

# *Department of Energy*



## *FY 2009 Congressional Budget Request*

*Other Defense Activities  
Departmental Administration  
Inspector General  
Loan Guarantee Program  
Working Capital Fund  
Energy Information Administration  
Safeguards and Security Crosscut*



# *Department of Energy*



## *FY 2009 Congressional Budget Request*

*Other Defense Activities  
Departmental Administration  
Inspector General  
Loan Guarantee Program  
Working Capital Fund  
Energy Information Administration  
Safeguards and Security Crosscut*





**Other Defense Activities**



**Departmental Administration**



**Inspector General**



**Loan Guarantee Program**



**Working Capital Fund**



**Energy Information Administration**



**Safeguards and Security Crosscut**





**Other Defense Activities**



**Departmental Administration**



**Inspector General**



**Loan Guarantee Program**



**Working Capital Fund**



**Energy Information Administration**



**Safeguards and Security Crosscut**

## Volume 2

### Table of Contents

|  | Page |
|--|------|
| Appropriation Account Summary.....     | 3    |
| Other Defense Activities.....          | 5    |
| Departmental Administration.....       | 157  |
| Inspector General.....                 | 307  |
| Loan Guarantee.....                    | 325  |
| Working Capital Fund.....              | 337  |
| Energy Information Administration..... | 371  |
| Safeguards and Security Crosscut.....  | 411  |
| General Provisions.....                | 423  |

The Department of Energy's Congressional Budget justification is available on the Office of Chief Financial Officer, Office of Budget homepage at <http://www.cfo.doe.gov/crorg/cf30.htm>.





# Department of Energy

## Appropriation Account Summary

(dollars in thousands - OMB Scoring)

| FY 2007<br>Current<br>Op. Plan | FY 2008<br>Current<br>Approp. | FY 2009<br>Congressional<br>Request | FY 2009 vs. FY 2008 |   |
|--------------------------------|-------------------------------|-------------------------------------|---------------------|---|
|                                |                               |                                     | \$                  | % |

### Discretionary Summary By Appropriation

Energy And Water Development, And Related Agencies

Appropriation Summary:

Energy Programs

|   |                  |                  |                  |                 |               |
|---|------------------|------------------|------------------|-----------------|---------------|
| Energy efficiency and renewable energy.....       | —                | 1,722,407        | 1,255,393        | -467,014        | -27.1%        |
| Electricity delivery and energy reliability.....  | —                | 138,556          | 134,000          | -4,556          | -3.3%         |
| Nuclear energy.....                               | —                | 961,665          | 853,644          | -108,021        | -11.2%        |
| Legacy management.....                            | —                | 33,872           | —                | -33,872         | -100.0%       |
| <b>Energy supply and Conservation.....</b>        | <b>2,145,149</b> | <b>—</b>         | <b>—</b>         | <b>—</b>        | <b>—</b>      |
| <b>Fossil energy programs</b>                     |                  |                  |                  |                 |               |
| Clean coal technology.....                        | —                | -58,000          | —                | +58,000         | +100.0%       |
| Fossil energy research and development.....       | 580,946          | 742,838          | 754,030          | +11,192         | +1.5%         |
| Naval petroleum and oil shale reserves.....       | 21,316           | 20,272           | 19,099           | -1,173          | -5.8%         |
| Strategic petroleum reserve.....                  | 164,441          | 186,757          | 344,000          | +157,243        | +84.2%        |
| Northeast home heating oil reserve.....           | 7,966            | 12,335           | 9,800            | -2,535          | -20.6%        |
| <b>Total, Fossil energy programs.....</b>         | <b>774,669</b>   | <b>904,202</b>   | <b>1,126,929</b> | <b>+222,727</b> | <b>+24.6%</b> |
| Uranium enrichment D&D fund.....                  | 556,606          | 622,162          | 480,333          | -141,829        | -22.8%        |
| Energy information administration.....            | 90,653           | 95,460           | 110,595          | +15,135         | +15.9%        |
| Non-Defense environmental cleanup.....            | 349,687          | 182,263          | 213,411          | +31,148         | +17.1%        |
| Science.....                                      | 3,836,613        | 3,973,142        | 4,721,969        | +748,827        | +18.8%        |
| Nuclear waste disposal.....                       | 99,206           | 187,269          | 247,371          | +60,102         | +32.1%        |
| Departmental administration.....                  | 147,943          | 148,415          | 154,827          | +6,412          | +4.3%         |
| Inspector general.....                            | 41,819           | 46,057           | 51,927           | +5,870          | +12.7%        |
| Innovative technology loan guarantee program..... | —                | 4,459            | —                | -4,459          | -100.0%       |
| <b>Total, Energy Programs.....</b>                | <b>8,042,345</b> | <b>9,019,929</b> | <b>9,350,399</b> | <b>+330,470</b> | <b>+3.7%</b>  |

Atomic Energy Defense Activities

National nuclear security administration:

|   |                  |                  |                  |                 |              |
|---|------------------|------------------|------------------|-----------------|--------------|
| Weapons activities.....                                     | 6,258,583        | 6,297,466        | 6,618,079        | +320,613        | +5.1%        |
| Defense nuclear nonproliferation.....                       | 1,824,202        | 1,335,996        | 1,247,048        | -88,948         | -6.7%        |
| Naval reactors.....   | 781,800          | 774,686          | 828,054          | +53,368         | +6.9%        |
| Office of the administrator.....                            | 358,291          | 402,137          | 404,081          | +1,944          | +0.5%        |
| <b>Total, National nuclear security administration.....</b> | <b>9,222,876</b> | <b>8,810,285</b> | <b>9,097,262</b> | <b>+286,977</b> | <b>+3.3%</b> |

Environmental and other defense activities:

|   |                   |                   |                   |                 |              |
|---|-------------------|-------------------|-------------------|-----------------|--------------|
| Defense environmental cleanup.....                              | 5,731,240         | 5,349,325         | 5,297,256         | -52,069         | -1.0%        |
| Other defense activities.....                                   | 636,271           | 754,359           | 1,313,461         | +559,102        | +74.1%       |
| Defense nuclear waste disposal.....                             | 346,500           | 199,171           | 247,371           | +48,200         | +24.2%       |
| <b>Total, Environmental &amp; other defense activities.....</b> | <b>6,714,011</b>  | <b>6,302,855</b>  | <b>6,858,088</b>  | <b>+555,233</b> | <b>+8.8%</b> |
| <b>Total, Atomic Energy Defense Activities.....</b>             | <b>15,936,887</b> | <b>15,113,140</b> | <b>15,955,350</b> | <b>+842,210</b> | <b>+5.6%</b> |

Power marketing administrations:

|  |                |                |                |                |               |
|--|----------------|----------------|----------------|----------------|---------------|
| Southeastern power administration.....             | 5,602          | 6,404          | 7,420          | +1,016         | +15.9%        |
| Southwestern power administration.....             | 29,998         | 30,165         | 28,414         | -1,751         | -5.8%         |
| Western area power administration.....             | 232,326        | 228,907        | 193,346        | -35,561        | -15.5%        |
| Falcon & Amistad operating & maintenance fund..... | 2,665          | 2,477          | 2,959          | +482           | +19.5%        |
| Colorado River Basins.....                         | —              | -23,000        | -23,000        | —              | —             |
| <b>Total, Power marketing administrations.....</b> | <b>270,591</b> | <b>244,953</b> | <b>209,139</b> | <b>-35,814</b> | <b>-14.6%</b> |

Federal energy regulatory commission.....

|  |                   |                   |                   |                   |              |
|--|-------------------|-------------------|-------------------|-------------------|--------------|
| Subtotal, Energy And Water Development and Related Agencies..... | 24,249,823        | 24,378,022        | 25,514,888        | +1,136,866        | +4.7%        |
| Uranium enrichment D&D fund discretionary payments.....          | -452,000          | -458,787          | -463,000          | -4,213            | -0.9%        |
| Excess fees and recoveries, FERC.....                            | -43,595           | -34,411           | -36,932           | -2,521            | -7.3%        |
| <b>Total, Discretionary Funding.....</b>                         | <b>23,754,228</b> | <b>23,884,824</b> | <b>25,014,956</b> | <b>+1,130,132</b> | <b>+4.7%</b> |



# **Other Defense Activities**

# **Other Defense Activities**

## Table of Contents

|  | Page |
|--|------|
| Appropriation Language .....                 | 9    |
| Health, Safety and Security.....             | 11   |
| Legacy Management.....                       | 79   |
| Nuclear Energy .....                         | 105  |
| Defense-Related Administrative Support ..... | 145  |
| Hearings and Appeals .....                   | 147  |



## **Proposed Appropriation**

### **Other Defense Activities [(including transfer of funds)]**

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses, necessary for atomic energy defense, other defense activities, and classified activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of not to exceed [twelve] *ten* passenger motor vehicles for replacement only, [\$761,290,000] *\$1,313,461,000*, to remain available until expended: *Provided*, That of the funds provided [under this heading in Public Law 109-103, \$4,900,000 are transferred to "Weapons Activities" for special nuclear material consolidation activities associated with safeguards and security] *herein, \$487,008,000 is for Project 99-D-143 Mixed Oxide (MOX) Fuel Fabrication Facility, Savannah River Site, South Carolina: Provided further, That the Department of Energy adhere strictly to Department of Energy Order 413.3A for Project 99-D-143. (Energy and Water Development and Related Agencies Appropriations Act, 2008.)*

#### Explanation of Change

The budget funds the Mixed Oxide Fuel Fabrication Facility starting in FY 2009.





**Other Defense Activities  
Office of Health, Safety and Security**

**Overview**

**Appropriation Summary by Program**

(dollars in thousands)

|   | FY 2007<br>Current<br>Appropriation <sup>a</sup> | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments <sup>b</sup> | FY 2008<br>Current<br>Appropriation | FY 2009 <sup>c</sup><br>Request |
|---|--|--------------------------------------|-------------------------------------|-------------------------------------|---------------------------------|
| Other Defense Activities  |  |                                      |                                     |                                     |                                 |
| Environment, Safety & Health<br>(defense)                             | 80,380   | 0                                    | 0                                   | 0                                   | 0                               |
| Security and Safety Performance<br>Assurance                          | 313,895  | 0                                    | 0                                   | 0                                   | 0                               |
| Health, Safety and Security   | 0  | 429,348                              | -3,887                              | 425,461                             | 446,868                         |
| Subtotal, Other Defense Activities                                    | 394,275  | 429,348                              | -3,887                              | 425,461                             | 446,868                         |
| Use of Prior Year Balance   | 0  | -990                                 | 0                                   | -990                                | 0                               |
| Total, Other Defense Activities                                       | 394,275  | 428,358                              | -3,887                              | 424,471                             | 446,868                         |
| Energy Supply and Conservation  |  |                                      |                                     |                                     |                                 |
| Environment, Safety & Health<br>(non-defense)                         | 27,841   | 0                                    | 0                                   | 0                                   | 0                               |
| Total, Energy Supply and Conservation                                 | 27,841   | 0                                    | 0                                   | 0                                   | 0                               |
| Total, Other Defense Activities and<br>Energy Supply and Conservation | 422,116  | 428,358                              | -3,887                              | 424,471                             | 446,868                         |

**Preface**

On October 1, 2006, the Secretary of Energy integrated certain Department of Energy (DOE) Headquarters level functions for health, safety, environment, and security to ensure clarity of health, safety, and security responsibilities and accountability. The Office of Health, Safety and Security demonstrates the Department's commitment to maintain a safe and secure work environment for all Federal and contractor employees and the surrounding communities and stresses the importance of delineating clear roles and responsibilities and line management accountability for these programs. The Health, Safety and Security program provides a focused and integrated corporate-level analysis of Departmental operating experience and identifies problem areas to provide the foundation for line management to implement effective Department-wide solutions in the subject areas of safety, health, environment, and security.

<sup>a</sup> Includes \$24,755,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects the FY 2008 Consolidated Appropriations Act Rescission of -\$3,887,000.

<sup>c</sup> Includes + \$1,150,000 for the transfer of non-safety related Quality Assurance activity from the Office of Management.

Within the Other Defense Activities appropriation, the Office of Health, Safety and Security has one program, Health, Safety and Security (two subprograms: Health and Safety, and Security) in addition to Program Direction.

## **Mission**

The Office of Health, Safety and Security (HSS) is DOE's central organization responsible for health, safety, environment, and security; providing corporate-level leadership and strategic vision to coordinate and integrate these programs. HSS is responsible for policy development and technical assistance; safety analysis; corporate safety and security programs; education and training; complex-wide independent oversight; and enforcement. The Chief Health, Safety and Security Officer advises the Secretary and Deputy Secretary on all matters related to health, safety, and security across the complex.

## **Benefits**

HSS provides the Department with effective and consistent policy, assistance, enforcement, and independent oversight activities related to health, safety, environment, and security programs. HSS integrates worker health, safety, environment, and security functions to address crosscutting Departmental issues; to increase collaboration and sharing of technical expertise; and to increase accountability for worker health, safety, and security responsibilities. The integrated approach and functional alignment of responsibilities within HSS alleviates overlap in reporting and provides consistency in policy and guidance development, and technical assistance while increasing the effectiveness of communication and accountability for worker health, safety, and security.

HSS performs functions that support the mission of the Department. These functions include:

- developing, promulgating, and maintaining clear and consistent health, safety, environment and security strategies and policies;
- providing assistance to Headquarters and field elements in the implementation of health, safety, environment, and security policies and requirements;
- providing technical assistance to program offices and field elements on complex health, safety, environment, and security problems and interfaces;
- managing and maintaining corporate level health, safety, environment, and security data management systems;
- providing analysis of Department-wide safety and security performance;
- developing and providing standardized, comprehensive security and safety training, and professional development programs throughout the Department;
- conducting independent oversight performance appraisals to verify that the Department's security interests are protected; the Department can effectively respond to emergencies; and site workers, the public, and the environment are protected from hazardous operations and materials;
- implementing worker safety and health, nuclear safety, and classified information security enforcement programs;
- providing effective cross-organizational leadership in resolving DNFSB-related technical and management issues necessary to ensure public health and safety;

**Other Defense Activities/  
Health, Safety and Security/  
Overview**

**FY 2009 Congressional Budget**

- promoting corporate quality assurance programs;
- managing the accident investigation program;
- implementing medical surveillance and screening programs for current and former workers, and supporting the Department of Labor in the implementation of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA);
- conducting domestic and international health studies to determine worker and public health effects from exposure to hazardous materials associated with Department operations;
- providing specialized security support services to the Department associated with the development and dissemination of security awareness information; management of the foreign ownership, control, or influence and foreign visits and assignments programs; and conduct of vulnerability assessments in support of the implementation of the Design Basis Threat Policy;
- assisting other governmental and departmental organizations in the mission of accounting for and assuring the security of nuclear material throughout the world;
- developing and implementing Department-wide nuclear and radiological materials tracking and accounting programs;
- implementing the Department's physical and personnel security programs for DOE facilities in the National Capital Area, including managing the Headquarters Protective Force and providing executive protective services for the Department;
- identifying and managing the deployment of advanced security technologies;
- managing the U.S. Government-wide program to classify and declassify nuclear weapons-related technology, and implementing the requirements of Executive Order 12958 regarding the classification and declassification of information that is important to national security; and
- managing the Department's security investigations budget and personnel security programs associated with providing access authorizations to DOE Federal and contract personnel.



## Annual Performance Results and Targets <sup>a</sup>

| FY 2004 Results   | FY 2005 Results | FY 2006 Results | FY 2007 Results  | FY 2008 Targets  | FY 2009 Targets  |
|---|-----------------|-----------------|--|--|--|
| Corporate Safety Programs   |                 |                 |  |  |  |
| NA  | NA              | NA              | NA   | Develop and present DOE-wide safety goals to the Secretary for incorporation into contractor and Federal operations.   |  |
| Health Programs/ Other Health Programs / Occupational Health  |                 |                 |  |  |  |
| NA  | NA              | NA              | Obtain an average rating of no less than satisfactory for 85% of customer satisfaction surveys from Former Worker Program participants who receive medical screening during FY 2007. (Annual Output)       | Obtain an average rating of no less than satisfactory for 85% of customer satisfaction surveys from Former Worker Program participants who receive medical screenings during FY 2008. (Annual Output)      | Obtain an average rating of no less than satisfactory for 85% of customer satisfaction surveys from Former Worker Program participants who receive medical screenings during FY 2008. (Annual Output)      |
| Nuclear Safeguards and Security / Technology Development and Systems Deployment   |                 |                 |  |  |  |
| NA  | NA              | NA              | Develop and deliver for deployment 2 technology-based security systems that have the support of Departmental organizations and will assist in implementing the Design Basis Threat Policy. (Annual Output) | Develop and deliver for deployment 2 technology-based security systems that have the support of Departmental organizations and will assist in implementing the Design Basis Threat Policy. (Annual Output) | Develop and deliver for deployment 2 technology-based security systems that have the support of Departmental organizations and will assist in implementing the Design Basis Threat Policy. (Annual Output) |
| Remotely operated weapons systems and an advanced concept armored vehicle integrated into Oak Ridge and Idaho National Laboratories operations. |                 |                 |  |  |  |

<sup>a</sup> Annual effectiveness and efficiency performance targets will not be reported in the Department's annual Performance and Accountability Report (PAR).

## Annual Performance Results and Targets <sup>a</sup>

| FY 2004 Results   | FY 2005 Results | FY 2006 Results   | FY 2007 Results   | FY 2008 Targets   | FY 2009 Targets   |
|---|-----------------|---|---|---|---|
| Security Investigations/ Related Security Investigations Activities |                 |   |   |   |   |
| NA  | NA              | <p><u>Reduce the average time it takes to process access authorization requests after receipt of the background investigation by 10% (3.2 business hours) over the FY 2004 processing time of 32 business hours. (Efficiency Measure)</u></p> <p>The average time it takes to process access authorization requests after receipt of the background investigation reduced by at least 10% (3.2 business hours) over the FY 2004 processing time of 32 business hours as documented in Office of Personnel Security operations logs.</p> | <p><u>Reduce the average time it takes to process access authorization requests after receipt of the background investigation by 11% (3.5 business hours) over the FY 2004 processing time of 32 business hours. (Efficiency Measure)</u></p> <p>The average time it takes to process access authorization requests after receipt of the background investigation reduced by at least 11% (3.5 business hours) over the FY 2004 processing time of 32 business hours as documented in Office of Personnel Security operations logs.</p> | <p><u>Reduce the average time it takes to process access authorization requests after receipt of the background investigation by 12% (3.8 business hours) over the FY 2004 processing time of 32 business hours. (Efficiency Measure)</u></p> | <p><u>Reduce the average time it takes to process access authorization requests after receipt of the background investigation by 13% (4.2 business hours) over the FY 2004 processing time of 32 business hours. (Efficiency Measure)</u></p> |
| Program Direction   |                 |   |   |   |   |
| NA  | NA              | <p><u>Complete non traditional, lower resource impact oversight activities at 10% (2) additional lower priority DOE sites than conducted in FY 2004 (13), while retaining the critical comprehensive inspections and appraisals at high priority DOE sites. (Efficiency Measure)</u></p> <p>Independent Oversight inspection activities conducted at 28 lower priority sites and 14 high priority sites as documented in the Independent Oversight Appraisal Activities log, dated 10/05/06.</p>  | NA  | NA  | NA  |

## Means and Strategies

HSS will achieve its mission by issuing clear, concise safety and security policies; providing timely and comprehensive assistance to program offices regarding the implementation of these policies; providing cutting-edge technology-based security solutions; providing world-class training programs for Departmental security and safety professionals; conducting an integrated enforcement program; and applying rigorous independent oversight to departmental operations. HSS provides the corporate-level leadership and strategic vision necessary to coordinate and integrate health, safety, environment, security, enforcement, and independent oversight programs at DOE. Working in partnership with DOE safety and security communities in the program offices and at the field sites, as well as with DOE workers and stakeholders, HSS is committed to continuous innovation and a cooperative work environment. HSS empowers its personnel with the skills and tools necessary for the improvement of health, safety, environment, and security, and is committed to excellence.

In order to achieve its vision and perform its goals, it is necessary for HSS to maintain a highly qualified workforce with the expertise and skills necessary to support, manage, and conduct its operations. The HSS workforce comprises of world-class security and safety professionals grounded in science, engineering, and technology led by effective program and project managers with exceptional communications and leadership skills and supported by innovative resource management experts. Contractor support continues to be a practicable and cost-effective means to provide a surge pool of technical experts, as opposed to expanding the Federal employee base.

The implementation of 10 C.F.R. 851, *Worker Safety and Health Program*, published on February 9, 2006, providing medical screening services to former workers, and continued support to the Department of Labor (DOL) for the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) program are major drivers affecting HSS missions, priorities, and stated health and safety performance targets. The “851” Rule strengthens the worker health and safety programs and adds to the Department’s enforcement authority to assess civil penalties for worker safety and health violations. HSS is working with the Office of General Counsel, DOE Program Offices, line management, and contractors to ensure successful implementation of the rule. Key initiatives include workshops, training, development of assistance tools, the issuance of guidance documents, and the development of enforcement strategies and methodologies. HSS will continue to provide teams of health experts to independently examine DOE site hazards and exposures, and provide screening services to former workers for all DOE sites through regional screening programs and a supplemental screening program to serve workers who no longer live near the DOE site at which they worked. HSS will also continue to assist DOL, the National Institute of Occupational Safety and Health (NIOSH), and the President’s Advisory Board on Radiation and Worker Health to ensure access to all available records and information needed to support claims filed by DOE contractor employees and to enable DOL to fulfill its responsibilities under this program.

Revisions to the Design Basis Threat Policy have the greatest potential for affecting the HSS mission, priorities, and stated security performance targets. Development of new and revised safeguards and security policies; type and number of training courses developed and conducted; type and number of technologies deployed; and scope of independent oversight appraisals performed are all dependent and reliant upon current Design Basis Threat Policy requirements and implementation plans.

As a result of a Secretarial-directed task force review of the Departmental Personnel Security Program, completed in February 2007, a new Office of Departmental Personnel Security was created to strengthen this program by providing consolidated leadership and direction. Several new initiatives, to include establishing a mandatory training certification program and institutionalization of a quality assurance process were approved for implementation and assigned to this new office.

HSS uses Departmental goals, continuous program reviews with HSS office directors, Independent Oversight appraisals, and other reviews (both internal and external to the Department) of DOE organizations to formulate strategies for achieving the HSS mission. These strategies are then reflected in budget formulation and execution processes.

HSS places a high degree of emphasis on working with DOE program and other staff offices to ensure that security and safety issues are identified and addressed. HSS also interfaces with organizations external to DOE to enhance the safety and security posture of the United States as well as other foreign states that maintain inventories of nuclear material. HSS maintains strong relationships with the DOE Under Secretaries and all staff offices. HSS also maintains strong relationships with the following U.S. Government Departments and Agencies:

- Defense Nuclear Facilities Safety Board (DNFSB)
- Nuclear Regulatory Commission (NRC)
- Department of State (DOS)
- Department of Defense (DoD)
- Defense Threat Reduction Agency (DTRA)
- Department of Homeland Security (DHS)
- Department of Justice (DOJ)
- Federal Bureau of Investigation (FBI)
- National Security Council (NSC)
- United States Secret Service (USSS)
- Department of Labor (DOL)
- Occupational Safety and Health Agency (OSHA)
- Environmental Protection Agency (EPA)
- National Institute of Occupational Safety and Health (NIOSH)
- President's Advisory Board on Radiation and Worker Health

### **Validation and Verification**

To validate and verify program performance, HSS will continuously monitor achievements for all performance targets through weekly reporting mechanisms and periodic meetings with office directors. In addition, HSS provides quarterly status updates to the DOE Chief Financial Officer.



**Other Defense Activities  
Health, Safety and Security**

**Funding by Site by Program**

|  | (dollars in thousands) |                      |                      |
|--|------------------------|----------------------|----------------------|
|  | FY 2007 <sup>a</sup>   | FY 2008 <sup>b</sup> | FY 2009 <sup>c</sup> |
| Argonne National Laboratory                    | 1,131                  | 1,225                | 1,230                |
| Brookhaven National Laboratory                 | 126                    | 160                  | 160                  |
| Chicago Operations Office                      | 2,025                  | 1,380                | 1,127                |
| East Tennessee Technology Park (K-25)          | 20                     | 45                   | 30                   |
| Hanford Site                                   | 175                    | 215                  | 115                  |
| Idaho National Laboratory                      | 4,097                  | 2,387                | 3,729                |
| Idaho Operations Office                        | 7,035                  | 1,839                | 1,351                |
| Kansas City Plant                              | 1,351                  | 1,250                | 1,250                |
| Lawrence Berkeley National Laboratory          | 346                    | 297                  | 297                  |
| Lawrence Livermore National Laboratory         | 4,224                  | 3,739                | 3,214                |
| Los Alamos National Laboratory                 | 655                    | 890                  | 290                  |
| Nevada Site Office                             | 5,736                  | 6,080                | 6,680                |
| NNSA Service Center                            | 22,578                 | 22,796               | 19,869               |
| Oak Ridge Institute for Science and Education  | 5,630                  | 2,858                | 3,575                |
| Oak Ridge National Laboratory                  | 2,489                  | 4,419                | 3,808                |
| Oak Ridge Operations Office                    | 6,363                  | 4,796                | 4,738                |
| Office of Scientific and Technical Information | 380                    | 330                  | 130                  |
| Ohio Field Office                              | 60                     | 20                   | 70                   |
| Pacific Northwest National Laboratory          | 3,571                  | 4,292                | 3,809                |
| Pantex Plant                                   | 210                    | 10                   | 10                   |
| Pantex Site Office                             | 68                     | 75                   | 75                   |
| Pittsburgh Naval Reactors                      | 395                    | 378                  | 394                  |
| Richland Operations Office                     | 2,914                  | 1,531                | 1,549                |
| Rocky Flats Field Office                       | 0                      | 50                   | 0                    |
| Sandia National Laboratories                   | 8,184                  | 4,725                | 4,174                |
| Savannah River Operations Office               | 6,765                  | 3,978                | 3,664                |
| Savannah River Site                            | 1,177                  | 3,494                | 1,705                |
| Schenectady Naval Reactors                     | 44                     | 27                   | 24                   |
| Washington Headquarters                        | 334,258                | 351,260              | 377,246              |
| Y-12 National Security Complex                 | 75                     | 850                  | 2,490                |
| Y-12 Site Office                               | 34                     | 65                   | 65                   |
| <b>Total, Other Defense Activities</b>         | <b>422,116</b>         | <b>425,461</b>       | <b>446,868</b>       |

<sup>a</sup> Includes \$24,755,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects the Congressional direction to increase funding of the Former Worker Program within budget, and .the FY 2008 Consolidated Appropriations Act Rescission of -\$3,887,000.

<sup>c</sup> Includes +\$1,150,000 for the transfer of non-safety related Quality Assurance activity from the Office of Management.

## **Site Description**

### **Argonne National Laboratory (ANL)**

Health, Safety and Security: ANL provides specialized technical expertise on environmental and public protection issues, including analysis of emerging environmental rulemakings and identification of pollution prevention opportunity assessments. It also develops input for inclusion in environmental guidance materials and implementation tools; provides specialized technical expertise for the development of DOE performance summaries on air and water resource protection and environmental releases; develops input for inclusion into human and ecological risk assessments; and maintains modeling capabilities and develops and maintains codes to support dose and risk assessments for the analysis of potential impacts of radiological releases to the environment related to DOE operations.

ANL supports tasks associated with the Foreign Ownership, Control, or Influence (FOCI) program by providing a computer-based system that facilitates a thorough investigation of FOCI on contracts and subcontracts involving access to classified information and special nuclear material.

### **Brookhaven National Laboratory (BNL)**

Health, Safety and Security: BNL provides specialized subject matter technical expertise in conducting reviews of safety analysis and risk assessment documents, such as Safety Analysis Reports and Basis for Interim Operations. BNL provides specialized technical input in the development of rules, orders, safety guides and standards, and documents such as Safety Analysis Reports, technical safety requirements, waste disposal standards, fire protection standards, lightning and wind protection standards, and facility operation. In addition, BNL participates in the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data.

### **Chicago Operations Office (CH)**

Health, Safety and Security: CH researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

CH supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

### **East Tennessee Technology Park (K25)**

Health, Safety and Security: K25 participates in the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data. This site provides access to site records and information for use in occupational and public health related studies performed by the Department of Health and Human Services under an interagency agreement with DOE.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

Provides technical support to develop HQ classification guidance. Work covers all classification areas, including weapons, material production, material disposition, technology, chem/bio, and intelligence issues as directed. Also includes technical work as directed for the Technical Evaluation Panel (TEP) meetings and classification guide working groups.

### **Idaho National Laboratory (INL)**

Health, Safety and Security: INL participates in the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data.

INL provides on-site participation and field assistance for facilities' Site Safeguards and Security Plan development and review, specialized security engineering support, and day-to-day technical support of the Headquarters' security alarm and access control system. INL serves as the host site for performance testing and operational evaluation of advanced security technologies.

### **Idaho Operations Office (ID)**

Health, Safety and Security: ID researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

ID supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

### **Kansas City Plant (KCP)**

Health, Safety and Security: KCP participates in the Illness and Injury Surveillance Program through the collection and transmission of worker health and demographic data. KCP provides technical support to develop HQ classification guidance including weapons, material production, material disposition, technology, chem/bio, and intelligence issues as directed. Support is also provided for Technical Evaluation Panel (TEP) meetings and classification guide working groups.

Program Direction: Funding provides for the maintenance, storage, and delivery of the Multiple Integrated Laser Engagement Systems (MILES) equipment used by SSA to simulate weapons fire during force-on-force tactical field exercises in support of Independent Oversight assessment activities.

### **Lawrence Berkeley National Laboratory (LBNL)**

Health, Safety and Security: LBNL provides specialized expertise in seismic analysis, structural response, natural phenomena hazards standards, and safety analysis. The site also provides continuous public access to an organized, well-documented, retrievable collection of DOE health effects information through an electronic database, the Comprehensive Epidemiologic Data Resources.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

## **Lawrence Livermore National Laboratory (LLNL)**

Health, Safety and Security: LLNL provides specialized expertise in seismic analysis, structural response, natural phenomena hazards standards and energy security safety analysis. LLNL supports the congressionally mandated Marshall Islands program and other international health studies by providing environmental sampling and analysis to determine the radiological conditions. LLNL also participates in the Illness and Injury Surveillance Program through the collection and transmission of worker health and demographic data.

Support is also provided to the Classification, Declassification and Controlled Information Program by providing specialized technical expertise in the development of classification guidance covering the following areas: nuclear weapons; material production; material disposition; computer codes; arms control; subcritical experimentation (experiments, in lieu of weapon testing, conducted underground at the Nevada Test Site with very small amounts of plutonium and high explosives); homeland security; guidance streamlining initiative; innovative methods of uranium enrichment; and intelligence issues. In addition, LLNL provides analysis and reports on the detailed content and proliferation potential of certain nuclear weapon-related information available in the public domain.

## **Los Alamos National Laboratory (LANL)**

Health, Safety and Security: LANL participates in the Illness and Injury Surveillance Program through the collection and transmission of worker health and demographic data. This site provides access to site records and information for use in occupational and public health related studies performed by the Department of Health and Human Services under an interagency agreement with DOE.

LANL provides on-site participation and field assistance for Site Safeguards and Security Plan development and review, specialized security engineering support, survey support, and day-to-day technical support of the Headquarters' programs. Other LANL activities include specialized technical expertise and support to the Classification, Declassification and Controlled Information Program in the development of classification guidance covering the following areas: weapons, material production, material disposition, computer codes, commercial inorganic membranes (permits private sector to utilize gaseous diffusion technology to develop filters for commercial use), centrifuges, and novel methods of uranium enrichment.

## **Nevada Site Office**

Health, Safety and Security: The Nevada Site Office provides technical support to the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data.

Activities conducted at the Special Technologies Laboratory focus on development and deployment of advanced physical security technologies to enhance protective force personnel safety, survivability and threat response capabilities. Activities focus on developing and deploying systems that provide a real-time status and location of security forces; a friend/foe identification system; and a command and control architecture for improved tactical operations. Additionally, the Nevada Site Office facilities operate the command, control, communications, and information (C3I) technology integration center that provides performance metrics for C3I systems as a predecessor to operational deployments.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

## **NNSA Service Center**

Health, Safety and Security: The NNSA Service Center researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

The NNSA Service Center supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

## **Oak Ridge Institute for Science & Education (ORISE)**

Health, Safety and Security: ORISE manages the Radiological Exposure Monitoring System, which maintains radiation exposure records for DOE and contractor personnel. ORISE also provides services and products that support the development, implementation, and maintenance of international health studies and the Former Worker Program screening and medical examinations for former employees who are at risk for chronic beryllium disease because of their work at DOE, and analysis of data obtained on these individuals; and technical support in the areas of data management, quality assurance, analysis, report preparation, and program implementation at sites. ORISE also provides support in the administration, training, materials and follow-up services including conferences, workshops, and training materials. ORISE is the data center for processing Illness and Injury Surveillance Program data, and supports the Beryllium Exposure Registry and analyses. ORISE conducts the National Former Worker Medical Supplemental Screening Program. This program serves former workers not covered by the HSS site-specific former worker medical screening initiatives.

ORISE provides technical support for the implementation, training, operation, and quality assurance of the DOE Human Reliability Program, and a variety of research and analysis activities in support of the personnel security function. ORISE also provides support to the Security Awareness Special Interest Group, which is a forum for Security Awareness Coordinators to disseminate security awareness information, media, and tools.

## **Oak Ridge National Laboratory (ORNL)**

Health, Safety and Security: ORNL provides specialized technical expertise in environment, safety, and health activities; criticality codes and standards; restoration and protection of the environment; and risk-based, integrated worker safety programs. ORNL provides specialized technical expertise in the operational reviews of the DOE Technical Standards Program and development of web-based platforms for environmental guidance materials and compliance tools. ORNL also supports technical reviews of the potential impacts of proposed environmental regulations on DOE operations and HSS efforts to promote the protection of cultural resources. ORNL is the primary Federal laboratory maintaining capabilities for modeling radiation dosimetry used in worker and public dose and risk assessments. ORNL is also involved in project development, protocol development, and input to developmental needs to revise or update worker protection requirements.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

The laboratory provides specialized technical expertise in the development of risk-based, integrated worker safety programs through the development of input and resource information for various technical standards and guides. ORNL provides services and products that support the development, implementation, and maintenance of international health studies. ORNL provides support in the administration, training, materials, and follow-up services including conference, workshops, and training materials. ORNL participates in the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data and also manages a toll-free information hotline for former workers interested in learning more about medical screening services available to them through the Former Worker Program.

ORNL supports technology development and deployment efforts throughout the complex focusing on tracking technologies with an emphasis on high-value protective force weapons and classified tooling. ORNL provides technical support to develop HQ classification guidance including weapons, material production, material disposition, technology, chem/bio, and intelligence issues as directed. Support is also provided for Technical Evaluation Panel (TEP) meetings and classification guide working groups.

### **Oak Ridge Operations Office (OR)**

Health, Safety and Security: OR supports the implementation of the analytical services activity by conducting audits of commercial analytical laboratories, and commercial waste treatment, storage and disposal facilities to ensure environmental analytical data is of high quality, reliable, and defensible. In addition, OR manages the funding for the Filter Test Facility which provides for the testing of all high efficiency particulate air (HEPA) filters used in DOE safety systems (safety class and safety significant) and habitability systems. OR also researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

OR supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

### **Office of Scientific and Technical Information (OSTI)**

Health, Safety and Security: OSTI supports the Classification, Declassification and Controlled Information Program by improving the access capability to DOE's OpenNet database and maintaining a thesaurus and dictionary for the automated classification guidance system used in the electronic Classification Guidance System.

