



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

0051579

99-EAP-419

JUL 29 1999

Mr. Roger Stanley
Nuclear Waste Program
State of Washington
Department of Ecology
Olympia, Washington 98504



Dear Mr. Stanley:

TANK WASTE PRIVATIZATION TRI-PARTY AGREEMENT (TPA) NEGOTIATIONS

Attached is the U.S. Department of Energy (DOE) draft TPA change request that reflects the Department's position. There were sufficient differences between the Ecology and DOE position that a separate change request was warranted.

We are also in receipt of your fax with Dan Silver's approval of the two-week extension to these negotiations. We are coordinating with the U.S. Environmental Protection Agency (EPA) folks to line up Chuck Clarke's signature. Our plan is to get your Federal Express original signed by Keith Klein and Dick French in the morning. We will then fax a copy to EPA Region 10 requesting a signature dated July 31, 1999. We will then follow up with an overnight mailing of the original to Region 10 for signature.

Both Leif Erickson and I will be available to discuss any questions you have or provide clarifications of details. We look forward to working with you to close the gap between our positions and find an acceptable basis for agreement.

Sincerely,

George H. Sanders, Administrator
Hanford Tri-Party Agreement

EAP:GHS

Attachment

cc w/attach:
J. R. Wilkinson, CTUIR
D. R. Sherwood, EPA
J. S. Hertzell, FDH
M. Reeves, HAB
P. Sobotta, NPT
M. L. Blazek, OOE
R. Jiri, YN

Administrative Record, H6-06

Description/Justification of Change: (Continued)

The proposed changes and modifications to the Agreement are structured to achieve compliance with enforceable commitments based on a validated and integrated ORP project planning basis.

Initial Agreement commitments are based on the individual 90% confidence level planning bases developed by each of the performing contractors. Agreement commitments are linked to key events in the project logic and are based on the best information available from the individual project planning bases.

To accomplish the conversion from initial to final Agreement commitments, the ORP has established a formal and interactive process for each of the performing contractors to develop and exchange the information necessary to combine individual project planning bases into a single integrated ORP project planning basis. The initial Agreement commitments will convert to final Agreement commitments based on the schedules from the integrated ORP project planning basis and the application of a total contingency that does not exceed 12 months.

Final Agreement commitments will be based on the validated and integrated 90% confidence level planning basis completed. The validated and integrated ORP project planning basis will be completed after DOE authorizes the contractor to proceed with Part B-2 of the Tank Waste Remediation System (TWRS) Privatization contract.

This proposal includes modification to Agreement main text required to:

- Accommodate the recently created ORP;
- Memorialize general rights and obligations not expressed in target dates and milestones;
- Clarify obligations embodied in target dates and milestones; and
- Present Agreement milestone and target dates with associated descriptions.

Additional agreements reached as part of this change form include the following:

Project Management Plans, Agreement Action Plan Section 11.5

Agreement Action Plan, Section 11.5, requiring the development and approval of Project Management Plans (PMP) will be reviewed and revised to address the ORP. Currently, one PMP submitted under Agreement milestone M-90-01 is under review by Ecology. Any action on this PMP, or development of any new PMP related to the Tank Treatment/Disposal effort, will be suspended until post Authorization To Proceed (ATP) (i.e., M-62-04: "Submit Phase I Target Dates & Milestones").

Critical Path, Agreement Action Plan Section 11.8

Agreement Action Plan, Section 11.8, will be reviewed and revised, as needed, to update the discussion of critical path relative to the responsibilities and activities of the ORP. In light of the developing nature of the integrated ORP project planning basis, both this requirement and any possible modifications to it will be deferred until post ATP. This item will be reviewed and revised when ORP completes development of the Contractor integrated project schedule (i.e., M-62-04: "Submit Phase I Target Dates & Milestones").

Impact of Change: (Continued)

This change request makes modifications to existing Agreement milestones M-20, M-26, M-45, and M-90. New milestones are also generated in new series M-47, M-62, and M-63 which will establish privatization primary and alternate paths. Modifications to the text of the Agreement are provided to incorporate the newly established DOE Office of River Protection (ORP) Tank Waste Remediation System (TWRS) organization into the Agreement.

Upon approval of the Authorization To Proceed, and completion of Phase I, the FY-2018 SST retrieval milestone will convert to be the completion date of Phase I. If the present privatization path is not successful, then the 2018 date will be converted into a new milestone based on Lessons Learned. The FY-2024 SST closure date will also be converted based upon the same criteria as that of the 2018 milestone date.

