



Many Voices Working for the Community

Oak Ridge Site Specific Advisory Board

June 1, 2011

John Eschenberg
Assistant Manager for Environmental Management
DOE-Oak Ridge Office
P.O. Box 2001, EM-90
Oak Ridge, TN 37831

Dear Mr. Eschenberg:

Recommendation 197: Recommendation on the FY 2013 DOE-Oak Ridge Environmental Management Budget Request

At our May 26, 2011, meeting the Oak Ridge Site Specific Advisory Board approved the enclosed recommendation regarding the FY 2013 DOE-Oak Ridge Environmental Management Budget Request.

The board's Environmental Management Budget & Prioritization Committee reviewed a number of budget scenarios generated by DOE-Oak Ridge's Dynamic Planning Model. There are some projects we believe should be prioritized with recognition of the impact they can have on ongoing missions on the Oak Ridge Reservation. Projects of importance are:

- The Uranium-233 Project
- The decontamination and demolition of Building 3019 at Oak Ridge National Laboratory
- The central stack at the lab and facilities that exhaust to the stack.

We believe work on Trench 13 in Melton Valley should be completed before the Transuranic Waste Processing Center, which treats the reclaimed material, finishes its mission and ceases operation.

We also recommend an analysis be done regarding the consequences of not undertaking a project.

Based on the scenarios noted above, the ORSSAB recommends that either the \$550 Million Budget Scenario or the \$600 Million Case be accepted as the ones to move forward as appropriate for the work needed on the Oak Ridge Reservation.

Please see the enclosed recommendation for a complete explanation of our recommendations.

We look forward to receiving your response to this recommendation by August 26, 2011.

Sincerely,

Ron Murphree, Chair, PE, CPE
rm/rsg

Enclosure

Recommendation: Recommendation the FY 2013 DOE-Oak Ridge Environmental Management Budget Request

cc/enc:

Dave Adler, DOE-ORO

Cate Brennan, DOE-HQ

Fred Butterfield, DOE-HQ

Pat Halsey, DOE-ORO

Connie Jones, EPA Region 4

Local Oversight Committee

Myron Iwanski, Anderson County Mayor

Melissa Nielson, DOE-HQ

John Owsley, TDEC

Mark Watson, Oak Ridge City Manager

Ron Woody, Roane County Executive



Oak Ridge Site Specific Advisory Board Recommendation 197: Recommendations on Fiscal Year 2013 DOE Oak Ridge Environmental Management Budget Request

Background

Each year the U.S. Department of Energy (DOE) Environmental Management (EM) Program develops its budget request for the fiscal year two years beyond the current fiscal year. It uses budget requests from the various DOE field offices in developing the EM Program budget request to the President.

DOE EM Headquarters typically issues guidelines to the field offices advising them how much budget they should reasonably expect when developing their fiscal year +2 budget requests to headquarters. The field offices brief the public and the regulatory agencies and seek input from them regarding budget requests.

On October 13, 2010, the Oak Ridge Site Specific Advisory Board (ORSSAB) received a briefing from Dave Adler, DOE Oak Ridge Federal Facility Agreement Project Manager, on the schedule for submitting the budget request to headquarters and the guiding principles for project prioritization for cleanup of the Oak Ridge Reservation (ORR). At the time Mr. Adler said DOE Oak Ridge was already working with the regulators, the Environmental Protection Agency (EPA) and the Tennessee Department of Environment and Conservation (TDEC), in setting cleanup priorities for the ORR, but he noted that ORSSAB would have an opportunity for input as well.

After Mr. Adler's presentation the ORSSAB Executive Committee formed a new standing committee, the EM Budget & Prioritization Committee, to work more closely with DOE Oak Ridge in setting cleanup priorities for the ORR. The committee held its first meeting on January 6, 2011.

At that meeting Mr. Adler proposed a timeline for gathering information and developing a recommendation from the board. He also mentioned that DOE Oak Ridge had developed a software program that could provide insight on various cleanup scenarios based on available budget or sequencing. He said a presentation on those scenarios could help the committee in its deliberations.