### **Ohio Field Office**

Health, Safety and Security: The Ohio Field Office provides access to site records and information for use in occupational and public health studies performed by the Department of Health and Human Services, under their Memorandum of Understanding with DOE. The Ohio Field Office also researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

## **Pacific Northwest National Laboratory (PNNL)**

Health, Safety and Security: PNNL provides technical support in preparing policies, procedures, and guides, as well as developing materials that address the process and protocols used for program implementation, planning, analysis of evaluation results and trends, and compilation of policy issues related to the evaluations. PNNL provides specialized technical expertise on environmental and public protection issues, including analysis of emerging rulemakings, and input for the development of environmental guidance materials and implementation tools in areas such as air and water quality protection, and human and ecological risk assessments related to DOE releases.

PNNL also provides health physics and other technical expertise in all aspects of radiological practices, processes and systems at DOE sites with Radiological Control Programs, including support for the development of implementation guides, technical standards and technical solutions for specific radiological control problems. PNNL's specialized technical expertise supports the development and implementation of the DOE Laboratory Accreditation Program. PNNL also provides specialized support for the affirmative procurement of environmentally preferable products.

PNNL supports access to cumulative dosimetry data and information resulting from studies of historical releases of contaminants that traveled off site from DOE facilities (environmental dose reconstructions). PNNL provides technical support to the Illness and Injury Surveillance Program through assistance in developing methods to estimate cumulative dosimetry exposures for current workers. PNNL provides support to the international health studies program.

PNNL provides technical expertise to support policy development for various security disciplines (e.g., information security, protective forces, physical security, personnel security, and material control and accountability), special nuclear material consolidation, Site Safeguards and Security Plans, Site Security Plans, and performance testing. PNNL provides technical, analytical, and operational support to the Foreign Access Central Tracking System.

PNNL provides specialized technical support to the Classification, Declassification and Controlled Information Program for the development of classification guidance covering the following areas: weapons, material production, material disposition, technology, chemical and biological weapons, critical infrastructure, and intelligence.

## **Pantex Plant (Pantex)**

Health, Safety and Security: Pantex serves as the integration test bed for the deployment and evaluation of security technologies such as networked security sensors, distributed situational awareness, and real-time monitoring through a newly developed tactical operations center. Pantex provides technical support to develop HQ classification guidance including weapons, material production, material disposition, technology, chem/bio, and intelligence issues as directed. Support is also provided for Technical Evaluation Panel (TEP) meetings and classification guide working groups.

## **Pantex Site Office**

Health, Safety and Security: The Pantex Site Office provides technical support to the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data.

## **Pittsburgh Naval Reactors**

Health, Safety and Security: Pittsburgh Naval Reactors supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

## **Richland Operations Office (RL)**

Health, Safety and Security: RL supports international health studies activities. Through AdvancedMed, RL participates in the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data. AdvancedMed also coordinates with the University of Washington to offer a resource to current Hanford Tank Farm workers for independent medical screening. RL also researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

RL supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

## **Sandia National Laboratories (SNL)**

Health, Safety and Security: SNL provides specialized technical expertise in the development of software for radiological hazard analyses at DOE facilities. SNL also provides technical support to the Illness and Injury Surveillance program through collection and transmission of worker health, exposure, and demographic data.

SNL focuses on deployment and integration of technologies and systems required to protect the Department from catastrophic consequences of such circumstances as use of nuclear weapons and/or material for malevolent purposes, or the erosion of national security secrets through theft or diversion of classified materials or information. Technical assistance provides for assessment of site vulnerability analyses and Site Safeguards and Security Plans. The technology deployment program focuses on physical security technologies to protect and secure the DOE complex. Activities include deploying active denial technologies; countermeasures for security equipment vulnerabilities; and enhanced protective force technologies, such as deployment of a ballistic turret for static and mobile remotely operated weapon systems.

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**



SNL also provides technical expertise to the Classification, Declassification and Controlled Information Program in the development of Headquarters classification guidance covering the following areas: nuclear weapons, nuclear weapon production and military use, stockpile stewardship, chemical/biological weapons, nuclear smuggling, computer codes, and intelligence.

### **Savannah River Operations Office (SR)**

Health, Safety and Security: SR researches and provides worker employment, medical, and exposure records in support of the Department of Labor's implementation of the Energy Employees Occupational Illness Compensation Program Act.

SR supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

### **Savannah River Site (SRS)**

Health, Safety and Security: SRS provides access to site records and information for use in occupational and public-health related studies performed by the Department of Health and Human Services under their Memorandum of Understanding with DOE. SRS also supports HSS through participation in the Illness and Injury Surveillance Program. This site provides access to site records and information for use in occupational and public health related studies performed by the Department of Health and Human Services under an interagency agreement with DOE.

SRS supports nuclear material control and accountability through the development, enhancement, and deployment of the Local Area Nuclear Material Accountability Software (LANMAS) application for nuclear materials accountability throughout the DOE complex. This technology allows greater reliability, efficiency, and cost savings through increased standardization and use of advanced software technologies. Additionally, SRS serves as a security technology deployment evaluation site for exterior delay, early warning, active denial systems, and armed response technologies.

### **Schenectady Naval Reactors**

Health, Safety and Security: Schenectady Naval Reactors supports background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds.

### **Washington Headquarters**

Health, Safety and Security: Funding supports the implementation of Departmental health, safety, and environmental programs needed to enhance the safety of DOE workers, the public and the environment through policy development and safety support and assistance. This subprogram also provides for the

**Other Defense Activities/  
Health, Safety and Security/  
Funding By Site**

**FY 2009 Congressional Budget**

Departmental program to implement worker health and safety, nuclear safety, and classified information security enforcement; and quality assurance programs throughout the Department.

Funding also provides technical and analytical expertise that enhances the Department's security mission effectiveness through policy development, security support and assistance, and training and professional development. Support provides for the development and management of nuclear material control and accountability activities that support safeguards and nonproliferation programs DOE sites, the Department, and the U.S. Government; deployment of security technologies to meet Design Basis Threat requirements; manage the U.S. Government program to identify and protect nuclear weapons information; provide Specialized Security Activities; Headquarters Security Operations, and operation and maintenance of corporate databases systems, e.g., the Safeguards and Security Information Management System, the electronic DOE Integrated Security System (eDISS+), and classification and declassification data systems.

Support provides for background investigations conducted by the Federal Bureau of Investigation and the Office of Personnel Management for DOE Federal employees and contractors. HSS will continue to be responsible for managing DOE Headquarters security investigations budget.

Program Direction: Funding provides for Federal employee salaries and benefits, travel, and other related expenses needed to carry out the HSS mission. Funding also provides for support services for Headquarters security programs, to perform the independent oversight mission, to provide effective cross-organizational leadership in resolving Defense Nuclear Facilities Safety Board-related technical and management issues necessary to ensure public health and safety and to provide executive protection activities.

### **Y-12 National Security Complex (Y-12)**

Health, Safety and Security: The Y-12 technology deployment program provides physical security technologies focusing on protective force survivability and chemical defense measures. Y-12 also serves as a test bed to evaluate advanced protective force security technologies identified through the HSS Technology Deployment Program. Y-12 also provides technical expertise and support to the Classification, Declassification and Controlled Information Program in the development of classification guidance covering the following areas: nuclear weapons, material production, material disposition, technology, chemical/biological, intelligence, and the development of automated guidance streamlining technologies and techniques to manage classification policy and guidance.

### **Y-12 Site Office**

Health, Safety and Security: Provides technical support to the Illness and Injury Surveillance Program through collection and transmission of worker health, exposure, and demographic data.

## Health, Safety and Security

### Funding Profile by Subprogram

(dollars in thousands)

|  | FY 2007<br>Current<br>Appropriation <sup>a</sup> | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments <sup>b</sup> | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--|--|--------------------------------------|-------------------------------------|-------------------------------------|--------------------|
| Health, Safety and Security                |  |                                      |                                     |                                     |                    |
| Health and Safety                          | 68,152   | 59,093                               | +1,364                              | 60,457                              | 68,348             |
| Security                                   | 237,077  | 270,212                              | -4,345                              | 265,867                             | 278,923            |
| Total, Program Health, Safety and Security | 305,229  | 329,305                              | -2,981                              | 326,324                             | 347,271            |

#### Public Law Authorizations:

42 U.S.C. Section 7274 "Program to Monitor DOE Workers Exposed to Hazardous and Radioactive Substances"  
 Public Law 83-703, "Atomic Energy Act of 1954," as amended  
 Public Law 93-438, "Energy Reorganization Act of 1974"  
 Public Law 95-91, "Department of Energy Organization Act"  
 Public Law 95-134, "Marshall Islands (Related to Rongelap and Utirik Atolls)"  
 Public Law 95-242, "Nuclear Non-Proliferation Act of 1978"  
 Public Law 96-205, "Trust Territory of the Pacific Islands"  
 Public Law 99-239, "Compact of Free Association Act of 1985"  
 Public Law 100-408, "Price-Anderson Amendments Act of 1988"  
 Public Law 103-337, "National Defense Authorization Act of 1995"  
 Public Law 103-62, "Government Performance and Results Act of 1993"  
 Public Law 107-310, "Dam Safety and Securities Act of 2002"  
 Public Law 108-188, "Compact of Free Association Amendments Act of 2003"  
 Public Law 108-375, "The Ronald W. Reagan National Defense Authorization Act for FY 2005"  
 Public Law 109-163, "The National Defense Authorization Act for FY 2006"  
 H.R. 1815, Section 3103  
 Public Law 110-161, "FY 2008 Consolidated Appropriations Bill"

#### Mission

The Office of Health, Safety and Security (HSS) is the Department of Energy's (DOE) central organization responsible for health, safety, environment, and security; providing corporate-level leadership and strategic vision to coordinate and integrate these programs. HSS is responsible for policy development and technical assistance; safety analysis; corporate safety and security programs; education and training; complex-wide independent oversight; and enforcement. The Chief Health, Safety and Security Officer advises the Secretary and Deputy Secretary on all matters related to health, safety, and security across the complex.

<sup>a</sup> Includes \$6,997,000 transferred to other DOE organizations resulting from the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects Congressional direction to increase funding of the Former Worker Program within budget and the FY 2008 Consolidated Appropriations Act Rescission.



## Health and Safety

### Funding Schedule by Activity

(dollars in thousands)

|  | FY 2007 <sup>a</sup> | FY 2008 <sup>b</sup> | FY 2009 |
|--|----------------------|----------------------|---------|
| Health and Safety                                |                      |                      |         |
| Health and Safety Policy, Standards and Guidance | 3,799                | 3,325                | 4,425   |
| DOE-Wide Environment, Safety and Health Programs | 4,049                | 3,428                | 3,575   |
| Corporate Safety Programs                        | 9,283                | 5,971                | 8,289   |
| Health Programs                                  | 45,519               | 44,760               | 47,559  |
| Employee Compensation Program                    | 5,502                | 2,973                | 4,500   |
| Total, Subprogram Health and Safety              | 68,152               | 60,457               | 68,348  |

### Description

The Health and Safety subprogram provides technical and analytical expertise that enhances the safety of DOE workers, the public and the environment through policy development and safety support and assistance. Safety activities provide corporate level support and efficiency and effectiveness of operations by managing Department-wide environment, safety and health programs. Health activities support the Department of Labor for the implementation of the Energy Employees Occupational Illness Compensation Program Act to compensate workers adversely affected by DOE operations; domestic health studies including the Former Worker Program (a nationwide program of medical screening to identify work related health effects) and studies to investigate and identify work related injury and illness in the DOE worker population; and international health studies to support radiation health effects research in Japan, the Marshall Islands, Russia, and Spain. The benefits of these projects and programs include discovery and documenting health effects outcomes that provide the scientific basis for national and international worker protection policy and standards. These radiation protection standards and practices, in turn, provide levels of protection appropriate for the risk posed to workers by hazards present at DOE sites.

The Program Goals of Health, Safety and Security will be accomplished not only through the efforts of the direct (GPRA Unit) programs but with additional efforts from subprograms, which support the GPRA Units in carrying out their mission. The Health and Safety subprogram performs the following functions in support of the overall mission of Health, Safety and Security.

<sup>a</sup> Includes \$5,505,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects Congressional direction to increase funding of the Former Worker Program within budget, and the FY 2008 Consolidated Appropriations Act Rescission.

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|   |              |              |              |
|---|--------------|--------------|--------------|
| <b>Health and Safety Policy, Standards and Guidance</b> | <b>3,799</b> | <b>3,325</b> | <b>4,425</b> |
|---|--------------|--------------|--------------|

The programs funded under this activity ensure that DOE workers and the public, property, and the environment are adequately protected from the unique nuclear, chemical, and industrial hazards posed by DOE operations while striving to be current with worldwide technologies, knowledge, and experience.

Nuclear Facility Safety policy and assistance activities provide for the development and maintenance of nuclear safety and, public radiological protection requirements and standards to establish DOE’s regulatory framework, as required by the Atomic Energy Act and related laws, and in a manner consistent with national and international nuclear safety related consensus standards. HSS will continue to update and refine nuclear safety requirements and standards, addressing hazards and safety management issues such as incorporating safety into project design; nuclear materials management; reducing the potential for criticality events; reducing the potential impacts of natural phenomenon hazards such as fire, seismic events, and tornados; electrical, explosives, and construction safety; proper maintenance of facilities and infrastructure; and excellence in conduct of operations. Focus will be on the development and revision of nuclear safety directives that were identified through the directives review completed in FY 2008 to identify gaps, redundancies, and need for improved clarity or consistency in such areas as facility readiness for startup or restart, integration of safety in design, worker fatigue, quality assurance, fire safety, risk informed decisions, etc. In addition, support will be provided to DOE operating units to ensure safety requirements are properly interpreted and implemented to provide adequate protection to workers and the public, to respond to issues raised by the Defense Nuclear Facilities Safety Board, and to develop DOE and industry technical nuclear safety standards. Policies and standards will also continue to be enhanced to reflect updated commercial codes and standards, changing DOE missions and work environments, and emerging safety issues that are encountered when working with nuclear or other hazardous materials in aging facilities.

Funding provides for assistance to the sites in the development and review of draft Safety Evaluation Reports (SERs) to ensure these documents address nuclear safety for projects to proceed to Critical Decision-1 requirements under DOE O 413.3A. Assistance will also continue to ensure that links between accident scenarios and credited safety significant controls have been provided in the draft SER generated by site offices approving the conceptual safety analysis. This will include, as appropriate, a crosswalk analysis of how each requirement, described in DOE O 413.3A and DOE Standard 1189, is met.

HSS will continue to provide hands-on assistance to DOE sites in implementing new DOE policies and requirements in areas such as the use of risk assessment in nuclear safety analyses, the packaging of nuclear materials, and the categorization of hazards at DOE facilities. As part of its responsibility under DOE’s risk assessment policy, HSS will co-chair the Department’s risk assessment review and coordination committee and will support the development of risk assessments that better inform DOE nuclear safety decisions by providing tools and advice that ensure quality risk assessments and more protective and cost effective implementation of nuclear safety programs.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Worker Safety and Health Policies provides for the promotion of work in a safe manner while maintaining safety performance well above the national average compared to industrial operations similar to DOE operations. Funding provides for the conduct of research, sponsoring developmental working groups, and performing the physical tasks necessary to update and maintain existing standards, and develop new safety and health regulations and DOE directives based on new and evolving working conditions throughout the Department. Several DOE policies are scheduled to be revised and updated in FY 2009. Additionally, amendments to 10 C.F.R. 851 “Worker Safety and Health Program,” will be developed based on the lessons learned to correct issues discovered during the implementation process including the development of a clearer scope regarding covered contracts and the application of the occupational medical appendix. DOE Order 440.1B “Worker Protection Management for DOE Federal and Contractor Employees,” will be revised as this Order only removed the contractor requirements contained in DOE O 440.1A and did not update this 10-year-old federal worker safety and health directive. In addition, the associated guides will also be updated. Amendments will be developed for 10 C.F.R. 707, *Workplace Substance Abuse Programs at DOE Sites*, to reflect current expectations for substance abuse programs and its associated guide will also be revised. Following final promulgation of Amendments to 10 C.F.R. 835, *Occupational Radiation Protection*, lessons learned from implementation of the amended Rule will be used to update the 19 guides and technical standards associated with occupational radiation protection.

Federal Employee Occupational Safety and Health (FEOSH) funding assures compliance with 20 C.F.R. 1960 and Executive Order 12196 by providing guidance and technical assistance to DOE line managers who are working to ensure safe and healthy working conditions for their employees. Funding provides for the development of employee training programs that relies on support from the National Training Center. These activities also provide for the development of the annual FEOSH report to the Secretary of Labor in accordance with 20 C.F.R. 1960, and meeting goals for reduction of injury and illness rates.

Environmental Performance Improvement provides for maintenance of environmental protection policies, directives, and guidance to advance compliance with environmental goals and requirements established through Executive Orders, and environmental laws and regulations, to enhance DOE’s environmental protection performance and to advance implementation and continuous improvement of environmental management systems throughout the Department. This includes policy and assistance activities that provide for the development and maintenance of public radiological protection requirements and standards to establish DOE’s regulatory framework, as required by the Atomic Energy Act and related laws, and in a manner consistent with Federal guidance and recommendations of national and international radiation protection organizations. As part of this effort, HSS will compile and analyze environmental performance data; identify and respond to opportunities for performance improvement; and provide input to DOE reports responsive to the requirements of Executive Order 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, and environmental stewardship scorecards issued by Office of Management and Budget and the Office of the Federal Environmental Executive.

Environmental Protection activities include assistance to DOE operating units in the identification of Departmental and statutory requirements, resolution of environmental compliance issues, and inclusion

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

of environmental performance expectations in new or amended site operating contract procurement specifications. Efforts will include developing root cause analyses of environmental noncompliance events; assisting DOE operating units with developing and implementing corrective actions; and the formulation and implementation of environmental management systems performance improvements. DOE-wide environmental performance trend analysis, and the development of guidance and bulletins to provide compliance lessons-learned information, will continue to be provided to improve Departmental compliance posture and reduce the potential for occurrences of noncompliant events. To further improve environmental compliance performance, continued support will be provided to maintain an intra-departmental work group in response to Executive Order 13423 implementation instructions from the Council on Environmental Quality, and to ensure that root-cause analyses of noncompliance situations are conducted and correctives actions are identified and implemented. HSS will also continue annual reviews and reports on DOE performance for the National Environmental Standards for Hazardous Air Pollutants for radionuclide emissions (required under the Clean Air Act) and support and coordinate an annual DOE radionuclide National Environmental Standards for Hazardous Air Pollutants workshop. National Environmental Standards for Hazardous Air Pollutants summaries are submitted annually to EPA under an interagency agreement.

Assistance will continue to be provided to evaluate and resolve site regulatory compliance issues, and, where appropriate, to pursue cost-effective, alternative compliance strategies, including preparing petitions for regulatory variances and waivers. Other compliance assistance activities include issuance of guidance regarding the interpretation and implementation of new regulatory requirements applicable to DOE operations and developing web-based compliance tools to assist DOE sites with recognition and understanding of applicable environmental requirements. HSS will continue to provide Environmental Program support to the Department by coordinating and developing consolidated responses to proposed changes in environmental requirements applicable to Departmental operations to ensure that DOE concerns are reflected in the formulation of those regulations.

Other environmentally related activities provided within this activity include Cultural Resource Management workshops to assist Field elements in fulfilling their historic preservation responsibilities to curate artifacts under their charge; an Environmental Management System workshop to support implementation efforts by promoting the sharing of lessons learned and implementation successes and failures; and a Clean Air Act workshop to support DOE implementation of requirements for conformity to clean air act implementation plans.

Activities to revise and reissue DOE Order 5400.5, Radiation Protection of the Public and the Environment under the new directives system and an associated rule, 10 C.F.R. 834, will be implemented in order to update the Department's radiation protection practices to reflect the current state of knowledge and practice in radiological science. Supporting documentation will be developed and issued through a coordinating committee made up of field and program office staff to assist in the implementation of the new rule, including guides on monitoring, control/release of property, and use of optimization techniques. This activity also includes the maintenance of associated guidance and standards for DOE's public and environmental radiation protection programs.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Funding provides for the review and, where appropriate, approval of requests from the field and program offices for specific authorizations and exemptions related to public and environmental radiation protection and radioactive waste management. This effort includes review of requests for authorized limits to control and release property potentially containing small amounts of residual radioactive material. Activities will be maintained to support sites' waste disposal efforts by reviewing DOE low-level waste disposal and transuranic waste disposal sites to ensure that they comply with DOE Order 435.1 requirements and Federal radiation protection policies. Coordination with international standards organizations will also continue to benchmark U.S. radiation protection approaches against existing and proposed standards and to represent the United States in international standards development processes.

Efforts will continue to unify the Federal Government's approach to radiation protection. Emphasis will be devoted to improving and integrating a protective, more effective waste management approach that will support the timely disposition of radioactive and hazardous waste from DOE operations, as well as disposition of wastes from radiological events. In particular, efforts will continue to harmonize interagency approaches to the disposition of low activity waste pursuant to recommendations of the National Academy of Science. Assistance will also be provided to develop interagency initiatives to improve and update radiation dosimetry to support consistency and transparency in all Federal radiation protection activities.

HSS will assist DOE sites and programs in assessing the acceptability of low-level waste disposal sites and in evaluating site performance based on review of disposal system performance assessments and site-wide composite analyses. Efforts will include site visits as part of the Federal Low-level Waste Review Group teams. Support will continue to be provided to DOE operations, and state and Federal agencies in assessing dose and risks to the public from the release of property containing residual radioactive material and the safe disposal of radioactive waste. In addition, to assist DOE elements in complying with radiation protection requirements, HSS will maintain and improve tools for dose and risk assessment, such as the residual radioactivity (RESRAD) family of codes, to estimate doses associated with residual radioactive material in soils, buildings, and materials. This task will also ensure that computations made with these tools meet DOE and Federal quality standards.

This activity also supports DOE's leadership role for the continued development and maintenance of operational guidelines that support protective action decisions and Federal policy in response to and recovery from events involving radiological dispersal and improvised nuclear devices. HSS participates in these activities with several interagency work groups involving, for example, the Department of Homeland Security, the Office of Science Technology and Policy, Department of Health and Human Services, the Environmental Protection Agency, and the Occupational Health and Safety Administration. Activities include coordinating external peer review of exist and development of additional guidelines to support protective action decisions by interagency teams during a radiological emergency. DOE contributes its expertise and support necessary for the Federal government to have the guidelines and mechanisms in place by which a safe and orderly recovery from potentially widespread radiological contamination can be made to restore infrastructure use and vital economic activity, while protecting workers and the general public.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

The Human Performance Improvement initiative identifies and analyzes human performance gaps and identifies, evaluates, and implements corrective actions to close those gaps. Funding provides for the development of course materials and conducting training, in coordination with the National Training Center; conducting DOE-wide workshops; facilitating implementation at the site level; and maintaining a knowledge-sharing alliance with the Energy Facility Contractors Operating Group, the U.S. Navy, the International Society for Performance Improvement, the International Atomic Energy Agency, and Institute of Nuclear Power Operations. Funding also provides for assistance to DOE offices and contractors in developing internal expertise in Human Performance and related subjects, and assistance in integrating Human Performance principles, concepts, and tools into their policies, management systems, processes, and organizational cultures.

Environment, Safety and Health Training through the National Training Center, provides for the development and delivery of environment, safety, and health technical training to develop and maintain DOE and contractor ES&H competencies. Funding supports the National Training Center in providing training and instructional design for Leadership Training; environment, safety, and health staff support; Defense Nuclear Facilities Safety Board Recommendation 2004-1; and the Federal Technical Capability Program.

The Federal Technical Capability Program (FTCP) provides for the recruitment, deployment, development, and retention of Federal personnel with the demonstrated technical capability to safely accomplish the Department's mission and responsibilities. In 1993, the Defense Nuclear Facilities Safety Board issued Recommendation 93-3, Improving DOE Technical Capability in Defense Nuclear Facilities. This recommendation resulted in DOE's establishing the FTCP and developing two standards: DOE M 426.1-1, Federal Technical Capability Manual, and DOE G 426.1-1, Recruiting, Hiring, and Retaining High Quality Technical Staff: A Manager's Guide to Administrative Flexibilities. These standards provide techniques and processes for improving the recruitment, retention, training, and qualification of high-quality personnel.

The FTCP is responsible for overseeing the overall implementation of the Technical Qualification Program (TQP). Recognition that an effective TQP for the DOE is in place is accomplished through an accreditation process. HSS is responsible for funding the TQP site accreditations. The accreditation enables both Headquarters and field organizations in the DOE to demonstrate that they have an effective program in place to ensure the technical competency of DOE technical employees whose duties and responsibilities require them to provide assistance, guidance, direction, oversight, or evaluation of contractor activities that could impact the safe operation of a defense nuclear facility. Accreditation ensures the consistent application of TQP requirements across the Department, thereby facilitating the transportability of qualification when an individual moves from one organization to another. Six site accreditations are scheduled to be completed in FY 2009.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**DOE-Wide Environment, Safety, and Health Programs**      **4,049<sup>a</sup>**      **3,428**      **3,575**

The DOE Laboratory Accreditation Program (DOELAP), mandated by 10 C.F.R. 835, provides assurance that worker radiation exposures are being accurately determined by providing for the manufacture of lung phantoms used in performance testing for the Radiobioassy Accreditation Program. Funding also provides for the operation of the DOE Phantom Library, a library of pedigree phantoms available for loan to DOE facilities to perform calibrations of personnel radiation monitors, used to quantify a workers internal exposure to radioactive materials.

Radiation Exposure Monitoring System (REMS) funding provides for the monitoring and data management systems needed to prepare the annual DOE Occupational Radiation Exposure Report. Title 10 C.F.R. 835, *Occupational Radiation Protection*, Subpart I, requires annual monitoring of individual occupational radiation exposure records for DOE employees, contractors, and subcontractors, as well as members of the public. The report is based on the monitoring data input into the REMS Repository by DOE operating units as required by DOE Order 231.1-1A and DOE M 231.1-1A. Funding provides for the collection of data, operation and maintenance of the REMS database, and preparation of the annual report.

The DOE Voluntary Protection Program (DOE-VPP) encourages and rewards safety performance that is better than industry averages. Based on accident and injury compensation cost comparisons between VPP and non-VPP sites, the DOE-VPP program has an estimated return on investment showing a cost saving/avoidance average of \$250K per participating contractor per year. Twenty-seven participating contractors are currently collectively saving the Department approximately \$6.5M per year by implementing the program. DOE-VPP is a part of the Integrated Safety Management System that ensures health and safety programs are maintained or continue to improve resulting in overall operational cost savings. Funding provides for recertification of contractor DOE-VPP status and evaluation of new applications for DOE-VPP status. The DOE-VPP program currently has 26 participants at the Star Level and one at the Merit Level. Each of the Star sites is inspected every three years, and the Merit site is inspected annually to ensure performance does not decline. Funding provides for conducting sixteen inspections and development of inspection reports, the purchase of awards (plaques, flags, trophies), promotional items (booth, graphics, pamphlets), and additional technical expertise where needed. In addition, funding provides for the development and maintenance of the electronic VPP (e-VPP) program in support of the electronic government initiative under the President's Management Agenda.

Pollution Prevention activities will continue to provide direction to DOE operating units regarding the implementation of practices that improve environmental performance at DOE sites by promoting recycling and reuse of materials, including electronics; replacement of toxic substances and materials by non-toxic substitutes; reduction of waste volumes and their toxicity; and other sustainable environmental stewardship practices stipulated in Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management. These activities will continue to promote programs to

<sup>a</sup> Includes \$1,209,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

formally recognize outstanding pollution prevention and sustainable environmental stewardship achievements at DOE sites (i.e., Best-in-Class Awards) and nominate recognized DOE awards for consideration in the White House Closing-the-Circle Awards competition. In addition, HSS will continue to evaluate innovative pollution practices across the DOE complex and issue “Pollution Prevention Star” awards for exemplary performance. HSS will also maintain and operate the Pollution Prevention Performance Tracking and Reporting System website for use by DOE sites in monitoring and reporting their pollution prevention and sustainable environmental stewardship performance. A review of DOE sites’ toxic chemical release inventory annual reporting data will be performed to evaluate the effectiveness of the Department’s pollution prevention efforts and validate adherence with the federal agency reporting provisions of Executive Order 13423.

HSS will provide DOE and field elements with a broad array of assistance and support in developing and achieving DOE and Government-wide pollution prevention goals. Assistance on alternative pollution prevention funding mechanisms (Generator Set-Aside Fee Program) will focus on green purchasing efforts to assist with implementation of the new guides for integrating environmentally preferable purchasing and green building procurement into site environmental management systems. Continued support will be provided to line management in measuring and evaluating the performance of sites’ pollution prevention and environmentally preferable purchasing and in identifying green design criteria, High Performance Sustainable Building principles, and other sustainable environmental stewardship considerations for incorporation into capital asset proposals and specifications for design and construction of new and retrofit facilities. Assistance will also be provided 1) in identification of cost-effective pollution prevention, post-consumer recycling, and environmentally preferable purchasing strategies for achieving pollution prevention and sustainable environmental stewardship goals; and 2) to pollution prevention personnel, for pollution prevention opportunity assessment procedures, and to procurement personnel for environmentally preferable purchasing policies and procedures.

Other Corporate Environmental Program activities include preparation of DOE environmental reports, including DOE’s annual reports detailing the Department’s progress implementing Executive Order 13101, *Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition*, and Executive Order 13148, *Greening the Government Through Leadership in Environmental Management*. Interface activities with EPA will continue to ensure that preparation of reports to Congress on the status of Environmental Indicators reflect the latest cleanup progress at DOE sites.

Environmental management system implementation assistance will be provided through guidance and hands-on technical support to Program and Field elements in areas such as performance improvement, best practices, lessons learned, and compliance problem solving. Environmental management system assistance will also be provided by supporting the review of site-specific environmental performance, identification and implementation of corrective actions, and identification of opportunities for continuous improvement of environmental performance. HSS will assist sites to enhance their efforts to protect the environment by providing support in the development of environmental performance expectations and measures in operating contract award fee criteria, and evaluation of environmental performance in operating contract award fee determinations. In addition, environmental management

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

system workshops will be provided to support implementation efforts by promoting the sharing of lessons learned and implementation successes and failures.

DOE's Safety and Security Enforcement activity implements Congressionally mandated programs, as required by 10 C.F.R. 851, *Worker Safety and Health Program*; and 10 C.F.R. 824, *Procedural Rules for the Assessment of Civil Penalties for Classified Information Security Violations* (Classified Information Security). The goal of this activity is to promote proactive behavior on the part of DOE contractors to adhere to safety and security requirements and regulations and to continuously improve their performance in worker safety and health, and security through the timely self-identification, reporting, and correction of noncompliant conditions. Funding provides for review and analysis of noncompliance reports, preparation and conduct of onsite investigations, development of investigation reports, analysis and decision-making on enforcement actions; and if violations have occurred, development of preliminary notices of violations, notification of violations, enforcement letters, consent orders, compliance orders, and notification to contractors of associated fines or other sanctions.

The Worker Safety and Health Enforcement Program became effective February 9, 2007, in accordance with 10 C.F.R. 851, and enforces compliance with DOE worker safety and health regulations at Departmental contractor sites. During the trial reporting period, approximately 100 reports of noncompliance events were identified. It is projected that this activity will result in a review of over 500 cases resulting in approximately ten worker, safety and health enforcement actions per year.

The Security Enforcement Program enforces compliance with DOE classified information security requirements, effective February 26, 2006, at Departmental contractor sites in accordance with 10 C.F.R. 824, which implements section 234B of the Atomic Energy Act of 1954, 42 United States Code (USC) 2282b. This program is expected to review over 600 cases per year. Reviews are conducted using the DOE Incident Tracking and Analysis Capability (ITAC) portion of the Safeguards and Security Information Management System, Safeguards and Security Periodic Surveys and Special Surveys, Independent Oversight Inspections and Special Reviews, Office of Inspector General reports, and Government Accountability Office audits and inspections. Based on the first year of the implementation of this program, it is expected to conduct approximately ten security enforcement actions per year.

Enforcement program funding provides for the operation and maintenance of the Noncompliance Tracking System (NTS), a web-based system used by DOE contractors to report nuclear and worker safety and health noncompliant events as described in 10 C.F.R. 820 and 10 C.F.R. 851. The NTS is the primary source to identify which events warrant enforcement action in the areas of worker safety and health and nuclear safety and is used as an analytical tool to provide trending and analysis of DOE-wide and site noncompliant events.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Corporate Safety Programs**

**9,283<sup>a</sup>      5,971      8,289**

Corporate Safety Programs serve a crosscutting safety function for the Department and its stakeholders in assuring excellence and continuous improvement in environment, safety, and health in the conduct of its missions and activities.

■ **Corporate Safety**

**5,645<sup>b</sup>      4,794      7,101**

Performance Trending and Analysis funding focuses on solving systemic causes of deficient performance to reduce and prevent events by examining leading, as well as lagging performance indicators. Corporate Safety Indicators have been developed to provide senior management with the status and trends of DOE safety performance to be utilized as an effective tool to focus senior management dialogue and attention on areas of safety, health, security, and environmental priority. The indicators were developed through benchmarking that measures safety performance against “Best in Class” industries, such as DuPont and DOW. Guidance and assistance is provided to improve the timeliness and completeness of accident/injury reporting data as contained in the Computerized Accident and Incident Reporting System (CAIRS). HSS is performing more in-depth analyses of data to include Occurrence Reporting and Processing of Operations Information (ORPS) and qualitative information provided through the line and HSS. This helps DOE utilize the analyses more effectively to drive improvements in areas of identified weaknesses and in response to adverse trends. When poor safety performance is identified, additional oversight and assistance is provided and in some cases, enforcement actions are initiated to drive the implementation of corrective actions and improve overall performance.

DOE Operating Experience Program is being expanded to include all DOE Federal and Contractor Operating Experience Program Coordinators, to communicate operating experience and lessons learned across the Department more effectively. An Operating Experience Council is made up of DOE Federal and DOE contractor managers and “Best in Class” industries, to ensure efficacy. Funding provides for the analysis of corporate, program, and site-specific safety performance data and metrics. Funding also provides for the development and implementation of improved methods for utilizing safety related data and communication systems (e.g., data mining and display capabilities); utilizing state-of-the-art commercial experience to identify and use leading performance measures to leverage safety performance; and providing for analysis of safety performance tailored to nuclear and worker safety.

Funding provides for the implementation of DOE P 442.1, Differing Professional Opinions (DPO) on Technical Issues Related to Environment, Safety and Health, to facilitate dialogue and resolution on DPOs related to environment, safety, and health aspects of DOE facilities and activities. This policy provides a process for technical issues to be resolved when there is disagreement with line management. The process requires the employee to identify the issue and its basis and to give that

<sup>a</sup> Includes \$4,296,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Includes \$1,846,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

information to the DPO manager within HSS or NNSA. Implementation of the DPO process also includes educating DOE managers and employees on the program. The DPO process is new within the Department and requires the evaluation of programs across the complex. It requires the management, tracking, and closure of DPOs. It also requires the coordination with all other related processes such as Employee Concerns Program, 10 C.F.R. 851 Worker Safety and Health Program enforcement and potential allegations or whistleblower actions.