Modifications are depicted as follows:

Text to be deleted is indicated by ~~strikeout~~

Text to be added is indicated by shading

PROPOSED MODIFICATION OF ARTICLE V. DEFINITIONS

1. Add -- ~~“ORP” means the United States Department of Energy, Office of River Protection, its employees and Authorized Representatives~~
2. Add -- “RI” means the United States Department of Energy, Richland Operations Office, its employees and Authorized Representatives

PROPOSED MODIFICATION OF ARTICLE VIII. RESOLUTION OF DISPUTES

30.B. The Ecology designated member of the IAMIT is the Program Manager for the Nuclear Waste Program. DOE's designated member shall be the an Assigned Executive Manager ~~from RI or ORP~~. Notice of any delegation of authority from a Party's designated member on the IAMIT shall be provided to the other Party.

30.D. Following elevation of a dispute to the IAMIT, the IAMIT shall have twenty-one (21) days to unanimously resolve the dispute. If the IAMIT is unable to unanimously agree on a resolution of the dispute, the Director of Ecology shall make a final written decision or written determination no more than thirty-five (35) days after submission of the written statement of the dispute to the IAMIT. Upon request and prior to resolution of the dispute, ~~Ecology's Assistant Deputy Director for Waste Management shall meet with the RI Deputy Manager of U.S. Department of Energy, Richland Operations Office (DOE-RI), or ORP's Deputy Manager in instances involving TWRS issues~~ to discuss the matter. Any such meeting shall not extend the deadline by which the Director of Ecology shall make a final decision or determination. All Parties agree that this final decision or determination shall be deemed to have been decided as an adjudicative proceeding and that DOE may challenge Ecology's final decision or determination as provided by and subject to the standards contained in Ch. 34.05 RCW. If DOE objects to the decision or determination, DOE may file an appeal, at DOE's discretion, in either the Pollution Control Hearing Board (PCHB) or in the courts. If DOE elects to file an appeal from the decision directly in the courts, Ecology agrees that it will not raise an argument that initial jurisdiction of the matter should lie with the PCHB. For all disputes requiring a final decision or determination by the Director of Ecology, Ecology shall prepare an agency record in accordance with RCW 34.05.476. The agency record for review of such final decision or determination shall consist of the following documents: (1) the Ecology disapproval that DOE disputes; (2) the written notice of objection initiating the dispute; (3) the written statement of dispute, including all attachments; (4) any correspondence between project managers concerning the dispute; (5) IAMIT meeting minutes concerning the dispute, with attachments; (6) all other documents identified by Ecology as being considered before the final decision or determination and used as a basis for the decision or determination; (7) the Director of Ecology's final written decision or determination; and (8) this Agreement. The agency record shall constitute the basis for judicial review regarding the director's final decision or determination in accordance with RCW 34.05.558.

PROPOSED MODIFICATION OF ARTICLE XVI. RESOLUTION OF DISPUTES

59.D. The IAMIT will serve as a forum for resolution of disputes for which agreement has not been reached through informal dispute resolution. EPA and DOE shall each designate in writing one individual and an alternate to serve on the IAMIT. The individuals designated to serve on the IAMIT shall be employed at the Executive Managers level. The EPA representative on the IAMIT is the Project Manager, Hanford Project Office of EPA Region 10. DOE's representative on the IAMIT ~~shall~~ will be an the Assigned Executive Manager ~~from RI or ORP~~. Written notice of any delegation of authority from a Party's designated representative on the IAMIT shall be provided to the other Party pursuant to the procedures of Article XXXIII (Notification).

59.F. The SEC will serve as the forum for resolution of disputes for which agreement has not been reached by the IAMIT. EPA's representative on the SEC is the Director, Office of Environmental Clean Up of EPA Region 10.

DOE's representative on the SEC is the DOE Richland Operations Office Deputy Manager, ~~or the Deputy Manager of ORP in instances involving TWRS issues~~. The SEC members shall, as appropriate, confer, meet and exert their best efforts to resolve the dispute. The SEC shall have twenty-one (21) days to unanimously resolve the dispute.

PROPOSED MODIFICATION OF ARTICLE XXVI. DISPUTE RESOLUTION

92.C. The Ecology designated member of the SEC is the Assistant ~~Deputy~~ Director for Waste Management. EPA's designated member of the SEC is the Director, Office of Environmental Clean Up of EPA Region 10. The SEC will serve as the forum for resolution of disputes for which agreement has not been reached by the IAMIT. The SEC members shall, as appropriate, confer, meet and exert their best efforts to resolve the dispute. The ~~DOE-RL Deputy Manager~~ ~~or the Deputy Manager of ORP in instances involving TWRS issues~~ shall meet with the SEC to assist in resolving the dispute. The SEC shall have twenty one (21) days to unanimously resolve the dispute. Any successful resolution shall be documented, within an additional twenty one (21) days, by a jointly signed determination outlining the resolution reached. At such time, a copy of such documentation shall be sent to DOE.

