



Department of Energy
 Richland Operations Office
 P.O. Box 550
 Richland, Washington 99352

01-AMI-011

APR 18 2001

Mr. Tom C. Fitzsimmons, Director
 State of Washington
 Department of Ecology
 P.O. Box 47600
 Olympia, Washington 98504

RECEIVED
 MAY 16 2001
EDMC

Mr. Charles E. Findley, Acting Regional Administrator
 U.S. Environmental Protection Agency
 Region 10
 1200 Sixth Avenue
 Seattle, Washington 98101

Addressees:

HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER (TRI-PARTY AGREEMENT) REQUIREMENTS GOVERNING THE PROVISION OF BUDGET INFORMATION AND COORDINATION BETWEEN THE PARTIES DURING THE DEVELOPMENT AND ALLOCATION OF YEARLY SITEWIDE BUDGETS

This letter is in response to your March 28, 2001, letter to Harry L. Boston, U.S. Department of Energy, Office of River Protection (ORP) and Keith A. Klein, U.S. Department of Energy, Richland Operations Office (RL), same subject as above, regarding notification of alleged noncompliance with core Tri-Party Agreement requirements related to the availability of U.S. Department of Energy (DOE) budget information. Further, it proposes a path forward for addressing the key provisions of Article XLVII, paragraphs 148 and 149, of the Tri-Party Agreement.

In paragraph four of your notification, you state that you have not been provided an Activity Data Sheet (ADS) level briefing documenting the President's FY 2002 budget as required by Tri-Party Agreement paragraph 149 (D). That paragraph states:

"Within 30 days after the President's submission of the budget to Congress, DOE-RL shall brief Ecology and EPA on the President's budget request at the ADS level detail."

Since the President's budget was submitted to Congress on April 9, the 30-day period under paragraph 149 (D) extends through May 9.

In paragraph five, you state that DOE has not complied with Tri-Party Agreement paragraph 148 (B) relative to submission of the FY 2003 budget. That paragraph provides that ADS level discussions be held prior to DOE submitting its FY 2003 budget to HQ when target funding

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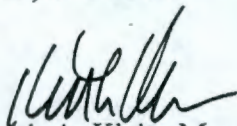
levels differ from full compliance funding levels. The FY 2003 Hanford budget submission to HQ has not yet been made but rather, is due by May 11, 2001.

In paragraph six, you state that DOE has not complied with Tri-Party Agreement paragraph 149 (A) relative to planning and budget guidance. That paragraph states that within two weeks of issue, a copy of FY 2003 EM guidance to DOE, a preliminary impact assessment of that guidance, and a copy of DOE guidance to our contractors be provided to you. Because we have not received the EM FY 2003 budget formulation guidance, we do not believe that we are out of compliance with the requirements stated in paragraph 149 (A) of the Tri-Party Agreement.

In paragraph seven, you raised the issue of our compliance with paragraph 149 (C) of the Tri-Party Agreement relative to management briefing of the impacts of the FY 2003 budget. That paragraph states that after issuance of HQ planning guidance, but no later than two weeks prior to the submission of the DOE FY 2003 budget request, a management-level briefing be given to Ecology and EPA. Because our budget submission is due May 11, 2001, we believe we can share the information as late as April 27, 2001, and still be compliant with Tri-Party Agreement requirements, and we are eager to do so.

Our proposed path forward is to meet on April 26, 2001, in Room 142 of the Federal Building on Jadwin Avenue in Richland, Washington, from 8:00 a.m. to 5:00 p.m. The purpose would be to review the impact of the FY 2002 Presidential budget on Tri-Party Agreement requirements and provide a status of our assumptions for formulating budget submissions for FY 2003, including a preliminary impact analysis relative to Tri-Party Agreement requirements. We propose you meet with ORP from 8:00 a.m. until noon, and with RL from 1:00 p.m. until 5:00 p.m. In preparation for these meetings, we have attached a copy of the President's FY 2002 budget at the Project Baseline Summary level and the associated narrative relative to expected accomplishments for FY 2002.

