



2020 Dow Center
December 1, 1999

The Dow Chemical Company
Midland, Michigan 48674

Mr. Sam Nalluswami
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, MD 20852

RE: FINANCIAL ASSURANCE FOR DECOMMISSIONING COSTS

This is a partial response to the two requests made in the September 22, 1999 letter from the U.S. Nuclear Regulatory Commission.

In response to the request to provide documentation for the change in the decommissioning cost estimate to \$1,800,000 from the previous \$18,830,000 decommissioning cost estimate Dow offers the following explanation. The field decommissioning work under license STB-527 commenced in late 1996 and continued aggressively in the field through 1998 and in the process shipping over 1000 railcars to Envirocare of Utah for disposal. When we evaluated what we accomplished in 1998 (volume removed and dollars spent) compared to the work we estimated remaining to complete the decommissioning plan the based on the same experience in 1999 we would be completed and have spent approximately \$1,800,000 and be demobilized from the site. However, when we commenced work in 1999 we ran into more material requiring removal that we had anticipated and the amount of money to complete the current decommissioning plan had been understated.

At this time, Dow believes it would be more beneficial to spend winter shutdown time to evaluate the site and what remains to be done and prepare a new estimate for financial assurance to complete the project instead of trying to justify the existing number.

In order to accomplish this new estimate and new schedule that was also requested Dow will need to meet with the NRC to discuss what we see as viable options for final site closure and determine which approach should be used to provide the new financial estimate and schedule.

It is Dow's goal to complete this work in 2000 in a cost-effective approach that provides the protection for the public.

I am enclosing with this letter a schedule that is based on meeting with the agency to discuss our options under the existing decommissioning plan and explore what options under the new license termination rule are available.

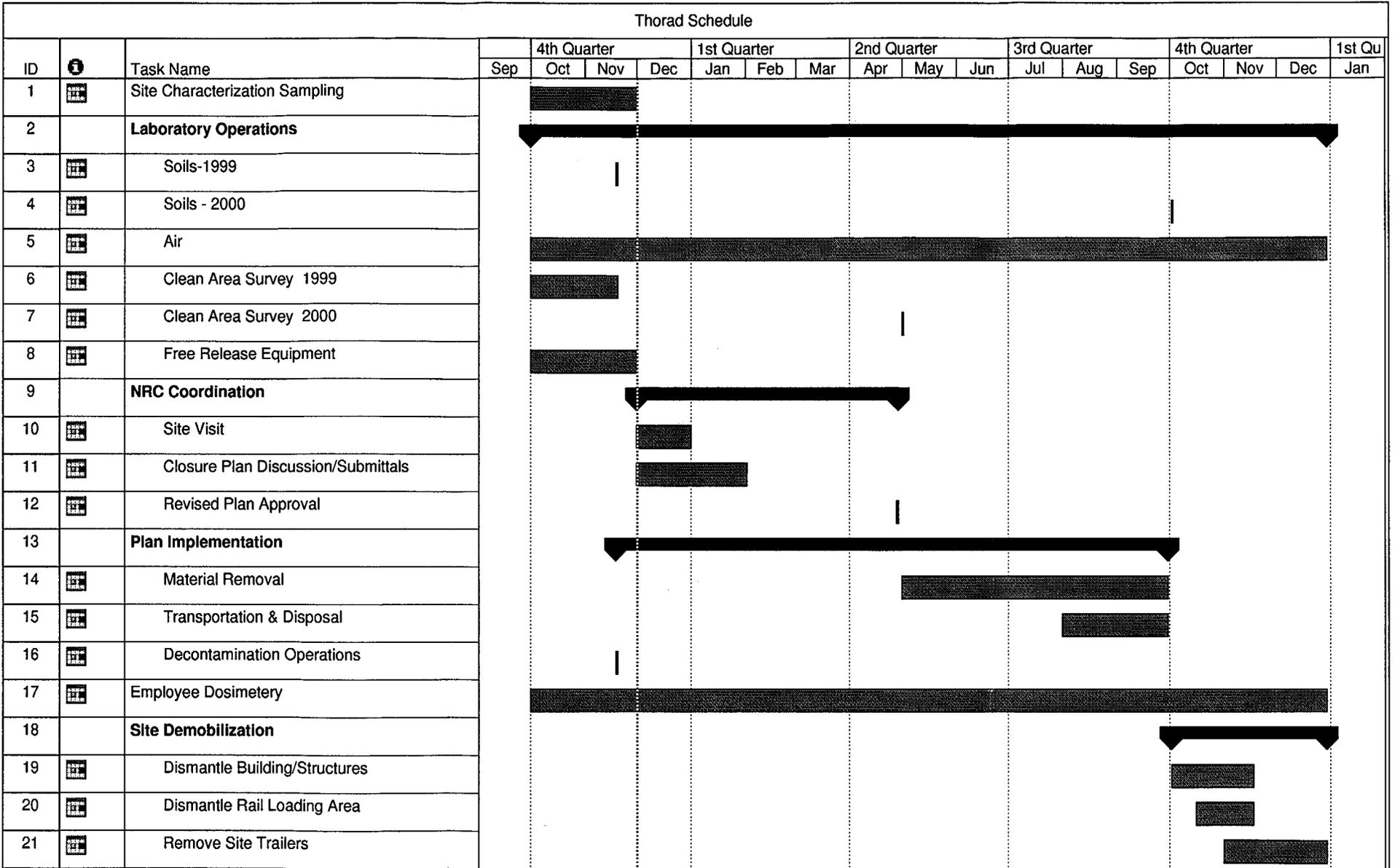
I will be contacting you to arrange a meeting either in Washington D.C. or at the site to initiate this activity. It is our hope to arrange a meeting before the end of 1999 at the site.

Please contact me if you have any questions.

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Project: Thorad Schedule 2000 Date: Wed 12/01/99	Task	█	Summary	▾	Rolled Up Progress	█
	Split	Rolled Up Task	█	External Tasks	█
	Progress	█	Rolled Up Split	Project Summary	▾
	Milestone	◆	Rolled Up Milestone	◇		

cc: Ed Kulzer, NRC
Maria Sandow, RSO – Radian
Gerald Sgro, Project Manager - Radian