



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10 HANFORD PROJECT OFFICE
712 Swift Boulevard, Suite 5
Richland, Washington 99352

November 25, 2002

Mr. Mike Schlender
United States Department of Energy
Richland Operations Office
P.O. Box 550, MSIN: A5-15
Richland, Washington 99352

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EDMC

Subject: Contractor performance incentives

Dear Mr. Schlender:

We are writing to thank you for taking the time to meet with us last Thursday afternoon regarding the performance incentives you are negotiating with Fluor Hanford. As we indicated in our November 20, 2002 letter to Keith Klein our agencies are disappointed that the Department of Energy (DOE) did not consult with us earlier regarding the establishment of performance incentives. We believe that prior discussion with the Washington Department of Ecology (Ecology) and the Environmental Protection Agency (EPA) would have helped to secure our agreement on work priorities and assumptions on the regulatory pathways used. 58362

On the afternoon of the 21st, your responses to the concerns outlined in our letter indicated a willingness on the part of DOE to adopt performance incentives that focus resources on environmental concerns that each of our agencies consider critical to an effective and efficient site cleanup. EPA and Ecology are aware that DOE is on an ambitious schedule to complete contractual arrangements with Fluor Hanford and understand that final performance incentives are expected to be signed in the next few days. We look forward to seeing the changes we discussed included in the approved Performance Initiatives.

EPA and Ecology look forward to additional discussion on planning and implementation of the scope of work covered by the Fluor Hanford contract in order to achieve the best possible cleanup of the Hanford Site. We believe that broad goals established by the agencies during C3T discussions provide a basis for accelerating the cleanup at Hanford while promoting sound environmental solutions.

Continued discussions among the agencies and collaboration in decision making is critical to achieving this goal. We trust that the lessons learned in working through EPA and Ecology

concerns on performance incentives will improve future communications and collaboration as we move cleanup forward.

Please contact either of us if you have any questions.



Nicholas Ceto, Manager
U.S.EPA - Hanford Project Office



Michael Wilson, Manager
Nuclear Waste Program

cc: Wade Ballard, DOE
Keith Klein, DOE
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Administrative Records ✓

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Ron Skinnarland, Ecology
Roger Stanley, Ecology
Joy Turner, Ecology
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