Advice # 90 From: Jackson Kinzer

Ms. Merilyn Reeves, Chair
Hanford Advisory Board
723 The Parkway, Suite 200
Richland, Washington 99352

February 10, 1999

Dear Ms. Reeves:

HANFORD ADVISORY BOARD (HAB) ADVICE #90 CONCERNING THE TANK WASTE TREATMENT CONTRACT, HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER (TRI-PARTY AGREEMENT) MILESTONES, FINANCING AND FUNDING

Thank you for your continuing interest and support in Hanford's tank waste treatment program. Clearly, this complex and expensive cleanup project will not be possible without regional support from organizations like the HAB. It is the intent of the U. S. Department of Energy (DOE) Richland Operations Office to open our decision process in a timely way to the HAB. Specifically, detailed information is being shared with representatives from the Tank Waste Treatment Ad Hoc committee.

The past 90 days, let alone the five months since the contract was signed with BNFL Inc. (BNFL), has been very intense for the Department's management and staff. The DOE has begun reviewing BNFL's contract-required documents, established the Office of River Protection (ORP), and prepared a management plan for the ORP. Congress received the plan on January 15, 1999, and copies have been provided to the HAB.

The actions outlined in HAB Advice #90 identify essential activities that DOE and its team of contractors are undertaking. Within this letter is DOE's response to your advice.

"Go/ No Go" Decision Point

This internal DOE decision is a management tool to assess whether the BNFL contract continues on a course that leads to a successful project. DOE wants this project to succeed and move forward. The purpose of the decision is to provide performance assurance and to keep the tank waste treatment program on schedule. The six-month decision is not a "hold-point" that suspends work pending a decision. The Department's two primary objectives for the six-month decision are to:

- Confirm that BNFL performance in the first six months indicates continued success; and
- provide an opportunity for proactive steps to identify and correct any problems.

Initial decision criteria and the timeline for making the six-month decision were shared with the HAB's Ad Hoc committee on January 14, 1999. DOE will continue to involve representatives from the Ad Hoc committee and the regulatory agencies in this process.
Near-term Tri-Party Agreement Milestones

The State of Washington Department of Ecology (Ecology) and DOE senior managers are scheduled to meet in February 1999 to address the fundamental differences between the two agencies. Meanwhile, Ecology, DOE, Fluor Daniel Hanford Company, and BNFL staff members are moving ahead with critical work in support of the Design Phase. Clearly all of the parties are striving for a successful solution to treat Hanford's tank waste.

Alternative Financing

Evaluation of alternative financing is an activity within DOE's decision process. The scope of work for this activity includes development of criteria from which to evaluate and decide on financing alternatives. DOE intends to involve Ad Hoc committee representative(s) in this effort. The challenge for DOE is balancing sufficient involvement opportunities with an aggressive schedule. It is DOE's intent to provide timely opportunities for HAB participation during the Design Phase in conjunction with Tri-Party Agreement public involvement activities.

Long-term Program Funding

DOE is taking the funding needs very seriously for safely retrieving, treating, immobilizing and disposing of Hanford's tank waste. The anticipated funding needs are identified in DOE's Report to Congress, dated July 1998, (pages 65 to 69). These funding profiles are estimates that will be evaluated and adjusted when more information becomes available at the end of the Design Phase. Potential impacts on other Hanford cleanup programs will also be evaluated. The funding profiles will be revised in the spring of 2000.

One of the reasons for establishing the ORP is to strengthen DOE's ability to obtain adequate funding for the project. The ORP requests sufficient funding to comply with the Tri-Party Agreement.

Public Involvement

Public Involvement is an essential element for the continued success of the project. A stakeholder involvement strategy for the project is being developed. This strategy will outline the opportunities and timeline for involvement in the areas described in Advice #90. We plan to share this document with stakeholders and tribal representatives to obtain feedback and advice.

I need to mention that in some cases the timing or level of information will vary because of ongoing negotiations or business sensitivities. Nevertheless, DOE will work with the HAB in a proactive, iterative way. I believe DOE has been timely and frank in its interactions with the HAB Ad Hoc committee. DOE recognizes that stakeholder involvement in the decision process is a key factor in making the best decision for protecting the Columbia River.

ORP Points of Contact

Please contact Bill Taylor, Acting Assistant Manager for Tank Waste Processing and Disposal, for items concerning the Tank Waste Treatment Project, including the BNFL contract. Regarding other aspects of the Tank Waste Remediation System, inquires should be referred to Maureen Hunemuller, Acting Assistant Manager for Tank Waste Storage and Retrieval.

Significant challenges are ahead of us for managing and funding this major cleanup program. It is
apparent that the HAB and its regional representatives share a similar goal of DOE to acquire tank waste treatment capabilities at Hanford. I encourage your continued input as DOE strives to make an important cleanup decision. If you have questions, please contact me on (509) 376-7591.

/s/
Sincerely,
Jackson Kinzer, Acting Manager
Office of River Protection

AMPD:WJT

cc: C. Clarke, EPA
    M. Gearheard, EPA
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