

Tri-Party Agreement

Tentative Agreement On

U. S. Department of Energy, Office of River Protection "Recovery Plan" and Associated Hanford Federal Facility Agreement and Consent Order Modifications.

Hanford Federal Facility Agreement and Consent Order (HFFACO) interim milestone M-62-06, Start of Construction – Phase I Treatment Complex, required the United States Department of Energy (DOE), by July 31, 2001, to begin construction of facilities for vitrification of high-level waste contained in underground storage tanks at DOE's Hanford site. Because DOE failed to begin construction by this date, the Washington Department of Ecology (Ecology), on August 1, 2001, issued Notice of Penalty Incurred and Due No. 01NWPHQ-3131, which assessed stipulated dangerous waste penalties against DOE of \$5,000 for the first week and \$10,000 for each week thereafter, pursuant to Article IX of the HFFACO. The notice provided that weekly penalties would continue to be assessed until either (1) DOE begins construction, as defined in HFFACO milestone M-62-06; or (2) DOE submits and Ecology approves an acceptable tank waste treatment "Recovery Plan" documenting actions and associated schedules DOE proposes to implement to assure compliance with HFFACO requirements.

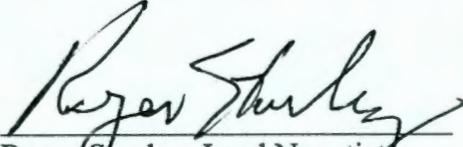
Should DOE submit a Recovery Plan, the Notice of Penalty required that it include: a) the date by which DOE proposes to initiate construction, and b) DOE's proposal for establishing the two construction progress milestones described at HFFACO milestone M-62-07. DOE's recovery plan was also required to demonstrate that the 2007 deadline for beginning waste treatment at the vitrification complex will be met, and that DOE has in place FY 2002 funds and the necessary spending authority to fully support implementing the Recovery Plan. DOE submitted its Recovery Plan on October 1, 2001 as required.

DOE and Ecology staff have subsequently worked with one another to identify appropriate modifications to DOE's Recovery Plan, and have reached a tentative agreement memorialized herein on the Recovery Plan's three basic elements: 1) descriptive text, 2) work schedule sheets, and 3) associated HFFACO modifications to certain M-20, M-62, and M-90 series milestones. A focus sheet summarizing the Recovery Plan (including the proposed milestone revisions) and copy of the plan itself are attached hereto for information purposes only. Ecology hereby "approves" (subject to public comment) DOE's Recovery Plan as documenting actions and associated schedules DOE proposes to implement to assure compliance with HFFACO requirements, as required by Ecology's Notice of Penalty. However, Ecology does not, by virtue of such acceptance and approval, nor by virtue of entering into this tentative agreement, concur with all descriptive text and all work schedule sheet information contained in the plan.

This tentative agreement and proposed Recovery Plan will be submitted for public review and comment for a forty-five (45) day period. Copies of the documents will also be available for review at the parties' public information repositories. Following the forty-five day public comment period, the parties will issue a response to comments document and make any appropriate revisions before final agreement. The parties anticipate that final signature will take place by May 15, 2002.

The parties further agree that to minimize additional delay in the event they fail to agree on any changes as a result of public comment, all unresolved matters shall be referred to the HFFACO dispute resolution process beginning at the Inter Agency Management Integration Team (IAMIT) level. The parties shall attempt to resolve the dispute(s) as provided at HFFACO Article VIII, paragraph 30.

Signed this 17th day of March, 2002


Roger Stanley, Lead Negotiator
Washington Department of Ecology


James E. Rasmussen, Lead Negotiator
U. S. Department of Energy,
Office of River Protection

U.S Department of Energy Recovery Plan

Introduction

This plan documents actions and associated schedules that the U.S. Department of Energy (DOE) proposes to implement to assure compliance with the requirements of the Hanford Federal Facility Agreement and Consent Order (HFFACO, commonly known as the Tri-Party Agreement or TPA). This plan includes the date by which DOE proposes to initiate construction of its Waste Treatment and Immobilization Plant (WTP) (See TPA Milestone M-62-06). This plan also includes DOE's proposal for establishing the two required construction progress milestones described in TPA Milestone M-62-07, identified in the plan as M-62-07A and M-62-07B. The plan demonstrates that by implementing a close-coupling system, described below, TPA Milestone M-62-09, the 2007 deadline for beginning waste treatment at the vitrification complex, will be met.

Based on DOE's evaluation of the River Protection Project Integrated Baseline in addition to addressing the Milestones M-62-06, M-62-07 and M-62-08, changes to other M-62 milestones as well as specific M-90, and M-20 milestones are also proposed. These milestone changes are proposed in order to align the TPA and the RPP Integrated Baseline. A summary of work scope associated with the milestones are identified in this plan.

As discussed in this Recovery Plan, in some cases, depending on the amount of information required by the milestone, between 30 and 60 days has been added to contractor completion dates to arrive at proposed TPA milestone dates; this has been done to allow DOE time to evaluate the information submitted by the contractor, confirm completion of the milestone and submit the appropriate documentation to Ecology to support achieving the milestones. In the case of M-62-10 the baseline shows an acceleration of the completion of hot commissioning to May 2010. The Bechtel National, Inc. (BNI) contract requirement date is January 2011. Due to the complexity associated with this portion of the project and the ten years before it occurs, the TPA milestone reflects the BNI contract date and not the accelerated effort.

Background

In 1994 the Department of Energy (DOE) decided to pursue privatization for Hanford tank waste treatment and immobilization services. The strategy was to award two competitive demonstration scale contracts for processing an initial amount of waste followed by one contract for the balance of the mission in a larger facility. As this effort progressed it was determined that the cost of remotely operated facilities for mixed high-level radioactive waste would cost much more than initially thought and that it was more cost effective to build these plants for a longer operating period rather than abandoning them after the demonstration phase. The approach evolved to building one initial Waste Treatment and Immobilization Plant (WTP) rather than two and to design it for a 40 year operating life. A single contract was awarded to BNFL Inc. (BNFL) to proceed with the WTP design and to provide a price for their privatized waste treatment and immobilization services. In May 2000 their contract was terminated because the price

was too high and because of other technical performance concerns. DOE then decided to acquire the WTP with a cost-plus-incentive fee contract.

DOE awarded the WTP contract in December 2000, to BNI. In the interim period between terminating the BNFL contract and award of the BNI contract, a transition contract was implemented with the existing Tank Farm Operations Contractor, CH2M HILL Hanford Group (CHG). This was done in order to maintain momentum in the WTP effort and to provide for a smoother transition to the WTP Contractor. These efforts though successful in some areas, could not alleviate the seven-month loss of design time and could not prevent a delay in the start of construction. The current BNI schedule indicates start of construction in November 2002 compared with the original BNFL date of July 2001. However, the delay in start of construction does not impact the current TPA milestone date for the commencement of hot commissioning, which remains December 31, 2007. The date for completion of hot commissioning will be delayed, however. The contractual date for completion of this activity is January 31, 2011. BNI has accelerated this milestone in their baseline to May 2010; however, due to the complexity of hot commissioning all portions of the WTP and the 10-year time-frame, we are proposing the contractual date as the completion date for M-62-10.

Recovery

The activities and plans reflect what DOE currently has in place to be assured that HFFACO requirements, specifically addressed here, can be met with respect to the Phase I Waste Treatment Complex, captured in the RPP baseline. This baseline is consistent with the contractual milestone due dates specified in the WTP contract. The fundamental action that is being taken to maintain the December 2007 deadline for the Start of Hot Commissioning while delaying the start of construction from July 2001 to December 2002 is to close couple design and construction activities by incorporating an appropriate level of parallel (as opposed to sequential) design and construction in the WTP portion of the RPP project schedule.

The WTP Conceptual Design was formulated when DOE was in process of pursuing a privatization approach for treating Hanford's tank waste. BNFL's schedule was based on proceeding with design, construction, and commissioning in a series fashion typical for most construction projects. Activities to be serially executed were the following; design development, safety documentation development, procurements, construction, acceptance testing, and commissioning.

When DOE cancelled the privatization approach, DOE was constrained to adopt its typical assets acquisition approach governed by DOE Orders. In transition from the one approach to the other significant time was lost on the front end of the project. However, the TPA date for start of hot commissioning did not change. Since time was lost on the project's front end, a modified execution strategy was required to recover schedule delays. That strategy is referred to as 'close-coupling'.

Close-coupling allows the typical phased project approach to be broken up into parts such that portions of the project can proceed faster than the traditional process, at least on the front end of project development. In other words, design for the entire project does not need to be completed before safety documentation, procurements and construction can be executed for portions of the work. As engineering and design is fully completed on one part or portion, construction can be executed on that portion. Ultimately, what occurs in this process is a parallel execution of each of the project phases in which the activities making up each phase are executed concurrently with activities in the other phases. This approach results in faster over-all execution, but requires a substantial increase in management attention and planning, and adds some risk.

Because DOE is allowing BNI to pursue a close-coupled approach, limited construction authorization has already been granted for non-safety related work. Additional preliminary construction will also be granted in the near future. This allows BNI to commence initial construction work before all the plant design is completed to ensure schedule recovery.

Adequate detailed reflection of the baseline is depicted in the River Protection Project (RPP) Milestone Sequence Chart (MSC) and the RPP Expanded Management Summary Schedule Charts provided in Appendix 2. These charts will be referred to in the discussion section of this plan. The schedule sheets submitted reflect the contractor's current baseline as approved by DOE on July 2, 2001.

Changes to the baseline are made consistent with approved contract change procedures and will be reflected in the contractor's subsequent annual baseline submittal, the next occurring in April 2002. Ecology's participation in project reviews and receipt of the contractor's status report, which includes a change (trend) log, are meant to keep the agency fully informed of impending changes. Ongoing design evolution, such as the reconfiguration of the Pretreatment and LAW Pretreatment Facilities, will be reflected in the contractor's annual submittal. It should be noted that although the facilities have been combined the basic functions (processes) have been retained. This modification, the evolution of a separate laboratory facility and ongoing optimization studies that may impact final facility configuration are examples of design evolution for the Waste Treatment complex. These changes are reflected in periodic ORP status reports and will be included in the annual baseline update as appropriate. This recovery plan addresses only the Phase I scope of the Bechtel National Inc, contract. It does not address issues associated with Phase II activities¹. Consequently the plan does not address the following TPA milestones;

- M-45-05 Retrieve waste from all SST by September 30, 2018
- M-45-00 Complete closure of all SST farms by September 30, 2024
- M-62-00 Complete pre-treatment processing and vitrification of HLW and LAW tank waste by December 31, 2028

¹ Phase I scope requires the processing of no less than 10% of Hanford's tank waste by mass and 25% by activity. Phase II scope encompasses processing of remaining waste.

- M-92-05 Inclusion of Hanford Cs/Sr treatment and/or repackaging in Phase II request for proposal by June 30, 2003.

The RPP Milestone Sequence Chart (MSC) identifies RPP major milestones that encompass the work required to meet the Phase I Office of River Protection (ORP) mission which is to: "Build and Operate the Waste Treatment Complex to Complete the Cleanup of Hanford's Highly Radioactive Tank Waste". The key activities and milestones identified on the MSC are planned, integrated, and scheduled on the RPP Expanded Management Summary Schedule (EMSS). There are four sheets to the EMSS that will be referred to. Letter designations (in bold black) are associated with RPP major milestones and activities (yellow).

Discussion

The following MSC "Callout" descriptive text is included here as documentation of principal activities necessary for successful plan implementation. Corresponding TPA milestones are also described.

Callout A, sheets 3 & 4

Related TPA Milestone: M-62-06, Start of Construction Phase 1 Treatment Complex

Proposed TPA date of completion: 12/31/02

Major Performer: WTP Contractor (BNI)

This TPA Milestone is associated with RPP major contract milestone #13, WTP Start of Construction (BNI-M1). Key tasks that must be accomplished in order to meet this milestone that are shown in black on the MSC represent work or activities already accomplished and those shown in color represent work yet to be done. Major milestones, key milestones, and other necessary work or activities required to meet this major milestone are represented and appropriately scheduled on the EMSS, sheets 3 and 4.

Start of construction of the Waste Treatment Plant (WTP) was originally scheduled for July 31, 2001 when the Privatization planning was underway with BNFL as the performing contractor. As a result of excessive costs, Privatization was replaced with a new close-coupled approach utilizing BNI as the performing contractor. This change resulted in moving the start of construction date to December 31, 2002.

