



U.S. Department of Energy
Office of River Protection

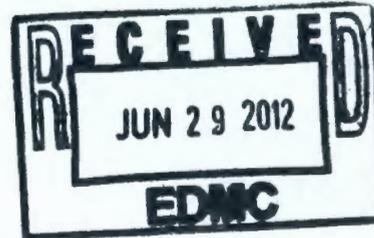
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

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JUN 26 2012

12-ECD-0024

Ms. Jane A. Hedges, Program Manager
Nuclear Waste Program
Washington State
Department of Ecology
3100 Port of Benton Blvd.
Richland, Washington 99354



Dear Ms. Hedges:

RESPONSE TO WASHINGTON STATE DEPARTMENT OF ECOLOGY (ECOLOGY) LETTERS 12-NWP-101 AND 12-NWP-100 REGARDING HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER (HFFACO) MILESTONES M-047-06 AND M-090-11

U.S. Department of Energy (DOE), Office of River Protection (ORP) received Ecology's Letters 12-NWP-101 and 12-NWP-100 on June 25, 2012, disapproving ORP HFFACO change packages M-47-12-01 and M-90-12-01 for HFFACO Interim Milestones M-047-06 and M-090-11, respectively. We appreciate your consideration of our requests to modify these milestones.

As you know, our respective staffs have been involved in discussing these milestones for several months. ORP first provided a draft change package for M-047-06 in the March 27, 2012, ORP HFFACO Project Managers' Monthly Meeting. On April 10, 2012, ORP initiated a series of discussions with Ecology, including providing an updated draft change package and draft Agreement in Principle on May 9, 2012, addressing HFFACO Interim Milestones M-047-06 and M-090-11.

Although discussions between our respective staffs were beneficial, we could not come into full agreement; ORP's position at the time was and remains that negotiations are premature to establish these milestones and cannot be completed in a mutually satisfactory way. As a result, ORP developed and submitted to Ecology the referenced change packages on June 13, 2012.

ORP is hereby officially notifying Ecology that we will not complete either Milestone M-047-06 by June 30, 2012, or Milestone M-090-11 by December 31, 2012. Although both parties have demonstrated good faith in this matter and may have reached a de facto impasse, ORP believes that this situation is very similar to the one the Parties faced in discussions about milestone M-062-30 and its subsequently approved HFFACO Change Package M-62-11-01, dated July 18, 2011. Both situations involve milestones that are unripe for negotiation and are subject to further evaluation as a part of the System Plan discussions in accordance with existing HFFACO Milestone M-062-45.

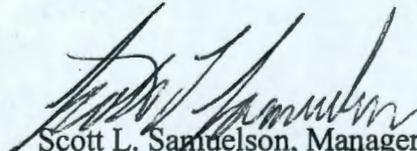
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Consequently, ORP believes that: 1) that the negotiations contemplated by Milestones M-047-06 and M-090-11 would not be productive or successful at this time; 2) that these negotiations should be deferred and merged into Milestone M-062-45 discussions; and 3) by this deferral and merger that all requirements of Milestones M-047-06 and M-090-11 should be deleted.

If you have any questions, please contact me, or your staff may contact Thomas W. Fletcher, Assistant Manager, Tank Farms Project, (509) 376-3434.

Sincerely,



Scott L. Sandelson, Manager
Office of River Protection

ECD:JL

cc: J. Cox, CTUIR
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Administrative Record
Environmental Portal, LMSI
TPA Administrative Record (S-2-4)
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