



U.S. DEPARTMENT OF  
**ENERGY**

# The Asset Revitalization Task Force Phase I Report

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Stewardship

DOE-Savannah River

*Citizens Advisory Board*

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## PURPOSE

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- ❑ Presented at the request of the CAB Strategic and Legacy Management Committee
- ❑ Provide a report on the Phase 1 conclusions of the DOE Asset Revitalization Initiative (ARI) Task Force
- ❑ Describe the linkage between the ARI work and the Enterprise SRS Strategic Plan



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# BACKGROUND



## LEARN FROM, AND TAKE CREDIT FOR, PAST ASSET REVITALIZATION EFFORTS

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**The U.S. Department of Energy (DOE) has a long history of asset revitalization. We need to do a better job of communicating those efforts and learning from them.**

- ❑ DOE supported the cleanup and closure of about 90 sites that had a role in winning the Cold War; most of those sites are in beneficial reuse.
- ❑ Since 2005, DOE has sold more than 475,000 ft<sup>2</sup> of real property, both land and buildings. An additional 36,000 ft<sup>2</sup> was transferred to other federal agencies.
- ❑ Six DOE defense nuclear sites are designated National Environmental Research Parks, benefiting researchers through access to unique natural habitats.
- ❑ DOE sites already support the missions of multiple federal agencies and the private sector.
- ❑ We are working with local communities to find the best reuse of property. Local entities have advocated for clean energy, development, manufacturing, reindustrialization, open space, nature preserves, recreation areas, education centers.
- ❑ DOE is investing in sustainability and energy efficiency projects. We are supporting clean energy production facilities and the manufacturing of energy production components.
- ❑ DOE conducts research on methods to produce and deliver energy more efficiently, and we

are pursuing demonstration projects at levels that investors will accept as commercially viable.



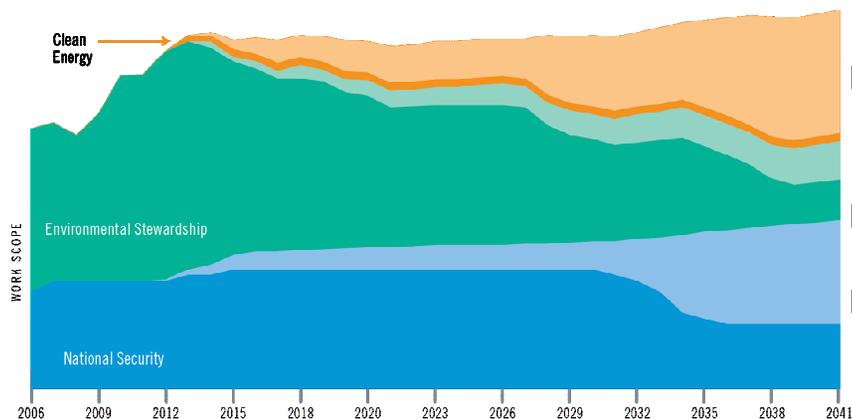
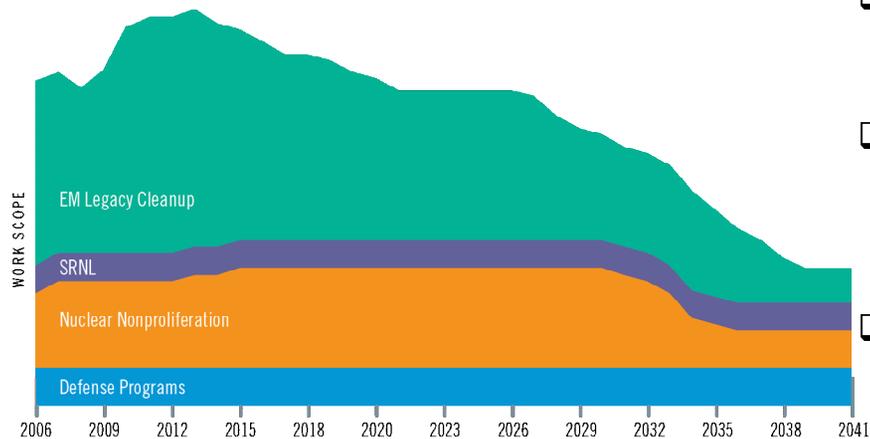
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# RESPOND IN NEW WAYS TO THE NEW URGENCY OF ASSET REVITALIZATION: SIX FORCES THAT ARE DRIVING US NOW!

