



March 31, 2021

U.S. Nuclear Regulatory Commission
ATTN: Document Control
Decommissioning Branch
Division of Waste Management
11545 Rockville Pike
Two White Flint North
Rockville, Maryland 20852

Reference: License SMB-911; Docket No. 40-7580
License Conditions 43, 44, and 45 – Annual Update

Document Control:

Pursuant to License SMB-911 Conditions 43, 44, and 45, the licensee, FMRI, Inc. ("FMRI"), submits the following information:

License Condition 43 (accounting of expenses)

This letter and the enclosed "Table 1 – Accounting of Expenses for Year 2020" (Attachment 1) provide the information required by License Condition 43 regarding FMRI expenses in 2020, including the following:

- a) Expenses incurred by FMRI in 2020, using the same line items as provided in Table 15-11 of the Decommissioning Plan ("DP").
- b) The amount spent on each line item during 2020.
- c) Cumulative expenses (i.e., spent in 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020).
- d) Identification of variances, both positive and negative, between the planned expense projected by FMRI for 2020 in the most recent previous annual update submitted to the NRC on March 31, 2019 and the actual expense for each line item during 2020.
- e) An explanation of the reasons for variances that exceed 5% of the planned expense for a line item during 2020 (provided as a footnote to Table 1).

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Subparagraph (f) of License Condition 43 requests a comparison of the cost of work remaining to the funding remaining under the assurances provided to NRC. The cost of work remaining will be left in its current condition. Because of the uncertainties in the funding of FMRI the cost of work remaining is impossible to estimate beyond what is previously done.

Enclosed is "Revised Table 15-11, Revised Closure Cost Estimate by Year" (Attachment 2) that provides the revised estimated cost of \$17,044,034.00 for the decommissioning work remaining to be incurred in 2021 and out years. This correlates to an increase in total decommissioning cost estimate (i.e., including previous years expenses) to a total of \$43,032,796 which is \$1,427,796 more than the original estimate of \$41,605,000 on which the financial assurance mechanism was based. The revised estimate is based on full funding and a shorter time span.

Finally, paragraph (g) of License Condition 43 requests an explanation of the reason for all expenses not covered by the line items of Table 15-11. There were no other expenses that are not covered by the line items of Table 15-11 in 2020.

License Condition 44 (accounting of income)

The accounting of income in 2020 from Reorganized Fansteel (i.e., Fansteel Inc. or "Fansteel") showing amounts paid to FMRI following the format used in License Condition 44 is provided below: Fansteel is funding FMRI monthly.

- | | | |
|----|----|--|
| a) | \$ | 0.00 - annual mandatory prepayments |
| b) | \$ | 00.00 - annual in monthly payment |
| c) | \$ | 0.00 - additional annual prepayment (1) insurance proceeds, and
(2) re-organized debtor asset sale proceeds |
| d) | \$ | 0.00 - payments under the secondary promissory note |
| e) | \$ | 0.00 - payments under the contingent promissory note |

Subparagraph (f) of License Condition 44 also requests information on any other payments received. Other payments received by FMRI in 2020 are as follows:

- \$ 324000.00 - withdrawn from the Decommissioning Trust
- \$ 00.00 - from the sale of surplus equipment
- \$ 54,000.00 - from rental income
- \$ 1444.30 - from other income

License Condition 45

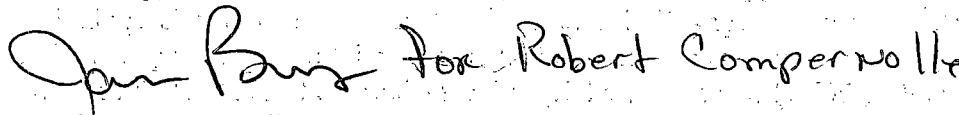
As required in License Condition 45, and as discussed above, enclosed is an updated version of Table 15-11 (i.e., "Revised Table 15-11 - Revised Closure Cost Estimate by Year").

License Condition 45 also requests an updated version of Table 15-12 (Reorganized Fansteel Cash Flow by Year) showing actual figures for previous periods; and updated projections using

current information. FMRI directs you to Bankruptcy Case #16-01823, Southern District of Iowa for this information.

If you have any questions, please call me at (918) 687-6303.

Sincerely,

A handwritten signature in black ink that reads "Jan Burg for Robert Compennolle". The signature is written in a cursive, flowing style.

