Chairwoman DeGette, Ranking Member Guthrie, and members of the Subcommittee, thank you for the opportunity to discuss the Department of Energy’s Environmental Management (EM) program. I am looking forward to discussing our efforts to reduce liabilities, enhance our contracting approaches, and propel the cleanup mission towards safe completion sooner and at a responsible cost to the American taxpayer.

EM’s greatest successes have historically been achieved through the hard work and dedication of leaders on both sides of the aisle determined to get big things done. Thank you for extending your staff’s time over the last two months to have productive meetings discussing challenges, solutions, and productive partnerships.

The government’s nuclear weapons and nuclear energy research programs made significant contributions to our Nation’s defense for decades and played an integral role in ending World War II and the Cold War. Our Nation was unified in seeing the resolution of those wars, we find ourselves today needing that same kind of unity to address the nuclear programs’ resulting environmental legacy. That legacy includes challenges to complete the final disposition of radioactive wastes; the management of spent nuclear fuel and special nuclear material; the cleanup of contaminated soil and water; and the decontamination and decommissioning of thousands of excess facilities.

From day one, Secretary Perry has made the environmental cleanup mission a key priority for the Department of Energy. The Department recognizes the sacrifices the people and communities near the sites made and remains committed to cleaning up these sites so that these communities can envision a vibrant future with enduring economic opportunities. Additionally, the Department acknowledges that EM is the largest program of its kind and represents one of the federal government’s top financial liabilities. As such, we take seriously our commitment to Congress and to the American taxpayer to drive innovation and contractor performance to address these liabilities in a safe, efficient, and cost-conscious manner.

The increasing liabilities from EM are of concern to this Subcommittee and to myself as well. These liabilities did not accrue overnight, but understanding some of the causes enables EM to offer solutions now. It’s time to modernize our approach to EM’s cleanup mission. The Department and EM’s knowledge and technology have matured significantly over the years. I believe the key to addressing liabilities is multi-faceted: use current cleanup technologies for waste composition and risk; apply lessons learned over decades of cleanup; establishing end states to reduce costs; and updating key project lifecycle baselines and providing a new level of transparency when it comes to liability data.
EM directly employs over 20,000 Federal and contractor employees. Having been on the contractor side of this program for 25 years, I consider myself informed on the program’s successes and its failures, and have become acquainted with the numerous GAO reports that have provided EM recommendations. Implementing the changes recommended in those reports is part of the challenge I agreed to take on once confirmed. I reiterate my pledge to personally review GAO recommendations and develop a plan to address the identified concerns.

As part of this plan, I have established a team of experienced contract and project management experts, both federal and contractor, from across the DOE complex to undertake the required transformational initiatives to fulfill EM’s mission.

Additionally, EM is making real progress in implementing a number of GAO recommendations. For example, in their January 2019 report on the Department’s growing environmental liabilities, as well as its High-Risk List Report, GAO cited the lack of a program-wide strategy that directs available resources to human health and environmental risks. EM is implementing a 10-year strategic planning options analysis. It will evaluate current approaches to cleanup and identify opportunities that could reduce risk and life-cycle costs using more efficient and innovative approaches. The analysis will consider alternative risk-based approaches across sites with the goal of reducing the environmental liability. It will also include a discussion of the internal and external constraints on the cleanup program, as well as the funding needed to meet the environmental compliance agreements.

As part of efforts to improve cost estimates pertaining to cleanup, EM conducted an Independent Cost Review of the remaining cleanup of the entire Hanford Site in late 2018 to ensure that the cost estimates for the cleanup were bounding and include all potential risks of unknowns that could impact the costs and schedule.

With billions of dollars in procurements coming up at some of our largest sites over the next few years, EM has a significant opportunity to improve our procurement processes, contract management, and oversight performance. In these areas of contract reform, one of our most transformative initiatives is a new end-state contracting model that I expect will greatly enhance contract management. It will provide for better requirements definition, reduced risks by reducing task order (work) time-horizons, and improved contract incentives to drive cost and schedule performance. In March, the Department released Final Requests for Proposal for the first two contracts that are representative of this new EM contract model and proposals are currently being evaluated.

Madam Chairwoman, this new contract approach has the potential to yield meaningful results. Based on the experience and lessons learned in the last three decades of cleanup and advances in technology and approaches, there are opportunities to streamline and accelerate cleanup by pursuing strategies that are more efficient, cost-effective, and technically sound, while reducing risk to human health and the environment.
We have opportunities to utilize tools available to work together on removing barriers to efficient cleanup. These could include, aligning future land-use to cleanup standards and streamlining our regulatory frameworks for the cleanup of our sites. Moreover, the Department is in the process of evaluating the interpretation of the statutory definition of high-level radioactive waste, consistent with, and informed by, a comprehensive understanding and experience in the safe and technically sound disposal of many types of radioactive wastes.

Today we face some uncomfortable facts regarding environmental liabilities that have been building up over time, and decisions about the trajectory of the EM program.

But we view this as an opportunity. The most successful EM is a program reflective of the latest scientific knowledge about waste, using the most up-to-date cost and schedule estimates, and that incorporates lessons learned from the last 30 years of cleanup.

Madam Chairwoman, EM is focused on delivering cost-conscious site completions that protect the public, worker safety, and the environment. The Department appreciates the support Congress has shown for the cleanup mission and looks forward to working with the Committee as we cleanup our nuclear waste legacy and reduce the environmental liability for the American taxpayer.