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

DEC 2 2 1998

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

Dear Ms. Loadholt:

SUBJECT: Savannah River Site Citizens Advisory Board (CAB) Recommendation Number 70 Regarding Risks and Funding

Thank you for your recent recommendation regarding Savannah River Site (SRS) prioritization of Site activities and funding.

It is important to distinguish between hazard and risk when performing a "risk-based" prioritization. Some situations involve highly hazardous materials, such as Americium and Curium, that could cause harm to individuals who might come into contact with those materials. Our approach to managing these materials is to reduce the risk by placing top priority in the budget to maintaining these materials in a safe condition during the interim period prior to ultimate disposition of the material.

There are other situations that involve materials where the inherent hazard may be low, but the risk is high because the likelihood of contact is high. Examples include waste sites where contaminants have been released and could challenge the environment and human health and safety. Our approach to managing these materials is to lower the risk by placing priority in the budget to contain and isolate the material thereby preventing further contact.

Our past efforts at developing a "risk-based" budget prioritization list have reflected more the hazard potential rather than the risk. Our current integrated approach, one that considers a range of factors rather than comparing high and low hazard situations alone, produces a budget prioritization list that is more consistent with a true "risk-based" approach.

We look forward to ongoing discussions with the Risk Management Working Group to facilitate a clearer understanding of how the Site uses the terms risk and hazard, how risk is analyzed in our various programs, and how risk is factored into decision-making, including budget allocations. We will work with the Working Group to define particular information that would be helpful to the CAB in its deliberations.

If you have any additional questions, please call me or Tom Heenan at 803-725-8074.

Sincerely, Greg Rud Manager

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