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STATE OF WASHINGTON  
DEPARTMENT OF ECOLOGY

1315 W. 4th Avenue • Kennewick, Washington 99336-6018 • (509) 735-7581

January 12, 2001

Ms. Beth Bilson  
U.S. Department of Energy  
P.O. Box 550, MSIN: H0-12  
Richland, Washington 99352

Mr. Cliff Clark  
U.S. Department of Energy  
P.O. Box 550, MSIN: A5-15  
Richland, Washington 99352

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**EDMC**

Dear Ms. Bilson and Mr. Clark:

Thank you for your letter dated December 26, 2000, notifying the Washington State Department of Ecology (Ecology) that the U.S. Department of Energy (USDOE) was having difficulties completing work required by Hanford Federal Facility Agreement and Consent Order (HFFACO) Milestone M-91-12 "Initiate Thermal Treatment of Currently Stored and Newly Generated CH LLMW (12/31/00)."

It is Ecology's determination that the USDOE has failed to comply with HFFACO Milestone M-91-12. Included in that letter was a schedule by which the USDOE intended to complete the work required by that milestone. The schedule identified that normal operations of thermal treatment would be established by April 1, 2001. Ecology understands that both the USDOE and its contractors have been working to complete required work and encourages all to continue on that path. The establishment of thermal treatment capacity is a critical element to the success of our short term and long term clean up goals at Hanford and, therefore, a high priority for Ecology.

Please note that in accordance with Part Two, Article IX of the HFFACO, Ecology will be assessing stipulated penalties in the amount of \$5,000 for the first week and up to \$10,000 for each additional week. These penalties will be assessed from the date the milestone was due, until the time when the USDOE actually completes the work. Ecology will consider any extenuating circumstances when making a final decision on the amount of penalty levied against the USDOE.

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Ecology encourages the USDOE to continue in its efforts to establish thermal treatment capacity as soon as possible and is willing to provide whatever assistance is necessary. Ecology also stresses the importance of maintaining safe work practices in the completion of that work.

If you have any questions regarding this matter, please feel free to contact me at (509) 736-3038.

Sincerely,



Laura J. Cusack, Project Management Section Manager  
Nuclear Waste Program

LJC:sdb

cc: Dave Bartus, EPA  
Doug Sherwood, EPA  
Mary Lou Blazek, OOE  
Administrative Record: Milestone M-91-12