Department of Energy
FY 2007 Budget

DOE: Energy, Science, and Security

February 6, 2006

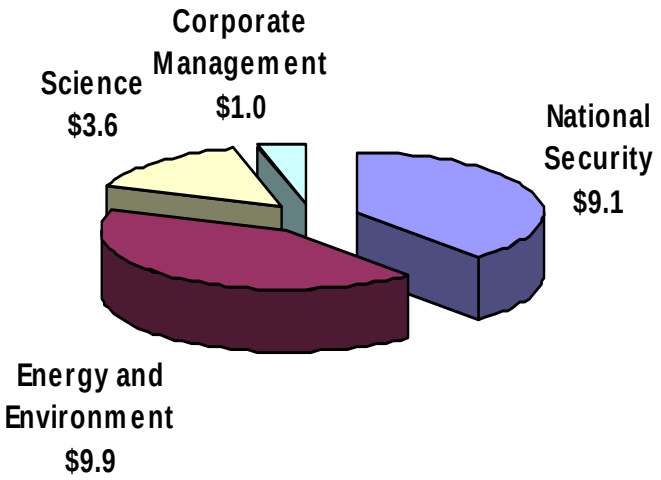
Guiding Principles

- **Advancing our National Security**
- **Reducing Dependence on Foreign Oil**
- **Increasing Economic Competitiveness through Scientific Discovery**
- **Honoring our Commitments**
- **Managing for Excellence**

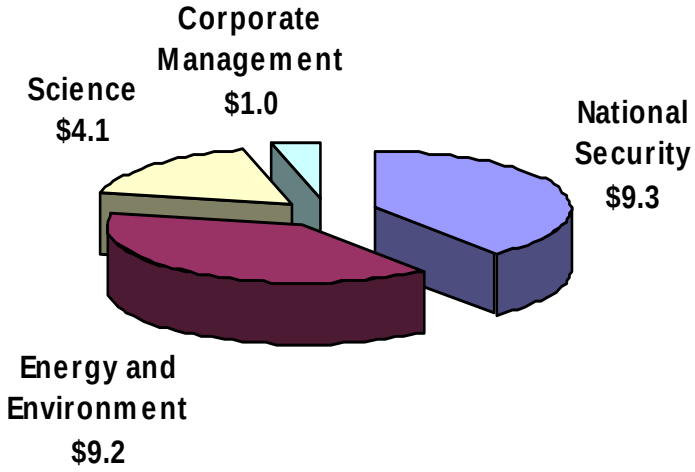
Supporting our Nation's Highest Priorities

DOE Budget : FY 2006 and FY 2007 ($ in Billions)

FY 2006 Appropriation
$23.6 Billion



FY 2007 Request
$23.6 Billion



FY 2007 request is level with FY 2006
In real terms, $0.5 billion below FY 2006

FY 2007 DOE Budget Breakout

By Organization ($ in Millions)

	FY 2005 Approp.	FY 2006 Approp.	FY 2007 Cong. Request	Change
National Nuclear Security Administration	$9,298	$9,105	$9,316	+$211
Energy and Environment				
Energy	*$2,483*	*$2,713*	*$2,583*	*-$130*
Environment	*$7,926*	*$7,163*	*$6,573*	*-$590*
Total, Energy and Environment	$10,409	$9,876	$9,156	-$720
Science	$3,636	$3,596	$4,102	+$506
Corporate Management/FERC	$1,002	$986	$983	-$3
Total DOE	**$24,345**	**$23,563**	**$23,557**	**-$6**

Initiatives: Seizing Opportunities

- American Competitiveness Initiative ($505M)
  -- President's commitment to double Federal spending on science over the next 10 years
- Global Nuclear Energy Partnership ($250M) – Responds to the challenges of:
  -- Global terrorism – threat of nuclear proliferation
  -- Anticipated growth in energy demand – 50% increase over the next 20 years
- Energy Diversification – Results within 20 years
  -- Solar America Initiative, $148M (+$65M)
  -- Biomass/Biofuels Initiative, $150M (+$59M)
  -- Hydrogen Fuel Initiative, $289M (+$53M)
  -- FutureGen ($54M in FY 2007; $203M in FY 2008)
  -- Nuclear Power 2010 ($54M in FY 2007)

Increasing Scientific Discovery

- Opportunities exist for a scientific revolution:
  - -- Biotechnology
  - -- Nanotechnology
  - -- Materials Science
  - -- Fusion Energy
  - -- High-Intensity Light Sources
  - -- High-Speed Computing

- The nations that lead this scientific revolution will dominate the global economy

- Significant investment is required

- The DOE Office of Science plays a critical role:
  - -- responsible for 10 world-class U.S. national laboratories
  - -- the primary builder and operator of scientific facilities in the U.S.
  - -- educating and training our next generation of scientists and engineers

⇕

American Competitiveness Initiative

Global Nuclear Energy Partnership

Challenges

- Rapidly growing U.S. and international energy demands
- Reliance on imported fossil fuels
- Few technologies provide clean, reliable baseload electricity—only nuclear power
- Nuclear proliferation and terrorist threats

DOE Programs	GNEP Vision
Office of Nuclear Energy -- NP 2010 -- AFCI/UREX+	➢ New nuclear power plants with Federal risk insurance ➢ Proliferation-resistant recycling of nuclear fuel for greater efficiency and less waste ➢ A new generation of small scale reactors to utilize recycled fuel in developing countries
Office of Civilian Radioactive Waste Mgt. -- Yucca Mountain	➢ Ultimately accept GNEP's recycled fuel, reducing volume and toxicity ➢ Minimizes the need for additional repositories for generations
NNSA Office of Nuclear Nonproliferation	➢ U.S. and international partners provide fuel to developing nations in exchange for commitments that they will not develop enrichment or reprocessing capabilities ➢ Int'l partners would retrieve and recycle used fuel
Office of Science	➢ Continue to support basic nuclear research

Honoring our Commitments

- Weapons Activities, $6.4B (+$38M) – Fulfills DOD requirements and is in line with the President's Nuclear Posture Review
- Defense Nuclear Nonproliferation, $1.7B (+$111M) – Accelerates efforts to secure nuclear material in the Former Soviet Union
- Environmental Management, $5.8B (-$762M) – Closing sites/completing cleanup
- Civilian Radioactive Waste Management, $545M (+$50M) – Overcomes impediments through a new simplified approach and planned legislation
- Legacy Management, $201M (+$123M) – Ensuring continuity of pension and medical benefit payments to former contractor employees at completed cleanup sites

Managing for Excellence

- The President's Management Agenda (PMA) has been the framework for organizing the Department's management reform efforts

- On the OMB scorecard, DOE has been consistently rated well

- DOE has achieved significant results in the following areas:
  -- Better Management of Human Capital
  -- Institutionalizing Multi-Year Planning and strengthening the link between program performance and resource allocation decisions
  -- Better Business Practices

The Bottom Line

	FY 2005 Approp.	FY 2006 Approp.	FY 2007 Request
DOE Budget	**24,345**	**23,563**	**23,557**

($ in Millions)

- **Presents a balanced program and seizes opportunities in national security, energy diversification, and scientific discovery**
- **Honors commitments to national defense and employees and communities impacted by former weapons facilities**
- **Makes tough choices to terminate under-performing programs**
- **Reflects responsible stewardship of the American taxpayers' money**

DOE: Energy, Science, and Security