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CBS CORPORATION
51 WEST 52 STREET
NEW YORK, NEW YORK 10019-6186

Letter No. EFM-99-0035

February 24, 1999

Mr. Ronald D. Hauber, Director
Division of Non-Proliferation, Exports
and Multilateral Relations
Office of International Programs
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

XCOM 1072
Amend. No. 01
Docket No. 11004552

Noted Copy: U.S. Nuclear Regulatory Commission, Document Control Desk

Re: Application for Transfers and Amendments of Export Licenses

Dear Mr. Hauber:

Enclosed for filing is an Application for Transfers and Amendments of certain 10 CFR Part 110 export licenses (the "Export Licenses") more specifically listed on the attached Exhibit A, "10 CFR Part 110 Export Licenses Held by the Westinghouse Electric Company Division of CBS Corporation," pages 1-3. The filing is necessitated by the sale (with certain exceptions) of the assets of the nuclear and government operations business of CBS Corporation, formerly Westinghouse Electric Corporation (hereinafter "CBS")¹, to Morrison Knudsen Corporation and BNFL USA Group, Inc. (the "Purchasers"). The Purchasers have considerable expertise in the nuclear and government operations business.

This Application requests that the Nuclear Regulatory Commission ("NRC") acknowledge and approve the transfers of the Export Licenses listed on Exhibit A, and the related amendments associated with the transfers, to one of the three new companies that has been formed by the Purchasers to effect the closing of the sale transaction (the "Transferee Company"). The Transferee Company, which will have transferred to it and will assume (with certain exceptions) the CBS commercial nuclear business, was formed in Delaware on December 30, 1998 under the name "Energy Systems Acquisition Company LLC." On the date of the closing of the sale transaction, the Transferee Company will change its name to "Westinghouse Electric Company LLC" ("WELCO"). It is therefore requested that the NRC amend the Export Licenses, effective as of the closing date of the sale transaction and in the manner further described below, to be in the name of WELCO.

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¹ Westinghouse Electric Corporation changed its name to CBS Corporation on December 1, 1997.

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Mr. Ronald D. Hauber, Director
Division of Non-Proliferation, Exports
and Multilateral Relations
Office of International Programs
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The proposed transfers of the Export Licenses resulting from the sale transaction will not involve any change in the operating organization, location, facilities, equipment or procedures currently residing in the CBS commercial nuclear business associated with the licensed activities. Current CBS employees responsible for licensed activities will become Transferee Company employees and will continue to be responsible for such activities after the transfers. The Transferee Company will meet all requirements for a NRC licensee and holder of Export Licenses and will agree to abide by all commitments and representations made to the NRC prior to the transfers, as well as all of the terms and conditions of the Export Licenses.

By letters dated September 28, 1998, as amended by letters dated January 18, 1999 and February 22, 1999, CBS filed Applications with the NRC for Transfers and Amendments of various Materials Licenses, Quality Assurance Program Approvals and Certificates of Compliance to the Transferee Company (WELCO as of the closing date) and the second of the three companies formed by the Purchasers, also in Delaware on December 30, 1998, under the name MK WGS LLC." This company, which will change its name to "Westinghouse Government Services Company LLC" ("WGS") on the date of the closing of the sale transaction, will have transferred to it and will assume the DOE and DOD defense program missions of the CBS government operations business.²

One of the existing CBS operating divisions, the ElectroMechanical Division, located in Cheswick, PA ("EMD") and engaged in both DOD and commercial nuclear activities, currently operates under certain of the Export Licenses that are the subject of this Transfer Application. EMD will be transferred to WGS (name as of the closing date) and not to the Transferee Company as part of the closing of the sale transaction. However, after the closing of the sale transaction, it is contemplated that the Transferee Company, and not WGS, will maintain responsibility for EMD's NRC licensed commercial export activities under those Export Licenses currently used by EMD, including responsibility for generating and maintaining all records under the Export Licenses required by NRC regulations. Accordingly, it also is requested that the NRC amend all non-fuel related Export Licenses, as listed on Exhibit A, being transferred to the Transferee Company to add Westinghouse Government Services Company LLC (name as of the closing date) as an additional supplier on each such transferred license.

