



SRS Citizens Advisory Board

Risk Management and Future Use Subcommittee

Meeting Summary

May 27, 1997

Aiken, South Carolina

The Risk Management and Future Use Subcommittee of the Savannah River Site (SRS) Citizens Advisory Board (CAB) met on May 27, 1997, at 6:00 p.m. at the Aiken County Library in Aiken, South Carolina. CAB members attending were Suzanne Matthews, Ann Loadholt, Ken Goad, P. K. Smith, and Bill Adams. Walt Joseph, CAB Facilitator, attended. Members of the public who attended included Trish McCracken, Sam Booher, Martha Ebra, Steve Stine, Sybil Cook, Gerald Deviti, Gary Harris, Jimmy Hall, Neal Askew, Gene Hart, Chris Brown, P. M. French, Lee Poe, Greg Peterson, and Murray Riley. Thomas Rolka attended the meeting, representing the South Carolina Department of Health and Environmental Control. deOlisa Bratcher from the Department of Energy attended as the Associated Deputy Designated Federal Official. Jim Buice from the Department of Energy also attended. Westinghouse Savannah River Company (WSRC) attendees were Mary Flora and Gail Jernigan.

Suzanne Matthews, Chairperson of the Subcommittee, opened the meeting by welcoming everyone to the meeting. She briefly reviewed the agenda and asked participants to introduce themselves. Four Boy Scouts and their Scoutmasters were attending as a requirement to attend a public meeting for a citizenship merit badge. Ms. Matthews then introduced Jim Buice, Department of Energy Savannah River Operations Office (DOE-SR), who spoke on the federal budget process and the fiscal year (FY) 1998 budget. (See attached slides.) Mr. Buice told the participants that SRS is mainly funded by two DOE Programs: Defense Environmental Restoration and Waste Management (EM) and Weapons Activities. He explained that there are several budget and reporting (B&R) codes for each of these activities. One participant asked at what level can dollars be moved between programs. Mr. Buice explained that only Congress has the authority to move money between programs. However, for last year only, Congress gave each Field Office Manager authority to move \$5 million between programs.

The Project Baseline Summaries (PBSs) are the basis of the SRS budget submittal for Department of Energy Headquarters (DOE-HQ), and these reflect a ten-year profile of each project or task. There are 86 PBSs for SRS which provide a project approach to planning and budget activities. Budget activities are ranked, based on a priority system. This priority system uses criteria ranked by the SRS CAB in a recommendation to DOE.

Mr. Buice reviewed a typical budget cycle, explaining that it takes more than two years for a budget to be developed, from the time the first letter is sent to when it is approved by Congress. Since SRS is also working on current year expenditures, the site is usually looking at three budget years at one time. The process begins with a letter from DOE-HQ in November, two

years before the fiscal year of the budget. Since the federal budget fiscal year is October 1 through September 30, in November 1996 SRS began the FY 1999 budget process. By September 1997 DOE-HQ will submit the entire DOE budget to the Office of Management and Budget (OMB), a presidential administrative office. OMB collects proposed budgets from all the federal departments and drafts the President's budget, based on federal departments' needs and presidential policy (e.g., balancing the federal budget). The Presidential budget is provided to Congress in February. (The FY 1999 budget will be provided to Congress in February 1998.)

The SRS budget is reviewed by the Energy and Water Development Subcommittee which reports to the appropriate Congressional Committee; for the Senate, this is the Armed Services Committee and for the House of Representatives, this is the National Security Committee. In the meantime, DOE-HQ sends the Program Execution Guidance (PEG) to each of the field offices. The PEG is a description of activities DOE-HQ wants each site to perform during the next fiscal year. For example, the PEG sent to SRS in June 1997 will be for the FY 1998 budget. Once DOE-SR receives this guidance, the SRS Annual Operating Plan (AOP) is developed with the site contractors. This AOP describes what activities will be done with the anticipated budget.

Once Congress approves the federal budget and the budget is signed by the President, OMB distributes the funding among the federal agencies. When DOE-HQ receives its portion of the funding, it distributes the budget among the DOE field offices including SRS. Occasionally Congress does not approve a budget before the beginning of a fiscal year. If the budget is not passed by September 30 of a given year, then a continuing resolution is needed. This resolution authorizes DOE and other federal agencies to continue with the previous year's activities until the budget is passed. This resolution could be for 7, 14, 30, or 90 days or a number of days established by Congress.

Mr. Buice explained that SRS is currently developing the FY 1999 budget and that SRS needs and wants stakeholder input into the process. He explained that the budget process determines the number of people to be laid off or no longer needed at SRS. If the FY 1999 budget is cut, SRS may face more layoffs. One participant asked how far in advance does SRS know when reductions will take place. Mr. Buice explained that as soon as SRS believes the budget will be cut, SRS begins plans for reductions in force. He further explained that for SRS, 65% of the cost of an activity is assumed to be the costs associated with people and 35% of an activity is for supplies or materials.