As is apparent from the MSC and the EMSS, DOE must ensure necessary permits are in place, appropriate safety documentation and requirements are established, and necessary utilities are provided before a Construction Authorization (CA) can be issued. These elements had to be accelerated significantly in order to support this Start of Construction date, which will be a challenge for all parties involved to meet.

BNI has accelerated their schedule to commence first structural concrete pours on the Pretreatment (PT) facility, as well as on the LAW facility, and the HLW facility. This assumes that all issues on the critical path can be resolved in a rapid and timely fashion.

Callout B, sheet 3

Related TPA Milestone: **M-62-07A**, Initial Erection of Structural Steel in the Low Activity Waste Facility above Elevation Plus 3.

THIS MILESTONE REPRESENTS THE PLACEMENT OF THE FIRST STRUCTURAL STEEL COLUMN AS PART OF INITIATION OF BNI BASELINE SCHEDULE ACTIVITY 4DL131B000 *-LAW - ELEV -21 SS COLUMNS, BEAMS & Q-DECK AT +3* (CONTRACT NO. DE-AC27-01RV14136). IN ADDITION ACTIVITY 4DL121B100 *LAW - ELEV -21 PLACE BASEMAT CONCRETE* SHALL BE SUBSTANTIALLY COMPLETED AND ACTIVITIES 4DL121D000 *LAW - ELEV -21 PERIMETER WALLS FREP* AND 4DL121F000 *LAW - ELEV -21 INTERIOR WALLS FREP* SHALL HAVE BEEN INITIATED.

COMPLETION OF THIS MILESTONE WILL BE MET WHEN THE FIRST STRUCTURAL STEEL COLUMN IS INSTALLED AT THE -21FOOT ELEVATION IN THE LAW FACILITY. THIS MILESTONE DEMONSTRATES A SIGNIFICANT PROGRESS IN DESIGN AND ENGINEERING AS WELL AS CONSTRUCTION OF THE LAW FACILITY BECAUSE BASEMAT CONCRETE WILL HAVE BEEN POURED AND CONSTRUCTION OF WALLS WILL HAVE BEEN STARTED. IN ADDITION, PROCUREMENTS WILL HAVE BEEN MADE, NOT ONLY FOR THIS FACILITY, BUT FOR THE OTHER MAJOR FACILITIES. ERECTION OF STRUCTURAL STEEL IN THE LAW FACILITY WILL ALSO PROVIDE A LESSONS LEARNED OPPORTUNITY BECAUSE IT WILL BE THE FIRST FACILITY TO BEGIN THIS ASPECT OF CONSTRUCTION.

Proposed TPA date of completion: 10/30/03

Major Performer: WTP Contractor (BNI)

This is a proposed intermediate construction Milestone to meet TPA Milestone M-62-07, Construction Progress Milestones (2) – Phase I Treatment Complex. This Milestone demonstrates that significant design and procurement has been accomplished such that above ground construction can get underway with installation of structural steel in the LAW facility.

As shown on sheet #3 of the EMSS, this Milestone is planned and scheduled in the BNI baseline construction work and is forecasted to be complete in advance of the TPA milestone date.

Callout C, sheet 3

Related TPA Milestone: **M-62-07B**, Low Activity Melter #1 Staged and Ready for Refractory

THIS MILESTONE REPRESENTS THE ASSEMBLY OF LAW MELTER #1 TO THE POINT IT IS READY FOR REFRACTORY AS PART OF BNI BASELINE ACTIVITIES 3EL321A00 *SPECIFICATIONS AND ANALYSIS*, 4DL321A000 *LAW - PROCURE MATERIAL & EQUIPMENT FOR MELTERS* AND 4DL321A200 *LAW- ASSEMBLE MELTER #1* (CONTRACT NO. DE-AC27-01RV14136). IN ADDITION, ACTIVITIES 4DL121U100 *LAW - ELEV +3 SOUTH MELTER FREP* AND 4DL131D000

LAW – ELEV +28 COLUMNS, BEAMS & Q-DECKING AT +48 SHALL BE SUBSTANTIALLY COMPLETED.

COMPLETION OF THIS MILESTONE WILL BE MET WHEN LAW MELTER #1 WILL HAVE BEEN FULLY FABRICATED, ASSEMBLED AND READY FOR REFRACTORY MATERIAL TO BE INSTALLED. ASSEMBLY OF THE MELTER IS SCHEDULED TO OCCUR NEAR THE END OF LAW CONSTRUCTION WHEN THE FACILITY IS MOST READY TO HAVE THE ASSEMBLED MELTER MOVED INTO THE LAW CELL WHERE THE REFRACTORY MATERIAL WILL BE INSTALLED. MEETING THIS MILESTONE THEREFORE REPRESENTS SIGNIFICANT ACCOMPLISHMENT OF THE ENGINEERING, DESIGN AND CONSTRUCTION OF THE LAW FACILITY. FURTHERMORE, ASSEMBLY OF THE FIRST MELTER PROVIDES SIGNIFICANT OPPORTUNITY FOR LESSONS LEARNED THAT CAN BE APPLIED IN THE ASSEMBLY OF THE OTHER TWO LAW MELTERS AS WELL AS THE HLW MELTER.

Proposed TPA date of completion: 11/30/05

Major Performer: WTP Contractor (BNI)

This is a proposed intermediate construction milestone to meet the requirements of existing TPA Milestone M-62-07, Construction Progress Milestones (2) – Phase I Treatment Complex. This Milestone demonstrates significant design, procurement, and fabrication has been accomplished such that main plant components can be made ready to install in the LAW facility. Refractory brick will not be installed at the point of construction since the brick must be installed just prior to melter heat-up.

As shown on sheet #3 of the EMSS, this Milestone is planned and scheduled in the BNI baseline construction work and is forecasted to be complete in advance of the TPA milestone date.

Callout D, sheets 1 & 2

Related TPA Milestone: M-47-05A, Complete Startup and Turnover for Waste Retrieval and Mobilization System for Initial LAW Feed Tank

TPA date of completion: 4/30/06 (No change in current TPA date.)

Related TPA Milestone: M-47-03A, Complete Startup and Turnover for Waste Retrieval and Mobilization System for Initial HLW Feed Tank

Proposed TPA date of completion: 2/28/07 (No change in current TPA date.)

Major Performer: Tank Farm Contractor (CHG)

These TPA Milestones have not changed. They are associated with RPP major milestone #15, Complete First AP-101 and AZ-101 Waste Transfers. As shown in the MSC, there are 26 key milestones that must be accomplished in order to meet major milestone #15. These are identified and scheduled with the necessary support activities on sheets 1 and 2 of the EMSS. Four of the key milestones have been completed and are shown in black on the MSC.

Callout E, sheet 3

Related TPA Milestone: M-62-09, Start Hot Commissioning – Phase I Treatment Complex

TPA date of completion: 12/31/07 (no change in current TPA date)

Major Performer: WTP Contractor (BNI)

This TPA Milestone is associated with RPP major milestone, #17, Pretreatment, Complete Integrated Hot Commissioning. Accomplishing the work connected with this milestone is essential to a successful performance of the BNI contract. Large contract incentives are in place for BNI to meet the TPA date for start of hot commissioning by December 2007. BNI is also contracted with incentives to start cold commissioning by the end of 2006. The current schedule date for start of cold commissioning, as shown on the EMSS, is November 2006.

As shown on the MSC, there are numerous activities that must be accomplished in order to complete major milestone #17. These have been planned, integrated, and scheduled as shown in sheet 3 of the EMSS. **It should be noted that start of hot commissioning by December 2007 is not in jeopardy of being missed.** All necessary work to accomplish the milestone has been identified and planned for.

Callout F, sheet 2

Related TPA Milestone: M-90-08, Initiate ILAW Disposal Facility Construction

Proposed TPA date of completion: 2/28/05

Related TPA Milestone: M-90-09-T01, Complete ILAW disposal Facility Detailed Design

Proposed TPA date of completion: 5/30/03

Related Milestone: M-90-10 Initiate Placement of ILAW Waste Canisters in ILAW Disposal Facility (Low Activity Waste Packages Placed Within These Facilities will be Retrievable)

Proposed TPA date of completion: 8/31/08

Major Performer: Tank Farm Contractor (CHG)

These TPA Milestones are associated with RPP major milestone #19, ILAW Disposal Capability Available. The key activities to ensure this milestone is completed are identified on the MSC and planned and scheduled on sheet 2 of the EMSS. Most of the activities are associated with developing project W-520. M-90-08 is based on DOE

submitting the RCRA Part B permit application having 80% design on critical systems for the ILAW. Critical systems are defined for this activity as the liner, leachate collection system, and leak detection system. DOE understands that Ecology requires two years to process DOE's Part B application to permit the ILAW facility as a final status unit. Completing all the work associated with major milestone #19 by 6/30/08 also completes the TPA Milestone. LAW hot commissioning will be in the preparation stage and will not have yet commenced to produce glass when ILAW disposal capability becomes available.

Callout G, sheet 3

This callout highlights completion of hot commissioning of the LAW and HLW facilities. These activities are an essential part of the hot commissioning work scope.

Major Performer: WTP Contractor (BNI)

Callout G is connected with RPP major milestones #21, LAW - Complete Integrated Hot Commissioning, and #25 HLW - Complete Integrated Hot Commissioning. All the activities required to accomplish these milestones are planned and scheduled on sheet 3^f of the EMSS.

Callout H, sheet 2

Related TPA milestone: M-90-11, Complete Canister Storage Facility Construction (W-464)

Proposed TPA date of completion: 6/30/09

Major Performer: Tank Farm Contractor (CHG)

This Milestone is associated with RPP major milestone #23, HLW Storage Capability Available. The key activities to ensure this milestone gets complete are identified on the MSC and planned and scheduled on sheet 3 of the EMSS. M-90-11 is based on DOE submitting the RCRA Part B permit application having 80% design on critical systems for the CSB. Critical systems are defined for this activity as the canister storage tube system. DOE understands that Ecology will require two years to process DOE's Part B application to permit the HLW facility as a final status unit. Most of the activities are associated with completing project W-464, upgrades to the canister storage facility and turnover for hot operations. HLW hot commissioning is scheduled to commence prior to when HLW disposal capability becomes available. However, according the detailed baseline schedule the HLW facility will have produced only about 22 canisters by the time the disposal facility is operational. The HLW plant itself will be designed with lag storage capability of 45 canisters.

Callout I, sheets 3 & 4

Related TPA Milestone: **M-62-10, Completion of Hot Commissioning**

Proposed TPA date of completion: **1/31/11**

Major Performer: **WTP Contractor (BNI)**

Callout I is associated with RPP major milestone #25, HLW - Complete Integrated Hot Commissioning. Activities required to accomplish this milestone are planned and scheduled on sheet 3 of the EMSS. This RPP major milestone is also related to the M-62-10 Milestone and reflects activities related to HLW Complete Integrated Hot Commissioning.

Completion of this TPA Milestone is dependent on Pre-treatment hot commissioning and key activities are reflected in RPP Major Milestone #17 (Callout E, Sheet 3) Pretreatment – Complete Integrated Hot Commissioning. Key activities related to the Low Activity Waste hot commissioning portion are reflected in RPP Major Milestone #21 (Callout G, sheet 3) LAW Complete Integrated Hot Commissioning. All activities required to complete this milestone are scheduled on sheet 3 of the EMSS. RPP Major Milestone #25 (Callout I, sheet 4) HLW – Complete Integrated Hot Commissioning is also related to the M-62-10. The completion of Pre-Treatment, Low Activity and High Level Waste Hot Commissioning encompass the M-62-10 Milestone. BNI shows on their baseline an acceleration of completion of hot commissioning to May 2010. The BNI contract date is January 2011. Due to the complexity associated with this portion of the project and the nine years before it occurs, the TPA milestone reflects the BNI contract date and not the accelerated effort.

Item L, sheet 2

Related TPA Milestone: **M-62-11 Submittal of Hanford Tank Waste Treatment Phase II Plan**

Proposed TPA date of completion: **1/31/2014**

Major Performer: **Future contractor**

These TPA Milestones are associated with the RPP major milestone #87, Complete Vitrification of Hanford High Level Tank Waste and reflect the current TPA date of 6/30/03 but have not been aligned with the RPP baseline. These milestones were tied to the original vitrification plant schedule and appear to have not been aligned with changes in the schedule. Also, it should be noted that DOE-ORP and DOE-RL are addressing integration issues with respect to Cs/Sr storage.

