

**KAISER ALUMINUM  
& CHEMICAL CORPORATION**

June 20, 2002

40-2377

**Via Federal Express**

Mr. John T. Buckley  
United States Nuclear Regulatory Commission  
TWFN, 7F27  
Washington, DC 20555

Re: *Kaiser Aluminum & Chemical Corporation Tulsa, Oklahoma  
Decommissioning Activities*

Dear Mr. Buckley,

It is with a great deal of personal disappointment that I am just writing to you to provide the materials requested in our March 22, 2002 meeting regarding the potential impact of Kaiser's pending bankruptcy proceedings on the decommissioning activities ongoing at its Tulsa, Oklahoma facility. As I explained in a recent message to you, this was originally delayed due to an extended schedule for the submission of Kaiser's 2001 SEC Form 10-K, one of the requested documents. Subsequently, my own personal error in following the progress of the matter caused me to neglect this project for some time amid other responsibilities. I greatly appreciate your understanding and patience regarding these matters and I assure you that it should have no reflection upon Kaiser's commitment to the decommissioning activities; as you know, those activities have continued unimpaired and are on schedule.

As discussed in our meeting, I enclose the following documents:

1. Kaiser's 2001 SEC Form 10-K;
2. April 12, 2002 Press Release concerning 2001 Financial Results;
3. April 12, 2002 "Open Letter" from Jack A. Hockema, Kaiser's President and Chief Executive Officer, concerning 2001 Financial Results;
3. Kaiser's First Quarter 2002 Form 10-Q;
4. May 20, 2002 Press Release concerning 2002 Financial Results;
5. June 12, 2002 Press Release concerning Kaiser's Motion to extend to December 12, 2002 the exclusivity period for submission of its formal Chapter 11 Plan of Reorganization;
6. February 12, 2002 Press Release Announcing the Bankruptcy;
7. Consolidated List of Creditors Holding 50 Largest Claims;
8. Affidavit of Joseph A. Bonn in Support of Chapter 11 Petitions and Requests for First Day Relief; and

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Mr. John T. Buckley  
June 20, 2002  
Page 2

9. Consolidated Docket Sheet, current through June 19, 2002.

As we discussed at our meeting, neither Kaiser's environmental liabilities nor the decommissioning activities at its Tulsa facility specifically affected Kaiser's decision to seek voluntary protection under the United States Bankruptcy Code. As stated in the press release issued on February 12, 2002 announcing Kaiser's decision,

Kaiser has been facing significant near-term debt maturities at a time of unusually weak aluminum industry business conditions, depressed prices, and a broad economic slowdown that was further exacerbated by the events of September 11. In addition, the company has become increasingly burdened by asbestos litigation and growing legacy obligations for retiree medical and pension costs. The confluence of these factors has created the prospect of continued operating losses and negative cash flow, resulting in lower credit ratings and an inability to access the capital markets.

More importantly, as we also discussed at the meeting, Kaiser does not anticipate any impact whatsoever on its decommissioning activities at the Tulsa facility associated with its bankruptcy. This is borne out by the significant activities that have occurred at the site and in connection with the decommissioning activities in the last four months since the filing. As you know, Kaiser most recently submitted a two volume addendum to its Decommissioning Plan, expanding the focus of the June 2001 Decommissioning Plan to an area of the site known as the former "operational area" in response to additional site characterization activities began before and concluding following the bankruptcy; a Semiannual Groundwater Quality Report; and Kaiser's Response to Comments to the original Decommissioning Plan. In short, Kaiser believes that the decommissioning activities are proceeding well and on schedule, with no impact or delays associated with Kaiser's bankruptcy. Kaiser looks forward to continuing its current good relationship with the NRC and to the timely and successful completion of the decommissioning activities detailed in its Decommissioning Plan and Addendum.

I also want to again assure you of our willingness to cooperate in every reasonable way that we can, and to provide whatever information you or anyone else should need. On that point, if either your or anyone else would like a copy of any of the pleadings referenced on the Docket Sheet, please do not hesitate to contact me. Likewise, I will periodically update the list so that future pleadings also can be requested. I wonder if it is possible to do this via e-mail, as this is likely to be the most efficient manner to provide frequent, periodic updates. As you will note, the docket sheet already is seventy-six pages long, reflecting nearly 700 pleadings. If it is possible to do this via e-mail, please advise and provide the e-mail address of the appropriate person and the frequency with which you

Mr. John T. Buckley  
June 20, 2002  
Page 3

would like the information updated. My own e-mail address is <tre.fischer@kasieral.com>. I also note that information regarding our bankruptcy is available on Kaiser's website,

<http://www.kasieral.com>,

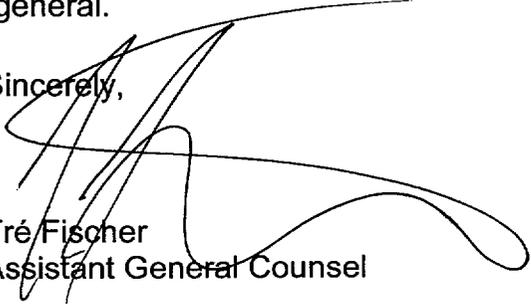
and the pleadings are available directly to subscribers of PACER, information regarding which can be obtained at:

<http://pacer.psc.uscourts.gov/pacerdesc.html>.

Of course, we are happy to provide copies directly of any pleadings you or any one else may need. E-mail would also be the most efficient manner to request and transmit these documents as well, particularly as many are quite voluminous.

Again, thank you very much for your patience and understanding. Please do not hesitate to contact me with any questions or concerns you may have regarding any of these materials or Kaiser's bankruptcy in general.

Sincerely,



Tré Fischer  
Assistant General Counsel

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