



Department of Energy

Washington, DC 20585

March 31, 2004

Mr. Peter R. Smith
President
New York State Energy Research
and Development Authority
17 Columbia Circle
Albany, New York 12203-6399

Dear Mr. Smith:

This is in response to your February 13, 2004, letter that communicated the views of the New York State Energy Research and Development Authority (NYSERDA) on cleanup issues at the West Valley Demonstration Project (WVDP) located in western New York State. The Secretary of Energy has directed the site to accelerate cleanup of those areas of the WVDP for which there is agreement between the Federal Government and the State of New York.

The West Valley Demonstration Project Act (Act) of 1980 establishes the requirements and authorities under which the Department of Energy (DOE) and NYSERDA are to meet their respective responsibilities at West Valley. Our accelerated closure strategy meets the requirements of the Act; meets the decommissioning requirements prescribed by the Nuclear Regulatory Commission; and protects both the public and the environment. It is our intention to complete these requirements within the next few years, with the exception of transporting the high-level waste canisters to a Federal repository. When the repository is available and New York State has paid the disposal fee required by the Nuclear Waste Policy Act, DOE will transport the canisters and will have completed its responsibilities at the WVDP. The ongoing decommissioning Environmental Impact Statement will help determine the level of decommissioning required to close the site.

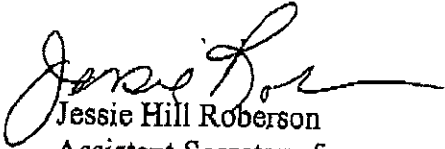
In the interim, both DOE and NYSERDA have critical roles to play in completing the requirements of the National Environmental Policy Act and the Cooperative Agreement. Additionally, we anticipate receiving your comments on the Draft Statement of Work for further acceleration of site closure under the new contract.

DOE is proud of the work completed to date at the WVDP and is thoroughly committed to site closure in full compliance with the Act. Past progress has been possible in large part due to the ability of DOE and NYSERDA to work together constructively. It is in the best interest of DOE, NYSERDA, the community surrounding the site, and the American taxpayers for us to continue to work together toward further risk reduction and final decommissioning.



If you have any further questions, please call me at (202) 586-7709 or Mr. Eugene C. Schmitt, Deputy Assistant Secretary for Environmental Cleanup and Acceleration, at (202) 586-0755.

Sincerely,


Jessie Hill Roberson
Assistant Secretary for
Environmental Management