Budget and Cost

Appendix 6 provides budget and cost status information for the RPP, for both the WTP contract with BNI and the Tank Farm Contract (TFC) with CHG. The figures provided in this attachment address the contractors' planned expenditures (Budgeted Cost of Work Scheduled or BCWS) as well as DOE's budget requirements (accounting for carryover). The BCWS and budget requirements are shown both annually and cumulatively.

As referenced in the attached pages from the President's approved FY 2002 budget - Energy and Water Appropriation Conference Report, the Office of River Protection was appropriated \$1,035,468K (this includes the \$2,000k from line item 01-D-414 Preliminary project, engineering and design (PE&D) for the activities associated with design of the Immobilized High Level Waste Storage Facility).

Jesse Roberson, EM-1, subsequently sent Harry Boston, Manager, ORP, a letter (attached) that indicated ORP's total available funds for FY 2002 is \$1,027,198K. That letter reflects Ms. Roberson's decisions regarding the allocation of the congressionally mandated general reduction to the Environmental Management program.

The Office of Management and Budget has decided to apportion the funds to the Department of Energy from the FY 2002 Energy and Water Appropriation quarterly by the following percentages: 1st quarter - 31.66%, 2nd quarter - 28.50%, 3rd quarter - 24.19%, 4th quarter - 15.65%. As a result, ORP will be receiving the FY 2002 funds by those percentages. Due to the carryover funds from FY 2001 and the receipt of 60.16% of the funds by January 2002, the apportionment of funds will not impact ORP's ability to meet the Recovery Plan schedule. Consequently, and as required by Ecology's July 26, 2001 tank waste Final Determination, "USDOE has in place FY2002 funds and the necessary spending authority from the Bush administration to fully support implementing the recovery plan."

Change Control Forms

Attachment 3 provides the Federal Facility Agreement and Consent Order Change Control Forms that reflect the tentative agreement (prior to public comment) reached between DOE and Ecology, since the first recovery plan was submitted by DOE on October 1, 2001. The rationale for and impacts of these changes are identified as well as any affected documents. Changes are proposed for specific M-62, M-20 and M-90 series milestones.

High-Level Bases and Assumptions

Appendix 1 provides the high-level bases and assumptions for the WTP project baseline. These bases and assumptions are based on several factors. Part were developed by BNI as part of the modified WTP Project Baseline that was submitted to DOE on June 29, 2001 and approved by ORP on July 3, 2001. These (bases and assumptions) have been

modified to reflect changes as project issues matured. Many reflect DOE's responsibilities under the WTP contract, which are not within BNI's control.

Ecology requested some clarifications to the following assumptions. They are provided below;

Regarding assumption #1: **"The scope basis for the baseline in defined and underpinned by the technical submittal in April 2000."** Comment: This statement does not define what submittal is being cited. Consequently, Ecology has no ability to adequately review or comment.

Response: The technical submittal referred is comprised of the BNI deliverables provided to DOE in April 2000 which defined and supported the scope, cost and schedule baseline for the WTP. Those deliverables were the Project Execution Plan, (PEP, Contract Deliverable 1.2), the Project Control System Description, (PCSD, Contract Deliverable 1.3) and the WTP Project Baseline (Contract Deliverable 1.5). In addition to these deliverables, BNI also provided the Project Control Plan (PCP), as a companion document to the PCSD. The PEP, PCSD and PCP collectively define how the WTP baseline was developed and is to be maintained and managed. This assumption has been removed from DOE's proposed recovery plan.

Regarding assumption #11: **"Failed melter/spare melter handling and/or disposal costs, as well as associated schedule impacts, are not included in the scope of this baseline."** Comment: This assumption/basis needs additional justification. Why should reasonable assumptions regarding melter failure not be included?

Response: The highlighted statement above is not an assumption; it is a statement of fact. But the reason for this statement is due to the assumption: **"Melters will meet or exceed their four-year design life and will not fail during the project."** Given this assumption, there is no point in adding associated handling or disposal costs for things that will not happen in the life of the project. The operational life of the melters during the BNI Contract period extends from start of cold commissioning to completion of hot commissioning. Forecasted dates for this period are 2/07 to 5/10, about 3.25 years and well under the four year design life. The four year design life is also consistent with the mechanical basis of design which stipulates "The high level waste (HLW) and low activity waste (LAW) melters will be specified for nominal design life consistent with typical joule-heated melter performance and considering the nature of the feed." (Ref. 24590-WTP-DB-ENG-01-001, Rev A; Basis of Design, Section 11.1.1) At this point in the project evolution, there is no data that suggests a high probability of melter failure during the BNI Contract period and therefore no allowance for this occurrence is made in the baseline. However, if at some later time there is sufficient reason to make allowance in the baseline for failed melter handling, then the baseline change process will be executed accordingly.

Appendix 1 of 6
High-Level Bases and Assumptions for the WTP Project Baseline

1. The process design is adequate to perform the intended function.
2. DOE will meet all of its responsibilities set forth in the ICD's.
3. DOE will be able to provide timely financial authorization in accordance with the contract, to achieve the project schedule.
4. DOE site activities will have no disruptive impact on project activities.
5. DOE will provide water and power at quantities required by the project at no cost to the contractor. The baseline does not include changing electric-based hot water heating to fuel-oil-based.
6. Regulatory actions will support the dates specified in the schedule baseline.
7. The Toxic Substance Control Act (TSCA) Permit will not be required to treat Hanford tank waste.
8. The LAW and LPP facilities will be designed as SC-III facilities.
9. Qualified vendors and construction craft will be available to support the baseline schedule requirements.
10. Melters will meet or exceed their four-year design life and will not fail during the project. Failed melter/spare melter handling and/or disposal costs, as well as associated schedule impacts, are not included in the scope of this baseline.
11. The R&T estimate incorporates a success-oriented approach; for instance, technology and design confirmation issues close on schedule.
12. The facility models and R&T results will demonstrate that plant throughput requirements specified in the contract will be achieved with the current plant design. The baseline contains no provisions or allowances for plant modifications or enhancements to achieve specified capacities.
13. No re-work will be required for previously completed R&T work due to technical, quality or regulatory interpretation.
14. The period for DOE review of safety documents is compliant with the contract requirements. Specifically, the review period for the PSAR is 7 months after submittal.
15. Excavated materials will be suitable for structural backfill.
16. Aggregate for concrete will be available from a qualified quarry on the DOE Hanford Site.
17. Construction will be performed on a 4-day, 10-hour per day basis. A second shift will be utilized for approximately 30% of the work.
18. Following the hot commissioning of the facilities (cold commissioning for BOF) and the laboratory, operations of the facilities will be the responsibility of DOE's operating contractor. Support and interface requirements to complete the WTP prime contract will be provided on interfacing agreements.
19. There will be no flushing of the process equipment between different feed envelope campaigns (normal melter turnover will be utilized).
20. No operations, surveillance, or maintenance costs are incurred by BNI after hot commissioning for each facility.
21. Project will not provide any facility specific qualification related training after initial hot commissioning qualifications. Operations and maintenance staffing will be reduced after start of hot commissioning from a five-shift to a four-shift rotation due to elimination of facility specific qualification training.
22. The basis of estimate recognizes a change to the April 24, 2000 commissioning strategy due to the Prime Contracts requirement to start up and commission all three LAW melters simultaneously rather than a phased startup approach.

Office of River Protection Baseline Schedule Sheets
(as submitted to Ecology October 1, 2001)

**Federal Facility Agreement and Consent Order
Change Control Form**

Appendix 3: M-20 Change Control Form

Submit Part B permit applications for all RCRA TSD units

Appendix 4: M-62 Change Control Form

High Level Waste and Low Level Waste pretreatment, processing and vitrification

Appendix 5: M-90 Change Control Form

Complete Facilities for storage and disposal of immobile High Level and Low Activity Waste.

Change Number M-20-01-01 Draft	Federal Facility Agreement and Consent Order Change Control Form Do not use blue ink. Type or print using black ink.	Date January 17, 2002																
Originator DOE, Office of River Protection Phone																		
Class of Change <input type="checkbox"/> I – Signatories <input checked="" type="checkbox"/> II – Executive Manager <input type="checkbox"/> III – Project Manager																		
Change Title Modification of <u>Hanford Federal Facility Agreement and Consent Order (HFFACO)</u> Hazardous Waste facility Part B Permit requirements M-20-56 and M-20-57 (Immobilized Low-Activity Waste disposal and High-Level Waste (HLW) canister storage building (CSB)) in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136, and DOE's Office of River Protection (ORP) baseline schedule.																		
Description/Justification of Change Recent delays in the acquisition of tank waste treatment facilities at the Hanford site have been largely based on the failure of efforts to implement a cost effective "privatized" approach to tank waste treatment complex construction. Though efforts by the parties have centered on attempting to minimize programmatic delay, significant inconsistencies have grown between HFFACO requirements and adjusted DOE and DOE contractor schedules.																		
Impact of Change This change request delays Part B permit application schedules by modifying <u>Hanford Federal Facility Agreement and Consent Order (HFFACO)</u> work requirements at M-20-56 and M-20-57. These modifications are made in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136 and DOE's Office of River Protection (ORP) baseline schedule.																		
Affected Documents The <u>Hanford Federal Facility Agreement and Consent Order</u> , as amended, including HFFACO Action Plan Appendix D, DOE's Annual Land Disposal Restrictions Report, DOE's Tank Farm Closure/Post-Closure Workplan Update and Hanford site internal planning, management, and budget documents (e.g., DOE and DOE contractor Baselines, Baseline Change Control documents; Sitewide Systems Engineering Control documents; Project Management Plans; and the Hanford site Integrated Priority List (IPL)).																		
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N/A	Date	_____ Approved	_____ Disapproved															
EPA	Date	_____ Approved	_____ Disapproved															

Description/Justification of Change (continued)

Due to its concerns about these inconsistencies, the Washington Department of Ecology (Ecology) required that DOE develop and submit a tank waste treatment **Recovery Plan** documenting actions and associated schedules DOE proposes to implement to assure compliance with HFFACO requirements; demonstrating that though start of treatment complex construction has been delayed, the HFFACO December 2007 due date for initial treatment complex hot operations remains achievable, and will be met; and that DOE has in place federal fiscal year 2002 funds and the necessary spending authority from the Bush administration to fully support implementing the recovery plan. (See Ecology tank waste final determination of July 26, 2001 and its subsequent August 1, 2001 Notice of Penalty Incurred and due). DOE's Recovery Plan (including its initial version of this M-20-01-01 Change Request) was submitted on October 1, 2001.

Following review by Ecology, and discussions between the parties, DOE and Ecology have agreed to appropriate Recovery Plan modifications including the modification of DOE's tank waste treatment baseline and this M-20-01-01 Change Request.

This M-20-01-01 Change Request delays by approximately 1 year the due dates for submittal of the HLW Canister Storage Facility and Immobilized Low-Activity Waste disposal facility Part B applications. Part B permit submittals will be based upon the completion of design for 80% of the critical systems as defined in the respective M-90 milestones. It is assumed, that it will take 2 years to permit and obtain final status. All other M-20-00 series requirements remain unchanged.

Modifications to the M-20 milestone series incorporated into the HFFACO by approval of this M-20-01-01 Change Request are shown here as either shaded additions, or ~~strikethrough~~ deletions.

