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AEC 141/38

COPY NO. 21

May 23, 1960

ATOMIC ENERGY COMMISSION

TRANSFER OF ENIWETOK PROVING GROUND

Note by the Secretary

The attached exchange of letters with the Department of Defense is circulated for the information of the Commission. The letter of May 16, 1960, has been referred to the Division of Military Application.

W. B. McCool
Secretary

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Copy No. 21 of 25 Series A

ENCLOSURE I

THE SECRETARY OF DEFENSE
WASHINGTON

May 16, 1960

Dear Mr. Chairman:

I refer to your letter of April 22, 1960 which requested that you be informed by May 15 of the Department of Defense interest in acquiring the Eniwetok Proving Ground and, if the Department has no requirement for the Proving Ground, concurrence in placing it in a caretaker status.

I agree that the Eniwetok Proving Ground should not be retained as a nuclear test facility. The Department of Defense has a requirement for the area as an addition to the Pacific Missile Range and I appreciate your offer to arrange for transfer of the facility and equipment to the Department of Defense on a non-reimbursable basis.

The Pacific Missile Range will be directed to contact your Albuquerque Operations Office in the near future to make arrangements for the transfer which we hope can be effective on 1 July 1960.

Subject to your concurrence, we will expect the Pacific Missile Range to negotiate with Holmes and Narver for operation of the facility. In order to meet Department of Defense needs for the Eniwetok Lagoon as an impact area for missiles, and to stay within funds which can be made available to support the facility, it is most desirable that personnel at Eniwetok Proving Ground be reduced by 1 July to approximately 145 employees involved in operating the facility for the Department of Defense. You may expect this to be a matter to be negotiated by the Pacific Missile Range.

Sincerely yours,

/s/ James H. Douglas

Acting

Honorable John A. McCone
Chairman
U.S. Atomic Energy Commission

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ENCLOSURE II

UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON 25, D. C.

April 22, 1960

Dear Mr. Gates:

In Acting Chairman Floberg's August 28, 1959* letter to Secretary McElroy and in your October 29, 1959* letter to me the AEC and DOD established agreement that the Eniwetok Proving Ground (EPG) activity could be reduced in scope to a 12-month readiness status. That, of course, has since been accomplished.

Because the likelihood of resuming surface nuclear testing at EPG in the future is so small, Chief, DASA, Commander, JTF-7, and the Director of Military Application, AEC, last month appointed a Joint Study Group to reappraise requirements for EPG, and readiness status and functions of JTF-7. The report of that Joint Study Group, short title RETO, prepared on March 31, 1960, concluded, in part, that the EPG should be placed in a caretaker status. I concur in that conclusion and would like to implement it as soon as practicable in order to further reduce AEC costs at EPG.

In the coming months we may find that the AEC programmatic need for the EPG will disappear completely. If the Department of Defense has requirements for retaining Eniwetok and Eikini Atolls, it would be economically advantageous to arrange a non-reimbursable interdepartmental transfer of the plant facilities and the equipment out there before the AEC puts the Proving Ground in caretaker status. Otherwise, when the equipment and supplies now stored at EPG are declared excess, probably several million dollars worth will be disposed of -- equipment which might handily fulfill possible DOD requirements in the EPG.

Therefore, I would appreciate knowing by May 15 of your interest in acquiring the EPG for possible DOD use. Additionally if the DOD has no requirement for the EPG, your concurrence is requested in removing a specified degree of readiness for test resumption there, so that the Commission can begin immediately to dispose of the equipment now stored in EPG and place the plant facilities in caretaker status until complete withdrawal is indicated.

Sincerely yours,

/s/ John A. McCone

Chairman

Honorable Thomas S. Gates
Secretary of Defense

Secretariat Note: Circulated as attachment "B" to AEC 334/41.