



**DOE “FOCUS ON 2006” DISCUSSION DRAFTS,
“CONTRACTOR REPORT TO THE DEPARTMENT OF ENERGY ON THE
ENVIRONMENTAL MANAGEMENT BASELINE PROGRAMS AND
INTEGRATION OPPORTUNITIES (DISCUSSION DRAFT)”
AND THE DOE-ID EM FY 1999 BUDGET PRIORITIES DOCUMENT**

INTRODUCTION

The INEEL Citizens Advisory Board has studied, evaluated, and investigated the proposed actions of the Department of Energy relating to the budget planning for waste management and cleanup of the INEEL site and the entire DOE complex and provides the following recommendations. For ease in review, the recommendations are made on specific program planning documents. However, more than one document may be germane to the recommendation.

RECOMMENDATION

The Board is concerned that budget distributions to the various sites are apparently not compliance and risk driven, but are scaled to some arbitrary historic allocation, which refutes any argument that there is any “unifying vision (that) will drive budget decisions, sequencing projects and actual actions taken to meet program objectives,” as stated in the Focus on 2006 Plan vision. An example of this arbitrary allocation is the INEEL allocation of 6.8% of the \$6.0 billion budget and 6.9% of each of the \$5.5 billion and \$5.0 billion budgets. This appears to the INEEL CAB as an abrogation of the responsibility EM has to determine allocations based on compliance and risk. The CAB also notes that neither the \$5.5 billion or \$5.0 billion cases provide sufficient funds for INEEL to maintain compliance with the Settlement Agreement or other enforceable agreements in FY 1999. DOE should recognize and emphasize the relationship between the “Focus on 2006” plans and budgetary decisions.

The INEEL Board does not believe that the environmental damage done to the various sites or existing potential hazards are the same at each site. DOE Headquarters has the opportunity and responsibility to integrate a regulatory compliant, risk driven program of environmental management. It does not appear to have taken that opportunity or responsibility, but has backed away from managing the program by providing arbitrary goals for reducing support costs, obtaining project improvements in expenditures, and achieving annual productivity improvements.

The INEEL Board believes such goals may be worthy, but does not believe they should be a universal standard for high and low risk sites and programs, for varying degrees of compliance requirements, or for unequally efficient Management and Operating (M&O) operators.

Therefore, our recommendations are as follows:

1. In its next version, the 2006 Discussion Draft should
 - a. Be more cleanly structured for ease of review, and should be clear, concise, and consistent, integrating information from the individual site and other DOE planning documents.
 - b. Delineate the regulatory and compliance drivers for budget distribution project-by-project and site-to-site along with the consequences of non-compliance.

- c. Describe accurately the highest risk to lowest risk programs at each of the DOE sites and show how the budget allocations are reducing these risks by 2006. Risks to be included are environmental degradation, worker and public health and safety, and risks to future generations.
 - d. Provide a clear and consistent basis for the anticipated cost savings site-by-site based on existing program (or project) costs (both direct and indirect); demonstrated support or overhead cost saving achieved to date since FY95; and the basis for support cost reduction. The Board currently believes that DOE has arbitrarily established the performance enhancement targets, which include the support cost reduction to 30%, and achieving annual productivity improvements of 3.5 percent for definable projects and 6.0 percent for operations. DOE should be more realistic in defining its goals.
 - e. When privatization is purported to be 30 to 50 percent cheaper than M&O cost type contracts, explain the consequences for failure to fund privatization to the \$1 billion level requested in FY 1998. For INEEL, this would be the initial increment of \$671 million total for the AMWTP and SNF dry transfer in FYs 1998, 1999, and 2000. In the absence of these funds, the Settlement Agreement Milestones cannot be met.
 - f. Explain precisely how the funding is anticipated to be provided to assure the TRU pits and trenches cleanup will be accomplished.
 - g. The Board supports the schedule in the "Focus on 2006" Discussion Draft to issue the EIS for the ROD for the INEEL HLW activities in 1999. However, the Idaho Settlement Agreement has overall goals that may be achievable by using other technologies for treating HLW (e.g., calcining). The State and DOE are urged to explore the most cost-effective and efficient ways to meet these goals when completing the EIS.
 - h. Include a concise definition of what is included in the referenced "equity considerations" and explain the potential options for achieving equity among sites.
2. The Contractor Complex-Wide Integration effort and report is applauded as the first effort the INEEL Board has seen in the vital area of attempting to convert the national EM Program from an accumulation of numerous narrowly focused site specific problems to an integrated program to resolve key issues. The INEEL Board stands ready to support such an effort in the nation's best interest, so long as it can be done while protecting the citizens and environment of Idaho, which we believe is not only a must, but doable. In the interest of furthering the complex wide integration effort, the Board offers the following comments and advice.
- a. We believe the approach and strategy are excellent. The document offers an excellent comparison of alternatives based solely on technical capability. We urge DOE to use and support the purpose and findings of the document and expand the scope to other DOE programs.
 - b. We believe the various TRU initiatives, including transportation initiatives and consolidation of TRU waste from sites with small inventories to sites with greater inventories is logical, although it will require careful planning and execution, public and states involvement, and regulatory negotiations.
 - c. We believe equity (transfers of waste for treatment, storage, or disposal) should have greater significance than relatively minor dollar savings.
 - d. The overall savings of \$1.3 billion in enhanced TRU management should be pursued.
 - e. The \$300 million savings in MLLW appear to be based on logical premises and should be implemented to the extent possible. Since DOE is moving toward NRC regulation, the "De Minimis" level might be adopted from the BRC (Below Regulatory Concern) level developed by NRC in the late 1980's.
 - f. The \$400 million in LLW savings appear reasonable.

