

**Babcock & Wilcox**

a McDermott company

P.O. Box 61038  
New Orleans, Louisiana 70161  
(504) 587-5700

70-27  
70-135  
70-364

September 17, 1984

70-824  
70-1201

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

'84 OCT 4 P3:11

PDR  
Return to  
39655

Re: License Number 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 Agreement; 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.

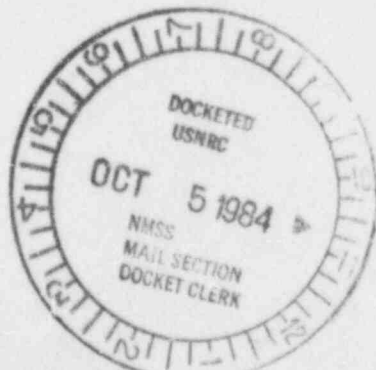
Attached are copies of these Certificates signed by Messrs. John A. Lynott, Executive Vice President and Chief Financial and Administrative Officer and Robert A. Jolliff, Treasurer, dated June 28, 1984 for the year ended March 31, 1984. In addition, the Company's working capital, at that date, was significantly 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

*L. V. Jordan*  
L. V. Jordan  
Assistant Controller



LVJ/ELB/ytj

FEE EXEMPT

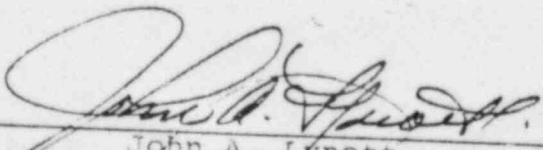
6410240396 840917  
PDR ADOCK 07000027  
C PDR

24241

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, 1984.

In witness whereof we have hereunto set our hand this 28th day of June, 1984.

  
\_\_\_\_\_  
John A. Lynott  
Executive Vice President, Chief  
Financial and Administrative Officer

  
\_\_\_\_\_  
Robert A. Colvill  
Treasurer

DOCKET NO. See Letter  
CONTROL NO. 24241  
DATE OF DOC. 09/17/84  
DATE RCVD. 10/04/84  
FCUF  PDR   
FCAP \_\_\_\_\_ LPDR \_\_\_\_\_  
WM \_\_\_\_\_ I&E REF.   
WMUR \_\_\_\_\_ SAFEGUARDS   
FCTC \_\_\_\_\_ OTHER \_\_\_\_\_

DESCRIPTION:

financial assurance  
for payment for  
decommissioning  
Cost

10/09/84 INITIAL CAC