



Department of Energy
Savannah River Operations Office
P.O. Box A
Aiken, South Carolina 29802

OCT 18 1999

Ms. Ann Loadholt, Chairperson
Savannah River Site Citizens Advisory Board
P.O. Box 365
Barnwell, SC 29812

Dear Ms. Loadholt:

SUBJECT: Savannah River Site (SRS) Citizens Advisory Board (CAB)
Recommendation Number 101 Regarding the Accelerating Cleanup:
Paths to Closure (PtC) Reports Associated Funding Requirements and
Contingency Plans

Thank you for your recent recommendation regarding SRS funding requirements and potential use of contingency plans when developing the SRS PtC report.

It is Environmental Management's (EM) position that the PtC functions as a snapshot in time that reports on the execution of the Department's EM cleanup program. The PtC report plays a key role in the EM decision making process. As discussed in the current National report, the document does not function as a planning document but rather reflects decisions EM has made and identifies future decisions that must be made. PtC presents the cleanup challenge in the context of life-cycle estimates of scope, cost, and schedule.

Regarding the CAB concerns over projected budget shortfalls and the ability to recover in future years, the Department of Energy (DOE) Savannah River Operations Office (SR) shares your concerns and will forward this recommendation to DOE Headquarters (HQ) with the understanding that we will continue to work with HQ to secure adequate funding to support future cleanup activity requirements. We will also continue to look for ways to improve efficiencies, increase productivity, and complete as much work as possible within limited budgets. To the extent that sufficient funding is not provided, or additional efficiencies are not achieved, SR will reassess its work activities. As we previously advised the CAB, in any reassessment of work activities, SR will continue to emphasize the health and safety of the public and SR workers, compliance with legal obligations and Defense Nuclear Facility Safety Board commitments, and meeting nuclear nonproliferation objectives. Also, as in the past, SR will solicit the CAB's input into any such reassessment.

With regard to the incorporation of contingency plans in the PtC report, contingency cost estimates and potential schedule changes for "show stoppers" have not been included in the PtC reports (National or SRS) because of the considerable amount of resources

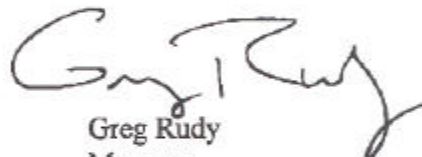
Ann Loadholt

2

OCT 18 1999

needed to develop detailed contingency plans and schedules. As you know, these reports will be updated to reflect current Departmental decisions. These updates will reflect changes in assumptions, current funding, workscope, schedule impacts, and cross-site integration developments. EM's position on this subject remains that the document will be able to keep up with any changes including "show stopping" changes through this updating process. SR has, on a high level, evaluated potential changes in events with resulting impacts on all key assumptions, and considers the current key assumptions to be reasonable. Separately, EM HQ is currently developing a system for analyzing cost uncertainties with respect to the National PtC report with input from the individual field sites for purposes of establishing a probabilistic estimate on a complex-wide basis, to better reflect the true cost of cleanup. SR expects the results of this complex-wide analysis will be included in the National report.

Sincerely,



Greg Rudy
Manager

TB-00-0005