

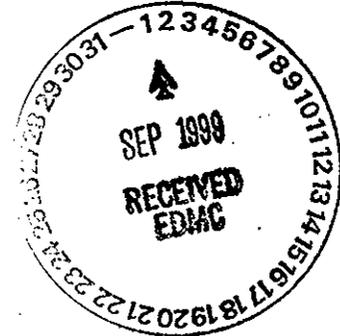


STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

1315 W. 4th Avenue • Kennewick, Washington 99336-6018 • (509) 735-7581

August 19, 1999

Mr. George H. Sanders
U.S. Department of Energy
P.O. Box 550, MSIN: A5-15
Richland, Washington 99352



Dear Mr. Sanders:

Re: 244-AR Vault System Change Control Request to Delete Tri-Party Agreement
(TPA) Milestones M-32-06 and M-32-06-T01

The Washington State Department of Ecology (Ecology) acknowledges receipt (August 11, 1999) of your letter elevating the dispute over the above mentioned Change Control Request to the IAMIT level as outlined under the TPA.

TPA target milestone M-32-06-T01 requires the U.S. Department of Energy (USDOE) to complete a report of the integrity of the 244-AR Vault System and to identify upgrades required for the system. M-32-06-T01 also requires a schedule to address any deficiencies described in the report. Interim milestone M-32-06 requires completion of 244-AR Vault interim status tank actions. The major milestone (M-32), within which M-32-06 and M-32-06-T01 exist, requires USDOE to, "complete identified dangerous waste tank corrective actions" by September 30, 1999. Therefore, the 244-AR tank integrity assessment, identification of 244-AR Vault System tank system deficiencies, and correction of the identified 244-AR Vault System deficiencies are due September 30, 1999. To date, no integrity assessment or vault system upgrades have been performed on the 244-AR Vault System; and completion of M-32 is in jeopardy, partly as a result of failure to meet M-32-06 requirements.

The 244-AR Vault System currently: (1) stores liquid mixed waste in its tanks, (2) contains liquids in its secondary containment, (3) has experienced unexplained liquid level decreases in two of the secondary containment cells (indicative of possible leaks), (4) has a continuing liquid level increase in the third cell that may float two tanks, and (5) is over thirty (30) years old. Ecology has met with the USDOE and Lockheed Martin Hanford Corporation (LMHC) from May through August of this year to clarify the State's expectations for resolution of compliance issues regarding the 244-AR Vault System. During this time, USDOE and LMHC submitted a TPA change package proposing deletion of M-32-06 and transfer the 244-AR Vault System to

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closure within TPA milestone M-45 without identifying timelines for further actions or upgrades on the 244-AR Vault System. This change package was not approved by Ecology.

Ecology is willing to negotiate with USDOE. However, the resulting change package for transfer of the 244-AR Vault System to closure under M-45 (and deletion of M-32-06) address the following actions, as enforceable TPA milestones, with short term due dates:

1. Identification of all tanks within the 244-AR Vault System (i.e., chemical make-up tanks, storage tanks, catch tanks, etc.).
2. Removal of all liquids from all tanks within the 244-AR Vault System as described in item one.
3. Removal of all liquid from all sumps and vaults within the 244-AR Vault System.
4. Permanent isolation of the 244-AR Vault System from all transfer systems.
5. Provisions for removing any liquids accumulating after liquid removal (per items two and three above) until the 244-AR Vault System is closed.
6. Installation of liquid (precipitation/snowmelt) intrusion prevention to preclude accumulation of liquids within the 244-AR Vault System until the 244-AR Vault System is closed.
7. Establishment of periodic liquid level monitoring for the tanks, sumps, and vaults within the 244-AR Vault System sufficient to detect accumulation of liquids in these areas until the 244-AR Vault System is closed.

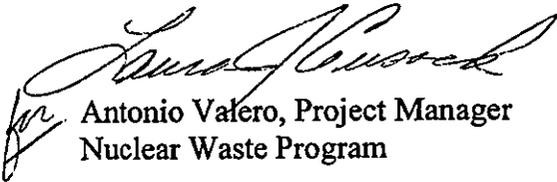
Please be advised that failure to address the non-compliant conditions described in this letter and as discussed in recent meetings may result in penalties and/or orders as stipulated in the TPA or per Revised Code of Washington (RCW), chapter 70.105.080. To prevent operating in a non-compliant status, USDOE shall have in place by September 30, 1999, Ecology approved interim milestones incorporating the above items under M-45, at which time Ecology intends to sign Change Control Form M-32-99-02.

Considering the proximity of the milestone due date, we encourage an expeditious response regarding the development of an aggressive negotiation schedule for establishment of interim milestones, if this is your intention.

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If you have any questions regarding this letter, you may contact me at (509) 736-5719, or Dick Heggen at (509) 736-5716.

Sincerely,



Antonio Valero, Project Manager
Nuclear Waste Program

DH:AV:sb

cc: Dick French, USDOE
Mark Ramsay, USDOE
Mary Lou Blazek, OOE
Administrative Record: M-32