PROPOSED MODIFICATION OF ARTICLE XLVIII. COST, SCHEDULE, SCOPE, INTEGRATION, PLANNING AND REPORTING

148.B. In the process of formulating its annual budget request, DOE may be subject to target funding guidance directed by the OMB. When DOE's target budget case differs from its full compliance funding case, the Parties agree to attempt to reach agreement regarding workscope, priorities, schedules/milestones, and Activity Data Sheet (ADS) funding levels required to accomplish the purpose of the Agreement, provided satisfactory progress has been made in controlling costs in accordance with the cost efficiency initiatives. These discussions shall be conducted before DOE-RL submits its annual budget request and supporting ADSs to DOE Headquarters (DOE-HQ) under signature of the ~~DOE-RL Manager~~ ~~and/or the ORP Manager~~.

PROPOSED MODIFICATION OF ACTION PLAN SECTION 4.2 INTERAGENCY MANAGEMENT INTEGRATION TEAM

The DOE, EPA and Ecology shall each designate a representative to act as a member of the Interagency Management Integration Team (IAMIT). The DOE representative shall be an RL Assistant Manager, ~~or the Director of RL's Environmental Assurance, Permits and Policy Division or an ORP Assistant Manager~~. The EPA representative shall be the Project Manager, Hanford Project Office. The Ecology representative shall be the Program Manager for the Nuclear Waste Program. The assigned representatives acting as members of the IAMIT shall be reasonably available in the Tri-Cities to perform the roles described in this section. Roles of the IAMIT or their designated representatives shall include the following responsibilities.

PROPOSED MODIFICATION OF ACTION PLAN SECTION 4.3 SENIOR EXECUTIVE COMMITTEE

The DOE, EPA and Ecology shall each designate a representative to act as a member of the Senior Executive Committee (SEC). The DOE representative shall be the RL ~~Deputy~~ Manager, ~~or the ORP Deputy Manager in instances involving TWRS issues~~. The EPA representative shall be the Director, Office of Environmental Clean Up. The Ecology representative shall be ~~Ecology's Deputy Director~~ ~~the Assistant Director for Waste Management~~.

PROPOSED MODIFICATION OF ACTION PLAN SECTION 14 SIGNATURE

For the United States Environmental Protection Agency:

Chuck Clarke Date
~~Regional Administrator, Region 10~~
U. S. Environmental Protection Agency

For the United States Department of Energy:

John Wagoner Keith Klein Date
~~Manager, Richland Operations Office~~
U.S. Department of Energy

For the Washington State Department of Ecology:

~~Mary Riveland Tom Fitzsimmons~~ Date
~~Director~~
Department of Ecology

PROPOSED MODIFICATION OF ACTION PLAN APPENDIX A

1. Add "~~ORP OFFICE OF RIVER PROTECTION~~" to listing of acronyms
2. Add the following definition to Appendix A:

~~Office of River Protection (ORP): DOE's organizational structure at the Hanford Site that is responsible for managing all aspects of the TWRS~~

Proposed Modification of Agreement Appendix E, page E-1:

APPENDIX E KEY INDIVIDUALS

	U.S. Environmental Protection Agency Region 10	Washington State Department of Ecology	U.S. Department of Energy, Richland Operations
Executive Managers	Project Manager for the Hanford Project Office (509) 376-9529	Program Manager for the Nuclear Waste Program (360) 407-7150	Assistant Manager for Waste Management (509) 376-7434 Assistant Manager for the Tank Waste Remediation System (509) 376-7594 Assistant Manager for the Office of River Protection, Tank Waste Processing and Disposal (509) 376-6677 Assistant Manager for the Office of River Protection, Tank Waste Storage and Retrieval (509) 376-6677 Assistant Manager for Environmental Restoration (509) 376-6628 Assistant Manager for Facility Transition (509) 376-7435 Assistant Manager for Technology Management (509) 372-4005 Director, Environmental Assurance, Permits, and Policy (509) 376-5441
	Environmental Protection Agency Region 10 712 Swift Blvd., Suite 5 Richland, WA 99352	Washington Department of Ecology Nuclear Waste Program P.O. Box 47600 Olympia, WA 98504-7600	U.S. Department of Energy Richland Operations Office P.O. Box 550 Richland, WA 99352
Community Relations Contacts	Public Involvement Representative (509) 376-8631	Public Involvement Supervisor (509) 735-7581	Public Involvement Program Manager (509) 373-5647
	Environmental Protection Agency Region 10 712 Swift Blvd., Suite 5 Richland, WA 99352	Washington Department of Ecology Nuclear Waste Program 1315 W. 4th Avenue Kennewick, WA 99336-6018	U.S. Department of Energy Richland Operations Office P.O. Box 550 Richland, WA 99352

New Target Dates, Interim Milestones, and Major Milestones to be established by this change request

