EXON NUCLEAR COMPANY, Inc.

2101 Horn Rapids Road, P.O. Box 130 Richland, Washington 99352 TELEPHONE: (509) 375-8100 TELEX: 15-2881

November 1, 1982

Jerome Saltzman, Assistant Director State and Licensee Relations Office of State Programs U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Docket No. 70-1257

Dear Mr. Saltzman,

Reference: Your letter dated October 20, 1982.

This is to inform you that our SNM License No. 1227 still authorizes Exxon Nuclear to possess 100 kgs of plutonium. It is our desire and intent to continue financial protection of \$160,000,000 and NRC indemnity protection for our Horn Rapids fuel fabrication facility. Therefore, do not proceed with termination of our agreement.

Sincerely,

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R. Nilson, Manager Corporate Licensing

RN:slr

cc: LB/File

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