Although DOE has pursued asset revitalization, current urgencies and opportunities require that we improve our efforts. We must use new – and more – approaches and achieve faster and better results.

- EM’s footprint reduction efforts are making a large amount of DOE assets available.
- NNSA’s infrastructure modernization actions are revitalizing the national security enterprise and consolidating sites.
- The Quadrennial Technology Review may identify opportunities to expand and enhance investments in research and development and technology demonstrations and deployments.
- Efforts to “green the government” require continued leadership in federal sustainability.
- Securing a clean energy future demands innovation.
- The federal deficit means a tighter fiscal environment and mandates greater efficiency.



# CREATE A VISION OF THE DOE COMPLEX (FOR 2020) THAT ENABLES OUR WORKERS, COMMUNITIES, AND STRATEGIC GOALS

In 2020, the DOE complex will be composed of about two dozen primary sites. Those sites are sufficient to meet DOE's infrastructure requirements and include the following characteristics.



- ❑ Operations are conducted in a sustainable manner; facilities and transit are powered by clean energy, and major environmental remediation is complete.
- ❑ Site infrastructure is modern, adaptable, and efficient, and multiple Federal agencies conduct operations in a seamless manner.
- ❑ Public-private partnerships thrive, and commercial entities are eager to invest in new opportunities.
- ❑ Local communities are connected to, and advocate for, the site, and site activities are the driving force behind regional development.



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# RECOMMENDATIONS



## ACCELERATING THE SHIFT TO MULTI-PURPOSE INNOVATION ZONES

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The evolution to multi-purpose innovation zones can accelerate technology transfer. Co-location of multiple federal agencies can take advantage of DOE assets such as facilities, utilities, and roads; and expertise such as engineers and scientists, security, and trained workforce.



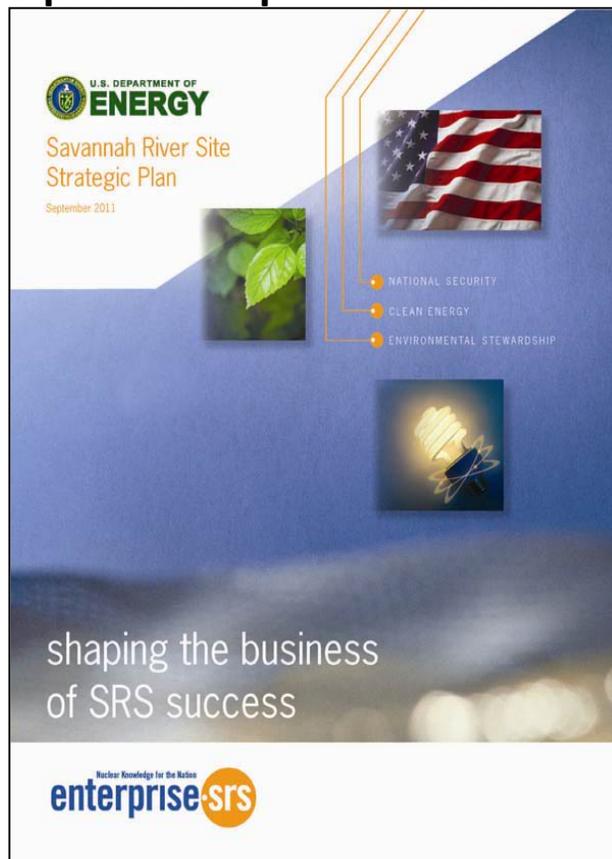
- ❑ Host dialogues between Departmental program offices and sites to showcase assets at DOE sites that could host or support demonstration projects.
- ❑ Work with economic development and community reuse organizations (CROs), national laboratories, and the private sector to increase commercial and research development opportunities. Establish and collocate technology incubators within site boundaries.
- ❑ Authorize site access for early site characterization and expedited land transfer.
- ❑ Fund environmental assessment and other activities needed to determine site viability for commercial use.
- ❑ Optimize property leasing mechanism such as enabling enhanced use leases and lengthening lease authority to spur development at sites.