² The third of the three companies formed to effect the sale transaction also was formed also in Delaware on October 9, 1998, under the name MK/BNFL GESCO LLC. As of the closing date this company will be re-named Westinghouse Government Environmental Services Company LLC ("WGES"). WGES will be dedicated to the environmental and waste management activities of the CBS government operations business; and no NRC or Agreement State licenses, approvals or certificates will be transferred to or possessed by WGES.

Mr. Ronald D. Hauber, Director
Division of Non-Proliferation, Exports
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Further, for those Export Licenses listed on Exhibit A that are identified by an asterisk, it is requested that the NRC also amend such licenses by extending the expiration date of the licenses to the specific extension date stated on Exhibit A for each such identified license.

Additional details on the sale transaction giving rise to the instant Application are provided in the attached Exhibit B, "Information for Transfer of CBS Export Licenses and Authorizations and Description of the Sale Transaction" and Appendix 1, "Revised Organization Chart, dated January 18, 1999." Also attached as Exhibit C is a copy of a letter from the Transferee Company to the NRC dated January 18, 1999 "Confirming Agreements to Assume Commitments, Responsibilities and Liabilities" with respect to the licenses to be transferred to it on the closing date of the sale transaction.

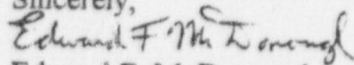
CBS further requests that, also effective as of the closing date of the sale transaction, the NRC consider that any other pending applications for approvals or amendments with respect to the Export Licenses which are the subject of this Application, or any pending applications for approvals of new export licenses, be considered as the pending applications of the Transferee Company.

The transfers and amendments of the Export Licenses, as described herein, will be effective as of the closing date of the sale transaction. It is currently contemplated that the closing date will occur during March 1999. CBS will keep the NRC informed of the actual calendar day on which the closing date occurs.

CBS would appreciate the NRC sending a written confirmation of this letter indicating its intent to process the requested amendments of the Export Licenses requested by this Application upon notification that the closing date of the sale transaction has occurred. CBS also would appreciate the NRC copying the individuals on the attached list on any correspondence related to the Application.

Enclosed is a check in the amount of \$4,600.00 in payment of fees for processing the required amendments to the affected Export Licenses, as set forth in 10 CFR Part 170.

Should there be any questions regarding this matter please contact me at: (412) 374-4754, Fax: (412) 374-3212, email mcdonoef@westinghouse.com.

Sincerely,

Edward F. McDonough,
Sr. License Administrator, Export Compliance

Mr. Ronald D. Hauber, Director
Division of Non-Proliferation, Exports
and Multilateral Relations
Office of International Programs
U.S. Nuclear Regulatory Commission
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Additions to Correspondence List

Lisa A. Campagna, Esq.
Westinghouse Electric Company, a division
of CBS Corporation
P.O. Box 355
Pittsburgh, PA 15230-0355

Barton Z. Cowan, Esq.
Eckert Seamans Cherin & Mellott, LLC
600 Grant Street, 44th Floor
Pittsburgh, PA 15219

Mark D. Herlach, Esq.
Sutherland Asbill & Brennan L.L.P.
1275 Pennsylvania Avenue, NW
Washington, DC 20004-2415

