

John T. Conway, Chairman
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DEFENSE NUCLEAR FACILITIES SAFETY BOARD

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September 11, 1998

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

Dear Secretary Richardson:

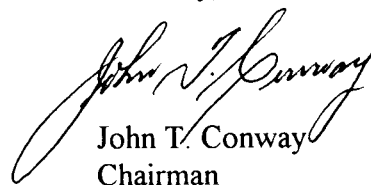
The Department of Energy (DOE) established the Spent Nuclear Fuel Project (SNFP) at Hanford to remove and safely store the deteriorating spent nuclear fuel from the K-Basins and made a commitment to begin removal by December 1997. The Defense Nuclear Facilities Safety Board (Board) considers the SNFP to be a much needed risk reduction activity that should be expeditiously accomplished. The concern of the Board over significant project delays has been the subject of continuing interaction between the Board and DOE since early 1997. Most recently, the Board held discussions with DOE and contractor representatives responsible for the SNFP during the visit made to Hanford by the Board on August 5, 1998.

The project continues to experience cost and schedule difficulties and lack of timely resolution of technical process and safety documentation issues. The Board recognizes that the DOE Richland Operations Office (DOE-RL) and the contractors are devoting increased management attention to the SNFP; however, it is not evident that these efforts will be sufficient to ensure timely completion of the project.

During the Board's August 5 visit, the Board requested to see some objective evidence of improvement in the management of the SNFP. To this end, the Board's staff has worked with DOE and contractor representatives responsible for the project to develop the enclosed list of selected near term schedule milestones. The list includes commitments made by the SNFP Project Director during that visit. The Board expects to visit Hanford again to evaluate the project's performance against these milestones.

The Board encourages DOE to obtain the commitment of top corporate management of the SNFP contractors to dedicate sufficient effort to recover schedule and ensure timely completion of the SNFP.

Sincerely,



John T. Conway
Chairman

c: The Honorable Ernest J. Moniz
Mr. Mark B. Whitaker, Jr.
Mr. John Wagoner

Milestones for Progress Assessment
Spent Nuclear Fuel Project: Hanford
Status Date: August 24, 1998

No.	Milestone and Activity	Schedule Date
1.	Approve closure packages for:*	
2.	Aluminum hydroxide issue	8/31/98
3.	Uranium oxidation rate issue	9/30/98
	multi-canister overpack (MCO) monitoring issue	9/30/98
4.	Recommend resolution of 12 MCO design issues*	8/31/98
5.	DOE-RL approve cold vacuum drying (CVD) Phase 2 Safety Analysis Report (SAR)	9/1/98 Note 1
6.	Complete CVD first-article testing/available for installation	9/18/98
7.	DOE-RL approve final Safety Analysis Document (SAD) for Fuel Retrieval System in K-W Basin	9/22/98
8.	Start installation of Integrated Water Treatment System (IWTS) equipment in K-W Basin*	10/1/98
9.	Begin fabrication of Canister Storage Building (CSB) storage tubes*	10/1/98
10.	Complete installation of queue tables in K-W Basin	10/21/98
11.	Complete K-W fuel thermal gravimetric analysis (TGA) testing	11/4/98
12.	Submit MCO Topical Report to DOE-RL	11/5/98
13.	Complete fabrication and delivery of first five MCOs (Changed to three MCOs to be used for training)	12/2/98 Note 2
14.	Turn over first CVD Building system to startup*	12/18/98
15.	Complete turret installation in MCO Handling Machine (MHM) Crane*	1/19/99
16.	Declare readiness for Integrated Safety Management System (ISMS) Phase 2 verification	2/1/99
17.	Submit CSB Final SAR to DOE-RL	2/11/99

* Indicate items identified to the Board during its 8/5/98 visit.

General Note: Dates are from the High Probability Level III schedule, Rev 5"H" of 06/09/98, which is included in a Baseline Change Request being reviewed by DOE-RL. This schedule has not been approved by DOE-RL and may change by approval of future Baseline Change Requests.

Note 1: The project has issued a Deviation Notice (DN) with a completion date of 9/15/98.

Note 2: The project has issued a DN with a completion date of 1/27/99.