

CHAPTER 19.2

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

Table of Contents

I. Introduction	2
I.A. Purpose	2
I.B. Applicability	2
II. Background of the D&D Fund	2
II.A. Decontamination and Decommissioning of Facilities	2
II.B. Remedial Action	2
II.C. Reimbursing Uranium and Thorium Licensees	2
II.D. Excluded Activities	2
III. Accumulating D&D Fund Resources	3
IV. Managing D&D Fund Balances	3
IV.A. Authorization	3
IV.B. Types of Securities	3
IV.C. Investment Policy	3
IV.D. Periodic Investment Strategy	4
V. Budget Execution	4
VI. Accounting	4
VII. Reporting	5
VII.A. Financial Reporting	5
VII.B. Program Reporting	5
VIII. Responsibilities	5
IX. Definitions	7
X. Acronyms and Abbreviations	8
SUBJECT: SUMMARY - OCTOBER 2026 UPDATE TO CHAPTER 19.2	9

I. Introduction

I.A. Purpose

To establish policies for financial management of the Uranium Enrichment Decontamination and Decommissioning Fund, referred to hereafter as the D&D Fund.

I.B. Applicability

This chapter applies to all Departmental elements, including the National Nuclear Security Administration, conducting activities that are directly or indirectly involved with the D&D Fund.

II. Background of the D&D Fund

The Energy Policy Act of 1992 (EPACT), (10 CFR 766), required the Department of Energy (DOE or Department) to establish and administer the D&D Fund to pay for the environmental cleanup activities discussed below.

II.A. Decontamination and Decommissioning of Facilities

The primary purpose of the D&D Fund is decontamination and decommissioning (D&D) of DOE's three gaseous diffusion plants (GDP) that enriched uranium. The three plants were located in Oak Ridge, Tennessee; Portsmouth, Ohio; and Paducah, Kentucky.

II.B. Remedial Action

The D&D Fund also pays for the annual costs of remedial action (RA) at the GDP sites to the extent the balance in the D&D Fund is sufficient. RA involves cleanup and treatment of environmental hazards found separate from the GDP facilities, such as soil and groundwater remediation. To the extent the D&D Fund is insufficient, the Department shall be responsible for the cost of RA.

II.C. Reimbursing Uranium and Thorium Licensees

Title X of the EPACT, (10 CFR 765), also provides authorization to reimburse uranium and thorium licensees for the portion of environmental cleanup costs at their sites that are attributable to nuclear materials sold to the U.S. Government during the Cold War Era. DOE's Office of Environmental Management (EM) administers these reimbursements and issues an annual status report¹ on the reimbursements.

II.D. Excluded Activities

The D&D Fund is not available to pay for D&D of centrifuge uranium enrichment facilities at the GDP sites. The centrifuge facilities are not part of the original GDPs as they were built decades later in support of DOE's exploration of centrifuge uranium enrichment technology.

Also, Congress provided a separate appropriation for conversion of Depleted Uranium Hexafluoride (DUF6) cylinders stored at the GDPs.

DUF6 (i.e. uranium tails) is a waste byproduct of the gaseous diffusion enrichment process.

Activities performed must be consistent with the applicable appropriations authorizing use of the D&D Fund.

III. Accumulating D&D Fund Resources

Originally, the EPACT authorized annual deposits of \$480M to the D&D Fund consisting of \$330M from the U.S. Government and \$150M from domestic nuclear utility assessments. The ratio of Government contributions to utility contributions was based on purchase/consumption of uranium enrichment services (measured in separative work units or SWU) provided by the GDPs from their inception through the October 1992 passage of the EPACT. These contributions were to be made for 15 years (fiscal years (FY) 1993 through FY 2007) and be adjusted annually for inflation.

The authority to collect funding from utilities expired in 2007. Any further utility contributions to the D&D Fund would require statutory reauthorization.

All utility contributions to the D&D Fund have been fully utilized. Current D&D Fund balances derive from annual appropriations that are deposited into the D&D Fund, but then concurrently made available for expenditure.

IV. Managing D&D Fund Balances

IV.A. Authorization

EPACT authorizes the Secretary to invest the D&D Fund's resources in U.S. Treasury securities. These securities shall have maturities and interest rates determined by the Secretary of the Treasury to be appropriate for what DOE determines to be the needs of the D&D Fund. Although EPACT-provides that the Secretary of the Treasury will select investments, Treasury relies on DOE to make investment decisions

IV.B. Types of Securities

The D&D Fund can be invested in four types of U.S. Treasury securities: bonds, notes, bills, and one-day certificates. Interest earnings from these securities may also be used for the D&D Fund's intended purposes.

IV.C. Investment Policy

The investment policy of the D&D Fund is to provide cash when required to meet program expenditures while maximizing investment earnings.