Self Executing Provisions

With the exception of M.63.00.T01, all target dates (identified below in the format of M.XX.XX.TXX) established by this Change Control Form, and having completion dates subsequent to M.62.03, "DOE Authorization to Proceed" (ATP), Part B-2, Phase I, and M.62.00.T01, comprise the Primary Path for Treatment & Immobilization, and shall automatically:

- a. Convert from a target date to either a target date, or an interim or major milestone, as presented in Table I, upon affirmative decision to proceed with ATP under M.62.03, and thus establish a Treatment & Immobilization path through execution of Milestone M.62.04; or
- b. Are deleted in their entirety from the Agreement and have no further force or effect thereunder in the event that a negative decision to proceed with ATP is made under M.62.03, and will be replaced by establishment of other target dates, interim milestones, and major milestones establishing a Treatment & Immobilization Alternate Path embodied in the M.63 milestone series automatically created by a negative decision.

With regard to M.63.00.T01, in the event that a negative decision to proceed with ATP is made under M.62.03, it is agreed that M.63.00.T01 shall automatically be converted to a major and interim milestone respectively, fully enforceable under this Agreement, and that M.62.04 shall be automatically deleted in its entirety from the Agreement and have no further force or effect thereunder. In the event that an affirmative decision to proceed with ATP is made under M.62.03, it is agreed that M.63.00.T01 is automatically deleted in its entirety from the Agreement and shall have no further force or effect thereunder.

If the ATP is issued, action will follow per M.62.04. If ATP is not issued, then actions will follow per M.63.00.T01.

Primary/Alternate Path Decision Making Criteria

Primary Path Decision-Making Criteria: All of the following conditions must be met to remain on the primary path:

- Contractor completion of all deliverables and other contract requirements of Part B-1 under Contract No. DE-AC06-96RL13308, and a DOE determination of acceptable completion;
- DOE acceptance/agreement on Contractor Equity Commitment and Project Financial Closure;
- Successful completion of DOE/Contractor contract negotiations that result in an acceptable contractual basis for DOE to enter Part B-2 under Contract No. DE-AC06-96RL13308;
- DOE determination of Readiness to Proceed;
- Required Congressional authorization and appropriation to proceed to Part B-2 under Contract No. DE-AC06-96RL13308;
- DOE authorization of Part B-2 as currently established under Contract No. DE-AC06-96RL13308; the contract phase where Contractor will develop, finance, construct, own, operate, and deactivate their privatized facilities and provide waste treatment and immobilization services to DOE.

Alternate Path Decision-Making Criteria: If any of the conditions to remain on the primary path are not met, DOE at its sole discretion may elect to change from the Primary to the Alternate Path.

Table 1

MILESTONE	CONVERTED STATUS (POST-ATP)	DESCRIPTION	DATE
REGULATORY AND PERMITTING			
M.20.56.T01	INTERIM	SUBMIT CANISTER STORAGE FACILITY PART B DANGEROUS WASTE PERMIT APPLICATION TO ECOLOGY	12/31/00 6/30/03
M.20.56.T02	TARGET	PART B PERMIT ISSUED FOR CANISTER STORAGE FACILITY	TBD
M.20.57.T01	INTERIM	SUBMIT INTERIM ILAW STORAGE/DISPOSAL FACILITY PART B PERMIT APPLICATION TO ECOLOGY	12/31/00 7/30/04
M.20.57.T02	TARGET	PART B PERMIT ISSUED FOR ILAW STORAGE/DISPOSAL FACILITY	TBD
M.20.58.T01	INTERIM	SUBMIT ILAW DISPOSAL FACILITY PART B PERMIT APPLICATION TO ECOLOGY	12/31/03 6/30/08
M.20.58.T02	TARGET	PART B PERMIT ISSUED FOR ILAW DISPOSAL FACILITY	TBD
M.20.59.T01	INTERIM	SUBMIT TANK WASTE TREATMENT PLANT PART B PERMIT APPLICATION TO ECOLOGY	2/28/01
M.20.59.T02	TARGET	PART B PERMIT ISSUED FOR DOE-APPROVED TANK WASTE TREATMENT PLANT	TBD
M.20.00	MAJOR	<p>SUBMIT PART B PERMIT APPLICATIONS FOR CLOSURE/POST CLOSURE PLANS FOR ALL RCRA TSD UNITS. PERMIT APPLICATIONS, CLOSURE, AND POST-CLOSURE PLANS WILL BE SUBMITTED TO ECOLOGY FOR APPROVAL. INDIVIDUAL UNIT SUBMITTALS (ENFORCEABLE AS INTERIM MILESTONES) WILL OCCUR AS SHOWN IN APPENDIX D.</p> <p>PRE-CLOSURE WORK PLANS WILL BE PREPARED AND SUBMITTED FOR APPROVAL FOR TSD UNITS WHICH WILL ACHIEVE CLOSURE IN CONJUNCTION WITH THE DISPOSITION OF THE FACILITY IN WHICH THEY ARE CONTAINED.</p>	2/28/04 TBD
TREATMENT AND IMMOBILIZATION PRIMARY PATH			
M.45.11.T01	INTERIM	DOE-ORP TO SUBMIT PRELIMINARY SST MISSION PLAN	1/31/00
M.45.11.T02	INTERIM	DOE-ORP TO SUBMIT UPDATED/FINAL SST MISSION PLAN BASED ON ATP INITIATE NEGOTIATIONS FOR SST NEAR-TERM RETRIEVAL ACTIVITIES BASED UPON SST MISSION PLAN	4/30/01
M.45.11.T03	INTERIM	CONCLUDE RENEGOTIATION OF REMAINDER OF AGREEMENT M-45-00 SERIES REQUIREMENTS CONCURRENT WITH PHASE II NEGOTIATIONS AND MILESTONE M.62.08.T01	12/31/12
FEED DELIVERY PRIMARY PATH			
M.47.01.T01	INTERIM	<p>READINESS TO PROCEED - HIGH-LEVEL WASTE</p> <p>COMPLETE AN ASSESSMENT TO ESTABLISH THAT WASTE FEED DELIVERY SYSTEMS, STRUCTURES, AND COMPONENTS ARE INTEGRATED AND MANAGEMENT SYSTEMS ARE READY TO SUPPORT THE HIGH-LEVEL WASTE (HLW) PHASE I RETRIEVAL MISSION.</p>	1/31/06

