April 7, 2006

Jim Rispoli,
U.S. Department of Energy, Headquarters
1000 Independence Avenue
Washington, D.C. 20585

Keith Klein, Manager
U.S. Department of Energy, Richland Operations
P.O. Box 550 (A7-50)
Richland, WA 99352

Roy Schepens, Manager
U.S. Department of Energy, Office of River Protection
P.O. Box 450
Richland, WA 99352

Jay Manning, Director
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

Michael Bogert, Regional Administrator
U.S. Environmental Protection Agency, Region 10
1200 Sixth Avenue
Seattle, WA 98101

Re: FY 2007 Budget

Dear Mssrs. Rispoli, Klein, Schepens, Manning and Bogert,

Hanford Advisory Board Advice Regarding the Inadequacy of the USDOE Congressional Budget Request for Fiscal Year 2007

Overview

The US Department of Energy’s (DOE) Congressional Budget Request for Fiscal Year 2007 (FY07) Hanford cleanup is inadequate. It puts DOE further behind schedule for numerous Hanford Tri Party Agreement (TPA) and other regulatory compliance schedules. The Hanford Advisory Board (Board) is highly concerned 1) about the continuing deferral of required cleanup work reflected in DOE’s budget
requests and baseline plans and; 2) that vital elements of cleanup are excluded from the baselines (e.g.; cleanup of unlined burial grounds and the waste that has leaked from high-level nuclear waste tanks).

In the past, Hanford cleanup was not aggressively pursued in order for DOE to focus on cleanup and closure of smaller DOE sites. Consequently, DOE committed to increase funding for Hanford cleanup starting in 2006 and 2007, when smaller site cleanups were completed. Instead of increasing funding to Hanford now that several smaller sites are closed, DOE is proposing to cut spending on cleanup nationwide by over $700 million.

If Hanford cleanup funding were held "level" with FY05 funding, it would be $2.221 billion, which is $376 million higher than the President’s Budget Request for FY07.1 Instead, the request is $1.845 billion, including $78 million for additional security requirements, rather than cleanup.

Specific Concerns

Richland Operations Office

Background:

Plutonium Finishing Plant (PFP): Funding for PFP stabilization and cleanout is inadequate. The Board is aware that some K-Basin cleanup work was and is first of a kind and has resulted in delays to the baseline schedule. Funds for K-Basin in FY07 appear to be obtained by delaying cleanup of PFP, resulting in major cleanup work deferral at PFP until 2010. The deferral will result in substantial safety issues from nuclear material remaining, costs associated with maintaining the facility in safe configuration and the potential loss of experienced, trained staff.

The budget request of $78 million for DOE-RL for security is due to the deferral of transporting plutonium offsite. Those funds should be the responsibility of the Defense Program for which the plutonium is being guarded as an asset. That would free up those funds for onsite cleanup work. Failing that, an additional $78 million should be requested to replace the cleanup dollars being spent on security and safeguards.

Central Plateau Cleanup: DOE is not planning on characterizing (or retrieving waste from) unlined burial grounds and numerous other Central

---

1 2005 Funding Appropriation of $2.112 billion with inflation at 2.5% per annum.

HAB Consensus Advice #186
Subject: FY 2007 Budget
Adopted: April 7, 2006
Page 2
Plateau waste sites, nor on installing a compliant early leak detection and groundwater monitoring system. We note that the investment in the proposed Tank Closure and Waste Management Environmental Impact Statement is at risk of being wasted if DOE does not first characterize waste sites and groundwater adequately in order to perform the required assessment of the cumulative impacts of waste sites on groundwater.

**River Corridor Cleanup:** The Board is pleased that its advice to increase the funding level for cleanup of the Columbia River Corridor is reflected in DOE’s request for FY07.