The committee met again on January 19 to get a description of the program called a Dynamic Planning Model. At that meeting Mr. Adler said the program can take a work breakdown structure and split it incrementally from a high level overview of work to individual projects. The model can take each program baseline summary and let the user know of three different funding situations:

1. Fixed expenses
2. Level of effort – funding must be sufficient to sustain operations, but cost can be eliminated if the project is finished
3. Dynamic – discretion in scheduling a project

On February 24, 2011, DOE Oak Ridge held a public meeting at the American Museum of Science and Energy in Oak Ridge that included presentations by DOE federal project directors who outlined the various cleanup projects that need to be addressed at East Tennessee Technology Park (ETTP), Y-12 National Security Complex, and Oak Ridge National Laboratory (ORNL). The meeting also included representatives of EPA and TDEC who presented their views on project prioritization for the ORR. Comments and questions were taken from the public.

On March 25, 2011, Mr. Adler met again with the Budget & Prioritization Committee, to review six scenarios generated by the Dynamic Planning Model for funding and completing the various cleanup projects on the ORR. A review of the scenarios follows in the Discussion section.

Discussion

The ORSSAB appreciates the opportunity to take part in this work, and expects that the result will be useful in budget negotiations. The results give more insight into the effects of budget constraints than had been expected. The scenarios studied are discussed briefly below.

Unconstrained Budget Scenario

This scenario brings funding for the Oak Ridge EM program close to \$1 billion until FY 2015. While this scenario would get work done quickly, the challenge would be to ramp up logistics to that level of effort.

Even with unconstrained budgets it would take time to complete all projects because some projects at Y-12 and ORNL can't be transferred to EM until the 2020 timeframe.

\$550 Million Budget Scenario

This scenario focuses on disposing of transuranic waste, finishing work at ETTP, and completing the Uranium-233 Project at ORNL as quickly as possible and then moving to additional work at ORNL and Y-12 after those projects are finished. Mr. Adler said this scenario would result in a savings of about \$1 billion over the life of the cleanup program.

ETTP Last Scenario

Mr. Adler said this scenario is not being seriously considered, but was done to illustrate the value of mortgage reduction by continuing to decontaminate and demolish facilities at ETTP. It assumes \$450 million a year in funding, but the point is that by delaying work at ETTP total project costs escalate by a couple of billion dollars.

\$450 Million Budget Specific Project Start Scenario

This scenario was developed to capture project sequencing made previously and subsequently refined to reflect the regulators' proposed acceleration of several large projects at ORNL and Y-12. Spending would be reduced in the near-term but would increase significantly in 2014-15 timeframe.

Molten Salt Reactor Just in Time for WIPP Closure

Work to remove remaining salts from the Molten Salt Reactor would be delayed, but only long enough to ensure that the window of opportunity to dispose of the salts at the Waste Isolation Pilot Plant is not missed.

\$600 Million Case

This scenario reflects the amount of funding needed to address work that the regulators would like to have accelerated, while still maintaining momentum of projects DOE wants to continue to focus.

Recommendations

1. The ORSSAB recommends that the prioritization process be used diligently in the budget process so that the DOE Oak Ridge Office, the regulators, and the community understand site priorities and agree that the scenarios described are the most important. The ORSSAB also recommends that the other DOE sites be encouraged to use a similar, if not identical, process so that meaningful comparisons may be made among the various sites in order to understand priorities throughout the DOE Complex.

2. Several projects of importance to the ORSSAB should be prioritized with recognition of the impact that they can have on the ongoing mission of facilities on the ORR. Projects of importance are:

- The U-233 removal project
- The decontamination and demolition of Building 3019
- The central stack at ORNL and the facilities which exhaust to that stack.

These facilities are the causes of considerable risk of disruption of the missions of ORNL. Thus the ORSSAB recommends that the completion of the projects be explicitly addressed in the prioritization process.

3. The completion of work on Trench 13 in Melton Valley must be finalized before the Transuranic Waste Processing Center, which treats the reclaimed material, finishes its mission and ceases operation. Thus the ORSSAB also recommends that the Trench 13 project be explicitly addressed in the prioritization process.
4. We recommend analysis be included of the consequences of not undertaking a project as part of the model.
 - An example would be the current plan to leave the duct bank at ETTP. We are concerned that potential subsequent users of this development might be reluctant to construct on a site that contains a very restrictive development constraint.
5. Based on the scenarios described in the Discussion above, the ORSSAB recommends that either the \$550 Million Budget Scenario (Attachment 1) or the \$600 Million Case (Attachment 2) be accepted as the ones to move forward as appropriate for the work needed on the Oak Ridge Reservation. Every effort should be made to include in the model potential variability of the funding for Oak Ridge EM Program.