



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

MAY 08 2008

Ms. Donna Antonucci, Chair
Savannah River Site Citizens Advisory Board
8601 Creighton Place West
Savannah, Georgia 31406

Dear Ms. Antonucci:

SUBJECT: Citizens Advisory Board (CAB) Recommendation Number 254 – Fiscal Year (FY)
2010 Integrated Priority List (IPL) and Budget Process Input (Your letter, 03/26/08)

Thank you for your interest and concerns in the U.S. Department of Energy Savannah River Operations Office (DOE-SR). As one of our valued stakeholders, we are delighted to respond to your questions regarding the budget, particularly the upcoming FY 2010 Budget Request, process, and supporting IPL. This letter will respond to the five questions recommended by the Savannah River Site (SRS) CAB concerning the budget process:

Part 1. By May 19, 2008, or before, the onset of the embargo date, whichever occurs sooner, DOE-SR provide the SRS CAB with any new budget information that is available including the information requested above, as well as an assessment of project impact if the amount for each Project Baseline Summary (PBS) changes significantly as the budget evolves.

Prior to the submission of the FY 2010 Budget Request, DOE-SR conducted a re-prioritization of over 100 Analytical Building Blocks (ABBs). The ABBs consist of hundreds of IPL Work Scope Items. These items were ranked by site priority:

- 1) Safety and security/maintain facilities.
- 2) Resource Conservation and Recovery Act permit commitments.
- 3) Radioactive liquid waste risk reduction.
- 4) Surveillance and storage of stabilized nuclear materials and receipts.
- 5) Support plutonium consolidation.
- 6) Operate H-Canyon/HB-Line to disposition uranium materials.
- 7) Safe receipt of Foreign and Domestic Spent Nuclear Fuel (SNF).
- 8) Shipping of Transuranic (TRU) waste to the Waste Isolation Pilot Plant (WIPP).
- 9) Area Completion including associated facility Deactivation and Decommission (D&D) of Federal Facility Agreement commitments.
- 10) Support Plutonium Disposition Project.
- 11) D&D not related to Area Completion.

The IPL will be briefed to the CAB during the May 19-20, 2008, meeting in Savannah, Georgia.

Part 2. DOE-SR investigate cost saving efficiencies within each PBS and inform the SRS CAB when significant funds (greater than \$500,000) can be reallocated.

DOE-SR intends to provide cost savings data at the bi-monthly CAB meetings. Any cost savings will be reinvested into work scope per the site priorities as outlined in Part 1 above.

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Part 3. With the considerable success and momentum of the legacy TRU Waste Disposition Program, DOE-SR investigates expediting the funding to complete the program ahead of schedule.

DOE-SR is currently pursuing a congressional reprogramming which will provide the necessary funding to complete the TRU drum remediation activities in FY 2008. As a result, DOE-SR will be in a position to complete the TRU drum shipments to WIPP in FY 2009. The Congressional Reprogramming of funds will complete the TRU drum program ahead of schedule resulting in meeting site priorities. (i.e., Part 1, #8 above).

Part 4. DOE-SR provides adequate and sustained funding to continue the utilization of H-Area's capability for all current and planned future missions. The unique capabilities of H-Canyon were recognized by the SRS CAB in 1999, and since then the SRS CAB has recommended that it be retained in an operational status as a process for current and future stabilization missions.

The SRS FY 2010 – FY 2014 Budget Request supports H-Canyon operations in an operational readiness status through 2019.

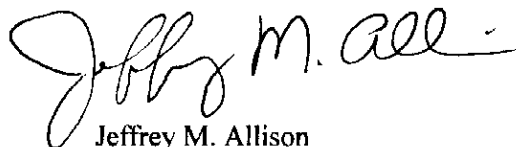
Part 5. DOE-SR ensures that all established regulatory milestones can be accomplished through the PBS structure. Regulatory commitment cycles may be different from the DOE-SR budget cycle. If reallocation between PBS categories is required to meet these commitments then ensure that enough flexibility exists in the PBS description and scope to make the necessary transfer of funds.

DOE-SR recently implemented a new strategy in FY 2008 providing greater flexibility within the PBSs. Although this approach will provide some flexibility the Congressional position still requires budget allocations be representative of the defined work scope aligned in the budget submitted for each PBS.

Thank you for allowing us the privilege of answering your questions and concerns. We look forward to meeting with you in Savannah, Georgia on May 19-20, 2008.

If you have any questions, please contact me or have your staff contact Renee Alvis at (803) 952-9349.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey M. Allison". The signature is fluid and cursive, with a horizontal line extending from the end.

Jeffrey M. Allison
Manager

BD-08-0019