



PHILIPS

Philips Semiconductors

March 12, 2003

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

Certified Mail: 7002 0510 0000 1968 4955

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 December 9, 2002 and March 12, 2003.

- *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 January 27, 2003. 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; January, 2003) 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.

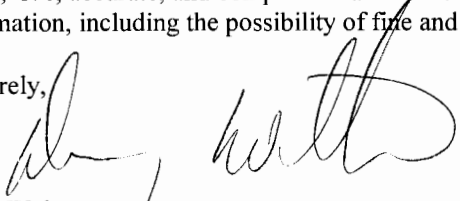
- *D.1(c) - Summaries of all problems or potential problems encountered during the reporting period and actions taken to rectify problems:* No problems identified.
- *D.1(d) - Projected work for the next reporting period:* Quarterly groundwater monitoring will continue and groundwater samples will be obtained from all City and Philips wells. The second quarter sampling is currently scheduled for April 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:*
Received a letter from the State of New Mexico Environment Department requesting supplemental information for Corrective Action Unit #8 (former Coronado Municipal Landfill), Philips Semiconductors; EPA # NM000709082, HWB-Facility-03-001. This request was in response to the submission of the RCRA Facility Investigation Report that Philips prepared for CAU #8 and that was submitted to the State in late 2002.
- *D.1(f) - Changes in key project personnel during the reporting period:* Dave Paulson has left Philips Semiconductors for other employment.
- *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.

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If you have any questions regarding this submission, please call our technical contact 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

(ENV308)

Enclosure

cc:

w/ enclosure:

James Harris, USEPA Region VI, 7002 0510 0000 1968 4962
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