June 8, 2001

Keith Klein, Manager Department of Energy, Richland Operations P.O. 550 (A7-50) Richland, WA 99352

Harry Boston, Manager Department of Energy, Office of River Protection 2440 Stevens Richland, WA 99352

Re: Fiscal Year 2002 and 2003 Budgets

Dear Messrs Klein and Boston,

The U.S. Department of Energy (DOE) proposed fiscal year (FY) 2002 and preliminary FY 2003 budgets signal an intent to slow Hanford cleanup progress. These budgets will result in stopping cleanup work important to the protection of the Columbia River. These budgets slow the plan for addressing tank wastes, and they create unnecessary inefficiencies by stopping work currently underway, only to restart it later. In addition, these budgets will result in missing 50% of the carefully considered and planned milestones committed to in the region's cleanup master plan, the Hanford Federal Facility Agreement and Consent Order, commonly referred to as the Tri-Party Agreement (TPA).

Regrettably, if the DOE proposed FY 2002 budget remains a reality, the Hanford Advisory Board (HAB) concludes the only practical remedy insist the Environmental Protection Agency (EPA) and the Washington State Department of Ecology (Ecology) carry out their enforcement responsibilities to restore cleanup progress to the pace committed to in all TPA milestones.

Background

For those new to DOE policy and budget setting roles, the following brief summary illustrates the huge magnitude and complexity of the Hanford cleanup task.

The 500 square mile Hanford Site, located in Washington State, borders the Columbia River. The area surrounding Hanford is some of the most productive orchard and farmland in the United States. The Columbia River, its tributary rivers, and underground water sources located in and around Hanford are threatened by the enormous quantity of environmentally hazardous substances present in various forms at Hanford. As the Columbia River is threatened, so then are the people of the Northwest who count on its water for irrigation, drinking, and food and recreation.

HAB Consensus Advice #120 Subject: Fiscal Year 2002 and 2003 Budgets Adopted: June 8, 2001 Page 1 Beneath Hanford is about a 5 square mile plume of toxic carbon tetrachloride and estimated 200 square mile plume of radioactive tritium, both moving steadily to the Columbia River. Buried in the Hanford soil are over 275 thousand cubic yards of waste in decaying barrels and boxes. As many as 27,000 of these barrels and boxes have decayed to the point that the radioactive and toxic waste they held has spilled into the soil. Nine defunct nuclear reactor complexes, five large nuclear chemical processing canyons, and numerous other buildings house an enormous source term of radioactive and hazardous materials, which pose a danger of getting into the environment and, eventually, the Columbia River. Also buried at Hanford are 177 tanks holding more than 53 million gallons of hazardous and high level radioactive liquid waste. Sixty-seven of these tanks have already leaked more than 1,000,000 gallons to the ground. Some of those 1,000,000 gallons of waste have already reached the groundwater and are on their way to the Columbia River. Some of the 53 million gallons remaining are stored in tanks aged well beyond their design life and, thus, pose a threat of future leaks. Future leaks will follow the previous million gallons into the ground and to the Columbia River. Fences will not stop these nuclear wastes in their inexorable flow to the Columbia River. A well-funded cleanup effort can.

For the past six years, the DOE has made some progress in the cleanup of Hanford. That progress has been slower than any of us want. But, much of the cleanup work at Hanford has required the use of new and developing technologies, not to mention the complex management systems necessary to undertake the Hanford cleanup mission. For some of this work, nobody, anywhere else in the world, has done it before. To protect the workers and the environment, that means slow and careful going, at first.

Hanford cleanup is finally on the right track and the pace can now be quickened as planned. A number of cost saving and strategic management initiatives have been initiated in recent years, some as the result of previous site-wide reviews and others as the result of public and regulator pressure or HAB advice. The HAB objects to delaying any planned work while conducting the DOE Headquarters "top-to-bottom" review.

DOE Field Offices Deserve Credit

DOE-Richland Operations Office (DOE-RL) and the DOE-Office of River Protection (DOE-ORP) deserve much credit for implementing a significant number of innovative and strategic approaches to achieve cleanup results. The HAB commends the two DOE offices for their contract reform and management initiatives, such as:

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- Overall contracts which are performance-based and have incentives favorable to both DOE and the contractors;
- Overall contracts that allow for effective baseline management and align site work to specific prioritized cleanup objectives;
- Recent cost-effective rethinking of "work packages," including the very successful interim safe storage of reactors initiative.