<u>M.47.02.T01</u>	INTERIM	<p>READINESS TO PROCEED – LOW ACTIVITY WASTE</p> <p>COMPLETE AN ASSESSMENT TO ESTABLISH THAT WASTE FEED DELIVERY SYSTEMS, STRUCTURES, AND COMPONENTS ARE INTEGRATED AND MANAGEMENT SYSTEMS ARE READY TO SUPPORT THE LOW-ACTIVITY WASTE (LAW) PHASE I RETRIEVAL MISSION!</p>	<u>10/31/07</u>
<u>M.47.00.T01</u>	MAJOR	<p>COMPLETE FEED DELIVERY – PHASE I</p> <p>COMPLETE DELIVERY OF WASTE FEED TO CONTRACTOR REQUIRED TO COMPLETE PROCESSING THE MINIMUM ORDER QUANTITY (MOQ) OF WASTE WITHIN THE PERIOD DEFINED IN SECTION F OF CONTRACT DE-AC06-96RL13308</p>	<u>11/30/17</u>

TREATMENT AND IMMOBILIZATION PRIMARY PATH			
<u>M.62.00.T01</u>	MAJOR	<p>COMPLETE COMMERCIAL OPERATIONS – PHASE I TREATMENT & IMMOBILIZATION</p> <p>COMPLETE PROCESSING OF THE MINIMUM ORDER QUANTITY (MOQ) OF WASTE WITHIN THE PERIOD DEFINED IN SECTION F OF CONTRACT DE-AC06-96RL13308, WHICH IS NOMINALLY 10 PERCENT OF THE HANFORD TANK WASTE INVENTORY BY VOLUME!</p>	<u>2/28/18</u>
<u>M.62.01</u>	INTERIM	<p>COMPLETE CONTRACT DELIVERABLES – PART B-1, PHASE I</p> <p>CONTRACTOR COMPLETION AND ISSUANCE TO DOE OF THE DELIVERABLES AND SERVICES AS DESCRIBED THROUGH MONTH 20 OF PART B-1, PHASE I, DESCRIBED IN CONTRACT DE-AC06-96RL13308.</p>	<u>4/30/00</u>
<u>M.62.02</u>	INTERIM	<p>COMPLETE ALTERNATIVES ANALYSIS</p> <p>COMPLETE THE ALTERNATIVES ANALYSIS ESTABLISHED IN THE DOE ALTERNATIVE STUDIES WORK PLAN.</p>	<u>4/30/00</u>
<u>M.62.03</u>	INTERIM	<p>DOE AUTHORIZATION TO PROCEED – PART B-2, PHASE I</p> <p>COMPLETE DECISION PROCESS ESTABLISHED IN THE PART B-2 DECISION PLAN, ASSESS CONTRACTOR READINESS TO PROCEED WITH PART B-2, AND: 1) AUTHORIZE CONTRACTOR TO PROCEED WITH PART B-2 OF CONTRACT DE-AC06-96RL13308 (PRIMARY PATH), OR 2) DO NOT AUTHORIZE CONTRACTOR TO PROCEED WITH PART B-2 OF THE CONTRACT (ALTERNATE PATH). THIS MILESTONE HAS A 9 MONTH EXTENSION PERIOD; IF REQUIRED, TO BE EXERCISED AT THE SOLE DISCRETION OF DOE.</p>	<u>8/31/00</u>
<u>M.62.04</u>	INTERIM	<p>SUBMIT PHASE I TARGET DATES & MILESTONES</p> <p>DOE SUBMIT TO ECOLOGY TARGET DATES, INTERIM MILESTONES, AND MAJOR MILESTONES BASED ON THE INTEGRATED PROJECT SCHEDULE AND AN AFFIRMATIVE DECISION AT ATP. THIS MILESTONE HAS A 9 MONTH EXTENSION PERIOD, IF REQUIRED, TO BE EXERCISED AT THE SOLE DISCRETION OF DOE.</p>	<u>2/28/01</u>
<u>M.62.05.T01</u>	INTERIM	<p>START OF CONSTRUCTION – PHASE I TREATMENT & IMMOBILIZATION</p> <p>FIRST PLACEMENT OF STRUCTURAL CONCRETE [AS DEFINED] UNDER THE CONSTRUCTION AUTHORIZATION REQUEST (CAR)</p>	<u>7/31/01</u>
<u>M.62.06.T01</u>	INTERIM	<p>START (HOT) COMMISSIONING – PHASE I TREATMENT & IMMOBILIZATION</p> <p>COMMENCEMENT OF THE STARTUP AND ACCEPTANCE TESTING OF THE EQUIPMENT IN THE TREATMENT AND IMMOBILIZATION FACILITY (IES) USING HANFORD TANK WASTES!</p>	<u>4/03/06</u>