This activity provides for the enhancement of management systems supporting newly initiated Employee Assistance activities as a result of the Employee Assistance Task Force conducted by DOE in FY 2007 to review and assess incidents that raise issues associated with employee concerns, workforce reliability and violence in the workplace. HSS is developing a plan for the Department to implement recommendations resulting from the task force. HSS will coordinate the scope and schedule of the implementation plan with the Office of Human Capital management. DOE will continue to benchmark, discuss, and compare such issues of workplace/workforce reliability, with the chemical/petrol sector, the military, defense contractors and the National Security Agency and will utilize “best practices” in the enhancements of the Employee Assistance Program. DOE has a large segment of its workforce population working within a secure environment. Issues of workforce reliability, workforce safety, mental and physical problems that impact performance are all pertinent to the well being of the workforce and national security.

The DOE Continuity of Operations (COOP) Program ensures that the Department meets its missions and maintains operational viability in an emergency impacting the National Capital Region. Funding provides for an integrated COOP Implementation Plan that addresses complex-wide health, safety and security; COOP facility health, safety and security; and the devolution of operations out of the National Capital Region as needed. Institutionalization of the COOP implementation planning process is needed to provide the framework for support of the essential health, safety, and security functions required within the context of the DOE COOP Plan. Funding provides for development and maintenance of implementation plans and procedures; training; and conduct of an annual exercise.

The Quality Assurance Program assists in the implementation of DOE Quality Assurance directives to ensure DOE products and services meet expectations and requirements. Funding provides for directives development and maintenance, safety Quality Assurance implementation assessments, technical support, training, and management. Funding provides for an annual assessment and report to the Deputy Secretary on the implementation of the DOE Quality Assurance programs. A Central Registry is maintained to support effective configuration and control of safety-related Software Toolbox Codes.

The DOE Suspect/Counterfeit Items Identification and Investigation Program supports the Department of Justice and other Federal Agency investigations of related fraud. Funding provides for subject matter expert support to the National Training Center and the collection and analysis of data and preparation of the Annual Report of Suspect/Counterfeit Items Activities.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

The Filter Test Facility conducts testing of all high efficiency particulate air (HEPA) filters used in DOE safety systems (safety class and safety significant) and habitability systems. This 100 percent testing requirement is based on a commitment to the Defense Nuclear Facilities Safety Board in 2003 due to the nature of the filter usage in DOE facilities in mitigating radioactive exposure to workers, the public, and the environment. DOE-Standard (STD)-3020-2005, Specifications for HEPA Filters Used by DOE Contractors, requires that each filter be tested by both the manufacturer and Filter Test Facility. Approximately 2,600 filters are tested annually. Funding provides for a contractor to continue performing independent inspection and testing of HEPA filters for the Department.

The Accident Investigation Program supports and/or conducts Type A investigations for serious incidents and oversees the conduct of Type B investigations conducted by DOE program elements for less serious incidents. Funding provides for the conduct of Type A investigations; development, review, and publication of accident investigation reports; accident investigation qualification training; verifying completion of approved corrective actions and satisfaction of judgments of need. Funding also provides for maintaining resource databases that include a list of prospective DOE accident investigation board chairpersons, DOE accident investigators, and technical subject matter experts; providing investigative and technical subject matter expertise.

This activity supports implementation of DOE's Corporate Readiness Review Program for Category 1, 2, and 3 nuclear facilities prior to authorizing the startup or restart of those facilities. These reviews are conducted to address inconsistencies and deficiencies in process implementation identified by DOE and the Defense Nuclear Facilities Safety Board. Funding provides for participation in Operational Readiness Reviews/Readiness Assessments, team member/leader training, technical support to line management, and for assistance and guidance for implementing elements of the revised DOE Order 425.1C and the associated Standard 3006-2000. Assistance will continue to be provided to DOE sites to ensure that DOE projects address the design standards required by 10 C.F.R. 830, DOE O 420.1B and associated guides as well as DOE Standard 1189, *Integrating Safety into Design*. Specifically, nuclear safety, nuclear criticality, radiation protection, hazardous material protection, and fire protection will be addressed. Particular attention will be paid to high-level confinement strategies included in the Safety Design Strategy documents. Assistance will also be provided to identify an initial selection of safety class and safety significant controls to protect workers and the public from radiation and chemical hazards associated with facility operations.

The Corporate Safety activity provides funding to the Federal Energy Regulatory Commission (FERC) to provide periodic safety inspections that assure the structural integrity of dams and other water impoundment structures owned by DOE and to ensure compliance with the Federal Guidelines for Dam Safety as part of the National Dam Safety Program.

DOE's Nuclear Safety Enforcement activity implements Congressionally mandated programs, as required by 10 C.F.R. 820, 10 C.F.R. 830, 10 C.F.R. 835, and 10 C.F.R. 708. The goal of this activity is to promote proactive behavior on the part of DOE contractors to adhere to nuclear safety

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

requirements and regulations and to continuously improve their performance in nuclear safety through the timely self-identification, reporting, and correction of noncompliant conditions. Funding provides for review and analysis of noncompliance reports, preparation and conduct of onsite investigations, development of investigation reports, analysis and decision-making on enforcement actions, and if violations have occurred, development of preliminary notices of violations, notification of violations, enforcement letters, consent orders, compliance orders, and notification to contractors of associated fines or other sanctions. The nuclear safety program reviews over 200 noncompliance reports and issues 5-15 nuclear safety enforcement actions per year. Funding also provides for the development and conduct of Price-Anderson Coordinator Training.

■ **Radiological and Environmental Sciences**

|                   |                          |          |          |
|-------------------|--------------------------|----------|----------|
| <b>Laboratory</b> | <b>2,450<sup>a</sup></b> | <b>0</b> | <b>0</b> |
|-------------------|--------------------------|----------|----------|

Beginning in FY 2008, these activities will be funded by the Office of Nuclear Energy

|                              |              |              |              |
|------------------------------|--------------|--------------|--------------|
| ■ <b>Analytical Services</b> | <b>1,188</b> | <b>1,177</b> | <b>1,188</b> |
|------------------------------|--------------|--------------|--------------|

The Analytical Services Program assists DOE operating entities in determining environmental sampling protocols and provides a corporate service to the Department by conducting quality assurance audits of environmental laboratories used by the sites in support of environmental compliance programs. Standardized audits of laboratories used by DOE entities ensures environmental analytical laboratory data reported to DOE sites through contractual agreements is of high quality and reliability, and assures that data is technically and legally defensible to support regulatory compliance and environmental remediation and clean-up projects. Funding also provides for development software toolkits and training support to DOE field element sites for determining the right quantity and quality of environmental field sampling (water, air, soil, vegetation biota, and fauna tissue), as well as systematic planning relative to regulatory compliance and the Department's clean-up mission. Funding provides for the consolidated audit program for waste facilities and environmental laboratories; the accreditation of DOE and vendor environmental laboratories; the development of field sampling data systems in support of the Department's remedial actions and on-going operations. This corporate crosscutting program is conducted to eliminate audit redundancy and ensure consistent quality. Without this program, DOE site operations would have to conduct independent and potentially redundant audits increasing overall costs to the Department of approximately \$1M annually. In addition, the failure to ensure that vendor analytical laboratories are meeting quality assurance standards could result in increased liabilities and significant delays in completing key environmental cleanup projects.

|                        |               |               |               |
|------------------------|---------------|---------------|---------------|
| <b>Health Programs</b> | <b>45,519</b> | <b>44,760</b> | <b>47,559</b> |
|------------------------|---------------|---------------|---------------|

Health Programs comprise support to the Department of Labor for the implementation of the Energy Employees Occupational Illness Compensation Program Act to compensate workers adversely affected by DOE operations; domestic health studies including the Former Worker Program (a nationwide

<sup>a</sup> Transferred to the Office of Science as a result of the Office of Health, Safety and Security formation.

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

program of medical screening to identify work-related health effects) and studies to investigate and identify work related injury and illness in the DOE worker population; and international health studies to support radiation health effects research in Japan, the Marshall Islands, Russia, and Spain. The benefits of these projects and programs include discovery and documenting health effects outcomes that provide the scientific basis for national and international worker protection policy and standards. These radiation protection standards and practices, in turn, provide levels of protection appropriate for the risk posed to workers by hazards present at DOE sites.

|                                |               |               |               |
|--------------------------------|---------------|---------------|---------------|
| ■ <b>Other Health Programs</b> | <b>25,371</b> | <b>24,644</b> | <b>27,259</b> |
| • <b>Occupational Health</b>   | <b>16,500</b> | <b>16,377</b> | <b>17,916</b> |

The Former Worker Medical Surveillance Program provides for the conduct of medical screenings for former employees to identify adverse health conditions as a result of working at DOE facilities as mandated by Congress in the FY 1993 Defense Authorization Act (PL 102-484). External teams of independent health experts are funded to offer medical screening to interested individuals among the 400,000-person former DOE federal and contractor workforce. The program includes a preliminary site assessment to identify groups of at-risk workers and DOE site-specific exposures and medical screening that includes examinations, which check for adverse health outcomes potentially related to occupational exposures such as beryllium, asbestos, silica, lead, cadmium, chromium, and solvents. The program is conducted using 10 cooperative agreements held by consortia of universities, labor unions, and commercial organizations with expertise in administration of medical programs. In FY 2007, 10,000 medical screenings were conducted. The FY 2008 Enacted Appropriation required HSS to increase spending for this activity by \$4,000,000 over the budget request, within funds provided.

This activity also provides for support to the Radiation Emergency Accident Center/Training Site (REAC/TS), which provides medical expertise, chelating pharmaceuticals, and training for physicians to be able to respond to radiological accidents anywhere in the United States. REAC/TS also maintains guidelines for DOE facilities regarding actinide contamination injuries.

Title 10 C.F.R., Part 850 *Chronic Beryllium Disease Prevention Program* requires DOE sites to inventory and assess beryllium exposure hazards to determine whether employees are at risk for chronic beryllium disease. Sites that identify employees at risk due to ongoing or past work must implement chronic beryllium disease prevention programs that include reporting health and exposure data to the DOE Beryllium-Associated Worker Registry. These sites are required to submit summary data in semi-annual progress reports. Health data are collected through the operation of medical surveillance programs for current workers at 20 DOE sites. Exposure data are collected through the operation of industrial hygiene programs at 15 sites that had continuing beryllium operations. Funding provides for the continued maintenance of the registry, as required, and supports a data center that collects information from sites, translates it to standard formats, checks for accuracy and completeness, and maintains, analyses and reports data. Funding is also provided for the Beryllium Tissue Repository which is designed to collect and stores tissue samples donated by current and former DOE workers exposed to beryllium. There

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

are four cooperative agreements with various clinical centers that are scheduled to be funded through this program. Tissues collected by these centers will be transferred to the National Institute of Health so that other investigators may have access to them to further research in this area. In FY 2007 – 2008, efforts were undertaken to develop tissue collection protocols (with approval from various Institutional Review Boards) and a database that will store relevant information.

The Human Reliability Program (HRP) is a safety and security reliability program designed to ensure that individuals who occupy positions affording access to certain materials, nuclear explosive devices, meet the high standards for trustworthiness, dependability, and physical and mental reliability. It is implemented through a system of continuous evaluation that identifies individuals whose judgment and reliability may be impaired that present safety and security concerns. Funding provides for collecting information on job requirements; the selection of medical and psychological tests and evaluations relevant to those requirements; and the development and dissemination of qualification standards to HRP policy and implementing organizations. Funding also provides for an annual workshop regarding research provided by the 14 site designated psychologists on the psychological assessment HRP Rule requirements. A manual of research results is also scheduled to be developed.

The DOE Contractor Employee Assistance Program is mandated by 10 C.F.R, Part 707 and 10 C.F.R., 851, Appendix A, Occupational Medicine/Employee Assistance Program funding provides for the collection, analysis, and development of causes of lost time and disabilities and the medical and psychological interventions available to reduce these losses. Funding also provides for an annual Contractor Employee Assistance Program Workshop to disseminate relevant data to Employee Assistance Program managers to support decisions on development of policies and guidelines.

• **Public Health** **2,098**      **1,959**      **1,977**

Public Health Studies provides for third-party health studies related to DOE workers and residents of communities neighboring DOE sites across the United States through the Department of Health and Human Services (HHS) as mandated under the Economy Act of 1932, as amended (31 U.S.C. 1535 and 1536); the Atomic Energy Act of 1954, section 31a (42 U.S.C. 2051a) and the Energy Reorganization Act of 1974, section 103(3) (42 U.S.C. 5313(3)). In addition, DOE is required under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) to conduct health assessments at DOE hazardous waste sites that are on or proposed for the National Priorities List. To achieve these objectives and maintain an independent program of health studies, DOE uses the technical and management capabilities of other executive Agencies having facilities, personnel, or other resources that can assist in carrying out such responsibilities. Funding provides for the National Institute for Occupational Safety and Health, the National Center for Environmental Health, and the Agency for Toxic Substances and Disease Registry to conduct studies through three interagency agreements.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

In FY 2007, the National Academy of Sciences completed a review of this program and recommended that DOE and HHS develop a new agreement outlining a partnership between the Agencies to conduct research and public health activities that focus on the examination of human exposures to hazardous substances, health outcomes that may have resulted from DOE operations, including development and production of nuclear weapons and materials and other nuclear energy-related research and development activities.

In FY 2009, the National Institute for Occupational Safety and Health is scheduled to complete a mortality study of Fernald workers and a case control study of multiple myeloma at the Oak Ridge Gaseous Diffusion Plant (K-25). The National Center for Environmental Health is scheduled to conduct a directed environmental dose reconstruction based on the findings of the Los Alamos Historical Document Retrieval Assessment. In addition, the Agency for Toxic Substances and Disease Registry will publish final Public Health Assessments for Los Alamos National Laboratory and Savannah River Site and will conduct public health education activities relating to these sites and the Oak Ridge Reservation, Brookhaven National Laboratory, and Hanford. They will also complete toxicological profiles for materials pertinent to DOE sites. Moreover, the Public Health program provides funding for the retention of records for HHS to access records to conduct studies. Funding is also used to pay the National Archives Records Administration for records storage fees. There is a Secretarial moratorium on the destruction of medical records and exposure data for epidemiologic studies. Specific records prohibited from destruction were identified in a 1991 Secretarial memorandum and was reaffirmed in a December 1998 Secretarial memorandum.

• **Epidemiological Studies** **3,335**      **3,028**      **3,716**

Epidemiological Studies provides for research on the effects of DOE operations on its employees and includes the Illness and Injury Surveillance Program, the Comprehensive Epidemiologic Data Resource, and the U.S. Transuranium and Uranium Registries.

The Illness and Injury Surveillance Program is the only source of information regarding the health of the current contractor workforce, covering nearly 85,000 workers at 13 sites. Data are collected from the Return to Work clearance requirement (10 C.F.R. 851). The goals of the program are to protect and promote the health of DOE workers, identify those groups at increased risk, and provide a focus for intervention strategies. Funding is used to support on-site data coordinators assistance, data collection, quality assurance, data transmission, and intermittent computer programming activities at each participating site. In addition, funding provides for a data center at which additional data quality assurance activities, data analysis, data file and report preparation, assistance with special health investigations initiated at site request, and related technical support activities are provided. Funding provides for data collection at 13 sites.

The Comprehensive Epidemiologic Data Resource (CEDR) is an electronic database maintained at Lawrence Berkeley National Laboratory that allows access to data from health studies funded by DOE to assess the impact of DOE operations on worker and community health. Funding is

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

used to facilitate public access through provision of technical support personnel who assist scientific investigators with gaining access to the data, respond to queries about the data, ensure that proper documentation is available for each data set, prepare and load new data sets as they become available, and organize the data sets into a systematic collection to facilitate access. CEDR processes about 130,000 queries per month. Data from studies conducted under public health activities and the Former Worker Program are scheduled to be added to the database in FY 2009.

The U.S. Transuranium and Uranium Registries, operated by Washington State University, is a research program that studies the distribution and biological effects of plutonium and other heavy metals in voluntarily donated post-mortem human tissues. This information is used to improve DOE's ability to estimate internal doses attributable to the intake of long-lived radioactive materials and supports refinement of radiation protection policies.

• **International Health Studies** **3,438**      **3,280**      **3,650**

The Russian Health Studies Program implements the Joint Coordinating Committee for Radiation Effects Research (JCCRER) agreement between the United States and Russia establishing the legal framework for a collaborative research program between U.S. and Russian scientists to determine the risks associated with working at or living near Russian former nuclear weapons production sites. The agreement was signed in 1994 and renewed, on May 4, 2007, through January 2009. The goals of the program are: 1) to better understand the relationship between health effects and chronic, low-to-medium dose radiation exposure; 2) to determine radiation-induced cancer risks from exposure to gamma, neutron, and alpha radiation; and 3) to improve and validate DOE, U.S., and international radiation protection standards and practices.

To date, all research activities have been focused on the Mayak Production Association (Mayak), the first nuclear weapons production facility in Ozersk, Russia, and in communities surrounding the complex and along the Techa River. DOE supports radiation dose reconstruction studies, epidemiologic studies, molecular and radiobiological studies, and a tissue repository. An external scientific review group of eminent U.S. and Russian scientists evaluates and oversees all scientific work. As of December 31, 2006, researchers published over 140 scientific articles in peer-reviewed journals. Mayak workers were exposed to chronic radiation doses 100 to 1,000-fold higher than U.S. workers, whose lower doses make it very difficult to detect adverse health effects. Studying the Russian nuclear workers and people in surrounding communities helps to better determine the risks associated with employment in the nuclear industry and helps validate U.S. and worldwide radiation protection standards. These results, in turn, are available to standard-setting organizations for evaluating the efficacy of exposure standards. In FY 2009, researchers are scheduled to publish revised dose estimates for an enlarged cohort of 26,000 Mayak workers and a method for computing individual (versus group) past radiation doses for 30,000 members of communities surrounding Mayak.

The Palomares Program provides for the implementation of a jointly sponsored effort of the United States and Spain, under a ten-year Implementing Arrangement signed in 1997, which

**Other Defense Activities/  
Health, Safety and Security/  
Health and Safety**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

superseded the Hall Otero agreement of 1966, to provide medical surveillance of the exposed population and environmental monitoring of the area of plutonium contamination resulting from of a U.S. Air Force aircraft accident over Palomares, Spain. In a subsequent agreement, Project Annex II, signed in FY 2006, DOE opted to participate in co-funding a final radiological survey of the residual contamination at the accident site with the understanding that the current research program would conclude in FY 2009. In FY 2006, Spain submitted the cost estimate of the radiological survey work to be performed over a 3-year period. In FY 2008, the final report on the radiological survey of the residual contamination will be prepared by Spain. The final report and final cost-sharing agreement were the subject of Project Annex III that was signed on September 10, 2007. It should be noted that managing the residual contamination, at the Palomares site, is not a part of this agreement. FY 2009 will be the final year for funding the Palomares Program.

■ **Radiation Effects Research Foundation** **13,848** **13,873** **14,000**

The Radiation Effects Research Foundation (RERF), under a bi-national agreement between the United States and Japan, provides for the conduct of epidemiologic studies and medical surveillance of the survivors of the atomic bombings of Hiroshima and Nagasaki. Results from the Life Span Study of the survivors continue to provide the scientific basis for standards setting organizations that establish national and international radiation protection policy. Revisions of epidemiologic data on cancer incidence in relation to radiation dose are based on the recently published reassessment of doses received by the Japanese survivors. In FY 2008, a bi-national senior review panel will present its recommendations on the future research plans of RERF to the government funding agencies. This senior panel review will serve as the primary planning document for DOE’s future support of the RERF program.

■ **Marshall Islands Program** **6,300** **6,243** **6,300**

The Marshall Islands Program provides for environmental monitoring in support of safe resettlement of four atolls; medical surveillance and cancer care and treatment of 178 people; and environmental monitoring of radiation levels and recommendations for site remediation of the Marshall Islands due to nuclear weapons testing conducted between 1946 and 1958. Medical and environmental monitoring is required by Public Laws 99-239 and 108-188, the Compact of Free Association between the United States and Republic of the Marshall Islands. Currently, the program includes two critical components: 1) provision of annual comprehensive medical screening examinations, cancer diagnosis, treatment, and medical care for radiation-exposed individuals; and 2) provision of environmental field science and radiological monitoring to assist decision-making concerning the resettlement of the displaced Atoll populations. Funding provides for continued whole-body counting and plutonium urinalyses for this population to measure individual exposure to radionuclides, comprehensive annual screening examinations, and medical care for those who contracted cancer. Whole-body counting technologies will continue to be the centerpiece of the DOE’s environmental and radiological monitoring program at the Majuro, Eniwetok, and Rongelap Atolls.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Employee Compensation Program**

**5,502                      2,973                      4,500**

DOE Energy Employees Occupational Illness Compensation Program Act (EEOICPA) activities support the implementation of Parts B and E of the Act by the Department of Labor to provide compensation to persons who have become ill as a result of work at DOE facilities. Part B provides for compensation to workers with beryllium disease, silicosis, or radiation induced cancer; and Part E provides for compensation and medical benefits to DOE contractor and subcontractor employees whose illnesses were caused by exposure to any toxic substance while working at a DOE facility. DOE's support is primarily comprised of conducting record searches necessary for employment verification, documentation of exposures to toxic substances, and providing information on toxic substances used and in use at DOE facilities. DOE assists the Department of Labor, the National Institute for Occupational Safety and Health, and the President's Advisory Board on Radiation and Worker Health by researching and providing copies of all available records and information needed to support claims filed by DOE federal and contractor employees. In FY 2007, DOE responded to almost 18,000 records requests.

**Total, Subprogram Health and Safety**

**68,152<sup>a</sup>                      60,457                      68,348**

<sup>a</sup> Includes \$5,505,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.





## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Health and Safety Policy, Standards and Guidance

The increase in this activity is for the INPO Liaison program, the Federal Technical Capability Panel (FTCP) and Nuclear Safety and Radiation Protection. The INPO is a DOE-wide program, and it was expected that funding for this program would be provided by the various line managers. This increase restores funding to HSS to be the only DOE funding source for INPO. Increased funding for the FTCP is for an additional 6 site accreditations planned for FY 2009. The increase for Nuclear Safety and Radiation Protection accounts for additional work to update requirements and guidance documents and support their cost-effective implementation by program and field offices.

#### Total, Health and Safety Policy, Standards and Guidance

|  |        |
|--|--------|
|  | +1,100 |
|  | +1,100 |

### DOE-Wide Environment, Safety and Health Programs

The overall increase is for Worker Safety and Health Program Enforcement activities due to implementing the requirements of 10 C.F.R. 851.

#### Total, DOE-Wide Environment, Safety and Health Programs

|  |      |
|--|------|
|  | +147 |
|  | +147 |

### Corporate Safety Programs

#### ■ Corporate Safety

The overall increase is for enhancing Performance Trending and Analysis activities that focus on solving systemic causes of deficient performance to reduce and prevent unwanted events by examining leading as well as lagging performance indicators. Corporate Safety Indicators have been developed to provide senior management with the status and trends of DOE safety performance to focus senior management dialogue and attention on areas of safety, health, and environmental priority. These indicators will also be used to develop and present DOE-wide safety goals to the Secretary for incorporation into contractor and Federal operations.

|  |        |
|--|--------|
|  | +2,307 |
|--|--------|

#### ■ Analytical Services

No significant change.

|  |     |
|--|-----|
|  | +11 |
|--|-----|

#### Total, Corporate Safety Programs

|  |        |
|--|--------|
|  | +2,318 |
|--|--------|

### Health Programs

#### ■ Other Health Programs

##### • Occupational Health

Increase provides for a total of 10,000 medical screenings of former employees to identify adverse health conditions as a result of working at DOE facilities as mandated by Congress in the FY 1993 Defense Authorization Act (PL 102-484); and for the conduct of additional research and studies regarding exposure to beryllium including the implementation of tissue collection activities.

|  |        |
|--|--------|
|  | +1,539 |
|--|--------|

##### • Public Health

No significant change.

|  |     |
|--|-----|
|  | +18 |
|--|-----|

Other Defense Activities/  
 Health, Safety and Security/  
 Health and Safety

FY 2009 Congressional Budget

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

- **Epidemiological Studies**

Increase in the Illness and Injury Surveillance Program will allow for further development and implementation of health surveillance programs, and development and implementation of effective pandemic response initiatives.

+688

- **International Health Studies**

Increase for the Palomares (Spain) program will allow for the completion of radiological survey work initiated in FY 2008 and for preparation of the final report of results. This will be the completion of the Palomares activities.

+370

Total, Other Health Programs

+2,615

- **Radiation Effects Research Foundation**

No significant change.

+127

- **Marshall Islands Program**

No significant change.

+57

**Total, Health Programs**

**+2,799**

**Employee Compensation Program**

Increase will ensure the DOE Energy Employees Occupational Illness Compensation Program Act (EEOICPA) activity can respond to requests for records necessary to verify employment, document exposures to toxic substances, and provide information on toxic substances used and in use at DOE facilities.

+1,527

**Total, Employee Compensation Program**

**+1,527**

**Total Funding Change, Subprogram Health and Safety**

**+7,891**

## Security

### Funding Schedule by Activity

(dollars in thousands)

|                                 | FY 2007 <sup>a</sup> | FY 2008 <sup>b</sup> | FY 2009 |
|---------------------------------|----------------------|----------------------|---------|
| Security                        |                      |                      |         |
| Nuclear Safeguards and Security | 196,546              | 228,374              | 243,717 |
| Security Investigations         | 40,531               | 37,493               | 35,206  |
| Total, Subprogram Security      | 237,077              | 265,867              | 278,923 |

### Description

The mission of the Security subprogram is to provide support to Federal staff for security policy development, interpretation, and guidance; the development and conduct of security and safety training; overseeing the development, application, and deployment of new security technologies throughout DOE; and development and management of the Department's classification, declassification, and controlled information program. In addition, this subprogram provides for specialized security support related to security issues and incidents tracking; nuclear materials accountability; foreign visits and assignments; and foreign ownership and control programs. The Security subprogram also provides operational support to DOE Headquarters by managing the physical protection and security of DOE facilities and information in the National Capital Area. In addition, the Security Investigations activity manages funding for security background investigations associated with providing access authorization to DOE Federal and contract personnel who, in the performance of their official duties, require access to classified information or certain quantities of special nuclear material. Background investigations are required by Section 145 of the Atomic Energy Act of 1954, as amended, and Executive Order 12968. The investigations are performed and access authorizations granted based on Title 10, Code of Federal Regulations, Part 710, *Criteria and Procedures for Determining Eligibility for Access to Classified Matter or Special Nuclear Material*.

The Program Goals of Health, Safety and Security will be accomplished not only through the efforts of the direct (GPRA Unit) programs but with additional efforts from subprograms, which support the GPRA Units in carrying out their mission. The Security subprogram performs the following functions in support of the overall mission of Health, Safety and Security.

<sup>a</sup> Includes \$1,492,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects Congressional direction to increase funding of the Former Worker Program within budget, and FY 2008 Consolidated Appropriations Act Rescission.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Nuclear Safeguards and Security**

**196,546<sup>a</sup>      228,374      243,717**

Nuclear Safeguards and Security activities provide support to Federal staff for security policy development, interpretation, and guidance; the development and conduct of security and safety training; overseeing the development, application, and deployment of new security technologies throughout DOE; and development and management of the Department’s classification, declassification, and controlled information program as well as specialized security support related to security issues and incidents tracking; nuclear materials accountability; foreign visits and assignments; and foreign ownership, control or influence programs. Nuclear Safeguards and Security also provides operational support to DOE Headquarters by managing the physical protection and security of DOE facilities and information in the National Capital Area.

■ **Operational Support**

**167,528<sup>b</sup>      202,507      217,743**

● **Specialized Security Activities**

**105,807      149,450      162,926**

Funding is provided to identify and communicate information necessary to ensure adequate protection of the Department's national security assets by providing relevant, timely, objective and unbiased analysis of data from multiple sources. This activity coordinates, directs, and performs highly specialized activities to protect DOE assets through the analysis of information using a highly specialized workforce.

● **Safety and Security Training**

**18,756      14,622      16,656**

Funding is provided to develop and maintain the proficiency and competency of DOE safety and security personnel through standardized training, education, and professional development services; and to conduct workforce analyses and career development programs required for the protection of the environment, safety, and health of the public, Departmental workforce, critical assets and national security. The DOE National Training Center (NTC), in Albuquerque, NM, designated as the DOE Center of Excellence for safety and security training, is the primary resource for performing these functions.

Course curriculum development and presentation of training represent the largest portion of the funding base. Funding supports the development and delivery of security and safety training programs. Security training activities consists of specialized training in protective force operations that include specialized weapons firing courses, vulnerability assessments, nuclear materials control and accountability, personnel security, information security, and security survey techniques and methodologies. NTC courses qualify security personnel to perform safeguards and security functions throughout the DOE. Safety training activities primarily focus

<sup>a</sup> Includes \$1,492,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Includes \$1,492,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

on the development and delivery of training to safety personnel assuming safety duties in a nuclear operational environment. Training is provided to the DOE community utilizing facilities located at the NTC campus as well as facilities throughout the DOE complex, e.g., Los Alamos National Laboratory, or via the NTC's distance-learning capabilities. NTC also deploys mobile safety and security training teams to DOE field sites to maximize cost savings while maintaining the integrity of training.

In addition to course development, funding supports the operation and maintenance of NTC facilities. NTC facilities are spread across four distinct areas permitted to DOE by the U.S. Air Force and the U.S. Forest Service and consist of classroom and administrative offices, weapons firing ranges, and the newly constructed Integrated Safety and Security Training and Evaluation Complex. Additionally, space no longer used by the Air Force and Sandia National Laboratories, is used for storage of sensitive items (e.g., weapons and ammunition). Operation and maintenance funding also provides for utility and telecommunications services for Federal and contractor personnel for the management of support programs necessary to provide for a safe, secure, and environmentally sound operation that conforms with the requirements of Departmental Directives, the Occupational Safety and Health Administration, the Environmental Protection Agency, and state and local laws and regulations.

Funding provides for the DOE Professional Development Program for safety and security professionals. The Professional Development Program sets forth a career track that guides and records the educational and experience progress of an employed safety or security professional. Based on models set forth by other federal agencies, the program targets those critical Human Capital loss projections to ensure that the vital safety and security functions within the Department are implemented by a skilled workforce without interruption given the pending personnel losses attributed to anticipated personnel attrition rates.

- **Security Operational Support** 15,426 <sup>a</sup>      13,720      12,652

Information used throughout the DOE complex regarding security issues related to policy is maintained in the Safeguards and Security Information Management System (SSIMS), a centralized classified browser-based database that serves as the master repository of current and historical DOE security deficiencies, from both internal and external sources, and associated corrective actions. This system allows for the trending and analysis of security concerns in order to identify systemic security issues and areas that may require additional oversight, or indicators of continuing or future security concerns within DOE. The database also maintains facility security ratings, a listing of facility security officers for more than 2,000 cleared DOE facilities, classified mailing addresses for over 500 facilities authorized to receive classified information, and classified contracts, inspections, and surveys to include initial and quarterly updates to corrective action plans. The system also provides a central repository for deviations from security requirements as well as information regarding incidents of security concern (e.g., unauthorized disclosures of classified information, accidental discharges of weapons and missing special nuclear material).

---

<sup>a</sup> Includes \$1,323,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Funding supports operations and maintenance of SIMMS and upgrades to secure communication hardware. Funding supports the continued use and expansion of trending and analysis reports for use by various Departmental entities. Funding also provides for field assistance activities associated with augmentation of SSIMS to support field security incident management initiatives. Funding provides for improvements to SSIMS and for custom reports and analysis from this system requested by field and program offices.

Security activities provides for risk management, vulnerability assessment, and security system performance evaluations, verifications, and validations for identification and clarification of threats to Departmental assets; and development of innovative concepts to mitigate emerging threats at the field site level. This program provides security input through the various phases of design review and line item construction projects and technical support to the Departmental elements regarding design, construction, and the physical and technical review of Sensitive Compartmented Information Facilities and provides for the development, evaluation, review, and the consistent application of Design Basis Threat Policy implementation. Further, this activity also ensures consistency in curriculum development for vulnerability assessment training and the application of manual and computer-based vulnerability assessment tools utilized in the implementation of safeguards and security protection strategies.

Funding supports the continued refinement and implementation of the DOE standard vulnerability assessment process allowing the Department to accurately and equitably evaluate the security protection posture at the site level and across the DOE complex, and develop and test necessary enhancements to security systems. On-site field assistance provides for the development and review of Site Safeguards and Security Plans and the associated vulnerability assessments at the Department's most critical facilities. On-site field assistance also provides for independent, technical experts to ensure comprehensive, equitable, and cost-effective security protection program evaluation and testing. This program supports protective forces adversary engagement modeling, force-on-force exercise expert adversary teams, facility security system and program characterization, threat clarification and identification, physical security system reviews, and security survey support. Funding provides for on-site vulnerability assessment field assistance activities; upgrades to modeling and simulation tools to reflect new, unforeseen protective force or adversary capabilities, weapons tactics and technology; and support for Joint Tactical Simulation (JTS)/Joint Conflict and Tactical Simulation (JCATS) use and site-specific customization at field locations in support of the safeguards and security protection strategies and measures.

Security Policy Analysis funding provides subject matter and technical expertise in a wide variety of security disciplines to assist in the analysis of security policies in the context of National level drivers, and the development of security requirements and performance measures related to security program planning and management (e.g., Site Safeguards and Security Plans, facility clearances, and surveys and self assessments); information security; physical protection systems; protective force operations; personnel security; and nuclear material control and accountability. Funding also provides for the conduct and management of quality panels consisting of subject matter experts from field locations who provide feedback for keeping

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

security policies current and effective. Other security-related support provides for expert advice and assistance in the development of requirements for physical security systems; explosive detection systems, and integrated alarm management and control systems. This funding also provides for activities necessary to physically add and/or update DOE security-related policies.

Human Reliability Program (HRP) funding provides for technical expertise support to ensure that individuals who occupy positions with access to special nuclear materials, nuclear explosive devices, or related facilities and information meet the highest standards of reliability and physical and mental suitability. Funding provides for the development and distribution of new HRP products such as training and awareness materials to meet new requirements or to enhance existing program elements that are required to satisfy the provisions of 10 C.F.R. 712; and for research on medical, legal, and safety topics in support of guidance development and amendment of requirements. HRP products are utilized by program enrollees, medical staff, certifying officials, and supervisors. Support is also provided to the Personnel Security Program, particularly in the area of interface with the HRP and in the development of training and awareness materials.

The DOE Security Awareness Special Interest Group (SASIG) is a long-standing professional organization of DOE and contractor safeguards and security awareness coordinators. This group provides a mechanism for sharing awareness methods and products, solving problems, and disseminating security-related information to satisfy Presidential and other regulatory requirements. Funding provides security awareness coordinators the tools and information needed to communicate information to employees regarding threats to security and the individual's role within the security program as protection levels and strategies change or are increased. The President's electronic government initiative concepts are incorporated into this activity by utilizing electronic information systems for the delivery of required security briefings and other security information. Funding provides for monthly teleconferences, an annual workshop, and a group website.

