

Dec 16, 2002



PHILIPS

Philips Semiconductors

December 9, 2002

Mr. William McDonald
New Mexico Environment Department
c/o Sandia National Laboratory
P.O. Box 5800/MS-1087
Albuquerque, NM 87185

Certified Mail: 7001 2510 0008 2354 5966

SUBJECT: Quarterly Progress Report

Dear Mr. McDonald:

In compliance with Philips Semiconductors' HSWA permit (NMD000709782-1), modified March 18, 1996, this letter serves as the quarterly progress report as required. The following progress has been made between September 3, 2002, and December 9, 2002.

- *D.1(a) - A description of the work completed and an estimate of the percentage of work completed:* Quarterly groundwater monitoring was completed the week of October 14, 2002. Five (5) monitoring wells were sampled this quarter, which included City of Albuquerque wells NCLF-7 through NCLF-9, and Philips wells MW-5 and MW-6.
- *D.1(b) - Summaries of all findings, including summaries of laboratory data:* A quarterly groundwater monitoring report (Sangre De Cristo Sciences; November 19, 2002) is included with this report for your files. This groundwater report includes analytical results for Appendix IX constituents.

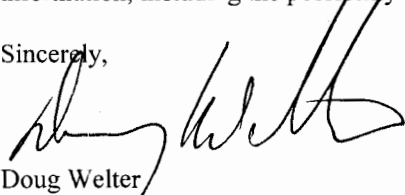
Constituents detected in the groundwater this quarter were: Tetrachloroethene (PCE), Freon-12, Bromomethane, Barium, Lead, Nickel, Zinc, Vanadium, Chromium, and Selenium. All constituents were below the lowest applicable federal or state drinking water standards. The only constituents consistently detected, over the past years, are Barium, Zinc, and Tetrachloroethene (PCE).

- *D.1(c) - Summaries of all problems or potential problems encountered during the reporting period and actions taken to rectify problems:* No problems identified.
- *D.1(d) - Projected work for the next reporting period:* Quarterly groundwater monitoring will continue and groundwater samples will be obtained from City wells NCLF-7 through NCLF-9 (3 wells) and Philips wells MW-5 and MW-6 (2 wells). This sampling is currently scheduled for January 2003. Sangre De Cristo Sciences has been awarded the sampling contract for 2003.
- *D.1(e) - Summaries of contacts pertaining to corrective action or environmental matters with representatives of the local community, public interest groups or State government during the reporting period:* No contact or communication made this quarter.
- *D.1(f) - Changes in key project personnel during the reporting period:* No Changes.
- *D.1(g) - Summaries of all changes made in implementation during the reporting period:* An announcement was made that the Philips Semiconductor facility in Albuquerque will cease production and close the facility by the end of 2003.

If you have any questions regarding this submission, please call our technical contacts David Paulson at (505) 822-7342 or Joe Mauser at (505) 822-7634.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,



Doug Welter
General Manager – Albuquerque Operations

(ENV232)

Enclosure

cc:

w/ enclosure:

James Harris, USEPA Region VI, 7001 2510 0008 2354 5959
Philips Legal Counsel - Sunnyvale
Doug Earp, City of Albuquerque
Baird Swanson, NMED/GWP
Philips Semiconductors Environmental File

w/o enclosures:

James P. Bearzi, NMED
RFI Compliance Binder