When the budget is approved by Congress, it comes back to OMB, DOE-HQ and SRS in the form of budget categories or the budget and reporting codes. Since the budget is passed based on priorities, a line can be drawn based on the amount of funding received. This line can be moved if funding is different than previously expected. Occasionally, Congress will approve extra funding, called "plus ups," which is usually designed for a specific task. A participant asked if funding must go for the activities that Congress authorizes. Mr. Buice explained that yes, once Congress approves the budget, SRS must abide by the appropriation; however, occasionally DOE will ask Congress to reprogram funding. Reprogramming is a lengthy process where SRS asks DOE-HQ to ask Congress to change funding from one budget and reporting code to another.

A participant asked if there is a contingency fund. Mr. Buice answered by saying that there is no contingency fund or reserve. If there were an emergency need for additional funds, DOE would fund the activity from the current budget or ask Congress for additional funding to cover the emergency need.

Mr. Buice then discussed the FY 1998 budget. (See attached slides.) He explained that the "forward funded construction" is funding for construction projects, provided when a project is authorized. This is a different approach to funding that construction projects like the Defense Waste Processing Facility (DWPF) where Congress approved funding for the project on a year by year basis. He also explained the DOE privatization initiative is a new concept where DOE contracts with a private company to build a facility. Once the facility is built, DOE buys the services of the facility and saves money by not having to build and operate the facility. The DOE Complex has plans for seven privatization initiatives and SRS has one of them, the Spent Nuclear Fuel Transfer and Storage Facility. Mr. Buice then reviewed the DOE Environmental Management (EM) budget by DOE site and by program before reviewing the SRS FY 1998 budget. In explaining the SRS budget, Mr. Buice explained that "uncosted prior year funds" is a term used for funds from previous years that were not spent and had been appropriated by Congress for no particular year. This may be funding resulting from project cost under-runs, from work scope changes, etc.

The participants then studied the list of tasks from the previous presentation to determine where the line would be drawn to designate which tasks would be funded and which tasks would not. Mr. Buice explained that the line would be about the middle of the page, (around line 30-34) shown on the Stakeholder Priority List. This would mean that some Defense Nuclear Facility Safety Board tasks would be funded and others might not be funded for FY 1998, depending on the final appropriation from Congress.

Someone asked if the Project Baseline Reports (PBSs) are available to the public. Mr. Buice told the group that the SRS PBSs would not be available until the national and SRS Accelerating Cleanup: Focus on 2006, Discussion Drafts (formerly the Ten Year Plan) are released. When asked when the plan is being released, Mr. Buice explained that the discussion drafts should be released in the next few weeks and that there would be a public comment period on both discussion drafts. A participant asked if the South Carolina Department of Health and Environmental Control (SCDHEC) provides comments to DOE. Mr. Rolka, a representative from SCDHEC said that yes, SCDHEC provides comments to DOE on documents such as this. Ms. Matthews then asked Walt Joseph to review past activities of the Risk Management and Future Use Subcommittee. Mr. Joseph told the group that this subcommittee has provided several recommendations to DOE, SCDHEC, and the Environmental Protection Agency on strategic issues such as future use and budget prioritization. (See attached copy of slides and handout.)

Ms. Matthews explained her vision for the subcommittee for the next year. She said that this subcommittee will continue to focus on the budget which will include the 2006 Plan development, future use and privatization, and the annual Environmental Monitoring Report as part of risk communication. (See attached copy of handout.) Ms. Matthews further explained that

the dates shown in the handout have slipped since DOE-HQ has not released the Discussion Draft, but the activities shown are still planned.

One participant said that he did not agree with the most recent CAB recommendation on budget prioritization and that he hoped that the subcommittee could review that recommendation in the future. He said that the recommendation gave as much weight to one person in Hilton Head Island as a group of people in the Aiken/Augusta area and he did not feel this was fair. He agreed that duplicate meetings in the Aiken/Augusta area and the Savannah/Hilton Head Island area may be a way to include both groups in the budget discussion. He also said that although the national and SRS Discussion Drafts have been delayed, he hoped the subcommittee could continue in their discussions on the budget. One participant suggested that for duplicate meetings the Savannah/Hilton Head area, meetings should be held before Aiken/Augusta meetings so that the participants in this area can learn what is said in other areas. Another participant suggested that this subcommittee look at privatization, at SRS and at other DOE sites. She suggested that the subcommittee look at lessons learned.

Ms. Matthews asked the participants if 6:00 p.m. is a good time for meetings. Most agreed that a 2-hour meeting, beginning at 6:00 would suit their schedules. Ms. Matthews asked what location and day of the week would suit the participants. They said that the Aiken Library is a good location and that they have previous commitments on some Tuesdays. Ms. Matthews said this would be considered when planning future meetings and then adjourned the meeting.

Meeting handouts may be obtained by calling the SRS toll free number at 1-800-249-8155.