

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

CHAIR:

Todd Martin

CO-VICE CHAIRS:

Shelley Climon
Susan Leckband

BOARD MEMBERS:

Local Business
Harold Heacock

Labor/Work Force
Mike Keizer
Thomas Carpenter
Susan Leckband
Jeff Luke
Rebecca Holland

Local Environment

Local Government

Maynard Plahula
Pam Larsen
Robert Larson
Jerry Peltier
Jim Curdy
Bob Parks

Tribal Government

Russell Jim
Gabriel Bohnee

Public Health

Margery Swint
Jim Trombold

University

Tim Takaro

Public-at-Large

Martin Yanez
Norma Jean Germond
Leon Swenson
Keith Smith

**Regional Environ-
ment/Citizen**

Todd Martin
Greg deBruler
Paige Knight
Gerald Pollet
Madeleine Brown

State of Oregon

Larry Clucas
Ken Niles

Ex-Officio

Confederated Tribes of
the Umatilla
Washington State
Department of Health

April 29, 2005

Charles Anderson
Principal Deputy Assistant Secretary
EM-2/Forrestal Building
U.S. Department of Energy
1000 Independence Ave. SW
Washington, D.C. 20585

Roy Schepens, Manager
U.S. Department of Energy, Office of River Protection
P.O. Box 450 (H6-60)
Richland, WA 99352

Keith Klein, Manager
U.S. Department of Energy, Richland Operations
P.O. Box 550 (A7-50)
Richland, WA 99352

Re: FY 2006 & 2007 Budget

Dear Messrs. Anderson, Schepens and Klein,

Background

The Hanford Advisory Board (Board) is alarmed the Fiscal Year (FY) 2006 Presidential budget request and FY 2007 U.S. Department of Energy (DOE) target budget guidance do not provide funds required to accomplish necessary Hanford cleanup. The FY 2006 budget request cuts \$267 million from current funding levels. The FY 2007 target budget guidance does not provide funds necessary to meet Hanford cleanup agreements or address a number of newly identified high-priority cleanup activities.

These cuts will slow (or in some cases stop) cleanup work and result in a slow down of human health and environmental risk reduction. The Hanford Site will lose thousands of highly skilled, trained workers while much important clean up work remains to be done. The negative economic ripple effect could result in an inability to attract and retain the highly skilled workers needed for future cleanup efforts.

HAB Consensus Advice #171
Subject: FY 2006 & 2007 Budget
Adopted: April 29, 2005
Page 1

EnviroIssues Hanford Project Office
713 Jadwin, Suite 4
Richland, WA 99352
Phone: (509) 942-1806
Fax: (509) 942-1826

In presenting the FY 2006 Presidential budget request, DOE has stated that budget cuts are justified by completion of major projects, citing removal of the spent nuclear fuel from the K Basins as an example. While this is an important accomplishment, work at the K Basins is not complete. Removal of the highly radioactive sludge from these basins along the Columbia River is actually behind schedule and milestones have been missed. In addition, critical cleanup work at Hanford was deferred while DOE focused funds on closure of Rocky Flats, Fernald and several smaller sites. DOE has repeatedly indicated in the past that completion of work at those other sites would free up funds to focus on vital cleanup and safety projects at Hanford. The FY 2006 and later budgets break that commitment and add to human and environmental risks by prolonging deferment of the start of safety and cleanup actions.

The Hanford cleanup budget must be viewed as part of a commitment to fund long-term baselines, contracts, work plans and legal obligations developed and agreed to by DOE. Annual budget requests for appropriations must, at a minimum, meet those obligations. DOE must further assure that both the baseline and target funding for specific fiscal years reflect the funds estimated (with independent cost estimates) to perform the work scope in clean-up contracts and that contract work scopes and timelines reflect all of the relevant obligations and milestones. Both the FY 2006 and FY 2007 budgets for Hanford Clean-Up fall short of those commitments. Inflation alone will require an additional \$100 million by FY 2007. Consistency in funding in accordance with long-term commitments and budget considerations for emerging issues will require funding levels to be equal to or more than the FY 2005 for the foreseeable future. The Board strongly urges DOE to provide those funds required annually to maintain Hanford cleanup schedules and meet Tri-Party Agreement (TPA) milestones.

Specific comments regarding these budgets are provided following the advice.

Advice

1. The Board advises DOE to request full funding for the cleanup program in accordance with previous DOE commitments of record and accelerated cleanup baseline schedules. In particular, the TPA requirements for retrieval of high-level waste from the tanks is reasonable, achievable and must be fully funded.
2. The Board advises DOE to request funding for newly identified high-priority cleanup activities.

3. The Board advises DOE to engage the Board, public and regulators in decision-making processes prior to decisions about funding priorities, changes to previously recorded DOE commitments, or changes to baseline schedules.
4. The Board advises DOE to provide sufficient budget detail to enable the Board to provide meaningful, timely advice and to allow the Board to monitor annual expenditures and budget projections. Budget details should distinctly identify funds for maintaining facility safe operations (“landlord costs”), funds for additional non-cleanup activities (e.g., safeguards and security, pension payments), funds for capital improvements, and funds for actual cleanup activities.
5. The Board advises the U.S. Environmental Protection Agency and Washington State Department of Ecology to take enforcement action when impacts from budget shortfalls result in a clear likelihood of DOE missing legal timelines in compliance orders, statutes or the TPA.

