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OFFICE OF RIVER PROTECTION

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JAN 30 2018

18-ECD-0004

Ms. Alexandra K. Smith, Program Manager
Nuclear Waste Program
Washington State
Department of Ecology
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Ms. Smith:

HANFORD FEDERAL FACILITY AGREEMENT AND CONSENT ORDER (ALSO KNOWN AS TRI-PARTY AGREEMENT) INTERIM MILESTONE M-062-01, JANUARY 2018 TRI-PARTY AGREEMENT SEMI-ANNUAL PROJECT COMPLIANCE REPORT FOR MAY 1, 2017, THROUGH OCTOBER 31, 2017

This letter transmits the U.S. Department of Energy, Office of River Protection January 2018 Semi-Annual Project Compliance Report (attached) required by Interim Milestone M-062-01 for the period of May 1, 2017, through October 31, 2017. As stipulated in the M-062-01 milestone, this report includes project summaries of accomplishments, issues, and actions being taken for the M-062-00 milestone series.

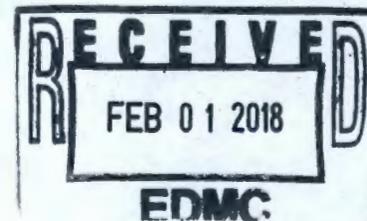
If you have any questions, please contact William F. Hamel, Assistant Manager, Waste Treatment and Immobilization Plant Project, (509) 376-6727, or Glyn D. Trenchard, Assistant Manager, Tank Farms Project, (509) 373-4016.


Brian T. Vance
Manager

ECD:BRT

Attachment

cc: See page 2



Ms. Alexandra K. Smith
18-ECD-0004

-2-

JAN 30 2018

cc w/attach:

J.J. Lyon, Ecology
J.D. McDonald, Ecology
D. Rowland, YN
BNI Correspondence
TPA Administrative Record
WRPS Correspondence

cc w/o attach:

M. Johnson, CTUIR
S.L. Dahl, Ecology
J.B. Price, Ecology
C.L. Whalen, Ecology
D. Einan, EPA
S.E. Hudson, HAB
M.J. Turner, MSA
J. Bell, NPT (Acting)
G. Bohnee, NPT
K. Niles, Oregon Energy
R. Buck, Wanapum
R. Longoria, YN (Acting)

**Attachment
18-ECD-0004
(6 Pages Excluding Cover Sheet)**

**U.S. Department of Energy, Office of River Protection
River Protection Project – July 2017 Semi-Annual Project Compliance
Report per Hanford Federal Facility Agreement and Consent Order
Milestone M-062-01**

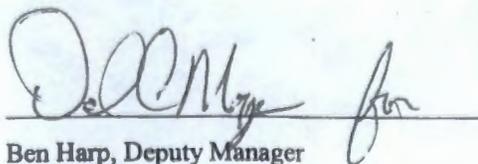
November 1, 2016, through April 30, 2017

**U.S. DEPARTMENT OF ENERGY, OFFICE OF RIVER
PROTECTION RIVER PROTECTION PROJECT – JANUARY
2018 SEMI-ANNUAL PROJECT COMPLIANCE REPORT PER
HANFORD FEDERAL FACILITY AGREEMENT AND
CONSENT ORDER MILESTONE M-062-01**

May 1, 2017, through October 31, 2017



**U.S. DEPARTMENT OF ENERGY
OFFICE OF RIVER PROTECTION
2440 Stevens Center Place
Richland, Washington 99352**


Ben Harp, Deputy Manager
Office of River Protection

1/30/2018
Date

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LIST OF ACRONYMS

DFLAW	direct feed low-activity waste
DOE	U.S. Department of Energy
Ecology	Washington State Department of Ecology
FY	Fiscal Year
ORP	Office of River Protection
TPA	Tri-Party Agreement
WTP	Waste Treatment and Immobilization Plant

1.0 INTRODUCTION

The U.S. Department of Energy (DOE), Office of River Protection (ORP) is submitting this January 2018 Semi-Annual Project Compliance Report to satisfy the requirements of the *Hanford Federal Facility Agreement and Consent Order*, commonly referred to as the Tri-Party Agreement (TPA), Milestone M-062-01. As detailed in M-062-01, this report documents ORP's compliance with the TPA Milestone M-062-00 series; provides updates, progress, and issues relative to those milestones; provides budget and cost status, and identifies activities expected in the near future.

The M-062-00, *Complete Pretreatment Processing and Vitrification of Hanford High-Level (HLW) and Low-Activity (LAW) Tank Wastes*, major milestone series was created through the TPA Dispute Resolution process that led to the March 29, 2000, Director of Washington State Department of Ecology (Ecology) Final Determination. These milestones were then modified and added to during the negotiations that occurred from 2007 - 2009 and became effective under a series of TPA change packages¹ in conjunction with the Consent Decree in *State of Washington v. Dept. of Energy*, Case No. 08-5085-FVS,² as entered in Federal court on October 25, 2010. That Consent Decree was recently amended as a result of litigation and many of the dates established by the 2010 Consent Decree were extended by the Court. See Amended Consent Decree (March 11, 2016) and Second Amended Consent Decree (April 12, 2016), Case No. 2:08-CV-5085-RMP.

Since the milestone dates in the M-062-00 series and other TPA milestones were, to a large part, predicated on the milestones established in the 2010 Consent Decree, and those dates have been extended by the Court, many of the existing interim milestones in the M-062-00 and other series are at risk or cannot be met. TPA milestones affected by the modified milestones in the 2016 Amended Consent Decree need to be adjusted accordingly and are under discussion as part of the ongoing negotiations for milestone M-062-45.