<u>M.62.07.T01</u>	INTERIM	START COMMERCIAL OPERATION - PHASE I TREATMENT & IMMOBILIZATION THE ACHIEVEMENT OF A SUSTAINED THROUGHPUT OF ALL THREE WASTE PROCESSES (PRETREATMENT, LOW ACTIVITY WASTE VITRIFICATION AND HIGH LEVEL WASTE VITRIFICATION) WITH A DEMONSTRATED AVAILABILITY TO MEET COMPLETION OF PROCESSING THE MINIMUM ORDER QUANTITY (MOQ) OF WASTE WITHIN THE PERIOD DEFINED IN SECTION F OF CONTRACT DE-AC06-96RL13308.	<u>4/01/09</u>
<u>M.62.08.T01</u>	INTERIM	NEGOTIATE TARGET DATES AND MILESTONES - PHASE II BASED ON THE OPERATING EXPERIENCE IN PHASE I, INITIATE NEGOTIATIONS OF TARGET DATES, INTERIM MILESTONES AND MAJOR MILESTONES ASSOCIATED WITH PHASE II.	<u>12/31/12</u>
TREATMENT AND IMMOBILIZATION ALTERNATE PATH			
<u>M.63.00.T01</u>	MAJOR	ESTABLISH TARGET DATES AND MILESTONES - ALTERNATE PATH COMPLETE NEGOTIATIONS ESTABLISHING FIVE (5) ENFORCEABLE MILESTONES FOR THE ALTERNATE PATH. THIS MILESTONE HAS A 9- MONTH EXTENSION PERIOD TO BE EXERCISED AT THE SOLE DISCRETION OF DOE.	<u>11/30/01</u>
STORAGE AND DISPOSAL FACILITIES			
<u>M.90.03.T01</u>	INTERIM	INITIATE ILAW INTERIM STORAGE FACILITY CONSTRUCTION INITIATION OF CONSTRUCTION OCCURS WHEN DOE OR ITS CONTRACTORS (AS AUTHORIZED) ISSUES AN APPROVAL TO START CONSTRUCTION, AND STRUCTURAL MODIFICATION OF AN EXISTING FACILITY, OR INSTALLATION OF STRUCTURAL COMPONENTS OF A NEW FACILITY COMMENCES. AWARD OF A CONTRACT FOR STRUCTURAL MODIFICATIONS TO EXISTING FACILITY(IES) OR INSTALLATION OF STRUCTURAL COMPONENTS TO A NEW FACILITY(IES).	<u>6/30/04</u> <u>10/31/04</u>
<u>M.90.04.T01</u>	INTERIM	COMPLETE ILAW INTERIM STORAGE FACILITY DETAILED DESIGN	<u>6/30/04</u> <u>6/30/04</u>
<u>M.90.06.T01</u>	INTERIM	INITIATE HOT OPERATIONS OF ILAW INTERIM STORAGE FACILITY (LOW ACTIVITY WASTE UNITS PLACED WITHIN THESE FACILITIES WILL BE DESIGNED SO AS TO BE RETRIEVABLE IF NECESSARY). COMPLETION OF CONSTRUCTION, STARTUP, PERMITTING, AND PRE-OPERATIONAL ACTIVITIES REQUIRED TO BEGIN RADIOACTIVE OPERATIONS.	<u>12/31/02</u> <u>1/31/08</u>
<u>M.90.07.T01</u>	INTERIM	COMPLETE ILAW DISPOSAL FACILITY CONCEPTUAL DESIGN	<u>6/30/00</u> <u>6/30/04</u>
<u>M.90.08.T01</u>	INTERIM	INITIATE ILAW DISPOSAL FACILITY CONSTRUCTION INITIATION OF CONSTRUCTION OCCURS WHEN DOE OR ITS CONTRACTOR (AS AUTHORIZED) ISSUES AN APPROVAL TO START CONSTRUCTION, AND MODIFICATION OF AN EXISTING FACILITY, OR INSTALLATION OF STRUCTURAL COMPONENTS OF A NEW FACILITY COMMENCES. AWARD OF A CONTRACT FOR STRUCTURAL MODIFICATIONS TO EXISTING FACILITY(IES) OR INSTALLATION OF STRUCTURAL COMPONENTS TO A NEW FACILITY(IES).	<u>6/30/03</u> <u>11/30/07</u>
<u>M.90.09.T01</u>	INTERIM	COMPLETE ILAW DISPOSAL FACILITY DETAILED DESIGN	<u>3/31/03</u> <u>9/30/07</u>