The DOE Foreign Ownership, Control, or Influence (FOCI) program is legislatively mandated under 48 C.F.R. Parts 904.7003, 952.204-2, 970.0404, 904.404, and 952.204-73, as well as required under Executive Order 12829, National Industrial Security Program, and implemented via the National Industrial Security Program Operating Manual. Funding supports the three part electronic FOCI (e-FOCI) web based system that supports the FOCI program to determine whether potential or existing contractors of the Department are owned, controlled, or influenced by a foreign entity and, as a result, exhibit the potential for undue risk to national security. This e-government initiative, chosen for the DOE Innovative Department of Energy E-Government Applications Program (IDEA) by the DOE Management Council in 2002, reduces the time necessary for submission, analysis and determination of information prior to award of contracts by 70 percent by converting the inefficient paper based FOCI operation to a fully electronic process. It also provides the ability to tailor solutions for classified contracts necessary for local operational needs and missions. Funding also supports the operation and maintenance of the e-FOCI Submission Site for contractors, the e-FOCI Processing Site for Federal FOCI field managers, and the Analytical Tools Module for DOE Headquarters FOCI managers. Over 1,000

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

DOE and NNSA contractors currently use the system, as well as 31 DOE and NNSA federal and contractor sites to submit, analyze, and render determinations on FOCI applications. Funding also supports system administration and operation, cyber security, user training and assistance and program management.

The DOE Foreign Visits and Assignments Program (FV&A) is required by Presidential Decision Directive-61, Energy Department Counterintelligence, and by DOE Order 142.3, Unclassified Foreign Visits and Assignments Program. The FV&A program manages the security aspects of DOE interactions with foreign nationals visiting or assigned to DOE sites or granted access to DOE information or technologies and includes a system used to provide accountability for, and to report to internal DOE management and external authorities on, the presence of foreign nationals at all DOE facilities. Funding supports the operation and upgrade of the Foreign Access Central Tracking System (FACTS). This database speeds the processing of visitor requests, and allows the large volume of requests to be managed by fewer personnel. Funding also provides for the performance of annual assessments and updating of policies for unclassified foreign visits and assignments and classified visits involving foreign nationals, and for response to mandates from the Department of Homeland Security related to foreign visitor security and visa requirements.

The Nuclear Materials Management and Safeguards System (NMMSS) contains records of nuclear materials (source nuclear material, special nuclear materials and other nuclear material) supplied and controlled under U. S. law and related international agreements including U.S. nuclear materials production programs and U.S. private nuclear industrial activities. NMMSS serves national security and program management interests in the utilization of nuclear resources. In addition, the system also serves international interests in the programs for the peaceful application of nuclear energy and in the non-proliferation of nuclear weapons. The purpose of NMMSS is to provide quality nuclear data in a timely manner to support U.S. government requirements. Nuclear material management and safeguards data from more than 700 U.S. Government and commercial nuclear facilities is tracked on a "by site" basis and supports the detection, assessment, and reporting of loss, diversion, or theft of nuclear materials. NMMSS supports implementation of the Department's Design Basis Threat Policy in the identification of attractive targets for adversary attack, thereby assisting in the prioritization, development, and deployment of protection for the most critical assets. Accounting for nuclear materials is required by DOE Order 470.4, Safeguards and Security Program through DOE Manual 470.4-6, Nuclear Material Control and Accountability (formerly, DOE Order 470 and DOE Manual 474.1-1A and -1B). Funding provides for maintenance and operation of the system and one users meeting. In FY 2008, NMMSS operations will be physically moved from Atlanta, GA. to Washington, D.C. in order to consolidate these activities under the DOE Headquarters physical security infrastructure.

This activity provides funding for the development and maintenance of the Local Area Nuclear Materials Accountability Software (LANMAS). LANMAS is a tool designed specifically to provide DOE sites with a standardized application for tracking nuclear material by item and location. The software application can be used on both stand-alone and local area network



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

computer systems. LANMAS supports accurate and timely on-site nuclear material inventory information and is used, in combination with other site security elements, to account for, detect, assess, and report the potential theft or diversion of nuclear materials. LANMAS also has the potential to be integrated with site processing operations aligned with the Department's enterprise architecture to improve efficiencies and reduce costs associated with safeguarding and managing nuclear materials. Information managed by this software is used to account for day-to-day activities at the site level, perform corporate-level quality assurance activities regarding material transactions, and provide timely information regarding the location of material throughout the DOE complex for use in emergency response management. LANMAS demonstrates a cost savings for DOE by minimizing duplication of software development. Funding provides for one proposed upgrade to LANMAS; support to sites when software deficiencies are identified, and one users meeting.

Security activities provides for the Radiological Source Registry and Tracking (RSRT) database, the primary tool for inventorying radioactive sealed source materials throughout the Department. The RSRT database supports nonproliferation programs and assists in the mitigation of the threat of "dirty" bombs by providing the Department with an inventory tool to meet international guidance for registering and inventorying high-risk sealed sources, and assists in the analysis for the determination of potential radiological sabotage targets. Information in the RSRT database can be used to monitor the location and use of sealed sources; detect and act on discrepancies in inventory; assist in vulnerability analyses and emergency response activities, and thus provide greater security and management for high-risk radioactive sealed sources. The RSRT database will be used by DOE to report to the National Source Tracking System once the Nuclear Regulatory Commission promulgates final rules and establishes an operational system as prescribed in the Energy Policy Act of 2005.

- **Headquarters Security Operations** **27,539<sup>a</sup>** **24,715** **25,509**

Headquarters Security Operations comprise a security protective force and operation of the countermeasures, alarms, and access control equipment and systems designed to provide protection of DOE Headquarters' facilities and assets.

Funding provides for a security protective force engaged in the physical protection of DOE Headquarters classified information and facilities in the National Capital Area. Physical protection and access control is provided 24 hours a day, 365 days a year at the Forrestal and Germantown Buildings, and satellite facilities in Washington, D.C., and Germantown, MD, respectively.

Security Alarms and Access Control Systems (SAACS) funding provides for the operation and maintenance of equipment and technology including security screening equipment, vehicle inspection scanning devices, low-light closed circuit TV monitoring, and nuclear, biological and chemical detection devices; turnstiles; and other access control equipment used at DOE Headquarters facilities in the National Capital Area. Funding supports various maintenance and

<sup>a</sup> Includes \$169,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

upgrade contracts to ensure that the system operates in compliance with DOE security policy and operational requirements. Funding provides for the operation and maintenance of the SAACS system.

This activity includes funding for the Technical Surveillance Countermeasures Program (TSCM). TSCM, required under Presidential Decision Directive - 61, Energy Department Counterintelligence, provides for technical surveys, inspections, in-conference monitors, and pre-construction consultation services as well as technical threat analysis for DOE Headquarters and DOE contractor facilities in the greater Washington, D.C., area for the purpose of detection and denial of hostile intelligence collection operations bent on penetrating Headquarters' sensitive installations to steal technology or sensitive or classified information. Funding also provides for the acquisition, maintenance, and upgrade of unique countermeasures equipment.

Headquarters Security Operations also provides funding for security briefings to DOE Federal and contractor employees, other personnel granted DOE access authorizations, and non-DOE personnel granted unescorted access to Departmental security areas for DOE Headquarters facilities in the National Capital Area as required under Executive Order 12829, National Industrial Security Program, and implemented via the National Industrial Security Program Operating Manual and DOE Manual 470.4-1, Safeguards and Security Program Planning and Management. The Order requires initial briefings for all DOE employees, comprehensive, refresher, and termination briefings for all personnel granted DOE access authorizations, and appropriate awareness briefings for non-DOE personnel granted access to DOE security areas. Funding provides for the development and distribution of security awareness materials (e.g., brochures, posters, and books) and computerized briefing presentations.

■ **Security Technology Development and Systems Deployment**

**15,840                      14,796                      14,796**

The Security Technology Development and Systems Deployment activity provides a corporate, cost effective approach for performance testing and information dissemination of technology-based solutions to known security vulnerabilities throughout the DOE complex. The technologies provide an alternative to costly increases in manpower needed to implement threat policies, and provides affordable solutions to counter threats for which no current defensive capability exists. The activity identifies and evaluates commercial and military technologies to ensure system performance is commensurate with operational security requirements before such technologies are purchased and deployed to protect critical national security assets. Funding also provides for the modification of existing technologies, development of new technologies, and deployment of technologies to meet security requirements in the most cost effective manner possible.

Funding is used to addresses the broad spectrum of the Department's security mission to include physical security systems, protective force technologies and tactics, nuclear materials control, as well as nuclear, chemical, and biological defenses. The focus of this activity is to enhance security while minimizing escalating costs due to increasing or changing threats throughout all departmental programs. Critical safety and performance data obtained through the deployment, testing, and operational evaluation of a suite of integrated technologies at pilot sites will be archived and

**Other Defense Activities/  
Health, Safety and Security/  
Security**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

disseminated to all sites. Selected technologies will provide solutions to validated requirements identified through site assistance visits, comprehensive inspections, or other site-specific assessments conducted by HSS or the host site. The primary security capability areas to be addressed include: 1) early adversary detection through exterior sensors and airborne platforms with sensor payloads capable of scanning several kilometers beyond the fence line, and embedded sensors at the target location to instantaneously alarm to unauthorized tampering or movement of materials; 2) support of a highly effective tactical response force through advanced weaponry, distributed situational awareness capabilities, all-weather target acquisition optics, non-pyrotechnic breaching kits, and improved survivability for response forces through the deployment of armored fighting positions, vehicles and command centers; 3) denial and neutralization capabilities at the target to include robotic weapons, incapacitating technologies, or combinations thereof; 4) the integration of site-wide security technology components and systems into a unified tactical operations center for greatly enhanced command, control, communications and intelligence information, and 5) the identification, deployment and evaluation of a rotary wing aircraft detection, targeting and engagement system.

Funding also supports efforts to protect DOE facilities, assets, and personnel from terrorist use of weapons of mass destruction (nuclear, biological, chemical, and bulk explosives) in order to gain access to nuclear materials or disrupt DOE capabilities critical to national security. This multifaceted initiative has sub-elements to address lethal chemical and explosives protection analysis at multiple nuclear facilities; site-specific deployment and placement of chemical agent detectors throughout the complex; deployment of lethal response capabilities impervious to weapons of mass destruction effects within special nuclear material storage locations; and technical support for implementation of nuclear, biological, and chemical protection technologies at critical security nodes such as central alarm stations and protective force response locations.

Included within this overall activity is funding for activities associated with the successful deployment and transition of security technologies into Departmental operational facilities. Funding provides for the resolution of administrative, safety, and legal issues, in a timely manner to avoid significant delays in fielding effective security technological solutions.

Funding provides for the Performance Testing and Analysis Center (PTAC) to provide field and headquarters programs with expertise in protective force operations, adversary “black hatting” and planning, protective force tactical training and deployment assessments, and “re-cell” activities designed to identify potential weaknesses in safeguards and security and provide cost-effective solutions. PTAC provides a centralized function which greatly magnifies the benefit derived to all Departmental elements by eliminating redundant capabilities and providing for gained expertise to be shared with other elements. This activity provides the DOE and NNSA sites critical resources to assess programs and operations via performance based criteria and develop and test cost-effective alternatives in response to changing threats and operational parameters.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

■ **Classification, Declassification and Controlled Information**

**13,178                      11,071                      11,178**

The Classification, Declassification and Controlled Information activity ensures the Department meets its statutory responsibility to implement the U.S. Government-wide program to classify and declassify nuclear weapons-related technology (i.e., Restricted Data and Formerly Restricted Data) and to implement the requirements in Executive Order, as amended, to classify other information that is critical to the national security (i.e., National Security Information). This program also identifies information that is controlled under statute to protect national security (i.e., Unclassified Controlled Nuclear Information), and other governmental, commercial, and private interests (i.e., Official Use Only information).

Funding is used to assist the Federal staff in the development and issuance of U.S. Government and Department-wide policy and technical guidance to ensure that classified nuclear weapons-related information and other information assets critical to national security and to other governmental, commercial, or private interests are identified for proper protection. Funding provides limited specialized technical expertise support to consider the national security implications of classification and declassification decisions for very complex nuclear proliferation issues and maintain existing classification guides. Funding also provides for the conduct of training and certification of DOE and other agency personnel in classification and information control programs and related areas to fulfill requirements identified in DOE regulations, orders, manuals and agreements with other agencies in accordance with public law.

Funding provides for the review of documents in response to litigation or other requests, to ensure that classified and controlled information is identified and protected from unauthorized release to the public. Further, as resources permit, DOE reviews other agency documents referred under Section 3.3 of Executive Order 12958, as amended, and DOE permanent record collections that have become 25 years old, and performs quality control reviews of other agency document collections slated for public release.

Funding also provides for the final review of classified DOE documents and documents containing DOE equities from all U.S. Government Departments and Agencies, including DOE, requested under the Freedom of Information Act (FOIA) to ensure that DOE classified and controlled information is identified and protected from unauthorized release to the public. Other U.S. Departments and Agencies do not have the requisite expertise in DOE classified programs to perform their own classification reviews of DOE equities in order to remain in compliance with FOIA. Furthermore, other U.S. Departments and Agencies are prohibited from conducting such reviews under 10 C.F.R. Part 1045.

**Security Investigations**

**40,531                      37,493                      35,206**

Security Investigations activities manage funding for background investigations associated with providing access authorizations to DOE Federal and contract personnel who, in the performance of their official duties, require access to classified information or certain quantities of special nuclear material. Background investigations are required by Section 145 of the Atomic Energy Act of 1954, as amended,

**Other Defense Activities/  
Health, Safety and Security/  
Security**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

and Executive Order 12968. The investigations are performed and access authorizations granted based on Title 10, C.F.R. Part 710, Criteria and Procedures for Determining Eligibility for Access to Classified Matter or Special Nuclear Material.

This activity provides for the centralized management of access authorizations (clearances) that allow employees and contractors access to classified information and special nuclear material. Background investigations are performed in accordance with DOE Order 470.4, Safeguards and Security Program, and DOE Manual 470.4-5, Personnel Security, both dated August 26, 2005, by either the Federal Bureau of Investigation or the Office of Personnel Management, as required by law or Departmental regulations. The management of access authorization data is performed in a cost-effective, efficient, manner via the use of electronic databases and Internet-capable tools that comprise the electronic DOE Integrated Security System+ (eDISS+). These electronic tools support and track the adjudication process from the beginning to the disposition of the access authorization request.

In FY 2009, HSS will continue to fund the Department's personnel security investigations performed by the Office of Personnel Management (OPM) and the Federal Bureau of Investigation (FBI) for access authorizations (security clearances). HSS will allocate funding to each processing DOE personnel security office based on projected costs. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds. Under this approach, each program office must make a determination of the need for additional funding for the budget submission. Additionally, all funds related to personnel security investigations will be tracked for use in the annual preparation of the safeguards and security crosscut which is sent to Congress as part of the DOE Congressional Budget process.

|  |            |              |              |
|--|------------|--------------|--------------|
| ■ <b>Federal Bureau of Investigation (FBI)</b> | <b>978</b> | <b>1,287</b> | <b>1,287</b> |
|--|------------|--------------|--------------|

The FBI conducts background investigations for DOE Federal personnel for positions of high degree of importance or sensitivity dictated by the National Defense Authorization Act, DOE M 470.4-5, *Personnel Security*, and DOE Order 470.4, *Safeguards and Security Program*. Funding provides for initial background investigations, periodic reinvestigations, and reimbursement for fingerprint and name checks.

|   |               |               |               |
|---|---------------|---------------|---------------|
| ■ <b>Office of Personnel Management</b> | <b>33,374</b> | <b>32,900</b> | <b>29,083</b> |
|---|---------------|---------------|---------------|

OPM conducts the majority of background investigations for DOE Federal personnel and contractors. Funding provides for initial Single Scope Background Investigations, periodic reinvestigations, and initial and reinvestigation National Agency Checks.

|  |              |              |              |
|--|--------------|--------------|--------------|
| ■ <b>Access Authorization Information Management</b> | <b>3,336</b> | <b>3,306</b> | <b>4,836</b> |
|--|--------------|--------------|--------------|

Access Authorization Information Management activities funding provides for the management of all aspects of access authorization data. The process of investigating, granting, and subsequent management and tracking of access authorizations requires the maintenance of large amounts of data for long periods of time, both for personnel who are granted access authorizations and for those who are not. The primary system for performing this function is the electronic DOE Integrated Security System + (eDISS+), which consists of a series of interrelated electronic databases and associated

**Other Defense Activities/  
Health, Safety and Security/  
Security**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

client applications and web pages that automate the processing and tracking of access authorization requests and integrate the access control process. This system greatly reduces the amount of time spent on managing and preserving the integrity of the data as the information flows between physical locations and organizations and allows DOE security personnel to receive, process, review, and submit access authorization information to the Office of Personnel Management.

The primary database of eDISS+ is the Personnel Security Database (PSDB), which centralizes all clearance, clearance adjudication, and access authorization information contained in eDISS+ systems. eDISS+ also includes the Central Personnel Clearance Index database that maintains the status of access authorizations at the site and national level. The Visitor Access Database and Classified Visitor Control System contain data in centralized databases for nationwide access by DOE personnel and contractors concerning access authorizations and inter-site visits for use in providing access to facilities and information. eDISS+ supports the President's Management Agenda in the electronic Government initiative, but does not duplicate the e-Clearance authorization initiative managed by Office of Personnel Management. Funding provides for the continued operation and maintenance of the system.

Funding also provides for the DOE-wide deployment of the Personnel Security Case Management System, as well as the integration of this system with DOE field site human resources, financial management, and access control systems. One of the major goals of this system is to reduce overall personnel security program costs by eliminating redundant systems at DOE field sites and by integrating directly with other databases to reduce clearance processing time. This funding allows for critical resources that will be needed to develop links to systems listed above and to implement the Case Management System throughout the DOE Complex and also provides resources needed to modernize system infrastructure and to comply with new security requirements such as Homeland Security Presidential Directive (HSPD)-12.

This activity also provides support for performing case reviews and evaluations, preparation of decision packages and preparation of other correspondence by the Office of Departmental Personnel Security, stood-up in FY 2008. Professional level support is also provided to Headquarters Clearances adjudications (case reviews and analysis, conducting interviews, and preparing correspondence), administrative level support, and other support such as court reporting and consulting physicians on an as needed basis. The new office was formed as a result of a special review conducted of the Department's management of personnel security in late FY 2007.

|   |              |          |          |
|---|--------------|----------|----------|
| ■ <b>Accelerated Access Authorization Program</b> | <b>2,843</b> | <b>0</b> | <b>0</b> |
|---|--------------|----------|----------|

Program discontinued in FY 2008.

---

|                                   |                            |                |                |
|-----------------------------------|----------------------------|----------------|----------------|
| <b>Total, Subprogram Security</b> | <b>237,077<sup>a</sup></b> | <b>265,867</b> | <b>278,923</b> |
|-----------------------------------|----------------------------|----------------|----------------|

<sup>a</sup> Includes \$1,492,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Nuclear Safeguards and Security

#### ■ Operational Support

##### ● Specialized Security Activities

This activity is being increased to meet special security needs. +13,476

##### ● Security and Safety Training

Increase will allow the National Training Center to respond to increased program requests for best-in-class training and professional development programs to meet increased safety and security expectations; support cost effective implementation of the Design Basis Threat by providing training on new security technology and tactics throughout the Department; and continue the deployment of Personal Security Training Programs to meet Secretarial initiatives. +2,034

##### ● Security Operational Support

The decrease reflects the cost savings and efficiency of operations resulting from moving the Nuclear Materials Management and Safeguards System (NMMSS) from Atlanta, GA, to Washington, D.C. in FY 2008. -1,068

##### ● Headquarters Security Operations

Increase is required for the Protective Force contract to meet expected cost increases as well as to provide for additional skills required within the Technical Surveillance Countermeasures (TSCM) program. The increase is offset by reductions to operation and maintenance of the Security Alarm and Access Control Systems and a further reduction of the purchase of TSCM equipment. +794

Total, Operational Support +15,236

#### ■ Classification, Declassification and Controlled Information

No significant change. +107

**Total, Nuclear Safeguards and Security** **+15,343**

### Security Investigations

#### ■ Office of Personnel Management

Funding reflects a decrease in the number of investigations (Single Scope Background Investigations, periodic reinvestigations, and initial and reinvestigation National Agency Checks) in this budget request. If actual requirements exceed the HSS allocation in any given fiscal year, the landlord/program offices will be responsible for providing the additional funds to HSS and responsible DOE personnel security office. -3,817

#### ■ Access Authorization Information Management

Funding level is increased to provide for implementation of the Case Management System throughout the DOE Complex, continued implementation of HSPD-12 security requirements, and operations of the Office of Departmental Personnel Security. +1,530

**Total, Security Investigations** **-2,287**

**Total Funding Change, Subprogram Security** **+13,056**

Other Defense Activities/  
 Health, Safety and Security/  
 Security

FY 2009 Congressional Budget





## Program Direction

### Funding Profile by Category

(dollars in thousands/whole FTEs)

|                                 | FY 2007 <sup>a</sup> | FY 2008 <sup>b</sup> | FY 2009 <sup>c</sup> |
|---------------------------------|----------------------|----------------------|----------------------|
| National Training Center        |                      |                      |                      |
| Salaries and Benefits           | 1,519                | 1,569                | 1,624                |
| Travel                          | 60                   | 61                   | 63                   |
| Other Related Expenses          | 25                   | 27                   | 29                   |
| Total, National Training Center | 1,604                | 1,657                | 1,716                |
| Full Time Equivalents           | 11                   | 11                   | 11                   |
| Headquarters                    |                      |                      |                      |
| Salaries and Benefits           | 77,364               | 63,203               | 58,881               |
| Travel                          | 2,711                | 3,171                | 3,092                |
| Support Services                | 18,778               | 16,748               | 20,004               |
| Other Related Expenses          | 16,430               | 14,358               | 15,904               |
| Total, Headquarters             | 115,283              | 97,480               | 97,881               |
| Full Time Equivalents           | 532                  | 426                  | 387                  |
| Total Program Direction         |                      |                      |                      |
| Salaries and Benefits           | 78,883               | 64,772               | 60,505               |
| Travel                          | 2,771                | 3,232                | 3,155                |
| Support Services                | 18,778               | 16,748               | 20,004               |
| Other Related Expenses          | 16,455               | 14,385               | 15,933               |
| Total, Program Direction        | 116,887              | 99,137               | 99,597               |
| Total, Full Time Equivalents    | 543 <sup>d</sup>     | 437                  | 398                  |

### Mission

Program Direction provides the Federal staffing, support services, and other resources and associated costs required to provide overall direction and execution of the Office of Health, Safety and Security (HSS) mission.

<sup>a</sup> Includes \$17,758,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Reflects the FY 2008 Consolidated Appropriations Act Rescission.

<sup>c</sup> Includes +\$1,150,000 for the transfer of non-safety related Quality Assurance activity from the Office of Management.

<sup>d</sup> Includes 109 FTE transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**78,883<sup>a</sup>      64,772      60,505**

Funding provides for salaries and benefits for 398 Federal full-time equivalents (FTEs) with the technical expertise needed to carry out the HSS mission of providing corporate-level leadership and strategic vision to coordinate and integrate health, safety and security policy development and technical assistance; analysis; corporate safety and security programs; education and training; quality assurance programs; complex-wide independent oversight; safety and security enforcement, executive protection, and provide effective cross-organizational leadership in resolving Defense Nuclear Facilities Safety Board-related technical and management issues necessary to ensure worker and public health and safety. Salaries and benefits estimates are based on Government-wide economic assumptions. Funding for full-time permanent employees includes salaries and other personnel benefits, such as cash incentive awards, lump sum payments, Senior Executive Service and other performance awards, and worker's compensation, and provides for the skills and expertise required to carry out the HSS mission.

**Travel**

**2,771<sup>b</sup>      3,232      3,155**

Travel includes all costs of transportation, subsistence, and incidental travel expenses incurred by HSS Federal employees in accordance with Federal Travel Regulations. HSS travel is necessary to manage health, safety, and security programs and conduct independent oversight activities for the Department. Extensive travel is also required for HSS personnel to perform executive protection activities for the Secretary, and other dignitaries as assigned.

**Support Services**

**18,778<sup>c</sup>      16,748      20,004**

HSS has analyzed its use of support services and has established specific criteria for its efficient use. While HSS has some unique expertise, technical contractual support services continue to be a practical and cost-effective method for supporting the Federal staff, as needed. The evolving need for world-class expertise in a multitude of disciplines can best be met through the use of contractors who can rapidly respond to the continually changing skill mix required to perform health, safety, and security and independent oversight activities across the DOE complex. Contractor support provides a practical and cost-effective method of providing a surge pool of personnel with technical expertise in a wide range of safety and security disciplines. Support services are utilized as follows.

■ **Headquarters Security Support**

**5,637<sup>d</sup>      3,002      3,002**

Headquarters Security activities utilize highly specialized technical and analytical expertise and management support personnel. In support of the overall DOE security mission of protecting the U.S. nuclear deterrence capabilities from a spectrum of diverse threats, this activity develops and promulgates clear and consistent security strategies and policy governing the protection of national

<sup>a</sup> Includes \$14,646,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Includes \$197,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>c</sup> Includes \$107,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>d</sup> Includes \$107,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

security and critical assets entrusted to the Department. Mission areas include: 1) nuclear safeguards and security, which includes the National Training Center, nuclear materials accountability, information security, Headquarters security, specialized security support, foreign visits and assignments, security policy, and classification / declassification; 2) security investigations; and 3) program-specific staffing resources to support the protection of Headquarters assets.

Funding also provides for contracted subject matter expert support in the areas of personnel, physical and information security and security policy management. Personnel security support provides for highly skilled computer experts involved in the Headquarters Personnel Security Program and the complex-wide Administrative Review Program. Technical experts are also provided to support the Classified Matter Protection and Control program, security awareness and physical security surveys. Security policy support provides for highly skilled experts involved in the implementation of the elite force initiative, revision of both the protective force and physical security manuals; and revision of 10 C.F.R. 1046 and 1047 to address physical fitness, arrest authority, and deadly force issues.

Funding provides for subject matter expert support for the Incident Reporting and Management Team (IR&MT) which receives, processes, analyzes (including classification reviews), for every reportable incident under DOE Order 471.4. The IR&MT provides routine reports and issue papers for senior DOE management including the Secretary.

■ **Independent Oversight Activities** **12,575**      **13,096**      **16,352**

Independent Oversight activities of security, cyber security, emergency management, and environment, safety, and health programs throughout the Department directly relate to DOE national security strategic and general goals. Independent oversight appraisals are conducted to verify that the Department's security interests are protected, that the Department can effectively respond to emergencies, and that site workers, the public, and the environment are protected from hazardous operations and materials. These appraisals provide accurate, comprehensive information and analysis regarding the effectiveness, vulnerabilities, and trends of the Department's security; cyber security; emergency management; environment, safety, and health programs; and other functions of interest to the Secretary, the Deputy Secretary, the Under Secretary, the Administrator of the National Nuclear Security Administration, Congressional committees, and other stakeholders, such as the Defense Nuclear Facilities Safety Board.

As required by DOE Order 470.2B, Independent Oversight and Performance Assurance Program, dated October 21, 2002, the independent appraisal function is performed by personnel organizationally independent of the DOE offices that develop and implement policies and programs, and therefore, can objectively observe and report on these policies and programs as they relate to Departmental operations. These appraisals complement but do not replace DOE line management's responsibility for implementing security and safety program oversight and self-assessments, as required by integrated safeguards and security management and integrated safety management systems implemented throughout the Department. The appraisal processes utilized are governed by documented, formal protocols addressing all phases of appraisal activities. These processes are also conducive to changing conditions and the needs of the Department.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Additionally, HSS continues to be actively involved in the development of Department-level directives that establish overarching principles for oversight and that identify DOE oversight activities that involve assessing Federal and contractor performance. These directives are closely linked to the Department’s response to Defense Nuclear Facilities Safety Board Recommendation 2004-1, Oversight of Complex High-Hazard Nuclear Operations.

Funding provides for appraisal personnel to observe operations and conduct performance tests to validate the effectiveness of safety and security programs and policies. Reports are developed documenting the assessment activities conducted and the results of those assessments including findings and opportunities for improvement. Unclassified appraisal reports and classified appraisal report titles are maintained on the HSS web site to share the information throughout the Department. Classified reports are maintained in a document control center and are available to authorized personnel upon request. The final products of the appraisal process are corrective action plans, as required. The corrective action plans are developed by the programs under review and are reviewed and commented on by HSS staff to ensure proposed corrective actions adequately address findings and other issues; and promote the protection of security interests, workers, the public, and the environment. Events and activities that have an impact on security and safety are proactively evaluated and evaluation methods and procedures are continuously revised and refined to better evaluate the principal elements of the independent oversight program.

• **Security Appraisals** **6,033**      **6,625**      **7,475**

Security appraisals are conducted at DOE (including National Nuclear Security Administration) sites to ensure the implementation of effective controls to protect special nuclear material, classified matter, or other security interests. The scope of the appraisals include: security systems; control and accountability of special nuclear material, classified matter protection and control; classification and information control, personnel security; protective forces, and protection program management. Performance tests are conducted using weapons simulation systems to perform realistic tactical security engagements between a specially trained composite adversary force and the inspected site protection force to assess overall security performance effectiveness (e.g., force-on-force exercises). These reviews have directly contributed to significant reductions in the recurrence of security issues, and effectively support the maintenance of a safe, secure, and reliable weapons stockpile. As a direct result of the experiences and expertise developed, tools and information (e.g., handbooks, videotapes, and lessons learned) have been shared with numerous organizations within the Department.

Current safeguards and security independent oversight activities have been shaped by events over the recent past regarding use and management of controlled removable electronic media, revision to the Design Basis Threat Policy, personnel security issues, and advancement of DOE Secretarial initiatives. The effect of these events will be reflected in security independent oversight activities. Funding provides for the continued conduct of evaluations and testing of sites with significant holdings of special nuclear materials, nuclear weapons, and sensitive information facilities at the current increased frequency. The FY 2009 inspection schedule reflects the conduct of 5 force-on-force performance tests at key DOE sites and semi-annual training for the Composite Adversarial Team that acts as the opposing force during force-on-

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

force exercises. Additionally, special reviews and analyses are scheduled to be conducted to assess other security topics of interest. Insights on DOE security program strengths and weaknesses gained as a result of independent oversight activities will be published in various reports for distribution to security and senior Departmental management.

- **Cyber Security Appraisals** **1,242** **1,671** **2,977**

Cyber security evaluations provide assurance that the confidentiality, integrity, and availability of DOE classified and unclassified information systems are protected through multi-faceted evaluations of cyber security program performance, including regular announced inspections, unannounced testing, and other special reviews. Internal and external network penetration testing is conducted in support of inspection activities in order to fully understand a site's cyber security protection posture. Penetration testing focuses on identifying network vulnerabilities that could be exploited, evaluating the effectiveness of firewalls, evaluating intrusion detection and system monitoring capabilities, and evaluating other aspects of network security. Cyber security assessments require the maintenance of a state-of-the-art cyber security testing network for external testing and a suite of deployable cyber security testing equipment for internal testing of DOE site networks. Cyber security independent oversight activities also include programmatic reviews to evaluate management processes that support an effective cyber security program. These reviews assess the direction and sustainability of the program as well as to identify any underlying causes for weaknesses that are discovered during penetration testing.

Current cyber security independent oversight activities have been shaped by focusing on compliance with Federal Information Security Management Act requirements, advancement of DOE cyber security initiatives, events at DOE and other U.S. government agencies in which personally identifiable information has been lost or compromised, and protection of DOE information systems against ever-increasing threats. The effect of these events will be reflected in cyber security independent oversight activities over the next several fiscal years. HSS is responsible for conducting the annual independent evaluation of the classified information systems security programs, as required by the Federal Information Security Management Act, for both DOE and the DOE Office of Intelligence and Counterintelligence. HSS also provides critical input to the DOE Office of Inspector General for the annual evaluation of the DOE unclassified information systems security program. There are a number of Federal Information Security Management Act focus areas, such as certification and accreditation, which continue to influence the scope of cyber security inspections. Enhanced testing of DOE classified networks has also been increased to support the annual assessment of national security systems. Finally, funding will provide for the continued focus on protection of DOE information systems across the breadth of the Department to ensure that the confidentiality, integrity, and availability of important systems are appropriately protected. This includes cyber security assessments of critical infrastructure, national security, science, environmental protection, and other Departmental sites.

- **Emergency Management Appraisals** **800** **800** **900**

Emergency management appraisals of critical operations are conducted at DOE Headquarters and DOE field sites having significant amounts of special nuclear material or other hazardous

Other Defense Activities/  
Health, Safety and Security/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

materials and/or operations. These appraisals evaluate the effectiveness of the emergency management programs, including the high-importance elements of emergency planning hazards assessments, protective actions, emergency response, emergency public information, and feedback and improvement processes, by reviewing program mechanisms, conducting limited scope performance tests, and schedule permitting, evaluating full-participation exercises at the inspected sites. Additionally, reviews of crosscutting emergency management topics of increased concern in the heightened terrorist threat environment are performed. Appraisal results have significantly contributed to improvements in emergency management readiness and response at individual sites, within program and field offices, and across the DOE complex.

Independent oversight of Departmental emergency management program activities has been expanded to include a broader spectrum of reviews in consideration of the post 9/11 threat environment and the implications of the revised Design Basis Threat Policy. At the site implementation level, emergency management reviews are conducted jointly with security force-on-force evaluations to test integrated incident command in response to malevolent acts, including response to the release of hazardous materials. Joint reviews of site environment, safety, and health programs are also conducted to ensure they effectively support emergency response. Cross-cutting special reviews will be expanded to evaluate capabilities required to meet the new directives for the National Response Plan and the National Incident Management System. In partnership with line program management, lessons learned site visits will be conducted to share knowledge of effective program implementation practices, and to share independent oversight feedback to the Emergency Operations Training Academy to foster corporate-wide improvement.

- **Environment, Safety and Health Appraisals** 4,000 3,500 4,500

Environment, safety, and health (ES&H) program inspections focus on Integrated Safety Management implementation; ES&H performance; and relevant ES&H topics such as radiation protection, nuclear facility safety, industrial hygiene, and industrial safety. Environment, Safety and Health program inspections also focus on management systems such as line management oversight, self-assessments, lessons learned, and corrective action management. Independent oversight also includes ES&H performance during all phases of major projects, such as construction, recovery, and stabilization of hazardous materials, decommissioning, and environmental restoration. Environmental portions of inspections provide independent evaluations of a wide variety of environmental protection and restoration activities, including the effectiveness of environmental programs in accordance with Executive Orders. Reviews are conducted of selected areas of current interest (i.e., focus areas), such as compliance with the implementation of environmental management systems, implementation of contractor assurance systems, corrective action management, workplace monitoring for non-radiological hazards, and procurement of nuclear safety system components. Also, reviews are conducted of selected nuclear facility essential engineered safety systems to ensure that they can perform their safety function in protecting the workers, public and environment from the associated hazards.. As a result, these evaluations provide a significant benefit to the Department by improving safety and promoting adherence to applicable Federal and State regulations and DOE and industry standards in such areas as worker safety and health, nuclear facility management and operations, and

**Other Defense Activities/  
Health, Safety and Security/  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

environmental protection.

