a recent valuation of AREVA Nuclear Materials LLC and its subsidiary lines of business, Duff & Phelps reports a substantial fair market value related to these businesses. Attached is an AREVA Proprietary valuation document developed by Duff & Phelps for your review (see attachment 7).
- 4) **Financial Assurance** –
  - Export Licenses - AREVA notes that **no** financial assurance is required for Export License Numbers XSOU8780, XSNM3643 and XSNM3722.
  - Eagle Rock Facility License - AREVA also notes that the conditions of License Number SNM-2015 for the Eagle Rock Enrichment Facility do **not** require financial assurance until such time as a facility is actually constructed. The financial assurance conditions for the license are set forth in paragraph 21 of the license which provides a schedule for when the licensee “shall provide an

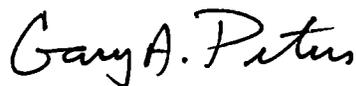
updated decommissioning funding plan (DFP), updated facility decommissioning cost estimate, and final copies of proposed financial assurance instruments to the NRC for review.” However, the schedule is tied to the completion of a constructed facility six months in advance of receiving uranium test material. Currently the construction of the facility is on hold and there are no near-term plans to construct the facility. As such, no financial assurance documentation is required as a condition of the license at this time. For your convenience we are attaching a copy of the Eagle Rock Facility License hereto as attachment 8.

- LuckyMc License – AREVA Inc. and its predecessor license holders (Pathfinder and AREVA NC Inc. have always used a bank letter of credit for financial assurance for the Luck Mc site. The current letter of credit will remain in place with the NRC in the context of the requested transfer of the license to AREVA Nuclear Materials LLC. In accordance with the attached Certification from AREVA’s Department of Treasury (see attachment 9), the bank guarantees will not be effected by the transfer, AREVA Inc. will direct the bank to change the party responsible for the indemnity related to the letter of credit without any impact to NRC as the beneficiary and AREVA Inc. will provide a copy of the amended letter of credit following the change.

AREVA considers some of the material contained in the enclosed attachment 7 to be proprietary. As required by 10 CFR 2.390(b), an affidavit is enclosed to support the withholding of the information from public disclosure.

If you have any questions related to this information, please contact me by telephone at (434) 832-3945, or by e-mail at [Gary.Peters@areva.com](mailto:Gary.Peters@areva.com), or contact David Royer by telephone at (434) 832-3550, or by e-mail at [David.Royer@areva.com](mailto:David.Royer@areva.com).

Sincerely,



Gary A. Peters, Director  
Licensing & Regulatory Affairs  
AREVA Inc.

cc: M. Baker  
T. Carter  
C. Erlanger  
T. Grice  
K. Kline  
G. Langlie  
T. Liu  
C. McKenney  
J. G. Rowley  
O. Siurano-Perez  
D. Tiktinsky  
Project 728



requested qualifies under 10 CFR 2.390(a)(4) "Trade secrets and commercial or financial information."

6. The following criteria are customarily applied by AREVA to determine whether information should be classified as proprietary:

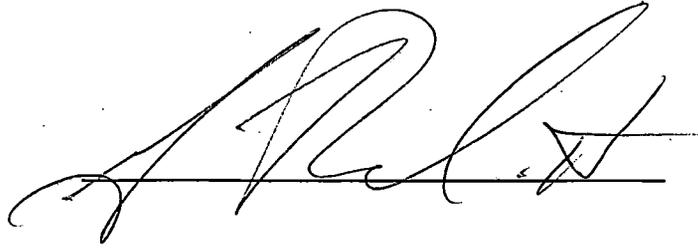
- (a) The information reveals details of AREVA's research and development plans and programs or their results.
- (b) Use of the information by a competitor would permit the competitor to significantly reduce its expenditures, in time or resources, to design, produce, or market a similar product or service.
- (c) The information includes test data or analytical techniques concerning a process, methodology, or component, the application of which results in a competitive advantage for AREVA.
- (d) The information reveals certain distinguishing aspects of a process, methodology, or component, the exclusive use of which provides a competitive advantage for AREVA in product optimization or marketability.
- (e) The information is vital to a competitive advantage held by AREVA, would be helpful to competitors to AREVA, and would likely cause substantial harm to the competitive position of AREVA.

