

May 16, 2017

Mr. Ray P. Kuyler
Assistant General Counsel
Westinghouse Electric Company, LLC
11333 Woodglen Drive, Suite 202
Rockville, MD 20852

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION INTENT TO DRAW ON THE
LETTER OF CREDIT

Dear Mr. Kuyler:

Westinghouse Electric Company, LLC (Westinghouse) uses a surety method, in the form of a letter of credit (LOC) and a standby trust agreement, as its method of financial assurance for decommissioning of the former Hematite Fuel Cycle Facility and the Columbia Fuel Fabrication Facility. By letter to the U.S. Nuclear Regulatory Commission (NRC) dated April 25, 2017, the issuing bank notified the NRC that it would not renew the LOC beyond the expiration date of July 29, 2017. According to the terms of the LOC, the NRC may draw upon the LOC if Westinghouse is unable to secure alternative financial assurance to replace the LOC within 30 days of the notice of cancellation.

Unless Westinghouse provides and the NRC approves an alternative means of financial assurance no later than May 25, 2017, the NRC will draw upon the LOC in the full amount on May 26, 2017. The funds will be deposited in the standby trust agreement that the NRC staff approved by letter dated February 24, 2017.

In accordance with Title 10 of the *Code of Federal Regulations* Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Christopher Ryder, Licensing Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket Nos. 70-1151, 70-36
License Nos. SNM-1107, SNM-33

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