To meet the objectives of the investment policy, investments will be made such that maturity dates approximate the need for funds. Immediate cash needs will be invested in Treasury one-day certificates. Short-term cash needs will be invested in Treasury bills, notes, or bonds with near-term maturity dates. Treasury notes or bonds with longer term maturities will be

used for long-term cash requirements.

In the event that investments are impacted by changes to disbursement schedules, investments may be sold before their maturity date and the proceeds reinvested in securities that more closely match disbursement needs.

IV.D. Periodic Investment Strategy

EM is responsible for program management of the D&D Fund's activities. EM's Consolidated Business Center (EMCBC) has the lead for developing the periodic investment strategies for the D&D Fund. The investment strategy is a plan showing the Treasury securities that need to be purchased or redeemed for the given period.

EMCBC uses cash disbursement forecasts from the EM offices that carry out the D&D Fund's activities, as well as, the investment portfolio reports discussed in the next paragraph to develop the investment strategy. EMCBC provides the investment strategy to DOE's Office of Finance and Accounting (OFA or CF-10) within the Office of the Chief Financial Officer.

Using the FedInvest website, OFA purchases and redeems securities as requested in the investment strategy, and collects interest from the investment portfolio. OFA uses DOE's Consolidated Accounting and Investment System (CAIS) to record and track the D&D Fund's investment activities and provides monthly CAIS reports to EMCBC to help with investment strategy development. OFA also enters the investment activity into the Standard Accounting and Reporting System (STARS) each month.

V. Budget Execution

Use of the D&D Fund is subject to appropriations and subsequent apportionment by the Office of Management and Budget (OMB).

Normal DOE administrative control of funds requirements apply to the D&D Fund. Funding is allotted and distributed per the requirements of Chapter 2.2, "Administrative Control of Funds" of the *Financial Management Handbook* and OMB Circular A-11, "Preparation, Submission, and Execution of the Budget."

VI. Accounting

The CFO Office of Finance and Accounting (CF-10) performs accounting and reporting functions relating to the D&D Fund.

The D&D Fund's activities are tracked in the STARS accounting system via unique fund type codes in the 03000 series. This helps maintain visibility of the D&D Fund's activities and amounts as they are consolidated with other activities and amounts for purposes such as the annual consolidated financial statements.

The D&D Fund's activities follow established cash management practices and are part of routine cash reporting and reconciliations submitted to Treasury.

VII. Reporting

VII.A. Financial Reporting

Financial reporting for the D&D Fund will be accomplished with the regular DOE accounting system reports. In addition to the normal Treasury and OMB requirements, the CFO will prepare annually a special fund report to Treasury for input into Treasury's annual report to Congress on the status of the D&D Fund. The report shall show receipts, outlays, and equity of the D&D Fund.

VII.B. Program Reporting

EM is responsible for preparing the following report for Congress per EPACT:

Within 3 years of the date of enactment of EPACT, and at least once every 3 years thereafter, the Secretary shall report to Congress on the status of D&D activities in response to EPACT.

This report is referred to as the "Triennial Report to Congress." The report covers cleanup work that has been completed and work that remains. It also includes a financial section that discusses cumulative collections, cumulative spending, projected costs to finish the cleanup work, and an analysis of the Fund's sufficiency to complete the work.

VIII. Responsibilities

VIII.A. Assistant Secretary for Environmental Management (EM)

- VIII.A.1.** Direct and monitor the financial activity of the D&D Fund in coordination with the CFO;
- VIII.A.2.** Direct, prepare, defend, and consolidate Headquarters, Oak Ridge EM, and Portsmouth Paducah Project Office formulated budgets for the Fund and submit them to the CFO;
- VIII.A.3.** Develop investment strategies and an appropriate cash flow analysis in coordination with the CFO (Function delegated to EMCBC);
- VIII.A.4.** Prepare and issue regulations governing reimbursement of individual uranium and thorium processing site licensees; and process all requests for reimbursement in coordination with the CFO;
- VIII.A.5.** Per the EPACT, coordinate development of the Secretary's Triennial Report to Congress on the status of the D&D Fund's activities and the projected adequacy of the D&D Fund for completing those activities;
- VIII.A.6.** If Congress were to authorize additional contributions from domestic utilities – establish/reestablish the regulations,

policies, and processes for collecting these contributions, in coordination with the CFO.