EXHIBIT A

**10 CFR PART 110 LICENSES
HELD BY CBS CORPORATION**

EXHIBIT A

10 CFR PART 110 EXPORT LICENSES HELD BY THE WESTINGHOUSE ELECTRIC COMPANY OF CBS CORPORATION

PLANT LICENSES					
LICENSES		COUNTRY	PLANT	ITEMS	EXPIRATION DATE
License Number	Last Amendment				
XR-081	10	Brazil	ANGRA 1	Plant and components	September 19, 2002
XR-107	4	Republic of Slovenia	KRSKO	Plant and components	August 6, 2014
COMPONENT LICENSES					
XCOM-1014 *		10 CFR 110.26 countries, Portugal	Not plant specific	All 10 CFR 110 Appendix A items (5) through (9)	December 31, 2000 extend to December 31, 2020
XCOM-1032 *	2	Bulgaria	Kozloduy 1-5	10,000 mechanical plugs	December 31, 2000 extend to December 31, 2005
XCOM-1047 *	1	Armenia	Medzamor 1 & 2	5,000 mechanical plugs	December 31, 1999 extend to December 31, 2010
	1	Ukraine	All Plants	6,500 mechanical plugs	December 31, 2000 extend to December 31, 2020
XCOM-1072 *		Mexico	Laguna Verde 1 & 2	All 10 CFR 110 Appendix A items (5) through (9)	December 31, 2000 extend to December 31, 2020
XCOM-1078	1	Czech Republic	VVER Plants	I&C and fuel assembly components	December 31, 2001
XCOM-1082 *		Czech Republic	All plants	All 10 CFR 110 Appendix A items (5) through (9)	December 31, 2005 extend to December 31, 2020
XCOM-1093 *	1	Ukraine	All plants	All 10 CFR 110 Appendix A items (5) through (9)	December 31, 2010 extend to December 31, 2020
XCOM-1094 *		Russia	All plants	One I&C system	June 30, 2000 extend to December 31, 2020
XCOM-1102 *		Brazil	INB Fuel Manufacturing	25 zirconium tubes, for now	December 31, 2010 December 31, 2020
XCOM-1111 *		China	All plants	All 10 CFR 110 Appendix A items (5) through (9)	July 23, 2015
XCOM-1113		Hungary	PAKS	Mechanical plugs, for now	December 31, 2020

EXHIBIT A

10 CFR PART 110 EXPORT LICENSES HELD BY THE WESTINGHOUSE ELECTRIC COMPANY OF CBS CORPORATION

FUEL LICENSES					
LICENSES		COUNTRY	PLANT	ITEMS	EXPIRATION DATE
License Number	Last Amendment				
XSNM-1045	6	Spain	Zorita	105,526.5 Kgs U containing 3,704.1 Kgs U235	June 27, 2014
XSNM-118	3	Spain	Vandellos 2	73,173 Kgs U containing 1,917 Kgs U235	June 27, 2014
XSNM-1719	1	Taiwan	Lungman 1	500,000 Kgs U containing 25,000 Kgs U235	June 21, 2014
	1	Taiwan	Lungman 2	500,000 Kgs U containing 25,000 Kgs U235	June 21, 2014
XSNM-2609	1	Taiwan	Maanshan 1 & 2	195,000 Kgs U containing 9,750 Kgs U235	June 21, 2014
XSNM-2785		Czech Republic	Temelin 1	171,000 Kgs U containing 7,695 Kgs U235	December 31, 2010
		Czech Republic	Temelin 2	171,000 Kgs U containing 7,695 Kgs U235	December 31, 2010
XSNM-2885		Taiwan	Maanshan 1	86,582 Kgs U containing 3,810 Kgs U235	December 31, 1999
		Taiwan	Maanshan 2	66,326 Kgs U containing 2,918 Kgs U235	December 31, 1999
XSNM-3006	1	Republic of Slovenia	KRSKO	134,700 Kgs U containing 400 Kgs U235	December 31, 2008
XSNM-3014		Taiwan	Maanshan 1 & 2	473,561 Kgs U containing 27,678 Kgs U235	December 31, 2010
XSNM-3016		Japan	Ohi 1	8,000 Kgs U containing 400 Kgs U235	June 30, 1999
XSNM-3022		Brazil	ANGRA 1	71,000 Kgs U containing 3,195 kgs U235	December 31, 2000

EXHIBIT A

10 CFR PART 110 EXPORT LICENSES HELD BY THE WESTINGHOUSE ELECTRIC COMPANY OF CBS CORPORATION New Westinghouse Export License Applications

