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GOVERNOR

State of New Mexico  
**ENVIRONMENT DEPARTMENT**  
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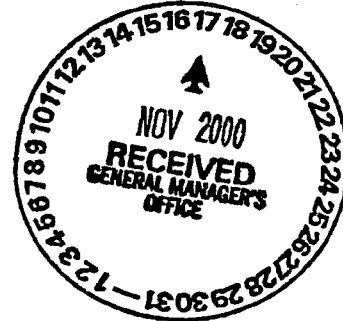
PETER MAGGIORE  
SECRETARY

PAUL R. RITZMA  
DEPUTY SECRETARY

November 17, 2000

Dr. Ines Triay  
Manager, Carlsbad Area Office  
U.S. Department of Energy  
P.O. Box 3090  
Carlsbad, NM 88221-3090

Mr. Joe Epstein  
General Manager  
Westinghouse Waste Isolation Division  
P.O. Box 2078  
Carlsbad, NM 88220-2078



Re: Fees for WIPP Permitting/Regulatory Activities

Dear Dr. Triay and Mr. Epstein:

The New Mexico Environment Department (NMED) is currently experiencing funding shortfalls that will have a direct impact on the Department's ability to conduct permitting activities associated with the WIPP facility. It is anticipated that, despite the collection of fees pursuant to 20.4.2 NMAC (Hazardous Waste Fee Regulations), funding shortfalls as they relate to NMED's activities surrounding the WIPP RCRA Operating Permit and the anticipated modification requests will persist. This is because the current permit fee structure was not designed to handle a permit and a regulatory process as complex as WIPP.

It is my understanding that the permittees are willing to provide supplemental fees in order to provide NMED with additional financial resources necessary to carry out its responsibilities associated with the WIPP facility. Of course, any supplemental WIPP permit fees provided by the permittees will only be used for those activities directly related to the permitting process. These supplemental funds will be accounted as such in the Department's financial system. A detailed evaluation of NMED's resource requirements in order to provide DOE with effective, efficient, and comprehensive administration of the Permit for the current fiscal year ending September 30, 2001 is as follows:

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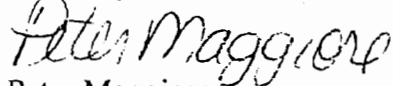
Dr. Ines Triay  
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1.	Support for the equivalent of : Project Manager (1) Staff (3) Attorney (1)	\$355,000
2.	Contractual Services (assumes no more than four site audits this federal fiscal year)	\$350,000
3.	Other (training, computers, travel operating other costs.)	\$ 50,000
	Total	<u>\$755,000</u>

I believe that the above figures accurately reflect the additional resource requirements of NMED as they relate to future permitting and regulatory activities for the WIPP facility.

If you need any further information regarding NMED's resources needs please contact Paul Ritzma or me at (505) 827-2855.

Sincerely,



Peter Maggiore  
Cabinet Secretary