## WORKFORCE FUTURES: CHANGING MISSIONS AND PRIVATE-SECTOR OPPORTUNITIES

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As federal and contractor workers finish overseeing and conducting cleanup, we need to supply qualitative and quantitative information on projected changes in site missions so as to retain needed expertise for DOE and to help others find new jobs in the public and private sectors.



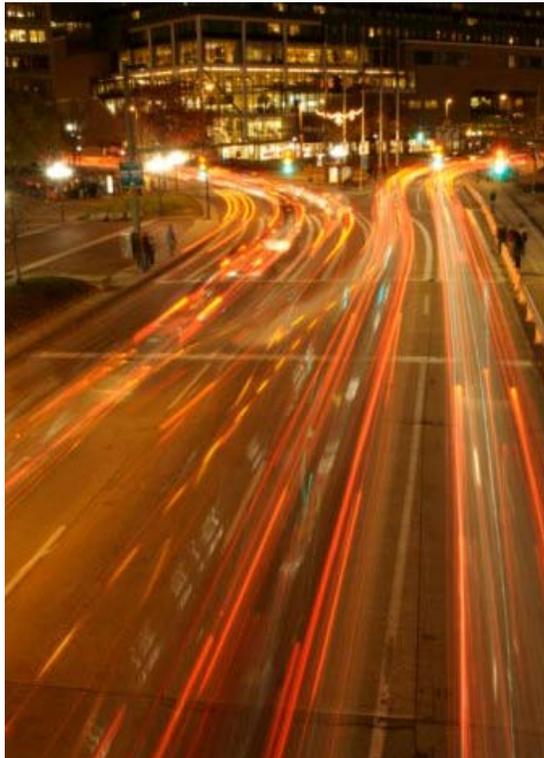
- ❑ Project and **communicate future changes in site missions** and employment (numbers and skill sets) and evaluate the implication of those changes.
- ❑ Improve Workforce Information System projections to include employment numbers and skill sets.



## REVITALIZE BY PARTNERING WITH NON-DOE ENTITIES

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**To revitalize the DOE infrastructure with limited federal funding, we must partner with federal agencies, local governments, CROs, and public utilities and attract resources from the private sector.**



- Set up informational meetings with the private-sector clean energy and high-tech manufacturing, communities, and the sites (including landlord DOE programs, national laboratories, and the CROs) to introduce possible end uses of DOE properties scheduled for cleanup completion.
- Develop and implement strategies to increase the attractiveness and marketability of DOE assets.
- Expand project financing options (e.g., local government bonds, other Federal agencies, investment bank capital; venture capitalists).
- Explore partnerships with local governments, CROs, and the private sector to better use assets (e.g., excess facilities and materials) or privatize services (e.g. wastewater treatment, fire department)
- Reassess the Secretarial moratorium and suspension on metals release.



## REVITALIZATION TO PROMOTE DOE'S NATIONAL GOALS FOR CLEAN ENERGY AND ENERGY SECURITY

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Investment in sites and communities with funding from multiple sources (public and private), can help achieve the Secretary's national goals for clean energy and energy security.

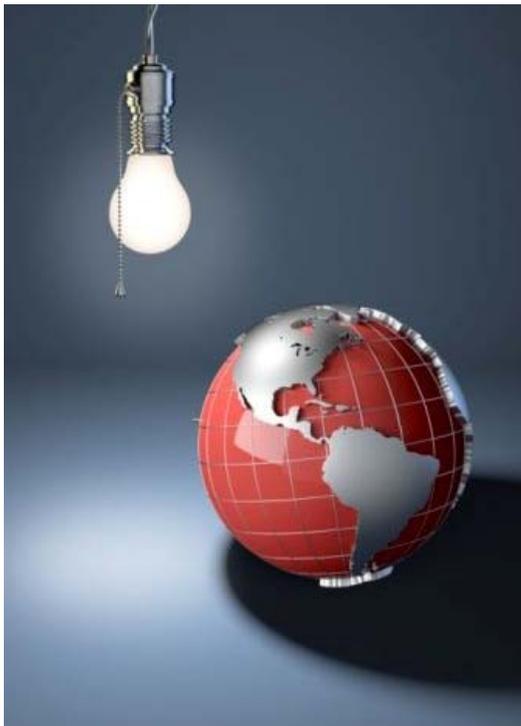
- Use asset revitalization as a means to meet applicable sustainability goals.
- Inventory assets specifically for the purpose of asset revitalization.
- Evaluate opportunities to conduct large scale demonstration projects on DOE sites.
- Support the development of regional energy initiatives.
- Work with other federal agencies to implement joint sustainability projects on DOE sites and determine scoring on the Sustainability Scorecard and Greenhouse Gas Inventory.
- Continue efforts to extend the life of power purchase agreements to 30 years.
- Establish a clean energy standard for DOE that includes nuclear energy and clean coal.
- Expand collaboration with NRC on pre-commercial testing of reactors.