In response to your noncompliance notification, DOE initiated a dispute resolution process on April 9, 2001. We hope that the information provides a basis for further reconsideration of the noncompliance notification and through discussion, we could avoid efforts expended in the dispute resolution process. If you have questions, please contact us, or your staff may contact W. Wade Ballard, Assistant Manager for Planning and Integration, on (509) 376-6657, or James E. Rasmussen, Environmental Policy Advisor, Office of River Protection, on (509) 376-2247.



Keith A. Klein, Manager
Richland Operations Office



Harry L. Boston, Manager
Office of River Protection

AMI:WWB

Attachment

cc: See page 3

Richland Operations Office
 FY 2002 EM Budget Comparison
 (\$ in Millions)

<u>PBS #</u>	<u>TITLE</u>	<u>FY 2001 APPROP.</u>	<u>\$765M FY 2002 2012 Plan</u>	<u>FY 2002 RL REQUEST AT TARGET</u>	<u>FY 2002 CONGRESSIONAL REQUEST</u>	<u>DELTA FY 2001 to FY 2002 Request</u>	<u>FY 2002 DELTA 2012 plan to Request</u>	<u>FY 2002 DELTA Target to Request</u>
<u>POST 2006</u>								
CP01	200 Area Remediation	27,811	37,832	29,199	13,000	(14,811)	(24,832)	(16,199)
RC01	100 Area River Corridor Closure	49,728	72,829	48,365	42,958	(6,770)	(29,871)	(5,407)
RC02	300 Area Closure	8,500	14,220	14,012	9,000	500	(5,220)	(5,012)
RC04	Central Core Area Cleanup	4,782	355	355	355	(4,427)	0	0
RC05	River Corridor Waste Management	25,960	28,125	21,595	15,000	(10,960)	(13,125)	(6,595)
RS01	South Industrial Area Cleanup	4,564	3,529	750	750	(3,814)	(2,779)	0
SS03	Groundwater Mgt and Monitoring	19,525	18,850	17,947	17,947	(1,578)	(903)	0
SS04	GW/VZ Integration	10,133	13,365	13,545	7,000	(3,133)	(6,365)	(6,545)
SS06	Regulatory Unit	6,502	0	0	N/A	N/A	N/A	N/A
SS01	Site Integration	58,170	88,811	81,002	50,000	(8,170)	(38,811)	(31,002)
SS05	HAMMER	5,700	6,025	6,135	1,000	(4,700)	(5,025)	(5,135)
SC01	Near Term Stewardship	<u>7,632</u>	<u>8,691</u>	<u>8,685</u>	<u>7,632</u>	0	(1,059)	<u>(1,053)</u>
Subtotal Post 2006		229,007	292,632	241,590	164,642	(64,365)	(127,990)	(76,948)

Richland Operations Office
 FY 2002 EM Budget Comparison
 (\$ in Millions)

PBS #	TITLE	FY 2001 APPROP.	\$765M FY 2002 2012 Plan	FY 2002 RL REQUEST AT TARGET	FY 2002 CONGRESSIONAL REQUEST	DELTA FY 2001 to FY 2002 Request	FY 2002 DELTA 2012 plan to Request	FY 2002 DELTA Target to Request
Project Completion (Defense)								
CP02	200 Area Materials & Waste Mgt.	91,957	81,353	80,685	67,607	(24,350)	(13,746)	(13,078)
CP03	Plutonium Finishing Plant	102,210	74,053	73,844	73,844	(28,366)	(209)	0
RC06	300 Area Facility Deactivation	42,445	42,147	39,777	30,000	(12,445)	(12,147)	(9,777)
RS03	Spent Nuclear Fuels	188,300	163,601	163,135	163,135	(25,165)	(466)	0
SS02	Landlord & Hanford Site Services	<u>46,710</u>	<u>108,165</u>	<u>111,368</u>	<u>85,000</u>	38,290	(23,165)	<u>(26,368)</u>
Subtotal, Project Completion (Defense)		471,622	469,319	468,809	419,586	(52,036)	(49,733)	(49,223)
Project Completion (Non-Defense)								
RC03	Advanced Reactor Transition	<u>1,485</u>	<u>3,249</u>	<u>3,432</u>	<u>1,485</u>	0	(1,764)	(1,947)
Subtotal, Project Completion (Non-Defense)		1,485	3,249	3,432	1,485	0	(1,764)	(1,947)
Total Richland EM		<u>702,114</u>	<u>765,200</u>	<u>713,831</u>	<u>585,713</u>	<u>(116,401)</u>	<u>(179,487)</u>	<u>(128,118)</u>