Robert Compennolle
President, FMRI

Enclosures

Copy to: (James Smith NRC)
(FMRI File (NRC-033121))

bcc:

James Burgess (FMRI)

ATTACHMENT 2

Revised Table 15-11

FMRI Revised Closure Cost Estimate by Year (License Condition 45; Submitted March 31, 2021)

	Pre Approval			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Subtotal	On going	Total	
	2002* (Actual)	2003 (Actual)	Subtotal (2002 - 2003)	2004 (Actual)	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Actual)	2010 (Actual)	2011 (Actual)	2012 (Actual)	2013 (Actual)	2014 (Actual)	2015 (Actual)	2016 (Actual)	2017 (Actual)	2018 (Actual)	2019 (Actual)	2020 (Actual)	2021 Projected	(2004 - 2020)	later years 2021 to 2023		
Site maintenance activities (line item number)																									
(1) Site maintenance costs in preparation for decommissioning	154,000	1,446,000	1,600,000																						
(2) Miscellaneous costs, legal & other consulting services	160,000	250,000	410,000	424,038	200,658	\$ 209,889	859,118	384,577	573,810	87,221	232,227	136,000	260,059	579,483	145,990	132,915	20,000	38,521	14,000	24,000	24,000	4,322,506	141,000	1,600,000	
	314,000	1,696,000	2,010,000	424,038	200,658	209,889	859,118	384,577	573,810	87,221	232,227	136,000	260,059	579,483	145,990	132,915	20,000	38,521	14,000	24,000	24,000	4,322,506	141,000	4,873,506	
Site plans & maintenance																									
(3) Prepare decommissioning plans and reports				90,302	211,002	\$ 347,684																648,988		648,988	
(4) Facility oversight through facility closure in about 10 years				570,785	430,986	\$ 457,568	445,593	440,672	304,539	241,141	236,051	137,883	552,736	135,813	310,693	548,872	224,332	283,573	230,422	262,855	239,400	5,814,514	209,114	6,023,628	
(5) Preparation of Environmental Report		200,000	200,000																			236,899		200,000	236,899
(6) NRC review of decommissioning plans and reports				102,649	86,250	\$ 48,000																2,477,833		236,899	2,714,732
(7) NRC oversight & misc. through facility closure over 10 years				160,408	198,827	\$ 175,238	222,904	189,771	198,249	34,731	44,927	136,000	42,288	193,398	179,565	348,061	211,139	142,326				2,477,833	320,000	2,797,833	
(8) Health Physics support through facility closure over 10 years					45,000	\$ 102,500	59,086	31,322	11,073	33,061	26,791	107,723		11,330	15,620	30,656	13,640	16,902	12,870	11,880	14,000	529,454	55,000	584,454	
(9) NRC oversight of groundwater treatment																									
(10) Survey activities												125,000										125,000		1,125,000	1,125,000
(11) Decontaminate all buildings																								400,000	400,000
(12) Decontaminate equipment																								400,000	400,000
WIP disposition																									
(13) Ponds 2&3 Residues (WIP), Excavation, on-site hauling, and drying					425,672	699,929	197,420	349,288	101,750	372,735	100,515	50,000			26,654	34,746	40,000					2,398,709	70,000	2,468,709	
(14) Ponds 2&3 Residues transportation						8,625	1,380,822	1,060,893	181,523				41,206	211,039	430,617	286,330	237,182					3,838,238	953,324	4,791,562	
(15) Ponds 2&3 Residues disposition							734,613	514,876	52,032					102,285	153,169	163,482	138,087					1,858,544	553,468	2,412,012	
(16) Backfill where removed Ponds 2 & 3 Residues (WIP residues)																							20,000	20,000	
				425,672	708,554	2,312,855	1,925,057	335,305	372,735	100,515	50,000	41,206	313,324	610,440	484,558	415,269						8,095,491	1,596,792	9,692,283	
CaF2 disposal																									
(17) Ponds 5,6,7,8, & 9 Residues - Excavation, on-site hauling, and drying																							345,406	345,406	
(18) Ponds 5,6,7,8, & 9 Residues transportation																							4,227,003	4,227,003	
(19) Ponds 5,6,7,8, & 9 Residues disposal																							4,673,930	4,673,930	
(20) Backfill where removed Ponds 5,6,7,8, & 9 Residues																							150,000	150,000	
																							9,396,339	9,396,339	
Soil disposal																									
(21) Radiologically contaminated soils, Excavation & on-site hauling																							137,789	137,789	
(22) Radiologically contaminated soils transportation																							1,336,300	1,336,300	
(23) Radiologically contaminated soils disposal																							1,477,700	1,477,700	
(24) Backfill where removed radiologically contaminated soils																							50,000	50,000	
																							3,001,789	3,001,789	
Groundwater treatment																									
(25) Groundwater treatment for 3 years during decommissioning of WIP				282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	167,641	180,803	167,962	162,079	142,837	124,121	106,619	148,016	110,000	1,410,000		1,410,000	
(26) Groundwater treatment for 17 years after decommissioning of WIP																							2,328,078	524,000	2,852,078
				282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	167,641	180,803	167,962	162,079	142,837	124,121	106,619	148,016	110,000	3,738,078	524,000	4,262,078	
Total Revised Decommissioning Cost Estimate	314,000	1,896,000	2,210,000	1,630,182	1,880,396	2,331,433	4,181,556	3,253,399	1,704,976	1,050,889	922,511	974,606	1,063,930	1,414,151	1,430,270	1,707,141	1,027,217	605,443	363,911	446,751	387,400	25,988,762	17,044,034	43,032,796	