

Writer's Phone: 847-948-4879  
Writer's Fax: 847-948-4522

**Baxter**

January 7, 2008

Mr. Karl L. Farrar  
Regional Counsel  
U.S. Nuclear Regulatory Commission  
475 Allendale Road  
King of Prussia, PA 19406-1415

2008 JAN 14 PM 4: 12

**RE: Follow-up on Baxter 2004 Agreement  
with the NRC (EA 04-118)**

Dear Mr. Farrar

As we discussed today, this letter follows up on one item in Baxter's letter to you, dated December 17, 2004, which confirmed the terms of our December 2004 mediation session.

In that letter, we noted as follows:

"G. In 2007 after the full review, Baxter will discuss with NRC whether Baxter will need to continue to use a qualified external consultant. It is anticipated that the last external consultant review will be completed in 2007. In no event shall such review extend beyond one additional review in 2009 in the context of this Agreement."

In light of the more recent issues involving Baxter and the NRC, Baxter has decided to have one additional external consultant review in 2009. I discussed Baxter's position on this item with Ms. Marie Miller of the NRC, Region 1, the week of December 17, 2007 and she had no objection to Baxter's position on this item.

Also, please note that Mr. Jose Sadurni who was Plant General Manager at Baxter's Aibonito, Puerto Rico facility, has decided to leave the company. Mr. Enrique Moran is Acting Plant General Manager.

If you have any questions or comments regarding the above, please call me at 847/948-4879.

Sincerely,



Peter Etienne  
Senior Counsel

PE/laf-b

cc: Enrique Moran, Baxter