

HANFORD ADVISORY BOARD

A Site Specific Advisory Board, Chartered under the Federal Advisory Committee Act

Advising:

US Dept of Energy
US Environmental
Protection Agency
Washington State Dept
of Ecology

June 8, 2007

James Rispoli
U.S. Department of Energy, Headquarters
1000 Independence Avenue
Washington, D.C. 20585

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Susan Leckband

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Jay Manning, Director
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

Re: Costs and Baseline Schedules

Dear Messrs. Rispoli and Manning and Ms. Miller,

Background

The Hanford Advisory Board (Board) has repeatedly advised that baselines should reflect compliance with the Tri-Party Agreement (TPA) and applicable standards. Department of Energy-Office of River Protection's (DOE-ORP) new baseline does not. In addition, baselines should only be changed or adopted with regulator and public review. DOE-ORP's new baseline was not.

The TPA is the guiding document for schedules and commitments for Hanford cleanup. It has been modified on many occasions for technical or other reasons, but TPA changes have always been made through a collaborative effort between the agencies with opportunities for public review and comment.

For regulators, the Board and the public to provide meaningful input to cleanup budget priorities and to provide support for adequate cleanup funding, it is necessary to review:

- The costs of TPA or other legally required cleanup work which DOE would not perform within the funding expected under DOE's "target"

HAB Consensus Advice #199
Subject: Costs & Baseline Schedules
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budgets, which are approved by the White House Office of Management and Budget (OMB); and,

- The costs of cleanup work which may mitigate the impacts from delays and missed milestones, or which may help to recover from delays.

These are referred to by DOE as “over target” activities.

The Board is disturbed that:

- DOE-ORP’s new baselines, disclosed to Congress in the Fiscal Year (FY) 2008 Budget Request and accompanying Five Year Plan, unilaterally adopted schedules to complete the cleanup of tank farms in 2042 – long after the current TPA milestone and not reflecting any regulatory or public input. The baseline does not include cleanup of leaks and releases from the tank farms, contrary to the Board’s adopted values.
- DOE-ORP’s FY 2009 and outyear target budgets only provide for emptying one Single Shell Tank (SST) per year. There are 140 SSTs remaining to be emptied, and the current TPA milestone is that all SSTs must be emptied by 2018. The new baseline would not empty the tanks until 2032.

Beyond the unilateral baseline adoption, the failure to disclose DOE-ORP’s over-target budget costs is inconsistent with both TPA disclosure requirements and with the commitment made by DOE-Headquarters (HQ) to the Site Specific Advisory Boards (SSAB) that the FY 2009 costs of projects outside the target budget would be fully disclosed. (See memo from Mark Frei, Feb 1, 2007.)

Advice

- A new “baseline” plan should be adopted only after regulator, Board and public review.
- Baselines should reflect all the work required by the TPA or relevant standards.
- DOE should correct the erroneous impressions created in the Congressional Budget Request and accompanying Five Year Plan that the new DOE-ORP baseline was developed with approval from the regulators and stakeholders.

- DOE-ORP needs to disclose the costs of compliance work (or efforts to regain schedule) which is not in the OMB-approved target budgets. Non-disclosure makes it impossible for the Board or public to advise on DOE priorities.

Sincerely,



Susan Leckband, Chair
Hanford Advisory Board

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.

cc: Mike Weis, Acting Manager, U.S. Department of Energy Richland
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