ES&H program inspections have evolved over the past several years to focus on persistent implementation problems within DOE. This process has proven to be an effective diagnostic tool to quickly and efficiently identify weaknesses in Integrated Safety Management, and provide a means to ensure timely and effective corrective actions are implemented. HSS currently performs six ES&H evaluations each year, focusing on high hazard nuclear, and non-nuclear radiological and industrial facilities. The goal is to perform periodic evaluations at each of these facilities, with evaluation of lower hazard facilities as events dictate. Sites with recurring weaknesses, high rates of accidents and injuries, or other special considerations may be reviewed more frequently or subject to follow-up oversight. In addition to the ES&H program inspections, funding provides for the conduct of focused reviews of special topic areas, such as nuclear safety system procurement, workplace monitoring, chronic beryllium disease prevention programs, and environmental management systems. These reviews may be conducted separately or incorporated into ES&H program inspections. Results from ES&H evaluations and focused reviews will be summarized annually in a report on the status of Integrated Safety Management. In addition, special investigations may be conducted to address as directed by the Secretary in important areas such as worker safety and health.

- **Special Reviews** **500**      **500**      **500**

Special reviews and studies are performed of policies, programs, and their implementation in the field to identify program corrections. These special reviews are often conducted in addition to regularly scheduled appraisal activities at the request of the Secretary and other senior Departmental managers to examine issues derived from current events; e.g., the recent Departmental stand-down of all operations involving accountable classified removable electronic media; and implementation of the revised Design Basis Threat Policy. In addition, special review activities include reviews of issues not normally covered by ongoing independent oversight functions (i.e., security, cyber security, emergency management, and ES&H), such as the review of personnel clearance, issues and the limited scope small business review. Finally, special reviews of crosscutting subjects, such as protective force, lock and key control, internet connectivity, chemical and biological agent use, and hoisting and rigging programs, are developed from site-specific investigations to provide DOE senior management an overview of programs and associated issues across the entire Department.

The results of these special reviews and studies have been of particular interest to senior DOE managers and Congress, and their evaluation and analysis have resulted in substantial improvements to programs throughout DOE e.g., Personnel Security Special Study.

- **Defense Nuclear Facilities Safety Board Liaison Activities** **566**      **650**      **650**

Defense Nuclear Facilities Safety Board (DNFSB) Liaison activities facilitate the Department's compliance with Congressional mandates for the Department to: 1) respond to DNFSB safety recommendations and resolve agreed-upon safety issues; 2) provide requested reports on nuclear safety issues; 3) fully cooperate with the DNFSB; and 4) provide ready access to such facilities,

**Other Defense Activities/  
Health, Safety and Security/  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

personnel, and information as the DNFSB considers necessary to carry out its responsibilities. This includes technical evaluation and analysis of DNFSB safety and management issues providing direction, advice, and support to line managers on addressing and resolving DNFSB issues, monitoring Department-wide performance in addressing and resolving DNFSB issues, and taking action to ensure the adequacy of DOE-wide performance.

Additional activities include preparing the statutorily required Annual Report to Congress on DNFSB activities; maintaining and improving the Department’s Safety Issues Management Systems for DNFSB-related issues, commitments, and actions; providing monthly and quarterly analysis reports to senior DOE officials on the status of existing commitments to identify those that require additional management attention or action; and maintaining a website that serves as the Department’s central repository of official DNFSB communications, making this information available to the public and to Department and contractor personnel complex-wide.

Funding also provides for program management of the Department’s Facility Representative Program. This program includes approximately 200 DOE Facility Representatives who provide operational oversight at hazardous facilities. Activities also include leading and participating in reviews of DOE site office Facility Representative programs, updating program guidance and requirements, reporting on performance, and hosting an annual lessons learned workshop.

|                               |                           |               |               |
|-------------------------------|---------------------------|---------------|---------------|
| <b>Other Related Expenses</b> | <b>16,455<sup>a</sup></b> | <b>14,385</b> | <b>15,933</b> |
|-------------------------------|---------------------------|---------------|---------------|

Other related expenses provides support required for Federal and contractor staff to accomplish the HSS mission. Support includes training for Federal employees, the acquisition of security equipment, Secretarial mandated information technology support, Department of Energy Common Operating Environment (DOE-COE) fees, and Working Capital Fund (WCF) services. Specific security equipment purchases for HSS include protective gear, weapons, and communication devices.

Training funds provide for obtaining and/or maintaining the technical competence of HSS Federal employees. This important area of human capital management assures that Federal personnel are fully capable of performing current and future missions of the Department.

The Department’s DOE-COE initiative combines information technology services that were previously managed separately. The initiative is designed to be a one-stop-shopping for all common information technology system and service that brings security, service, efficiency, and scale to these projects. The information technology investments support the Federal and contractor staff at Headquarters by providing hardware, software, hotline, and other desktop computer maintenance. Information technology hardware, connectivity, and support costs are based on a seat count and level of service.

Maintenance of information technology systems exclusive to HSS is funded within this activity. The Classified Local Area Network is part of the consolidated infrastructure initiative. It includes a Secret Restricted Data network that supports HSS Headquarters users. The Secret Internet Protocol Router

<sup>a</sup> Includes \$2,808,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Network is also part of the consolidated infrastructure initiative. It provides access to the Department of Defense classified network to effect coordination between the Departments.

WCF fees are based on guideline estimates issued by the WCF Manager. The WCF was established in FY 1997 to allocate the cost of common administrative services to the recipient organizations; it covers building occupancy and alterations, computer and telephone infrastructure and usage, mail service, copying, printing and graphics, procurement closeouts, supplies, online learning, computer network support, and payroll processing.

**Total Program Direction**

**116,887<sup>a</sup>**

**99,137**

**99,597**

<sup>a</sup> Includes \$17,758,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

HSS is reducing the FTE target level from 437 in FY 2008 to 398 in FY 2009. As HSS was formed, a reevaluation of Federal staff skills was performed to identify the needed skills for the new office mission and functions. Unfilled positions have been reduced in order to provide flexibility in obtaining highly skilled expertise, e.g. occupational medicine, nuclear safety and cyber security, on an as-needed basis. The overall reduction is offset by an increase in funding from the Office of Management for 6 FTEs associated with the non-safety related Quality Assurance function transferred to HSS in FY 2008.

**Total, Salaries and Benefits** -4,267

### Travel

Overall decrease is a result of the changes in FTE levels, slightly offset by an increase of funding from the Office of Management for 6 FTEs associated with the non-safety related Quality Assurance function transferred to HSS in FY 2008.

**Total, Travel** -77

### Support Services

Support Services funding is increased within the Independent Oversight program to conduct special reviews as directed by the Secretary and additional cyber security performance testing. The increase also accounts for additional root cause analysis and tracking of trends within environment, safety and health evaluation activities.

**Total, Support Services** +3,256

### Other Related Expenses

Increase is a result of additional funding for the Working Capital Fund and the transfer of funding from the Office of Management for 6 FTEs associated with the non-safety related Quality Assurance function transferred to HSS in FY 2008.

**Total, Other Related Expenses** +1,548

---

**Total Funding Change, Program Direction** +460

### Support Services by Category

(dollars in thousands)

|  | FY 2007 <sup>a</sup> | FY 2008 | FY 2009 |
|--|----------------------|---------|---------|
| Technical Support  |                      |         |         |
| Headquarters Security Support                              | 3,994                | 2,052   | 2,052   |
| Independent Oversight Activities                           | 12,575               | 13,096  | 16,352  |
| Defense Nuclear Facilities Safety Board Liaison Activities | 566                  | 650     | 650     |
| Total, Technical Support                                   | 17,135               | 15,798  | 19,054  |
| Management Support   |                      |         |         |
| Headquarters Security Support                              | 1,643                | 950     | 950     |
| Total, Management Support                                  | 1,643                | 950     | 950     |
| Total, Support Services                                    | 18,778               | 16,748  | 20,004  |

### Other Related Expenses by Category

(dollars in thousands)

|                                   | FY 2007 <sup>b</sup> | FY 2008 | FY 2009 |
|-----------------------------------|----------------------|---------|---------|
| Other Related Expenses            |                      |         |         |
| Tuition/Training of Federal Staff | 471                  | 325     | 300     |
| Other Services Procured           | 6,457                | 4,811   | 5,280   |
| Working Capital Fund              | 9,527                | 9,249   | 10,353  |
| Total, Other Related Expenses     | 16,455               | 14,385  | 15,933  |

<sup>a</sup> Includes \$107,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.

<sup>b</sup> Includes \$2,808,000 transferred to other DOE organizations as a result of the Office of Health, Safety and Security formation.



**Other Defense Activities  
Office of Legacy Management**

**Overview**

**Appropriation Summary by Program<sup>a</sup>**

(dollars in thousands)

|  | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Other Defense Activities   |                                     |                                      |                        |                                     |                    |
| Legacy Management  | 30,935                              | 156,379                              | -1,418                 | 154,961                             | 185,981            |
| Total, Other Defense Activities                                    | 30,935                              | 156,379                              | -1,418                 | 154,961                             | 185,981            |
| Energy Supply and Conservation                                     |                                     |                                      |                        |                                     |                    |
| Legacy Management  | 33,187                              | 0                                    | 0                      | 0                                   | 0                  |
| Total, Energy Supply and Conservation                              | 33,187                              | 0                                    | 0                      | 0                                   | 0                  |
| Legacy Management  |                                     |                                      |                        |                                     |                    |
| Legacy Management  | 0                                   | 34,183                               | -311                   | 33,872                              | 0                  |
| Total, Legacy Management   | 0                                   | 34,183                               | -311                   | 33,872                              | 0                  |
| Total, Other Defense Activities and Energy Supply and Conservation | 64,122                              | 190,562                              | -1,729                 | 188,833                             | 185,981            |

**Preface**

The Department of Energy’s Legacy Management program is the final element of site remediation and closure after active remediation is complete – fulfilling the Department’s commitments to ensure protection of human health and the environment and ensure all contractual obligations for former contractor employees are met. Within the Other Defense Activities appropriation, the activities under the Legacy Management program will provide the means to achieving these objectives.

In the past, Legacy Management (LM) was funded by the Other Defense Activities (ODA) Appropriation and, through FY 2007, by the Energy Supply and Conservation (ES&C) Appropriation. However, in the FY 2008 appropriation, a new appropriation account of “Legacy Management” was created and replaced the portion that had previously been within ES&C. FY 2009 funding is being requested only under the Other Defense Activities appropriation. This shift is because, after completing remediation, the distinction between ODA and ES&C sites becomes negligible and, after transferring the closure sites in FY 2008, the portion of the budget that would have been within the Legacy Management (formerly Energy Supply and Conservation) appropriation had decreased to less than 20 percent of the total budget request.

<sup>a</sup> Includes a rescission of \$1,729,000 in accordance with P.L. 110-161, the FY 2008 Consolidated Appropriations Act.

In FY 2009, LM continues its efforts to reduce risk to human health and the environment at its contaminated sites, manage its pension and benefit responsibilities for former contractor personnel, maintain the records, and manage DOE property at closed sites. By conducting these functions, LM provides a sustainable solution to liabilities associated with the Department's closed sites and allows other DOE programs to concentrate on further risk reduction and site closure.

Within the Other Defense Activities appropriation, LM has one program: Legacy Management.

### **Mission**

The mission of the LM program is to manage the Department's post-closure responsibilities – including long-term surveillance and maintenance, pension and benefit continuity for former contractor retirees, and archives management – and ensure the future protection of human health and the environment. This Office has control and custody for legacy lands, structures, and facilities and is responsible for maintaining them at levels suitable for their long-term use.

### **Benefits**

The greatest benefit of the LM program is to serve as a visible demonstration of the Department's resolve to honor its responsibilities to the former contractor work force and the communities near its remediated facilities.

The LM program provides benefits to the Department following mission change or site closure. For sites where cleanup is completed, Legacy Management activities ensure that the remediation measures implemented during closure are protecting human health and the environment, that labor responsibilities for the contractor workforce are being satisfied, and that other Departmental legacy responsibilities are met. By managing the real and personal property assets that remain after cleanup and closure, Legacy Management helps the Department reduce the magnitude of its physical resource management, the costs associated with such management, and actively promotes the beneficial reuse of those mission excess properties.

### **Strategic Themes and Goals and GPRA Unit Program Goals**

The Department's Strategic Plan identifies five Strategic Themes (one each for nuclear, energy, science, management, and environmental aspects of the mission) plus 16 Strategic Goals that tie to the Strategic Themes. The Other Defense Activities appropriation supports the following goal:

Strategic Theme 4, Environmental Responsibility: Protecting the environment by providing a responsible resolution to the environmental legacy of nuclear weapons production.

Strategic Goal 4.2, Managing the Legacy: Manage the Department's post-closure environmental responsibilities and ensure the future protection of human health and the environment.

The programs funded within the Other Defense Activities Appropriation have one GPRA Unit Program Goal that contributes to the Strategic Goals in the "goal cascade". This goal is:

GPRA Unit Program Goal 4.2.55.00: Legacy Management – By 2015, the Office of Legacy Management will be responsible for: the cost effective management of land, structures, facilities and/or records for over 120 sites; employee benefits for the Department's former contractor work force at seven sites; and the disposal of real property at five sites.

**Contribution to Strategic Goals**

Within the Program Goal for the Legacy Management program, there are four subgoals that contribute to the strategic goals.

Legacy Management contributes to Strategic Goal 4.2 as follows:

- Protect human health and the environment through effective and efficient long-term surveillance and maintenance – Activities associated with this subgoal contribute to the general goal by managing the long-term surveillance and maintenance at sites where remediation has been essentially completed, allowing the Environmental Management program to concentrate its efforts on continuing to accelerate cleanup and site closure resulting in reduced risks to human health and the environment and reduced landlord costs.
- Preserve, protect, and make accessible legacy records and information – These activities assist the other activities by providing a central records management capability. This work directly supports the administration of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) and is responsive to Freedom of Information Act (FOIA) and Privacy Act (PA) requests. This enables more efficient operation of the other activities and is needed to defend the Department against future liability claims.
- Support an effective and efficient workforce structured to accomplish Departmental missions and ensure contractor worker pension and medical benefits – The Legacy Management program manages the Department’s labor relations and labor standards activities and oversees certain contractor pension and benefit programs to meet the Department’s contractual commitments. By managing these activities, the Legacy Management program enables the Department to focus on further risk reduction by remediating other sites.
- Manage legacy land and assets, emphasizing protective real and personal property reuse and disposition – These activities promote more efficient management of remediated resources. This allows more resources to be focused on further risk reduction.

**Funding by Strategic and GPRA Unit Program Goal**

|   | (dollars in thousands) |         |         |
|---|------------------------|---------|---------|
|   | FY 2007                | FY 2008 | FY 2009 |
| Strategic Goal 4.2, Managing the Legacy             |                        |         |         |
| GPRA Unit Program Goal 4.2.55.00, Legacy Management | 52,920                 | 177,932 | 174,397 |
| Subtotal, Strategic Goal 4.2                        | 52,920                 | 177,932 | 174,397 |
| All Other   |                        |         |         |
| Program Direction                                   | 11,202                 | 10,901  | 11,584  |
| Total, Strategic Goal 4.2                           | 64,122                 | 188,833 | 185,981 |





## Annual Performance Results and Targets<sup>a</sup>

| FY 2004   | FY 2005  | FY 2006  | FY 2007  | FY 2008   | FY 2009   |
|---|--|--|--|---|---|
| Strategic Goal 4.2 Managing the Legacy  |  |  |  |   |   |
| Legacy Management Program/Legacy Management   |  |  |  |   |   |
| Supported local community transition activities that created or retained 30,500 to 31,000 private sector jobs by the end of FY 2004 | Ensure continued effectiveness of cleanup remedies through surveillance and maintenance activities at Pinellas and Maxey Flats in accordance with legal agreements           | Ensure continued effectiveness of cleanup remedies through surveillance and maintenance activities at five sites in accordance with legal agreements | Maintain the protectiveness of installed environmental remedies through inspections and other actions at 100 percent of sites within LM's responsibility   | Maintain the protectiveness of installed environmental remedies through inspections and other actions at 100 percent of sites within LM's responsibility  | Maintain the protectiveness of installed environmental remedies through inspections and other actions at 100 percent of sites within LM's responsibility  |
|   | <u>No comparable measures in FY 2005. A baseline of program direction divided by the total appropriation (excluding Congressionally Directed Activities) is 20.6 percent</u> | <u>Reduce the ratio of program direction to the appropriation by 1 percent from the FY 2005 baseline</u>   | <u>Reduce the cost of performing long-term surveillance and maintenance activities by 2 percent while meeting all regulatory requirements. Base is previous year's costs less inflation rate, costs for new sites, and one-time actions.</u> | <u>Reduce the cost of performing long-term surveillance and monitoring activities while meeting all regulatory requirements to protect human health and the environment. Reduction is measured in percent from the life-cycle baseline. Goal is a 2 percent reduction below the baseline for that year.</u> | <u>Reduce the cost of performing long-term surveillance and monitoring activities while meeting all regulatory requirements to protect human health and the environment. Reduction is measured in percent from the life-cycle baseline. Goal is a 2 percent reduction below the baseline for that year.</u> |

<sup>a</sup> Annual effectiveness and efficiency performance targets will not be reported in the Department's annual Performance and Accountability Report (PAR).



## **Means and Strategies**

The Legacy Management Program will use various means and strategies to achieve its GPRA Unit Program goal. However, various external factors may impact the ability to achieve the goal. The program also performs collaborative activities to help meet its goal.

The Department will implement the following means:

- Long-term surveillance and maintenance will be performed in accordance with the regulatory decisions for each site. Activities range from maintaining records to routine inspections and maintenance at sites where remediation measures are substantially completed and the operations and maintenance of remedial action systems.
- Adequate staffing will be maintained to oversee the program. A large portion of the surveillance and maintenance, archives and information management, and payment of the contractor pensions and benefits will be performed by contractors.

The Department will implement the following strategies:

- The Office of Legacy Management will only accept responsibility for a site after all active remedies are in place and operating.
- Estimates of the Employee Retirement Income Security Act (ERISA) minimum contributions to the pension plans for all sites except Rocky Flats will use the intermediate estimate of an independent actuary.
- Pension estimates for Rocky Flats, because of its magnitude and potentially significant impacts of an underestimate, will use the conservative level for FY 2009. The intermediate level will be used for outyear targets due to the contractor's use of a more conservative investment portfolio.
- Cost estimates for all other contractor post-retirement benefits (medical, Medicare Part B, and life insurance) will use the intermediate estimate of an independent actuary.
- The actuarial estimates will be performed annually in order to consider changes in the circumstances that affect pension contribution, medical, and life insurance costs.

The following external factor could affect LM's ability to achieve its strategic goal:

- Significant changes in remedy performance could cause a site to be returned to EM for further remediation.

In conducting the program's surveillance and maintenance functions, LM performs the following collaborative activity:

- Evaluation of remedy performance, as determined by surveillance and maintenance activities, is coordinated with regulators, local communities, and other stakeholders.

## **Validation and Verification**

To validate and verify program performance, LM employs various internal and external reviews and audits. The Department is operating a performance tracking system to measure performance. The Office of the Chief Financial Officer has developed action plans for the primary functions. Quarterly updates for site inspections are reported using an automated system.

For payments of medical benefits or other activities not tracked by the automated system, the Office of Legacy Management will obtain quarterly updates to judge progress of those activities.

Information requests have established processing times. The number of requests and the processing times are recorded and, as necessary, reported.

The observed results of surveillance and maintenance activities are documented in annual inspection and compliance reports and retained as long as specified in Federal requirements for records retention. To validate and verify program performance, LM will conduct various internal and external reviews and audits. LM's programmatic activities are subject to continuing reviews by the Congress, the General Accountability Office, the Department's Inspector General, the U.S. Environmental Protection Agency, U.S. Nuclear Regulatory Commission, state environmental and health agencies, and the Department's Office of Engineering and Construction Management. Additionally, LM Headquarters senior management staff conduct quarterly, in-depth reviews of cost, schedule, and scope to ensure projects are on-track and within budget.

## **Program Assessment Rating Tool (PART)**

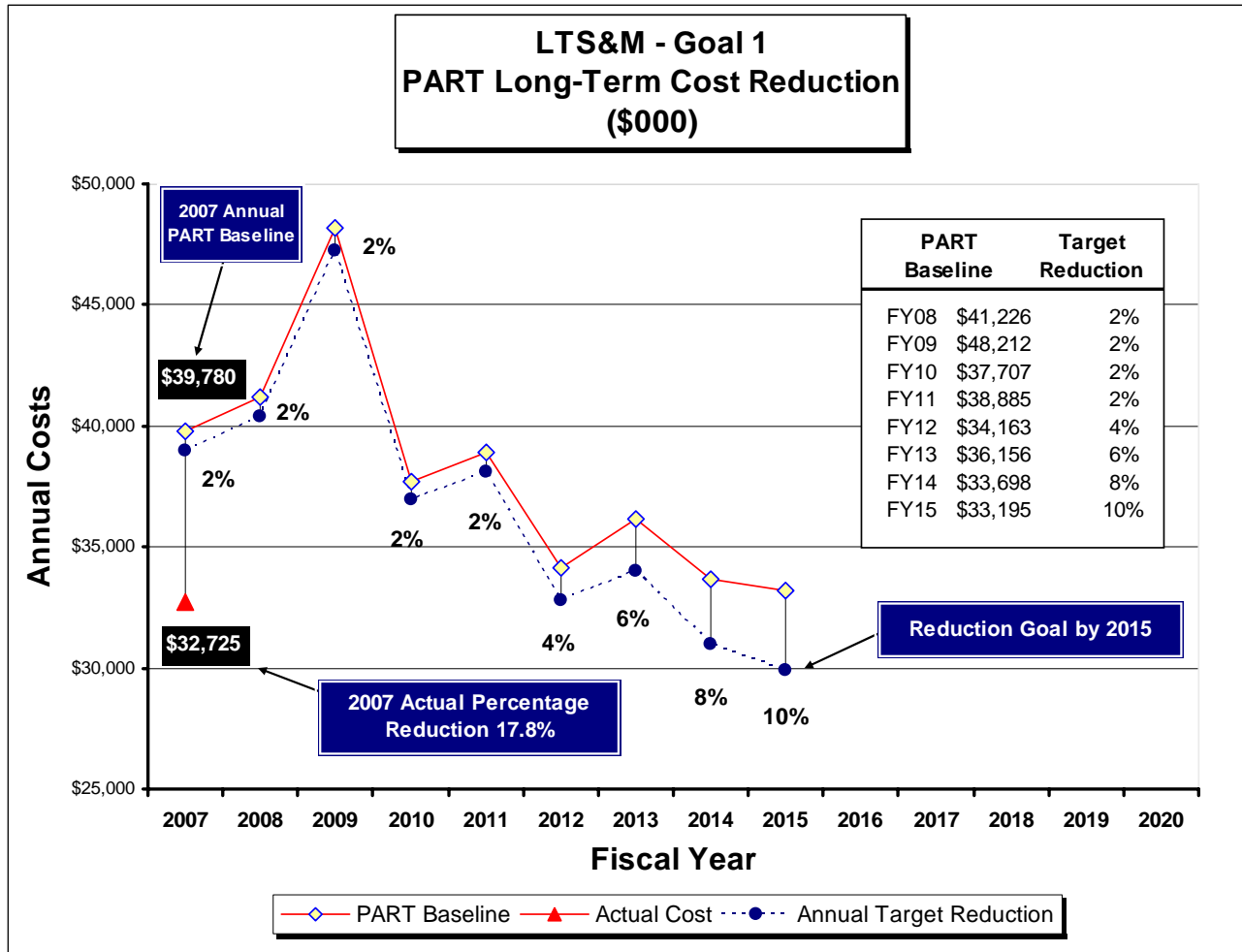
The Department implemented a tool to evaluate selected programs. PART was developed by the Office of Management and Budget (OMB) to provide a standardized way to assess the effectiveness of the Federal Government's portfolio of programs. The structured framework of the PART provides a means through which programs can assess their activities differently than through traditional reviews.

The current focus is to establish outcome- and output-oriented goals, the successful completion of which will lead to benefits to the public, such as increased national security and energy security, and improved environmental conditions. DOE has incorporated feedback from OMB into the FY 2009 Budget Request, and the Department will take the necessary steps to continue to improve performance.

In the PART review, LM received an overall score of Moderately Effective. LM had high scores in Program Purpose & Design, Strategic Planning, and Program Management (100, 88, and 100, respectively). These high scores can be attributed to the program having a clear purpose and being generally well managed. LM's lowest ranking was in the area of Program Results & Accountability (67) which was expected to score lower than the others because the Office of Legacy Management is still relatively new and significant changes to its program are still occurring.

The PART summary also included a discussion of ways to improve, including connecting actions to the performance of program goals and obtaining independent evaluations of the program's effectiveness. Currently LM is increasing its budget and performance integration by aligning its budget with its four program goals and working to develop additional effectiveness and efficiency performance measures.

While fulfilling its commitments, Legacy Management is also striving to manage its activities in a more efficient manner. An efficiency measure identified in the Program Assessment Rating Tool (PART) for the long-term surveillance and maintenance activity was to reduce costs as measured against the FY 2006 baseline. The following figure depicts the baseline and target as well as the FY 2007 results.



## Facilities Maintenance and Repair

The Department's Facilities Maintenance and Repair activities are tied to its programmatic missions, goals, and objectives. Facilities Maintenance and Repair activities funded by this budget are displayed below.

### Direct-Funded Maintenance and Repair

(dollars in thousands)

|   | FY 2007   | FY 2008   | FY 2009   |
|---|-----------|-----------|-----------|
| Legacy Management                               |           |           |           |
| Legacy Management                               |           |           |           |
| Long-Term Surveillance and Maintenance          |           |           |           |
| CERCLA Sites                                    | 909       | 2,154     | 2,374     |
| Non-CERCLA Sites                                | 1,252     | 1,804     | 799       |
| Total, Long-Term Surveillance and Maintenance   | 2,161     | 3,958     | 3,173     |
| <br>Total, Legacy Management                    | <br>2,161 | <br>3,958 | <br>3,173 |
| <br>Total, Direct-Funded Maintenance and Repair | <br>2,161 | <br>3,958 | <br>3,173 |

**Other Defense Activities  
Office of Legacy Management**

**Funding by Site by Program**

(dollars in thousands)

|  | FY 2007       | FY 2008        | FY 2009        |
|--|---------------|----------------|----------------|
| Fernald Site                           | 0             | 21,786         | 18,740         |
| Grand Junction Office                  | 17,452        | 23,974         | 33,408         |
| Morgantown Office                      | 4,156         | 6,711          | 9,170          |
| Paducah Gaseous Diffusion Plant        | 4,079         | 3,403          | 2,436          |
| Pinellas Plant                         | 14,336        | 7,757          | 8,174          |
| Portsmouth Gaseous Diffusion Plant     | 12,239        | 10,210         | 7,307          |
| Rocky Flats Site                       | 0             | 101,065        | 90,271         |
| Washington Headquarters                | 11,860        | 13,927         | 16,475         |
| <b>Total, Other Defense Activities</b> | <b>64,122</b> | <b>188,833</b> | <b>185,981</b> |

**Major Changes or Shifts by Site**

**Fernald Site**

- The decrease in Fernald Site funding reflects a reduction in pension costs. The reduction is due to a number of plan participants choosing to receive a lump sum settlement.

**Grand Junction Office**

- The Nevada Offsites were transferred to Legacy Management in FY 2008 and are administered from the Grand Junction Office. During FY 2009, scheduled well replacement will cause a significant increase in funding for just one year.

**Morgantown Office**

- The Morgantown Office is the primary location of archives and information management efforts. During FY 2009, that office will be consolidating records in preparation to move them to a Records Storage Facility which is scheduled to open in FY 2010.

**Portsmouth Gaseous Diffusion Plant**

- In FY 2009, the funding decrease can be attributed to the use of carryover funds to provide a portion of the funding needed for contractor retirees medical benefits.

**Rocky Flats Site**

- In FY 2009, the funding decrease can be attributed to the use of approximately \$11 M carryover – appropriated in FY 2006 for the National Stewardship Contractor – to fund part of the contractor retiree pension and benefit costs.

## **Washington Headquarters**

- Several activities are centered in Washington Headquarters, including program direction, environmental justice, and reuse and property management. Increases in all of these activities account for a cumulative major shift in funding for this site.

## **Site Description**

### **Fernald Site**

The Fernald Site is located about 18 miles northwest of Cincinnati, OH. In 2009, Legacy Management will conduct long-term surveillance and maintenance activities, manage the records, and oversee the pensions and post retirement benefits for former contractor retirees.

### **Grand Junction Office**

The Grand Junction Office is located in western Colorado. The staff's primary function is oversight of the long-term surveillance and maintenance program. The long-term surveillance and maintenance activities managed from this office include environmental monitoring, long-term treatment of contaminants, maintaining site security, and asset disposition.

The sites administered by this office include the Nevada Offsites. The Nevada Offsites consist of eight sites located in five – primarily western – states. These sites were the locations of subsurface nuclear detonations that were performed off the main Nevada Test Site. Legacy Management performs surveillance and maintenance functions at these sites.

### **Morgantown Office**

The Morgantown Office is located in Morgantown, WV. Program functions include archives and information management activities in support of the missions of the Office of Legacy Management along with various business operations functions.

### **Paducah Gaseous Diffusion Plant**

The Paducah Plant in Paducah, KY, passed to private ownership in 1998. Under agreements with the United States Enrichment Corporation (USEC), the Department retains responsibility for medical and life insurance benefits for part of the former USEC contractor work force.

### **Pinellas Plant**

The Pinellas Site is a former weapons facility located in Pinellas, FL, which is in the Tampa-St. Petersburg metropolitan area. The Legacy Management program oversees pension and benefits payments for the former contractor work force and long-term surveillance and maintenance activities.

### **Portsmouth Gaseous Diffusion Plant**

The Portsmouth Plant in Piketon, OH, passed to private ownership in 1998. Under agreements with the United States Enrichment Corporation (USEC), the Department retains responsibility for medical and life insurance benefits for part of the former USEC contractor work force.



**Rocky Flats Site**

The Rocky Flats site is located about ten miles north of Golden, CO. The Legacy Management program provides long-term surveillance and maintenance, records maintenance, and contractor retiree pensions and post-closure benefits.

**Washington, DC, Headquarters**

The Washington, DC, Headquarters Legacy Management office is primarily responsible for management of program direction funding. Additionally, this Office performs program activities including but not limited to reuse and property management, administering the Department's Environmental Justice, and work force/labor relations programs.



**Legacy Management**  
**Funding Profile by Subprogram**

(dollars in thousands)

|                          | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--------------------------|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Legacy Management        |                                     |                                      |                        |                                     |                    |
| Legacy Management        | 52,920                              | 179,562                              | -1,630                 | 177,932                             | 174,397            |
| Program Direction        | 11,202                              | 11,000                               | -99                    | 10,901                              | 11,584             |
| Total, Legacy Management | 64,122                              | 190,562                              | -1,729                 | 188,833                             | 185,981            |

**Public Law Authorizations:**

Public Law 95-91, "Department of Energy Organization Act (1977)  
 Public Law 103-62, Government Performance and Results Act of 1993  
 Public Law 106-377, Energy and Water Development Appropriations Act, 2001  
 Public Law 106-398, National Defense Authorization Act for Fiscal Year 2001  
 Public Law 107-66, Energy and Water Development Appropriations Act, 2002  
 Public Law 107-314, Bob Stump National Defense Authorization Act for Fiscal Year 2003  
 Public Law 108-136, National Defense Authorization Act for Fiscal Year 2004  
 Public Law 108-375, Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005  
 Public Law 109-103, Energy and Water Development Appropriations Act, 2006  
 Public Law 110-5, Revised Continuing Appropriations Resolution, 2007  
 Public Law 110-161, FY 2008 Consolidated Appropriation Act

**Mission**

The mission of the Office of Legacy Management is to manage the Department's post-closure responsibilities and ensure the future protection of human health and the environment. This Office has control and custody for legacy land, structures, and facilities and is responsible for maintaining them at levels suitable for their long-term use. The activities that are used to accomplish this mission include: (1) conduct long-term surveillance and maintenance at DOE facilities where remediation measures have been substantially completed; (2) oversee the management of pensions and benefits for former contractor employees; (3) perform storage, retrieval, and management of all records necessary for legacy management activities; (4) administer the Department's Environmental Justice program; and (5) manage the Department's legacy land and assets.

**Legacy Management  
Funding Schedule by Activity**

(dollars in thousands)

|   | FY 2007       | FY 2008        | FY 2009        |
|---|---------------|----------------|----------------|
| Legacy Management                                     |               |                |                |
| Long-Term Surveillance and Maintenance                | 23,170        | 40,365         | 48,095         |
| Pension and Benefit Continuity                        | 24,936        | 127,338        | 112,241        |
| Archives and Information Management                   | 4,156         | 6,711          | 9,170          |
| Environmental Justice                                 | 658           | 665            | 1,103          |
| Reuse and Property Management                         | 0             | 2,361          | 3,788          |
| Congressionally Directed, Rocky Flats Cold War Museum | 0             | 492            | 0              |
| <b>Total, Legacy Management</b>                       | <b>52,920</b> | <b>177,932</b> | <b>174,397</b> |

**Description**

The objectives of the Legacy Management subprogram are to conduct long-term surveillance and maintenance at DOE facilities where remediation measures have been substantially completed, oversee the management of pensions and benefits for former contractor employees, perform storage, retrieval, and management of all records necessary for legacy management activities, and administer the environmental justice program. These activities are performed for the purpose of supporting the Department's commitments contained in records of decision, contracts, and other legal agreements.

**Detailed Justification**

(dollars in thousands)

|  | FY 2007       | FY 2008       | FY 2009       |
|--|---------------|---------------|---------------|
| <b>Long-Term Surveillance and Maintenance</b>  | <b>23,170</b> | <b>40,365</b> | <b>48,095</b> |
| <p>The funding requested for FY 2009 will allow the Office of Legacy Management (LM) to monitor and conduct long-term treatment of 86 sites plus 8 additional sites planned for transfer by the end of FY 2009 in accordance with legal, contractual, and regulatory agreements. Functions include soil, water, and air monitoring, long-term treatment of contaminants, maintenance of contaminant treatment structures, and maintaining security for the sites and other resources associated with the sites.</p> <ul style="list-style-type: none"> <li>▪ <b>Fernald</b></li> </ul> | <b>0</b>      | <b>8,786</b>  | <b>8,540</b>  |

The funding requested for FY 2009 will allow LM to monitor and conduct long-term surveillance activities at the Fernald Site.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

▪ **Grand Junction (Nevada Offsites)** **0** **3,186** **15,098**

The Nevada Offsites consist of eight individual sites, mostly located in the Western States. Funding in FY 2009 will allow LM to monitor and conduct normal long-term surveillance and maintenance activities at these sites as well as perform a scheduled replacement of deep groundwater monitoring wells.

▪ **Pinellas** **6,809** **3,857** **1,774**

The funding requested for FY 2009 will allow LM to monitor and conduct long-term surveillance activities at the Pinellas Site.

▪ **Rocky Flats** **0** **5,032** **5,523**

The funding requested for FY 2009 will allow LM to monitor and conduct long-term treatment at the Rocky Flats site, including soil, water, and air monitoring, and maintaining security for the site and other resources associated with the site.

▪ **Other Sites** **16,361** **19,504** **17,160**

There are 75 other sites where the Office of Legacy Management has management responsibility, the majority requiring a modest amount of long-term surveillance and maintenance. Action to prepare for transfer of additional sites is also included in the total. The funding for FY 2009 will allow LM to conduct those activities.

**Pension and Benefit Continuity** **24,936** **127,338** **112,241**

▪ **Fernald** **0** **13,000** **10,200**

Funding for FY 2009 will provide Employment Retirement Income Security Act (ERISA) required contributions to the pension funds and post-retirement benefits (medical and life insurance) for former contractor retirees from the Fernald facility.