Examples of Specific Concerns

FY 2006:

- The proposed reduction of \$267 million in 2006 will result in the loss of thousands of workers with the skills, experience, security clearance, training and certifications to safely perform the cleanup work. This loss of trained and experienced workforce will have long-term impacts on the ability to meet expectations for safe, quality work for years to come and dramatically slow cleanup of the Hanford site.
- FY 2006 and later budgets do not have adequate funding to deal with the high levels of Technetium 99 in ground water at Hanford under the T-TX Tank Farms. This problem will require additional characterization and wells that are not currently funded.
- FY 2006 budget requests for K Basins/Spent Nuclear Fuel Project appear to be ramping down based on the faulty assumption that work is on schedule. Funding for the project must be maintained until previously missed deadlines are met and work again meets schedule requirements.

- The FY 2006 budget does not provide adequate funding for the deactivation of unused wells or funding for installation of groundwater wells. These activities are deferred under proposed budgets.
- The FY 2006, FY 2007 and later budgets do not adequately fund the River Corridor cleanup to ensure completion by the 2012 acceleration goals in the Hanford Performance Management Plan. The Board is concerned DOE did not engage the Board, public and regulators in decision-making processes prior to decisions about these changes to the previously recorded DOE schedule.
- Funding for the Central Plateau is not adequate to ensure all high-priority activities will continue and must be increased to previously planned levels.
- Additional funding is required for resolving technical design and schedule issues related to new seismic criteria imposed on the Waste Treatment Plant (WTP) contractor. Funding at the FY 2005 level, and per obligations in DOE's contract with Bechtel, must continue for the construction and commissioning of the plant.
- Although the FY 2006 budget added funds to the Plutonium Finishing Plant (PFP) project, subsequent discussions with DOE revealed that funds in FY 2006 and later budgets are planned to be committed to other projects and will not maintain adequate funding at PFP. Funding for the cleanout and dismantlement of PFP is a high priority activity for the Board and must not be cut.
- Current budget requests do not provide funding for dry storage of the Cesium and Strontium capsules stored in pools on the Central Plateau. These capsules comprise approximately 30% of the entire amount of radioactivity (in Curies) on the Hanford site. This high priority item must be added to baseline schedules and funded. The Board is concerned that further deferral will unnecessarily increase landlord and security costs at the pools.
- A decision is due in the next two years on how to treat the majority of the volume of waste in Hanford high-level nuclear waste tanks. The FY 2006, FY 2007 and later target budgets do not provide funding for design and construction of facilities to immobilize Hanford high-level tank waste not currently slated for the WTP (approximately 50% of the total volume of tank waste).

- Tank farm operations are cut by 25% in FY 2006, greatly jeopardizing work to retrieve waste from aging, leak-prone tanks, and safely maintain tank farm infrastructure. Not only is funding reduced by \$90 million, but additional work scope, including operation of the evaporator and the 222-S Laboratory, was added without additional funds.

FY 2007:

- The FY 2007 guidance does not fund the 2007 work in the DOE-Headquarters approved baselines. DOE's failure to match the target funding guidance for 2007 to the baseline will result in serious under-funding of contracts – posing problems for work planning, contractual liabilities, workforce disruption and credibility.
- The Board previously advised DOE to address the issue of the large volume of unsegregated contaminated materials (including, as an example, transuranics) buried at the Hanford site prior to 1970. Adequate funding should be provided in the FY 2007 budget to initiate this work, because cleanup and remediation costs will only increase over time.
- The Board is concerned current plans for permanent off-site disposal for the vitrified high-level waste and Cesium and Strontium capsules will not occur on schedule. Funding must be provided for the design and construction of additional storage facilities should the Yucca Mountain facility be unable to accept waste. Design of long-term interim storage at Hanford must meet design basis threats from operational, man-made (including terrorist), and natural threats.
- The FY 2007 budget for tank farms is proposed at \$337 million with no further detail, still a major reduction from FY 2005 budget levels. The budget provides no indication of what is needed for minimum safe operations, essential services and compliance levels. There is insufficient information for the Board to determine if safe operation is funded, and if funds are available for necessary capital improvements to prepare for delivery of tank wastes to the WTP. Adequate funds must be requested to continue tank farm preparatory work for tank waste delivery. Future budget details should distinctly identify funds for maintaining facility safe operations (“landlord costs”), funds for additional non-cleanup activities (e.g., safeguards and security, pension payments), funds for capital improvements, and funds for actual cleanup activities.

Sincerely,



Todd Martin, 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: Ron Kreizenbeck, U.S. Environmental Protection Agency, Region 10
Jay Manning, Washington State Department of Ecology
Howard Gnann, Deputy Designated Federal Official, U.S. Department of Energy
Nick Ceto, Environmental Protection Agency
Michael Wilson, Washington State Department of Ecology
Sandra Waisley, U.S. Department of Energy Headquarters
The Oregon and Washington Congressional Delegations

U.S. Senators (OR)

Gordon H Smith
Ron Wyden

U.S. Senators (WA)

Maria Cantwell
Patty Murray

U.S. Representatives (OR)

Earl Blumenauer Greg Walden
Peter DeFazio David Wu
Darlene Hooley

U.S. Representatives (WA)

Brian Baird Cathy McMorris
Norm Dicks George Nethercutt
Jay Inslee David Reichert
Richard Hastings Adam Smith
Rick Larsen

State Senators (WA)

Jerome Delvin

Mike Hewitt

State Representatives (WA)

Larry Haler

Shirley Hankins