

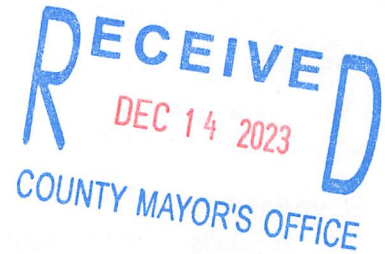


STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Division of Remediation
William R. Snodgrass TN Tower
312 Rosa L. Parks Avenue, 14th Floor
Nashville, Tennessee 37243

December 11, 2023

Ms. Erin Sutton
Oak Ridge Office of Environmental Management
U.S. Department of Energy
Post Office Box 2001
Oak Ridge, Tennessee 37831



RE: FY2024-FY2028 TDEC FFA Grant DE-EM0005291

Dear Ms. Sutton

This letter responds to your December 5, 2023, call and email to Chris Thompson regarding the application for the TDEC FFA Grant DE-EM0005291. In that email, you requested TDEC provide a revised Form SF-424A with a reduced budget from that submitted by TDEC on October 9, 2023, for the remaining portion of FY24. Specifically, you directed TDEC to reduce its request from \$3,535,250 to \$3,333,333.

In July 2023, DOE-EM and TDEC agreed upon a \$5M grant for TDEC's FY24 funding, noting the possibility of additional funding through budget change requests. However, DOE extended the FY23 contract for four additional months, through October 2023. DOE assumed an equal rate of spending each month, constraining the eight-month FY24 grant to \$3,333,333. This is not realistic as TDEC's expenses are not equivalent each month. For example, the majority of TDEC sampling is scheduled for Spring 2024. Therefore, a disproportionate amount of funding is expended later in the fiscal year. In addition, in January 2023 the State of Tennessee through its Department of Human Resources began a rollout of salary changes that also impacted TDEC's funding needs. This was reflected in the October 2023 submittal, which was required to address the FY23 extension. As a result, \$3,535,250 is anticipated to fulfill its FFA obligations.

Submitting a grant application or revising the Form SF-424A with a request of less funding than TDEC anticipates needing to fulfill its obligations would be providing inaccurate and incorrect information and would constitute a misrepresentation of assumed expenses. Accordingly, TDEC is not able to submit a certified Form SF-424A that is inconsistent with the true and correct amount needed to fulfill its FFA obligations. As you have not stated the expenses included in the FY24 work scope are inconsistent with the National Contingency Plan (NCP), TDEC intends to perform the work and will not provide a revised Form SF-424A. The State will accept the maximum amount DOE will award and reserve its right to pursue all options for cost recovery for the remainder of expenses. Nothing in this letter, nor any other communication between TDEC and DOE, should be construed as a waiver of any of TDEC's rights or remedies under



State or Federal law, or pursuant to any agreement between TDEC and DOE and TDEC expressly reserves all rights it has in law and equity.

Sincerely

A handwritten signature in blue ink, appearing to read "J. Sanders".

Steve Sanders
Director, Division of Remediation

ec: Jay Mullis
Greg Young
Kim Walling
Rebecca Biasiny
Payton Bradford
Emily Vann
Peter Murrey
Chris Thompson
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