

June 15, 1995

License Nos.      SMB-179  
                      SUB-1452

Docket Nos.        040-00672  
                      040-08866

Control Nos.        117006  
                      113010

Mr. Robert E. Quinn  
President  
Nuclear Metals, Inc.  
2229 Main Street  
Concord, MA 01742

SUBJECT:    MEETING ON MAY 12, 1995

Dear Mr. Quinn:

On May 12, 1995 you and Mr. Vumbaco of your staff met with Charles W. Hehl, Director, Division of Radiation Safety and Safeguards, James H. Joyner, Chief Facilities Radiological Safety and Safeguards Branch, Marie Miller, Senior Health Physicist and myself in the Region I office in King of Prussia, Pennsylvania to discuss your response to our letter dated April 5, 1995. You hand delivered three letters dated May 12, 1995, one addressed to Mr. Hehl which included a number of attachments and two addressed to me.

Based on the information contained in those letters and the discussions during the meeting we understand that NMI is continuing discussions with the U.S. Army regarding remediation of the holding basin and financial assurance for the remainder of the NMI Concord facility. You stated that the Army has generally agreed with the interpretation of past and present contracts your staff described during the December 1994 Enforcement Conference. You expect to have a sufficient commitment from the Army to file a request for an exemption from the financial assurance rule by late June 1995. During the meeting you stated you expect to be able to provide an additional response concerning this subject by June 23, 1995. In addition, you expect to have a contract in place by June 30, 1995 to pay for the remediation of the holding basin. Whether such a contract is concluded or not, by August 15, 1995 you will provide a remediation plan for the holding basin to this office for review. If these understandings are incorrect, please inform me immediately by telephone and in writing. Please provide a written statement explaining the status of the Army's formal response to your interpretation of the contracts and to your proposal for a contract to remediate the holding basin by July 7, 1995.

Until an exemption request is received and approved you are not in compliance with 10 CFR 40.36 and we may take enforcement action. You should achieve compliance at the earliest possible time.

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R.E. Quinn  
Nuclear Metals, Inc.

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Your letters to me dated May 12, 1995 describe the expected contents of the remediation plan, provide a general schedule for implementation of the plan and clarify your decommissioning cost estimate. We have no further questions concerning your cost estimate at this time. You will receive separate correspondence concerning your request to withhold portions of your response regarding the cost estimate from public disclosure.

Your cooperation with us is appreciated.

Sincerely,

Original Signed By:  
John D. Kinneman

John D. Kinneman, Chief  
Site Decommissioning Section  
Facilities Radiological Safety and  
Safeguards Branch  
Division of Radiation Safety  
and Safeguards

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cc:

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