

## **Responses to Individual Points to Recommendation 168: Recommendation on the FY 2010 DOE-Oak Ridge Environmental Management Program Budget Request**

At the October 2008 Board Process & Finance Committee meeting, Pat Halsey, the ORSSAB Federal Coordinator, reviewed ORSSAB [Recommendation 168](#): Recommendation on the FY 2010 DOE-Oak Ridge Environmental Management Program Budget Request and DOE's response (Letter from Steve McCracken, DOE Oak Ridge Assistant Manager for Environmental Management, dated [May 2, 2008](#)). She explained that Mr. McCracken suggested that answers to the individual points of the recommendation be explained to the Board Finance & Process Committee.

Ms. Halsey read through and responded to the eight points of the board's recommendation:

1. *ORSSAB continues to recommend that worker/public safety and regulatory permit compliance projects should be the highest priorities for EM funding distribution.*

Ms. Halsey said DOE agrees completely.

2. *We recognize that worker benefits are sacrosanct, and we recommend that they continue to be considered so in the EM budget.*

DOE agrees.

3. *We find it unacceptable that for the second year in a row certain FFA compliance agreement milestones have been missed due to inadequate budget provided by DOE for EM scope. We believe that renegotiation of those missed milestones, with credible, realistic new schedules should be conducted in good faith with the regulators. The DOE-Oak Ridge EM budget targets for FYs 2010–2014 should be restored to at least the FY 2006 funding allocation level. .*

Ms. Halsey said she looked up the funding for FY 2006, and the allocation for Bechtel Jacobs' work that year was \$433M, although some of that went to benefits and startup of the Building 3019 project. The shortfall that year was \$7.5M. Pending approval of the Integrated Facility Disposition Project (IFDP), Oak Ridge is currently scoping this IFDP work plan based on receiving stable funding of \$550M per year for FY 2010 and out.

4. *While it was encouraging to see that Project Baseline Summary (PBS)–specific funding authorization was provided for conducting the Building 3019 project at Oak Ridge National Laboratory, it was also clear that no increase of overall funding to support that work within the EM baseline was provided in parallel. Hence, our recommendation from last year still stands—additional funding must be provided to meet the critical Building 3019 work scope.*

Ms. Halsey said this is not going to change. Work on the Building 3019 project will have to be absorbed by Oak Ridge.

5. *For the second year in a row, inadequate funding has resulted in a backlog of newly generated waste requiring treatment and disposal. While ORSSAB agrees with the overall risk-based budget prioritization that has allocated available funds to other task areas, it is unacceptable that adequate funds for day-to-day waste operations cannot be made available by EM for its stated waste management mission.*

Ms. Halsey said it's true, although this year responsibility for newly generated waste at Oak Ridge National Laboratory will be transferred to the lab. Responsibility for newly generated waste at Y-12 has already been transferred to the National Nuclear Security Administration. Budget to cover those responsibilities will be transferred for two years from EM to the lab and Y-12. Legacy waste responsibility will remain with EM.

6. *The anticipated budget shortfall associated with the President's FY 2009 budget submission is expected to impact the implementation of important Y-12 mercury-related contamination projects and planned field work. Furthermore, this shortfall is unacceptable given the significant delays in the East Tennessee Technology Park (ETTP) remediation activities and projected closure and transfer of the ETTP site. The FY 2010 targets for PBS OR040 and OR041 should be increased to adequately address both of these concerns, ensure the implementation and continuation of these CERCLA projects, and close out the ETTP site earlier than is currently baselined.*

Ms. Halsey said that when the board wrote its recommendation, all remedial actions at ETTP had been shut down; since then DOE EM has gotten a funding plus-up that allowed work to resume. The mercury-related projects are extremely important and will be funded no matter what. These projects are a RCRA and NPDES permit matter, so the work will be done in FY 2009. Because of the importance of these projects, DOE may request special permission to start this work during the continuing resolution.

7. *ORSSAB was pleased with DOE's CD-0 approval for the IFDP scope and the progress being made on development of the follow-on CD-1 package by the Integrated Project Team in Oak Ridge. The board fully supports this important program and recommends that DOE approve the CD-1 package in FY 2008. Follow-on risk analysis, project reprioritization, and associated compliance milestones renegotiation will be critical tasks for ensuring that the most important remediation work scope be accomplished with the available budget over the upcoming 5-year period.*

Ms. Halsey said that DOE and its regulators have started negotiations to see how the FFA and IFDP schedules can merge to become part of the FFA. A public meeting on the issue will be held in January. Ms. Halsey will give the committee the current project baselines before the public meeting so members can compare it to the baseline they'll receive at the meeting. That way they can see what project schedules were moved to make room for IFDP projects.

8. *ORSSAB was limited in its ability to maximize board member and community input because of the timing of the release of budget guidelines and the short deadline for submitting comments. The late release of the FY 2010 budget guidance and the uncertainties associated with the timing of the release greatly impeded the board. We recommend that DOE provide a clear timetable and provide timely release of information in future budget processes to allow adequate time for public review and comment. A 60-day review period is recommended at the local level. If for some reason a delay to this timeframe is necessary, DOE EM headquarters should provide clear and early communications with the EM SSABs as to why the delays will be necessary and when the guidance will be provided to allow the boards to adequately schedule time and resources during the available time.*

Ms. Halsey said that this year she doubts budget guidance will be any earlier, but there is no reason the committee can't get started evaluating baseline information.