



U.S. Department of Energy
Office of River Protection

0054930

P.O. Box 450
Richland, Washington 99352

MAY 02 2001

01-ORP-063

Mr. Michael A. Wilson, Program Manager
Nuclear Waste Program
State of Washington
Department of Ecology
P.O. Box 47600
Olympia, Washington 98504

RECEIVED
MAY 16 2001

Dear Mr. Wilson:

EDMC

SUBMITTAL OF A SIGNED CHANGE REQUEST (CR) M-62-01-02, REVISING MILESTONE COMPLETION DATES FOR FOUR INTERIM MILESTONES (M-62-06, M-62-07, M-62-10, AND M-62-11) IN SUPPORT OF THE PRETREATMENT PROCESSING AND VITRIFICATION OF HANFORD HIGH-LEVEL WASTE (HLW) AND LOW ACTIVITY WASTE (LAW)

- References:
1. ORP letter from H. L. Boston, ORP, and K. A. Klein, RL to T. Fitzsimmons, Ecology, and C. E. Findley, EPA, "Change Request Package," 01-ORP-044, dated February 26, 2001.
 2. Ecology letter from R. Stanley to M. E. Burandt, ORP, "U.S. Department of Energy (DOE) Draft Hanford Federal Facility Agreement and Consent Order (HFFACO) Change Request (CR) M-62-01-02," dated March 1, 2001.

This letter submits a signed CR in support of the pretreatment processing and vitrification of Hanford HLW and LAW. The modifications to the M-62-06, M-62-07, M-62-10, and M-62-11 Milestones are necessary to provide consistency between the Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement) milestone language, completion schedules for Contract No. DE-AC27-01RV14136 and the U.S. Department of Energy (DOE), Office of River Protection (ORP) baseline schedule. There may be additional changes required once the Fiscal Year 2002 budget impacts are evaluated. The Tri-Party Agreement Milestone M-62-06 (start Phase 1 construction by July 31, 2001) is no longer technically achievable as the result of an unacceptable price estimate from the Privatization Contractor (\$15.2 B vs. \$6.6 B government cost estimate) and unavoidable time delays necessary to award a new Waste Treatment and Immobilization Plant (WTP) contract under competitive Federal procurement rules. These actions constitute good for the requested Tri-Party Agreement extension under the cited Force Majeure provisions of the Tri-Party Agreement. This change package reflects our recovery plan for M-62 series milestones that were impacted by changing from a privatization contract to a Government-Owned, Contractor-Operated (GOCO). As discussed in recent correspondence (References 1 and 2) between DOE, ORP and the State of Washington Department of Ecology (Ecology), this change will establish milestones for the renegotiation of activities as outlined in the new contract for the WTP Contractor.

Mr. Michael A. Wilson
01-ORP-063

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It is requested that Ecology approve the M-62-01-02 CR (Enclosure1) as lead regulatory agency. Upon approval, please return the original signed documents to this office.

If you have any questions, please contact me, or your staff may contact William Taylor, Assistant Manager for Project Delivery, (509) 372-3864.

Sincerely,



James E. Rasmussen
Environmental Policy Advisor
Office of River Protection

ORP:JER

Enclosure

cc w/encl:

R. Gay, CTUIR
P. Sobotta, NPT
R. Jim, YN
E. Savage, BNI
W. T. Dixon, CHG
M. J. Riess, CHG
S. J. Bensussen, CHG
J. G. Kristofski, CHG
D. M. MacDonald, CHG
S. L. Dahl, Ecology
R. F. Stanley, Ecology
M. Brown, Ecology
D. R. Sherwood, EPA
J. S. Hertzell, FHI
O. S. Kramer, FHI
T. M. Martin, HAB
M. L. Blazek, Oregon Energy
C. E. Clark, RL
J. B. Hebdon, RL
Administrative Record

Change Number M-62-01-02	Federal Facility Agreement and Consent Order Change Control Form <small>Do not use blue ink. Type or print using black ink.</small>	Date 5/02/2001
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Originator DOE, Office of River Protection (ORP)	Phone 376-2247
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Class of Change

I - Signatories

 II - Executive Manager

 III - Project Manager

Change Title
Modifications to the M-62-06, M-62-07, M-62-10 & M-62-11 milestones, that are necessary to provide consistency between Tri-Party Agreement milestone language, completion schedules for contract No. DE-AC27-01RV14136 and the ORP baseline schedule.