In accordance with Milestone M-062-40, DOE and Ecology developed eleven scenarios to be addressed in System Plan, Rev. 8. Modeling for all eleven scenarios has been completed. System Plan, Rev. 8 was issued October 31, 2017. DOE believes that data provided from the scenarios in System Plan, Rev. 8, will provide information that can represent treatment solutions for the parties to use in adjusting the Consent Decree-affected TPA milestones in an appropriate manner.

This compliance report discusses each of the M-062-00 milestones due during the reporting period. The project progress, budget, and cost information in the report is based on the period of May 1, 2017, through October 31, 2017.

¹ M-36-09-01, M-42-09-01, M-46-09-01, M-45-09-01, M-047-09-09, M-50-09-01, M-51-09-01, M-61-09-01, M-62-09-01, M-90-09-01, P-09-09-01, and I-09-01.

² This Consent Decree resulted from litigation filed by the State in 2008, alleging that DOE had missed or was certain to miss several TPA milestones, including several in the M-045-00 and M-062-00 series.

2.0 NEAR-TERM M-062-00 SERIES TRI-PARTY AGREEMENT MILESTONES

2.1 M-062-40

In accordance with M-062-040E, System Plan Rev. 8 was issued on October 31, 2017. Eleven scenarios were analyzed and presented in this revision of the System Plan. The scenarios that were analyzed are listed below:

- Baseline with direct feed low-activity waste (DFLAW) followed by Waste Treatment and Immobilization Plant (WTP) in full operations
- Direct feed high-level waste is started with DFLAW within five years
- Prior scenario without Pretreatment or Supplemental Treatment facilities
- Do not retrieve some low-risk tanks (closed as-is)
- Construct new Double-Shell Tanks to support retrievals completing by 2047
- Performance required to meet 2040 retrieval and 2047 treatment completion
- WTP operates at 50 percent and retrievals take 2.5 times longer
- Retrieval of U Farm instead of S/SY Farm after A/AX
- Offsite treatment and disposal of melter off gas recycles
- Construct new Double-Shell Tanks to support retrievals completing by 2057, assuming DFLAW and WTP start five years late
- Liquids only pretreatment (no leaching)

The results of the System Plan baseline case show that the delay in the required start of WTP results in delays to the final treatment dates and increases lifecycle cost substantially from prior published documents. The ten scenarios following the baseline case were all compared back to the baseline case to show the trade-offs of cost, schedule, and operations. This information will allow comparisons across the data sets between all scenarios. ORP is using this information in negotiations for M-62-45.

2.2 M-062-45

As previously reported, on January 30, 2015, ORP provided Ecology Change Control Form M-62-14-02, which proposed adding language under TPA Milestone M-062-45 to defer negotiations required under M-062-45. Ecology did not respond within the 14-day review period that ended February 13, 2015, which is deemed disapproval in accordance with the TPA. In letter 15-TF-0014, "Initiation of Dispute Resolution Regarding Disapproval of Hanford Federal Facility Agreement and Consent Order Change Control Form M-62-14-02," dated February 20, 2015, ORP initiated a dispute resolution. Ecology provided a justification for disapproval on March 12, 2015, via letter 15-NWP-036, "Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement) Change Package, Change Number M-62-14-02." Ecology and ORP, at the TPA project manager level, signed an agreement extending the dispute resolution period until August 1, 2016. When that date passed, the dispute was elevated to the Interagency

Management Integration Team for resolution. The Interagency Management Integration Team Decision document 2016-005 was signed by senior management representatives from DOE, U.S. Environmental Protection Agency, and Ecology on August 22, 2016, and it stipulated that the dispute would be resolved by entering into negotiations regarding the M-062-45 milestone. Negotiations began on September 8, 2016, and are ongoing.

As noted above, DOE believes that, as a result of the schedules created by the Amended Consent Decree, the parties should employ the System Plan required by TPA milestone M-062-40 to readjust TPA milestones that are affected by that Amended Consent Decree. Milestone M-062-40 requires DOE “[to s]ubmit a System Plan to Ecology describing the disposition of all tank waste managed by the Office of River Protection, including the retrieval of all tanks not addressed by the Consent Decree in *Washington v. DOE*, Case No. 08-5085-FVS, and the completion of the treatment mission.” The System Plan must address Tank Waste Treatment, Supplemental Treatment, Tank Waste Retrieval, and Contingency Planning. DOE intends to discuss this process in more detail with Ecology and to make the appropriate formal submittals as are determined to be necessary to accomplish this suggestion.

3.0 WASTE TREATMENT AND IMMOBILIZATION PLANT

3.1 Budget/Cost Status

Total funding available for the WTP Project during fiscal year (FY) 2017 was \$908 million, which included \$690 million of new budget authority and \$218 million of FY 2016 carryover funds. To date the WTP Project has received \$11.245 billion of funding. For FY 2017 the WTP Project spent \$714 million through the end of September. At the end of September 2017 the total amount spent on the WTP Project was \$11.050 billion.

4.0 TANK FARMS

4.1 Budget/Cost Status

Total funding available for the Tank Farms Project during FY 2017 was \$911 million, which included \$810 million of new budget authority and \$101 million of FY 2016 carryover funds. For FY 2017 the Tank Farms Project spent \$731 million through the end of September.

5.0 SCHEDULE MITIGATION

No schedule mitigation has been necessary during the reporting period.