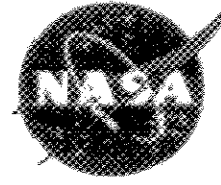


U.S. Department of Energy



National Aeronautics and Space Administration

December 1, 2009

Mr. Rick Brausch
Santa Susana Project Director
California Department of Toxic Substances Control
1001 I Street
Sacramento, CA 95814

RE: Proposal to enter into an RI/FS agreement

Dear Mr. Brausch:

This letter is to follow-up discussions among DTSC, DOE and NASA held on November 18, 2009. On that call we promised to provide you with more information concerning the proposal to enter into an RI/FS agreement. For your part, you indicated that you would discuss the concept with your management.

DOE and NASA continue to believe that an RI/FS consent order would be in the best interest of all of the parties and the community. The Boeing litigation has spurred concerns among members of the community that cleanup of the site might be delayed. While all of the respondents have promised publicly that they intend to continue ongoing work, a RI/FS consent order would provide strong reassurance that cleanup work will continue for a considerable period of time. Under the schedules of work contemplated in all of the previously released versions of a draft consent order, RI/FS-type work would continue until 2013-14.

In addition to keeping forward momentum for this period of time, an RI/FS consent order would allow the parties, and the community, to stop talking about remedy issues in the abstract, under circumstances where everyone tends to assume worst case scenarios. Instead, remedy selection discussions would be informed by the complete results of full characterization of the site as well as the EPA-conducted radioactive substances survey of Area IV. We believe that discussions informed by facts will be more productive than those guided by speculation.

The following are key elements of an RI/FS consent order that could achieve the above-described goals:

- The federal respondents would agree, for the duration of the RI/FS order, not to initiate any legal action challenging SB 990 or the authority of DTSC to implement SB 990, unless one or more respondents are the subject of a formal legal action filed against them.
- The respondents would, however, retain all legal arguments and defenses they may have.
- Respondents would agree to provide sufficient relevant data to enable evaluation of a full range of potential remedies, including remedies consistent with SB 990.
- All respondents should be signatories to the order, including the Boeing Company.
- Issues related to the adequacy of data already submitted would need to be resolved. Respondents DOE and NASA are concerned about the potential for very serious delay in cleanup of the site, as well as waste of public funds expended in good faith reliance on the 2007 Order.
- Agreement by DTSC to work with DOE, NASA, and Boeing to quickly resolve substantive technical issues related to chemical background, risk assessment methodologies, sampling detection limits, etc.

We hope this information is useful to you and that we can continue to productively discuss the RI/FS order concept. We are also open to hearing any other suggestions you may have to move the negotiations forward. DOE and NASA are committed to doing whatever we reasonably can to promptly reach agreement and achieve expeditious cleanup of the site so as to protect human health and the environment.

Sincerely,



Richard J. Schassburger
Federal Project Director
Oakland Projects Office
U.S. Department of Energy



Allen Elliott
Project Manager
National Aeronautics and
Space Administration

cc: Electronically

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