



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 REGION 10 HANFORD PROJECT OFFICE
 712 Swift Boulevard, Suite 5
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April 30, 2003

Joel Hebdon, Director
 Regulatory Compliance and Analysis Division
 U.S. Department of Energy
 P.O. Box 550
 Richland, WA 99352

RECEIVED
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EDMC

Subject: Response to Notification of Anticipated Startup of K East Basin Sludge Water System.

Dear Mr. Hebdon:

59066

The EPA has received DOE letter 03-RCA-0200 dated April 14, 2003. That letter stated the anticipated start of the K East Basin Sludge Water System would be May 12, 2003. During an interface meeting with DOE yesterday, EPA was informed that this project is delayed again, and the contractor Operational Readiness Review (ORR) is currently planned to begin June 2, 2003.

Risk reduction resulting from removal of sludge from the K East basin is a top priority cleanup action from EPA's perspective. At the beginning of this month EPA assessed a \$76,000 stipulated penalty for delays through April 1, 2003, and in the penalty letter reminded DOE that liability for stipulated penalties continues to accrue until the milestone work scope is completed. The fact that there are no intermediate sludge retrieval milestones between now and August 2004 necessitates EPA continued focus on this startup milestone.

The DOE Office of Spent Nuclear Fuel continues years of good communication with EPA staff regarding the status of the K Basins project. Yesterday the EPA requested that DOE provide us a new projected M-34-08 milestone completion date when it becomes available.

Sincerely,

Larry Gadbois

Larry Gadbois
 K Basins Project Manager

Cc: Mark French, DOE
 Administrative Record, 100-KR-2