

Environmental Management Cleanup Reform

Proposed Appropriation Language

For Department of Energy expenses, including the purchase, construction, and acquisition or condemnation of any real property or plants, and capital equipment and other expenses necessary to accelerate or provide alternative cleanup strategies for Environmental Restoration and Waste Management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq); \$800,000,000 to remain available until expended: Provided, that these amounts maybe transferred to and merged with accounts under this title which fund specific cleanup activities only after the Secretary of Energy enters into an agreement satisfactory to the Secretary and the appropriate state and federal regulators, and each site for which these funds may be used.

Explanation of Change

The FY 2003 request proposes the establishment of a new account with funding of \$800,000,000. This appropriation provides funding to accelerate activities related to site or facility closure or alternative cleanup strategies, which have the potential for significant life-cycle cost savings over the current baseline cleanup approach.

Environmental Management Cleanup Reform

Program Mission

EM is requesting a new appropriation – the Environmental Management Cleanup Reform Appropriation – of \$800,000,000 that is critical to beginning implementation of the recommendations of the top-to-bottom review. The new appropriation is designed to enable the Department, the States, and the American taxpayer to begin realizing the benefits immediately of alternative cleanup approaches that will produce more real risk reduction, accelerate cleanup, or achieve much needed cost and schedule improvements.

Program Strategic Performance Goals

EM will work with our regulators to agree on approaches that meet our mutual goals of achieving accelerated, risk-based cleanup that eliminates unneeded activities. Once agreement is reached and a new cost savings and funding profile established for the acceleration or alternate cleanup strategy, funds will be made available from the Cleanup Reform Appropriation to fund or supplement existing funding from the base budget for the project. The appropriate Congressional committees will be informed of the agreement and the commitment of funds from this appropriation. Informational data sheets will be developed on each such project to track progress and any future changes. The funds identified with the acceleration will be merged with the funds in the parent appropriation (e.g., Closure, Site/Project Completion, Post-2006) of the old activity.

This new appropriation will provide the stimulus necessary to reach agreement with States and regulators on new, more effective cleanup approaches and ensure that constant or greater funding levels are available to those States for cooperative efforts that lead to greater and faster risk reduction. An example of the type of projects identified during the review as candidates for alternate cleanup strategies that should produce results quicker and with substantial life-cycle savings are high level waste vitrification projects. The review identified alternative approaches to treating high level waste that would limit vitrification to the high risk component and pursue alternative treatment approaches to lower risk components. These alternative approaches offer the potential of earlier true risk reduction and could save the taxpayers tens of billions of dollars.

EM looks forward to working with the Congress, our regulators, and stakeholders and welcomes any additional proposals they may offer.

Significant Accomplishments and Program Shifts

To be determined after discussions with State and Federal regulators.

Funding Profile

(dollars in thousands)

	FY 2001 Comparable Appropriation	FY 2002 Original Appropriation	FY 2002 Adjustments	FY 2002 Comparable Appropriation	FY 2003 Request
EM Cleanup Reform	0	0	0	0	800,000

Detailed Program Justification

(dollars in thousands)

FY 2001	FY 2002	FY 2003
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Cleanup Reform	0	0	800,000
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The following projects have been identified in the EM top-to-bottom review as potential elements of cost savings through either acceleration or alternative cleanup strategy. Estimated amounts needed in FY 2003 are shown for these projects along with aggregate estimates of potential savings. EM will work with Congress, State and Federal regulators to identify additional projects and welcomes any proposals they may offer.

Richland

- < Waste Encapsulation Storage Facility: Transfer existing inventory of Strontium and Cesium capsules currently stored in the Waste Encapsulation Storage Facility for disposal in the cells of one of the existing canyon facilities. This initiative would eliminate the Waste Encapsulation Storage Facility mortgage and phase II vitrification requirements. A small amount is needed in FY 2003 which could result in over \$600,000,000 in life-cycle savings. The majority of cost savings (\$500,000,000) is related to the elimination of vitrification requirements.
- < Plutonium Finishing Plant Acceleration: Transfer of existing inventory of special nuclear materials to the Savannah River Site, thereby, improving the Department's ability to safeguard these materials and eliminating security and operation costs and allowing deactivation and decommissioning of these facilities. A small amount is needed in FY 2003 which could result in over \$300,000,000 in life-cycle savings.