MS Number	Milestone Description	Due Date
M-20-56	SUBMIT CANISTER STORAGE FACILITY PART B DANGEROUS WASTE PERMIT APPLICATION TO ECOLOGY.	6/30/02 <u>6/30/2003</u>
M-020-57	SUBMIT ILAW DISPOSAL FACILITY CERTIFIED PART B PERMIT APPLICATION TO ECOLOGY.	8/31/02 <u>6/30/2003</u>

Ecy RP comments M20 1-17-2002.doc

Change Number M-62-01-03 Draft	Federal Facility Agreement and Consent Order Change Control Form Do not use blue ink. Type or print using black ink.	Date January 17, 2002
Originator DOE-Office of River Protection		Phone
Class of Change <input type="checkbox"/> I – Signatories <input checked="" type="checkbox"/> II – Executive Manager <input type="checkbox"/> III – Project Manager		
Change Title Modification of <u>Hanford Federal Facility Agreement and Consent Order</u> (HFFACO) requirements M-62-06, M-62-07, M-62-10 & M-62-11, in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136 and DOE's Office of River Protection (ORP) baseline schedule.		
Description/Justification of Change Recent delays in the acquisition of tank waste treatment facilities at the Hanford site have been largely based on the failure of efforts to implement a cost effective "privatized" approach to tank waste treatment complex construction. Though efforts by the parties have centered on attempting to minimize programmatic delay, significant inconsistencies have grown between HFFACO requirements and adjusted DOE and DOE contractor schedules.		
Impact of Change This change request Modifies <u>Hanford Federal Facility Agreement and Consent Order</u> (HFFACO) work requirements at M-62-06, M-62-07, M-62-10 & M-62-11 in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136 and DOE's Office of River Protection (ORP) baseline schedule.		
Affected Documents The <u>Hanford Federal Facility Agreement and Consent Order</u> , as amended, including HFFACO Action Plan Appendix D, DOE's Annual Land Disposal Restrictions Report, DOE's Tank Farm Closure/Post-Closure Workplan Update and Hanford site internal planning, management, and budget documents (e.g., DOE and DOE contractor Baselines, Baseline Change Control documents; Sitewide Systems Engineering Control documents; Project Management Plans; and the Integrated Priority List (IPL)).		
Approvals		
_____	_____	_____ Approved _____ Disapproved
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_____	_____	_____ Approved _____ Disapproved
DOE	Date	
_____	_____	_____ Approved _____ Disapproved
EPA	Date	
N/A		

Description/Justification of Change (continued)

Due to its concerns about these inconsistencies, the Washington Department of Ecology (Ecology) required that DOE develop and submit a tank waste treatment **Recovery Plan** documenting actions and associated schedules DOE proposes to implement to assure compliance with HFFACO requirements; demonstrating that though start of treatment complex construction has been delayed, the HFFACO December 2007 due date for initial treatment complex hot operations remains achievable, and will be met; and that DOE has in place federal fiscal year 2002 funds and the necessary spending authority from the Bush administration to fully support implementing the recovery plan. (See Ecology tank waste Final Determination of July 26, 2001 and its subsequent August 1, 2001 Notice of Penalty Incurred and Due). Assumptions associated with DOE's recovery plan which if invalid could impact Start of Construction (M-62-06) include the assumption that an approved Risk Assessment Work Plan and Preliminary Risk Assessment are not required before the RCRA permit is issued.. For M-62-11, the RPP baseline shows a completion date of May 2010, which has been accelerated. Due to the complexity associated with this milestone and the timeframes involved, the date proposed in this milestone request reflects the contract date for completion of January 31, 2011. DOE's Recovery Plan (including its initial version of this M-62-01-03 Change Request) was submitted on October 1, 2001.

This M-61-01-03 Change Request: (1) Deletes the HFFACO milestone M-62-06 due date of July 31, 2001, and replaces it with a new due date of December 31, 2002; (2) Establishes two (2) treatment complex construction progress milestones (M-62-07A and M-62-07B) required by existing milestone M-62-07; (3) Modifies HFFACO milestone M-62-10 language which reflected the parties' earlier "privatized" approach and schedule for the initiation of treatment complex hot operations; and (4) modifies the submittal date for DOE's tank waste treatment Phase II plan at M-62-11. In addition, it is noted that due to the timing and workload associated with the development, review, and revision of ORP's recovery plan, the parties have agreed that the HFFACO requirement for a January 2002 Project Compliance Report (See HFFACO milestone M-62-01) is hereby waived. All other M-62-00 series requirements remain unchanged.

Following review by Ecology, and discussions between the parties, DOE and Ecology have agreed to appropriate Recovery Plan modifications including the modification of DOE's tank waste treatment baseline and this M-62-01-03 Change Request.

Modifications to the M-62 milestone series incorporated into the HFFACO by approval of this M-62-01-03 Change Request are shown here as either shaded additions, or strikethrough deletions.

MS Number	Milestone Description	Due Date
M-62-00	<p>COMPLETE PRETREATMENT PROCESSING AND VITRIFICATION OF HANFORD HIGH LEVEL (HLW) AND LOW ACTIVITY (LAW) TANK WASTES.</p> <p>COMPLIANCE WITH THE WORK SCHEDULES SET FORTH IN THIS M-62 SERIES IS DEFINED AS THE PERFORMANCE OF SUFFICIENT WORK TO ASSURE WITH REASONABLE CERTAINTY THAT DOE WILL ACCOMPLISH SERIES M-62 MAJOR AND INTERIM MILESTONE REQUIREMENTS.</p> <p>DOE INTERNAL WORK SCHEDULES (E.G., DOE APPROVED SCHEDULE BASELINES) AND ASSOCIATED WORK DIRECTIVES AND AUTHORIZATIONS SHALL BE CONSISTENT WITH THE REQUIREMENTS OF THIS AGREEMENT. MODIFICATION OF DOE CONTRACTOR BASELINE(S) AND ISSUANCE OF ASSOCIATED DOE WORK DIRECTIVES AND/OR AUTHORIZATIONS THAT ARE NOT CONSISTENT WITH AGREEMENT REQUIREMENTS SHALL NOT BE FINALIZED PRIOR TO APPROVAL OF AN AGREEMENT CHANGE REQUEST SUBMITTED PURSUANT TO AGREEMENT ACTION PLAN SECTION 12.0</p>	12/31/2028
M-62-00A	COMPLETE PRETREATMENT PROCESSING AND VITRIFICATION OF HANFORD HLW AND LAW PHASE I TANK WASTES.	2/28/2018

Description/Justification of Change (continued)

PHASE I TANK WASTE PROCESSING SHALL PRETREAT AND VITRIFY NO LESS THAN 10% OF HANFORD'S TANK WASTE BY MASS¹ AND 25% BY ACTIVITY.

M-62-01	<p>SUBMIT SEMI-ANNUAL PROJECT COMPLIANCE REPORT</p> <p>DOE's MANAGER, OFFICE OF RIVER PROTECTION (ORP), WILL SUBMIT A "PROJECT COMPLIANCE REPORT" TO ECOLOGY SEMI-ANNUALLY (A COPY OF THIS REPORT WILL ALSO BE PROVIDED TO EPA'S REGION 10 OFFICE OF WASTE AND CHEMICALS MANAGEMENT). THIS REPORT WILL DOCUMENT DOE COMPLIANCE WITH AGREEMENT REQUIREMENTS AND SHALL BE SEQUENTIALLY UPDATED BY INFORMATION DOCUMENTING WORK PERFORMED AND ISSUES ENCOUNTERED DURING THE PREVIOUS REPORT PERIOD. THE ORP PROJECT COMPLIANCE REPORT WILL BE PROVIDED AS PART OF THE PARTIES' INTER AGENCY MANAGEMENT INTEGRATION TEAM (IAMIT) MEETINGS, AND SHALL DOCUMENT THE STATUS OF PROGRESS TO DATE, PROGRESS MADE DURING THE REPORT PERIOD, AND ACTIVITIES EXPECTED IN THE FORSEEABLE FUTURE. THE REPORT WILL INCLUDE, BUT IS NOT LIMITED TO: (1) A CONCISE DESCRIPTION OF PROJECT ACCOMPLISHMENTS AND ISSUES INCLUDING THOSE ENCOUNTERED DURING THE PREVIOUS YEAR AND THOSE EXPECTED IN THE NEAR TERM, (2) WHEN APPLICABLE, A DESCRIPTION OF ACTIONS INITIATED OR OTHERWISE TAKEN TO RECOVER ANY AGREEMENT SCHEDULE SLIPPAGE, (3) A BUDGET AND COST STATUS, (4) A STATEMENT DOCUMENTING WHETHER OR NOT DOE AND DOE'S CONTRACTOR(S) REMAIN IN COMPLIANCE WITH AGREEMENT REQUIREMENTS, I.E., WHETHER OR NOT "DOE AND DOE'S CONTRACTOR(S) REMAIN IN COMPLIANCE WITH AGREEMENT REQUIREMENTS, I.E., WHETHER OR NOT "DOE AND DOE'S CONTRACTOR(S) HAVE COMPLETED SUFFICIENT WORK TO ALLOW ACHIEVEMENT OF AGREEMENT REQUIREMENTS.", AND (5) CONCISE DESCRIPTIONS OF ANY NONCOMPLIANCE. COPIES OF ALL PERTINANT DOE WORK DIRECTIVES AND/OR AUTHORIZATIONS ISSUED TO DOE'S CONTRACTOR(S) SHALL BE PROVIDED ON REQUEST.</p>	Semi-annually beginning July 31, 2001
M-62-02	<p>SUBMITTAL OF HANFORD TANK WASTE TREATMENT ALTERNATIVES REPORT.</p> <p>DOE WILL SUBMIT A REPORT THAT DESCRIBES THE ALTERNATIVES (TECHNICAL, FINANCIAL, AND CONTRACTUAL) TO TREAT HANFORD TANK WASTE. THE REPORT WILL: 1.) IDENTIFY AND DESCRIBE CREDIBLE ALTERNATIVES TO THE CURRENT PRIVATIZATION APPROACH THAT MEET DOE COMMITMENTS TO ACHIEVE HOT OPERATIONS BY DECEMBER, 2007, AND TO TREAT NO LESS THAN 10 PERCENT OF THE TANK WASTE BY MASS AND 25 PERCENT OF THE TANK WASTE BY ACTIVITY BY FEBRUARY, 2018, 2.) SERVE AS A BASIS TO AMEND THE FISCAL YEAR 2001 BUDGET REQUEST FOR AUTHORITY TO IMPLEMENT A CONTINGENCY OPTION (AUTHORITY TO USE PRIVATIZATION SET-ASIDE FUNDS), AND 3.) BE RELEASED CONCURRENTLY TO ECOLOGY, EPA, AND THE PUBLIC.</p>	3/01/2000
M-62-03	<p>SUBMIT DOE PETITION FOR RCRA DELISTING OF VITRIFIED HLW.</p> <p>DOE WILL SUBMIT ITS PETITION FOR DELISTING OF THE IMMOBILIZED HIGH-LEVEL WASTE (HLW) FROM THE PHASE I WASTE TREATMENT PLANT FROM RCRA AND THE WASHINGTON STATE HWMA (DELISTING PETITION) IN ACCORDANCE WITH 40 CFR 260.22 AND WAC 173-303-072.</p>	12/31/2006
M-62-04T	<p>READINESS TO PROCEED – SUPPORT TO PHASE I TREATMENT.</p> <p>DOE AND ITS HANFORD TANK FARMS OPERATIONS CONTRACTOR WILL COMPLETE ALL NECESSARY WORK AND ACHIEVE READINESS TO PROCEED IN SUPPORT OF PART B-2, PHASE I.</p>	5/01/2000
M-62-06	<p>START OF CONSTRUCTION – PHASE I TREATMENT COMPLEX.</p>	7/31/2004

¹ In meeting this requirement DOE will pretreat and vitrify no less than 6000 metric tons of sodium (in the instance of LAW feed) and 800 metric tons of waste oxides (in the instance of HLW feed).

Description/Justification of Change (continued)

12/31/2002

FIRST PLACEMENT OF STRUCTURAL CONCRETE AT ONE OF THE TREATMENT COMPLEX PRINCIPALE FACILITIES (I.E., PRETREATMENT, LOW-ACTIVITY WASTE VITRIFICATION, OR HIGH-LEVEL WASTE VITRIFICATION FACILITIES).

M-62-07

~~CONSTRUCTION PROGRESS MILESTONES (2) — PHASE I TREATMENT COMPLEX.~~

~~TBD~~

~~DOE SHALL COMPLETE TWO CONSTRUCTION PROGRESS MILESTONES DURING THE PERIOD BETWEEN START OF CONSTRUCTION AND START OF COMMERCIAL OPERATIONS; THESE MILESTONES WILL BE ESTABLISHED WITHIN 60 DAYS OF ISSUANCE OF THE DOE AUTHORIZATION TO PROCEED WITH PHASE I TREATMENT.~~

M-62-07A

INITIAL ERECTION OF LOW-ACTIVITY WASTE VITRIFICATION FACILITY ELEVATION -21' STRUCTURAL STEEL COLUMNS, BEAMS, AND Q DECK AT ELEVATION +3 (BNI BASELINE SCHEDULE ACTIVITY 4DL131B000 AS PART OF DOE CONTRACT No. DE-AC27-01RV14136).