- g. In the area of Environmental Restoration the suggested actions to save \$600 million are logical, cost effective and have minimal, if any, environmental, public, or worker impact and should be implemented to the extent possible.
 - h. The HLW program changes and savings of \$18 billion are the most impressive and are worthwhile investigating. The issue of disposing cesium and strontium in Idaho if INEEL HLW is shipped to Hanford will require state to state negotiations between Idaho and Washington.
 - i. The \$3 billion cost avoidance at INEEL to close the HLW tanks may be of less concern to stakeholders than to the State of Idaho regulators, but will be considered by the Board in its HLW considerations.
3. Although the following partially duplicates comments provided by the CAB on the “Focus on 2006 Discussion Drafts,” they specifically apply to the INEEL Budget Priorities Summary for Fiscal Year 1999. The Board recommends:
- a. The INEEL EM program should be funded such that achieving compliance with all legal, regulatory, and Settlement Agreement requirements and minimizing risk are the primary drivers. The funding should also be adequate to avoid anticipatory breach of compliance in future fiscal years. The Board is convinced that neither the INEEL allocation proposed in the \$5.5 billion nor in the \$5.0 billion DOE EM budget are adequate to meet this requirement.
 - b. It is vital that privatization funds, or their equivalent, be added to the Base Budget to support the Advanced Mixed Waste Treatment Project on the previously agreed schedule or a major portion of the Settlement Agreement will be compromised. The Board finds this to be unacceptable. DOE is responsible to allocate sufficient funds to support all Settlement Agreement commitments, including high-level waste treatment, spent nuclear fuel storage, and the Advanced Mixed Waste Treatment Project, even if the privatization funds are not authorized by Congress.

As in previous recommendations, the CAB recommends DOE ensure consistency among the “Focus on 2006” Discussion Drafts and other DOE planning efforts and pursue options to increase efficiency and effectiveness. In addition, the CAB suggests implementation of good recommendations made by independent groups. In the past, some highly-prestigious, national commissions (e.g., Galvin) reviewed DOE sites and programs and suggested how DOE could operate more efficiently. These are mentioned in the DOE Strategic Plan as “Past Achievements,” although the recommendations were not largely implemented. Where appropriate, DOE should implement the recommendations that would help EM achieve accelerated site cleanup and long-term cost reduction.

The CAB also urges DOE to open both the Waste Isolation Pilot Plant and the Yucca Mountain repository. While the WIPP opening has again been delayed, and Yucca Mountain has yet to be approved to open, the “Focus on 2006” documents and other site plans are providing for disposal of waste according to criteria based on these locations. Much time, effort and money has been spent on treatment and planning transportation routes, when the repositories are not guaranteed to open and waste acceptance criteria are still being debated. In addition, there are no contingency plans in place for disposal of TRU and HLW in the event that the locations do not open. The CAB believes a more rational approach would include full identification of optimal solutions for each waste stream before finalizing the planning details.