

## UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

August 16, 1978

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The Honorable Morris K. Udall, Chairman
Subcommittee on Energy and the Environment
Committee on Interior and Insular Affairs
United States House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

As you know, the accuracy of that part of my testimony on July 29, 1977, before your Subcommittee concerning the existence of evidence relating to a possible diversion of special nuclear material from a nuclear fuel processing plant in Apollo, Pennsylvania, has received extended subsequent consideration. The background of this matter is addressed by Chairman Hendrie's letter of August 3, 1978, to you.

As I stated in my testimony before your Subcommittee during its hearing on February 27, 1978, I should have been more expansive in my responses to Mr. Tsongas' questions during the July 29, 1977 hearing - either by detailing so much of the matter as I then knew, or by clearly defining my terms.

I agree with the finding of the OGC/OIA inquiry that the "no evidence" phrase as used in my testimony was inherently ambiguous and thus had the potential to mislead.

On the basis of my present knowledge of the matter, I wish to state that I am aware of no conclusive evidence that a diversion of a significant amount of strategic special nuclear material either did or did not take place at Apollo/NUMEC. I respectfully request that my testimony on this matter at your July 29, 1977 hearing be corrected accordingly.

Mr. Chairman, I sincerely regret the misunderstandings that have resulted, but I want to reaffirm that I had no intent whatever to misrepresent the facts as I understood them or to mislead the Subcommittee.

Sincerely,

Lee V. Gossick Executive Director

for Operations