



May 31, 2024

Mr. James Smith
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852-2738

Ms. Rachel Miller
Oklahoma Department of Environmental Quality
707 North Robinson
Oklahoma City, OK 73101

Re: Docket No. 07000925; License No. SNM-928
Cimarron Environmental Response Trust
Approval to Investigate Insurance for Water Treatment Facility

Dear Recipients:

Solely as Trustee for the Cimarron Environmental Response Trust (CERT), Environmental Properties Management LLC (EPM) requests approval of the U. S. Nuclear Regulatory Commission (NRC) and the Oklahoma Department of Environmental Quality (DEQ) regarding insuring the yet-to-be-constructed water treatment and remediation facilities at the Cimarron site.

EPM anticipates spending at least 25% of the total funding available for decommissioning the site on the construction of groundwater remediation infrastructure and a groundwater treatment facility.

Above grade remediation and water treatment facilities not only represent most of the cost to construct decommissioning systems, but they are also more vulnerable to damage than subsurface groundwater remediation infrastructure. EPM believes it would be wise to obtain insurance that would cover damage repairs or replacement because these costs could significantly deplete or even consume the funds needed to complete groundwater remediation.

Section 2.7 of the Cimarron Trust Agreement states, “Only at the direction of the United States and Oklahoma shall the Cimarron Trustee investigate the possible purchase of an insurance policy to cover future Environmental Actions and general liability at the Cimarron Site. If, and only if, the United States and Oklahoma unanimously direct the Cimarron Trustee in writing to purchase such insurance, shall the Cimarron Trustee use Cimarron Trust Assets to purchase such insurance.” (emphasis added)

Most insurance companies do not provide insurance for nuclear facilities that are under license to the NRC. Based on past experience, only American Nuclear Insurers (ANI) provides insurance to nuclear fuel cycle facilities, and ANI imposed significant requirements on its policy holders.

EPM respectfully requests the NRC and the DEQ to direct EPM to identify potential insurers and contact these entities to ascertain potential coverage options, associated costs, and requirements that would be imposed upon the CERT to obtain coverage.

If you have any questions or desire clarification, please call me at (816) 652-5152.

Sincerely,



John R. Hesemann
Vice President, EPM, Trust Administrator

cc: (electronic copies only)

Stephanie Anderson and Linda Gersey, NRC Region IV

Paul Davis, Keisha Cornelius, Christopher Robinson, David Cates, and Jonathan Reid, DEQ

NRC Public Document Room

vcpsubmittals@deq.ok.gov