## STREAMLINE TRANSFER PROCESSES TO MEET TIMETABLES TO TAKE ADVANTAGE OF PRIVATE-SECTOR OPPORTUNITIES

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**Reduce delays in land transfer by projecting when land/infrastructure will become available, what it can be used for, conducting the appropriate NEPA review, and having transition plans ready to implement.**

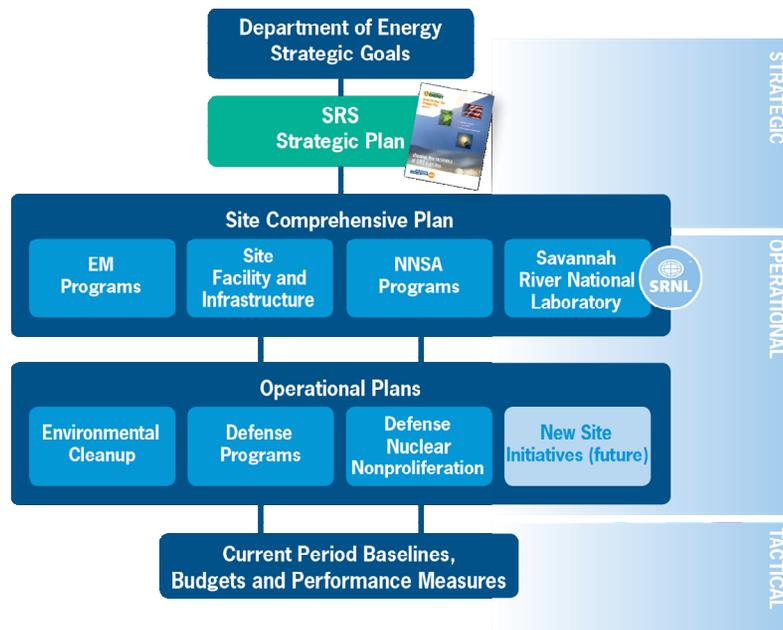


- Review the real property transfer process to determine where improvements can be made.
- Revise 10 CFR 770 process, “Transfer of Real Property at Defense Nuclear Facilities for Economic Development to streamline the process and issue the revised rule.
- Determine if any parts of the process can be delegated from the Secretary of Energy to a Program Secretarial Officer or site manager.
- Evaluate and remove unnecessary lease and deed restrictions that impede asset revitalization.
- Evaluate broader indemnification for potentially, transferred property.
- Implement a supportable and efficient NEPA process that establishes parameters for asset uses.



## PROMOTE AN UNUSUAL COOPERATION AMONG PROGRAM OFFICES

Successful asset revitalization will require unprecedented programmatic cooperation and synergy.



- ❑ Continue efforts to cut across “stovepiped” programs; encourage people to think beyond the mandate of their own organizations to embrace the whole DOE enterprise and improve transparency.
- ❑ Make revitalization a part of long-term planning for sites and program offices. Require them to integrate across program offices for project support and demonstrations.
- ❑ Improve use of intra-Departmental teams to share specific technical expertise across Headquarters and Field (e.g., realty officers, business expertise to work with private sector financing).
- ❑ Develop a DOE-wide (*not* program-specific) process for soliciting and reviewing proposals for revitalization of assets to meet national and DOE mission goals and objectives, as well as economic needs.