The information in this Document is considered proprietary for the reasons set forth in paragraph 6(e) above.

7. In accordance with AREVA's policies governing the protection and control of information, proprietary information contained in this Document has been made available, on a limited basis, to others outside AREVA only as required and under suitable agreement providing for nondisclosure and limited use of the information.

8. AREVA policy requires that proprietary information be kept in a secured file or area and distributed on a need-to-know basis.

9. The foregoing statements are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to be "A. R. H.", written over a horizontal line.

SUBSCRIBED before me this 15<sup>th</sup>  
day of September, 2016.

A handwritten signature in black ink, appearing to be "Ella Carr-Payne", written over a horizontal line.

Ella Carr-Payne  
NOTARY PUBLIC, COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES: 8/31/17  
Reg. # 309873



# Delaware

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "AREVA ENRICHMENT SERVICES LLC", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF JUNE, A.D. 2008, AT 11:39 O'CLOCK A.M.



4566105 8100

080722547

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 6683665

DATE: 06-24-08

**ATTACHMENT 1**

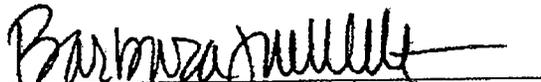
**CERTIFICATE OF FORMATION**

**OF**

**AREVA ENRICHMENT SERVICES LLC**

1. The name of the limited liability company is AREVA Enrichment Services LLC.
2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Formation of AREVA Enrichment Services LLC this 24th day of June, 2008.

  
Barbara J. DeWitt, Authorized Person

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 10:30 AM 08/09/2016  
FILED 10:30 AM 08/09/2016  
SR 20165283581 - File Number 4566105

## ATTACHMENT 2

### STATE OF DELAWARE CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: **AREVA Enrichment Services LLC**
2. The Certificate of Formation of the limited liability company is hereby amended as follows:

The name of the Limited Liability Company is:

**AREVA NUCLEAR MATERIALS LLC**

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 4th day of August, A.D. 2016.

By:   
Authorized Person(s)

Name: Steven J. Cuevas, Secretary  
Print or Type

ATTACHMENT 2  
**Delaware**  
The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "AREVA ENRICHMENT SERVICES LLC", CHANGING ITS NAME FROM "AREVA ENRICHMENT SERVICES LLC" TO "AREVA NUCLEAR MATERIALS LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF AUGUST, A.D. 2016, AT 10:30 O'CLOCK A.M.



  
Jeffrey W. Bullock, Secretary of State

4566105 8100  
SR# 20165283581

Authentication: 202803150  
Date: 08-10-16

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

ATTACHMENT 3

Form W-9 (Rev. December 2014) Department of the Treasury Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Form fields: 1 Name (AREVA Nuclear Materials LLC), 2 Business name, 3 Tax classification (C Corporation), 4 Exemptions (code 5), 5 Address (3315 Old Forest Rd), 6 City/State/ZIP (Lynchburg, VA 24501-2912), 7 List account number(s).

Part I Taxpayer Identification Number (TIN) section with instructions and a grid for Social Security Number or Employer Identification Number (38-3791565).

Part II Certification section with instructions and a list of 4 items to certify regarding taxpayer identification and FATCA reporting.

Sign Here section with a signature and date 08/14/16.

General Instructions section containing section references, future developments, purpose of form, and detailed instructions for backup withholding and FATCA reporting.

ATTACHMENT 4

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "AREVA ENRICHMENT SERVICES OPERATIONS LLC", FILED IN THIS OFFICE ON THE ELEVENTH DAY OF DECEMBER, A.D. 2008, AT 12:49 O'CLOCK P.M.



4632390 8100

081185645

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 7017859

DATE: 12-11-08

**ATTACHMENT 4**

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 02:08 PM 12/11/2008  
FILED 12:49 PM 12/11/2008  
SRV 081185645 - 4632390 FILE

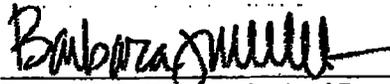
**CERTIFICATE OF FORMATION**

**OF**

**AREVA ENRICHMENT SERVICES OPERATIONS LLC**

1. The name of the limited liability company is AREVA Enrichment Services Operations LLC.
2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Formation of AREVA Enrichment Services Operations LLC this 11th day of December, 2008.

