



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

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DEC 20 2006

07-KBC-0022

Mr. Nicholas Ceto, Program Manager
 Office of Environmental Cleanup
 Hanford Project Office
 U.S. Environmental Protection Agency
 309 Bradley Blvd., Suite 115
 Richland, Washington 99352

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EDMC

Dear Mr. *N. Ceto*

INITIATION OF DISPUTE RESOLUTION FOR HANFORD FEDERAL FACILITY AGREEMENT AND CONSERNT ORDER (TRI-PARTY AGREEMENT) CHANGE CONTROL FORMS M-34-06-02 FOR THE K BASIN CLOSURE PROJECT - K EAST BASIN STRUCTURE REMOVAL; AND M-16-06-04 FOR THE RIVER CORRIDOR CLOSURE PROJECT - INITIATE K EAST BASIN SOIL REMEDIATION

The purpose of this letter is to invoke dispute resolution with the U.S. Environmental Protection Agency (EPA) pursuant to Article XVI Resolution of Disputes, Paragraph 59 of the Tri-Party Agreement. On December 7, 2006, the U.S. Department of Energy, Richland Operations Office (RL) provided the EPA with two signed Class II change control forms (M-34-06-02 and M-16-06-04) for agency approval. On December 14, 2006, EPA provided RL a letter stating they would not approve the change control forms. The RL objects to the EPA disapproval of the control forms. RL believes that good cause exists to extend the interim milestones due to technical difficulties and unknown conditions and is invoking dispute under the provisions of the Tri-Party Agreement.

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Due to the complexity of the project and the impact from the holidays, RL requests that the dispute be extended at the project manager level until February 22, 2007. The extension will allow the agencies adequate time to collaboratively work towards resolving the dispute. RL looks forward to working with EPA to resolve this dispute at the project manger level and gain agreement on the time frame for removal of the K East structure and initiation of soil remediation.

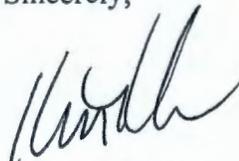
Mr. Nicholas Ceto
07-KBC-0022

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If you have any questions, please contact me, or your staff may contact David Brockman, Federal Project Director for K Basin Closure, on (509) 376-1366, or Joe Franco, Assistant Manager for the River Corridor, on (509) 376-6628.

Sincerely,



Keith A. Klein
Manager

KBC:EBD

Enclosures

cc w/encls:

G. Bohnee, NPT
L. J. Cusack, Ecology
S. Harris, CTUIR
J. Hedges, Ecology
R. Jim, YN
T. M. Martin, HAB
K. Niles, ODOE

Administrative Record (M-34)

Environmental Portal

cc w/o encls:

S. B. Cherry, FHI
P. M. Knollmeyer, FHI
R. E. Piippo, FHI
D. J. Watson, FHI



EXTENSION OF DISPUTE AT THE PROJECT MANAGERS LEVEL HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER (HFFACO) CHANGE CONTROL FORMS M-34-06-02 AND M-16-06-04 MODIFICATION OF HFFACO M-34 AND M-16 SERIES FROM DECEMBER 22, 2006, FEBRUARY 22, 2007

Per Hanford Federal Facility Agreement and Consent Order Article XVI, Resolution of Disputes, Section N, the Parties agree to extend HFFACO change packages M-34-06-02 and M-16-06-04 dispute at the project manager level from December 22, 2006, to February 22, 2007. The U.S. Department of Energy initiated dispute in the RL to EPA letter, 07-KBC-0012, Initiation of Dispute at the Project Manager Level HFFACO Change Control forms M-34-06-02 for the K Basin Closure Project – K East Basin Structure Removal; and M-16-06-04 for the River Corridor Closure Project – Initiate K East Basin Soil Remediation, on December 21, 2006, and this agreement extends that dispute.

Paul M. Pak
Federal Project Director
U.S. Department of Energy
Richland Operations Office

Larry Gadbois
Project Manager
U.S. Environmental Protection Agency
Hanford Project Office