▪ **Grand Junction Office** **1,091** **1,284** **1,150**

The Department is providing retirees from former DOE contractors with medical insurance benefits in accordance with contractual requirements.

▪ **Pinellas** **7,527** **3,900** **5,100**

Funding for FY 2009 will provide required contributions to the pension funds and post-retirement benefits (medical and life insurance) for former contractor retirees from the Pinellas Plant. The funding request for FY 2009 is reduced because LM will use approximately \$1.3 million from carryover of appropriations from prior fiscal years.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
| 0       | 95,541  | 86,048  |

▪ **Rocky Flats**

In FY 2009, this funding will allow the Department to make the required ERISA minimum contribution to the pension fund for retired contractor personnel and provide post-retirement benefits of medical, Medicare Part B, and life insurance to contractor retirees. The FY 2009 funding request for pension and benefits at Rocky Flats is reduced because LM will use approximately \$10.7 million FY 2006 carryover funds originally appropriated for a National Stewardship Contractor (NSC) to administer pension and benefit distribution. These funds are available because that approach was cancelled and an alternative system is being utilized.

▪ **United States Enrichment Corporation (USEC)**

**Facilities**

**16,318      13,613      9,743**

At Paducah, the project includes continued funding for activities and expenses associated with post-retirement life insurance and medical benefits applicable to retirees and contractor employees with service at the Paducah Gaseous Diffusion Plant prior to the lease agreement between USEC and DOE in July 1993. This scope was expanded to include retired employees working at the Gaseous Diffusion Plant prior to the date of USEC privatization and as further defined by the Memorandum of Agreement (MOA) between the Office of Management and Budget (OMB) and USEC, dated April 6, 1998.

At Portsmouth, the project includes continued funding for activities and expenses associated with post-retirement life insurance and medical benefits applicable to retirees of the Lockheed Martin Energy Systems and contractor employees with service at the Portsmouth Gaseous Diffusion Plant prior to the lease agreement between USEC and DOE in July 1993. This scope was expanded to include retired employees working at the Gaseous Diffusion Plant to the date of USEC privatization as further defined by the MOA between OMB and USEC, dated April 6, 1998.

The costs for medical benefits have been increasing at a rate greater than the overall inflation rate. However, during FY 2009, the funding need of approximately \$16 million for this facility will be partially met with approximately \$6.4 million in appropriations carried over from FY 2007. Despite the inflation in medical costs, using carryover funding will reduce the need for new appropriated funds while still meeting the Department's commitments.

This funding does not include benefits to former DOE contractor employees covered by the Uranium Enrichment Decontamination and Decommissioning Fund.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
| 4,156   | 6,711   | 9,170   |

**Archives and Information Management (AIM)**

This activity provides records management services for LM’s active program elements and maintains legacy archives of inherited collections. Elements include administrative, records management policy and procedure setting and development, planning, and oversight processes and actions that guide and govern physical and electronic records management operations of the organization. The archives and information management activity also includes managing records over the standard record life-cycle and developing records retentions schedules in conjunction with NARA requirements. These functions encompass operational records retention, records maintenance and use, records disposition processes and activities to ensure proper documentation of LM’s environmental protection, environmental remediation, and hazardous waste disposition related policies and activities. The activity also supports DOE stakeholders processing claims associated with the Energy Employees Occupational Illness Compensation Program Act (EEOICPA), Freedom of Information Act (FOIA), Privacy Act (PA) and other information requests.

In FY 2009, increased funding levels for AIM include costs associated with consolidating archived records into one facility. These costs include transition planning (e.g., performing a complete system inventory, preparation of records for the move to the Records Storage Facility, and procurements needed to facilitate the move). Currently, these records are located within five Federal Records Centers and consist of records for all 86 of LM’s current sites as well as eight additional sites coming to LM in FY 2009. With the planned lease of the new records facility, these records will be transferred to a single records storage facility in FY 2010.

This activity also provides LM's information management and technology needs. This involves the coordination of information collection, storage, and dissemination, and destruction as well as managing the policies, guidelines, and standards regarding information management. This funding also allows LM to maintain its information technology infrastructure and provides planning, design, and maintenance of an IT Infrastructure to effectively support automated needs (i.e. platforms, networks, servers, printers, etc.), as well as providing IT security for LM's unclassified computing networks. IT Security involves all processes and activities pertaining to the securing of Federal data and systems through the creation and definition of security policies, procedures and controls covering such services as identification, authentication, and non-repudiation in accordance with Federal Information Processing Standards (FIPS) and the Federal Information Security Management Act.

Additionally, Archives and Information Management includes funds to support the national and intergovernmental stakeholder activities (e.g., technical libraries, public reading rooms, conferences and exhibits, educational outreach development, and website content control and design) and within internal and external organizations that are affected by, or have an interest in, LM national-mission activities.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Environmental Justice**

**658                  665                  1,103**

Funding allows the Department to manage a program to promote environmental justice as specified by Executive Order 12898, issued on February 11, 1994. This program provides assistance for a variety of activities that include: grants to communities to address environmental issues using expertise from Historically Black Colleges and Universities (HBCUs); an intern program through the United Negro College Fund; a cooperative agreement with the National Conference of Black Mayors to provide assistance on environmental issues; and a Community Capacity Building Program to provide assistance to enable communities around DOE sites to address environmental issues.

**Reuse and Property Management**

**0                  2,361                  3,788**

The Office of Legacy Management manages thousands of acres of land and other assets. This activity is focused upon reuse or transfer of the real and personal property to other agencies or private interests. When land is transferred to a private interest, it allows the land to be reused productively, reduces the Department’s “footprint,” and resumes payment of local property taxes.

**Congressionally Directed Projects**

Rocky Flats Cold War Museum                  **0                  492                  0**

**Total, Legacy Management**

**52,920                  177,932                  174,397**

**Explanation of Funding Changes**

FY 2009 vs.  
FY 2008  
(\$000)

**Long-Term Surveillance and Maintenance**

▪ **Fernald**

No significant change                  **-246**

▪ **Pinellas**

The Department has been successful in its “pump and treat” of contaminated wastewater and has been able to reduce the cost of surveillance and maintenance efforts at that site.                  **-2,083**

▪ **Grand Junction (Nevada Offsites)**

The increase reflects a one-year increase of approximately \$10 million to perform the scheduled replacement of deep groundwater monitoring wells.                  **+11,912**



|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

|  |                |
|--|----------------|
| <ul style="list-style-type: none"> <li>▪ <b>Rocky Flats</b><br/> During FY 2009, besides normal surveillance and maintenance operations, the site will begin to drain and breach the dams of retention ponds.</li> </ul>   | +491           |
| <ul style="list-style-type: none"> <li>▪ <b>Other Sites</b><br/> The decrease reflects a realignment of activities formerly funded from long-term surveillance and maintenance to other more appropriate functional areas.</li> </ul>  | -2,344         |
| <hr/>  |                |
| <b>Total, Long-Term Surveillance and Maintenance</b>   | <b>+7,730</b>  |
| <br>   |                |
| <b>Pension and Benefit Continuity</b>  |                |
| <ul style="list-style-type: none"> <li>▪ <b>Fernald</b><br/> The decrease reflects a reduction in funding needs for the ERISA minimum contribution to the pension plan.</li> </ul>   | -2,800         |
| <ul style="list-style-type: none"> <li>▪ <b>Grand Junction LM Office</b><br/> No significant change</li> </ul>   | -134           |
| <ul style="list-style-type: none"> <li>▪ <b>Pinellas</b><br/> The increase reflects a recalculation of the medical benefits for the current population of retirees and the transfer of eligible retirees from NNSA to consolidate pension and benefit costs for all Pinellas retirees within a single office. The recalculation of medical benefits partially offset the increase due to the transfer (\$3 M) from NNSA. The funding request for FY 2009 is reduced because LM will use approximately \$1.3 million from carryover of appropriations from prior fiscal years.</li> </ul>   | +1,200         |
| <ul style="list-style-type: none"> <li>▪ <b>Rocky Flats</b><br/> The decrease reflects the use of approximately \$10.7 M in carryover appropriated in FY 2006 a National Stewardship Contractor to administer pension and benefit distribution. These funds are available because that approach was cancelled and an alternative system is being used. These funds will be made available to assist in paying the ERISA-required minimum contribution to the pension plan; reducing the need for new budget authority during FY 2009. Without using the carryover, the request would have increased from FY 08 by more than \$1 M due to increased medical costs.</li> </ul> | -9,493         |
| <ul style="list-style-type: none"> <li>▪ <b>USEC Facilities</b><br/> The decrease reflects a reduction caused by the use of carryover in lieu of requesting new budget authority. Without the use of carryover, there would have been an increase of approximately \$2.5 M.</li> </ul>   | -3,870         |
| <hr/>  |                |
| <b>Total, Pension and Benefit Continuity</b>   | <b>-15,097</b> |

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Archives and Information Management**

A portion of the funding increase reflects realignment of activities formerly funded under long-term surveillance and maintenance to archives and information management functions. Also, a portion of the increased funding is being used to prepare records for their relocation from scattered locations to a central storage facility scheduled to open in FY 2010.

+2,459

**Environmental Justice**

The increase reflects the start of several new initiatives to further the purposes of that program, including expanding DOE’s environmental justice actions in the Southwest and developing an intern program for Native Americans and Hispanics.

+438

**Reuse and Property Management**

The increase reflects the realignment of activities formerly funded in long-term surveillance and maintenance to this functional area. Security and other related expenses have increased. In addition, the increase reflects efforts to pursue beneficial reuse on the properties, possibly transferring the properties to private entities that will return them to the local tax base.

+1,427

**Congressionally Directed Projects**

Rocky Flats Cold War Museum

-492

**Total Funding Change, Legacy Management**

**-3,535**

**Program Direction**  
**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                        | FY 2007 | FY 2008 | FY 2009 |
|------------------------|---------|---------|---------|
| Headquarters           |         |         |         |
| Salaries and Benefits  | 7,935   | 7,943   | 8,320   |
| Travel                 | 594     | 436     | 503     |
| Support Services       | 1,414   | 1,229   | 1,309   |
| Other Related Expenses | 1,259   | 1,293   | 1,452   |
| Total, Headquarters    | 11,202  | 10,901  | 11,584  |
| Full Time Equivalents  | 58      | 58      | 58      |

**Major Outyear Considerations**

The Office of Legacy Management has been designated a High-Performing Organization by the Office of Management and Budget. This designation recognizes the efforts that LM has made to provide efficient and effective management of its activities. However, in being so designated, LM is also committing to further efforts. The budget for program direction reflects this designation and commitment.

**Mission**

Program direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Office of Legacy Management functions. The staff of the Office of Legacy Management are all Headquarters employees, primarily located in Washington, DC, Grand Junction, Colorado, and Morgantown, West Virginia.

The overall program direction request decreased approximately \$2.5 M or almost 20 percent from FY 2006 to FY 2008 at the same time the program scope roughly tripled to more than \$180 M. The staffing projections with corresponding changes in their associated salaries and benefits and travel for the Office of Legacy Management reflect the planned decrease in Federal staffing – a significant aspect of the Office of Legacy Management High Performing Organization initiative. Federal staffing is expected to stay at 58 FTEs, a 23 FTE reduction from the FY 2006 total of 81 FTEs.

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**7,935          7,943          8,320**

Staff will work to ensure that the required monitoring actions are performed to protect the environment and the public's health and safety in the vicinity of the sites transferred to Legacy Management from Environmental Management where remediation has been completed. Further, in other program activities, they will: (1) ensure that pension and other post-retirement payments that honor the Department's responsibilities for former contractor personnel are made; (2) oversee actions to achieve approximately 1,000 prime contractor changes per year; (3) streamline the approval of work force restructuring plans; (4) develop and implement policies to integrate contract reform mechanisms;

(5) provide oversight and technical support for upcoming labor negotiations at sixteen sites; and, (6) perform additional functions, such as maintaining records for FUSRAP considered sites, reviewing Departmental liability for CERCLA claims, and administering the Environmental Justice program within the Department.

Personnel are also responsible for conducting surveillance and maintenance activities for a variety of DOE sites, many situated in remote locations. Although the Office of Legacy Management is a headquarters function, there are sizable staffs stationed in Grand Junction, CO, and Morgantown, WV, with smaller numbers at several other locations. A major portion of the workload for the personnel in Grand Junction involves oversight of the surveillance and maintenance at approximately 86 sites. The personnel at Morgantown perform business operations functions and are the focal point of archives and information management activities.

**Travel**

**594          436          503**

Travel will enable staff to conduct necessary surveillance and maintenance functions, oversight, and related activities.

**Support Services**

**1,414          1,229          1,309**

Support services will assist in the preparation of both routine and extraordinary analyses and reports and performing other functions not directly associated with a program activity, as needed.

**Other Related Expenses**

**1,259          1,293          1,452**

This category consists mainly of the working capital fund/infrastructure costs including space rental, telephones, copiers and printing, computer support, general office supplies, and mailing costs. The working capital fund costs are proportionate to the number of employees. Other expenses are for items not encompassed by the working capital fund, e.g., computer software, E-Government fees, and Corporate Computer Desktop Support.

**Total, Program Direction**

|               |               |               |
|---------------|---------------|---------------|
| <b>11,202</b> | <b>10,901</b> | <b>11,584</b> |
|---------------|---------------|---------------|

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

This increase reflects costs of living adjustments for 58 FTEs. +377

### Travel

No significant change +67

### Support Services

No significant change +80

### Other Related Expenses

In FY 2009, the Working Capital Fund added several new business lines which increased the amount of LM's contribution to that fund. +159

---

**Total Funding Change, Program Direction +683**

## Support Services by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Technical Support   |         |         |         |
| System Definition   | 50      | 50      | 51      |
| Total, Technical Support  | 50      | 50      | 51      |
| Management Support  |         |         |         |
| Manpower Systems Analyses   | 420     | 278     | 295     |
| Training and Education  | 100     | 99      | 123     |
| Analyses of DOE Management Processes                                | 200     | 178     | 188     |
| Reports and Analyses Management and General Administrative Services | 644     | 624     | 652     |
| Total, Management Support   | 1,364   | 1,179   | 1,258   |
| Total, Support Services   | 1,414   | 1,229   | 1,309   |

## Other Related Expenses

(dollars in thousands)

|                               | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Other Related Expenses        |         |         |         |
| Other Services                | 199     | 178     | 186     |
| Supplies and Materials        | 152     | 162     | 168     |
| Working Capital Fund          | 908     | 953     | 1,098   |
| Total, Other Related Expenses | 1,259   | 1,293   | 1,452   |

**Other Defense Activities  
Office of Nuclear Energy**

**Overview**

**Appropriation Summary by Program**

(dollars in thousands)

|  | FY 2007 Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008 Current<br>Appropriation | FY 2009<br>Request |
|--|----------------------------------|--------------------------------------|------------------------|----------------------------------|--------------------|
| <b>Other Defense Activities</b>                            |                                  |                                      |                        |                                  |                    |
| <b>Appropriation</b>                                       |                                  |                                      |                        |                                  |                    |
| Mixed Oxide Fuel Fabrication                               | 0                                | 0 <sup>a</sup>                       | 0                      | 0                                | 487,008            |
| Infrastructure   |                                  |                                      |                        |                                  |                    |
| Idaho Facilities Management                                | 15,923                           | 0 <sup>b</sup>                       | 0                      | 0                                | 0                  |
| Idaho Sitewide Safeguards and Security                     | 75,949                           | 75,949                               | -688                   | 75,261                           | 78,811             |
| Total, Infrastructure                                      | 91,872                           | 75,949                               | -688                   | 75,261                           | 78,811             |
| Program Direction  | 30,844                           | 0 <sup>b</sup>                       | 0                      | 0                                | 0                  |
| Subtotal, Other Defense Activities Appropriation           | 122,716                          | 75,949                               | -688                   | 75,261                           | 565,819            |
| Less Security charge for Reimbursable Work                 | -3,003                           | -3,003                               | 0                      | -3,003                           | 0                  |
| Total, Other Defense Activities (NE) Appropriation         | 119,713                          | 72,946                               | -688                   | 72,258                           | 565,819            |
| <b>Energy Supply and Conservation</b>                      |                                  |                                      |                        |                                  |                    |
| University Reactor Infrastructure and Education Assistance | 16,547                           | 0                                    | 0                      | 0                                | 0                  |
| Research and Development                                   |                                  |                                      |                        |                                  |                    |
| Nuclear Power 2010   | 80,291                           | 0                                    | 0                      | 0                                | 0                  |
| Generation IV Nuclear Energy Systems Initiative            | 35,214                           | 0                                    | 0                      | 0                                | 0                  |
| Nuclear Hydrogen Initiative                                | 18,855                           | 0                                    | 0                      | 0                                | 0                  |
| Advanced Fuel Cycle Initiative                             | 166,092                          | 0                                    | 0                      | 0                                | 0                  |
| Total, Research and Development                            | 300,452                          | 0                                    | 0                      | 0                                | 0                  |

<sup>a</sup> In FY 2008, funding for the Mixed Oxide Fuel Fabrication Facility was included within the Fuel Cycle Research and Facilities program under the Nuclear Energy appropriation.

<sup>b</sup> Beginning in FY 2008, all funding for Idaho Facilities Management and Program Direction were requested under Nuclear Energy appropriation.

(dollars in thousands)

|   | FY 2007 Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008 Current<br>Appropriation | FY 2009<br>Request |
|---|----------------------------------|--------------------------------------|------------------------|----------------------------------|--------------------|
| Infrastructure  |                                  |                                      |                        |                                  |                    |
| Radiological Facilities<br>Management                         | 46,775                           | 0                                    | 0                      | 0                                | 0                  |
| Idaho Facilities Management                                   | 113,723                          | 0                                    | 0                      | 0                                | 0                  |
| Idaho Sitewide Safeguards and<br>Security                     | 75,919                           | 0                                    | 0                      | 0                                | 0                  |
| <b>Total, Infrastructure</b>                                  | <b>236,417</b>                   | <b>0</b>                             | <b>0</b>               | <b>0</b>                         | <b>0</b>           |
| Program Direction   | 62,600                           | 0                                    | 0                      | 0                                | 0                  |
| Transfer from State Department                                | 12,500                           | 0                                    | 0                      | 0                                | 0                  |
| <b>Subtotal, Energy Supply and<br/>Conservation</b>           | <b>628,516</b>                   | <b>0</b>                             | <b>0</b>               | <b>0</b>                         | <b>0</b>           |
| Funding from Other Defense<br>Activities                      | -122,634                         | 0                                    | 0                      | 0                                | 0                  |
| Funding from Naval Reactors                                   | -13,365                          | 0                                    | 0                      | 0                                | 0                  |
| <b>Total, Energy Supply and<br/>Conservation</b>              | <b>492,517</b>                   | <b>0</b>                             | <b>0</b>               | <b>0</b>                         | <b>0</b>           |
| Nuclear Energy Appropriation                                  |                                  |                                      |                        |                                  |                    |
| University Reactor Infrastructure<br>and Education Assistance | 0                                | 0                                    | 0                      | 0                                | 0                  |
| Research and Development                                      |                                  |                                      |                        |                                  |                    |
| Nuclear Power 2010  | 0                                | 135,000                              | -1,229                 | 133,771                          | 241,600            |
| Generation IV Nuclear Energy<br>Systems Initiative            | 0                                | 116,000                              | -1,083                 | 114,917                          | 70,000             |
| Nuclear Hydrogen Initiative                                   | 0                                | 10,000                               | -91                    | 9,909                            | 16,600             |
| Advanced Fuel Cycle Initiative                                | 0                                | 0                                    | 0                      | 0                                | 301,500            |
| <b>Total, Research and Development</b>                        | <b>0</b>                         | <b>261,000</b>                       | <b>-2,403</b>          | <b>258,597</b>                   | <b>629,700</b>     |
| Fuel Cycle Research and Facilities                            |                                  |                                      |                        |                                  |                    |
| Advanced Fuel Cycle Initiative                                | 0                                | 181,000                              | -1,647                 | 179,353                          | 0                  |
| Mixed Oxide Fuel Fabrication<br>Facilities                    | 0                                | 281,349                              | -2,560                 | 278,789                          | 0                  |



(dollars in thousands)

|  | FY 2007 Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008 Current<br>Appropriation | FY 2009<br>Request |
|--|----------------------------------|--------------------------------------|------------------------|----------------------------------|--------------------|
| Total, Fuel Cycle Research and<br>Facilities | 0                                | 462,349                              | -4,207                 | 458,142                          | 0                  |
| Infrastructure                               |                                  |                                      |                        |                                  |                    |
| Radiological Facilities<br>Management        | 0                                | 48,561                               | -442                   | 48,119                           | 38,700             |
| Idaho Facilities Management                  | 0                                | 117,000                              | -1,065                 | 115,935                          | 104,700            |
| Idaho Sitewide Safeguards and<br>Security    | 0                                | 75,949                               | -688                   | 75,261                           | 0                  |
| Total, Infrastructure                        | 0                                | 241,510                              | -2,195                 | 239,315                          | 143,400            |
| Program Direction                            | 0                                | 81,615                               | -743                   | 80,872                           | 80,544             |
| Transfer from State Department               | 0                                | 0                                    | 0                      | 0                                | 0                  |
| Subtotal, Nuclear Energy<br>Appropriation    | 0                                | 1,046,474                            | -9,548                 | 1,036,926                        | 853,644            |
| Funding from Other Defense<br>Activities     | -122,634                         | -75,949                              | 688                    | -75,261                          | 0                  |
| Funding from Naval Reactors                  | -13,365                          | 0                                    | 0                      | 0                                | 0                  |
| Total, Nuclear Energy<br>Appropriation       | 492,517                          | 970,525                              | -8,860                 | 961,665                          | 853,644            |
| Total, All Appropriations                    | 612,230                          | 1,043,471                            | -9,548                 | 1,033,923                        | 1,419,463          |

## Preface

The Office of Nuclear Energy (NE) leads the U.S. Government's efforts to develop new nuclear energy generation technologies to meet energy and climate goals, to develop advanced, proliferation-resistant nuclear fuel technologies that maximize energy from nuclear fuel, and to maintain and enhance the national nuclear technology infrastructure. NE helps serve the present and future energy needs of the United States by managing the safe operation and maintenance of the DOE critical nuclear infrastructure that provides nuclear technology goods and services. Beginning in FY 2008, NE funds the Mixed Oxide (MOX) Fuel Fabrication Facility activities, which was previously funded by the National Nuclear Security Administration (NNSA).

NE has nine programs; funds for two of those programs are requested within the Other Defense Activities appropriation in FY 2009: MOX Fuel Fabrication Facility and Idaho Sitewide Safeguards and Security. Prior to FY 2008, NE had two programs that were partially funded within the Other Defense Activities appropriation—Idaho Facilities Management and Program Direction. Beginning in FY 2008,

these programs are funded solely in the Nuclear Energy appropriation. The remaining seven programs are funded within the Nuclear Energy Appropriation.

## **Mission**

NE supports the diverse nuclear energy programs of the United States. NE is responsible for leading the Federal government's investment in nuclear science and technology to support the diversity and security of the United States energy supply, and advance United States (U.S.) energy competitiveness.

NE plans to safeguard the national nuclear infrastructure currently in place to help meet the Nation's energy, environmental, health care, and national security needs. The Idaho Sitewide Safeguards and Security program provides protection of nuclear materials, classified matter, Government property, and other vital assets from unauthorized access, theft, diversion, sabotage, espionage, and other hostile acts that may cause risks to national security, the health and safety of DOE and contractor employees, the public, or the environment.

The purpose of the MFFF is to meet the U.S. agreement with Russia to dispose of 34 metric tons each of weapons-grade plutonium, by converting it to fuel to be used in commercial nuclear reactors. The MFFF program will dispose of surplus weapon-grade plutonium by fabricating it into fuel for use in nuclear reactors. Once irradiated, the plutonium is no longer readily useable for nuclear weapons. The disposal of the material will meet the U.S. commitments made in the Plutonium Management and Disposition Agreement with Russia. Beginning in FY 2008, NE will fund the design, construction, and operation of the MFFF. The MFFF will be built at the Department's Savannah River Site (SRS) near Aiken, South Carolina. In August 2007, the NNSA initiated construction of the facility.

## **Strategic Themes and Goals and GPRA Unit Program Goals**

The Department's Strategic Plan identifies five Strategic Themes (one each for energy security, nuclear security, scientific discovery, environmental responsibility, and management excellence), plus 16 Strategic Goals that tie to the Strategic Themes. Other Defense Activities supports the following goals:

Strategic Theme 1, Energy Security: Promoting America's energy security through reliable, clean, and affordable energy.

Strategic Goal 1.2, Environmental Impacts of Energy: Improve the quality of the environment by reducing greenhouse gas emissions and environmental impacts to land, water, and air from energy production and use.

Strategic Theme 2, Nuclear Security: Ensuring America's nuclear security

Strategic Goal 2.2, Weapons of Mass Destruction: Prevent the acquisition of nuclear and radiological materials for use in weapons of mass destruction and other acts of terrorism.

The programs funded within the Other Defense Activities appropriation have two GPRA Unit Program Goal that contributes to the Strategic Goal in the "goal cascade." These goals are:

GPRA Unit Program Goal 1.2.15.00: Maintain and Enhance National Nuclear Infrastructure - Maintain, enhance, and safeguard the Nation’s nuclear infrastructure capability to meet the Nation’s energy, medical research, space exploration, and national security needs.

GPRA Unit Program Goal 2.2.43: Fissile Materials Disposition – Eliminate surplus Russian plutonium and surplus U.S. plutonium and highly enriched uranium.

**Contribution to Strategic Goal**

The Department has the responsibility to maintain and enhance the Nation’s nuclear infrastructure currently in place. The Idaho Sitewide Safeguards and Security program supports activities that are required to protect the Department’s Idaho complex assets from theft, diversion, sabotage, espionage, unauthorized access, compromise, and other hostile acts which may cause unacceptable adverse impacts on national security, program continuity, the health and safety of employees, the public, or the environment.

The MOX Fuel Fabrication Facility program converts surplus U.S. weapon-grade plutonium into fuel for commercial light-water reactors. After irradiation, the plutonium would no longer be directly usable.

**Funding by Strategic and GPRA Unit Program Goal**

(dollars in thousands)

|  | FY 2007 | FY 2008        | FY 2009 |
|--|---------|----------------|---------|
| Strategic Goal 1.2, Environmental Impacts of Energy                                    |         |                |         |
| GPRA Unit Program Goal 1.2.15.00, Maintain and Enhance National Nuclear Infrastructure | 91,872  | 75,261         | 78,811  |
| Strategic Goal 2.2, Weapons of Mass Destruction  |         |                |         |
| GPRA Unit Program Goal 2.2.43.00, Fissile Materials Disposition                        | 0       | 0 <sup>a</sup> | 487,008 |
| Total, Strategic Goal 2.2 Weapons of Mass Destruction                                  | 0       | 0              | 487,008 |
| Subtotal, Strategic Goal 1.2 and 2.2 (Other Defense Activities)                        | 91,872  | 75,261         | 565,819 |
| All Other  |         |                |         |
| Program Direction  | 30,844  | 0 <sup>b</sup> | 0       |
| Less Security Charge for Reimbursable Work   | -3,003  | -3,003         | 0       |
| Total, All Other   | 27,841  | -3,003         | 0       |
| Total, Strategic Goal 1.2 and 2.2 (Other Defense Activities)                           | 119,713 | 72,258         | 565,819 |

<sup>a</sup> In FY 2008, funding for the Mixed Oxide Fuel Fabrication Facility was included within the Fuel Cycle Research and Facilities program under the Nuclear Energy appropriation.

<sup>b</sup> Beginning in FY 2008, funding for Program Direction is requested under Nuclear Energy appropriation.

**Other Defense Activities/ Nuclear Energy**

**Overview**

**FY 2009 Congressional Budget**



**Other Defense Activities  
Office of Nuclear Energy**

**Funding by Site by Program**

(dollars in thousands)

|  | FY 2007 | FY 2008        | FY 2009 |
|--|---------|----------------|---------|
| Idaho National Laboratory                    |         |                |         |
| Idaho Facilities Management                  | 15,923  | 0 <sup>a</sup> | 0       |
| Idaho Sitewide Safeguards and Security       | 75,949  | 75,261         | 78,811  |
| Total, Idaho National Laboratory             | 91,872  | 75,261         | 78,811  |
| Idaho Operations Office                      |         |                |         |
| Program Direction                            | 30,844  | 0 <sup>a</sup> | 0       |
| Savannah River Operations Office             |         |                |         |
| Mixed Oxide Fuel Fabrication Facility        | 0       | 0 <sup>b</sup> | 487,008 |
| Total, Other Defense Activities <sup>c</sup> | 122,716 | 75,261         | 565,819 |

**Major Changes or Shifts by Site**

**Savannah River Operations Office**

- The FY 2008 Omnibus Bill transfers the Mixed Oxide (MOX) Fuel Fabrication Facility (MFFF) project to the Office of Nuclear Energy (NE). Previously all budgets were included in the Defense Nuclear Nonproliferation, Office of Fissile Materials Disposition.

**Site Description**

**Idaho National Laboratory**

**Introduction**

The Idaho National Laboratory (INL) is an extensive research and engineering complex that has been the center of nuclear energy research since 1949. It occupies 890 square miles in southeastern Idaho along the western edge of the Snake River Plain, 42 miles northwest of Idaho Falls, Idaho. There are nine primary facilities at the INL as well as administrative, engineering, and research laboratories in Idaho Falls, Idaho. NE is the Lead Program Secretarial Office responsible for the Idaho Operations Office.

<sup>a</sup> Beginning in FY 2008, all funding for Idaho Facilities Management and Program Direction were requested under Nuclear Energy appropriation.

<sup>b</sup> In FY 2008, funding for the Mixed Oxide Fuel Fabrication Facility was included within the Fuel Cycle Research and Facilities program under the Nuclear Energy appropriation.

<sup>c</sup> Funding totals exclude reduction for security charge for reimbursable work of \$3,003,000 in FY 2007 and FY 2008.

### **Idaho Sitewide Safeguards and Security**

The Idaho Sitewide Safeguards and Security program provides protection of nuclear materials, classified matter, government property, and other vital assets from unauthorized access, theft, diversion, sabotage, espionage, and other hostile acts that may cause risks to national security, the health and safety of DOE and contractor employees, the public or the environment. Program activities include security systems, material control and accountability, information and cyber security, and personnel security. In addition, a protective force is maintained. These activities ensure that the site, personnel, and assets remain safe from potential threats.

### **Savannah River Operations Office**

#### **Introduction**

The Savannah River Site (SRS) is an extensive material production and engineering complex that has been a nuclear site since 1951 when construction began supporting the U.S. strategic weapons program. SRS is now a multiprogram operational site covering 310 square mile site near Aiken, South Carolina. Because of its Cold War nuclear legacy, there is a significant level of environmental management cleanup work being performed at the site.

#### **Mixed Oxide Fuel Fabrication Facility**

NE will oversee the design, construction, and operation of the MFFF to be built at the Department's SRS.

## Infrastructure

### Funding Profile by Subprogram

(dollars in thousands)

|   | FY 2007 Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|---|----------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Infrastructure                            |                                  |                                      |                        |                                     |                    |
| Idaho Facilities Management               | 15,923                           | 0 <sup>a</sup>                       | 0                      | 0                                   | 0                  |
| Idaho Sitewide Safeguards and<br>Security | 75,949                           | 75,949                               | -688                   | 75,261                              | 78,811             |
| Total, Infrastructure                     | 91,872                           | 75,949                               | -688                   | 75,261                              | 78,811             |

**Public Law Authorizations:**

P.L. 110-5, Revised Continuing Appropriations Resolution, 2007  
P.L. 110-161, The Consolidated Appropriations Act, 2008

**Mission**

The mission of the Infrastructure program within the Other Defense Activities appropriation is to safeguard the national nuclear infrastructure against hostile acts that may cause unacceptable adverse impacts on national security; program continuity; or the health and safety of employees, the public, or the environment.

Beginning in FY 2008, the Idaho Facilities Management program is requested only under the Nuclear Energy appropriation. Prior to FY 2008, the Idaho Facilities Management program was funded in both the Energy Supply and Conservation and the Other Defense Activities appropriations. Funding tables, performance measures, and budget justification address only the Idaho Sitewide Safeguards and Security program.

**Strategic and GPRA Unit Program Goals**

The Department’s Strategic Plan identifies five Strategic Themes (one each for energy security, nuclear security, scientific discovery, environmental responsibility and management excellence), plus 16 Strategic Goals that tie to the Strategic Themes. The Infrastructure program supports the following goals:

---

<sup>a</sup> Beginning in FY 2008, all funding for Idaho Facilities Management is requested under Energy Supply and Conservation appropriation.

Strategic Theme 1, Energy Security

Strategic Goal 1.2, Environmental Impacts of Energy: Reduce greenhouse gas emissions and other environmental impacts (water use, land use, criteria pollutants) from our energy production and use.

The Infrastructure program has one GPRA Unit Program goal which contributes to Strategic Goals 1.2 in the “goal cascade”:

GPRA Unit Program Goal 1.2.15.00: Maintain and Enhance National Nuclear Infrastructure - Maintain, enhance, and safeguard the Nation’s nuclear infrastructure capability to meet the Nation’s energy, medical research, space exploration, and national security needs.

**Contribution to GPRA Unit Program Goal 1.2.15.00 (Maintain and Enhance National Nuclear Infrastructure)**

The Department has the responsibility to maintain and enhance the Nation’s nuclear infrastructure currently in place. The Idaho Sitewide Safeguards and Security program supports activities that are required to protect the Department’s Idaho complex assets from theft, diversion, sabotage, espionage, unauthorized access, compromise, and other hostile acts which may cause unacceptable adverse impacts on national security, program continuity, the health and safety of employees, the public, or the environment.

**Funding by Strategic and GPRA Unit Program Goal**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Strategic Goal 1.2, Environmental Impacts of Energy

GPRA Unit Program Goal 1.2.15.00, Maintain and Enhance National Nuclear Infrastructure

|  |        |                |        |
|--|--------|----------------|--------|
| Idaho Facilities Management                | 15,923 | 0 <sup>a</sup> | 0      |
| Idaho Sitewide Safeguards and Security     | 75,949 | 75,261         | 78,811 |
| Total, Strategic Goal 1.2 (Infrastructure) | 91,872 | 75,261         | 78,811 |

<sup>a</sup>Beginning in FY 2008, all funding for Idaho Facilities Management is requested under Energy Supply and Conservation appropriation.



## Annual Performance Results and Targets<sup>a</sup>

| FY 2004 Results | FY 2005 Results | FY 2006 Results | FY 2007 Targets | FY 2008 Targets | FY 2009 Targets |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

GPRA Unit Program Goal 1.2.15.00 (Maintain and Enhance National Nuclear Infrastructure)

### Idaho Facilities Management

Keep cost and schedule milestones for upgrades and construction of key facilities within 10 percent of approved baselines, using the cost-weighted mean percent variance (+/-10 percent) approach. (MET TARGET)

Keep cost and schedule milestones for upgrades and construction of key facilities within 10 percent of approved baselines, using the cost-weighted mean percent variance (+/-10 percent) approach. (MET TARGET)

Keep cost and schedule milestones for upgrades and construction of key facilities within 10 percent of approved baselines, using the cost-weighted mean percent variance (+/-10 percent) approach. (MET TARGET)

Consistent with safe operations, achieve cumulative variance of less than 10 percent from each of the cost and schedule baselines for the Radiological Facilities Management (RFM) and Idaho Facilities Management (IFM) programs at INL. (MET TARGET)

### Idaho Sitewide Safeguards and Security

Issued the Design Basis Threat Implementation Plan for the Idaho National Engineering and Environmental Laboratory and Argonne National Laboratory-West. (MET TARGET)

Completed FY 2005 actions at the Idaho Site required to implement the May 2003 Design Basis Threat (DBT) as defined in the Program Management Plan that remain consistent with the requirements of the October 2004 DBT. (MET TARGET)

Install all physical protective system upgrades for the May 2003 Design Basis Threat (DBT) as outlined in the approved DBT Program Management Plan that remain consistent with the requirements of the 2005 DBT. (MET TARGET)

Complete FY 2007 activities to protect DOE interests from theft, diversion, sabotage, espionage, unauthorized access, compromise and other hostile acts, which may cause unacceptable adverse impacts on national security, program continuity, or the health and safety of employees, the public or the environment at SECON 3 Modified level. (MET TARGET)

<sup>a</sup> Annual effectiveness and efficiency performance targets will not be reported in the Department's annual Performance and Accountability Report (PAR).