  
\_\_\_\_\_  
Barbara J. DeWitt, Authorized Person

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 10:30 AM 08/09/2016  
FILED 10:30 AM 08/09/2016  
SR 20165283585 - File Number 4632390

## ATTACHMENT 5

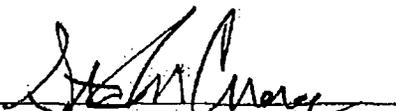
### STATE OF DELAWARE CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: **AREVA Enrichment Services Operations LLC**
2. The Certificate of Formation of the limited liability company is hereby amended as follows:

The name of the Limited Liability Company is:

**TN AMERICAS LLC**

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 4th day of August, A.D. 2016

By:   
Authorized Person(s)

Name: Steven J. Cuevas, Secretary  
Print or Type

# Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "AREVA ENRICHMENT SERVICES OPERATIONS LLC", CHANGING ITS NAME FROM "AREVA ENRICHMENT SERVICES OPERATIONS LLC" TO "TN AMERICAS LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF AUGUST, A.D. 2016, AT 10:30 O`CLOCK A.M.



  
Jeffrey W. Bullock, Secretary of State

4632390 8100  
SR# 20165283585

Authentication: 202803180  
Date: 08-10-16

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

# ATTACHMENT 6

Form **W-9**  
 (Rev. December 2014)  
 Department of the Treasury  
 Internal Revenue Service

## Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>TN Americas LLC (formerly named AREVA Enrichment Services Operations LLC)</b>		
	2 Business name/disregarded entity name, if different from above		
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input checked="" type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ <b>C</b> Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶		
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) <b>5</b> Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>		
	5 Address (number, street, and apt. or suite no.) <b>3315 Old Forest Road</b>	Requester's name and address (optional)	
	6 City, state, and ZIP code <b>Lynchburg, Virginia 24501-2912</b>		
	7 List account number(s) here (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number									
or									
Employer identification number									
0	1		-	0	9	1	9	9	24

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶ <b>08/17/16</b>
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

ATTACHMENT 8



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

October 12, 2011

Mr. Sam Shakir, President and CEO  
Eagle Rock Enrichment Facility  
AREVA Enrichment Services LLC  
One Bethesda Center  
4800 Hampden Lane, Suite 1100  
Bethesda, MD 20814

SUBJECT: LICENSE FOR THE AREVA ENRICHMENT SERVICES EAGLE ROCK  
ENRICHMENT FACILITY

Dear Mr. Shakir:

Attached is a copy of the license for the AREVA Enrichment Services Eagle Rock Enrichment Facility. On September 19, 2011, we transmitted to AES a copy of the draft license (Agencywide Document Access and Management System (ADAMS) number ML112640064). On September 20, 2011, we received your comments on the draft license (ML112640068). These comments have been incorporated into the license.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 of the U.S. Nuclear Regulatory Commission's (NRC's) "Rules of Practice," a copy of this letter and the enclosed license will be available electronically for public inspection in the NRC's 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> (the Public Electronic Reading Room).

If you have any questions, please contact Breeda Reilly at (301) 492-3110 or via email to [Breeda.Reilly@nrc.gov](mailto:Breeda.Reilly@nrc.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "A. H. Hsia".

Anthony H. Hsia, Acting Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: License SNM-2015  
Docket No. 70-7015

cc: George Harper/AES  
Jim Kay/AES

**MATERIALS LICENSE**

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	
1. AREVA Enrichment Services LLC (AES)	3. License Number: SNM-2015
2. 4800 Hampden Lane Bethesda, MD 20814	4. Expiration Date: See Condition 14 5. Docket No. 70-7015

6. Source and/or Special Nuclear Material and/or Byproduct Material

A. Uranium (natural and depleted) and daughter products

B. Uranium (U) enriched in isotope U-235 up to 5 percent by weight and uranium daughter products

C. Technetium- 99 (Tc-99), transuranic isotopes and other contamination

7. Chemical and/or Physical Form

A.1. Physical form: solid, liquid, and gas  
A.2. Chemical form: Uranium hexafluoride (UF<sub>6</sub>), uranium tetrafluoride (UF<sub>4</sub>), uranyl fluoride (UO<sub>2</sub>F<sub>2</sub>), oxides and other compounds

B.1. Physical form: solid, liquid, and gas  
B.2. Chemical form: UF<sub>6</sub>, UF<sub>4</sub>, UO<sub>2</sub>F<sub>2</sub>, oxides and other compounds

C. Any

8. Maximum amount that licensee may possess at any one time under this license

A. 225,000,000 kilograms (kg)

B. 1,750,000 kg

C. Amount that exists as contamination as a consequence of the historical feed of recycled uranium at other facilities, for example, process contaminants or material held in UF<sub>6</sub> cylinders from previous operations.