M.90.10 01	INTERIM	INITIATE HOT OPERATIONS OF ILAW DISPOSAL FACILITY (LOW ACTIVITY WASTE UNITS PLACED WITHIN THESE FACILITIES WILL BE DESIGNED SO AS TO BE RETRIEVABLE IF NECESSARY)	12/31/05 5/31/02
M.90.11 01	INTERIM	COMPLETE CANISTER STORAGE FACILITY CONSTRUCTION COMPLETION OF THIS MILESTONE REQUIRES THE COMPLETION OF ALL CONSTRUCTION, INTERNAL/EXTERNAL FACILITY(S) MODIFICATIONS AND STARTUP ACTIVITIES NECESSARY FOR CANISTER 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 MILESTONES PHASE I IHLW CANISTER STORAGE IS DEFINED AS THE CAPABILITY FOR STORAGE OF AT LEAST 500 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.	12/31/03 2/01/07

Milestones to be Held in Abeyance

In recognition of the preceding, and of the need to modify agreement requirements for the acquisition and operation of DOE's Hanford Site tank waste processing facilities, the parties also agree that milestones contained in Table 2 will be held in abeyance, and their completion dates be modified to reflect their status as "to be determined" (TBD), until re-negotiated as appropriate under new proposed milestones M-45-11-T02 and M-45-11-T03. At the time each such renegotiation is undertaken, DOE will inform Ecology which milestones will be addressed by each negotiation.

Table 2

MILESTONE	DESCRIPTION	DATE
M-45-03-T01	COMPLETE SST WASTE RETRIEVAL DEMO	9/30/03
M-45-03-T02	INITIATE FINAL RETRIEVAL DEMO OF C-106	06/30/02
M-45-04-T01	PROVIDE INITIAL SST RETRIEVAL SYSTEMS	11/30/02
M-45-04-T02	COMPLETE DESIGN FOR INITIAL SST RETRIEVAL SYSTEMS	12/31/00
M-45-04-T03	COMPLETE CONSTRUCTION FOR THE INITIAL SST RETRIEVAL SYSTEMS	06/30/03
M-45-05	RETRIEVE WASTE FROM ALL REMAINING SSTs	09/30/18
M-45-05-T01	INITIATE TANK WASTE RETRIEVAL FROM 1 SST	12/31/03
M-45-05-T02	INITIATE TANK WASTE RETRIEVAL FROM 2 ADDITIONAL SSTs	09/30/04
M-45-05-T03	INITIATE TANK WASTE RETRIEVAL FROM 3 ADDITIONAL SSTs	09/30/05
M-45-05-T04	INITIATE TANK WASTE RETRIEVAL FROM 4 ADDITIONAL SSTs	09/30/06
M-45-05-T05	INITIATE TANK WASTE RETRIEVAL FROM 5 ADDITIONAL SSTs	09/30/07
M-45-05-T06	INITIATE TANK WASTE RETRIEVAL FROM 5 ADDITIONAL SSTs	09/30/08
M-45-05-T07	INITIATE TANK WASTE RETRIEVAL FROM 7 ADDITIONAL SSTs	09/30/09
M-45-05-T08	INITIATE TANK WASTE RETRIEVAL FROM 8 ADDITIONAL SSTs	09/30/10
M-45-05-T09	INITIATE TANK WASTE RETRIEVAL FROM 10 ADDITIONAL SSTs	09/30/11
M-45-05-T10	INITIATE TANK WASTE RETRIEVAL FROM 12 ADDITIONAL SSTs	09/30/12
M-45-05-T11	INITIATE TANK WASTE RETRIEVAL FROM 14 ADDITIONAL SSTs	09/30/13
M-45-05-T12	INITIATE TANK WASTE RETRIEVAL FROM 17 ADDITIONAL SSTs	09/30/14
M-45-05-T13	INITIATE TANK WASTE RETRIEVAL FROM 20 ADDITIONAL SSTs	09/30/15
M-45-05-T14	INITIATE TANK WASTE RETRIEVAL FROM 20 ADDITIONAL SSTs	09/30/16
M-45-05-T15	INITIATE TANK WASTE RETRIEVAL FROM 20 ADDITIONAL SSTs	09/30/17
M-45-08	ESTABLISH FULL SCALE CAPABILITY FOR MITIGATION WASTE TANK LEAKAGE DURING RETREIVAL	6/30/03
M-45-08A	COMPLETE SYSTEM DESIGN AND OPERATING FOR TANK LEAK MONITORING AND MITIGATION FOR INITIAL RETRIEVAL SYSTEMS	12/31/00
M-45-08B	COMPLETE DEMONSTRATION AND INSTALLATION OF LEAK MONITORING/DETECTION AND MITIGATION SYSTEMS FOR INITIAL SST RETRIEVAL	06/30/03
M-45-10A-T1	SUBMIT DQOs IN SUPPORT OF TWRS PRIVATIZATION PHASE II CONTRACT	05/31/99