VIII.B. The Office of Chief Financial Officer

- VIII.B.1.** Develop and maintain financial policy for D&D Fund activities in coordination with EM;
- VIII.B.2.** Perform all accounting and related D&D Fund activities and process appropriate transactions in DOE CAIS and STARS;
- VIII.B.3.** Provide input to Treasury for the annual report to Congress regarding the financial condition and operations of the D&D Fund during the previous fiscal year;
- VIII.B.4.** Review regulations prepared by EM governing reimbursement of individual uranium and thorium processing site licensees;
- VIII.B.5.** Review periodic investment strategies from EMCBC for compliance with DOE policy and Treasury regulations, initiate investment transactions with Treasury, and maintain appropriate documentation of the investment transactions;
- VIII.B.6.** Monitor and incorporate disbursement notifications from EMCBC into the daily investment activities; and check STARS for actual disbursements to determine recommended investment in overnight account;
- VIII.B.7.** At the direction of EM, make disbursements to uranium/thorium licensees;
- VIII.B.8.** Serve as a focal point for all official accounting operational matters regarding D&D Fund activities, maintain official accounting records, and maintain liaison with Treasury and the Government Accountability Office, in coordination with EM, regarding operational accounting matters.

VIII.C. EM Consolidated Business Center

- VIII.C.1.** Monitor the financial activity of the D&D Fund in coordination with EM;
- VIII.C.2.** Provide projected outlays for the D&D Fund to the Office of Finance and Accounting (OFA), along with investment strategies for any funds in excess of current outlay projections;
- VIII.D.3.** Support financial reporting for the D&D Fund such as recording environmental liability estimates in STARS;
- VIII.C.4.** Develop financial input to the Secretary's Triennial Report to Congress, in accordance with EPACT, and transmit the input to EM Headquarters. This includes helping analyze the adequacy of the D&D Fund to meet cleanup requirements.

VIII.D. Oak Ridge EM Office & Portsmouth Paducah Project Office

VIII.D.1. Prepare and submit field project budgets to EM;

VIII.D.2. Develop outlay estimates for cleanup work for EMCBC to use in developing the investment strategy;

VIII.D.3. Support financial reporting for the D&D Fund such as providing environmental liability estimates;

VIII.D.4. Develop required programmatic input to the Secretary's Triennial Report to Congress, in accordance with EPACT, and transmit the input to EM Headquarters.

VIII.E. Office of Inspector General

Coordinate with EM and the CFO on auditing the D&D Fund's activities.

IX. Definitions**IX.A. Decontamination and Decommissioning (D&D)**

Activities, other than response actions or corrective actions, undertaken to D&D the Department's inactive Gaseous Diffusion Plants (GDP). These facilities have residual radioactive or mixed radioactive and hazardous chemical contamination. Note, centrifuge enrichment facilities constructed on the GDP sites are not part of the original GDPs and are not covered by the D&D Fund.

IX.B. Domestic Utility

Any utility in the United States that purchased uranium enrichment services (i.e. separative work units) from DOE for purposes of commercial electricity generation, during the period beginning in 1945 through October 23, 1992.

IX.C. Remedial Action

Environmental remediation of contamination found in areas separate from the inactive GDP facilities, such as soil and groundwater remediation.

IX.D. Separative Work Unit (SWU)

For this chapter, SWU is the effort required in the uranium enrichment process to separate uranium-235 and uranium-238 to increase the proportion of uranium-235 in a sample. SWU is not a unit of energy but rather expresses the magnitude of the enrichment services provided.

IX.E. Uranium Enrichment

The separation of uranium of a given isotopic content into two components, one with a higher percentage of a fissile isotope and one with a lower percentage. For this chapter, it is the separation of uranium-235 from uranium-238 to create a higher percentage of the more fissile uranium-235.

X. Acronyms and Abbreviations

CAIS	Consolidated Accounting and Investment System
CFO	Chief Financial Officer
D&D	Decontamination and Decommissioning
DOE	Department of Energy
DUF ₆	Depleted Uranium Hexafluoride
EM	DOE Office of Environmental Management
EMCBC	Environmental Management Consolidated Business Center
EPACT	Energy Policy Act of 1992
GDP	Gaseous Diffusion Plant
OFA	Office of Finance and Accounting (CF-10 in DOE's CFO office)
OMB	Office of Management and Budget
RA	Remedial Action
STARS	Standard Accounting and Reporting System
SWU	Separative Work Units

**SUBJECT: SUMMARY - OCTOBER 2026 UPDATE TO CHAPTER 19.2
URANIUM ENRICHMENT DECONTAMINATION AND
DECOMMISSIONING FUND****1. EXPLANATION OF CHANGES:**

These changes:

- Update the chapter to reflect current organizational structure and responsibilities. This update does not change any requirements for the D&D Fund or introduce new requirements;
- Reorganize the chapter to streamline less relevant historical content and focus more on current processes.

2. LOCATION OF CHANGES:

Due to the significant restructuring and updating of the chapter, a listing of individual changes throughout the document is not provided.

¹ As of October 2026, the most recent report from EM is titled, "Fiscal Year 2025 Status Report – Reimbursements to Licensees of Active Uranium Processing Sites" (Title X of the Energy Policy Act of 1992, Fall 2025)