

From: [Cuadrado-Caraballo, Leira](#)
To: [Johnson, Robert](#)
Subject: May 22, 2017 Conference Call Summary: NFS Replacement of Letter of Credit
Date: Tuesday, May 30, 2017 4:36:00 PM

Conference Call Summary: NFS Replacement of Letter of Credit; License No. SNM-124, Docket 70-143

Date: May 22, 1017

Scheduled Time: 1:00 – 1:30 pm

Participants:

NFS:

Rik Droke

NRC:

Leira Cuadrado, Project Manager (PM) for NFS
Kevin Ramsey, Backup PM
Christopher McKenney, Chief, Performance Assessment Branch
Reginald Augustus, Financial PM

Purpose: Discuss status on obtaining alternate financial assurance instrument to replace the JPMorgan Letter of Credit No. TFTS-934413.

Summary of Discussions:

NRC staff conveyed they requested this meeting to obtain follow-up status on replacing the Letter of Credit (LOC) issued by JPMorgan Chase Bank (Ref. 1). JPMorgan provided written notification on April 13, 2017 (Ref.2) that they will not be renewing the Letter of Credit TFTS-934413 issued on July 19, 2011 for the account of Nuclear Fuel Services License No. SNM-124 and AREVA NP, Inc. The letter of credit will expire on July 19, 2017.

NRC staff indicated the following:

- NRC will provide any comments on the draft surety bonds and letter of credits provided by NFS this week.
- NRC review of draft documents is not required and is done at the licensee's discretion to facilitate the review process when time allows. Due to limitations in time for the review and approval of the LOC, AREVA should coordinate with NFS for the timely submittal of alternate LOC to the NRC as soon as possible.
- NRC intends to issue a letter of intent to the licensee, NFS, to inform of our intention to formally submit our request to the bank to draw on the instrument on June 19th if we do not have indication there will be an alternate instrument in place by the expiration date, should that be NRC management decision.

NFS representatives indicated:

- NFS will coordinate with AREVA to provide the NRC an estimated date for the submittal of alternate financial assurance instruments.

References:

- 1) [Nuclear Fuel Services, Inc. - Letter of Credit No. TFTS-934413 Issued by JPMorgan Chase Bank. Dated July 28, 2011](#)
- 2) [JPMorgan Chase Bank - Notification that Letter of Credit TFTS-93. Dated April 13, 2017](#)