

UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION



Department of Energy
National Nuclear Security Administration
Washington, DC 20585



APR 02 2009

The Honorable A. J. Eggenberger
Chairman
Defense Nuclear Facilities Safety Board
625 Indiana Avenue, N.W., Suite 700
Washington, D.C. 20004-2901

Dear Mr. Chairman:

Enclosed is the Babcock and Wilcox Company (B&W) Y-12 report, *9212 Continued Safe Operating Oversight Team Annual Report (Y/TIS-345)*, February 2009. This report satisfies a Defense Nuclear Facilities Safety Board request articulated in your letter of March 13, 2007. A briefing was provided during the Board's annual visit to Y-12, March 12, 2009, to address the progress toward completion of the Uranium Processing Facility (UPF) project and the results of the annual assessment of the 9212 Complex.

The National Nuclear Security Administration (NNSA) is continuing the execution of the UPF project as identified in the project's approved Preliminary Project Execution Plan. The plan expects the project team to submit a package by the second quarter of 2010 for Critical Decision 2. Risk reduction activities at the 9212 Complex have been identified. Funding is provided to cover all baseline maintenance activities. Additional funding over and above the maintenance requirements were provided in FY09 for Facilities Risk Review (FRR) activities. Overall, the complex-wide Readiness in Technical Base and Facilities (RTBF) program baseline resources are managed to ensure risk is minimized across the complex. Even so, the complex-wide priorities are substantial, and resources to realize effective solutions in the needed timeframes are not certain. NNSA is committed to closely monitor and balance priorities with available resources to ensure continued safe operations of the 9212 Complex and transition of operations to UPF.

If you have any comments or feedback, please contact me at (202) 586-5555 or Mr. Gerald L. Talbot, Jr., at (202) 586-2181.

Sincerely,

William C. Ostendorff
Principal Deputy Administrator

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