10/30/2003

This milestone represents the placement of the first structural steel column as part of initiation of BNI Baseline Schedule activity 4DL131B000 -LAW - Elev -21 SS Columns, Beams & Q-Deck at +3 (Contract No. DE-AC27-01RV14136). In addition activity 4DL121B100 LAW - Elev -21 Place Basemat Concrete shall be substantially completed and activities 4DL121D000 LAW - Elev -21 Perimeter Walls FREP and 4DL121F000 LAW - Elev -21 Interior Walls FREP shall have been initiated.

Completion of this milestone will be met when the first structural steel column is installed at the -21foot elevation in the LAW facility. This milestone demonstrates a significant progress in design and engineering as well as construction of the LAW facility because basemat concrete will have been poured and construction of walls will have been started. In addition, procurements will have been made, not only for this facility, but for the other major facilities. Erection of structural steel in the LAW facility will also provide a lessons learned opportunity because it will be the first facility to begin this aspect of construction.

M-62-07B

COMPLETE ASSEMBLY OF LOW ACTIVITY WASTE VITRIFICATION FACILITY MELTER #1 SO THAT IT IS READY FOR TRANSPORT AND INSTALLATION IN THE LAW VITRIFICATION BUILDING (BNI BASELINE SCHEDULE ACTIVITY 4DL321A300 AS PART OF DOE CONTRACT No. DE-AC27-01RV14136).

11/30/2005

This milestone represents the assembly of LAW Melter #1 to the point it is ready for Refractory as part of BNI Baseline activities 3EL321A00 Specifications and Analysis, 4DL321A000 LAW - Procure Material & Equipment for Melters and 4DL321A200 LAW- Assemble Melter #1 (Contract No. DE-AC27-01RV14136). In addition, activities 4DL121U100 LAW - Elev +3 South Melter FREP and 4DL131D000 LAW - Elev +28 Columns, Beams & Q-Decking at +48 shall be substantially completed.

Completion of this milestone will be met when LAW melter #1 will have been fully fabricated, assembled and ready for refractory material to be installed. Assembly of the melter is scheduled to occur near the end of LAW construction when the facility is most ready to have the assembled melter moved into the LAW cell where the refractory material will be installed. Meeting this milestone therefore represents significant accomplishment of the engineering, design and construction of the LAW facility. Furthermore, assembly of the

Description/Justification of Change (continued)

first melter provides significant opportunity for lessons learned that can be applied in the assembly of the other two LAW melters as well as the HLW melter.

M-62-08	SUBMITTAL OF HANFORD TANK WASTE PHASE II TREATMENT ALTERNATIVES REPORT. DOE WILL SUBMIT A PRELIMINARY REPORT THAT DESCRIBES THE TECHNICAL, FINANCIAL, AND CONTRACTUAL ALTERNATIVES TO TREAT THE TANK WASTES REMAINING AFTER COMPLETION OF PHASE I TREATMENT. THE REPORT WILL IDENTIFY CREDIBLE ALTERNATIVES TO COMPLETE TREATMENT OF THE REMAINING WASTES BY 2028, AND AID IN BUDGET PLANNING FOR FUTURE BUDGET AUTHORITY SUBMITTAL. THE REPORT WILL BE UPDATED EVERY TWO YEARS UNTIL THE TANK WASTE TREATMENT PHASE II PLAN IS FINALIZED.	7/31/2005
M-62-09	START (HOT) COMMISSIONING – PHASE I TREATMENT COMPLEX. DOE WILL START HOT COMMISSIONING OF ITS TANK WASTE TREATMENT COMPLEX (DEFINED AS FIRST PRINCIPAL FACILITY RECEIPT OF RADIOACTIVE TANK WASTE FOR TREATMENT).	12/31/2007
M-62-10	START COMMERCIAL OPERATIONS COMPLETE HOT COMMISSIONING – PHASE I TREATMENT COMPLEX DOE WILL ACHIEVE SUSTAINED THROUGHPUT OF PRETREATMENT, LOW-ACTIVITY WASTE VITRIFICATION AND HIGH-LEVEL WASTE VITRIFICATION PROCESSES, AND DEMONSTRATED TREATMENT COMPLEX AVAILABILITY TO COMPLETE TREATMENT OF NO LESS THAN 10% OF THE TANK WASTE BY MASS AND 25% OF THE TANK WASTE BY ACTIVITY BY DECEMBER 2018.	12/31/2009 1/31/2011
M-62-11	SUBMITTAL OF HANFORD TANK WASTE TREATMENT PHASE II PLAN. DOE WILL SUBMIT TO ECOLOGY A DETAILED PLAN AND PROPOSAL FOR THE PROCESSING OF THE REMAINDER OF DOE's LAW AND HLW WASTES (PHASE II WASTES). THIS PLAN AND PROPOSAL WILL BE ACCOMPANIED BY A DRAFT NEGOTIATIONS AGREEMENT IN PRINCIPLE (AIP), AND DRAFT AGREEMENT CHANGE REQUEST CONTAINING SUFFICIENT ENFORCEABLE MILESTONES AND ASSOCIATED AGREEMENT REQUIREMENTS TO EFFECTIVELY DRIVE PHASE II WORK TO COMPLETION IN ACCORDANCE WITH AGREEMENT REQUIREMENTS. PHASE II AGREEMENT NEGOTIATIONS WILL BE COMPLETED WITHIN SIX (6) MONTHS OF AIP FINALIZATION.	3 years after start of Commercial Operations 1/31/2014 (See M-62-10)
M-62-12	ISSUANCE OF DOE AUTHORIZATION TO PROCEED – PHASE II TREATMENT. DOE WILL AUTHORIZE THE CONTRACT PHASE TO DESIGN, CONSTRUCT, COMMISSION, AND PROVIDE SERVICES FOR HANFORD TANK WASTE PRETREATMENT, LOW-ACTIVITY WASTE VITRIFICATION, AND HIGH-LEVEL WASTE VITRIFICATION OF ALL REMAINING HANFORD TANK WASTE, CONSISTENT WITH COMPLETION OF TREATMENT BY DECEMBER 2028.	TBD (To be determined by negotiations provided for at M-62-11).

Change Number M-90-01-03 Draft	Federal Facility Agreement and Consent Order Change Control Form Do not use blue ink. Type or print using black ink.	Date January 17, 2002																
Originator DOE-Office of River Protection		Phone																
Class of Change <input type="checkbox"/> I – Signatories <input checked="" type="checkbox"/> II – Executive Manager <input type="checkbox"/> III – Project Manager																		
Change Title Modification of <u>Hanford Federal Facility Agreement and Consent Order</u> (HFFACO) M90 series requirements in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136, and DOE's Office of River Protection (ORP) baseline schedule.																		
Description/Justification of Change Recent delays in the acquisition of tank waste treatment facilities at the Hanford site have been largely based on the failure of efforts to implement a cost effective "privatized" approach to tank waste treatment complex construction. Though efforts by the parties have centered on attempting to minimize programmatic delay, significant inconsistencies have grown between HFFACO requirements and adjusted DOE and DOE contractor schedules.																		
Impact of Change This change request modifies <u>Hanford Federal Facility Agreement and Consent Order</u> (HFFACO) M90 series work requirements for M-90-08, M-90-09-T01, M-90-10 & M-90-11 in order to resolve inconsistencies between HFFACO requirements, completion schedules within the U. S. Department of Energy's (DOE) contract No. DE-AC27-01RV14136 and DOE's Office of River Protection (ORP) baseline schedule.																		
Affected Documents The <u>Hanford Federal Facility Agreement and Consent Order</u> , as amended, including HFFACO Action Plan Appendix D, DOE's Annual Land Disposal Restrictions Report, DOE's Tank Farm Closure/Post-Closure Workplan Update and Hanford site internal planning, management, and budget documents (e.g., DOE and DOE contractor Baselines, Baseline Change Control documents; Sitewide Systems Engineering Control documents; Project Management Plans; and the Hanford site Integrated Priority List (IPL)).																		
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Description/Justification of Change (continued)

Due to its concerns about these inconsistencies, the Washington Department of Ecology (Ecology) required that DOE develop and submit a tank waste treatment **Recovery Plan** documenting actions and associated schedules DOE proposes to implement to assure compliance with HFFACO requirements; demonstrating that though start of treatment complex construction has been delayed, the HFFACO December 2007 due date for initial treatment complex hot operations remains achievable, and will be met, and that DOE has in place federal fiscal year 2002 funds and the necessary spending authority from the Bush administration to fully support implementing the recovery plan. (See Ecology tank waste Final Determination of July 26, 2001 and its subsequent August 1, 2001 Notice of Penalty Incurred and Due). Storage and disposal facility TPA milestone M-90-10 and M-90-11 dates are aligned to coincide with the dates vitrified waste will be ready for disposition. Considering proposed WTP hot commissioning schedules, storage capacity will not be needed for ILAW until August 2008, and will not be required for high-level waste until June 2009. M-90-10 placement of ILAW canisters in the ILAW disposal facility is based on the assumption that the ILAW disposal facility will be ready to accept containers when the WTP begins ILAW production. This assumes lag storage capacity in WTP is not needed for ILAW and is based on M-62-09 start of Phase 1 Treatment Complex hot commissioning by December 31, 2007. For M-90-11, placement of IHLW canisters in the CSB, it is assumed that the CSB will be ready to accept canisters when WTP lag storage reaches 50% of capacity (45 canisters) based on scheduled production during hot commissioning (based on 1.5 MT/day of HLW). DOE's Recovery Plan (including its initial version of this M-20-01-01 Change Request) was submitted on October 1, 2001.

This M-90-01-03 Change Request modifies HFFACO schedules for hazardous waste facility permitting and associated ILAW disposal facility and HLW canister storage facility (CSB) acquisition in order to align HFFACO, DOE baseline, and contract requirements. All other M-90-00 series requirements remain unchanged.

Following review by Ecology, and discussions between the parties, DOE and Ecology have agreed to appropriate Recovery Plan modifications including the modification of DOE's tank waste treatment baseline and this M-90-01-03 Change Request.

Modifications to the M-90 milestone series incorporated into the HFFACO by approval of this M-90-01-03 Change Request are shown here as either shaded additions, or ~~strikethrough~~ deletions.

MS Number	Milestone Description	Due Date
M-90-00	COMPLETE ACQUISITION OF NEW FACILITIES, MODIFICATION OF EXISTING FACILITIES, AND/OR MODIFICATION OF PLANNED FACILITIES AS NECESSARY FOR STORAGE OF HANFORD SITE IHLW AND ILAW, AND DISPOSAL OF ILAW.	TO BE ESTABLISHED 9 MONTHS AFTER APPROVAL OF PROJECT MANAGEMENT PLAN
	COMPLIANCE WITH THE WORK SCHEDULES SET FORTH IN THIS M-90 SERIES IS DEFINED AS THE PERFORMANCE OF SUFFICIENT WORK TO ASSURE WITH REASONABLE CERTAINTY THAT DOE WILL ACCOMPLISH SERIES M-90 MAJOR AND INTERIM MILESTONE REQUIREMENTS.	
	DOE INTERNAL WORK SCHEDULES (E.G. DOE APPROVED SCHEDULE BASELINES) AND ASSOCIATED WORK DIRECTIVES AND AUTHORIZATIONS SHALL BE CONSISTENT WITH THE REQUIREMENTS OF THIS AGREEMENT. MODIFICATION OF DOE CONTRACTOR BASELINES(S) AND ISSUANCE OF ASSOICATED DOE WORK DIRECTIVES AND/OR AUTHORIZATIONS THAT ARE NOT CONSISTENT WITH AGREEMENT REQUIREMENTS SHALL NOT BE FINALIZED	
M-90-08	INITIATE ILAW DISPOSAL FACILITY CONSTRUCTION.	7/21/2004
	INITIATION OF CONSTRUCTION OCCURS WHEN DOE OR IT'S CONTRACTOR (AS AUTHORIZED) ISSUES AN APPROVAL TO START CONSTRUCTION AND THE CONTRACTOR COMMENCES EXCAVATION OF NON-CRITICAL SYSTEMS WITHIN THE RCRA DISPOSAL FACILITY.	<u>2/28/2005</u>

Description/Justification of Change (continued)