**Advice:**
- Both PFP and K-Basins need to be fully funded to complete cleanup to meet TPA milestones.
- Budget should be requested to characterize unlined burial grounds and develop a compliant path forward.
- The Environmental Protection Agency and Washington State Department of Ecology should identify the funding needs for both Resource Conservation and Recovery Act (RCRA) and Comprehensive Environmental Responsibility, Compensation and Liability Act (CERCLA) units on the Central Plateau, if DOE is unwilling to do so. Baselines and funding targets must be brought into line to include the required work.
- Funding should be increased to meet the goals of cleaning up the River Corridor to unrestricted use by 2012, including cleaning up the southern gateway to the Hanford Reach National Monument (the 300 Area and vicinity) to allow for unrestricted public use.
- The Board urges that DOE fund guarding of plutonium out of the program that owns the plutonium, not the cleanup program or, failing that, replace the cleanup funding spent on safeguards and security.

**Office of River Protection (ORP)**

**Background:**

**Tank Farm Operations:** DOE proposes a cut of $44 million in funding for ORP’s high-level nuclear waste tank maintenance, safety and retrieval Budget. The request for $274 million is tens of millions of dollars less than DOE had identified in prior years as its “minimum safe” level of funding for the high-level nuclear waste tank farms. Yet, new safety issues have increased costs.
High-Level Waste Tank Retrieval: The U.S. House of Representatives, in its report accompanying the FY 2006 budget, stated that it was “concerned” that DOE was not giving appropriate priority to retrieval of wastes from single shell tanks (SST). Delays in construction of the vitrification plant do not justify delaying retrieval of these tanks. These tanks may still leak and pose numerous hazards, even after the pumpable portion of the liquids have been removed. These hazards will continue until the more concentrated wastes are retrieved and moved into double shell tanks (DST) or vitrified.

Advice:

- The Board requests that ORP provide details on how all tank farm operations can be funded at ~$80 million less than what used to be the “minimum safe” status.
- The Board advises that adequate funding should be provided to:
  - continue SST retrieval at a rate sufficient to meet the TPA retrieval milestones;
  - ensure leak detection during retrieval; and
  - characterize contamination under the tanks, including the deep contamination.
- Funding for the low-activity waste (LAW) vitrification plant, which does not suffer from the degree of safety questions and cost increases experienced by the high-level and pre-treatment plants, should be at a level to remain on a path for 2011, while studying how to provide LAW feed for vitrification directly from the tank farms without first going through the pre-treatment plant.
- DOE should preserve the option for including a 3rd melter in the LAW vitrification plant to increase reliability and processing, and decrease overall project costs and the timeline for processing waste. The benefits of this approach should be considered now.
- DOE should ensure that spending on the demonstration bulk vitrification system does not negatively impact tank waste retrieval.

Overall, the Board urges that DOE honor its commitments to request all funding required to meet TPA and other regulatory requirements and that the funds freed up (~$700 million per year) from early closure of small sites be applied to meet the cleanup requirements for DOE’s largest and most contaminated sites.
Sincerely,

Todd Martin, Chair
Hanford Advisory Board

This advice represents HAB consensus for this specific topic. It should not be taken out of context to extrapolate Board agreement on other subject matters.

cc: Shirley Olinger, Co-Deputy Designated Federal Official, U.S. Department of Energy, Office of River Protection
    Nick Ceto, Environmental Protection Agency
    Jane Hedges, Washington State Department of Ecology
    Doug Frost, U.S. Department of Energy Headquarters
    The Oregon and Washington Congressional Delegations

U.S. Senators (OR) U.S. Senators (WA)
Gordon H Smith Maria Cantwell
Ron Wyden Patty Murray

U.S. Representatives (OR) U.S. Representatives (WA)
Earl Blumenauer Greg Walden
Peter DeFazio David Wu
Darlene Hooley

U.S. Representatives (WA)
Brian Baird Cathy McMorris
Norm Dicks Jim McDermott
Jay Inslee David Reichert
Richard Hastings Adam Smith Rick Larsen

State Senators (WA) State Representatives (WA)
Jerome Delvin Larry Haler
Mike Hewitt Shirley Hankins