COMPONENT LICENSES					
LICENSES		COUNTRY	PLANT	ITEMS	EXPIRATION DATE
License Number	Last Amendment				
XCOM-1085		South Africa	Koeberg 1 & 2	Add 10 CFR 110 Appendix A items (5) through (9)	Pending since November 18, 1993
XCOM-1094	1	Russia	All plants	Additional I&C systems and/or all 10 CFR 110 Appendix A items (5) through (9) [open] License approved but not completely [still open]	Pending since August 4, 1994
XCOM-1102		Brazil	ANGRA - INB Fuel Manufacturing	Add 10 CFR 110 Appendix A items (5) through (9) [open] License approved but not completely [still open]	Pending since October 16, 1996
XCOM-1113		Hungary	PAKS	10 CFR 110 Appendix A items (5) through (9) [open] License approved but not completely [still open]	Pending since May 22, 1998
XCOM-1116		Bulgaria	Kozloduy Units 1 to 6 and future plants as well	Mechanical plugs	Pending since August 6, 1998
FUEL LICENSE					
XSNM-3034		China	Daya Bay 1 & 2	203,412 Kgs U containing 9,150 Kgs U235	Pending since April 13, 1998

EXHIBIT B

**INFORMATION FOR TRANSFER OF CBS EXPORT
LICENSES AND AUTHORIZATIONS
AND DESCRIPTION OF THE SALE TRANSACTION**

A. Name of Transferee:

Energy Systems Acquisition Company LLC (currently); Westinghouse Electric Company LLC, ("WELCO") (as of the closing date of the sale transaction).

B. The Address Will Be:

Westinghouse Electric Company LLC.
P.O. Box 355
Pittsburgh, PA 15230-0355

C. The Export License Contact:

The export license contact and telephone number to facilitate communications will continue to be:

Mr. Edward F. McDonough
Sr. License Administrator
Export Compliance
P.O. Box 355
Pittsburgh, PA 15230-0355
Telephone: (412) 374-4754
Fax: (412) 374-3212

D. Description of the Sale Transaction and the Transferred Businesses

The Purchasers will acquire (with certain exceptions described below) the nuclear and government services businesses of CBS. Included in the businesses and assets to be acquired are those operations currently located within the Energy Systems Business Unit ("ESBU") of CBS, including the on-going nuclear-related research, development, and other operations conducted at the CBS Science and Technology Center ("STC"), and the Government and Environmental Services Company ("Government Operations") of CBS.

MK is an international engineering and construction company, incorporated under the laws of Ohio. MK has annual revenues of over \$1.6 billion, an order backlog of \$3.7 billion and net assets of \$343 million as of November 30, 1997. MK is listed on the New York Stock Exchange with an equity market value of over \$600 million and employs 8,500 people. MK provides a wide range of engineering, construction and construction management services to customers worldwide in the nuclear remediation, heavy civil, industrial, power, mining and environmental maintenance and service markets. MK also provides scientific, engineering, construction and maintenance services to the U.S. Government, including the Department of Energy ("DOE"), which is its largest customer, and the Department of Defense ("DOD").

British Nuclear Fuels plc ("BNFL") is a global leader in the nuclear industry, operating across the entire nuclear fuel cycle. It also is a substantial generator of nuclear power in the United Kingdom ("UK"). BNFL, which is wholly owned by the UK Government, has annual revenues of approximately \$2.5 billion, with an order backlog of around \$20 billion. In the United States, BNFL operates through BNFL USA Inc., its wholly owned U.S. subsidiary ("BNFL USA"). BNFL USA is incorporated under the laws of Delaware. BNFL USA, in turn, operates through two wholly owned subsidiaries, BNFL Inc., and BNFL Nuclear Services Inc. ("BNFL Nuclear Services"). Each of these subsidiaries is incorporated under the laws of Delaware. BNFL Inc. has approximately 800 employees (95 percent of whom are U.S. citizens) and a current order backlog of approximately \$9 billion. BNFL Nuclear Services has been formed in connection with the sale transaction to own the BNFL interest in WELCO. BNFL Inc. has worked closely with Government Operations at a number of DOE facilities, including Savannah River (currently managed by Westinghouse Savannah River Company). BNFL and BNFL Inc. have a substantial relationship with ESBU with respect to nuclear fuel manufacturing and other nuclear activities.

The Purchasers have formed three new companies to operate the businesses and assets to be transferred as part of the sale transaction, two of which will conduct NRC licensed activities. On the Closing Date, the first company, WELCO, will have transferred to it and will operate (with certain exceptions¹) the CBS commercial nuclear businesses now operated by ESBU. In addition, the ESBU-related operations at STC will be leased and operated by WELCO.

