

March 29, 2002

The Honorable Spencer Abraham  
Secretary of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585-1000

Dear Secretary Abraham:

The Defense Nuclear Facilities Safety Board (Board) has received a letter, dated January 29, 2002, transmitting the results of a Department of Energy (DOE) independent assessment of the Performance Based Incentives for high-level waste operations at the Savannah River Site. This assessment was conducted to meet Commitment 4.1 of the Implementation Plan for Recommendation 2001-1, *High-Level Waste Management at the Savannah River Site*.

The Board notes that the assessment team made three recommendations to further ensure that near-term production at the Defense Waste Processing Facility is not over emphasized at the expense of safety margin in the Tank Farms. The Board believes that these recommendations, if implemented, would lead to an enhanced safety posture. To summarize, the three recommendations are: (1) development of a new Performance Based Incentive focused on source reduction (note that the largest source is recycle waste from the Defense Waste Processing Facility); (2) application of negative incentives if the contractor fails to manage Type III double-shell tank space adequately; and (3) addition of administrative controls, involving DOE decision makers, that prohibit waste transfers to the old-style Type I (and possibly Type II and IV) tanks.

Pursuant to 42 U.S.C. § 2286b(d), the Board requests a report within 60 days of receipt of this letter that documents the actions taken to address these three recommendations.

Sincerely,

John T. Conway  
Chairman

c: The Honorable Jessie Hill Roberson  
Mr. Greg Rudy  
Mr. Mark B. Whitaker, Jr.