

70-27, 70-135,
70-364, 70-824
70-1201

P.O. Box 61038, New Orleans, La. 70161

Telephone: (504) 587-4411

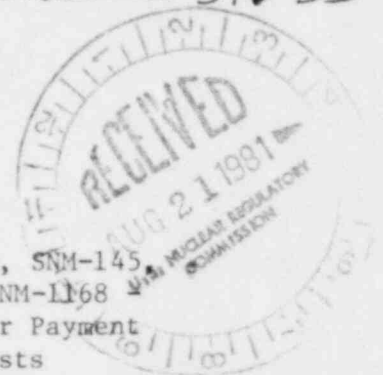
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Babcock & Wilcox

AUG 13 PM 2 30 August 5, 1981

RETURN TO
D. CRAMER 396 SS

Mr. R. G. Page, Acting Chief
Uranium Fuel Licensing Branch
Division of Fuel Cycle and Material Safety
United States Nuclear Regulatory Commission
Washington, D. C. 20666



Re: License Numbers SNM-42, SNM-145,
SNM-414, SNM-778 and SNM-1168
Financial Assurance for Payment
for Decommissioning Costs

Dear Mr. Page:

In a letter dated March 13, 1978, Mr George G. Zipf, then President of the Babcock & Wilcox Company, stated that continuing assurance of Babcock & Wilcox's ability to cover the costs of decommissioning all its nuclear facilities would be provided to you.

The nature of these assurances would be first; a copy of an Officer's Certificate to the Company's lenders, under certain Promissory Note Agreements, that the Company has met all restrictive covenants contained in the Note Agreements and second; that periodically, the Company would measure the cost of decommissioning its nuclear facilities to insure that they did not exceed the Company's working capital.

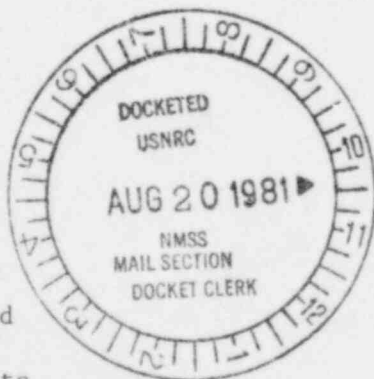
Attached are copies of these Certificates signed by Messrs. John A. Lynott, Executive Vice President-Finance and Robert A. Jolliff, Treasurer, dated June 26, 1981 for the year ended March 31, 1981. In addition, the Company's working capital, at that date, was significantly in excess of the estimated cost to decommission its nuclear facilities.

If you have any questions related to this submittal, please advise us.

Very truly yours,

THE BABCOCK & WILCOX COMPANY

Leo V. Jordan
Assistant Controller



LVJ/WPN/kd

Attachments

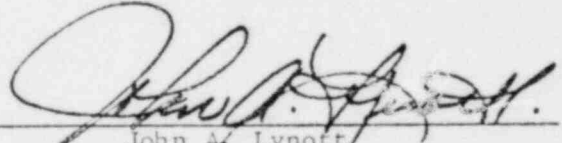
FEE EXEMPT
infantry 19485

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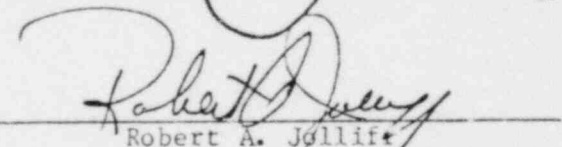
C E R T I F I C A T E

We, the undersigned do hereby certify, pursuant to Section 7 (D), of page 10 of the Note Agreement dated October 12, 1971 relating to the Company's 9% Promissory Note due October 1, 1991, entered into between you and the Company, that there exists no default or event of default as defined in section thereof, during the fiscal year ended March 31, 1981.

In witness whereof we have hereunto set our hand this 26th day of June, 1981.



John A. Lynott
Executive Vice President-Finance

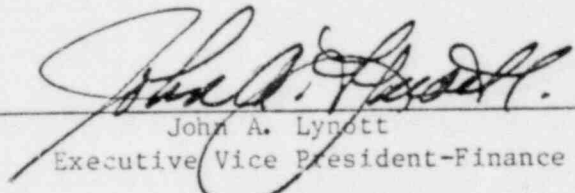


Robert A. Jolliffe
Treasurer

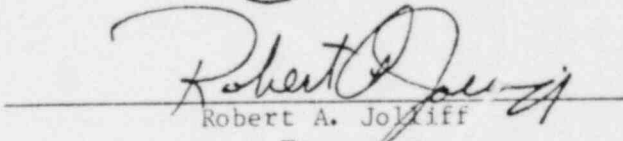
C E R T I F I C A T E

We, the undersigned do hereby certify, pursuant to Section 7 (D), of page 7 of the Note Agreement dated January 1, 1977 relating to the Company's 8 1/2% Promissory Notes due January 1, 1997, entered into between you and the Company, that there exists no default or event of default as defined in section thereof, during the fiscal year ended March 31, 1981.

In witness whereof we have hereunto set our hand this 26th day of June, 1981.



John A. Lynott
Executive Vice President-Finance

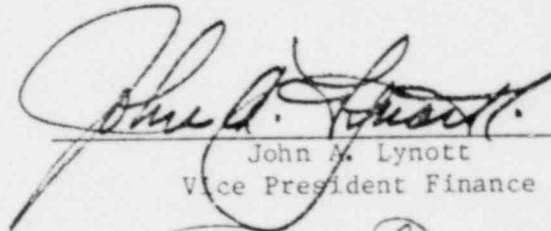


Robert A. Jolkiff
Treasurer

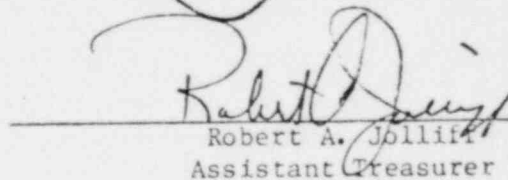
C E R T I F I C A T E

We, the undersigned do hereby certify, pursuant to Section 7 (b), of page 7 of the Note Agreement dated December 1, 1976 relating to the Company's 9% Guaranteed Notes due December 1, 1996, entered into between you and the Company, that there exists no default or event of default as defined in section thereof, during the fiscal year ended March 31, 1981.

In witness whereof we have hereunto set our hand this 26th day of June, 1981.



John A. Lynott
Vice President Finance

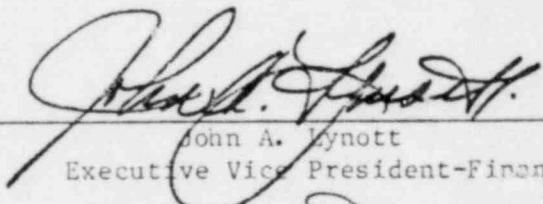


Robert A. Jolliffe
Assistant Treasurer

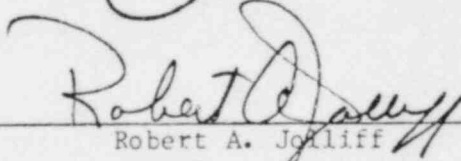
C E R T I F I C A T E

We, the undersigned do hereby certify, pursuant to Section 3 (D), of page 6 of the Guaranty Agreement dated December 1, 1976 relating to the Guarantor's 9% Guaranteed Notes due December 1, 1996, entered into between you and the Guarantor, that there exists no default or event of default as defined in section thereof, during the fiscal year ended March 31, 1981.

In witness whereof we have hereunto set our hand this 26th day of June, 1981.



John A. Lynott
Executive Vice President-Finance



Robert A. Jolliff
Treasurer