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START

91-TPA-111

Ms. Christine Gregoire, Director
State of Washington
Department of Ecology
Mail Stop PV-11
Olympia, Washington 98504-8711

Ms. Dana A. Rasmussen
Regional Administrator
Environmental Protection Agency
Region 10
Seattle, Washington 98101

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Dear Ms. Gregoire and Ms. Rasmussen:

HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER CHANGE PACKAGES

On May 15, 1991, the three parties successfully reached agreement on changes due to technical issues and new work. On this second anniversary of the signing of the Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement), I am pleased to note that the Agreement has withstood the tests of changing management, technical difficulties, and the identification of new work. As Secretary Watkins stated in his April 11, 1991, letter to Governor Gardner, the U.S. Department of Energy (DOE) is committed to the Tri-Party Agreement (TPA) and recognizes its obligations under the Agreement. I believe the good faith effort made in the change package negotiations of the last several weeks is evidence of that commitment. The addition of five major and forty-three interim milestones is a clear demonstration of DOE's continued commitment to the TPA.

Enclosed are the change packages, the new Section 13.0, and the proposed revisions to the TPA funding language which have been negotiated by our respective staff over the last several weeks (Enclosure 1). Some issues identified in your letter to me of April 8, 1991, are still under discussion. These are identified in Enclosure 2. I expect the discussions to continue in same productive manner which governed these negotiations. One area DOE and the Environmental Protection Agency (EPA) have agreed will require continued discussion with Ecology is the subject of the application of new model language. The DOE, in conjunction with EPA, is in the process of developing model language for Federal agreements. When this language is developed, I will be proposing this agreed-upon language as a change to our Agreement. It is my understanding that Ecology will consider the proposed change at that time and that I will receive a letter acknowledging your commitment to meet and consider this language.

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As I told you in my February 6, 1991, letter, I believe that it is prudent to move toward acceleration of single-shell tank waste characterization. I have directed Westinghouse Hanford Company (WHC) to prepare an integrated sampling and analysis plan for all samples of greater than 10 mR/hour. This encompasses all single- and double-shell tank sampling. The intent of this integrated plan is to identify those actions which are necessary to recover the single-shell tank characterization schedule and to accelerate the schedule if possible.

My staff is also reviewing whether the single-shell tank Supplemental Environmental Impact Statement (SEIS) should be completed earlier than currently planned. Recent planning exercises indicate that the existing June 2002 commitment for a draft of the SEIS may not support a 2018 closure schedule. During the next several months, DOE will be evaluating the schedules and determining the requirements for a SEIS. This evaluation will be complete by August 1991. If an accelerated SEIS is determined to be necessary, DOE will propose a new SEIS schedule, including appropriate interim milestones, at that time.

I share your concern that improved management systems are necessary to aid our staff in tracking progress on individual Agreement milestones. Consistent with my discussion with you in early March, I have directed the Hanford contractors to implement a management control system for Agreement activities by October 1991. The components of that management control system are described in Enclosure 3. It will be necessary for our respective staff to work together over the next few months to ensure that the system which we implement will meet your needs as well as meet our needs.

As we agreed, Ecology will provide DOE a letter stating that the HWVP hot startup milestone date will remain unchanged unless the outcome of the pretreatment risk assessment requires an adjustment to that milestone. It is DOE's intent to satisfy all TPA milestones. However, we must realize that on HWVP or other milestones unanticipated technical, programmatic, and institutional issues will materialize periodically which will require satisfactory resolution. These issues may have the potential to adversely impact scheduled milestones. When this occurs, DOE's recommendations will be presented through the normal process using Article XL of the Agreement. An integrated approach to the pretreatment and vitrification program is essential to ensure the achievement of mutual goals in a timely fashion. Recent discussions between us have indicated that increased Ecology involvement in the double-shell tank waste pretreatment program and the Hanford Waste Vitrification Project would be beneficial. A full time Ecology representative at the Fluor facilities in Irvine, California, would also be advantageous. Financial support for this involvement would be through the current grant.

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It is also my understanding that Ecology and EPA will jointly provide a letter explaining the actions either agency expects to take as negotiations continue towards establishing schedules for effluent permitting, treatment, and disposal. I understand that your effluent letters will also explain the Ecology and EPA intent relative to regulation of those discharges following the implementation of a negotiated compliance agreement.

The challenges which face us over the next decade are not small. By working together to meet each challenge, we will be successful in the remediation of the Hanford Site.