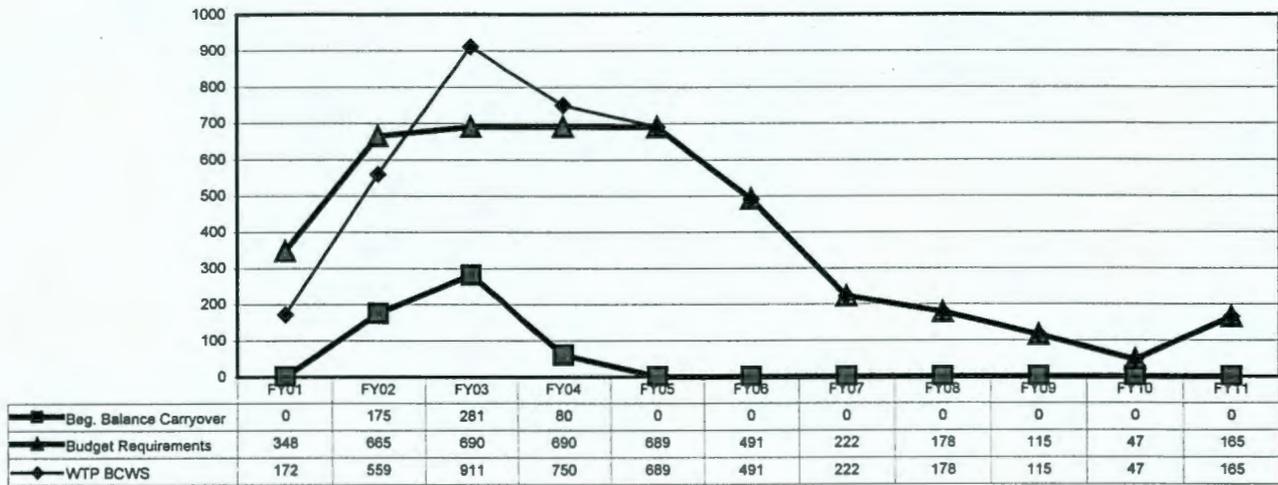
M-90-09-T01	COMPLETE DETAILED DESIGN OF ILAW DISPOSAL FACILITY CRITICAL SYSTEMS TO 80%	3/30/2001 <u>5/30/2003</u>
	DETAILED DESIGN OF CRITICAL SYSTEMS INCLUDES THE A) LINER, B) LEACHATE COLLECTION SYSTEM AND C) LEAK DETECTION SYSTEM.	
M-90-10	INITIATE PLACEMENT OF ILAW WASTE CANISTERS IN ILAW DISPOSAL FACILITY (LOW ACTIVITY WASTE PACKAGES PLACED WITHIN THESE FACILITIES WILL BE RETRIEVABLE).	4/30/2007 <u>8/31/2008</u>
M-90-11	COMPLETE CANISTER STORAGE FACILITY CONSTRUCTION	3/30/2007 <u>6/30/2009</u>
	COMPLETION OF THIS MILESTONE REQUIRES THE COMPLETION OF ALL CONSTRUCTION, INTERNAL/EXTERNAL FACILITY(S) MODIFICATIONS AND STARTUP ACTIVITIES NECESSARY FOR CANNISTER STORAGE FACILITY RECEIPT OF ALL PHASE I HANFORD SITE HIGH LEVEL WASTE CANISTERS FROM TANK WASTE REMEDIATION SYSTEM (TWRS) PROCESSING. FOR PURPOSES OF THIS INTERIM MILESTONE PHASE I IHLW CANISTER STORAGE IS DEFINED AS THE CAPABILITY FOR STORAGE OF AT LEAST 600 IHLW CANISTERS. INTERIM MILESTONES AND ASSOCIATED TARGET DATES ESTABLISHING WORK SCHEDULES FOR PHASE II IHLW CANISTER STORAGE WILL BE ESTABLISHED PURSUANT TO THE PHASE II REQUEST FOR PROPOSAL FOR TWRS PRIVATIZATION. FOR PERMITTING PURPOSES DETAILS DESIGN OF CRITICAL SYSTEMS INCLUDES THE CANISTER STORAGE TUBE SYSTEM.	

Federal Fiscal year 2002 budget related documentation

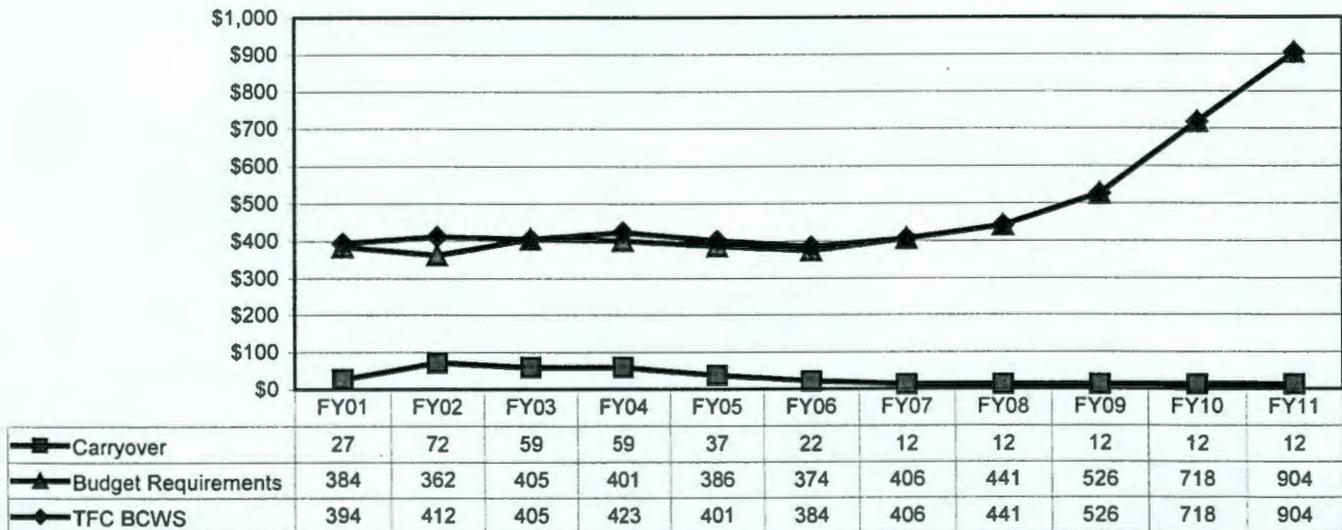
1. ORP budget requirements
2. President's approved FY2002 budget - Conference Committee Report
3. November 27, 2001 letter from Assistant Secretary Roberson (FY2002 budget allocation)

OFFICE OF RIVER PROTECTION FUNDING REQUIREMENTS AS OF FEBRUARY, 2002

**Waste Treatment Plant (WTP) Requirements per approved BNI Baseline
(Dollars in Millions)**



**Tank Farm Contractor (TFC) Requirements*
(Including ORP Program Support & Office of Safety Regulation)
(Dollars in Millions)**



*FY01 & FY02 represent actual funds to support the CHG contract assuming planned efficiencies. FY03- FY11 represent funds necessary to support the baseline and do not take into account possible efficiencies CHG may achieve.

TOTAL REQUIREMENTS	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	Total
TFC / WTP Carryover	27	247	340	119	37	22	12	12	12	12	12	849
TFC / WTP Budget Requirements	732	1,027	1,095	1,091	1,075	865	628	619	641	765	1,069	9,607
TFC / WTP BCWS	566	971	1,316	1,173	1,090	875	628	619	641	765	1,069	9,713

and office of the administrator appropriation accounts. Total funding of \$312,596,000 has been provided, a reduction of \$25,000,000 from the original request. This reduction anticipates efficiencies to be gained through this consolidation and the use of prior year unobligated balances from the three merged program direction accounts.

The conferees do not support increasing the total number of staff in the NNSA. While there is broad agreement that NNSA may not have the appropriate skill mix in its existing work force, there is also broad agreement that simply adding more people is not the answer.

Statutory language providing \$12,000 for official reception and representation expenses has been included.

ENVIRONMENTAL AND OTHER DEFENSE RELATED ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

The conference agreement provides \$5,234,576,000 for Defense Environmental Restoration and Waste Management instead of \$5,174,539,000 as proposed by the House and \$5,389,868,000 as proposed by the Senate. Additional funding of \$1,092,878,000 is contained in the Defense Facilities Closure Projects account and \$153,537,000 in the Defense Environmental Management Privatization account for a total of \$6,480,991,000 provided for all defense environmental management activities.

The conference agreement provides for the purchase of not to exceed 30 passenger motor vehicles as proposed by the House.

The conferees believe the significant cleanup issues before the Department at the Paducah Gaseous Diffusion Plant in Kentucky require continued strong management oversight from Headquarters. The conferees direct that the Secretary provide for the management of environmental matters (including planning and budgetary activities) with respect to the plant through the Assistant Secretary of Energy for Environmental Management. The Assistant Secretary shall ensure that direct communication and thorough consultation exists at all times between herself and the head of the Paducah environmental cleanup programs on all relevant matters.

Low level waste disposal.—The conferees agree that the Department, where cost-effective, should use existing Federal contracts for the disposal of low-level and mixed low-level waste at commercial off-site disposal facilities. Further, before proceeding with any new on-site disposal cell, the Department is directed to submit to the House and Senate Committees on Appropriations an objective analysis comparing the life-cycle costs of on-site versus off-site disposal alternatives. Such analysis must address the concerns identified by the General Accounting Office in its recent report (GAO-01-441), which found that the Department has not made accurate estimates of waste volumes and transportation costs when comparing on-site versus off-site alternatives.

Site/Project Completion.—The conference agreement provides additional funding to mitigate funding shortfalls at the following sites: \$18,000,000 for the Idaho site; \$20,000,000 for the Savannah River Site in South Carolina; \$34,300,000 for the Hanford site in

Richland, Washington; and \$7,000,000 for South Valley, Kansas City, Pantex, and Sandia.

The conference agreement includes \$9,000,000 to expedite the remediation and conveyance of up to 2000 acres of land for the use of Pueblo of San Ildefonso and approximately 100 acres to the County of Los Alamos consistent with the direction of section 632 of Public Law 105-119.

Funding of \$20,000,000 has been provided for a new construction project, Project 02-D-420, Plutonium Packaging and Stabilization, at the Savannah River Site. At the request of the Department, the conference agreement consolidates funding from the following sources for this project: \$7,500,000 from current and prior year balances in Project 01-D-414, Project Engineering and Design (PE&D); \$4,000,000 from prior year balances available from cancellation of Project 01-D-415, 235-F Packaging and Stabilization project; and \$8,500,000 from prior year balances provided to the Savannah River Site in fiscal year 2001 for plutonium stabilization activities.

Funding of \$2,754,000 is provided for Project 01-D-414, Project Engineering and Design, as proposed by the House.

Post 2006 Completion.—The conference agreement provides additional funding over the budget request for several activities. Additional funding of \$105,000,000 is provided for the Idaho site. From within these funds, \$15,000,000 is to initiate activities associated with the demonstration of waste retrieval at the subsurface disposal area at the Idaho National Engineering and Environmental Laboratory (INEEL); \$700,000 is to continue conceptual design activities for a subsurface geosciences laboratory at Idaho; \$4,000,000 is for the Subsurface Science Research Institute operated by the Inland Northwest Research Alliance and the INEEL; and up to \$750,000 is to evaluate the need for a remote-handled transuranic waste facility at ANL-West and initiate conceptual design if needed.

The conferees encourage the Department of Energy to use alternative dispute resolution to resolve claims relating to the contract dispute on Pit 9 at Idaho.

Additional funding of \$125,000,000 is provided for the Savannah River Site in South Carolina. From within available funds, \$8,000,000 is provided for the Savannah River Ecology Laboratory, an increase of \$2,000,000 over the budget request, and \$800,000 is provided to continue the Department's relationship with the University of South Carolina's Center for Water Resources.

Additional funding of \$110,000,000 is provided for the Hanford site in Richland, Washington, to support the River Corridor Initiative. From within available funds, \$8,481,000 is provided for the hazardous waste worker training program, an increase of \$7,481,000 over the budget request, and \$600,000 is provided for State of Oregon oversight activities. The Department is expected to continue making PILT payments at last year's level to counties that have the Hanford reservation within their boundaries.

Additional funding of \$3,400,000 is provided for cleanup activities at the Nevada Test Site and \$3,000,000 to continue the underground test area groundwater flow characterization drilling program.

Additional funding of \$10,000,000 is provided to continue remediation, waste management, and nuclear materials stewardship activities at Los Alamos National Laboratory and to support New Mexico State Agreements-in-Principal requirements.

Additional funding of \$10,000,000 is provided for cleanup activities at the Lawrence Livermore National Laboratory.

