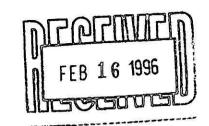


Department of Energy

Washington, DC 20585

February 9, 1996



Ms. Marilyn B. Reeves Chair, Hanford Advisory Board 800 NW Sixth Avenue, Suite 342 Portland, OR 97209-3715

Dear Ms. Reeves:

The Department of Energy would like to thank you for your letter on behalf of the Hanford Advisory Board dated December 8, 1995. Your letter expressed concern over the budget assumptions used in the Richland Operations Office proposed Environmental Restoration Long-Range Plan. Specifically, you indicated that the assumptions would cause the Department to violate the Tri-Party Agreement and that the assumptions linked to flat funding would delay cleanup activities, thus increasing the cost of final remediation. Moreover, you noted the impact that the long-range plan's assumptions has on funding and cleanup priorities, and requested that the Board be allowed to review the planning assumptions when any significant departure from the previous planning assumptions is being considered.

In responding to these concerns, first let me explain that the Environmental Restoration Long-Range Plan presented to the Board's subcommittee was a draft intended to be reviewed by all Hanford stakeholders. The Environmental Restoration Long-Range Plan is used to evaluate budget and work scope priorities, and during budget planning, it is a tool for mapping out overall Environmental Restoration program work scope, which assists in developing the Activity Data Sheets. In fact, the very purpose of presenting the draft long-range plan to Hanford stakeholders in December was to obtain their comments prior to developing the fiscal year 1998 Activity Data Sheets, thereby ensuring that stakeholder views would be fully reflected in the new version.

Furthermore, the Department has made a firm commitment to involving Hanford stakeholders in its plans for cleaning up the site. The Richland Operations Office is not planning to, nor would it, adopt major new budget assumptions without first engaging stakeholders in public discussion and review. As in the past, the Richland Operations Office will ensure that regulators, Tribes, and the Hanford Advisory Board participate in the budget planning and review process.

Lastly, and most important, please allow me to assure you that the Department has always strived to meet its legal commitments by requesting the necessary funding from Congress, both at Hanford and at all of its sites around the country. Certainly, in these times of

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declining budgets, there will be the need for continued discussions on the appropriate work to be proposed for the Hanford budget.

The Department appreciates the Board's continued interest in the cleanup program at the Hanford site.

Sincerely.

Richard J. Guimond

Assistant Surgeon General, USPHS Principal Deputy Assistant Secretary for Environmental Management