The DOE contract negotiating position is significantly weakened without the ability to commit to budgetary support for multi-year contracts. The FY 2002 budget undermines contracts recently entered into for Hanford cleanup.

The HAB strongly advises that both DOE-RL and DOE-ORP be given necessary budgetary support to live up to the terms of their contracts. Decision-making authority should be delegated to the field rather than reserved at DOE-Headquarters. The DOE field offices have successfully proven the effectiveness and wisdom of making decisions locally when carrying out a mission as complex as the Hanford cleanup.

Proposed Budgets Violate the HAB's Statement of Principles

Two years ago, the Hanford Advisory Board adopted a Statement of Principles that included nine issues of concern. Under the proposed budgets, progress on most of these issues of concern is denoted by an up arrow (\uparrow) and degradation of these issues is indicated by a down arrow (\downarrow) , as follows:

Tri-Party Agreement (TPA) Compliance

The TPA, this region's cleanup master plan, is in serious, perhaps irreparable, trouble. DOE must not unilaterally and illegally suspend work towards any TPA milestones. Honoring and enforcing the clean-up agreement includes providing the funding to meet all milestones. The proposed budgets will result in DOE reneging on its commitment to the TPA. Fifty percent or more of the milestones will be missed.

Tank Waste Retrieval and Vitrification –

The vitrification plant construction is slowed and \$60 million is removed from operations of the extremely high-risk tank farm facilities. Infrastructure improvements are mostly unfunded.

Removal of Spent Fuel and Sludge from the K Basins -

Adequately supported if the current year's cost and schedule overruns result in no impact on meeting FY 2001/2003 schedules, and if safety is not sacrificed for meeting schedules.

Protection of the Columbia River and Groundwater

Protection of the Columbia River is in serious jeopardy. Work identified in the EPA Five-Year Review must be funded to ensure protection of the environment and human health. Work to develop technology to analyze and treat groundwater, wells to adequately monitor pollutant plumes (e.g., near burial grounds per previous HAB advice), and work to eliminate large source terms, e.g., the 300 Area sources and cocooning the nine reactors along the shores of the Columbia River, are all victims of the budget shortfall.

Cleanup of High Risk Facilities (Focus on the Plutonium Finishing Plant) -

Good support for the Plutonium Finishing Plant. Less than adequate support for the tank farms as noted above.

Management for Results ⁻

Local DOE offices have made progress; however, as an agency, the DOE lacks the will to proceed where years of effort have now positioned Hanford to progress with confidence.

Predictable and Adequate Cleanup Budgets

The proposed FY 2002 budget is nearly a half billion dollars short of what is required by the Hanford baseline plan, the TPA. Based on currently available information, an even greater shortfall will exist for FY 2003.

Protect Worker Safety, the Public, and the Environment

Worker training (e.g., the Hazardous Materials Management and Emergency Response Training and Education Center [HAMMER]) and infrastructure (e.g., water and sewer system replacement, building maintenance, road repair, etc.) are inadequately supported by the budget. Additionally, the workforce upheaval resulting from stopping then restarting work or worse, layoffs, have compounding inefficiencies that are extremely wasteful.

Maintenance of Strong and Effective Public Involvement

The public has been shut out of the budgeting process for FY 2002/2003. DOE failed to provide budget information for FY 2002/2003, as required by

the TPA, to the regulators and the public so that meaningful input could be provided.

Seven of nine issues degrade under the FY 2002 budget. The HAB vision of "Moving resolutely forward to site cleanup..." will not be realized.

Summary

The proposed FY 2002 budget results in an unacceptable slowing of cleanup progress at Hanford. The HAB insists the EPA and Ecology carry out their enforcement responsibilities to restore cleanup progress to the pace committed to in all TPA milestones.

Very truly yours,

Todd Martin, Chair Hanford Advisory Board

cc: Carolyn Huntoon, Department of Energy Headquarters Chuck Clarke, U.S. Environmental Protection Agency, Region 10 Tom Fitzsimmons, Washington Department of Ecology Wade Ballard, Deputy Designated Federal Official The Oregon and Washington Congressional Delegations Michael Gearheard, Environmental Protection Agency Robert Nelson, University of Maryland Honorable Spencer Abraham, Secretary of Energy

This advice represents HAB consensus for this specific topic. It should not be taken out of context to extrapolate Board agreement on other subject matters.

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