Additional funding of \$28,100,000 is provided to the Carlsbad field office. This includes \$17,100,000 for Waste Isolation Pilot Plant (WIPP) operations; \$7,000,000 to implement program-wide best practices to optimize waste processing, develop new technology solutions, and develop a mobile/modular approach for small quantity sites; \$3,000,000 to continue the U.S.-Mexico Border Health Commission/Materials Corridor Partnership Initiative; and \$1,000,000 for research, development, and initial demonstration in support of an experiment to be conducted at WIPP to evaluate the mass of the neutrino.

Office of River Protection.—The conference agreement provides \$1,033,468,000, an increase of \$221,000,000 over the budget request, for the Office of River Protection at the Hanford site in Washington. Funding of \$665,000,000 has been provided for Project 01-D-416, the Hanford Waste Treatment Plant, to vitrify the high-level waste in underground tanks.

While the conferees share Washington State's concern regarding the Administration's inadequate budget request for the Office of River Protection and Hanford cleanup activities and recognize the right of the State to levy fines under the Tri-Party Agreement, the conferees question the constructiveness of the State's imposition of weekly fines due to the Department's failure to begin construction on the waste treatment plant. As demonstrated in this conference, the conferees continue to adequately support this project and believe the weekly fines may only be serving to distract site managers from the mission of cleanup.

Science and technology development.—The conference agreement provides \$255,768,000 for the science and technology development program. The conference agreement provides \$4,000,000 for the next round of new and innovative research grants in the environmental management science program in fiscal year 2002.

The conference agreement includes \$4,000,000 for the international agreement with AEA Technology; \$7,000,000 for the Department's cooperative agreement with the Florida International University; \$27,100,000 for the D&D focus area program; \$33,800,000 for industry and university programs; \$5,000,000 for the Western Environmental Technology Office; \$4,000,000 to continue evaluation, development and demonstration of the Advanced Vitrification System; \$3,000,000 to continue engineering, development and deployment of remote monitoring systems for the underground test area; \$5,000,000 for the Diagnostic Instrumentation and Analysis Laboratory; and \$4,350,000 for the university robotics research program.

Limitation on multi-year funding agreements.—The Department is directed not to sign any new funding agreement that commits more than one year of funding for science and technology activities with any entity. The following types of agreements are exempt from this direction: basic and applied research projects that

Department of Energy (in thousands)

	Budget Request	Conference
Program direction.....	22,600	22,600
TOTAL, NAVAL REACTORS.....	688,045	688,045
OFFICE OF THE ADMINISTRATOR		
Office of the Administrator.....	15,000	312,596
Transferred from other accounts.....	(322,596)	---
Total, Program level.....	337,596	312,596
TOTAL, OFFICE OF THE ADMINISTRATOR.....	337,596	312,596
TOTAL, NATIONAL NUCLEAR SECURITY ADMINISTRATION...	6,776,770	7,233,465
DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MGMT.		
Site/project completion		
Operation and maintenance.....	872,030	960,330
Construction		
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID.....	3,256	3,256
02-D-420 Plutonium packaging and stabilization, Savannah River.....	---	20,000
01-D-414 Preliminary project, engineering and design (PE&D), various locations.....	6,254	2,754 *
99-D-402 Tank farm support services, F&H area, Savannah River site, Aiken, SC.....	5,040	5,040
99-D-404 Health physics instrumentation laboratory (INEL), ID.....	2,700	2,700
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA.....	1,910	1,910
96-D-471 CFC HVAC/chiller retrofit, Savannah River site, Aiken, SC.....	4,244	4,244
92-D-140 F&H canyon exhaust upgrades, Savannah River, SC.....	15,790	---
B6-D-103 Decontamination and waste treatment facility (LLNL), Livermore, CA.....	762	762
Subtotal, Construction.....	39,956	40,666
Total, site/project completion.....	911,986	1,000,996
Post 2006 completion		
Operation and maintenance.....	1,680,979	2,105,479
Uranium enrichment D&D fund contribution.....	420,000	420,000
Construction		
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC.....	6,754	6,754

* \$2,000k is for ORP's Immobilized High-Level Waste Storage Facility.

Department of Energy (in thousands)

	Budget Request	Conference
Office of River Protection		
Operation and maintenance.....	272,151	328,151
Construction		
01-D-416 Hanford waste treatment plant, Richland, WA.....	500,000	665,000
97-D-402 Tank farm restoration and safe operations, Richland, WA.....	33,473	33,473
94-D-407 Initial tank retrieval systems, Richland, WA.....	6,844	6,844
Subtotal, Construction.....	540,317	705,317
Subtotal, Office of River Protection.....	812,468	1,033,468
Total, Post 2006 completion.....	2,920,201	3,565,701
Science and technology.....	196,000	255,768
Excess facilities.....	1,300	5,000
Safeguards and security.....	205,621	205,621
Program direction.....	355,761	355,761
Subtotal, Defense environmental management.....	4,590,869	5,388,847
Use of prior year balances.....	-36,770	-56,770
General reduction.....	---	-92,110
Less security charge for reimbursable work.....	-5,391	-5,391
TOTAL, DEFENSE ENVIRON. RESTORATION AND WASTE MGMT	4,548,708	5,234,576
DEFENSE FACILITIES CLOSURE PROJECTS		
Site closure.....	1,004,636	1,038,903
Safeguards and security.....	45,902	53,975
TOTAL, DEFENSE FACILITIES CLOSURE PROJECTS.....	1,050,538	1,092,878
DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION		
Privatization initiatives, various locations.....	141,537	153,537
TOTAL, DEFENSE ENVIRONMENTAL MANAGEMENT.....	5,740,783	6,480,991
OTHER DEFENSE ACTIVITIES		
Other national security programs		
Security and emergency operations		
Nuclear safeguards and security.....	121,188	116,500
Security investigations.....	44,927	44,927
Corporate management information program.....	20,000	10,000
Program direction.....	83,135	79,000
Subtotal, Security and emergency operations...	269,250	250,427

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107-90

United States Government

Department of Energy

memorandum

DATE: November 27, 2001

REPLY TO
ATTN: EM-12

SUBJECT: Fiscal Year 2002 Funding Allocations and Spread of Adjustments

TO: Manager, Office of River Protection

The Office of Environmental Management (EM) received an FY 2002 appropriation of \$6.716 billion, an increase of \$803 million above the FY 2002 Congressional Request. At this time, the Office of River Protection is being allocated FY 2002 funding as shown in Attachment A. This funding allocation may be adjusted later based on changing programmatic requirements. This allocation will enable your site(s) to accomplish the activities planned in the FY 2002 budget request. Within this allocation, various Congressional and Departmental priorities are identified in Attachment A that must be funded by your Office. You are responsible for determining the appropriate funding amounts for these activities in accordance with Congressional and EM guidance.

I am requiring that you submit a plan describing how the additional funding above the FY 2002 Congressional Request will be spent at your site(s). This plan should be prepared at the Project Baseline Summary (PBS) level and identify the additional activities to be performed. At a minimum, this plan should include the following details:

- 1) How this funding meets and supports EM missions and priorities.
- 2) The outcomes you expect to achieve with this funding. Where the outcomes will not be accomplished this fiscal year, list milestones you expect to accomplish this fiscal year to measure the progress of this activity.
- 3) List to whom the funding will be distributed and why that is the best choice to execute the increase.
- 4) Total cost of the activity to be funded and the follow-on budget authority that will be required in FY 2003.
- 5) Completion date for the activity.

Please submit both the Congressional/Departmental Priorities Report and Additional Funding Plan by December 5, 2001 to the Office of Policy, Planning and Budget, EM-10.

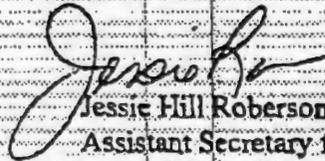
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DOE-ORP/ORPCC

The process of determining final allocations by PBS must be completed no later than December 5, 2001. It is imperative that this date is met in order for Office of Budget, EM-12, to complete the FY 2002 January Financial Plan. This financial plan will serve as the basis for the FY 2002 column of the FY 2003 Request, as well as establish the benchmarks by PBS for reporting to Congress by January 30, 2002. EM-12 will work directly with your staff to spread the funding allocations at the detailed PBS level.

If you have any questions regarding this information, you may contact Gene Schmitt on (202) 586-8754


Jessie Hill Roberson

Assistant Secretary for
Environmental Management

Attachment

cc:

- Director, Budget Division, Richland Operations Office
- Assistant Manager for Environmental Management, Richland Operations Office, Office of River Protection
- Director for the Office of Safety, Health and Security
- Director for the Office of Project Management
- Director for the Office of Management and Information
- Deputy Assistant Secretary for Planning, Policy and Budget
- Deputy Assistant Secretary for Integration and Disposition
- Deputy Assistant Secretary for Site Closure
- Deputy Assistant Secretary for Project Completion
- Deputy Assistant Secretary for Science and Technology

Attachment A

OFFICE OF RIVER PROTECTION
FY 2002 Funding Allocations*
(S in Thousands)

FY 2002 Congressional Request	\$814,468
Congressional/Other Adjustments ¹	+212,730
FY 2002 Allocation	\$1,027,198

DEFENSE ENVIRONMENTAL RESTORATION & WASTE MANAGEMENT

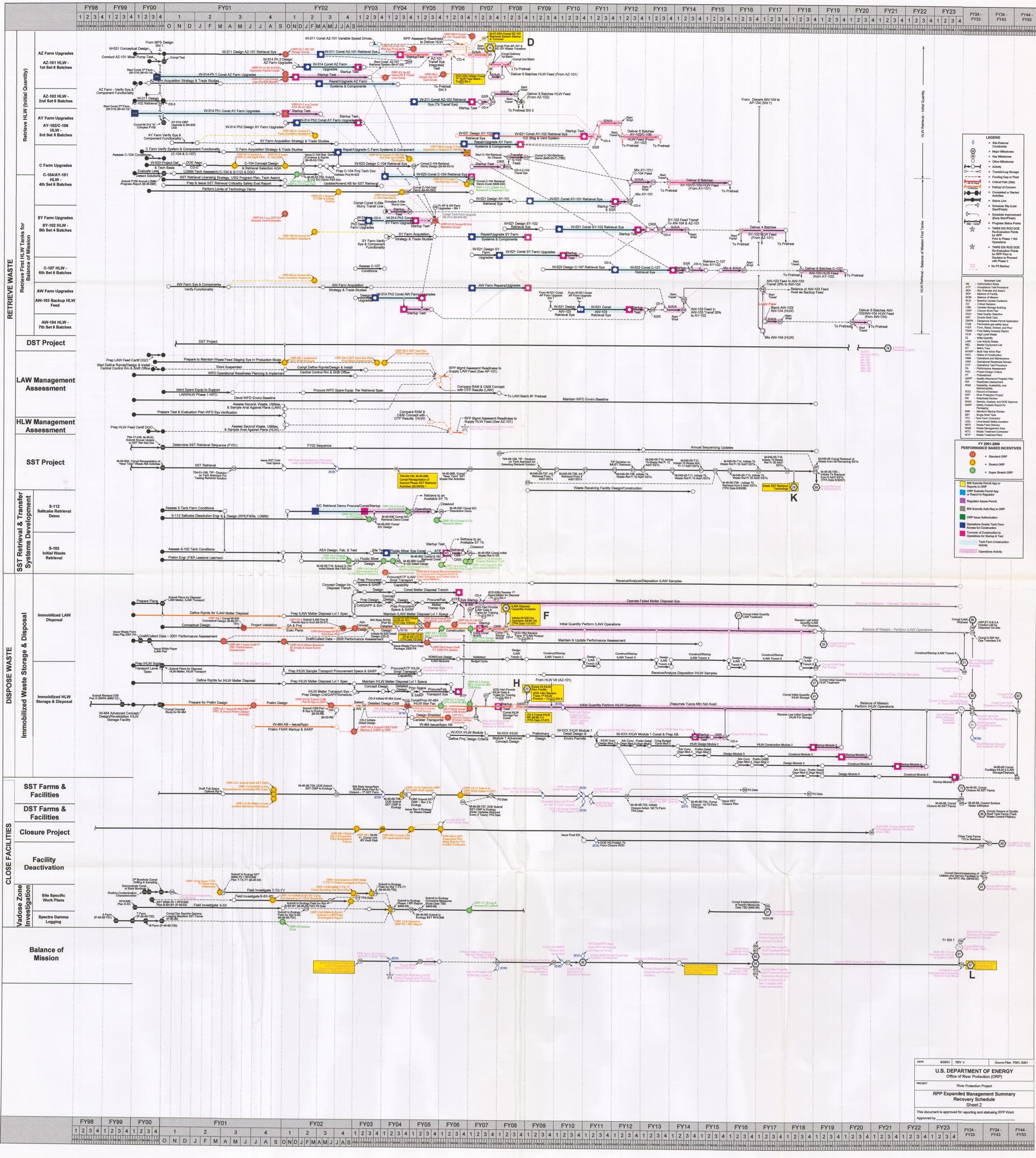
Site/Project Completion	\$ 2,000
Post-2006 - ORP	1,025,198
Total, Defense	\$1,027,198
TOTAL, Office of River Protection	\$1,027,198

Congressional/Departmental Priorities

- None.