9) Authorized place of use: The Eagle Rock Enrichment Facility (EREF), located at 19870 West Arco Highway, Idaho Falls, in Bonneville County, Idaho, approximately 32 kilometers (20 miles) west northwest of the city of Idaho Falls, on the north side of State Highway 20.

**MATERIALS LICENSE  
SUPPLEMENTARY SHEET**

License Number

SNM-2015

Docket or Reference Number

70-7015

- 10) The licensee shall conduct authorized activities at the EREF in accordance with the statements, representations, and conditions as described in the documents listed below (or licensee revisions to those documents in accordance with Section 19 of the Quality Assurance Program Description; Title 10 of the *Code of Federal Regulation* (10 CFR) 40.35(f), 10 CFR 51.22, 10 CFR 70.32, 10 CFR 70.72, or 10 CFR 95.19; or License Conditions 13 or 24):
- a) Application for Material License, transmittal letter dated December 30, 2008 and supplemental transmittal letters dated April 23, 2009, April 30, 2010, and May 16, 2011.
    - i) Eagle Rock Enrichment Facility Safety Analysis Report
    - ii) Eagle Rock Enrichment Facility Environmental Report
    - iii) Eagle Rock Enrichment Facility Physical Security Plan
    - iv) Eagle Rock Enrichment Facility Fundamental Nuclear Material Control Plan
    - v) Eagle Rock Enrichment Facility Quality Assurance Program Description
    - vi) Eagle Rock Enrichment Facility Emergency Plan
    - vii) Eagle Rock Enrichment Facility Standard Practice Procedure Plan
  - b) Supplemental letter concerning liability insurance coverage for construction, dated January 31, 2011.
- 11) Introduction of UF<sub>6</sub> into any module (e.g., Separations Building Module (SBM) or any cascade within an SBM) of the EREF shall not occur until the Commission completes an operational readiness and management measures verification review to verify that management measures that ensure compliance with the performance requirements of 10 CFR 70.61 have been implemented and confirms that the facility has been constructed and will be operated safely and in accordance with the requirements of the license. The licensee shall provide the Commission with appropriate advance notice, normally no later than 120 days in advance of the date that it plans to introduce UF<sub>6</sub> into any module of the EREF.
- 12) The licensee is hereby granted the exemption request from certain provisions of 10 CFR 40.36 and 10 CFR 70.25, in order to provide forward-looking incremental funding for decommissioning, as described in Section 1.2.5 "Special Exemptions and Special Authorizations" of the EREF Safety Analysis Report, Revision 3, dated April 2011.
- 13) The licensee is granted the special authorization as requested in correspondence dated August 20, 2010. Specifically:
- a) The licensee shall not make changes to the license application that decreases the effectiveness of safety commitments in the license application, without prior U.S. Nuclear Regulatory Commission (NRC) approval. For these changes, the licensee shall submit to the NRC, for review and approval, an application to amend the license. Such changes shall not be implemented until approval is granted.
  - b) Upon documented completion of a change request for a facility or process, the licensee may make changes in the facility or process as presented in the license application, or conduct tests or activities not presented in the license application, without prior NRC approval, subject to the following conditions:
    1. There is no degradation in the safety commitments in the license application, and
    2. The change, test, or activity does not conflict with any condition specifically stated in the license.
- Records of such changes shall be maintained, including technical justification and management approval, in dedicated records to enable NRC inspection upon request at the facility. A report containing a description of each such change, and appropriate revised sections to the license application, shall be submitted to the NRC within three months of implementing the change.
- 14) This license will expire 30 years after the date of license issuance.

