

HANFORD ADVISORY BOARD

A Site Specific Advisory Board, Chartered under the Federal Advisory Committee Act

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US Environmental
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Washington State
Dept of Ecology

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June 7, 2013

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

Re: 2014 Lifecycle Scope, Schedule, and Cost Report (Lifecycle Report)

Dear Mr. McCormick,

Background

The Hanford Advisory Board (Board or HAB) appreciates the opportunity to once again formally comment on the 2013 and 2014 Hanford Lifecycle Scope, Schedule, and Cost Reports (Lifecycle Report or Report). If used properly, the Lifecycle Report should provide the foundation for annual budget requests from DOE Richland Operations Office (DOE-RL) and the DOE Office of River Protection (DOE-ORP) to DOE Headquarters (DOE-HQ). The Lifecycle Report is the single document that should provide a reasonably complete picture of the Hanford cleanup mission's cost, schedule, and long-term stewardship costs for the entirety of the mission. The evolution of the Lifecycle Report involves the U.S. Environment Protection Agency (EPA), Washington State Department of Ecology (Ecology), tribal nations, the State of Oregon, and public stakeholders.

The **goals** identified in the Table 1-2 on pages 1-7 and 1-8 of the 2013 Lifecycle Report are consistent with HAB values. These are high reaching goals that truly capture the cleanup mission. The DOE Time-Phased Cleanup Priorities in Table 3-2 on page 3-4 provide an excellent level of detail for cleanup **priorities**. The Lifecycle Report does reflect the assumption that the required funds to support the Tri-Party Agreement (TPA) milestones will be requested annually by DOE-RL, DOE-ORP and DOE-HQ.

The Board believes the Lifecycle Report is intended to be the foundation and/or tool for developing and submitting funding requests from local DOE Offices to DOE-HQ. Today sequestration poses a new challenge to Hanford's budget and the goals set forth in the Lifecycle Report. Any reduction of funds impacts completion of projects, the ability to start new projects, cost escalations of existing projects, and the ability to meet legally required TPA milestones.

Envirolssues

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Hanford's recent budget history reflects consistent budgets in the \$2 billion range. Looking at 2013 funding today, the out-year funding profiles must be adjusted to compensate for this reduction in order to meet requirements of the TPA Milestones, the Consent Decree, and the Hanford Dangerous Waste Permit.

The funding profile in the 2013 Lifecycle Report (see Figure 3-3 on page 3-6) reflects a significant increase in funding over the next 20 years to accommodate the TPA milestones. In FY2014 through FY2041, the projected budget is as much as \$1 billion dollars higher than it is for FY2013. If the budget were to remain at the FY2013 level, the completion date for cleanup could be extended an additional 20 to 40 years; this could lead to increased risk and cost.

The Board is generally pleased with the improvements reflected in the 2013 Lifecycle Report, although further improvements are still needed. Looking ahead to the 2014 Lifecycle Report, the Board is still concerned about the number of actions that have been identified as part of the mission, but have not yet been scheduled or have a funding baseline. For example the actual re-base lining of the Waste Treatment and Immobilization Plant (WTP) construction, and pretreatment design and construction have not been incorporated into this latest report.

Advice

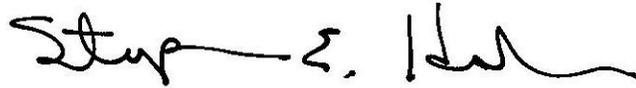
- The Board advises DOE to use the Lifecycle Report as a tool to make the case for compliant funding of Hanford cleanup.
- The Board advises that DOE include a variety of Hanford funding scenarios that show the negative impact of reduced budgets on out-year cleanup schedules (e.g. the effect of \$2 billion flat funding through successful completion of cleanup).
- The Board advises DOE that the 2014 Lifecycle Report should contain all available information on the re-baselining cost and schedule of the WTP and pretreatment design and construction.
- The Board advises DOE to determine a path forward for interim, onsite storage and permanent offsite disposition for the vitrified high level waste from the WTP. The path forward and cost should be included in the 2014 Lifecycle Report.
- The Board advises DOE that construction of additional tank storage (per HAB Advice #263) should be addressed in, and a funding profile developed for, the 2014 Lifecycle Report. In addition, the Lifecycle Report should estimate the cost of responding to a double shell tank leak.

- The Board advises that a range of impacts on River Corridor cleanup should be included in the FY14 Report. The document (Page 4-15, section 4.4, “River Corridor Cleanup Assumptions and Uncertainties) includes an assumption that “Final RODs will confirm that cleanup levels established in the interim RODs are protective of human health and the environment.” This is a significant assumption, which may not be correct.
- The document lists an assumption that “WIPP¹ will remain operational through the end of Hanford Site cleanup operations that have the potential to generate transuranic (TRU)² waste” (page 5-37). The Board advises that the document include the impacts of delaying TRU retrieval at Hanford on the complex-wide cost of extending the planned operating life of WIPP. With continued delays in the TRU waste retrieval program, there is the potential for a major disconnect between Hanford cleanup and WIPP availability.
- The Board advises that the “previous experience and modeling” criteria used to determine the timeframes for pump-and-treat groundwater remediation as represented in this report (Table 5-4) be further quantified to ensure that the estimated cost as listed is accurate.
- The Board advises DOE to provide an explanation for the funding profile for Safeguards and Security. The funding profile shows a large increase from 2018 to 2019 (\$76 million to \$101 million), and then a drop in 2020 (to \$62 million). The funding profile also shows a large drop from 2037 to 2038 (\$103 million to \$54 million) with no explanation.
- The Board advises that a detailed examination of “Disposition Cesium/Strontium Capsules” and “Restore 200 West Groundwater to Beneficial Use,” should be performed prior to “Disposition B Plant Canyon” and “Disposition PUREX Canyon” (Table A-6).
- The Board believes the costs for the Waste Encapsulation Storage Facility (WESF) Base Operations, Waste Repackaging and Processing facility (WRAP) Min-Safe Operations and Maintaining Safe and Compliant Fast Flux Test Facility (FFTF) Complex costs had significant increases in the 2013 Lifecycle Report, with no explanation. The Board advises that the 2014 Lifecycle Report should contain justification for the cost increases.

1 Waste Isolation Pilot Plant
2 Transuranic

- The Board again advises that the 2014 Lifecycle Report provide sufficient information to fully understand the impacts of delaying or accelerating individual cleanup projects. An estimated project dollar cost does not provide a full understanding of what additional costs may be incurred if a project is delayed, or what costs could be reduced if the project is accelerated. Additional costs could include ongoing “safe and compliant” costs; worker retraining costs; costs to upgrade or replace infrastructure; costs to maintain adequate and available disposal facilities; and other relevant costs.

Sincerely,



Steve Hudson, Chair
Hanford Advisory Board

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

cc: Kevin Smith, Manager, U.S. Department of Energy, Office of River Protection
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