

FINAL MEETING SUMMARY

**HANFORD ADVISORY BOARD
BUDGETS AND CONTRACTS COMMITTEE**

*May 15, 2014
Richland, WA*

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This is only a summary of issues and actions in this meeting. It may not represent the fullness of ideas discussed or opinions given, and should not be used as a substitute for actual public involvement or public comment on any particular topic unless specifically identified as such.

Opening

Jerry Peltier, Budgets and Contracts Committee (BCC) chair, welcomed the committee and introductions were made. The committee approved the August 2013 meeting summary.

Announcements

Jerry encouraged all new or interested Hanford Advisory Board (HAB) members to read the Hanford Lifecycle Scope, Schedule, and Cost Report (Lifecycle Report). He noted that the Lifecycle Report provided a strong historic look into the cleanup of the Hanford Site as well as a look ahead at upcoming costs and milestones.

Ed Revell reported that he had attended the May River and Plateau Committee (RAP) and Tank Waste Committee (TWC) meetings the previous week, and compiled potential advice points from the two meetings regarding budget priorities. He announced that he was prepared to incorporate their input into the budget priorities draft advice.

Budget Priorities Draft Advice

Introduction

Jerry, Issue Manager (IM) for budget priorities, began the discussion on draft advice by referencing the prior afternoon's public budget meeting. He noted that Gerry Pollet was one of the attendees, and, following the meeting, Gerry had created a draft of budget priorities advice. Jerry noted that the committee's discussion would begin with this draft; then work to clarify ideas and incorporate input from RAP and TWC. Jerry continued by noting that the public budget workshop clearly demonstrated the discrepancy between the needs of the HAB cleanup, as referenced in the Lifecycle Report, and the funding allocated by Congress, and he recognized that this gap becomes more apparent every year. For FY2015, Jerry noted a \$1.5 billion difference between the Lifecycle Report and Congressional allocation.

Committee Discussion and Advice Development

Note: This section reflects individual questions, comments, and agency responses, as well as a synthesis where there were similar questions or comments.

The committee reviewed the advice* onscreen. Edits were made to clarify the intention of certain advice points and remove points of concern. Major discussion points from the conversation are summarized below.

C. In general, the Board should keep the advice high-level where possible. The Board should work to transmit Board values as opposed to exact dollar amounts.

C. The background of this budget advice should intentionally shy away from any kind of positional statements, including words such as “disconcerting.” The Board would like this to be general and factual; the background is more impactful if it only states measureable truths.

C. TWC and RAP both encouraged the BCC to keep budget priority advice positive, rooted in core Board values, and supportive of the Tri-Party agencies. Both committees also noted that it was important to include a statement that human, health and the environment should be protected.

C. One thing to be aware of is that the DOE budget for compliance does not include the cost of such things as new tank construction and other efforts that the HAB supports. Even more money is needed than what is noted in the budget and the Lifecycle Report.

C. One aspect of the public budget meeting that was disconcerting—the presented DOE budget was based on amendments to the consent decree (CD) proposed by DOE. DOE did not incorporate any of Ecology's proposed changes, nor did they recognize the potential for change due to ongoing negotiations with Washington State. This demonstrated that DOE is moving forward under the assumption that their CD amendments will be accepted, which is problematic for both the budget and the upcoming CD

* Attachment 1: Draft HAB Advice for Budget Priorities

notifications. It is important that the Board recognize this fact and its potential ramifications explicitly in its advice.

C. The background should define what an “integrated priority list” is, as well as define how it would work. Does it mean that DOE will fund only the first several efforts on the list? That is the impression that the terminology gives. DOE must fund each cleanup effort to a certain degree—if the provided funding is not enough to fully complete the effort, it must be done to a certain extent in order to maintain existing work.

R. That is what DOE-RL’s budget does. The advice needs to reflect this in terminology.

C. Anytime a budget is prioritized in any way, there is the fear that lower priorities may eventually be dropped from the list. Both RAP and TWC were concerned with the idea of prioritizing cleanup efforts. However, there is also a more immediate need for some cleanup tasks, and some matters are more urgent than others are (e.g. potential contamination of groundwater). The committees recognized stored barrels of solid waste (both aboveground and belowground) as being one of these immediate needs, especially in light of the recent incident at the Waste Isolation Pilot Plant in New Mexico.

R. There are two elements of waste stored underground and aboveground. The aboveground storage of waste is an urgent problem, one that the Board has been concerned about for years. DOE has always argued against our concern and they have stated that their storage efforts are legal. However, Ecology has recently recognized that the storage is illegal. The Board should work to emphasize that the aboveground waste is most concerning. Barrels have leaked at several points over the past three years, and, in many cases, the exact contents of the barrels are unknown. There are potentially corrosives stored next to igniters.

R. Perhaps this issue could be added into the background section. The Board could state that it is concerned about several pressing issues, including the outdoor storage of waste.