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- 15) The licensee shall provide proof of full liability insurance as required under 10 CFR 140.13(b) at least 30 days prior to the planned date for obtaining licensed material.
- 16) The licensee shall not use, process, store, reproduce, transmit, handle, or allow access to classified matter except as provided by the applicable personnel and facility clearances as required under 10 CFR Part 95.
- 17) Prior to designating areas where the use and handling of classified information will routinely occur, the NRC will be notified to determine if additional security measures are required. If the NRC does determine the need for additional security measures, a request must be submitted, and approved, prior to establishment and use of the area(s).
- 18) Construction of each incremental phase of the EREF shall not commence before funding for that increment is available or committed. Of this funding, the licensee must have in place before constructing such increments, commitments for one or more of the following: equity contributions from AES or its parents, a commitment from the parent company to provide the necessary funds for the project, and lending and/or lease arrangements that solely or cumulatively are sufficient to ensure funding for the particular increment's construction costs. The licensee shall make available for NRC inspection, documentation of both the budgeted costs for each incremental phase and the source of funds available or committed to pay those costs.
- 19) To define the boundaries of each item relied on for safety (IROFS), the licensee shall comply with Appendix B to Chapter 3 of NUREG 1520, Revision 1, dated May 2010, "Qualitative Criteria for Evaluation of Likelihood" and utilize the licensee's guideline "Guidelines for Development of Boundary Definitions for IROFS," Appendix A of the Integrated Safety Analysis (ISA) Summary, Revision 3, dated April 2011. Completed IROFS boundaries for all IROFS shall be available for inspection prior to the operational readiness review.
- 20) By letter dated April 7, 2011, the licensee submitted a summary of 60 soil sample results collected at the proposed EREF site for the purpose of establishing the natural range of background concentration of radionuclides in on-site, surface soil, prior to the commencement of construction. In addition to the records of information important to decommissioning listed in 10 CFR 70.25(g), the licensee shall maintain records of the initial site characterization data for the proposed EREF, including reports of surface soil samples collected by the licensee prior to commencement of construction and analyzed for radiological constituents, in appropriate files. These records shall be retained by the licensee until the site is released for unrestricted use.
- 21) The licensee shall provide financial assurance on the following schedule:
- a) The licensee shall provide an updated decommissioning funding plan (DFP), updated facility decommissioning cost estimate, and final copies of proposed financial assurance instruments to the NRC for review at least six months prior to the following dates:
- (1) planned date for obtaining test material ( $\leq 20$  kg uranium (U)) for the Centrifuge Assembly Building (CAB)
  - (2) planned date for obtaining feed material ( $> 50$  kg U) for initial production in the first SBM
  - (3) planned date for obtaining feed material ( $> 50$  kg U) for initial production in the second SBM
  - (4) planned date for obtaining feed material ( $> 50$  kg U) for initial production in the third SBM
  - (5) planned date for obtaining feed material ( $> 50$  kg U) for initial production in the fourth SBM

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The updates shall be forward-looking through the 12-month period beginning on the applicable date listed above. For each update, the licensee shall provide final executed copies of the NRC-reviewed financial assurance instruments to NRC at least 21 days prior to receipt of test material or receipt of feed material for initial production in an SBM.

- b) After the first SBM begins operations, and until the plant reaches full capacity, the licensee shall, on an annual basis, provide an updated DFP, an updated facility decommissioning cost estimate, and final copies of proposed financial assurance instruments to NRC for review. These annual updates shall be provided six months prior to the anniversary date of obtaining feed material for initial production in the first SBM, and shall be forward-looking through the 12-month period beginning on the anniversary date. For each annual update, the licensee shall provide final executed copies of the NRC-reviewed financial assurance instruments to NRC at least 21 days prior to the anniversary date.

If the licensee provides an annual update at least six months prior to the planned date for obtaining feed material for initial production in the second, third, or fourth SBM, that annual update may also serve as the update required in paragraph (a) for that date.

