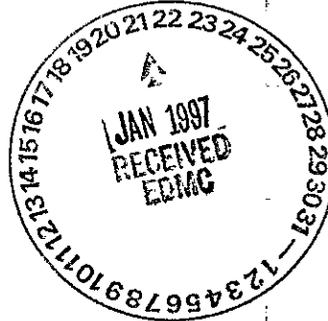


## Department of Energy

Washington, DC 20585

December 20, 1996

Richard Sanderson, Director  
 Office of Federal Activities  
 U.S. Environmental Protection Agency  
 Mail Code 2252-A, Room 7241  
 1200 Pennsylvania Avenue, NW  
 Washington, DC 20044



Dear Mr. Sanderson:

Please find enclosed five copies of the Environmental Synopsis for Privatization of the Tank Waste Remediation System (TWRS) at the Hanford Site, Richland, Washington, December 1996. This synopsis documents the Department of Energy's (DOE) consideration of environmental factors and records that the relevant environmental consequences of reasonable alternatives have been evaluated in the selection process for a privatization contract for the TWRS program.

DOE prepared this synopsis in accordance with its National Environmental Policy Act (NEPA) regulations regarding procurement, financial assistance, and joint ventures (10 CFR §1021.216). The purpose of this section of DOE's NEPA regulations is to support the selection process for procurements, awards of financial assistance, and joint ventures by enabling DOE to obtain, evaluate and protect confidential environmental information regarding proposals from offerors and conduct appropriate procurement activities before the NEPA process is complete.

For your information, DOE is pursuing a privatization approach to contracting for portions of the Hanford TWRS program under which DOE plans to purchase tank waste treatment services from a contractor-owned, contractor-operated facility under a fixed-price contract. The goal of privatization is to streamline the TWRS mission, transfer a share of the responsibility, accountability, and liability for successful performance to industry, improve performance, and reduce costs without sacrificing worker and public safety or environmental protection. On September 25, 1996, DOE awarded a contract for Phase I of the program to two offerors. The first part of the Phase I contract involves conceptual development activities and is expected to last about 20 months. Subsequently, DOE may authorize one or both offerors to conduct actual waste treatment demonstrations.

To support the contractor selection process for Phase I of the TWRS program DOE took the following actions in accordance with 10 CFR § 1021.216: 1) required that the offerors submit environmental data and analyses as part of their proposals; and 2) independently verified the accuracy of the environmental data and analyses, and prepared and considered a confidential environmental critique of each offeror's proposal (the confidential environmental critique included a discussion of the purpose of the procurement, the salient characteristics of each offeror's proposal, permits, licenses and approvals needed, and a brief comparative evaluation of the potential environmental impacts of the offer). DOE then prepared the enclosed environmental

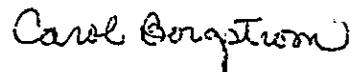


synopsis, based on the environmental critique, to document the consideration given to environmental factors and to record that the relevant environmental consequences of reasonable alternatives have been evaluated in the selection process. DOE NEPA regulations require that DOE make the synopsis available to the public and file it with the Environmental Protection Agency (EPA).

The activities described in the synopsis are a part of DOE's overall Hanford Site TWRS program. In this particular case, DOE had issued a draft environmental impact statement (EIS) on the overall program before offerors responded to the request for proposals, and offerors used information from the draft EIS in their proposals. The final EIS on the overall Hanford Site TWRS program contains the information in the synopsis, and EPA published a Notice of Availability of the final EIS in the Federal Register on August 30, 1996. DOE plans to issue a Record of Decision based on this EIS in the near future.

If you have any questions or need further information about this matter, please direct them to me or to Stan Lichtman, Director, Waste Activities Division, at (202) 586-4600.

Sincerely,



Carol Borgstrom  
Director  
Office of NEPA Policy and Assistance

Enclosures