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June 7, 1999

069942

Keith Klein, Manager
U.S. Department of Energy
Richland Operations Office
MSIN A7-50
Richland, WA 99352

RECEIVED

JUN 07 1999
DOE-RL/DIS

Re: Comments on Revised Draft Hanford Remedial Action Environmental Impact Statement and Land Use Plan

Dear Mr. Klein:

Thank you for this opportunity to comment on the Revised Draft Hanford Remedial Action Environmental Impact Statement and Land Use Plan. This document is an important reflection of the kind of cooperation that can occur among the Department of Energy, state, local and tribal governments, and interested stakeholders in identifying and trying to balance various interests. The document reflects careful thought and consideration in outlining the range of possible Hanford land use options for the next fifty years.

Background on the Benton Redevelopment Initiative

As you are aware, local governments, economic development agencies, local utilities and local businesses have dedicated themselves to diversifying the Tri-Cities regional economy and reducing our Hanford dependency. In meeting our economic development responsibilities, we are working diligently in partnership with the Department of Energy to convert Hanford assets into job creation opportunities. Our interest in making Hanford lands, facilities and equipment available to both the public and private sectors is manifested in the recent transfer of Hanford's 1100 and 3000 Areas and the Hanford southern railroad system to the Port of Benton. Hanford assets and opportunities are important ingredients in the area's economic development efforts.

Consistent with regional economic diversification and development goals, Benton County, the Port of Benton, Benton Public Utility District, the City of Richland and Washington Public Power Supply System have joined together through an interlocal agreement to redevelop the WNP-1 and WNP-4 (WNP-1/4) partially constructed nuclear energy industrial site. This effort has been named the Benton Redevelopment Initiative.

069942

Mr. Klein
June 7, 1999

Page 2 of 3

The WNP-1\4 site has water, sewer, road and rail services, making it a near-fully-serviced 1000-acre industrial park. It has 250,000 square feet of available warehouse and shop space, 150,000 square feet of office space, and other industrial assets that can be used in redevelopment. It also has some liabilities and hazards that will have to be reduced and/or eliminated as part of the redevelopment effort.

This effort can be a win for the Northwest. Through this opportunity, the region can substantially reduce the Bonneville Power Administration/Northwest electric ratepayers' liability from the unsuccessful nuclear power plants venture. Restoration cost avoidance could be as high as \$76 million. Redevelopment helps create vital jobs needed to offset the downsizing that has occurred and will continue to occur at the Hanford Nuclear Reservation. Redevelopment of an existing industrial area ("brownfields") reduces pressure for development of new or "greenfields" industrial property.

Comments on the Draft Hanford Land Use Plan

The Benton Redevelopment Initiative is consistent with at least two of the land use implementation policies identified in Chapter Six of the Department's draft Hanford land use plan. It is focused on redevelopment of existing infrastructure and facilities and helps to promote regional diversification and economic development efforts.

Appropriate land use designations have to be in place to realize WNP 1\4 redevelopment and regional economic diversification goals. For this reason, the Benton Redevelopment Initiative Administrative Board supports the proposed southern site industrial land designations in both the Preferred Alternative and Alternative Three of the draft document. The designation allows for WNP 1\4 redevelopment to occur and provides for future industrial growth west of the existing Energy Northwest footprint and to the north boundary of the City of Richland. These proposed designations allow some room for expansion beyond the existing Energy Northwest footprint, while protecting the river corridor and other sensitive lands around the industrial area.

Beyond this, the Administrative Board supports several policies and concepts outlined in Chapter Six of the draft land use plan. We support removing impediments to realizing designations, such as consolidating Bureau of Land Management lands outside of industrial areas. We support the concept and the makeup of the Site Planning Advisory Board described in Chapter Six. It is important to have important government and stakeholder involvement in the implementation of the land use plan. Regarding Area Management Plans, we suggest it is important to have flexibility in determining what is a suitable plan. For instance, a master redevelopment plan could serve as a suitable Area Management Plan.

069942

Mr. Klein
June 7, 1999

Page 3 of 3

One area lacking in Chapter Six and an issue that will have to be addressed in WNP 1\4 redevelopment is the establishment and maintenance of appropriate institutional controls to protect public and worker health and safety. We recommend the Department of Energy include an action in this Chapter to work with federal and state regulators and local government to establish a long-term institutional controls management system for the site in anticipation of more private sector projects as development occurs.