- c) The updated DFPs, updated cost estimates, and financial assurance instruments described in paragraphs (a) and (b) shall include full funding for decontamination and decommissioning of: (1) any part of the facility currently in operation; (2) any part of the facility that has been in operation, or any other part of the site or facility reasonably believed to be contaminated, that has not been fully decontaminated and decommissioned as approved by NRC (including the CAB); (3) all plant areas where licensed material is stored or used; and (4) any part of the facility (including SBMs) expected to be in operation by the end of the applicable forward-looking 12-month period in paragraph (a) or (b).
- d) The licensee shall provide an initial depleted uranium (DU) disposition cost estimate and final copies of proposed financial assurance instruments for DU disposition in conjunction with the updated DFP, updated facility decommissioning cost estimate, and financial assurance instruments that will be submitted at least six months prior to obtaining feed material for initial production in the first SBM. The initial DU disposition cost estimate and proposed financial assurance instruments shall include full funding to cover disposition of the first three years of DU tails generation. The initial DU disposition cost estimate shall include an update to the U.S. Department of Energy (DOE) DU disposition cost estimate. The total amount funded for DU disposition shall not be less than the updated DOE cost estimate.

For the initial DU disposition cost estimate, the licensee shall provide final executed copies of the NRC-reviewed financial assurance instruments for DU disposition to the NRC at least 21 days prior to the receipt of feed material for the first SBM.

- e) The licensee shall provide updates to the DU disposition cost estimate and financial assurance instruments for DU disposition as described below:
- (1) During the first two years of operation, the licensee shall provide updated DU disposition cost estimates and final copies of proposed financial assurance instruments for DU disposition in conjunction with the updates required in paragraphs (a) and (b). The updated cost estimates shall provide full funding to cover disposition of the first three years of DU tails generation.
  - (2) After the first two years of operation and until the facility reaches full capacity, the licensee shall provide updated DU disposition cost estimates and final copies of proposed financial assurance instruments for

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DU disposition in conjunction with the updates required in paragraphs (a) and (b). The updated DU disposition cost estimates shall provide full funding to cover disposition of all DU stored onsite and all DU expected to be generated by the end of the applicable forward-looking 12-month period in paragraph (a) or (b).

- (3) After the plant reaches full capacity, the licensee shall continue to provide annual updates to the DU disposition cost estimate, along with revised financial assurance instruments. These annual updates shall include full funding to cover disposition of all DU stored onsite and all DU expected to be generated by the end of the 12-month period beginning on the date of obtaining feed material for initial production in the first SBM. The annual updates to the DU disposition cost estimate and final copies of proposed financial assurance instruments shall be provided to the NRC for review six months prior to the anniversary date of obtaining feed material for initial production in the first SBM.

The licensee may exclude from the updated DU disposition cost estimates any DU that the DOE has taken title to and possession of pursuant to Section 3113 of the USEC Privatization Act. All updates to the DU disposition cost estimates shall include an update to the DOE cost estimate for DU disposition. The total amount funded for DU disposition shall not be less than the updated DOE cost estimate.

For DU disposition cost estimate updates, the licensee shall provide final executed copies of the NRC-reviewed financial assurance instruments for DU disposition to the NRC at least 21 days prior to the receipt of feed material for an SBM, or the anniversary date of obtaining feed material for initial production in the first SBM, as applicable.

- f) If the construction and/or operation of any SBM is delayed or cancelled, the licensee is not relieved of its commitment to provide updated DFP, facility decommissioning cost estimates, DU disposition cost estimates, and final copies of proposed financial assurance instruments to the NRC as described in paragraphs (a)-(e).
- g) When an update to the DFP, cost estimates for facility decommissioning and DU disposition, and financial assurance instruments encompasses the first delivery of natural uranium hexafluoride (> 50 kg U) as feed material to an SBM not previously in operation, the licensee shall not receive such initial feed material until the NRC reviews the updated DFP and cost estimates and confirms the executed financial assurance instrument(s).
- h) All updates to the DFP, cost estimates for facility decommissioning and DU disposition, and financial assurance instruments, shall be updated to current year United States dollars and shall encompass all current cost data, taking into account changes in inflation, foreign currency exchange rates, possession limits, licensed material, labor rates, disposal and shipping rates, and site and facility factors. All costs shall be based on the costs of a third party contractor and shall not take credit for any salvage value that might be realized from the sale of potential assets during or after decommissioning. All costs (including those for DU disposition) shall include a contingency factor of at least 25 percent.
- 22) For those IROFS requiring operator actions, a human factors engineering review of the human-system interfaces shall be conducted using the applicable guidance in NUREG-0700, "Human-System Interface Design Review Guidelines," Revision 2, dated May 2002; NUREG-0711, "Human Factors Engineering Program Review Model," Revision 2, dated February 2004; and as described in Section 3.3.8 of the Safety Analysis Report (Revision 3, dated April 2011), "Human System Interface Design."
- 23) Currently, the design information concerning any IROFS that may use software, firmware, microcode, programmable logic controllers, and/or any digital device, including hardware devices which implement data communication

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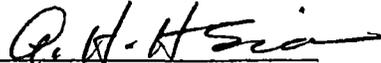
protocols (for example, Fieldbus devices and Local Area Network controllers) is preliminary and not complete. Should the completed design of any IROFS (including every component within an IROFS boundary) include any of the preceding features, the licensee shall obtain Commission approval prior to implementing the IROFS.