R. This advice can address these concerns, but the background section needs to be kept factual and free from positions or advice.

Q. What is Perma-Fix Northwest?

R. It is a potential commercial option for treating tank waste determined to be transuranic. Oak Ridge National Laboratory recently used their services following the release of technetium into their sewer system during demolition efforts. If waste from Tennessee can be brought to North Richland for treatment, Perma-Fix Northwest should be explored as an option for treatment of waste from the Hanford Site, as well. The Board should encourage DOE to explore commercial treatment as an option; however, DOE-ORP claims that they do not have funds available for this treatment.

R. To put this into a budget context, the Board should advise DOE-ORP to request money for a treatability test. That would give the Board and DOE a better idea as to the feasibility of commercial treatment options.

R. Commercial treatment does not have to necessarily be done by Perma-Fix Northwest. The Board should simply encourage DOE to explore commercial treatment options.

C. Should the advice state that the waste stored at the Central Waste Complex (CWC) is illegally stored?

R. [DOE-RL] The phrasing “illegally stored” is incorrect. DOE has gone through a Class III Modification process, and Ecology does not view the waste as illegally stored.

C. In many cases, the Board stays away from using words such as “extremely;” however, in reference to the cesium and strontium capsules currently stored at the Waste Encapsulation and Storage Facility (WESF), it is appropriate to say that the capsules are “extremely radioactive.” The capsules contain one – third of all radiation at the Hanford Site.

R. Information concerning WESF will also need to be included in the background, currently it is lacking.

C. It is important to keep in mind that the Hanford Site receives a full 40% of the entire DOE Office of Environmental Management budget.

C. As future cleanup efforts at the Hanford Site are considered, it is important to remember that progress statistics (e.g. stating that 50-60% of buildings have been removed) often fail to account for the magnitude of work that remains. When considering the budget, it is important to look forward, because the efforts of the past may not adequately capture the scope of the work and risks that remain. Today’s conversation has not captured this.

Q. DOE would like us to prioritize efforts. What are our priorities?

R. DOE wants to hear priorities from us; however, the Board has been consistent for nearly 20 years in not ranking cleanup needs. DOE has a responsibility to cleanup everything.

C. One major issue not addressed by this budget is the shortfall between the funds that are needed and the funds that Congress has allocated.

R. Congress has already allocated for Fiscal Year (FY) 2015. Therefore, this is not something that the Board could issue any advice on at this time.

C. This advice should also include a “thank you” to the local DOE offices, the Environmental Protection Agency (EPA), and Ecology. They came out locally and presented information in a public forum that the BCC used while formulating this advice. Their efforts were very helpful and much appreciated by the HAB.

The committee members concluded their discussion, and came to a consensus agreement on a second draft of the budget priorities advice. The committee agreed to work in the coming days to finalize the draft in preparation for the June Board meeting, where Ed will introduce the finalized draft to the Board.

Lifecycle Scope, Schedule, and Cost Report Draft Advice

Jerry, IM for the Lifecycle Report draft advice, began the discussion on the topic by noting that the Lifecycle Report is an important guiding document pertaining to cleanup efforts and costs at the Hanford Site. The cleanup costs projected in the Lifecycle Report are increasingly divergent from funds authorized for cleanup by Congress. Jerry stated that extending cleanup efforts due to insufficient funding is problematic for several reasons—the most important being overall higher costs to American taxpayers due to inflation. Jerry drafted advice encouraging DOE to alter future Lifecycle Reports to estimate long-term costs and other ramifications associated with a lack of needed funding. Jerry urged the committee to use his draft advice as a starting point.

Committee Discussion and Advice Development

Note: This section reflects individual questions, comments, and agency responses, as well as a synthesis where there were similar questions or comments.

The committee reviewed the advice* onscreen. Edits were made to clarify the intention of certain advice points and remove points of concern. Major discussion points from the conversation are summarized below.

Q. Has the FY 2015 Lifecycle Report changed much from the FY 2014 Lifecycle Report?

R. [Ecology] No. Any changes that have been made between the two years have been aggregated within the report in a single section in the introduction. Lifecycle Reports are accessible online at Hanford.gov.

C. A majority of what is going on in the Lifecycle Report concerns the CD and the Tri-Party Agreement (TPA), and not much has changed within these documents. So long as these documents remain the same, the Lifecycle Report will fail to take into account issues such as Waste Treatment Plant (WTP) difficulties and double-shelled tank issues.

C. It is problematic that the Lifecycle Report does not take into consideration the cost of constructing new tanks. This makes the difference between needed funding and allocated funding even larger than it first appears.

R. [DOE-ORP] As the baseline set by the TPA, the CD, and other guiding documents remains constant, the Lifecycle Report cannot reflect changes such as the construction of new tanks.