Office of River Protection

- < A total investment of over \$700,000,000 million of which a moderate amount is needed in FY 2003. This investment could produce a \$20,000,000,000 life-cycle savings. This additional funding will allow initiation of single-shell tank closure in FY 2003 with the first tank in interim closure status by 2004.

Savannah River

(dollars in thousands)

FY 2001	FY 2002	FY 2003
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- < Salt Disposition Acceleration: Treat and stabilize low and medium activity salts in grout (saltstone) form. This initiative would eliminate the need for a full scale salt processing facility. A moderate amount is needed in FY 2003 which could result in approximately \$3,700,000,000 in cost savings, primarily from closing Defense Waste Processing Facility 8 years earlier.
- < Spent Fuel Inventory Consolidation and Direct Disposal: Transfer of spent fuel inventories currently stored in receiving basin for offsite fuels and K-Basins to L-Basin and support other direct disposal initiatives. This initiative would reduce surveillance and monitoring costs related to operation of multiple storage facilities and reduce construction costs associated with treatment and storage facilities. A small amount is needed in FY 2003 which could result in over \$300,000,000 in cost savings.
- < Shutdown of F Area Acceleration: Removal of waste from F Tank Farm storage tanks and permanent shut down of F canyon resulting in reduced surveillance and monitoring costs related to earlier closure. Amount needed in FY 2003 is moderate which could result in over \$800,000,000 in cost savings.

Idaho National Engineering and Environmental Laboratory

- < High-Level Waste: Sodium Bearing Waste, Alternative Treatment Technology and Tank Closure: Empty remaining 10 storage tanks of sodium bearing liquid waste; clean and close tanks. Treat and stabilize high-level waste in a calcine form. This initiative would eliminate the need for a full scale vitrification processing facility. Amount needed in FY 2003 is moderate which could result in over \$5,000,000,000 in life-cycle savings.
- < Buried Transuranic Remediation: Accelerate the completion of the Pit 9 retrieval (glove box excavator method) demonstration resulting in reduced cleanup, and surveillance and monitoring costs related to earlier closure. Amount needed in FY 2003 is moderate which could result in over \$1,000,000,000 in life-cycle savings.
- < Spent Nuclear Fuel Wet Pool to Dry Storage Acceleration: Accelerate movement of spent nuclear fuel (commercial and DOE) from wet to dry storage. This initiative would reduce surveillance and monitoring costs related to operation of multiple storage facilities and reduce construction costs associated with treatment and storage facilities. Amount needed in FY 2003 is moderate which could result in over \$50,000,000 in life-cycle savings.
- < Infrastructure Reduction: If the three initiatives identified above are accomplished the site would significantly reduce out year infrastructure costs over \$3,000,000,000.

Oak Ridge

- < Acceleration of East Tennessee Technology Park: Amount needed in FY 2003 is moderate which could produce \$100,000,000 in life-cycle savings. This facility is scheduled for decontamination and decommissioning to commence in FY 2004 and be completed in FY 2008. The investment will permit completion by FY 2005, three years ahead of current schedule.

(dollars in thousands)

FY 2001	FY 2002	FY 2003
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< Acceleration of Melton Valley: Amount needed in FY 2003 is small and could produce \$5,000,000 in life-cycle savings. This project consists of five solid state storage areas in the Melton Valley watershed and is actively contributing to radionuclide contamination in the Clinch River. Accelerated installation of the closure cap in this area will reduce the introduction of contamination into local waters and reduce risk to the workers and the public 4 years earlier than currently scheduled.

Ohio

< Opportunities exist to accelerate the closures of Mound, Fernald in Ohio and West Valley in New York earlier than currently scheduled. A moderate investment at Mound and Fernald will assure closure by 2006 and permit earlier closure at West Valley.

Small Site Acceleration

< The total investment required is \$190,000,000 of which a moderate amount is needed in FY 2003. This investment could produce over \$500,000,000 in life-cycle savings by completing cleanup at many small sites associated with the Chicago, Albuquerque and Oakland Operations Offices.

Total, Cleanup Reform	0	0	800,000
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Explanation of Funding Changes from FY 2002 to FY 2003

FY 2003 vs. FY 2002 (\$000)

Cleanup Reform

The FY 2003 request proposes the establishment of a new account with funding of \$800,000,000. This appropriation provides funding to accelerate activities related to site or facility closure or alternative cleanup strategies, which have the potential for significant life-cycle cost savings over the current baseline cleanup approach. 800,000

Total Funding Change, Cleanup Reform	800,000
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