FY 2001 crosswalked to new PBS structure for comparability purposes.

FY 2001 doesn't reflect indirect conversion.

FY 2001 Congressional Request value of \$699,735 assumes Reg Unit is transferred to ORP and \$4M loan repayment to ORP still reflected under SNF.



Richland Operations Office

Funding (dollars in thousands)

Functional Area	FY2000	FY 2001	FY 2002
Spent Nuclear Fuel	\$192,283	\$192,300	\$163,135
Material Stabilization	161,002	149,276	106,733
Environmental Restoration	129,053	140,567	101,416
Waste Management	97,991	97,311	70,697
Other	<u>107,347</u>	<u>120,281</u>	<u>143,732</u>
TOTAL	\$687,676	\$699,735	\$585,713

Performance Measures

Performance Metric	FY 2000	FY 2001	FY 2002
No. of Release Site Completions	42	12	9
No. of Facilities Decommissioned	27	12	1
No. of Facilities Deactivated	26	7	0
Volume of Transuranic Waste Shipped to WIPP for Disposal (m ³)	18	42	0
Volume of Mixed Low-Level Waste Treated (m ³)	1,204	568	265
Volume of Mixed Low-Level Waste Disposed (m ³)	669	478	300
Volume of Low-Level Waste Disposed (m ³)	8,079	6,734	3,100
Nuclear Material Stabilized - Pu Residue (kg bulk)	17	296	1,491
Nuclear Material Stabilized - Metal/Oxides (canisters)	574	527	1,428
Spent Nuclear Fuel Moved to Dry Storage (MTHM)	0.0	116.0	662.0

Office of Environmental Management



Richland Operations Office

FY 2002 Planned Activities

◆ Spent Nuclear Fuel

- Remove, dry, and transport 662 metric tons of heavy metal of spent nuclear fuel from K-West Basin to the Canister Storage Building for dry storage.
- Complete modifications to K-East Basins in preparation for fuel removal in fiscal year 2003.
- Initiate equipment acquisition and infrastructure for the K-Area deactivation facilities, including debris, sludge, and water removal.

◆ Material Stabilization

- Complete stabilization of the remaining 4,300 liters of plutonium bearing solutions and polycubes.
- Continue stabilization and packaging of plutonium oxides and stabilization of plutonium residues.
- Complete repackaging of the Hanford plutonium ash.
- Continue Lab Building 324 closure activities.

◆ Environmental Restoration

- Complete nine site remediations in the 100 Area.
- Decommission one facility in the 200 Area.
- Send up to 461,000 tons of contaminated soil and debris for disposal to the Environmental Restoration Disposal Facility.



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FY 2002 Planned Activities (continued)

◆ Waste Management

- Treat 265 cubic meters of mixed low-level waste.
- Dispose of 300 cubic meters of mixed low-level waste and 3,100 cubic meters of low-level waste.
- Process up to 2 million gallons of dilute liquid high-level waste through the 242-A Evaporator.
- Process up to 27 million gallons of dangerous and radioactive liquids in the effluent treatment facility.

◆ Other

- Provide major maintenance, replacements, and upgrades of core infrastructure facilities and systems, including replacing components of the 50-year old water infrastructure.

Addressees
01-AMI-011

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cc w/attach:

E. A. Livingston, S
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J. Turner, Ecology
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E. J. Murphy-Fitch, FHI
T. M. Martin, HAB
M. L. Blazek, Oregon Energy
Administrative Record