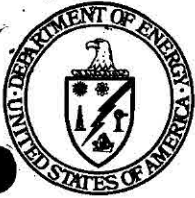


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## Department of Energy

Washington, DC 20585

June 25, 1998

Ms. Marilyn B. Reeves, Chair  
Hanford Advisory Board  
Technical Resources International, Inc.  
723 The Parkway  
Suite 200  
Richland, Washington 99352

Dear Ms. Reeves:

Thank you for your recent letter conveying the Hanford Advisory Board's themes and direction for the FY 2000 Environmental Management budget. We appreciate the work and accomplishments of the Board over the past several years.

Please be assured that the Department of Energy will request full funding from the Office of Management and Budget for all legally required activities at Hanford and at all of our sites. The Department places a high priority on compliance with environmental laws, regulations, agreements, standards, nuclear safety rules and other applicable requirements. Additionally, the Department supports the Tri-Party Agreement and we believe that the Hanford Site is safer today because of the agreement.

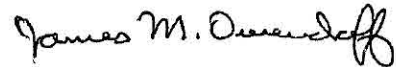
We appreciate your concern in regard to funding shortfalls. We will continue to address this issue in a variety of methods, including contract reform, program integration, the use of better cleanup technologies and pressing for additional efficiencies. We intend to continue to work with the Office of Management and Budget to ensure that our budget targets for future years will support all of our compliance requirements.

Our priorities for allocating funds will continue to be based on risk, compliance, and mortgage reduction. Our highest priority is to ensure funding for activities required to protect public health and safety. We are also committed to honoring our compliance agreements. Finally, we believe that our prudent investments in reducing mortgage costs will yield substantial savings in future years. We expect to be able to use the "savings" that result from completing work at a site to help meet the remaining needs and accelerate other work. The draft report, *Accelerating Cleanup: Paths to Closure*, along with the new budget structure, demonstrates our commitment to achieving these savings opportunities.



Please be assured that the FY 2000 Budget Advice you provided will be thoroughly reviewed by my Headquarters staff. As we continue to formulate the FY 2000 Environmental Management budget, we will keep all of your recommendations in mind.

Sincerely,



James M. Owendoff  
Acting Assistant Secretary  
for Environmental Management