NUCLEAR METALS, INC.

Robert E. Quinn
PRESIDENT

June 30, 1995

Mr. John D. Kinneman, Chief
Site Decommissioning Section
United States Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

License Nos. SMB-179
SUB-1452

Docket Nos. 040-00672
040-08866

Control Nos. 117006
113010

Subject: Response to your letter of 15 June 1995

Dear Mr. Kinneman:

Your letter of 15 June 1995 is an accurate representation of the information Mr. Vumbaco and I provided to the NRC on 12 May 1995. Since that meeting NMI has had three meetings with the Army in addition to weekly phone conversations. These discussions led to a "decision meeting" within the Army held on 28 June 1995. As a result of this meeting NMI has been invited by the Army to discuss their preferred approach to funding the remediation of the holding basin. This meeting is in the process of being scheduled

We believe that the Army still intends _ fund the Fiscal 1995 effort on our open contract as a contract modification but now has decided to have NMI submit a new funding request under Public Law 85-804 for the Fiscal 1996 and 1997 funding. This approach is fine with us and will provide the funding necessary to remove the holding basin during calendar 1996. I remain committed to achieving this schedule and will not let up.

NMI will submit an exemption request to 10 CFR 40.36 as soon as we receive the contract modification or written confirmation that such a modification is being processed NMI will begin it's annual two week plant shut-down for scheduled maintenance on 3 July 1995 Our plant reopens on 17 July 1995. Should you require any additional information , please let us know. Thank you .

Sincerely Yours,

Robert E. Quinn

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