R. [Ecology] Unless the baselines change, the report will remain the same.

C. DOE should move forward with changing the baseline and negotiate milestones for new tanks and other recognized issues. This would allow the Lifecycle Report to reflect these changes.

* Attachment 2: Draft HAB Advice for Fiscal Year 2014 Lifecycle Scope, Schedule, and Cost Report

R. [Ecology] This recommendation may be better suited for the budget advice. Again, unless there is a change in the baseline, nothing new can be reflected in the report. If you release this as advice for the Lifecycle Report, the responses that you receive will simply recognize this fact.

C. Over the past several years, DOE's inability to keep an accurate baseline has affected the significance of the Lifecycle Report. The FY 2015 Lifecycle Report should include estimates for a negotiated re-baselining of the WTP.

R. [DOE-ORP] This is possible, but it would require a change in the TPA, the CD, and the approved baseline. All of these documents are required to support one another. The Lifecycle Report is not an advocacy document; it is a planning tool that must reflect the framework documents.

R. [Ecology] Changes to the baseline are the responsibility of DOE-ORP, and those changes must first come down through headquarters.

C. DOE knows that, in the coming year, they are going to be over \$1.5 billion short on funding. This fact should force DOE to go back to the other Tri-Party agencies to begin renegotiating milestones. When efforts leading to the completion of a milestone are not funded, milestone renegotiations should automatically be triggered.

R. [Ecology] The Tri-Party agencies should agree upon the needs for a renegotiation process. . If any one of the agencies feels that lack of funding is not an appropriate reason to renegotiate, then this dialogue will not take place.

R. [DOE-ORP] Continuous and ongoing negotiations are likely not in anyone's best interest.

C. At the public budget workshop, DOE stated that they would not be able to meet certain milestones. This is a fact that should drive DOE, EPA, and Ecology into negotiations to rework baselines and milestones.

R. [Ecology] During a presentation at the public workshop, DOE did state that there were certain milestones that they would be unable to meet. However, there is a formal process that addresses potentially unattainable milestones. This process begins 120 days before the deadline is going to be missed.

C. The Lifecycle Report still reflects that High-Level Waste (HLW) should be deposited in an underground repository; however, Yucca Mountain was put on hold four years ago (perhaps indefinitely, it is unclear at this moment). The Lifecycle Report needs to reflect this fact and consider alternatives.

R. [Ecology] There has been no change in the federal law that states that HLW should be stored in a repository. Until there is a change in the baseline, the Lifecycle Report will not reflect changes to HLW storage procedure.

C. The problems with the Lifecycle Report are going to continue every year. Perhaps DOE should release the Lifecycle Report whenever baselines are changed. Otherwise, there is little reason to update the document.

The committee concluded their discussion, and came to a consensus agreement on a second draft of the Lifecycle Report advice. DOE and Ecology thanked the committee for allowing them to be involved in the discussion; however, each agency noted that their involvement did not demonstrate support for the contents of the advice. The committee agreed to finalize the draft advice in preparation for the June HAB meeting, where Jerry will introduce it to the Board.

Committee Business

Update 3-Month Work Plan

The committee looked at its 3-Month Work Plan, and no committee meeting or call was requested for June. The committee will have a call in July to check in on upcoming issues and work. The committee was not aware of any topics that required their immediate attention.

Identify Potential Topics for the Executive Issues Committee (EIC) Leadership Workshop

The committee identified several potential topics for the EIC to discuss at the annual Leadership Workshop, as well as potential topics for the HAB FY2015 Work Plan:

- The restructuring of the Hanford Site workforce (perhaps joint with another committee)
- Re-baselining the WTP
- Re-baselining of DOE-ORP.

Mid-Course Work Assessment

The committee visited the Hanford Advisory Board FY 2014 Work Plan to assess their progress and efforts. The committee noted that they had worked to address their assigned topics by issuing budget advice pertaining to tank retrieval, low activity waste and HLW direct feed, FY 2016 budget requests, the Lifecycle Scope, Schedules, and Cost Report, and Cost Efficiencies. The committee had also conducted a joint framework discussion on the re-baselining of the WTP, and they attended a budget workshop pertaining to the FY2015 President's Budget.

Attachments

Attachment 1: Draft HAB Advice for Budget Priorities

Attachment 2: Draft HAB Advice for Fiscal Year 2014 Lifecycle Scope, Schedule, and Cost Report

Attendees

Board members and alternates:

Gary Garnant	Jerry Peltier	Ed Revell
Pam Larsen	Maynard Plahuta	Art Tackett
Susan Leckband	Gerald Pollet	

Others:

Kim Ballinger, DOE-RL	Melinda Brown, Ecology (phone)	Rodney Skeen, CTUIR
Kristen Skopect, DOE-RL		Sharon Braswell, MSA
		Mark McKenna, MSA
		Cathy McCague, EnviroIssues
		Brett Watson, EnviroIssues