## **Means and Strategies**

The Infrastructure program will use various means and strategies to achieve its GPRA Unit Program goals. However, various external factors may impact the ability to achieve these goals. The program also performs collaborative activities to help meet its goals.

The Department will implement the following means:

- Continue planning activities to implement the 2005 Design Basis Threat (DBT) policy to ensure appropriate protective measures are taken commensurate with risk and consequence.

The Department will implement the following strategies:

- Provide physical protection and maintain operational security systems. Implement personnel identity verification and diskless workstation systems and conduct semi-annual and annual program reviews.

The following external factors could affect NE's ability to achieve its strategic goal:

- Idaho Sitewide Safeguards and Security Key External Factors: Annual review of the Design Basis Threat (DBT) policy, which is based on current intelligence information and threat assessment, could result in significant changes in DBT requirements. This could affect NE's ability to achieve goals on schedule. In addition, significant change in National Security Condition (SECON) level in response to a national security event would require re-prioritization of resources that could impact the DBT implementation schedule. Finally, acquisition and testing of developmental high technology security systems have the potential to minimize future increases in the number of protective forces personnel, however, these systems are currently being tested in a DOE laboratory environment.

## **Validation and Verification**

To validate and verify program performance, NE will conduct various internal and external reviews and audits. NE's programmatic activities are subject to periodic review by the Congress, the Government Accountability Office, the Department's Inspector General, the Nuclear Regulatory Commission, the U.S. Environmental Protection Agency, state environmental and health agencies, the Defense Nuclear Facilities Safety Board, and the Department's Office of Engineering and Construction Management (including DOE Real Property Management Order). In addition, NE provides continual management and oversight of its vital field infrastructure programs. Periodic internal and external program reviews evaluate progress against established plans. These reviews provide an opportunity to verify and validate performance. Monthly, quarterly, semi-annual and annual reviews, consistent with program management plans, are held to ensure technical progress, cost and schedule adherence, and responsiveness to program requirements.



**Idaho Facilities Management  
Funding Schedule by Activity**

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
|--|---------|---------|---------|

Idaho Facilities Management

Idaho National Laboratory (INL) Infrastructure

INL Operations and Infrastructure

|        |   |   |
|--------|---|---|
| 15,923 | 0 | 0 |
|--------|---|---|

Total, Idaho Facilities Management

|        |                |   |
|--------|----------------|---|
| 15,923 | 0 <sup>a</sup> | 0 |
|--------|----------------|---|

**Description**

The Idaho National laboratory (INL) is a multi-program national laboratory that pursues a wide range of nuclear power research and development and other national energy security activities. The purpose of the Idaho Facilities Management (IFM) Program is to ensure that the infrastructure required to support these efforts is maintained and operated to meet programmatic requirements and in compliance with environment, safety and health rules and regulations.

The IFM Program manages and operates the three main engineering and research campuses at the INL: (1) the Reactor Technology Complex (RTC) at the site, an 890 square mile reservation west of Idaho Falls, (2) the Materials and Fuels Complex (MFC) at the site, and (3) the Research and Education Campus (REC) in Idaho Falls. As INL landlord, the IFM Program also manages and operates the Central Facilities Area (CFA) at the site and various sitewide infrastructure systems and facilities, such as electrical utility distribution.

The REC, CFA and Sitewide Infrastructure systems and facilities come under Sitewide Infrastructure (SW) within the IFM Program. The funding above is for Sitewide Infrastructure only. Beginning in FY 2007, all of the Idaho Facilities Management Program was requested under the Energy Supply and Conservation appropriation. Prior to FY 2007, the Sitewide Infrastructure part of the IFM program was funded in the Other Defense Activities appropriations. However, guidance provided in the Continuing Resolution for the entire FY 2007 reverted appropriations for FY 2007 to FY 2006 appropriations which thus continued funding for SW under an Other Defense Activities appropriation.

The IFM program supports National Energy Policy goals by maintaining and operating INL basic infrastructure that is required to support facilities dedicated to advanced nuclear energy technology research and many other Federal government activities. Additional activities include managing special nuclear materials contained in these facilities and the disposition of DOE legacy waste materials under NE ownership.

NE has developed an INL Ten Year Site Plan (TYSP) that serves as a guide to establishing the annual budget requirements for the IFM Program, provides a mission needs analysis of facilities and infrastructure, and identifies maintenance, revitalization, and recapitalization investments at the site to

---

<sup>a</sup> Beginning in FY 2008, funding for Idaho Facilities Management was requested under Nuclear Energy appropriation.

support projected missions such as the Advanced Fuel Cycle Initiative, the Generation IV Nuclear Energy Systems Initiative, a range of national security technology programs, and the Idaho Cleanup Project (ICP) under the Office of Environmental Management. The plan meets the requirements of DOE Order 430.1B, *Real Property Asset Management (RPAM)*.

Prior to FY 2007, the IFM Program was funded in both the Energy Supply and Conservation and the Other Defense Activities appropriations. In FY 2007, the IFM Program was requested only under the Energy Supply and Conservation appropriation. However, the Congressional Continuing Resolution for the entire FY 2007 restored FY 2006 funding levels and thus continued the Other Defense Activities appropriation through FY 2007. In FY 2008 and beyond, the IFM Program was requested only under the Nuclear Energy appropriation.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**INL Operations and Infrastructure**

|  |               |          |
|--|---------------|----------|
| <ul style="list-style-type: none"> <li>▪ <b>Base Operations</b> <span style="float: right;"><b>15,049</b></span><br/>           Sitewide Infrastructure Base Operations maintains the REC, the CFA, and the INL common-use facilities, utilities, equipment, and land.</li> <li>▪ <b>Routine Maintenance and Repair</b> <span style="float: right;"><b>874</b></span><br/>           The IFM routine maintenance and repair program provides the funding necessary to conduct a program of condition assessment, servicing and repair of R&amp;D and support systems and equipment for facilities at REC, the CFA, and the INL common-use facilities, utilities, equipment, and land.</li> </ul> | <b>0</b>      | <b>0</b> |
| <b>Total, Idaho Facilities Management</b>  | <b>15,923</b> | <b>0</b> |

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Idaho Facilities Management**

Funding requested in Nuclear Energy appropriation for FY 2008 and beyond. **+0**

**Idaho Sitewide Safeguards & Security**  
**Funding Schedule by Activity**

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Idaho Sitewide Safeguards and Security        |         |         |         |
| Idaho Operations Office                       | 75,949  | 75,261  | 78,811  |
| Less Security Charge for Reimbursable Work    | -3,003  | -3,003  | 0       |
| Total, Idaho Sitewide Safeguards and Security | 72,946  | 72,258  | 78,811  |

**Description**

The mission of the Idaho Sitewide Safeguards and Security (S&S) program is to protect DOE interests from theft, diversion, sabotage, espionage, unauthorized access, compromise, and other hostile acts that may cause unacceptable adverse impacts on our national security; program continuity; or the health and safety of employees, the public, or the environment.

This program is designed to support DOE’s Defense Strategic Goal to protect our national security. The Idaho Sitewide Safeguards and Security program provides protection of nuclear materials, classified matter, Government property, and other vital assets from unauthorized access, theft, diversion, sabotage, espionage, and other hostile acts that may cause risks to national security, the health and safety of DOE and contractor employees, the public or the environment.

DOE fully implemented the 2003 Design Basis Threat (DBT) in FY 2006 by completing physical upgrades and reducing Category I facilities at INL to two co-located Category I facilities protected by a single Perimeter Intrusion Detection and Assessment System (PIDAS). Implementation was conducted in accordance with the approved resource-loaded Idaho Site DBT Implementation Plan. DOE will continue activities toward implementation of the 2005 DBT policy requirements at Idaho National Laboratory using a risk-informed approach to physical upgrades.

The FY 2009 budget request continues necessary improvements to cyber security infrastructure to help ensure that the laboratory is available and secure to support mission critical activities.

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

### Idaho Operations Office

- |   |               |               |               |
|---|---------------|---------------|---------------|
| <b>Protective Forces</b>  | <b>42,500</b> | <b>43,776</b> | <b>44,893</b> |
| Physical Protection Protective Forces provides for security guards or other specialized personnel and equipment, training, and management needed to effectively carry out the protection tasks during normal and security emergency conditions. The size and composition of this force is derived from standards of performance specified by DOE. This funding represents the minimum protective force required to meet DOE expectations for physical protection of special nuclear material.   |               |               |               |
| <b>Security Systems</b>   | <b>12,092</b> | <b>10,968</b> | <b>10,684</b> |
| Physical Security Protection Systems provides for equipment to protect vital security interests and Government property per the local threat, including performance testing, intrusion detection and assessment, fences, barriers, secure storage, lighting, sensors, entry/access control devices, locks, explosives detection, and vital components and tamper-safe monitoring. These systems and devices are critical to assuring protection with the minimum number of protective force personnel   |               |               |               |
| <b>Information Security</b>   | <b>2,226</b>  | <b>2,069</b>  | <b>2,099</b>  |
| Information Security ensures that classified and sensitive unclassified matter is adequately protected, including export controls, classified matter protection and control, technical surveillance countermeasures, and operations security.   |               |               |               |
| <b>Personnel Security</b>   | <b>2,398</b>  | <b>2,293</b>  | <b>1,938</b>  |
| Personnel Security includes clearance program, adjudication, security awareness and education, visit control, Personnel Security Assurance Program, psychological/medical assessments, and administrative review costs. Security Investigations (SI) activities performed by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM)-associated access authorizations are funded by the Office of Security and are not requested/displayed in NE's budget.   |               |               |               |
| <b>Materials Control &amp; Accountability</b>   | <b>4,901</b>  | <b>5,361</b>  | <b>4,330</b>  |
| At the INL, Materials Control and Accountability (MC&A) provides for the personnel, equipment, and services required for the protection of special nuclear material by determining and documenting the amounts of nuclear materials in packaged items. The cost of program activities such as MC&A training, proper measurement of materials, and performing a physical inventory are included in the budgets of those programs responsible for processing or storing special nuclear material and nuclear weapons components and parts, and are not included here. |               |               |               |

Other Defense Activities/ Nuclear Energy  
 Infrastructure/  
 Idaho Sitewide Safeguards and Security

FY 2009 Congressional Budget



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|   |               |               |               |
|---|---------------|---------------|---------------|
| <ul style="list-style-type: none"> <li> <b>Program Management</b><br/>           Program Management includes policy oversight and development and updating of security plans, assessments, and approvals to determine if assets are at risk. Also included are contractor management and administration, planning, and integration of security activities into facility operations.         </li> </ul>   | <b>2,232</b>  | <b>2,196</b>  | <b>2,262</b>  |
| <ul style="list-style-type: none"> <li> <b>Cyber Security</b><br/>           Cyber Security ensures that sensitive and classified information that is electronically processed, transmitted, or stored is properly identified and protected. The Cyber Security activity ensures that electronic systems are appropriately marked and protected; automated information and protection systems are tested; Communications Security (COMSEC) and Telecommunications Electronics Material Protected from Emanating Spurious Transmissions (TEMPEST) measures are in place; and an appropriate level of infrastructure reliability and integrity is maintained. The requirements for improved cyber security are increasing rapidly as the threat of unauthorized access to INL's systems escalates. INL is making excellent progress in hardening its cyber systems, however this is an evolving, expanding threat and additional resources will be needed until such time as cyber technology is able to create more permanent barriers to unauthorized access.         </li> </ul> | <b>9,600</b>  | <b>8,598</b>  | <b>12,605</b> |
| <b>Total, Idaho Sitewide Safeguards and Security</b>  | <b>75,949</b> | <b>75,261</b> | <b>78,811</b> |

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Idaho Sitewide Safeguards and Security

|   |        |
|---|--------|
| <ul style="list-style-type: none"> <li> <b>Protective Forces</b><br/>           The increase from \$43,776,000 to \$44,893,000 reflects escalation with no FTE increase associated with the contract negotiated with the protective forces.         </li> </ul>   | +1,117 |
| <ul style="list-style-type: none"> <li> <b>Security Systems</b><br/>           The decrease from \$10,968,000 to \$10,684,000 is associated with completion of two-factor authentication for physical access.         </li> </ul>   | -284   |
| <ul style="list-style-type: none"> <li> <b>Information Security</b><br/>           The increase from \$2,069,000 to \$2,099,000 reflects program escalation.         </li> </ul>  | +30    |
| <ul style="list-style-type: none"> <li> <b>Personnel Security</b><br/>           The decrease from \$2,293,000 to \$1,938,000 reflects the completion of activities in FY 2008 to replace current employee badges with ones that meet smart-card technology of two-factor authentication.         </li> </ul> | -355   |
| <ul style="list-style-type: none"> <li> <b>Materials Control &amp; Accountability</b><br/>           The decrease \$5,361,000 to \$4,330,000 reflects completing the purchase of measurement equipment in FY 2008.         </li> </ul>  | -1,031 |

Other Defense Activities/Nuclear Energy  
 Infrastructure/  
 Idaho Sitewide Safeguards and Security

FY 2009 Congressional Budget

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li> <p>▪ <b>Program Management</b><br/>           The increase from \$2,196,000 to \$2,262,000 reflects updating of security plans, assessments, and approvals to determine if assets are at risk.</p> </li> <li> <p>▪ <b>Cyber Security</b><br/>           The increase from \$8,598,000 to \$12,605,000 reflects the necessary improvements to cyber security infrastructure and classified and unclassified programs to ensure the proper identification and protection of electronically processed, transmitted, and stored information.</p> </li> <li> <p>▪ <b>Safeguards and Security Charges for Reimbursable Work</b><br/>           Starting in FY 2009, per Program Decision Memorandum NE-09-13, Rev. 1 signed August 16, 2007, all funding associated with safeguards and security charges for reimbursable work will be direct funded by the program offices. There will no longer be an offset in the reimbursable account of the Departmental Administration appropriation. Sufficient funding has been provided within the FY 2009-2013 allocation to fund this additional program office requirement.</p> </li> </ul> | <p>+66</p> <p>+4,007</p> <p>+0</p> <hr style="width: 100%;"/> <p><b>+3,550</b></p> |
| <p><b>Total Funding Change, Idaho Sitewide Safeguards and Security</b></p>   |  |

## Mixed Oxide Fuel Fabrication Facility

### Funding Profile by Subprogram

(dollars in thousands)

|                                       | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|---------------------------------------|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Mixed Oxide Fuel Fabrication Facility | 0                                   | 0 <sup>a</sup>                       | 0                      | 0                                   | 487,008            |

#### Public Law Authorizations:

P.L. 110-5, Revised Continuing Appropriations Resolution, 2007

P.L. 110-161, The Consolidated Appropriations Act, 2008

#### Mission

The mission of the Office of Nuclear Energy's (NE) Mixed Oxide (MOX) Fuel Fabrication Facility (MFFF) program is to produce fuel for nuclear reactors from surplus weapon-grade plutonium.

The MFFF program will dispose of surplus weapon-grade plutonium by fabricating it into fuel for use in nuclear reactors. Once irradiated, the plutonium is no longer readily useable for nuclear weapons. The disposal of the material will meet the United States (U.S.) commitments made in the Plutonium Management and Disposition Agreement with Russia. Beginning in FY 2008, NE will fund the design, construction and operation of the MFFF. The MFFF will be built at the Department's Savannah River Site (SRS) near Aiken, South Carolina. In August 2007, the National Nuclear Security Administration initiated construction of the facility.

In September 2000, the U.S. and Russia signed a Plutonium Management and Disposition Agreement, which commits each country to dispose of 34 metric tons of surplus weapon-grade plutonium (68 metric tons total – enough material for approximately 17,000 nuclear weapons). In 2006, both the U.S. and Russian Governments reaffirmed their commitment to implement the 2000 Agreement for disposing their plutonium as MOX fuel in nuclear reactors. This is a key element of the U.S. Government's nonproliferation strategy to address the potential threat of diversion of materials that can be used in nuclear weapons. In addition to the obvious nonproliferation benefits, proceeding with the U.S. plutonium disposition will help reduce storage costs for nuclear materials, reduce safeguards and security costs, and support the Department's efforts to consolidate nuclear materials within the Department of Energy (DOE) Complex.

#### Strategic and GPRA Unit Program Goals

The Department's Strategic Plan identifies five Strategic Themes (one each for energy security, nuclear security, scientific discovery, environmental responsibility, and management excellence), plus 16 Strategic Goals that tie to the Strategic Themes. The MFFF program supports the following goals:

Strategic Theme 2, Nuclear Security

Strategic Goal 2.2, Weapons of Mass Destruction: Prevent the acquisition of nuclear and radiological

<sup>a</sup> In FY 2008, funding for the Mixed Oxide Fuel Fabrication Facility was included within the Fuel Cycle Research and Facilities program under the Nuclear Energy appropriation.

materials for use in weapons of mass destruction and other acts of terrorism.

The MFFF program has one GPRA Unit Program goal which contributes to Strategic Goal 2.2 in the “goal cascade”:

GPRA Unit Program Goal 2.2.43.00: Fissile Materials Disposition - Eliminate surplus Russian plutonium and surplus U.S. plutonium.

**Contribution to GPRA Unit Program Goal 2.2.43.00 (Fissile Materials Disposition)**

The MFFF program contributes to Strategic Goal 2.2 by converting surplus U.S. weapon-grade plutonium into fuel for commercial light-water reactors. After irradiation, the plutonium would no longer be directly usable.

**Funding by Strategic and GPRA Unit Program Goal**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Strategic Goal 2.2, Weapons of Mass Destruction

GPRA Unit Program Goal 2.2.43.00, Fissile Materials Disposition

|  |   |   |         |
|--|---|---|---------|
| Mixed Oxide Fuel Fabrication Facility                                  | 0 | 0 | 487,008 |
| Total, GPRA Unit Program Goal 2.2.43.00, Fissile Materials Disposition | 0 | 0 | 487,008 |
| Total, Strategic Goals 2.2 (Mixed Oxide Fuel Fabrication Facility)     | 0 | 0 | 487,008 |

**Annual Performance Results and Target**

| FY 2004 Results | FY 2005 Results | FY 2006 Results | FY 2007 Results | FY 2008 Targets | FY 2009 Targets |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

GPRA Unit Program Goal 2.2.43 (Fissile Materials Disposition)

Mixed Oxide Fuel Fabrication Facility

Cumulative percentage of the design, construction, and cold start-up activities completed for the MOX Fuel Fabrication Facility (Long-term Output)

T: 39%



## Means and Strategies

The MFFF program will use various means and strategies to achieve its GPRA Unit Program goal. However, various external factors may impact the ability to achieve these goals. The program also performs collaborative activities to help meet its goals.

The Department will implement the following means:

- The MFFF will maintain contracts with industry to construct, license, and operate the facility and contracts with a nuclear utility to use the fuel.
- NE will follow the established principles and procedures of DOE O 413.3, “Program and Project Management for the Acquisition of Capital Assets” for MFFF activities.

The Department will implement the following strategies:

- Partnering with the private sector, national laboratories, universities, and international partners to develop and deploy advanced nuclear technologies to increase the use of nuclear energy in the U.S.
- Leading the international community in pursuit of advanced nuclear technology that will benefit the U.S. with enhanced safety, improved economics, and reduced production of wastes.
- Constructing a U.S. MFFF at the SRS in which to fabricate fuel from surplus U.S. weapon-grade plutonium for use in nuclear reactors.
- Irradiating of the fuel fabricated from the U.S. weapon-grade plutonium after which it will not be readily useable in a nuclear weapon.
- Initiating an external review of the MFFF construction baseline and revise the project plan as appropriate.

These strategies will result in the efficient and effective management of NE programs - thus putting the taxpayer's dollars to more productive use.

The following external factor could affect NE’s ability to achieve its strategic goal:

- All U.S. policy could change and therefore affect the ability of the MFFF to dispose of U.S. surplus weapon-grade plutonium or alter the mission of the program.

In carrying out the program’s mission, NE performs the following collaborative activity:

- NE will collaborate with National Nuclear Security Administration (NNSA), and their national laboratories, on the overall effort to destroy U.S. surplus weapon-grade plutonium. NNSA is responsible for two other key components of the effort: the Pit Disassembly and Conversion Facility and the Waste Solidification Building.

## Validation and Verification

To validate and verify program performance, NE conducts various internal and external reviews and audits. NE’s programmatic activities are subject to periodic review by Congress, the Government Accountability Office, the Department’s Inspector General, the Nuclear Regulatory Commission (NRC), the U.S. Environmental Protection Agency, state environmental and health agencies, the Defense Nuclear Facilities Safety Board, and the Department’s Office of Engineering and Construction Management. Periodic internal and external program reviews evaluate progress against established plans. These reviews provide an opportunity to verify and validate performance. Monthly, quarterly, semi-annual and annual reviews, consistent with program management plans and project baselines, are held to ensure technical progress, cost and schedule adherence, and responsiveness to program requirements.

## Program Assessment Rating Tool (PART)

The Department has implemented a tool to evaluate selected programs. PART was developed by OMB to provide a standardized way to assess the effectiveness of the Federal Government’s portfolio of programs. The structured framework of the PART provides a means through which programs can assess their activities differently than through traditional reviews. NE’s R&D programs have incorporated feedback from OMB into the FY 2009 Budget Request, and have taken the necessary steps to continue to improve performance.

OMB gave the Fissile Materials Disposition (FMD) program scores of 100 percent on the Program Purpose and Design, and Strategic Planning Sections; 88 percent on the Program Management Section; and 50 percent on the Program Results and Accountability Section. Overall, the OMB rated the FMD program 73 percent, the second highest rating of “Moderately Effective.” The OMB assessment found that the program demonstrates proper planning and management, but performance results are limited and program cost and schedule performance is mixed. The OMB assessment also found that the FMD program follows agency project management requirements. In response to the OMB findings, the FMD program is validating cost and schedule baseline to measure performance and maintain change control during construction, and completing certification of project control systems by the responsible federal agency to ensure accurate performance measurement.

## Funding Schedule by Activity

(dollars in thousands)

|  | FY 2007 | FY 2008        | FY 2009 |
|--|---------|----------------|---------|
| Mixed Oxide Fuel Fabrication Facility        |         |                |         |
| Operations and Maintenance                   | 0       | 0              | 19,200  |
| Construction and Other Project Costs         | 0       | 0              | 467,808 |
| Total, Mixed Oxide Fuel Fabrication Facility | 0       | 0 <sup>a</sup> | 487,008 |

<sup>a</sup> In FY 2008, funding for the Mixed Oxide Fuel Fabrication Facility was included within the Fuel Cycle Research and Facilities program under the Nuclear Energy appropriation.



## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|                                   |          |          |               |
|-----------------------------------|----------|----------|---------------|
| <b>Operations and Maintenance</b> | <b>0</b> | <b>0</b> | <b>19,200</b> |
|-----------------------------------|----------|----------|---------------|

|   |          |          |               |
|---|----------|----------|---------------|
| <ul style="list-style-type: none"> <li>▪ <b>MOX Irradiation, Feedstock, and Transportation</b></li> </ul> | <b>0</b> | <b>0</b> | <b>18,750</b> |
|---|----------|----------|---------------|

MOX Irradiation, Feedstock, and Transportation support activities that are related to the MOX program, but are not part of the line item project.

In FY 2009, the Department will:

- Continue lead fuel assembly transportation and packaging activities.
- Continue to plan and implement modifications to commercial nuclear reactors that will irradiate MOX fuel.
- Procure depleted uranium blend stock for use in MOX fuel fabrication.
- Continue irradiation of MOX fuel lead assemblies; conducting post-irradiation examinations of five lead assembly fuel rods.
- Continue the production of plutonium oxide feedstock at Los Alamos National Laboratory (LANL).

|   |          |          |            |
|---|----------|----------|------------|
| <ul style="list-style-type: none"> <li>▪ <b>Feed Material Characterization</b></li> </ul> | <b>0</b> | <b>0</b> | <b>450</b> |
|---|----------|----------|------------|

In FY 2009, the Feed Material Characterization program supports the compiling, analyzing, tacking, and reporting data on the physical, chemical, and isotopic properties of alternative feed oxide for the MFFF and metal for the Pit Disassembly and Conversion Facility. Quantities, forms, locations, isotope, and impurities are tracked. This material originates from Rocky Flats, SRS, Hanford, LANL, and Lawrence Livermore National Laboratory (LLNL).

|   |          |          |                |
|---|----------|----------|----------------|
| <b>Construction and Other Project Costs</b> | <b>0</b> | <b>0</b> | <b>467,808</b> |
|---|----------|----------|----------------|

|   |          |          |                |
|---|----------|----------|----------------|
| <ul style="list-style-type: none"> <li>▪ <b>99-D-143, Mixed Oxide Fuel Fabrication Facility (MFFF)</b></li> </ul> | <b>0</b> | <b>0</b> | <b>417,808</b> |
|---|----------|----------|----------------|

The MFFF will provide the U.S. with the capability to fabricate MOX fuel elements suitable for use in commercial nuclear reactors from plutonium oxide derived from surplus weapon-grade plutonium. The facility will contain the following key functional areas: shipping and receiving, storage, chemical processing oxide blending, pellet manufacturing, fuel rod manufacturing, fuel bundle assembly, fuel bundle storage, and a laboratory. In addition, a number of supporting facilities will be built including an administration building, material receipt warehouse, technical support building, emergency and standby diesel generator buildings, and a chemical reagent building. DOE awarded a contract to a private consortium, Duke Engineering Services, COGEMA, Inc., and Stone & Weber (DCS) in 1999. DCS, through a series of corporate buyouts, is now Shaw AREVA MOX Services. The contract required DCS to design and obtain a NRC license for the MOX facility, which is being built at the SRS. Three options are included in the base contract, which can be awarded separately: 1) construction and cold start-up; 2) hot start-up, operations, and irradiation services; and 3) deactivation.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

In FY 2009, the Department will:

- Continue construction activities such as installing additional floors to the MFFF.
- Continue installation of procured equipment.
- Continue installation of mechanical and electrical utilities.
- Continue procurement of processing equipment.

|   |          |          |               |
|---|----------|----------|---------------|
| <b>MOX Other Project Cost Activities</b>  | <b>0</b> | <b>0</b> | <b>50,000</b> |
| MOX Other Project Cost Activities support project activities, such as, management oversight, design reviews, and facility start-up testing. |          |          |               |

In FY 2009, the Department will:

- Continue management oversight and licensing for construction activities, planning for start-up and operation of the MFFF, supporting design and testing of the Aqueous Polishing process contained within the MOX project supporting environmental permitting and monitoring and supporting the NRC review of the operating licensing application for the MFFF.

|   |          |          |                |
|---|----------|----------|----------------|
| <b>Total, Mixed Oxide Fuel Fabrication Facility</b> | <b>0</b> | <b>0</b> | <b>487,008</b> |
|---|----------|----------|----------------|

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Operations and Maintenance

|   |                |
|---|----------------|
| <b>MOX Irradiation, Feedstock, and Transportation</b>   |                |
| The increase from \$0 to \$18,750,000 supports the continuation of activities to prepare reactors for the use of MOX fuel, prepare feedstock for production of MOX fuel, and material transportation. | +18,750        |
| <b>Feed Material Characterization</b>   |                |
| The increase from \$0 to \$450,000 supports the continuation of feed material characterization for the MOX Project.   | +450           |
| <b>Total, Operations and Maintenance</b>  | <b>+19,200</b> |

#### Construction and Other Project Costs

|  |                 |
|--|-----------------|
| <b>99-D-143, Mixed Oxide Fuel Fabrication Facility (MFFF)</b>  |                 |
| The increase from \$0 to \$417,808,000 supports installation of additional floors in the fabrication facility, installation of procured equipment, mechanical and electrical utilities, and procurement of processing equipment. | +417,808        |
| <b>MOX Other Project Costs Activities</b>  |                 |
| The increase from \$0 to \$50,000,000 supports management oversight, design reviews, facility start-up test, and review of the operating license application.  | +50,000         |
| <b>Total Funding Change, Mixed Oxide Fuel Fabrication Facility</b>   | <b>+487,008</b> |

Other Defense Activities/  
Mixed Oxide Fuel Fabrication Facility

FY 2009 Congressional Budget

**Capital Operating Expenses and Construction Summary  
Construction Projects**

(dollars in thousands)

|  | Total<br>Estimated<br>Cost (TEC) | Prior-Year<br>Appropriations | FY 2007 | FY 2008 | FY 2009 | Unappropriated<br>Balance |
|--|----------------------------------|------------------------------|---------|---------|---------|---------------------------|
| 99-D-143, Mixed Oxide Fuel<br>Fabrication Facility, Savannah River<br>Site | 3,938,628                        | 1,167,560                    | 262,500 | 231,721 | 417,808 | 1,859,039                 |
| Total, Construction Project  |                                  |                              | 262,500 | 231,721 | 417,808 |                           |

**99-D-143, Mixed Oxide Fuel Fabrication Facility,  
Savannah River Site, Aiken, South Carolina  
Project Data Sheet is for Construction**

**1. Significant Changes**

The most recent DOE Order 413.3A approved Critical Decision (CD) is CD-3, Start of Construction on August 1, 2007, consistent with Congressional language on the subject, was approved on April 11, 2007 with a Total Project Cost (TPC) of \$4.8 billion.

A Federal Project Director with certification level IV is assigned to this project.

The sale of MOX fuel, at mid - 2007 market uranium prices, is expected to generate approximately \$2 billion in revenue to the U.S. Treasury for the 34 metric ton (MT) program.

This Project Data Sheet (PDS) is an update of the FY 2008 PDS. Significant changes include:

- Validation of the Performance Baseline (approved April 11, 2007)

This PDS reflects approvals by the Department of Energy's Acquisition Executive of CD-2 (Performance Baseline) and CD-3 (Start of Construction) on April 11, 2007. Major milestones in the Performance Baseline schedule include completion of construction in 3QFY2014 and CD-4, Start of Operations, in 4QFY2016. These milestones are contingent upon receiving the full budget requests.

- Total Project Cost increase of \$115 million. (based on the Performance Baseline approved on April 11, 2007)

The validated Performance Baseline reflects the impact of a delay in the start of construction until August 1, 2007 as directed by the Revised Continuing Resolution, 2007, Public Law 110-5. This delay resulted in an increase of \$115 million to the prior unvalidated TPC provided in the FY 2008 PDS, which is reflected in the validated \$4.8 billion TPC. Re-planning of the design and construction schedule, coupled with the approval to begin limited site preparation activities prior to August 1, 2007 reduced the impact of this delay on the project schedule from 11 months to 7 months.

On September 2007, the Secretary of Energy announced 9 MT of weapon-grade plutonium is surplus to defense needs and is planned to be fabricated into Mixed Oxide (MOX) fuel at the MOX facility. The impact of this recent direction is being evaluated by the Department and will be included in future budget submittals. The Department is also evaluating other missions for the MOX facility including fabrication of start-up fuel for GNEP fast reactors and disposition of additional non-pit plutonium.

The Consolidated Appropriation Act, 2008 contained significant reductions. A total of \$217 million was reduced from the budget request and prior year unobligated balances, which will require the project to be rebaselined. The rebaseline effort will be completed in FY 2008.

## 2. Design, Construction, and D&D Schedule

(fiscal quarter or date)

| CD-0    | CD-1<br>(Design Start) | (Design/PED Complete) | CD-2<br>(Performance Baseline) | CD-3<br>(Construction Start) | CD-4<br>(Start of Hot Operations) | D&D Start | D&D Complete |
|---------|------------------------|-----------------------|--------------------------------|------------------------------|-----------------------------------|-----------|--------------|
| FY 2000 | 2QFY1999               | 4QFY2001              |                                | 1QFY2002                     | 4QFY2005                          | N/A       | N/A          |
| FY 2001 | 2QFY1999               | 3QFY2002              |                                | 4QFY2002                     | 1QFY2006                          | N/A       | N/A          |
| FY 2002 | 2QFY1999               | 4QFY2002              |                                | 2QFY2003                     | 1QFY2007                          | N/A       | N/A          |
| FY 2003 | 2QFY1999               | 4QFY2003              |                                | 2QFY2004                     | 4QFY2007                          | N/A       | N/A          |
| FY 2004 | 2QFY1999               | 1QFY2004              |                                | 2QFY2004                     | 4QFY2007                          | N/A       | N/A          |
| FY 2005 | 2QFY1999               | 3QFY2004              |                                | 3QFY2005                     | 2QFY2009                          | N/A       | N/A          |
| FY 2006 | 2QFY1999               | 1QFY2005              |                                | 3QFY2005                     | TBD                               | N/A       | N/A          |
| FY 2007 | 2QFY1999               | 4QFY2009              |                                | 2QFY2007                     | 4QFY2014                          | N/A       | N/A          |
| FY 2008 | 1QFY1997               | 2QFY1999              | 2QFY2011                       | 2QFY2007                     | 2QFY2007                          | 4QFY2013  | N/A          |
| FY 2009 | 1QFY1997               | 03/22/1999            | 2QFY2013 <sup>a</sup>          | 04/11/2007                   | 08/01/2007                        | 4QFY2016  | N/A          |

CD-0 – Approve Mission Need

CD-1 – Approve Alternative Selection and Cost Range

CD-2 – Approve Performance Baseline

CD-3 – Approve Start of Construction

CD-4 – Approve Start of Operations or Project Closeout

D&D Start – Start of Demolition & Decontamination (D&D) work

D&D Complete – Completion of D&D work

(fiscal quarter or date)

|         | NRC<br>Construction<br>Authorization | CD 2A/3A   | Performance<br>Baseline<br>Validation | CD 2B/3B   |
|---------|--------------------------------------|------------|---------------------------------------|------------|
| FY 2004 |                                      |            |                                       |            |
| FY 2005 | 03/30/2005                           | 09/30/2005 |                                       |            |
| FY 2006 |                                      |            | 07/07/2006                            |            |
| FY 2007 |                                      |            |                                       | 04/06/2006 |
| FY 2008 |                                      |            |                                       |            |
| FY 2009 |                                      |            |                                       |            |

CD 2A/3A - Approval to start Site Preparation

CD 2B/3B - Approval to begin long lead procurements (“captured” tanks, steel embeds, reinforcing steel, barrier doors)

<sup>a</sup> Facility and process design will be completed in FY 2010, the equipment design will be completed in FY 2011 and the software design will be completed in FY 2013.

