



Tri-Party Agreement

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Environmental Cleanup Office

Ms. Marilyn Reeves, Chair
Hanford Advisory Board
723 The Parkway, Suite 200
Richland, Washington 99352

Dear Ms. Reeves:

BOARD CONSENSUS ADVICE #72: PROPOSED TRI-PARTY AGREEMENT (TPA) MODIFICATIONS;
K BASINS SPENT NUCLEAR FUEL PROJECT (M-34-00A), JULY 11, 1997

We appreciate the time taken by you and other members of the Hanford Advisory Board (the Board) in reviewing and commenting on the agencies' proposed modifications to the TPA regarding the Spent Nuclear Fuel (SNF) Project. The Board's Health, Safety, and Waste Management Committee, chaired by Dr. Dick Belsey, has been very helpful as the agencies developed this change request. 47369

This correspondence responds to your letter to us of July 11, 1997, and provides an update to the Board of our progress and plans for finalizing the M-34-00A change request¹. As you are aware, the public comment period for this modification began on June 9, 1997, and ended on July 23, 1997. A small number of comments were received from the public during the comment period in addition to the Board's advice. As noted within our April 30, 1997, (K Basins) Tentative Agreement, the parties will develop a response to comments received, prior to change request finalization.

During the Department of Energy's (DOE) SNF presentation to the Board on May 2, 1997, information was presented covering areas of specific concern which are now expected to impact, at minimum, schedules for the initiation of fuel removal. As a result, the parties have temporarily suspended change request finalization.

During a subsequent June 12, 1997, Health, Safety, and Waste Management Committee meeting (after opening the M-34-00A public comment period) DOE and Project Hanford Management Contractor (PHMC) representatives advised the

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Please also see the handout on this topic provided by Charlie Hansen of DOE during the Board's September 5, 1997 meeting.

Committee of their continuing concerns regarding: (a) unresolved technical issues; (b) recent project scope increases; and (c) the quality of project safety analysis documentation. As a result of these concerns, DOE and the PHMC undertook an assessment of SNF project baseline (schedule) risks in order to evaluate likely impacts to schedule, cost, and the proposed M-34-00A milestone change request.

The preliminary results of this assessment were presented to the parties' Inter Agency Management Integration Team (IAMIT) at its August 26, 1997, meeting, and subsequently to the Board on September 5, 1997. As was noted during these discussions, preliminary assessment results indicate the need for a delay of the initiation of K Basin fuel removal of some fourteen months, associated delays to project completion, and increases to total project cost. DOE has completed a management review of assessment results, revised project cost profiles, and proposed impacts to the M-34-00A change request. A discussion of these issues was taken up by the IAMIT at its scheduled meeting on September 23, 1997, and these discussions will continue at subsequent meetings to be scheduled shortly thereafter.

Please note that we share the Board's concern regarding the need for the parties to closely monitor the project for signs of issues that could lead to further schedule slippage. Because the assessment of the SNF Project baseline is providing a higher confidence in meeting commitments, the revised change request will contain a larger number of enforceable commitments than were identified in the package submitted for public review.

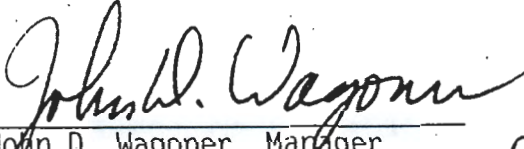
DOE has committed to prepare and submit the following documentation to the IAMIT at its September 23, 1997, meeting: (a) the results of its management review, and (b) a DOE evaluation of potential impacts to other Hanford Site cleanup projects as a result of these proposed modifications. By September 30, 1997, DOE has also committed to providing the IAMIT: (a) a (proposed) revised draft TPA change request; (b) the revised baseline schedule which documents the proposed revised dates for the change request commitments; and (c) a revised project cost profile. The parties recognize that significant changes to the SNF Project schedule may be necessary. We plan to seek Board advice as to the need for an additional M-34-00A public comment period.

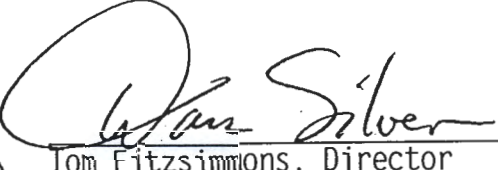
Ms. Marilyn Reeves


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Please feel free to contact Beth Sellers, RL SNF Division Director, at (509) 376-7465; George Sanders, RL TPA Administrator, at (509) 376-6888; or Tom Tebb, Ecology SNF Project Manager, at (509) 736-3020 if you need additional information.

Sincerely,


John D. Wagoner, Manager
U.S. Department of Energy
Richland Operations Office


Tom Fitzsimmons, Director
State of Washington
Department of Ecology


For Chuck Clarke, Regional Administrator
U. S. Environmental Protection Agency
Region 10

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