

**From:** Webb, James  
**Sent:** Tuesday, January 10, 2012 9:55 AM  
**To:** Paulson, Oscar (RTE)  
**Cc:** Schutterle, Shelley (RTE); Purdie, Michael  
**Subject:** RE: Surety Update Approval Letter

Mr. Paulson,

Thank you for the email and pointing out the error in our letter dated December 15, 2011. You are correct. The letter should have read that the revised surety amount will be in effect “*within three (3) months of receipt of this letter*”, and not “*within 30 days*” as previously stated.

Kennecott has 3 months to revise the surety amount.

James Webb  
Project Manager  
USNRC  
Washington D.C.

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**From:** Paulson, Oscar (RTE) [<mailto:Oscar.Paulson@riotinto.com>]  
**Sent:** Wednesday, December 21, 2011 9:47 AM  
**To:** Webb, James  
**Cc:** Schutterle, Shelley (RTE)  
**Subject:** Surety Update Approval Letter

James Webb:

The following:

- Kennecott Uranium Company received the letter dated December 15, 2011 this morning approving the surety update submitted under of cover of letter dated July 25, 2011.
- The approval letter states:
  - *Consistent with License Condition 9.7, KUC shall provide financial assurance in an amount no less than \$10, 687,000 **within 30 days** (emphasis added) of receipt of this letter, and it is recommended that KUC appropriately amend the schedules to its Standby Trust Agreement to reflect this change, accordingly.*
- License Condition 9.7 states in part:
  - *Annual updates to the surety amount required by 10 CFR 40, Appendix A, Criteria 9 and 10, shall be submitted to the NRC at least three (3) months prior to the anniversary date (October 30) of the approved surety arrangement. If the NRC has not approved a proposed revision to the surety coverage thirty (30) days prior to the expiration date of the existing surety arrangement, the licensee shall extend the existing surety arrangement. The revised surety amount will be in effect **within three (3) months** (emphasis added) of written NRC approval.*

Please provide either an amended cover letter reflecting the three (3) month time frame in License Condition 9.7 or an e-mail (also filed in ADAMS) noting the error and stating that the time frame for providing a revised surety is three (3) months, consistent with License Condition 9.7.

Thank you!

Merry Christmas and Happy New Year!

Oscar Paulson

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Avis:

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