Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

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Mr. Todd Martin, Chair
Hanford Advisory Board
713 Jadwin, Suite 4
Richland, Washington 99352

Dear Mr. Martin:

PLUTONIUM FINISHING PLANT

The Assistant Secretary for Environmental Management, James A. Rispoli, has asked me to respond to your November 4, 2005, letter providing Hanford Advisory Board (Board) comments on plutonium consolidation and cleanup of the Plutonium Finishing Plant (PFP). I want to assure you and the other members of the Board that I share your views concerning the importance of plutonium consolidation and disposition, and on continuing the decontamination and decommissioning (D&D) of PFP.

With respect to the Board's advice to proceed promptly with developing a national strategy and implementation plan for consolidation of plutonium storage, the previous Secretary of Energy, Spencer Abraham, established the Nuclear Materials Disposition and Consolidation Coordination Committee (NMDCCC). Our current Secretary of Energy, Samuel W. Bodman, subsequently approved the charter for this committee and Principal Deputy Assistant Secretary for Environmental Management, Charles E. Anderson, was assigned as the Chair. The principal mission of the NMDCCC is to provide a forum to perform cross-cutting nuclear materials disposition and consolidation planning with the objectives of providing the necessary security for the U.S. Department of Energy's (DOE) nuclear material, identifying paths for disposition, as appropriate, and reducing out-year security and program costs. This committee is to develop and ensure implementation of a Strategic Plan for disposition and consolidation of special nuclear material.

The first priority of the committee is to address consolidating all the surplus plutonium currently at Hanford to an offsite location, such as the Savannah River Site (SRS). Additionally, Deputy Secretary of Energy, Clay Sell recently approved, in accordance with DOE Order 413.3, "Program and Project Management for the Acquisition of Capital Assets," the Mission Need (Critical Decision 0) for a plutonium disposition project at SRS for plutonium without an identified disposition path (i.e., plutonium not suitable for disposition utilizing the currently designed Mixed Oxide (MOX) Fuel Fabrication Facility planned to be constructed at SRS). This project is critical for providing a disposition path for Hanford's surplus plutonium, since the majority of Hanford's plutonium is not suitable for processing in the currently designed MOX facility. The Department's Fiscal Year 2006 congressional budget request included $10 million for conceptual design of such a project.

I am hopeful that the NMDCCC's efforts to consolidate the Department's surplus plutonium offsite are successful. Removing all of Hanford's surplus plutonium within the next three to four years would allow available funding at Hanford to be utilized for activities such as continued D&D of PFP.

In 1999, the scheduled completion date for the PFP project was accelerated by 22 years, from 2038 to 2016, by applying lessons learned from prior projects and investing more heavily in early D&D. DOE entered into negotiations with the U.S. Environmental Protection Agency (EPA) and the State of Washington and established milestones for the D&D of the PFP in the Hanford Federal Facility Agreement and Consent Order or Tri-Party Agreement. The Tri-Party Agreement contains several major and interim milestones for PFP D&D, with completion of all PFP facility transition and selected disposition activities by 2016. In 2002, the project established an aggressive baseline for PFP D&D completion by 2009 assuming consolidation shipments would be completed Fiscal Year 2003-Fiscal Year 2005. With the delay in shipments and continued nuclear material storage mission at PFP, this aggressive schedule cannot be met. However, the project continues to work towards and adjust the baseline to meet the established Tri-Party Agreement milestones. To date, the PFP project has completed all Tri-Party Agreement milestones on or ahead of schedule. Facility systems and equipment will be maintained, as needed, through the project life.

The baseline planning for PFP has always sequenced the majority of D&D work to be completed after de-inventory of the special nuclear materials. Additionally, because of the excellent cleanup efforts performed by this project in removing Legacy Plutonium Holdup, the Material Access Area in the 235-Z facility has been eliminated, allowing greater flexibility and efficiencies in conducting D&D activities. Much of the D&D work performed today is completed by employees with L Clearances. After the material is shipped, and the protected area of PFP is eliminated, security clearances will not be required for remainder of the D&D work.

Maintaining an experienced workforce is a challenge for Hanford during layoffs. As your letter states, the PFP workforce is innovative and key in developing specialized equipment to facilitate cleanup and maintains an excellent worker safety record. The project recently reached two million safe work hours without a lost work day injury. While the project considers work team experience and skills in work planning and sequencing, there is the potential for workforce impacts which is guided by the union agreements with HAMTEC. Fortunately, the project has been able to retain senior bargaining unit staff with the most training, facility knowledge, and long term experience in handling plutonium.

With regard to continued storage of special nuclear materials at PFP, a value engineering study was completed utilizing information gained during project planning for the Interim Secure Storage Facility. It was determined that retrofitting the 241-Z facility is not the best option and RL has concurred on the alternate site evaluation report provided by the study, which identifies new construction at a preferred site. The project is proceeding with the conceptual design and determining funding sources for construction.

If you have any questions, please contact me, or your staff may contact Matt McCormick, Assistant Manager for the Central Plateau, on (509) 373-9971.

Sincerely,

Keith A. Klein
Manager

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