



Department of Energy

Washington, DC 20585

JUL 29 2005

The Honorable A. J. Eggenberger
Chairman
Defense Nuclear Facilities Safety Board
625 Indiana Avenue, NW, Suite 700
Washington, D.C. 20004

Dear Mr. Chairman:

This letter is to inform you that Commitment 120E of Revision 2 to the Implementation Plan (IP) for Stabilization and Storage of Nuclear Material for the Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 2000-1, July 2002 IP, calling for the transfer of sludge from the K East Basin to the K West Basin will not be completed by July 31, 2005, as previously committed. Commitment 119E, calling for the completion of sludge containerization in K East Basin by December 31, 2004, has continued to be delayed, and that has impacted the ability to transfer the sludge.

Commitment 119E requires the consolidation and containerization of K East Basin sludge, except that in the North Load Out Pit (NLOP), into interim storage tanks within the Basin by December 31, 2004. Nearly 80 percent of the material in the K East Basin is containerized and the transfer system is designed, fabricated, is being installed and tested to validate the performance of the integrated components. Multiple factors have contributed to this delay; however, the principle cause was inadequate project characterization and execution.

Technical factors also contributed to these delays including-the work to grout the K East discharge chute impacted the pH of the Basin water, which had the unintended effect of clouding the water. Water clarity is also affected by the sludge collection and debris removal activities. The reduced water clarity has significantly impacted the sludge containerization activities and is compounded by the physical nature of the sludge (degrees of compaction) and the amount and types of debris interspersed with the sludge.

To address the project deficiencies, the Department of Energy (DOE) commissioned the Sludge Review Board (SRB) to examine the information available on sludge characteristics and determine if sufficient information was available to safely containerize, transfer, and treat the sludge. The SRB concluded that the proposed design and processes for collection, transfer, and treatment of K East Basin and K West Basin sludge can be safely implemented and that sufficient characterization data existed to proceed with the project.



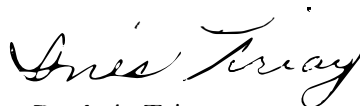
The SRB report has been provided to you and the site is currently evaluating the recommendations. Pending completion of those evaluations, additional changes to the sludge transfer and treatment systems will be incorporated into project plans.

In the interim, DOE is taking actions to minimize future schedule slippage and to improve project performance. The project continues to identify further work efficiencies and activities that can be performed in parallel rather than sequentially. For example, as preparations for containerization continue in the K West Basin, some sludge is being consolidated into the K West South Load Out Pit to accelerate subsequent containerization. We are also reviewing the technical basis for Basin water chemistry to determine whether new control parameters might minimize water clarity issues during the upcoming K West Basin discharge chute grouting and sludge containerization. When beneficial to project progress, K East Basin staff work overtime to support sludge collection. However, these actions may not be sufficient to recover schedule lost to date.

The Richland Operations Office is also pursuing other paths concurrent with working with Flour Hanford, Inc. to address the performance issues including; increased oversight of sludge activities, pursuing additional contract remedies due to the schedule impacts and the missing of additional DNFSB and Tri-Party Agreement milestones, and evaluating the technical basis and schedule for the remaining work at the K Basins. The results of evaluating the sludge schedule and the associated technical basis will be factored into a revision to the IP, that is currently being prepared.

If you have any further questions, please call me at (202) 586-0738 or have your staff call Dr. Robert Goldsmith, Acting Deputy Assistant Secretary for Integrated Safety Management and Operations Oversight, at (301) 903-4954.

Sincerely,

A handwritten signature in cursive script that reads "Inés Triay".

Dr. Inés Triay
Chief Operating Officer
Environmental Management

cc: Keith Klein, RL
Mark Whitaker, DR-1