



Department of Energy

**Ohio Field Office
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**MAY 28 1998
DOE-0804-98**

**Mr. Bill Kurey, Natural Resource Trustee
U.S. Fish & Wildlife Service, Suite H
6950 American Parkway
Reynoldsburg, OH 43068**

Dear Mr. Kurey:

**PROPOSED SETTLEMENT OF FERNALD ENVIRONMENTAL MANAGEMENT PROJECT
NATURAL RESOURCE ISSUES**

On April 16, 1998, representatives of the Department of Energy, Fernald Environmental Management Project (DOE-FEMP) and Fluor Daniel Fernald (FDF) met with representatives of the Ohio Environmental Protection Agency (OEPA) and U.S. Department of Interior (DOI) regarding Natural Resource Trustee (NRT) issues at the FEMP. As a result of that meeting, a proposed settlement to resolve DOE's liability for natural resource injuries (including the State of Ohio's 1986 Claim) was presented by the OEPA and DOI. The proposed settlement, as discussed in the meeting, would require DOE-FEMP to do the following:

- 1. Commit all areas of the FEMP outside the footprint of the On-Site Disposal Facility (OSDF), outside the area under consideration by the Community Reuse Organization for economic development of 23 acres, and outside the area being committed for the environmental projects agreed to in the Operable Unit 4 (OU4) Dispute Resolution Agreement to natural resource restoration.**
- 2. Eliminate use of Habitat Equivalency Analysis (HEA) for determining required restoration for groundwater impacts, but retain use of HEA for terrestrial habitats.**
- 3. Implement an additional project associated with groundwater education.**

DOE is willing to tentatively accept the proposed settlement to resolve natural resource issues at the FEMP. In addition, DOE will endorse natural resource restoration as part of the proposed final land use plan for the FEMP. The Natural Resource Impact Assessment (NRIA) and Natural Resource Restoration Plan (NRRP) will be revised to reflect the proposed settlement.

A public involvement process with stakeholders must be completed before any settlement is finalized. It is DOE's intent to introduce a conceptual final land use plan to the public and other stakeholders in early June 1998. In addition, DOE intends to prepare an Environmental Assessment outlining the proposed alternative for final land use at the FEMP. DOE will issue the draft Environmental Assessment for public review in August 1998. Concurrently, DOE will make the NRIA and NRRP available for the public. A public workshop will also be held with the Fernald NRTs to discuss the restoration plan in some detail. As you have discussed with DOE-FEMP representatives, a Memorandum of Understanding should be pursued by the Fernald NRTs collectively. An additional separate agreement may be required to resolve the claim between DOE and the State of Ohio.

DOE views the area of the tentative agreement to be specific to an on-site natural resource restoration scenario. If DOE, as a result of stakeholder input, concludes that this amount of acreage would not be available on-site due to other conflicting land uses, DOE will renegotiate with the NRTs on the nature and magnitude of the settlement.

DOE-FEMP is pleased to have reached this tentative agreement with the Fernald NRTs following more than three years of negotiations and settlement discussions. We look forward to working through the public involvement process and ultimately reaching formal resolution of this issue.

Please direct any questions regarding this matter to Pete Yerace at (513) 648-3161, or Kathleen Nickel at (513) 648-3166 of my staff.

Sincerely,



for Jack R. Craig
Director

FEMP:Reising

cc:

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