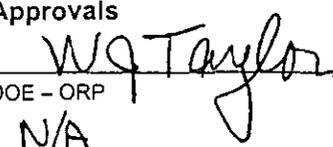
Description/Justification of Change
In the September 19, 2000 approved amendment to Consent Decree No. CT-99-5076-EFS, DOE was required to award a contract to replace the terminated privatization contract for the design, construction and commissioning of a Phase I Treatment Complex by January 15, 2001. The Tri-Party Agreement milestone M-62-06 (Start of Construction Phase 1 Treatment Complex by July 31, 2001) was no longer technically achievable as a result of an unacceptable price estimate from the Privatization Contractor at \$15.2 billion vs \$6.6 billion government cost estimate. This resulted in unavoidable time delays necessary to award a new Waste Treatment Plant contract under competitive federal procurement rules. Contract No. DE-AC27-01RV14136 was awarded on December 11, 2000 for the Design, Construction and Commission of a Facility for the Phase I Hanford Tank Waste Treatment Complex. This change request modifies the following milestones by adopting original language from the
(Continued on page 2)

Impact of Change

This change request modifies the language for the M-62-06, M-62-07 milestones in accordance with the original language from the M-62-05 milestone prior to deletion of M-62-05 per the terms of Consent Decree No. CT-99-5076-EFS, First Amendment. This change also recommends modifications to the M-62-10 and M-62-11 milestones that are necessary to provide consistency between Tri-Party Agreement milestones, completion schedules for contract No. DE-AC27-01RV14136 and the ORP baseline schedule. Contract No. DE-AC27-01RV14136 provides for the Design, Construction and Commission of a Facility for the Phase I Hanford Tank Waste Treatment Complex. The milestones established for renegotiation of the M-62 series milestones are consistent with the recently established contract for the Waste Treatment Contractor (WTC). This change will also impact the M-90-08, M-90-09-T01, M-90-10, M-90-11, M-20-56, M-20-57, M-45-00C. These are addressed in other change requests submitted separately.

Affected Documents

The Hanford Federal Facility Agreement and Consent Order, as amended, Hanford Site internal planning and budget documents (e.g., Agreement Action Plan, Appendix D, DOE and DOE contractor Baseline Change control documents, and Project Management Plans.

Approvals		
 _____ DOE - ORP	5/2/01 Date	<input checked="" type="checkbox"/> Approved _____ Disapproved
N/A _____ DOE - RL	_____ Date	<input type="checkbox"/> Approved _____ Disapproved
_____ EPA	_____ Date	<input type="checkbox"/> Approved _____ Disapproved
_____ Ecology	_____ Date	<input type="checkbox"/> Approved _____ Disapproved

recently deleted M-62-05 milestone and integrating the programmatic schedules as outlined in contract No. DE-AC27-01RV14136 (Note: Other milestones (i.e., those not listed) within the M-62 series remain unchanged). Additional modifications are necessary to provide consistency between milestone completion dates and the ORP baseline schedule. There may be additional changes required once Fiscal Year 2002 budget impacts are evaluated. Our authority for submitting this change is found in Article XL, Good Cause for Extensions, paragraphs 119, 120.A, 120.D, and 120.E and Article XLVII Force Majeure, paragraphs 145, 145.F and 145.G of the HFFACO and Section 12.0 of the Action Plan. The following changes will be adopted as part of this change request:

MS Number	Milestone Description	Due Date
M-62-06	<p>START OF CONSTRUCTION PHASE I TREATMENT COMPLEX</p> <p>FIRST PLACEMENT OF STRUCTURAL CONCRETE AT ONE OF THE TREATMENT COMPLEX PRINCIPALE FACILITIES (I.E. PRETREATMENT, LOW- ACTIVITY WASTE VITRIFICATION, OR HIGH-LEVEL WASTE VITRIFICATION FACILITIES).</p> <p><u>THE PARTIES WILL REVISE OR CONFIRM CONSTRUCTION PROGRESS MILESTONE DUE DATES AUTHORIZING THE DESIGN, CONSTRUCTION AND COMMISSIONING OF A FACILITY FOR THE TREATMENT OF SINGLE-SHELL AND DOUBLE-SHELL TANK WASTES. REVISION, IF NECESSARY SHALL BE CONSISTENT WITH HOT COMMISSIONING BY DECEMBER 2007 AND COMPLETION OF PHASE 1 TREATMENT BY FEBRUARY 2018.</u></p> <p><u>*1 – COMPLETE THE RENEGOTIATION OF M-62-06 AND M-62-07 MILESTONES PER M-62-13</u></p>	<p>7/31/2001</p> <p>TBD*1</p>
M-62-07	<p>CONSTRUCTION PROGRESS MILESTONES (2) – PHASE I TREATMENT COMPLEX</p> <p>DOE SHALL COMPLETE TWO CONSTRUCTION PROGRESS MILESTONES DURING THE PERIOD BETWEEN START OF CONSTRUCTION AND START OF HOT COMMISSIONING COMMERCIAL OPERATIONS; THESE MILESTONES WILL BE ESTABLISHED WITHIN 60 DAYS OF ISSUANCE OF THE DOE AUTHORIZATION TO PROCEED WITH PHASE I TREATMENT.</p> <p><u>THE PARTIES WILL REVISE OR CONFIRM THE CONSTRUCTION PROGRESS MILESTONE DUE DATES AUTHORIZING THE DESIGN, CONSTRUCTION AND COMMISSIONING OF A FACILITY FOR THE TREATMENT OF SINGLE-SHELL AND DOUBLE-SHELL TANK WASTES. REVISION, IF NECESSARY SHALL BE CONSISTENT WITH HOT COMMISSIONING BY DECEMBER 2007 AND COMPLETION OF PHASE 1 TREATMENT BY FEBRUARY 2018.</u></p> <p><u>*1 – COMPLETE THE RENEGOTIATION OF M-62-06 AND M-62-07 MILESTONES PER M-62-13</u></p>	TBD*1
M-62-09	<p>START (HOT) COMMISSIONING – PHASE I TREATMENT COMPLEX</p> <p>DOE WILL START HOT COMMISSIONING OF ITS TANK WASTE TREATMENT COMPLEX (DEFINED AS FIRST PRINCIPALE FACILITY RECEIPT OF RADIOACTIVE TANK WASTE FOR TREATMENT).</p>	12/31/2007
M-62-10	<p><u>COMPLETION OF HOT COMMISSIONING</u></p> <p>START COMMERCIAL OPERATIONS – PHASE I TREATMENT COMPLEX</p> <p>DOE WILL ACHIEVE SUSTAINED THROUGHPUT OF PRETREATMENT, LOW-ACTIVITY WASTE VITRIFICATION AND HIGH-LEVEL WASTE VITRIFICATION PROCESSES, AND DEMONSTRATED TREATMENT COMPLEX AVAILABILITY TO COMPLETE TREATMENT OF NO LESS THAN 10% OF THE TANK WASTE BY MASS AND 25% OF THE TANK WASTE BY ACTIVITY BY DECEMBER 2018.</p> <p><u>*2 – COMPLETE THE RENEGOTIATION OF M-62-10 MILESTONE PER M-62-14</u></p>	<p>4/30/2011*2</p> <p>12/31/2009</p>

3 years after
completion start
of Commercial
Operations Hot
Commissioning
see (M-62-10)

M-62-11 SUBMITTAL OF HANFORD TANK WASTE TREATMENT PHASE II PLAN

DOE WILL SUBMIT TO ECOLOGY A DETAILED PLAN AND PROPOSAL FOR THE PROCESSING OF THE REMAINDER OF DOE'S LAW AND HLW WASTES (PHASE II WASTES). THIS PLAN AND PROPOSAL WILL BE ACCOMPANIED BY A DRAFT NEGOTIATIONS AGREEMENT IN PRINCIPLE (AIP), AND DRAFT AGREEMENT CHANGE REQUEST CONTAINING SUFFICIENT ENFORCEABLE MILESTONES AND ASSOCIATED AGREEMENT REQUIREMENTS TO EFFECTIVELY DRIVE PHASE II WORK TO COMPLETION IN ACCORDANCE WITH AGREEMENT REQUIREMENTS. PHASE II AGREEMENT NEGOTIATIONS WILL BE COMPLETED WITHIN SIX (6) MONTHS OF AIP FINALIZATION.

M-62-13 COMPLETE THE RENEGOTIATION OF M-62-06 AND M-62-07 MILESTONES

12/15/2001

THE PARTIES WILL REVISE OR CONFIRM MILESTONE COMPLETION DATES. REVISION IF NECESSARY SHALL BE CONSISTENT WITH HOT COMMISSIONING BY DECEMBER 2007 AND COMPLETION OF PHASE 1 TREATMENT BY FEBRUARY 2018.

M-62-14 COMPLETE THE RENEGOTIATION OF M-62-10

12-15-2001

THE PARTIES WILL REVISE OR CONFIRM MILESTONE COMPLETION DATES. REVISION IF NECESSARY SHALL BE CONSISTENT WITH HOT COMMISSIONING BY DECEMBER 2007 AND COMPLETION OF PHASE 1 TREATMENT BY FEBRUARY 2018.