Each of the two other new companies has been formed and on the Closing Date will have transferred to them and will operate different specific components of the CBS

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- 1 Excluded from the assets and operations to be transferred as part of the sale transaction are those nuclear related assets and operations involving facilities currently owned by CBS that are inactive and are in the process of being decontaminated and decommissioned. CBS will continue to hold the licenses related to these operations and facilities and to be responsible for decontamination and decommissioning of such inactive operations. (The facilities and the associated licenses to be retained by CBS are: License No. TR-2 associated with the Westinghouse test reactor, License No. 37-00497-15 for the Forest Hills Site and License No. 040-08976 associated with the former Westinghouse Lamp Manufacturing Facility in Bloomfield, NJ.) CBS also submitted on September 28, 1998 requests for amendment of these licenses with the NRC to reflect its retention of these licenses. In addition, in accordance with the Asset Purchase Agreement ("APA") reflecting the sale transaction, CBS will remain financially responsible for decontamination and decommissioning of certain aspects of the facilities whose licenses are the subject of a related application for transfers and amendments of licenses, approvals and certificates filed concurrently with this Application.

government services business currently operated by Government Operations and engaged in managing facilities under contract with DOE and DOD, as well as the CBS Electro-Mechanical Division ("EMD") located in Cheswick, Pennsylvania. One of those companies, to be named Westinghouse Government Services Company LLC ("WGS"), was incorporated in Delaware on December 30, 1998 as a limited liability company under the name MK WGS I, C. The name of this company will be changed to Westinghouse Government Services Company LLC on the Closing Date. WGS will be dedicated to the defense program missions of the DOE and DOD. WGS will have transferred to it and will directly own 100% of the Westinghouse Savannah River Company and its 100% owned subsidiary, Westinghouse Safety Management Solutions. WGS also will have transferred to it and will operate EMD, which holds three NRC licenses at its Cheswick, Pennsylvania facility. WGS also will have responsibility for future defense programs contracts awarded to the Purchasers.

The other company, to be named Westinghouse Government Environmental Services Company LLC ("WGES"), was incorporated in Delaware on October 9, 1998 as a limited liability company under the name MK/BNFL GESCO LLC. The name of this company will be changed to Westinghouse Government Environmental Services Company LLC also on the Closing Date. WGES will be dedicated to environmental remediation and waste management activities of Government Operations. Accordingly, on the Closing Date it will have transferred to it and will operate the assets of the Westinghouse Government Technical Services Division and will hold the existing contracts of Government Operations for West Valley Nuclear Services, the Waste Isolation Division, Safe Sites of Colorado and Anniston. No NRC or Agreement State licenses, approvals or certificates will be transferred to or possessed by WGES.

Upon the approval of the NRC (or applicable Agreement State) of the requests set forth in this and related applications, each of WELCO and WGS also will have transferred to it the licenses, approvals and certificates associated with the businesses and operations to be transferred to it.

WELCO will be 100% owned by BNFL Nuclear Services. Although MK will have no economic interest in WELCO, MK is committed to the overall success of WELCO. WGS will be 100% owned by MK. BNFL Nuclear Services will have a passive economic right to 40% of the profits and losses of WGS, other than those arising from the WGS interest in WGES. WGES will be owned 60% by WGS and 40% by BNFL Nuclear Services. The economic interests of MK and BNFL Nuclear Services in WGES will be proportional to their ownership interests, 60% for MK and 40% for BNFL Nuclear Services. The structure of the companies and the transaction is depicted on the Revised Organization Chart dated January 18, 1999, attached hereto as Appendix 1.

WELCO, WGS and WGES plan to share certain general and administrative services in order to provide such services in the most efficient and cost effective manner. Many such services currently are located in ESBU. In the future, such services for WGS and WGES may be provided internally, externally by one of the other formed companies,

by MK or BNFL Nuclear Services, or by an outside contractor. It currently is contemplated that WELCO will continue to provide services for itself in a manner similar to the way such services are being provided for ESBU.

The CBS businesses to be transferred supply services, fuel and equipment for the nuclear energy market, and management and related operating services at government-owned facilities.

