



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

JUN 08 1999

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

Dear Ms. Loadholt:

SUBJECT: Citizens Advisory Board (CAB) Recommendation Number 91, Fiscal Year (FY) 2001 Budget Summary Impacting Savannah River Site (SRS) Nuclear Materials Activities

Thank you for submitting the subject recommendation regarding the FY 2001 budget for nuclear material activities.

The Department of Energy (DOE) also endorses the activities for nuclear materials stabilization and storage that currently fall below the target line but within the planning case. These activities represent commitments to the Defense Nuclear Facilities Safety Board (DNFSB) and DOE is committed to meeting all of its DNFSB requirements. To that end, DOE Savannah River Operations Office (SR) will continue to work with DOE Headquarters (HQ) on the FY 2001 Budget Request to ensure that SR's funding level will support these critical activities. SR will also inform HQ of the CAB's specific recommendation to include funding for these activities.

One element of the recommendation was that the FY 2001 budget include funding for the Actinide Packaging and Storage Facility construction. As you may be aware, SR suspended work on this project pending re-evaluation of the functional requirements for the facility. This re-evaluation has become prudent given recent Departmental preferences for siting the full range of plutonium disposition missions at SR. These decisions could result in a centralized industrial complex for plutonium management at the SRS with opportunities for enhanced operational and safety features, as well as cost efficiencies. We currently have a review in progress which evaluates the range of requirements for the storage of plutonium materials across the DOE complex. The purpose of the study is to provide a better definition of storage requirements that will service the needs of the new plutonium disposition facilities. The outcome of this and any necessary follow-on evaluations should form the basis for SR's future budget request.

Ms. Ann Loadholt

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Finally, SR agrees to work aggressively with the State of South Carolina regulators and elected officials to ensure nuclear material stabilization goals for SRS are in accordance with expectations of the State and stakeholders. This will include discussions relative to funding and schedules.

If you have any questions, please call me or John Pescosolido at (803) 725-5590.

Sincerely

A handwritten signature in black ink, appearing to read 'Greg Rudy', with a stylized flourish at the end.

Greg Rudy
Manager

TB-99-0098