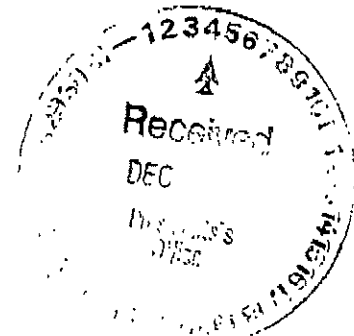




Department of Energy
Washington, DC 20585



NOV 27 2006

Mr. Peter R. Smith
President and Chief Executive Officer
New York State Energy Research and
Development Authority (NYSERDA)
17 Columbia Circle
Albany, NY 12203-6399

Dear Mr. Smith:

I wanted to take the opportunity to personally follow up with you from our October 23, 2006 telephone call and a Department of Energy (DOE) October 19, 2006 letter inviting NYSERDA to participate in a Core Team process to resolve issues of mutual interest regarding cleanup of the West Valley site. As I indicated earlier, we are prepared to break out the evaluation of technical alternatives from the Environmental Impact Statement (EIS) process, and resolve the technical approach. Further, we believe we can do this within about one year, and at that point, we would rejoin the EIS process. More importantly, I commit that DOE will not unilaterally decide to remove the tanks without such a technical evaluation, and at the end of the process, we will make the decision that the technical evaluation supports.

As I also suggested earlier, we would prefer NYSERDA remain engaged in the Core Team process with us as we go through this evaluation, to maintain communications between our agencies.

If wish to discuss this further, please contact me at (202) 586-7700. I look forward to hearing from you.

Sincerely,

James A. Rispoli
Assistant Secretary for
Environmental Management