ESBU. The Energy Systems Business Unit of CBS, with approximately 6,000 employees, provides products and services to the nuclear utility industry, including nuclear fuel, operating and maintenance services, and repair and replacement parts and components. ESBU also designs, builds, upgrades, modernizes and decommissions nuclear power plants. In addition, ESBU also provides marketing, design, technical, regulatory and licensing services for the CBS spent fuel cask business.

Government Operations. CBS, through various divisions and subsidiaries of its Government Operations business, with approximately 17,000 employees, manages the operation of nuclear-related facilities for the DOE, including, among others, (i) the Savannah River Site in South Carolina (since 1989), (ii) the West Valley Demonstration Project in West Valley, New York (since 1971) and (iii) the Waste Isolation Pilot Project near Carlsbad, New Mexico (since 1985). The principal mission of these facilities is the remediation, waste management and safe management of the U.S. nuclear materials inventory. Government Operations also supports the U.S. Navy nuclear propulsion program, including through EMD. Government Operations also is currently managing the construction, operation and eventual decommissioning of the Anniston Chemical Agent Disposal Facility near Anniston, Alabama for the DOD and is involved in the manufacture of the new CBS multi-purpose, spent commercial nuclear fuel canister.

Science and Technology Center (STC). Certain research and development functions located at STC primarily related to operations of the commercial nuclear businesses of CBS also will be transferred to WELCO as part of the sales transaction. WELCO will lease from CBS and operate the assets associated with these functions.

E. Organization and Governance:

There will be no changes in personnel having control of licensed activities. The principal officers and the Board of Directors of WELCO will take the place of the current principal officers and Board of Directors of CBS. There will be five directors of WELCO, including the current ESBU president. The current Chief Executive Officer ("CEO") of BNFL plc will serve as the Chairman of the WELCO Board of Directors. On the Closing Date, the current president of ESBU, who is a U.S. citizen, will become President and Chief Executive Officer of WELCO2.

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- 2 Ian Duncan will serve as President of WELCO under its current name, Energy Systems Acquisition Company LLC, until the Closing Date.

There will be seven directors of WGS. MK will appoint six of these directors and BNFL Nuclear Services will nominate one director. The current Senior Vice President of Operations of MK and President of its Engineers and Constructors Group, who is a U.S. citizen, will serve as the Chairman of the WGS Board of Directors. On the Closing Date, the current president of Government Services, who is a U.S. citizen, will become President of WGS. There will be no common directors or principal executive officers between WELCO and WGS.

Effective on the Closing Date, the names, addresses and country of citizenship of the directors and officers of WELCO will be as follows:

WELCO Directors:

<u>Name</u>	<u>Country of Citizenship</u>
John J. Taylor	United Kingdom
Charles W. Pryor, Jr.	United States
Ross A. N. Chiese	United Kingdom
Ian B. Duncan	United Kingdom
Alvin J. Shuttleworth	United Kingdom

Address for Mssrs. Taylor, Chiese and Shuttleworth:

Risley
Warrington
Cheshire WA3 6AS
United Kingdom

Address for Mssrs. Pryor and Duncan:

Westinghouse Electric Company LLC
4350 Northern Pike
Monroeville, PA 15146

WELCO Officers as of the Closing Date:

<u>Name</u>	<u>Position</u>	<u>Country of Citizenship</u>
John J. Taylor	Chairman	United Kingdom
Charles W. Pryor	President & Chief Executive Officer	United States

Ian B. Duncan	Chief Financial Officer	United Kingdom
Alvin J. Shuttleworth	Secretary	United Kingdom
Steven Tritch	Vice President & General Manager Nuclear Services Division	United States
Howard Bruschi	Vice President & Chief Technology Officer	United States
Michael Comiskey	Vice President & General Manager, Nuclear Projects Division	United States
James Fici	Vice President & General Manager, Commercial Nuclear Fuels Division	United States
Anthony Greco	Vice President, Human Resources	United States

Address for Messrs. Taylor and Shuttleworth is as set forth above:
Address for all other officers:

Westinghouse Electric Company LLC
 4350 Northern Pike
 Monroeville, PA 15146

As the result of the sale transaction, there will be no changes in personnel named as responsible for the licenses being transferred herein. There is no issue of ownership, control or domination by an alien, foreign corporation or foreign government under the Atomic Energy Act, inasmuch as no license for a production or utilization facility is involved. In addition, BNFL will not have access to Restricted Data and/or other classified information, sensitive nuclear technology or export controlled data (not covered under NRC export licenses or DOE 10 CFR Part 810 export authorizations) by virtue of its interest as a Purchaser. Moreover, the United Kingdom is a signatory to the Nuclear Non-Proliferation Treaty and has an agreement for cooperation with the United States. Thus, this transaction will not have an adverse effect on the common defense and security of the United States.