In recognition of the preceding, and of the need to modify agreement requirements for the acquisition and operation of DOE's Hanford Site tank waste processing facilities, the parties also agree that milestones contained in Table 3 will be held in abeyance, and their completion dates be modified to reflect their status as "to be determined" (TBD), until re-negotiated as appropriate under new proposed milestones M-62-04. At the time each such renegotiation is undertaken, DOE will inform Ecology which milestones will be addressed by each negotiation.

Table 3

MILESTONE	DESCRIPTION	DATE
M-61-01	START CONSTRUCTION OF PHASE I LAW PRETREATMENT AND IMMOBILIZATION FACILITY START OF CONSTRUCTION OCCURS WHEN THE DEPARTMENT OF ENERGY ISSUES A NOTICE TO PROCEED AND IT'S CONTRACTOR COMMENCES PLACEMENT OF FIRST STRUCTURAL CONCRETE ON THE PROJECT'S PRIMARY FACILITY.	TBD
M-61-02	INITIATE HOT OPERATIONS OF PHASE I LAW PRETREATMENT AND IMMOBILIZATION FACILITY	12/31/03
M-61-03	INITIATE NEGOTIATIONS ON PHASE II LAW PRETREATMENT AND IMMOBILIZATION MILESTONE. THE PARTIES ANTICIPATE COMPLETION OF THESE NEGOTIATIONS WITHIN SIX (6) MONTHS.	12/31/04

Milestones to be Deleted

In recognition of the preceding, and of the need to modify Agreement requirements for the acquisition and operation of DOE's Hanford Site tank waste processing facilities, the parties also agree to the following: Agreement interim milestones and target dates in the M-50-00 and M-51-00 series will be deleted on approval of this modification as listed in Table 4.

Table 4

MILESTONE	DESCRIPTION	DATE
M-50-04	START HOT OPERATIONS OF HLW PRETREATMENT FACILITY	06/30/08
M-50-04-T03	START CONSTRUCTION OF HLW PRETREATMENT FACILITY	06/30/01
M-51-03	INITIATE HOT OPERATIONS OF THE HLW VITRIFICATION FACILITY	12/31/09
M-51-03-T03	INITIATE CONSTRUCTION OF THE HLW VITRIFICATION FACILITY	06/30/02
M-51-03-T04	COMPLETE CONSTRUCTION OF THE HLW VITRIFICATION FACILITY	12/31/07
M-51-04B-T1	SUBMIT TO ECOLOGY A DOE-APPROVED DATA QUALITY OBJECTIVE(S) (DQOs) THAT HAS BEEN DEVELOPED AND/OR REVISED WITH ECOLOGY'S ACTIVE PARTICIPATION, FOR HLW FEED STAGEING BASED UPON AVAILABLE INFORMATION, THAT IDENTIFIES THE TANK WASTE CHARACTERIZATION INFORMATION IN SUPPORT OF TANK WASTE REMEDIATION SYSTEM (TWRS) PRIVATIZATION PHASE II CONTRACT(S). ECOLOGY WILL ACCEPT OR REJECT THE DQO FOR M-51-04B-T1 WITHIN ONE MONTH OF THE FINAL DQO BEING APPROVED AND SUBMITTED BY DOE.	05/31/99