

Tri-Party Agreement

RECEIVED
 JUN 25 2002

EDMC
RESOLUTION OF DISPUTE
Regarding Groundwater and Vadose Zone Commitment Negotiations Under Milestone M-45-00, (Complete Closure of all Single-Shell Tank Farms)

On December 18, 1998, the Parties' Corrective Action negotiations under Milestone M-45-00 failed to reach agreement and consequently, reentered dispute resolution at the Inter Agency Management Integration Team level under the Hanford Federal Facility Agreement and Consent Order (Agreement).

This dispute, originally initiated on July 22, 1998, concerned the State of Washington Department of Ecology's (Ecology) initial pursuit of a related corrective action outside the terms of the Agreement. Subsequently this dispute was suspended pending the Parties' negotiation of related agreeable commitments.

The undersigned, members of the Inter-Agency Management Integration Team, have tentatively resolved the dispute. The specifics of the resolution are embodied in proposed Agreement Change Request M-45-98-03, that is attached. The key components to this final resolution are the modification of Agreement requirements within major milestone series M-45-00 (Complete Closure of all Single-Shell Tank Farms), Appendix D interim milestones and target dates. Ecology and DOE agree that work under this proposed M-45-98-03 change request will be managed through one unified schedule incorporating Agreement milestones, DOE (Internal agency) milestones, and DOE contractor baseline.

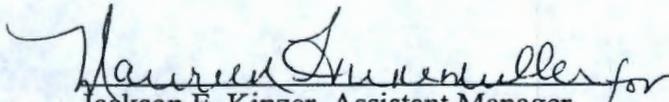
It is the intent of the parties that where and as practical provisions of early milestone commitments in this change request be fulfilled undertaken as the change request is undergoing the process for finalization. Ecology and DOE also agree to remove the issue of applicability of the State Model Toxics Control Act (MTCA) from the scope of these proposed M-45-98-03 commitments. The parties agree that the issues associated with the applicability of MTCA need not be resolved in order to finalize this change request, however discussions on this issue will continue between the parties.

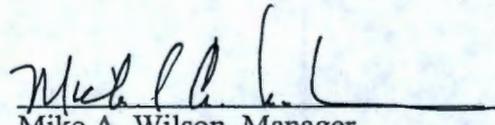
In order to meet the near-term proposed milestones, DOE and Ecology agree to begin a 45-day public comment period on these M-45-98-03 proposed commitments to run approximately from February 1, 1999, to March 17, 1999. Following the comment period, the parties will jointly prepare responses to public comments that have been received. The parties further agree to minimize additional delay, and if the parties are not able to resolve all issues with regard to comments, that any unresolved matters shall be

JAN 08 1998

referred back for dispute resolution under the Tri-Party Agreement, Article VIII. However, any dispute resulting from these negotiations shall be initiated at the Inter Agency Management Integration Team level as described in the Tri-Party Agreement.

The parties expect to approve changes to the Agreement by April 15, 1999.


Jackson E. Kinzer, Assistant Manager
Tank Waste Remediation Systems
U. S. Department of Energy
Richland Operations Office


Mike A. Wilson, Manager
Nuclear Waste Program
State of Washington
Department of Ecology

JAN 08 1998