# CREATE AND SUPPORT A CROSS-CUTTING “PHASE II” EFFORT WITHIN THE DEPARTMENT

The findings call for DOE to implement a second phase of the ARI. A cross-cutting team is needed to complete the analysis, drive the recommendations, and ensure an integrated departmental approach.

## THE DEPARTMENT OF ENERGY

### Office of Public Affairs

News Media Contact: (202) 586-4940

For Immediate Release: Friday, September 16, 2011

### Department of Energy Announces Next Steps for Asset Revitalization Initiative

WASHINGTON, DC - The Department of Energy today announced next steps under the Asset Revitalization Initiative, a Department-wide initiative to examine ways to work with local communities to support the reuse of DOE resources at former Cold War weapons sites around the country. These steps build on the recommendations from the Task Force on Asset Revitalization, which was convened by Secretary Chu in February 2011, and will facilitate local efforts to support beneficial reuse options at DOE sites, including reindustrialization, manufacturing, clean energy development, nature preserves, and educational centers.

**As part of the path forward for the Department, Under Secretary for Nuclear Security Thomas D’Agostino will convene a Phase II of the Asset Revitalization Taskforce.** Under Phase II, representatives from across DOE will continue to work together to support the review, coordination and acceleration of asset revitalization and beneficial reuse efforts for former DOE assets.

“By bringing together experts with experience in asset revitalization .....

- ✓ The Task Force should report to the Under Secretary for Nuclear Security – USNS has the majority of the infrastructure and assets that can be revitalized.
- ✓ Representatives from program offices with infrastructure and assets are needed as the principal owners: NNSA, NE, EM, LM, and SC.
- ✓ Formal representation from selected Field/Site Offices is critical to implementation.
- ✓ Retain representatives from support offices in an advisory capacity: GC and MA.
- ✓ Add a specific, formal advisory capacity for both EE/FEMP and the DOE Sustainability Performance Office.
- ✓ Determine, commit, and apply dedicated resources with specialized skill sets.



## PHASE 2 TASK FORCE: ENGAGE SIGNIFICANT STAKEHOLDERS - GENERATE THE BEST IDEAS AND ACCELERATE POSITIVE OUTCOMES

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We need to drive a shift from passive input gathering to active planning, outreach and execution. An outreach process is necessary for all parties to understand in concrete, market tested terms what the potential for revitalization is at any given site.



- Define roles and include structured opportunities for participation by DOE contractors, the national laboratories, local governments, tribal nations, communities, and the CROs.
- Distribute the contents of this report to affected and interested stakeholders.
- Engage the private sector on a national and site-specific basis.
- Create and maintain a clearinghouse (web-based) for sites and stakeholders to share information on a complex wide basis.
- Engage the Department of Defense using the interagency Memorandum of Understanding to expand mutual cooperation and collaboration.



# ACCELERATE AND HIGHLIGHT ASSET REVITALIZATION EFFORTS WITH BROAD OR IMPORTANT IMPACT

**Champion site-specific pilot projects to accelerate asset revitalization on a DOE complex-wide basis.**



- Portsmouth Site: Clean energy through an early site permit.
- Oak Ridge Reservation: The Tennessee Valley: - An Energy Corridor/Regional Development.
- Nevada National Security Site: Support national security and a solar demonstration zone.
- Hanford Site - Streamline 10 CFR 770 to accelerate commercial development.
- Brookhaven National Laboratory: A public-private partnership for renewable energy.
- Kansas City Plant: Reuse infrastructure for manufacturing or other industrial use.
- Savannah River Site: Partnership with the US Army (Fort Gordon & others) and the CRO to develop the “Enterprise SRS”
  - Southeast Energy Initiative
  - Asset transfers



# SUMMARY

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- ✓ SRS is not a Closure Site
- ✓ DOE is committed to excelling at current missions
- ✓ A high priority is also being placed on developing broader missions for SRS to serve national and regional needs
- ✓ The Enterprise SRS Strategic Plan provides the framework for current and developing missions
- ✓ The Phase 2 Asset Revitalization Initiative is consistent with and supportive of Enterprise SRS goals