Sincerely,

John D. Wagoner
Manager

Enclosures (3)

cc: P. T. Day, EPA
T. L. Nord, Ecology

Enclosure 1

1. Change Request M-01-90-3, 27-Month Delay to M-01-XX Grout Disposal Campaigns

2. Change Request M-02-91-1, Revision to Double-Shell Tank Waste Pretreatment

3. Change Request M-03-90-2, Revision to Interim Milestone M-03-01

4. Change Request M-05-90-03 Rev. 1, Interim Stabilization Milestone Changes for Fiscal Years 1991-1996

5. Change Request M-10-90-2, Single-Shell Tank Core Sampling Milestone Delay Due to Recently Identified Core Drilling and Tank Storage Safety Issues

6. Change Request M-12-90-4, Modification of Milestones M-12-00 and M-13-00 to Implement Aggregate Area Management Strategy

7. Change Request M-20-90-4, B Plant Part B Permit Application/Closure Plan

8. Change Request M-24-91-3, Extension of Milestones M-24-07 and M-24-00, RCRA wells

9. Change Request M-31-91-1, M-31-00, New Double-Shell Tank Capacity

10. New Section 13.0, Liquid Effluent Treatment and Disposal

11. Proposed Language Change For Article XL, Extensions

12. Proposed Language Change for Paragraph 139, Article XLVIII, Funding

Enclosure 2

OPEN ISSUES

1. 300 Area Process Trenches - DOE-RL has agreed to extend the time for EPA and Ecology review of the M-17-90-1 change request for Milestone M-17-06, Cease Discharges to 300 Area Process Trenches. This extension allows time for DOE-RL to continue effluent discharge minimization actions, to perform a value engineering study of the proposed treatment system, and to perform predictive environmental calculations of continued discharges. EPA and Ecology will evaluate the data obtained through these activities and utilize those data in making a final determination on change package disposition. The first phase of waste minimization activities will be completed in December 1991. The value engineering and predictive environmental calculations will be completed by September 15, 1991. EPA and Ecology will disposition the change package by September 23, 1991.

2. Low-Level Laboratory (Milestone M-14-00) - In October 1990, several DOE projects were placed on hold while the benefits of privatization were explored. The Hanford low-level laboratory, also known as the Waste Sampling and Characterization Facility (WSCF), was one of the projects considered for privatization. DOE has determined that Hanford analytical needs could best be met by a combination of commercial and on-site laboratory facilities. DOE intends to ensure that sufficient analytical capabilities are provided (through commercial or on-site laboratories) by January 1992 to meet the intent of Milestone M-14-00. DOE will meet with EPA and Ecology staff by June 1991 to obtain EPA and Ecology input on this proposed approach. Once general agreement is reached regarding the proposed approach, a change package will be prepared and submitted to both agencies.

3. Waste Receiving and Processing Facility (Milestone M-18-00) - Disposition of this change package has been deferred to June 1991. Meetings with the architect/engineering firm responsible for the design and construction of WRAP, EPA, Ecology, and DOE-RL will be held prior to the disposition of the change package. The intent of these meetings is to gain a better understanding of the design and construction schedule for WRAP. Schedule adjustments may also be requested by Ecology to increase the permitting time allotted prior to construction start.

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Enclosure 3

MANAGEMENT SYSTEMS

Work scope necessary to support and achieve each Tri-Party Agreement milestone will be planned, statused and controlled within the DOE Management Control System. Beginning in October 1991, specific work scope elements for each Tri-Party Agreement milestone will be identified and maintained in the Work Breakdown Structure. Cost and schedule status will be provided for each major Tri-Party Agreement milestone.

All milestone work performance will be planned and tracked in accordance with the existing Management Control System procedures. Cost will be collected and reported by major milestone based upon the identification of Tri-Party Agreement milestones within the Work Breakdown Structure. All cost collection will be performed in accordance with generally accepted accounting principles.

The Management Control System will provide the basis for a monthly report which will identify the specific performance status of each major milestone. Schedule variance explanations will be provided for each milestone performance that exceeds the established variance threshold. In addition, quarterly status meetings will be held with EPA and Ecology on a monthly basis (one-quarter of the milestones to be addressed each month) to discuss each milestone.

The monthly reports and the quarterly status meetings will include a milestone variance analysis which will identify actions which are required to correct existing variance conditions. During the quarterly status meetings, any need for requests for extension will also be identified. Actions resulting from the status meetings will be tracked until the action is completed, including actions associated with the need to request extensions. This will ensure that EPA and Ecology receive timely notification of the need for extension.

Each major and interim milestone and each target date has an assigned DOE-RL unit manager, an assigned DOE-RL Division Director, an assigned contractor representative, and an assigned contractor Level III (or equivalent) manager who are identified as being responsible for planning, tracking, reporting, and completing the milestone work scope.

DOE proposes to establish a working group of EPA, Ecology, DOE-RL, and WHC staff to ensure that our proposed reporting system will meet EPA and Ecology needs. The working group activities will include:

- Review of all interim and major milestones to ensure clear understanding and agreement of milestone deliverables

- Review of each ADS to ensure clear understanding of determinations made regarding Tri-Party Agreement milestone assignments by ADS

- Establishment of a meeting schedule and reporting format for frequent management review of milestone cost and schedule status

- Establishment of appropriate procedures for ensuring timely and meaningful regulatory involvement in the development of Tri-Party Agreement funding requests

- Development of an acceptable mechanism for DOE certification of progress

- Clarification of Ecology and EPA request that the management system include a "means of recourse in the event of failure."

In order to ensure that the management system is fully implemented by October 1991 and to ensure that any changes to milestone designations in the ADS are incorporated in the Tri-Party Agreement Management Control System baseline, DOE-RL proposes that the working group convenes no later than May 24 and continue bi-weekly meetings until at least July 15, 1991.