



Department of Energy
 Albuquerque Operations Office
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June 19, 1996

Mr. David Neleigh
 EPA - Region 6 (6PD-N)
 1445 Ross Avenue
 Dallas, Texas 75202

Dear Mr. Neleigh:

The Department of Energy, Albuquerque Operations Office would like to thank you and your staff for reviewing and commenting on the FY 1998 Environmental Management (EM) budget priorities. In our April 2, 1996 meeting your office presented several comments regarding the budget. Your questions and comments are listed in bold below, followed by the DOE/AL response.

Why is waste management funded as a top priority? Waste management funding is the top priority because of the tie directly to the mission capability at the sites. The top ranked waste management activities are those required to keep the site mission, whether research and development, weapons production or dismantlement, viable and in compliance with applicable regulations.

Move the following activities into the decrement funding level:

- **Los Alamos/Pueblo Canyon/Remediation/Mitigation**
- **complete 3 RCRA Facility Investigation Reports for Material Disposal Areas (MDAs) of TA-54**
- **remediation of MDAs at TA-39**
- **develop remedies for MDA L**
- **completion of Corrective Measures Study (CMS) activities at 16-021.**

These activities have been moved into either the decrement level or upper portion of target level budget. DOE/AL believes the funding for FY 1998 will be close to the target level request.

DOE land transfers must have approval by EPA. In accordance with UO CFR 120, DOE will request the appropriate approvals from EPA prior to authorizing the sale of real property to a private party.

How does DOE/AL propose to stabilize rescissions? DOE/AL has very little influence over the occasional necessity for a rescission. These reductions in funding are generally driven by either Congressional cuts or the need to fund higher priorities



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elsewhere within DOE. In order to reduce the impacts of such reductions, DOE/AL will continue to carefully evaluate each rescission to determine where the reduction can be made with the least impact on priority work. Ideally, DOE intends to negotiate priorities with the regulators in such a way that during a rescission the lowest priority work can be dropped without the need for additional negotiations.

How do No Further Action (NFA) requests compare with other priorities? NFA requests are a high priority for DOE/AL. The approval of NFAs allow DOE to significantly reduce the apparent amount of work necessary to complete the environmental restoration program and thus reduce the "mortgage". This leads to a more advantageous position for funding.

Is DOE/Headquarters committed to funding small site strategy at Sandia?

DOE/HQ is committed to funding the Small Site Strategy as a national program. Please be aware that many other DOE sites across the nation are competing for this funding. A priority list of what sites will receive this funding is currently being prepared by DOE/HQ, but is not available at this time. Just what small sites will be fully funded is highly dependent on congressional funding levels. DOE/AL is doing all it can to assure that SNL/NM ranks as high on the small sites priority list as possible. The EPA will be kept informed of any developments in the Small Sites Strategy as they pertain to DOE/AL facilities.

Is Sandia taking additional measures to reduce and control cleanup costs?

DOE/AL is constantly monitoring cleanup costs at Sandia as well as at all its other facilities. Productivity improvements and efficiencies are always being pursued. Sandia has developed an innovative contracting strategy for remediation activities which we believe will help to further reduce and control cleanup costs.

EPA supports Sandia's Temporary Unit/Corrective Action Management Unit (TU/CAMU) proposal. DOE/AL appreciates EPA's support of this proposal. EPA's endorsement has been crucial in defending the funding request for this proposal.

How will the TCE investigation be funded? Sandia has recently submitted a Baseline Change Proposal to obtain additional funding for this activity which is being considered as additional scope against the current baseline. If additional funding is not available, funds will be reprogrammed within the current budget. DOE and SNL are aware of the public and regulator interest in this issue and will plan accordingly. DOE is committed to working with the regulators and the public to investigate this issue in a cost effective manner.

Which, if any, permit-required activities could be jeopardized by decrement level funding? By involving the regulators in the budget prioritization effort DOE/AL has

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attempted to minimize impacts to high priority permit driven activities should reduced funding be received. While some regulatory driven activities would be delayed by decrement funding, the impact should be minimized by prioritizing those activities which the regulators believe are higher priority.

I hope the above responses address your concerns. Your comments and questions were important in helping DOE/AL prepare for the FY 1998 Internal Review Budget (IRB) meeting with DOE/HQ.

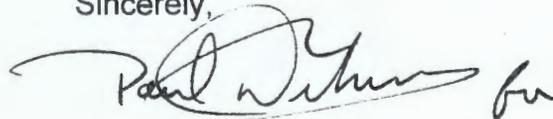
At the conclusion of the FY 1998 IRB meeting held in Washington, DC, on May 20-24, 1996, each DOE/AL laboratory and plant facility was tentatively funded at the planning (fully funded) level (see attachment). Further discussions on the FY 1998 budget will take place via a national stakeholders' videoconference on June 26, 1996, from 12:00 to 3:00 p.m. MDT. You are welcomed to join in on the videoconference. Tami Toops is the DOE/AL point of contact for the videoconference and can be reached at (505) 845-5264.

Additionally, we are supporting Assistant Secretary for EM, Alvin L. Alm, in instituting a Ten-Year Plan. This Plan will clearly show all commitments and budget requirements for all DOE facilities nationwide, with a goal to complete a majority of the EM Program in ten years.. While it is our goal that most DOE/AL plant and laboratories will be cleaned up much sooner, the action underscores the new Assistant Secretary's wish to see accelerated progress made in cleaning up the Department's nuclear legacy.

In summary, your involvement is vital to helping DOE/AL develop and justify our environmental management budget request. You will be kept informed as FY 1998 budget decisions are made and as the Ten-Year Plan process is implemented, and I look forward to continued interaction with you in this important area.

If you have any questions or require additional information, please call me at (505) 845-6210.

Sincerely,

A handwritten signature in black ink, appearing to read "W. John Arthur, III", with a stylized flourish at the end.

W. John Arthur, III
Acting Assistant Manager for
Environment/Project Management

Attachment

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cc w/attachment:

Benito Garcia, NMED

Joe Vozella, LAAO

Ted Taylor, LAAO

George Laskar, KAO

Mark Jackson, KAO

Rich Sena, ERD, AL

Deborah Griswold, ERD, AL

Tony Trujillo, ERD, AL

Peggy Hanson, BRMD, AL

Mona Williams, WMD, AL

Tracy Loughhead, OPA, AL