Thank you for considering these comments.

Sincerely,



Leo M. Bowman,
Administrative Board Chairman
Benton Redevelopment Initiative

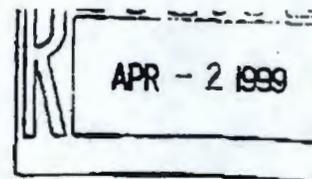
Enclosure – BPA letter of commitment

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Department of Energy

Bonneville Power Administration
 Mail Drop 1399
 P.O. Box 968
 Richland, Washington 99352-0968



POWER BUSINESS LINE

c Balcis ✓

March 30, 1999

In reply refer to: PGC/Richland

Robert L. Larson, Commission President
 Port of Benton
 3100 George Washington Way
 Richland, WA 99352

Dear Mr. Larson:

We are in receipt of your letter dated February 23, 1999, expressing the interest of the Port of Benton and four other local public agencies in the potential economic development of the Washington Public Power Supply System's (Supply System) WNP-1/4 facilities and Site. The Bonneville Power Administration (Bonneville) is also interested in finding new uses for the WNP-1/4 facilities and Site.

As you are aware, the Supply System recently signed the Satsop Site Transfer Agreement which defined the terms and conditions for the transfer of the WNP-3/5 Site to the Satsop Redevelopment Project, an interlocal agency. While the process to transfer the Satsop Site was time consuming and labor intensive, many of the principles established there may be used as a model for the possible transfer of the WNP-1/4 Site. Bonneville and the Supply System look forward to sharing the lessons learned and applying them to this initiative. Application of those lessons will ideally permit a conclusion concerning WNP-1/4 re-use to be reached in considerably less time, which will allow redevelopment to begin at the earliest possible time and at consequently less cost to all the parties.

Bonneville is willing to authorize the expenditure of up to \$50,000 of the amount requested to augment your funding for this effort, and to devote staff time to facilitate this transfer. The funds are intended to cover actual costs for the development of deliverables including, but not limited to;

- (1) finding the preferred solution for obtaining water rights for the Site,
- (2) finding solutions to the DOE land lease issues,
- (3) identifying the principles which would form the basis for the transfer, including identification of the parties whom would indemnify Bonneville and the Supply System if the WNP-1/4 Site were transferred,
- (4) if necessary, creating and implementing a plan for legislative changes needed to clarify EFSEC jurisdiction over the Site,
- (5) identifying the options for reuse or demolition scenarios of WNP-1/4 facilities and estimated costs and benefits for each scenario, and
- (6) establishing the expected timeline and milestones for such activities.

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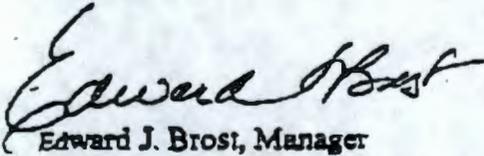
Our authorization is contingent upon: (1) our receipt and review of the completed agreement which forms the interlocal agency between the public agencies, and (2) receipt and review of the workplan to accomplish the specific tasks identified above.

The Supply System is updating its existing WNP-1/4 Site Restoration Plan. This update is due to EFSEC by July 1, 1999. To accommodate this Plan development, your recommended solutions and plans would be helpful if they could be made available by that time.

We look forward to working with you toward a transfer of the WNP-1/4 facilities to the local public agencies. I suggest we meet with you and the public agencies to agree on the principles which would govern this effort and discuss our roles, relationships and the expectations regarding the process. Tom Osborn, will be Bonneville's project lead for this effort. He can be reached at 372-5164 or via e-mail at trosborn@bpa.gov. Tom's supervisor, Andy Rapacz will also be involved in the process. Andy can be reached at 372-5752 or via e-mail at ajrapacz@bpa.gov.

With your agreement, we will draft a separate contract for funding this effort. I look forward to working closely with you and the public agencies to achieve a successful and timely conclusion.

Sincerely,



Edward J. Brost, Manager
Contract Generating Resources

cc:

J. Sanders - General Manager, PUD No. 1 of Benton County
C. Oliver - Chairman, Board of Commissioners, Benton County
G. Greenfield - Mayor Pro Tem, City of Richland
J. Mecca, Deputy Assistant Manager for Facilities, DOE-RL
J. Baker - Vice President, Resource Development, Supply System
A. Mouncer - Vice President, WNP-1 Project, Supply System