



EXHIBIT B

In reply refer to:
266/141

September 4, 1992

Director, Office of Nuclear Material
Safety and Safeguards
US Nuclear Regulatory Commission
Washington DC 20555

Dear Sir:

I am the Chief Financial Officer of General Atomics, a Corporation. General Atomics is located at 3550 General Atomics Court in San Diego, California. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in 10 CFR Parts 50 and 70, for the decommissioning of the following Company-owned facilities:

<u>Name of Facility</u>	<u>Location of Facility</u>	<u>Current Cost Estimate</u>
General Atomics (License SNM-696)	3550 General Atomics Court San Diego CA 92121-1194	\$3,740,000
TRIGA Reactor Facility (Licenses R-38 and R-67)	(same as above)	\$ 145,000

The Current Cost Estimate is our best estimate of the net cost to General Atomics for decommissioning.

General Atomics is not required to file a Form 10K with the US Securities and Exchange Commission for the latest fiscal year which ends December 31, 1992.

The figures for the following items marked with an asterisk are derived from General Atomics' consolidated, independently audited financial statements for the most recently completed fiscal year--December 31, 1991:

Financial Test: Alternative I
(Dollars in Thousands)

1. Decommissioning cost estimates for facility, Licenses No. SNM-696, R-38, and R-67	\$ 3,885
*2. Total Liabilities	\$123,586
*3. Tangible Net Worth	\$ 52,554
*4. Net Worth	\$ 52,554
*5. Current Assets	\$126,485
*6. Current Liabilities	\$ 67,993
*7. Net Working Capital (Line 5 minus Line 6)	\$ 58,492
*8. The sum of Net Income plus Depreciation	\$ 15,903
*9. Total Assets in United States	\$176,140

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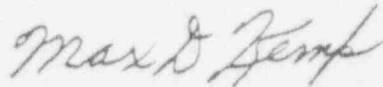
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Director, Office of Nuclear Material
Safety and Safeguards
Page 2
September 4, 1992

	<u>Yes</u>	<u>No</u>
10. Is line 3 at least \$10 million?	X	
11. Is line 3 at least 6 times line 1?	X	
12. Is line 7 at least 6 times line 1?	X	
13. Are at least 90% of Assets located in US?	X	
14. Is line 9 at least 6 times line 1?	X	
15. Is line 2 divided by line 4 less than 2.0?		X
16. Is line 8 divided by line 2 greater than 0.1?	X	
17. Is line 5 divided by line 6 greater than 1.5?	X	

I hereby certify that the content of this letter is true and correct to the best of my knowledge.

Sincerely,



Max D. Kemp
Sr. Vice President, Finance

3.4 Auditors' Special Report by Price Waterhouse



GENERAL ATOMICS

REPORT ON AGREED-UPON PROCEDURES

SEPTEMBER 4, 1992

Price Waterhouse



September 4, 1992

To the Board of Directors of
General Atomics and the
U.S. Nuclear Regulatory Commission

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of General Atomics (the Company) as of and for the year ended December 31, 1991, and have issued our report thereon dated March 26, 1992.

General Atomics has prepared documents to demonstrate its financial responsibility under the Nuclear Regulatory Commission's (NRC) financial assurance regulations, Volume 10 of the Code of Federal Regulations Part 30, Appendix A. This report is furnished solely to assist General Atomics in complying with these regulations and should not be used for any other purpose.

The attached schedule (Exhibit A) reconciles the specified information furnished in the Chief Financial Officer's (CFO) letter (Exhibit B) in response to the regulations with the Company's financial statements. In connection therewith, we have:

1. Read the attached schedule (Exhibit A), and the CFO's letter (Exhibit B);
2. Compared the amounts in the column "Per Financial Statements" in Exhibit A with amounts contained in the Company's consolidated financial statements as of and for the year ended December 31, 1991;
3. Compared the amounts in the column "Per CFO's Letter" in Exhibit A with the letter prepared in response to the NRC's request (Exhibit B);
4. Compared the amount in the column "Reconciling Items" in Exhibit A with analyses prepared by the Company setting forth the indicated item; and
5. Recomputed the totals on Exhibit A.

Because the above procedures do not constitute an examination made in accordance with generally accepted auditing standards, we do not express an opinion on the manner in which the amounts were derived in the items referred to above. In connection with the procedures referred to above, no matters came to our attention that cause us to believe that the amounts set forth in the attached schedule (Exhibit A) and in lines 2 through 9 of the Chief Financial Officer's letter (Exhibit B) should be adjusted.

Price Waterhouse

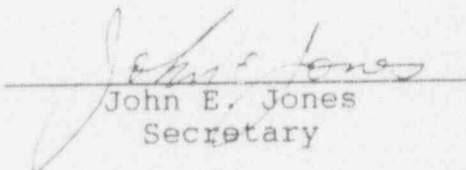
3.5 Parent Company Guarantee

CERTIFICATE OF THE SECRETARY OF
GENERAL ATOMIC TECHNOLOGIES CORPORATION

The undersigned certifies that he is the Secretary of General Atomic Technologies Corporation, a corporation organized under the laws of the State of Wyoming ("GATC"), and that, as such, he is authorized to execute and deliver this certificate on behalf of GATC and further certifies as follows:

Attached hereto is a true, complete and correct copy of the resolutions of the Board of Directors of GATC, adopted by the Board by unanimous written consent as of September 11, 1992. Such resolutions are in full force and effect on the date hereof in the form in which they were adopted and are the only resolutions of such Board regarding the transactions +herein contemplated.

IN WITNESS WHEREOF the undersigned has executed this Certificate as of the 11th day of September, 1992.



John E. Jones
Secretary

GENERAL ATOMIC TECHNOLOGIES CORPORATION

UNANIMOUS WRITTEN CONSENT OF DIRECTORS
TO CORPORATE ACTION


We, James N. Blue and Linden S. Blue, are both members of and together constitute the Board of Directors of GENERAL ATOMIC TECHNOLOGIES CORPORATION, a Wyoming corporation, and by this writing approve the following resolution and consent to its adoption as of September 11, 1992:

Approval of Guarantee to NRC re Decommissioning

RESOLVED, That the Board hereby approves this Corporation's guarantee to the U.S. Nuclear Regulatory Commission on behalf of this Corporation's subsidiary, General Atomics, to provide financial assistance for decommissioning activities for license 696 as required by 10 CFR Part 70, and licenses R-38 and R-67 as required by 10 CFR Part 50, in the form of the attached letter.

This consent is to be filed with the minutes of Board proceedings.


James N. Blue


Linden S. Blue