

August 21, 2008

Christine Lipa
Branch Chief, Decommissioning Branch
US NRC Region III
801 Warrenville Road
Lisle, Illinois 60532-4351

On behalf of the LePetomane III, Inc., not individually but solely as Trustee of the Custodial Trust (the "Trust"), ENVIRON International Corporation (ENVIRON) would like to thank you for the opportunity to meet with you on Thursday, August 14, 2008 to discuss progress at the Breckenridge Disposal Site (the "Site"). This meeting was very beneficial and there is a clearer understanding of the expectations and positions of all parties. A list of the meeting attendees is attached.

As discussed in the meeting, ENVIRON will prepare a supplemental remedial options evaluation in consideration of the dramatic change in disposal pricing. Specifically, the supplemental remedial options evaluation will consider the following:

- Mixing for Offsite Disposal – As discussed during the meeting, unimportant quantities of source material are exempt from regulations under 10 CFR 40.13. In addition, NUREG 1757 allow the mixing of material to meet waste acceptance criteria. ENVIRON will evaluate the volume of clean soil required for mixing, such that the material at the Site would meet the definition of unimportant quantities of source material. Unimportant quantities of source material have many more disposal options, lower disposal costs, and possibly lower transportation costs.
- Updated Transportation Pricing – Due to the significant increases in fuel costs, ENVIRON will obtain updated transportation pricing for all disposal options evaluated.
- Cost-Benefit Analysis – ENVIRON will perform a cost benefit analysis to determine the optimal remediation approach. ENVIRON will compare the cost of mixing soil for offsite disposal at EQ's Michigan facility, mixing the soil for offsite disposal at Waste Control Specialist's Texas Facility, mixing soil for onsite disposal, disposing of material "as-is" at Energy Solution's Utah facility, and various combinations of the four options.

In addition to these tasks, the Trust will discuss certain legal issues with Jared Heck, the Regional Counsel for NRC Region III. One issue to be discussed is the exact relationship between the Trust and the NRC. The exact nature of the relationship may have some bearing on the ability of the Trust to qualify for government disposal pricing. The Trust will also discuss the procedures for designating portions of the supplemental remedial options evaluation as proprietary information. Finally, the NRC will provide guidance to the Trust as to whether or not offsite material can be mixed with onsite soil in order to achieve waste acceptance criteria.

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ENVIRON hopes the NRC has the same understanding regarding the path forward. ENVIRON is committed to providing the NRC the above information in a timely manner. ENVIRON suggest that a conference call be held towards the end of September to discuss ENVIRON's progress and set a target submittal date.

As always, if the above information is different than your expectation or if you have any additional questions, please do not hesitate to call me at 312-288-3823. Thank you again for your time.

Sincerely,

ENVIRON International Corporation



David Heidluaf
Senior Manager

cc: The Custodial Trust
Mr. Mark Travers, ENVIRON International Corporation
Mr. Chris Greco, ENVIRON International Corporation
Mr. Mike McCann, Nuclear Regulatory Commission
Mr. Scott Cornelius, Michigan Department of Environmental Quality

ENVIRON

ENVIRON International Corp.

LETTER OF TRANSMITTAL

333 W. Wacker Drive • Suite 2700 • Chicago, IL 60606 • (312) 288-3800

To: **Christine Lipa**

Date: 08/21/08

Proj. No:

21-11010G

RE: Breckenridge Disposal Site

WE ARE SENDING YOU:

- X Enclosed Under separate cover via _____ the following items:
 Shop drawings Technical Paper Prints Plans
 Copy of Letter Samples Specifications

COPIES	DATE	NO.	DESCRIPTION
1	August 21, 2008		08/14/08 Meeting Summary

THESE ARE TRANSMITTED AS CHECKED BELOW:

- For approval Approved as submitted Resubmit ___ copies for approval
 For your use Approved as noted Submit ___ copies for distribution
 As requested Returned for corrections Return ___ corrected prints
 For Review and Comment

REMARKS:

COPY TO:

FROM:

David Heidlauf

From: Christine Lipa [mailto:Christine.Lipa@nrc.gov]
Sent: Monday, August 18, 2008 11:23 AM
To: David Heidlauf
Cc: Mike McCann
Subject: RE: Breckenridge MI Disposal Site

Hi Dave,

Thanks again for coming to the office on 8/14/08 and introducing yourselves and giving us some insights into your ideas on the Breckenridge project.

Here is the list of attendees that I captured.

Thanks, Christine Lipa
US NRC Region III
630-829-9834

Chris Greco, Environ
Mark Travers, Environ
Dave Heidlauf, Environ
Jay Steinberg, Custodial Trust

NRC:

John Madera, Deputy Division Director, DNMS, RIII
Christine Lipa, BC Decommissioning Branch, RIII
Mike McCann, Sr. Health Physicist, Decommissioning Branch, RIII
James Kennedy, Sr. Project Manager, LLRW
Drew Persinko, BC, Reactor Decommissioning, FSME
Nick Orlando, Tech Asst. DURLD/DWMEP/FSME
Thomas Youngblood, Health Physicist DURLD/DWMEP/FSME
Stephen Giebel, Health Physicist DURLD/DWMEP/FSME
Duane Schmidt, Senior Health Physicist DURLD/DWMEP/FSME
Drew Persinko, BC, Reactor Decommissioning, DURLD/DWMEP/FSME
Andrea Kock, BC, Performance Assessment EPPAB/DWMEP/FSME