EXHIBIT C

LETTER FROM TRANSFEREE COMPANY TO NRC

**"CONFIRMING AGREEMENTS TO ASSUME
COMMITMENTS, RESPONSIBILITIES AND LIABILITIES"**

Energy Systems Acquisition Company LLC

January 18, 1999

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555

RE: Applications, as Amended, of CBS Corporation for Transfers and Amendments of Materials Licenses, Quality Assurance Program Approvals and Certificates of Compliance: Revised Submittal of Additional Information

Gentlemen:

This letter is in furtherance of and a part of the Applications, as Amended, for Transfers and Amendments of Materials Licenses, Quality Assurance Program Approvals and Certificates of Compliance of CBS Corporation ("CBS") (the "Applications") filed with the NRC on September 29, 1998, as amended, related to the transfers and amendments of the licenses, approvals and certificates referenced in the Applications. The need for the requested transfers and amendments arises from the sale (with certain exceptions) of the assets and operations of the nuclear and government services businesses of CBS as more fully described in the Applications. This letter replaces the letter to the NRC from MK/BNFL Commercial Nuclear Services LLC dated November 11, 1998.

As provided by the NRC regulations and NRC Information Notice 89-25, Revision 1, dated December 7, 1994, to support the transfers of the licenses, approvals and certificates requested by the Applications, the following statements and representations are made:

1. I am President of Energy Systems Acquisition Company LLC (the "Transferee Company"). The Transferee Company was formed in Delaware on December 30, 1998 and is the legal entity referred to in the Applications that will assume (with certain exceptions) the assets of the nuclear business of CBS. I am authorized to file this letter with the NRC on behalf of the Transferee Company.
2. On the date of the closing of the sale transaction discussed above, the Transferee Company will change its name to Westinghouse Electric Company LLC ("WELCO") and will become the licensee and holder of the licenses, approvals and certificates set forth on Exhibit A of the Applications.
3. The Transferee Company agrees to the transfer and amendment of the licenses, approvals and certificates issued by the NRC and currently held by CBS and to the change in ownership and control of the licensed activities and the conditions of the transfers and those contained in the licenses in accordance with the Applications.

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4. CBS has made the Transferee Company aware of all open NRC inspection items and the responsibility of the Transferee Company for possible resulting enforcement actions. The Transferee Company understands that CBS will make it aware of all open inspection items as of the Closing Date of the sale transaction, and the Transferee Company accepts the responsibility for possible resulting enforcement actions.
5. The Transferee Company agrees to abide by commitments and representations previously made to the NRC by CBS for all facilities, licenses, certificates and approvals being transferred by the Applications, including: maintaining decommissioning records required by 10 C.F.R. 30.35(g), 40.36(f) and 70.25(g); implementing decontamination activities and decommissioning of the sites, as discussed in the Applications; and completing corrective actions for open inspection items and enforcement actions.
6. The Transferee Company agrees to accept responsibility for decommissioning and decontamination of the facilities and sites being transferred and will provide evidence of resources to fund decommissioning as required by the NRC as set forth in the Applications, except that CBS will undertake certain responsibilities as set forth in Exhibit C to the Applications. As of the Closing Date, the Transferee Company will provide adequate resources to fund decommissioning for which it is responsible through appropriate mechanisms, as described in the Applications.
7. The Transferee Company agrees to abide by all other constraints, conditions, requirements, representations and commitments identified in the existing licenses, approvals and certificates issued by the NRC.

We would be pleased to respond to any further questions that the NRC may have with regard to this letter.

Sincerely,



Ian B. Duncan
President
Energy Systems Acquisition Company LLC