- 24) The licensee shall maintain and follow the Fundamental Nuclear Material Control Program for control and accounting and measurement control of uranium source material and special nuclear material at the facility pursuant to 10 CFR 74.33(b). The licensee shall make no change to material control procedures essential for the safeguarding of uranium source material or special nuclear material that would decrease the effectiveness of the material control and accounting program implemented pursuant to 10 CFR 74.33(b) without prior approval of the Commission. If the licensee desires to make changes that would decrease the effectiveness of its material control and accounting program or its measurement control program, the licensee shall submit an application for amendment to its license pursuant to 10 CFR 70.34.

The licensee shall maintain records of changes to the material control and accounting program made without prior Commission approval a period of 5 years from the date of the change. The licensee shall furnish to the Director, Division of Nuclear Material Safety and Security, using an appropriate method listed in 10 CFR 70.5(a), a report containing a description of each change within 6 months of the change.

- 25) The Nuclear Criticality Safety Manager shall have, as a minimum, a bachelor's degree (or equivalent) in physical science or engineering, as well as two year's experience as a nuclear criticality safety engineer at the EREF or three year's experience as a nuclear criticality engineer at another nuclear facility.
- 26) The licensee shall comply with the provisions of the "Memorandum of Agreement among the U.S. NRC, the Idaho State Historic Preservation Office, and AREVA Enrichment Services LLC regarding the Proposed EREF Project in Bonneville County, Idaho," dated September 8, 2011, or as revised, which was developed during NRC's implementation of the National Historic Preservation Act of 1966, as amended, (NHPA, 16 U.S.C. §470) Section 106 process.

FOR THE NUCLEAR REGULATORY COMMISSION

Date: October 12, 2011By: 

Anthony H. Hsia, Acting Deputy Director  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

**ATTACHMENT 9**

**CORPORATE TREASURER CERIFICATE**

I, Laurie Harris, the undersigned, am the duly-appointed Corporate Treasurer for AREVA Inc., AREVA Nuclear Materials LLC, and TN Americas LLC (collectively "AREVA"), do hereby Certify the following information:

- 1) In connection with License Number SUA-672 for the Lucky Mc Uranium Mill currently held by AREVA Inc. (the "License"), AREVA maintains, as financial assurance for the Lucky Mc site, an Irrevocable Letter of Credit issued by Credit Industriel et Commercial Bank ("CIC"), New York Branch, in favor of the U.S. Nuclear Regulatory Commission (the "NRC"), continuously maintained in an amount not less than \$834,954 for the purpose of complying with 10 CFR Part 40, Appendix A, Criteria 9 and 10, until a replacement is authorized by the NRC (the "Letter of Credit").
- 2) Upon approval of the transfer of the License from AREVA Inc. to AREVA Nuclear Materials LLC by the NRC, AREVA will ask of Credit Industriel et Commercial Bank to change the name of the indemnitor on the Letter of Credit to AREVA Nuclear Materials LLC.
- 3) Upon this change, CIC will provide NRC with a copy of the amended Letter of Credit.
- 4) As required by the License, the Letter of Credit is now and will be continuously maintained in favor of NRC throughout the License transfer process and thereafter until a replacement is authorized by the NRC.

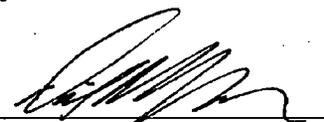
IN WITNESS WHEREOF, I have set my hand and caused the SEAL of the Corporation to be affixed hereto below on this the 16th day of September 2016.

  
\_\_\_\_\_  
Laurie Harris



[SEAL]

Witness

  
\_\_\_\_\_  
David Royer

AREVA Inc. Secretary