

John T. Conway, Chairman
A.J. Eggenberger, Vice Chairman
Joseph J. DiNunno
Herbert John Cecil Kouts
John E. Mansfield

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

625 Indiana Avenue, NW, Suite 700, Washington, D.C. 20004-2901
(202) 208-6400



May 14, 1999

The Honorable Bill Richardson
Secretary of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1000

Dear Secretary Richardson:

The Defense Nuclear Facilities Safety Board (Board) has closely followed the Department of Energy's (DOE) efforts to stabilize nuclear materials in response to the Board's Recommendation 94-1. The construction of the Actinide Packaging and Storage Facility (APSF) at the Savannah River Site (SRS) plays a pivotal role in DOE's plans to meet its commitments under Recommendation 94-1 to achieve the stabilization and safe storage of plutonium metal and oxide, as well as neptunium. In this regard, the Board was encouraged by your letter of December 28, 1998, which provided assurance that DOE would aggressively pursue resolving technical issues and obtain resources to complete construction of the APSF as quickly as possible.

In the original February 1995 implementation plan for Recommendation 94-1, DOE proposed delaying stabilization and final packaging of plutonium metals and oxides stored at SRS until the APSF was constructed and operational. Initially, the APSF was to have the capability to stabilize and package special nuclear materials stored at SRS, and included sufficient vault space to store the repackaged materials. In 1997, the DOE decided upon a design change to increase the size of the vault to accommodate materials from the Rocky Flats Environmental Technology Site (RFETS). In 1998, DOE decided to store the majority of the materials to be received from RFETS in shipping containers in the SRS K-Area as a means to accelerate the deinventory of RFETS, and to use the APSF to store plutonium materials to be received from the Hanford Site. Throughout these changes in design and mission, two functions of APSF have remained constant—stabilization and repackaging of the SRS inventory of plutonium metals and oxides to meet the safe storage standard, DOE-STD-3013, and safe storage and surveillance of the stabilized SRS plutonium and neptunium materials.

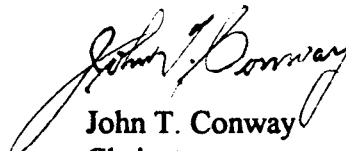
The revised implementation plan for Recommendation 94-1 forwarded by your letter of December 28, 1998, identified that APSF construction could be delayed by up to two years. Because of the importance of APSF in DOE's plans for meeting its Recommendation 94-1 commitments, the Board requested in its January 28, 1999, response to your letter a report from DOE detailing the effect of delaying construction of APSF, as well as the proposed resolution of the technical and funding issues contributing to the delay. The Board was informed by a letter of March 26, 1999, from Mr. David Huizenga, Acting Deputy Assistant Secretary for Nuclear Material and Facility Stabilization, that a systems engineering evaluation would be conducted to evaluate plutonium material management functions and new storage facilities at SRS in light of

the significantly increased cost of the expanded APSF and recent DOE decisions to locate fissile material disposition facilities at SRS. This letter deferred the requested report on APSF until the end of June 1999 to allow the systems engineering evaluation to be completed.

While awaiting the June 1999 report on APSF, the Board became aware that DOE was planning to divert APSF funding to other activities. This was finally confirmed by a May 10, 1999, letter from Mr. James M. Owendoff, Acting Assistant Secretary for Environmental Management, that DOE has concluded that it is necessary to reprogram fiscal year 1999 funding from the APSF to support stabilization of plutonium solutions at the HB-Line facility and upgrades to safety-related exhaust equipment in the F- and H-Canyons, all at SRS. Such action is likely to result in further delays to APSF. The Board agrees that operation of the HB-Line facility and completion of upgrades to the F- and H-Canyon exhaust equipment are vital to the SRS mission to stabilize the nuclear materials addressed by Recommendation 94-1 (e.g., plutonium, neptunium, and spent nuclear fuel). However, the Board believes that APSF's functions are also vital to plutonium stabilization activities at SRS, and play an important role in DOE's complex-wide efforts to consolidate its plutonium holdings in modern, safe facilities at sites with enduring missions. The May 10, 1999, letter, taken together with the very limited funding identified in the DOE fiscal year 2000 Congressional budget request for APSF, suggest that notwithstanding your December letter, others within DOE have already decided not to pursue construction of the APSF, in advance of performing the systems engineering evaluation of how best to provide its intended functions and evaluating what effects such a decision may have on other commitments throughout the complex.

Despite frequent direct interfaces with senior representatives of the Office of Environmental Management, the Board was not informed that this reprogramming of funding was detailed in the DOE budget request until receipt of the May 10, 1999, letter. The Board wishes to express its continued support for timely completion of all Recommendation 94-1 activities, and urges DOE to make the required resources available without trading off among Recommendation 94-1 priorities.

Sincerely,



John T. Conway
Chairman

c: Mr. Mark B. Whitaker, Jr.

Enclosure