*The amounts shown are projections and should be used for planning workload in FY 2002. Funding profile excludes the following National Programs: Program Direction, Science and Technology, Multi-Sites, Safeguards and Security, and Excess Facilities.

Submit spending plan for additional funding by December 5, 2001. See transmittal memorandum for additional guidance and requirements.

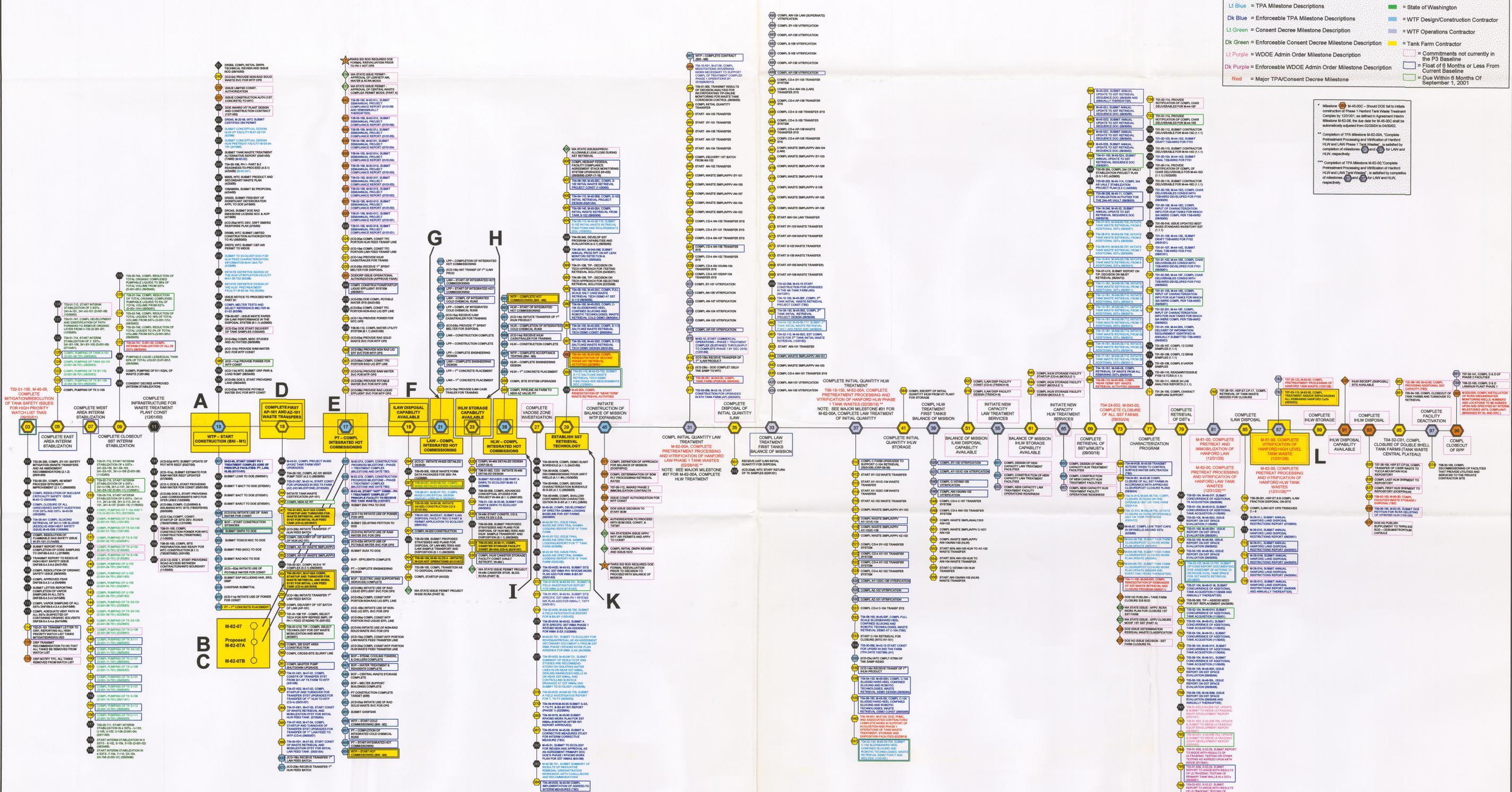


- LEGEND**
- Milestones
 - Other Milestones
 - Activity
 - Funding Gap or Peak
 - Critical Path (S/M)
 - Path of Completion
 - Status Line
 - Schedule Slip (Late Start/Finish)
 - Schedule Improvement (Early Start/Finish)
 - Program Data Points
 - WTRB ESB ROD DOE Risk Evaluation Points for RPP Prep to Proceed to Phase 2
 - WTRB ESB ROD DOE Risk Evaluation Points for RPP Prep to Proceed to Phase 2
 - No PD Backup

- PERFORMANCE BASED INCENTIVES**
- Standard CRP
 - Stretch CRP
 - Super Stretch CRP
- Other Key Symbols:**
- INB Submit Permit Appr
 - Reports to CRP
 - CRP Submit Permit Appr or Report to Regulator
 - Regulator Issues Permit
 - INB Submit Auth Req to CRP
 - CRP Issue Authorization
 - Operations Green Task Form Access to Construction
 - Turnover of Construction to Operations for Storage & Feed
 - Task Form Construction Activity
 - Operations Activity

LEGEND

- = Key Milestone
- ◇ = External Constraint
- ☆ = TWR5 EIS ROD Required Reevaluation Point
- Light Blue = TPA Milestone Descriptions
- Dark Blue = Enforceable TPA Milestone Descriptions
- Light Green = Consent Decree Milestone Description
- Dark Green = Enforceable Consent Decree Milestone Description
- Light Purple = WDOE Admin Order Milestone Description
- Dark Purple = Enforceable WDOE Admin Order Milestone Description
- Red = Major TPA/Consent Decree Milestone
- ⬢ = Major Milestone
- = Complete
- = DOE (HQ, ORP, and RL)
- = State of Washington
- = WTF Design/Construction Contractor
- = WTF Operations Contractor
- = Tank Farm Contractor
- = Commitments not currently in the P3 Baseline
- = Float of 6 Months or Less From Current Baseline
- = Due Within 6 Months of September 1, 2001



Milestone M-42-02C - Should DOE fail to initiate construction of Phase 1 Hanford Tank Waste Treatment Complex by 12/31/01, as defined in Agreement Interim Milestone M-42-02, the due date for M-42-02C shall be automatically adjusted from 02/28/02 to 04/30/02.

Completion of TPA Milestone M-42-04A, "Complete Pretreatment Processing and Verification of Hanford HLW and LAW Phase 1 High Volume," is defined by completion of milestone M-42-04B for LAW and HLW, respectively.

Completion of TPA Milestone M-42-02C, "Complete Pretreatment Processing and Verification of Hanford HLW and LAW Phase 1 High Volume," is defined by completion of milestones M-42-02D and M-42-02E for LAW and HLW, respectively.

DATE	9/29/01	REV 0	Source Files : PS01, B301
PROJECT	U.S. DEPARTMENT OF ENERGY Office of River Protection (ORP)		
	River Protection Project		
	RPP Milestone Sequence Recovery Chart		
	This document is approved for reporting and statusing RPP Work		
	Approved by		

- T03-01-100, M-46-00H, ISSUE REPORT ON DST SPACE EVALUATION (09/30/01)
- T03-02-100, M-46-00I, ISSUE REPORT ON DST SPACE EVALUATION (09/30/02)
- T03-03-100, M-46-00J, ISSUE REPORT ON DST SPACE EVALUATION (09/30/03)
- T04-02-120, M-45-12-T01, SUBMIT OPTIONS REPORT DOCUMENTING DOE ASSESSMENT OF ACTIONS TO INCREASE AVAIL TANK SPACE FOR SST WASTE RETRIEVAL (02/28/02)
- T03-07-104, M-46-01 M, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/06 AND ANNUALLY THEREAFTER)
- T03-05-300, TIP - ASSESS NEED FOR DST REPLACEMENT (04/28/05)
- T03-02-104, M-46-01H, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/01)
- T03-03-104, M-46-01I, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/02)
- T03-04-104, M-46-01J, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/03)
- T03-05-104, M-46-01K, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/04)
- T03-06-104, M-46-01L, SUBMIT CONCURRENCE OF ADDITIONAL TANK ACQUISITION (11/30/05)
- T03-04-100, M-46-00K, ISSUE REPORT ON DST SPACE EVALUATION (09/30/04)
- T03-05-100, M-46-00L, ISSUE REPORT ON DST SPACE EVALUATION (09/30/05)
- T03-06-100, M-46-00M, ISSUE REPORT ON DST SPACE EVALUATION (09/30/06 AND ANNUALLY THEREAFTER)
- T03-01-K02, X-32-20B-T02, UPDATE & SUBMIT TO WDOE ULTRASONIC EQUIP DEVELOPMENT REPORT (03/31/01)
- T03-01-K03, X-32-20B-T03, UPDATE & SUBMIT TO WDOE ULTRASONIC EQUIP DEVELOPMENT REPORT (09/30/01)
- T03-02-K01, X-32-20B-T04, UPDATE & SUBMIT TO WDOE ULTRASONIC EQUIP DEVELOPMENT REPORT (03/31/02)
- T03-01-K06, X-32-25, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OR OTHER TESTING AS AGREED UPON WITH WDOE (07/18/01)
- T03-01-K06, X-32-26, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OF PRIMARY TANK WALLS IN 4 DSTs (09/30/01)
- T03-02-K02, X-32-27, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OF PRIMARY TANK WALLS IN 4 DSTs (09/30/02)
- T03-03-K01, X-32-28, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OF PRIMARY TANK WALLS IN 4 DSTs (09/30/03)
- T03-04-K01, X-32-29, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OF PRIMARY TANK WALLS IN 4 DSTs (09/30/04)
- T03-05-K01, X-32-30, SUBMIT REPORT TO WDOE WITH RESULTS OF ULTRASONIC TESTING OF PRIMARY TANK WALLS IN 4 DSTs (09/30/05)
- T03-06-K01, X-32-31, SUBMIT INTEGRITY ASSESSMENT REPORT TO WDOE DOCUMENTING INTEGRITY OF DST SYSTEM (03/31/06)
- T03-07-K01, X-32-32, COMPLETION OF EXAMINATION OF 8 DSTs BY ULTRASONIC TESTING IN ALL AREAS PREVIOUSLY EXAMINED TO PROVIDE COMPARATIVE DATA FROM WHICH TO CALCULATE CORROSION RATES (09/30/07)

- 772 M-26-01K, SUBMIT ANNUAL HANFORD LAND DISPOSAL RESTRICTIONS REPORT (09/30/01)
- 773 M-26-01L, SUBMIT ANNUAL HANFORD LAND DISPOSAL RESTRICTIONS REPORT (04/30/02)
- 774 M-26-01M, SUBMIT ANNUAL HANFORD LAND DISPOSAL RESTRICTIONS REPORT (04/30/03)
- 775 M-26-01N, SUBMIT ANNUAL HANFORD LAND DISPOSAL RESTRICTIONS REPORT (04/30/04)
- 776 M-26-01O, SUBMIT ANNUAL HANFORD LAND DISPOSAL RESTRICTIONS REPORT (04/30/05 AND ANNUALLY THEREAFTER)

DATE	9/29/01	REV	0	Source Files : PS01, B301
U.S. DEPARTMENT OF ENERGY Office of River Protection (ORP)				
PROJECT	River Protection Project			
RPP Milestone Sequence Recovery Chart				
This document is approved for reporting and statusing RPP Work				
Approved by _____				

