

**NGA Task Force Conference Call with Mark Frei, DOE-EM
Wednesday, February 22, 2006**

Task Force representatives

ID: Bob Bullock
KY: Tim Thomas, Virginia Baker
MO: Nick Carbone
NM: James Bearzi
NV: Chris Andres, Tim Murphy, & Don Elle
NY: Barbara Youngberg
OH: Tom Winston
OR: Susan Hughs
SC: Richard Haynes, David Wilson
TN: John Owsley
WA: Jane Hedges & Mike Wilson

NGA

Kara Colton & Chloe Cromarty

DOE

Mark Frei, Melissa Nielson, & Doug Frost

Ross & Associates

Jerry Boese, Eli Levitt

<p>PURPOSE: For Mark Frei, DOE-EM, to update the states on the status of DOE-EM's Fiscal Year (FY) 2007 budget request to Congress.</p>
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PRESENTATION

Mark Frei, Deputy Assistant Secretary for Business Operations at DOE-EM, provided a briefing on DOE's Fiscal Year 2007 budget request. As an outline, he covered themes outlined in a PowerPoint presentation available at http://web.em.doe.gov/Rispoli_07_EM_Rollout.pdf

Mark Frei highlighted some of the key points from the presentation:

- The overall DOE budget for FY 2007 is at roughly the same level as it was in FY 2006 – \$23.6 billion.
- Many federal agencies felt the pressure to reduce program budgets this year. However, Secretary Bodman increased funding for scientific research and renewable energy. Given the constraints this year on the federal budget, a major consideration was how to maintain balance given the priorities outlined across federal agencies.
- The DOE-EM budget for FY 2007 is \$5.828 billion, down 11.6% from FY 2006.
- A small drop off in the EM budget is due in part to closure sites in Ohio and Colorado – these sites have closed or are in the final stages of closing.
- DOE-EM is continuing to work on smaller closure sites such as Brookhaven.
- The priorities for DOE-EM this year remain safety, cost-effective risk reduction, & cleanup.
- Most of the money in the DOE-EM cleanup budget is focused on cleanup priorities and will address spent nuclear fuel (SNF), solid waste, transuranic waste (TRU), mixed low level waste (MLLW), and low level waste (LLW), decontamination and decommissioning (D & D), and soil and groundwater compliance.
- Some sites will see increased funding in FY 2007: the Hanford Office of River Protection (ORP) requested a funding level of \$690 million. Hanford RL also asked for increased funding.
- DOE-EM asked for a decrease in funding for the Los Alamos National Laboratory (LANL) in New Mexico.
- Improving project management and contract execution are high priorities for Assistant Secretary Rispoli this year.

Q & A

- A representative from Tennessee (TN) noted the Oak Ridge (OR) budget is stable in fiscal years 2006 and 2007. He asked if there are reasons for increased funding at some sites and decreased funding at other sites. Mark Frei replied: EM focuses on where it can make the best investment from a risk reduction standpoint. EM sought to factor in how projects were performing and whether they have validated baselines in place.
- A participant from New Mexico (NM) expressed disappointment with the funding levels for LANL this year. He indicated that the state does not consider it a small reduction. By his calculations, LANL received a 70% reduction from the target level requested (target budget was \$86 million, rollout budget was \$26 million). The consent order in NM is not yet one year old. Mark Frei responded: LANL is \$51 million down from last year. Both DOE and the Office of Management and Budget (OMB) at the White House are concerned about the performance of the contractor in NM. There have been several shut downs. There are new baselines and LANL is in transition to a new contractor. DOE staff felt this was the amount they could devote to LANL with confidence. Given the consent order, DOE will see how much progress is made this year as they develop future budget options.
- The participant from NM asked if DOE plans to meet all of the milestones in the consent order. Mark Frei said the Department will make every effort to meet the milestones laid out in the consent order.
- A Task Force member inquired if there is increased funding for sites to deal with remote handled TRU waste. Mark Frei responded: yes, especially in Idaho. There is also funding for LANL, Savannah River Site (SRS), Hanford, and OR to make remote handled TRU shipments. EM is looking to make initial TRU waste shipments from Argonne East, Hanford, LANL, and Idaho.
- The participant from Tennessee asked if cleanup is still a priority for the Department — rumors question whether cleanup is a priority anymore. He asked, what are the long term goals or plan? Are there any details on long range plans or out-year projections? Mark Frei said Secretary Bodman has made EM a priority. When the EM strategic plan comes out this year, it will be made available for review. The plan will reflect work within the Administration (for the period FY08 to FY11) to move forward with additional funding for soil and ground water cleanup work. There is a lot of D & D to be done before cleanup may address contaminated soils. The Department has not forgotten about these tasks and leadership feels EM is the place to do this. DOE-EM has robust funding and a commitment to move forward and complete major cleanup work.

NEXT STEPS

- A Task Force member asked if DOE will share DOE-LM budget request numbers. The following links regarding DOE-LM budget information were provided to the Task Force on February 22:

Volume 2--Other Defense Activities. Pages 97-119.

http://www.mbe.doe.gov/budget/07budget/Content/Volumes/Vol_2_ODA.pdf

Volume 3--Energy Supply and Conservation. Pages 734-749.

(EM is in Volume 5.)

http://www.mbe.doe.gov/budget/07budget/Content/Volumes/vol_3_ES.pdf

- Kara Colton will ask Tony Carter or Mike Owen for a copy of the DOE-LM budget presentation dated February 6, 2006.
- An announcement for Task Force members — the Spring NGA Federal Facilities Task Force Meeting with DOE will take place in Las Vegas, Nevada on June 6-9, 2006. For more information on the meeting, contact Kara Colton at kcolton@nga.org