### 3. Baseline and Validation Status<sup>a</sup>

(dollars in thousands)

|         | TEC,<br>PED | TEC,<br>Construction | TEC, Total | OPC<br>Except D&D | OPC,<br>D&D | OPC, Total | TPC       |
|---------|-------------|----------------------|------------|-------------------|-------------|------------|-----------|
| FY 2000 |             |                      | 383,186    | 0                 | N/A         |            | N/A       |
| FY 2001 |             |                      | 398,186    | 0                 | N/A         |            | N/A       |
| FY 2002 |             |                      | TBD        | TBD               | N/A         |            | N/A       |
| FY 2003 |             |                      | TBD        | TBD               | N/A         |            | N/A       |
| FY 2004 |             |                      | TBD        | TBD               | N/A         |            | N/A       |
| FY 2005 |             |                      | TBD        | TBD               | N/A         |            | N/A       |
| FY 2006 |             |                      | TBD        | TBD               | N/A         |            | N/A       |
| FY 2007 |             |                      | 3,277,984  | 354,108           | N/A         |            | 3,632,092 |
| FY 2008 |             |                      | 3,868,628  | 830,701           | N/A         |            | 4,699,329 |
| FY 2009 |             |                      | 3,938,628  | 875,701           | N/A         | 875,701    | 4,814,329 |

### 4. Project Description, Justification, and Scope

#### Description and Scope

The U.S. MOX Fuel Fabrication Facility at the Savannah River Site will combine surplus weapon-grade plutonium oxide with depleted uranium oxide to form MOX fuel assemblies that will be used as fuel for U.S. commercial nuclear reactors. Once irradiated and converted into spent fuel, the resulting plutonium can no longer be readily used for nuclear weapons. The nominal design life of the facility is 40 years however, it will take approximately 13 years to complete the 34 MT mission. After completing its mission, the facility may be deactivated, decontaminated, and decommissioned over three to four years.

The MOX facility has been designed with the capacity needed to receive and process 3.5 MT of plutonium oxide per year. The plutonium oxide will come from the Pit Disassembly and Conversion Facility (PDCF) and from other selected inventories of weapon-grade plutonium within the DOE complex. The facility will have the capacity to store sufficient plutonium oxide for two years of operations.

The MOX facility is approximately 441,000 square feet in size and provides all of the material processing and fabrication operations needed to produce MOX fuel. MOX facility operations include: aqueous polishing (AP) to purify the plutonium oxide; blending and milling; pelletizing; sintering; grinding; fabricating fuel rods; bundling fuel assemblies; and storing feed material, pellets, and fuel assemblies. The facility also includes a laboratory and space for use by a monitoring and inspection team. Adjacent to the MOX process areas, 140,000 square feet of structures will be used for secure shipping and receiving, material receipt, utilities, and technical support.

The design of the MOX Fuel Fabrication Facility is based on processes and facilities that have been successfully operating in France for decades, specifically Cogema's MELOX and La Hague facilities. The facility will meet U.S. conventions, codes, standards, and regulatory requirements, and will be licensed by the NRC.

<sup>a</sup> Due to significant funding reductions imposed in The Consolidated Appropriation Act, 2008, this project will be rebaselined. Funding and schedule dates currently shown are based on the previous approved baseline of \$4.8M. Once the rebaseline is approved, all funding and schedule dates will be updated.

### **FY 2008 and FY 2009 Description of Activities**

In FY 2008, facility construction will continue with the first floor slab and walls of the AP building being constructed. Also, the first floor ‘trapped’ tanks will be installed, and fabrication of second floor ‘trapped’ tanks will continue, as will the design of equipment and software. The construction of the Process Assembly Facility (PAF) and the Administration Building will begin. Procurement awards for process chillers, lodge mixers, scrap box loading and pellet repackaging glovebox components, pellet press and grinder, safety programmable logic controllers, and the test line press will be placed. Also, the design of equipment and software will continue, as well as the facility and process design.

In FY 2009, facility construction will continue with placement of more second floor walls and trapped tanks. The second floor walls in the AP will be completed and the third floor slab placement will begin. Delivery of glovebox shells and associated materials and equipment will begin in FY 2009 to initiate the glovebox assembly process. The construction of the PAF and the Administration Building will be completed. Continue with scheduled procurement awards for more glovebox components, the reagent building, sintering furnace, secure warehouse, long lead HVAC equipment, and process piping. Also, the design of equipment and software will continue, as well as the facility and process design.

The project is being conducted in accordance with the project management requirements in DOE O 413.3A and DOE M 413.3-1, and Program and Project Management for the Acquisition of Capital Assets. All appropriate project management requirements have been met.

## 5. Financial Schedule<sup>a</sup>

| Total Estimated Cost (TEC)                 | (dollars in thousands) |                  |                  |
|--|------------------------|------------------|------------------|
|  | Appropriations         | Obligations      | Costs            |
| <b>Design</b>                              |                        |                  |                  |
| FY 1999                                    | 28,000                 | 9,600            | 2,545            |
| FY 2000                                    | 12,375                 | 30,775           | 33,512           |
| FY 2001                                    | 25,943                 | 25,943           | 29,938           |
| FY 2002                                    | 65,993                 | 65,993           | 52,513           |
| FY 2003                                    | 92,088                 | 92,088           | 82,022           |
| FY 2004                                    | 81,081                 | 81,081           | 93,457           |
| FY 2005                                    | 251,195                | 251,195          | 216,801          |
| FY 2006                                    | 119,853                | 119,853          | 165,618          |
| FY 2007                                    | 65,133                 | 65,133           | 70,963           |
| FY 2008                                    | 86,940                 | 86,940           | 81,111           |
| FY 2009                                    | 52,804                 | 52,804           | 52,804           |
| FY 2010                                    | 27,785                 | 27,785           | 27,785           |
| FY 2011                                    | 6,149                  | 6,149            | 6,149            |
| FY 2012                                    | 731                    | 731              | 852              |
| FY 2013                                    | 78                     | 78               | 78               |
| <b>Total, Design</b>                       | <b>916,148</b>         | <b>916,148</b>   | <b>916,148</b>   |
| <b>Construction</b>                        |                        |                  |                  |
| FY 2004                                    | 279,193                | 0                | 0                |
| FY 2005                                    | 113,892                | 44,100           | 0                |
| FY 2006                                    | 97,947                 | 217,469          | 15,210           |
| FY 2007                                    | 197,367                | 197,367          | 106,444          |
| FY 2008                                    | 144,781                | 259,244          | 144,761          |
| FY 2008 (rescinded PY unobligated balance) | -115,000               | 0                | 0                |
| FY 2009                                    | 365,004                | 365,004          | 267,214          |
| FY 2010                                    | 367,889                | 367,889          | 380,358          |
| FY 2011                                    | 302,573                | 302,573          | 460,665          |
| FY 2012                                    | 301,207                | 301,207          | 515,915          |
| FY 2013                                    | 382,724                | 382,724          | 517,506          |
| FY 2014                                    | 158,325                | 158,325          | 186,500          |
| FY 2015                                    | 125,611                | 125,611          | 111,273          |
| FY 2016                                    | 300,967                | 300,967          | 187,090          |
| FY 2017                                    | 0                      | 0                | 129,544          |
| <b>Total, Construction</b>                 | <b>3,022,480</b>       | <b>3,022,480</b> | <b>3,022,480</b> |
| <b>TEC</b>                                 |                        |                  |                  |
| FY 1999                                    | 28,000                 | 9,600            | 2,545            |
| FY 2000                                    | 12,375                 | 30,775           | 33,512           |
| FY 2001                                    | 25,943                 | 25,943           | 29,938           |
| FY 2002                                    | 65,993                 | 65,993           | 52,513           |
| FY 2003                                    | 92,088                 | 92,088           | 82,022           |
| FY 2004                                    | 360,274                | 81,081           | 93,457           |
| FY 2005                                    | 365,087                | 295,295          | 216,801          |
| FY 2006                                    | 217,800                | 337,322          | 180,828          |
| FY 2007                                    | 262,500                | 262,500          | 177,407          |

<sup>a</sup> Due to significant funding reductions imposed in The Consolidated Appropriation Act, 2008, this project will be rebaselined. Funding and schedule dates currently shown are based on the previous approved baseline of \$4.8M. Once the rebaseline is approved, all funding and schedule dates will be updated.

**Other Defense Activities/**

**Mixed Oxide Fuel Fabrication Facility/**

**99-D-143, Mixed Oxide Fuel Fabrication Facility**



|  | (dollars in thousands) |             |           |
|--|------------------------|-------------|-----------|
|  | Appropriations         | Obligations | Costs     |
| FY 2008                                    | 231,721                | 346,184     | 225,872   |
| FY 2008 (rescinded PY unobligated balance) | -115,000               | 0           | 0         |
| FY 2009                                    | 417,808                | 417,808     | 320,018   |
| FY 2010                                    | 395,674                | 395,674     | 408,143   |
| FY 2011                                    | 308,722                | 308,722     | 466,814   |
| FY 2012                                    | 301,938                | 301,938     | 516,767   |
| FY 2013                                    | 382,802                | 382,802     | 517,584   |
| FY 2014                                    | 158,325                | 158,325     | 186,500   |
| FY 2015                                    | 125,611                | 125,611     | 111,273   |
| FY 2016                                    | 300,967                | 300,967     | 187,090   |
| FY 2017                                    | 0                      | 0           | 129,544   |
| Total, TEC                                 | 3,938,628              | 3,938,628   | 3,938,628 |

Other Project Cost (OPC)

| OPC except D&D        |         |         |         |
|-----------------------|---------|---------|---------|
| FY 1999               | 5,000   | 5,000   | 4,500   |
| FY 2000               | 5,000   | 5,000   | 4,500   |
| FY 2001               | 5,000   | 5,000   | 5,000   |
| FY 2002               | 5,000   | 5,000   | 5,000   |
| FY 2003               | 8,000   | 8,000   | 5,000   |
| FY 2004               | 9,292   | 9,292   | 11,500  |
| FY 2005               | 9,357   | 9,357   | 3,749   |
| FY 2006               | 29,200  | 21,300  | 7,023   |
| FY 2007               | 915     | 7,792   | 9,278   |
| FY 2008               | 47,068  | 47,068  | 19,575  |
| FY 2009               | 50,000  | 50,000  | 49,326  |
| FY 2010               | 55,000  | 55,000  | 67,008  |
| FY 2011               | 87,036  | 87,036  | 83,965  |
| FY 2012               | 180,269 | 180,269 | 115,840 |
| FY 2013               | 136,669 | 136,669 | 170,798 |
| FY 2014               | 149,192 | 149,192 | 161,652 |
| FY 2015               | 85,771  | 85,771  | 130,015 |
| FY 2016               | 7,932   | 8,955   | 21,972  |
| FY 2017               | 0       | 0       | 0       |
| Total, OPC except D&D | 875,701 | 875,701 | 875,701 |
| D&D                   | N/A     | N/A     | N/A     |
| FY                    |         |         |         |
| Total, D&D            | N/A     | N/A     | N/A     |

Total Project Cost (TPC)

|  |          |         |         |
|--|----------|---------|---------|
| FY 1999                                    | 33,000   | 14,600  | 7,045   |
| FY 2000                                    | 17,375   | 35,775  | 38,012  |
| FY 2001                                    | 30,943   | 30,943  | 34,938  |
| FY 2002                                    | 70,993   | 70,993  | 57,513  |
| FY 2003                                    | 100,088  | 100,088 | 87,022  |
| FY 2004                                    | 369,566  | 90,373  | 104,957 |
| FY 2005                                    | 374,444  | 304,652 | 220,550 |
| FY 2006                                    | 247,000  | 358,622 | 187,851 |
| FY 2007                                    | 263,415  | 270,292 | 186,685 |
| FY 2008                                    | 278,789  | 393,252 | 245,447 |
| FY 2008 (rescinded PY unobligated balance) | -115,000 | 0       | 0       |
| FY 2009                                    | 467,808  | 467,808 | 369,344 |

|            | (dollars in thousands) |             |           |
|------------|------------------------|-------------|-----------|
|            | Appropriations         | Obligations | Costs     |
| FY 2010    | 450,674                | 450,674     | 475,151   |
| FY 2011    | 395,758                | 395,758     | 550,779   |
| FY 2012    | 482,207                | 482,207     | 632,607   |
| FY 2013    | 519,471                | 519,471     | 688,382   |
| FY 2014    | 307,517                | 307,517     | 348,152   |
| FY 2015    | 211,382                | 211,382     | 241,288   |
| FY 2016    | 308,889                | 308,889     | 209,062   |
| FY 2017    | 0                      | 0           | 129,544   |
| Total, TPC | 4,814,329              | 4,814,329   | 4,814,329 |

## 6. Details of Project Cost Estimate

|                             | (dollars in thousands)       |                               |                                   |
|-----------------------------|------------------------------|-------------------------------|-----------------------------------|
|                             | Current<br>Total<br>Estimate | Previous<br>Total<br>Estimate | Original<br>Validated<br>Baseline |
| Total Estimated Cost (TEC)  |                              |                               |                                   |
| Design (PED)                |                              |                               |                                   |
| Design                      | 916,148                      | 860,191                       | 916,148                           |
| Contingency                 |                              | 0                             |                                   |
| Total, PED                  | 916,148                      | 860,191                       | 916,148                           |
| Construction                |                              |                               |                                   |
| Site Preparation            | 39,929                       | 47,126                        | 39,929                            |
| Equipment (MOX & AP equip.) | 251,791                      | 349,513                       | 251,791                           |
| Other Construction          | 2,067,639                    | 1,966,650                     | 2,067,639                         |
| Contingency                 | 663,121                      | 645,148                       | 663,121                           |
| Total, Construction         | 3,022,480                    | 3,008,437                     | 3,022,480                         |
| Total, TEC                  | 3,938,628                    | 3,868,628                     | 3,938,628                         |
| Contingency, TEC            | 663,121                      | 645,148                       | 663,121                           |
| Other Project Cost (OPC)    |                              |                               |                                   |
| OPC except D&D              |                              |                               |                                   |
| Conceptual Planning         | 37,723                       | 37,723                        | 37,723                            |
| Conceptual Design           | 0                            | 0                             | 0                                 |
| Start-Up                    | 650,468                      | 657,563                       | 650,468                           |
| Contingency                 | 187,510                      | 135,415                       | 187,510                           |
| Total, OPC except D&D       | 875,701                      | 830,701                       | 875,701                           |
| D&D                         |                              |                               |                                   |
| D&D                         | 0                            | 0                             | 0                                 |
| Contingency                 | 0                            | 0                             | 0                                 |
| Total, D&D                  | 0                            | 0                             | 0                                 |
| Total, OPC                  | 875,701                      | 830,701                       | 875,701                           |
| Contingency, OPC            | 187,510                      | 135,415                       | 187,510                           |
| Total, TPC                  | 4,814,329                    | 4,699,329                     | 4,814,329                         |
| Total, Contingency          | 850,631                      | 780,563                       | 850,631                           |

## 7. Schedule of Project Costs

For schedule of project costs, see Section 5, "Financial Schedule."

## 8. Related Operations and Maintenance Funding Requirements

|   |          |
|---|----------|
| Start of Operation or Beneficial Occupancy (fiscal quarter or date) | 4QFY2016 |
| Expected Useful Life (number of years)                              | 13       |
| Expected Future Start of D&D of this capital asset (fiscal quarter) | N/A      |

### (Related Funding requirements)

(dollars in thousands)

|                                 | Ave. Annual Costs      |                         | Life Cycle Costs       |                         |
|---------------------------------|------------------------|-------------------------|------------------------|-------------------------|
|                                 | Current Total Estimate | Previous Total Estimate | Current Total Estimate | Previous Total Estimate |
| Operations                      | 142,900                | 137,000                 | 1,857,100              | 1,809,200               |
| Maintenance                     | 41,500                 | 46,800                  | 539,500                | 608,900                 |
| Total, Operations & Maintenance | 184,400                | 183,800                 | 2,396,600              | 2,418,100               |

## 9. Required D&D Information

| Area   | Square Feet |
|--|-------------|
| Area of new construction   | N/A         |
| Area of existing facility(s) being replaced                        | N/A         |
| Area of additional D&D space to meet the "one-for-one" requirement | N/A         |

Name(s) and site location(s) of existing facility(s) to be replaced: None. This is a new facility that has no equivalent facility that is being replaced.

## 10. Acquisition Approach

The procurement strategy for the MOX facility involved awarding a base contract to Duke Cogema Stone & Webster (now Shaw AREVA MOX Services) in March 1999 for design, licensing and irradiation services associated with fuel qualification activities and reactor licensing. Three options, which are included in the base contract, for 1) construction and management oversight; 2) hot start-up, operations and irradiation services; and 3) deactivation can be awarded separately.

Actual physical construction will be conducted through fixed-price subcontracts to the extent practical, with an incentive and award fee contracts for construction management services and glovebox assembly.



## Program Direction

### Funding Profile by Category

(dollars in thousands/whole FTEs)

|                                | FY 2007 | FY 2008        | FY 2009 |
|--------------------------------|---------|----------------|---------|
| Idaho Operations Office        |         |                |         |
| Salaries and Benefits          | 24,492  | 0              | 0       |
| Travel                         | 1,115   | 0              | 0       |
| Support Services               | 1,000   | 0              | 0       |
| Other Related Expenses         | 4,237   | 0              | 0       |
| Total, Idaho Operations Office | 30,844  | 0 <sup>a</sup> | 0       |
| Full Time Equivalents          | 197     | 0              | 0       |
| <br>Total Program Direction    |         |                |         |
| Salaries and Benefits          | 24,492  | 0              | 0       |
| Travel                         | 1,115   | 0              | 0       |
| Support Services               | 1,000   | 0              | 0       |
| Other Related Expenses         | 4,237   | 0              | 0       |
| Total, Program Direction       | 30,844  | 0              | 0       |
| Total, Full Time Equivalents   | 197     | 0              | 0       |

### Mission

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of the Office of Nuclear Energy (NE). NE promotes secure, competitive, and environmentally responsible nuclear technologies to serve the present and future energy needs of the country.

NE is the Lead Program Secretarial Officer (LPSO) of the Idaho site. NE Headquarters and the Idaho Operations Office reorganized in January 2005 to more effectively support the new nuclear energy missions and prepare for the oversight and management of the new contracts for the operation of the Idaho site. This new structure will carry out all programmatic, project, and landlord responsibilities assigned to NE now and in the future, both as LPSO and Contracting Officer for DOE's operations in Idaho, and as responsible PSO for programs, projects, facilities, and operations at other DOE sites.

Prior to FY 2007, the Idaho Operations Office Program Direction account was funded in the Other Defense Activities appropriations. In FY 2007, funding for the Idaho Operation Office was requested under the Energy Supply and Conservation appropriation. However, the Congressional Continuing

<sup>a</sup> Beginning in FY 2008, funding for program direction expenses and Full Time Equivalents for the Idaho Operations Office were requested under Nuclear Energy appropriation.

Resolution for the entire FY 2007 continued the Other Defense Activities appropriation through FY 2007. Beginning in FY 2008 and beyond, funding for Idaho Operations Office is requested under the Office of Nuclear Energy appropriation.

**Detailed Justification**

(dollars in thousands)

|  | FY 2007       | FY 2008  | FY 2009  |
|--|---------------|----------|----------|
| <b>Salaries and Benefits</b>   | <b>24,492</b> | <b>0</b> | <b>0</b> |
| The Federal Staff monitors and evaluates LPSO activities at Idaho Operations Office and the INL. The staff includes scientific, engineering, and technical personnel as well as program support personnel in the areas of budget, finance, general administration, procurement, information resource management, policy review and coordination, infrastructure management, construction management, labor relations, personnel and human resources management, and legal support. |               |          |          |
| <b>Travel</b>  | <b>1,115</b>  | <b>0</b> | <b>0</b> |
| Travel includes funding for transportation of Idaho personnel associated with NE programs, their per diem allowances while in authorized travel status, and other expenses incidental to travel.   |               |          |          |
| <b>Support Services</b>  | <b>1,000</b>  | <b>0</b> | <b>0</b> |
| Support Services includes funding for technical and management support services provided to Idaho Operations Office employees associated with NE programs.   |               |          |          |
| <b>Other Related Expenses</b>  | <b>4,237</b>  | <b>0</b> | <b>0</b> |
| Other Related Expenses includes funding at Idaho for the acquisition of computer hardware and software, telecommunications, mail services, office supplies, subscriptions, vehicle usage, printing, ergonomic furniture, rent and utilities.   |               |          |          |
| <b>Total, Program Direction</b>  | <b>30,844</b> | <b>0</b> | <b>0</b> |

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

Funding requested in Nuclear Energy appropriation for FY 2008 and beyond. +0

## Defense Related Administrative Support

### Funding Schedule by Activity

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Defense Related Administrative Support | 86,999  | 98,104  | 108,190 |

#### Description

From FY 1999 through 2008, funding has been provided within the Other Defense Activities appropriation to offset funding within the Departmental Administration appropriation. This offset addresses the significant amount of administrative support activities performed within the Departmental Administration appropriation that are of direct benefit to the Department's defense-related programs.

Per direction provided in the FY 2004 Energy Water and Development conference report, the FY 2009 budget request reflects a proportional contribution from Other Defense Activities for Departmental Administration costs. This budget offsets Departmental Administration administrative work that supports the following appropriations: Defense Environmental Cleanup, Defense Nuclear Waste Disposal, and Other Defense Activities. These functions do not duplicate services provided within the Office of the Administrator for the National Nuclear Security Administrative Program.

#### Benefits

The services provided by the offices within Departmental Administration are performed without distinction between defense and non-defense related activities and benefit all headquarters organizations proportionally. These activities include processing personnel actions, building maintenance and operation, payroll and general accounting services, budgeting and funds execution, procurement, project management, information management, legal services, life-cycle asset management, workforce diversity, minority economic impact, policy, international affairs, Congressional and intergovernmental liaison, public affairs, and management of the Working Capital Fund.

## Detailed Justification

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| <b>Defense Related Administrative Support</b> | 86,999  | 98,104  | 108,190 |

The funding request offsets the following expenses within the Departmental Administration Appropriation Account:

- Salaries and benefits include wages, overtime pay, cash incentive awards, lump sum leave payments and other performance awards for about 300 FTEs in areas such as human resources, budget, financial accounting, logistics, national and international energy policy analysis, environmental policy, project management, information management, legal, contract management, property management, congressional and intergovernmental liaison and public and media outreach.
  
- Support Services finances technical and management support services. The areas of support include information technology support, project control and performance, facilities and infrastructure, strategic planning, independent financial auditing, automated data processing, project management evaluations, delivery of training, operation of the Headquarters technical and law libraries, database maintenance, financial system operations and minimal technical financial support.
  
- Program Support funding includes a proportionate share of the I-MANAGE system to design and implement new, integrated and user-friendly financial management systems for the Department. These systems will help the Department fulfill its fiduciary responsibilities and meet both internal management and external reporting requirements.
  
- Program support also supports the Department’s cyber security program which provides consistent principles and requirements for Cyber Security that Departmental organizations can implement for the protection of classified and unclassified information, as required by National laws and policies.

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Defense Related Administrative Support

The FY 2004 Energy Water and Development Conference report directed the Department to submit budget requests beginning with fiscal year 2005 that reflected a proportional contribution from Other Defense Activities for Departmental Administration costs. The FY 2009 funding represents 33% of the Departmental Administration appropriation administrative costs.

#### **Total Funding Change, Defense Related Administrative Support**

|                |
|----------------|
| +10,086        |
| <b>+10,086</b> |

**Other Defense Activities/  
 Defense Related Administrative Support**

**FY 2009 Congressional Budget**



**Other Defense Activities  
Office of Hearings and Appeals**

**Overview**

**Appropriation Summary by Program**

(dollars in thousands)

| FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|-------------------------------------|--------------------------------------|-----------------------|-------------------------------------|--------------------|
|-------------------------------------|--------------------------------------|-----------------------|-------------------------------------|--------------------|

|                                 |       |       |                   |       |
|---------------------------------|-------|-------|-------------------|-------|
| Other Defense Activities        |       |       |                   |       |
| Hearings and Appeals            | 4,349 | 4,607 | - 42 <sup>a</sup> | 4,565 |
| Total, Other Defense Activities | 4,349 | 4,607 | -42               | 4,565 |

**Preface**

The Office of Hearings and Appeals (OHA) provides legal adjudicatory services for DOE’s programs so that disputes may be decided at the agency level in a fair, impartial and efficient manner. Beginning in FY 2009, OHA will also be responsible for the civil rights function, previously included in the Office of Economic Impact and Diversity within the Departmental Administration Appropriation.

Within the Other Defense Activities Appropriation, OHA operates with two legal staffs—the Office of Legal Analysis and the Office of Economic Analysis. Beginning in FY 2009, OHA will operate with a third staff—the Office of Civil Rights.

**Mission**

OHA’s mission is to conduct fair and efficient hearings and to issue decisions of the Department with respect to any adjudicative proceedings which the Secretary may delegate. OHA’s jurisdiction includes security clearance hearings, hearings on complaints filed under the DOE Contractor Employee Protection Program, appeals requesting review of any determination reached by any other official within the Department under OHA’s jurisdiction, and requests for exceptions from DOE regulations. Beginning in FY 2009, OHA’s mission will also include the DOE’s civil rights function: the investigation of Equal Employment Opportunity (EEO) and Title VI/Title IX complaints, oversight of DOE financial assistance to ensure that it is not being used in a discriminatory way, and coordination of the employee concerns program activities performed by Federal officials.

**Benefits**

In its adjudicatory mission for DOE, OHA offers a fair, impartial and customer-friendly process in which firms and individuals may seek review of agency actions. In personnel security cases, OHA’s goal is to issue timely, high quality and informed (i.e., based on evidence in the record) decisions to

---

<sup>a</sup> Reflects a FY 2008 rescission of \$42 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

ensure only trustworthy personnel are allowed access to classified information and special nuclear materials. Thus, OHA directly supports DOE's Strategic Theme No. 2 – Nuclear Security. In whistleblower investigations and hearings involving DOE contractor employees, OHA helps to promote DOE's Strategic Theme Nos. 4 and 5 – Environmental Responsibility and Management Excellence. These proceedings involve safety and other concerns, including those related to the responsible resolution of the environmental legacy of nuclear weapons production. In appeals, OHA reviews determinations reached by other DOE officials under the Secretary's jurisdiction, including initial determinations under the Freedom of Information Act, the Privacy Act, and the payments-equal-to-taxes (PETT) provisions of Nuclear Waste Policy Act of 1982. OHA's appeal cases span all of DOE's Strategic Themes. Finally, in exceptions cases, OHA provides an important, regulatory relief valve where the application of a rule or regulation poses a serious hardship, inequity or unfair distribution of burdens. These cases, which primarily involve the Energy Information Administration reporting requirements and the DOE's appliance efficiency standards, promote DOE's Strategic Theme No. 1 – Energy Security.

Beginning in FY 2009, the functions of the Office of Civil Rights (OCR) will be transferred to OHA. The civil rights function—a law enforcement neutral function—is similar to OHA's existing work. In fact, for years, OHA and OCR have collaborated on various employee-related matters. It made sound business sense to co-locate the functions of the offices as it would result in greater efficiency and enhanced productivity, thus serving DOE's Strategic Theme No. 5 – Management Excellence.

### **Program Goals**

The Department's Strategic Plan identifies five Strategic Themes (one each for nuclear, energy, science, management, and environmental aspects of DOE's mission) plus 16 Strategic Goals that tie to the Strategic Themes. As a support office, OHA supports all of those goals through its adjudication of security clearances, whistleblower complaints, exception requests, and Freedom of Information Act appeals and other petitions. With its new responsibility for the civil rights function, OHA will further support the goal of management excellence.

## Annual Performance Results and Targets<sup>a</sup>

| FY 2004 Results | FY 2005 Results | FY 2006 Results  | FY 2007 Results  | FY 2008 Targets  | FY 2009 Targets  |
|-----------------|-----------------|--|--|--|--|
|                 |                 | <p>Program Goal: Support all DOE Strategic Themes and Goals</p>  |  |  |  |
|                 |                 | <p>No more than 20 percent of Freedom of Information Act Appeal cases will be decided after the applicable deadline.</p>   | <p>Improve timeliness of security cases by reducing the number of cases over 180 days to 27.</p>   | <p>Improve timeliness of security cases by reducing the number of cases over 180 days to 18.</p>   | <p>Improve timeliness of security cases by reducing the number of cases over 180 days to 12.</p>   |
|                 |                 | <p>Exceeded goal. Only 6 percent of Freedom of Information Act Appeal cases decided after the applicable deadline.</p>   | <p>Exceeded target. The number of cases over 180 days old was 7.</p>   |  |  |
|                 |                 | <p><u>Establish a baseline for a productivity and/or timeliness performance measure for personnel security cases.</u></p>  | <p><u>Improve efficiency in whistleblower investigations by reducing processing time so that no more than 2 cases are over 180 days old.</u></p> | <p><u>Improve efficiency in whistleblower investigations by reducing processing time so that no more than 2 cases are over 170 days old.</u></p> | <p><u>Improve efficiency in whistleblower investigations by reducing processing time so that no more than 2 cases are over 160 days old.</u></p> |
|                 |                 | <p><u>Exceeded goal. Identified consolidation of travel to hearings as a means to achieve efficiencies in the cost and employee time devoted to travel. Calculated a 2005 baseline of 1.23 hearings per trip. Established a new 2006 goal of 1.28 hearings per trip. Exceeded goal with a ratio of 1.44.</u></p> | <p><u>Exceeded target. The number of pending whistleblower investigations over 180 days old was zero.</u></p>                                    |  |  |

<sup>a</sup> Annual effectiveness and efficiency performance targets will not be reported in the Department's Annual Performance and Accountability Report (PAR).



## **Means and Strategies**

OHA will use various means and strategies to achieve its goals.

The OHA will continue to implement the following means:

- The OHA will identify opportunities for efficiencies associated with the increased use of electronic filing and records.

The OHA will continue to implement the following strategies:

- A team drawn from a cross-section of OHA will undertake these efforts.

This strategy will result in improved efficiencies in case processing, as well as the ability to continue operations in case of disruption in physical access to offices.

## **Validation and Verification**

To validate and verify performance, the team will file written reports with OHA senior management on a quarterly basis.

**Program Direction  
Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                              | FY 2007 | FY 2008 | FY 2009 |
|------------------------------|---------|---------|---------|
| Headquarters                 |         |         |         |
| Salaries and Benefits        | 3,275   | 3,427   | 4,663   |
| Travel                       | 90      | 75      | 107     |
| Support Services             | 100     | 135     | 465     |
| Other Related Expenses       | 884     | 928     | 1,368   |
| Total, Headquarters          | 4,349   | 4,565   | 6,603   |
| Total, Full Time Equivalents | 25      | 25      | 34      |

**Mission**

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of the Office of Hearings and Appeals mission, which supports Departmental strategic themes and goals. OHA will do this through (i) adjudication of security clearances, whistleblower complaints, appliance efficiency and oil industry reporting cases, and information access cases and (ii) the performance of the civil rights function, including the investigation of EEO and Title VI/Title IX complaints, oversight of DOE financial assistance to ensure that it is not being used in a discriminatory way, and coordination of the employee concerns program activities performed by Federal officials to promote the safe and sound management of DOE sites.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits** **3,275**      **3,427**      **4,663**

Funding salaries, benefits, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards for 34 FTEs. The FY 2009 increase includes the transfer of funds and 9 FTEs associated with the civil rights function.

- OHA adjudicates personnel security clearance cases, thus supporting DOE’s Strategic Theme No. 2 – Nuclear Security.
- OHA adjudicates whistleblower cases involving DOE contractor employees, thus supporting the safe and sound management of DOE sites and DOE’s Strategic Theme Nos. 4 and 5 – Environmental Responsibility and Management Excellence.
- OHA reviews determinations reached by other DOE officials under the Secretary’s jurisdiction in cases which span all of DOE’s Strategic Themes.
- OHA provides an important, regulatory relief valve for EIA reporting requirements and energy efficiency regulations, both areas that relate to DOE’s Strategic Theme No. 1 – Energy Security.
- OHA will perform the DOE’s civil rights function, thus supporting DOE’s Strategic Theme No. 5 – Management Excellence.

**Other Defense Activities/  
Hearings and Appeals /  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

|  | FY 2007      | FY 2008      | FY 2009      |
|--|--------------|--------------|--------------|
| <b>Travel</b>  | <b>90</b>    | <b>75</b>    | <b>107</b>   |
| Provides funding for official travel to DOE sites for hearings. The FY 2009 request also provides funding for official travel to DOE sites and federal grant recipients to permit OHA to perform the newly acquired civil rights function.                     |              |              |              |
| <b>Support Services</b>  | <b>100</b>   | <b>135</b>   | <b>465</b>   |
| Funding supports OHA's information management, and Federal Energy Guidelines loose-leaf service. FY 2009 funding also provides (A-76) contractor support for equal employment opportunity and affirmative action services.                                     |              |              |              |
| ◦ Contractor IT employee support for case information management system  | 83           | 85           | 90           |
| ◦ Publication of laws, regulations, and decisions  | 17           | 50           | 35           |
| ◦ A-76 contractor support for equal employment opportunity and affirmative action services   | 0            | 0            | 340          |
| <b>Other Related Expenses</b>  | <b>884</b>   | <b>928</b>   | <b>1,368</b> |
| This category includes funding for the following administrative support. For FY 2009, it includes funding associated with the transfer of the civil rights function to OHA. Funds may also be used for personnel security investigations beginning in FY 2009. |              |              |              |
| ◦ Working Capital Fund (rent, utilities, telephone, supplies, postage, building operations, photocopies, telecommunications, printing (e.g., federal register notices)   | 764          | 808          | 1,186        |
| ◦ DOE Common Operating Environment   | 100          | 100          | 145          |
| ◦ Training   | 20           | 20           | 23           |
| ◦ E-Government Initiatives   | 0            | 0            | 2            |
| ◦ Other Related Expenses   | 0            | 0            | 12           |
| <b>Total, Program Direction</b>  | <b>4,349</b> | <b>4,565</b> | <b>6,603</b> |

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

Increase in salaries and benefits are due to general pay increases, promotions, and within-grade increases and newly acquired civil rights function. +1,236

### Travel

Funding supports travel to DOE sites to conduct hearings, as well as travel to DOE sites and financial assistance recipients associated with the newly acquired civil rights function. The increase reflects expected increases in charges for airlines and the newly acquired civil rights function. +32

### Support Services

Overall increase attributable to the following:

- Contractor IT employee support +5
- Publication costs -15
- Contractor support (A-76) for equal employment opportunity and affirmative services associated with newly acquired civil rights function +340

### Other Related Expenses

Increase in first three categories largely attributable to newly acquired civil rights function:

- Working Capital Fund +378
- DOE Common Operating Environment +45
- Training +3
- E-Government Initiatives +2
- Other Related Expenses +12

**Total Funding Change, Program Direction** +2,038



### Support Services by Category

(dollars in thousands)

|                           | FY 2007 | FY 2008 | FY 2009 |
|---------------------------|---------|---------|---------|
| Technical Support         |         |         |         |
| Computer contract support | 83      | 85      | 90      |
| Federal Energy Guidelines | 17      | 50      | 35      |
| Total, Technical Support  | 100     | 135     | 125     |
| Management support        | 0       | 0       | 340     |
| Total, Support Services   | 100     | 135     | 465     |

### Other Related Expenses by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Other Related Expenses  |         |         |         |
| Working Capital Fund  | 764     | 808     | 1,186   |
| Purchases from Gov. Accounts (DOE Common Operating Environment) | 100     | 100     | 145     |
| Training  | 20      | 20      | 23      |
| E-Government Initiatives  | 0       | 0       | 2       |
| Other Related Expenses  | 0       | 0       | 12      |
| Total, Other Related Expenses                                   | 884     | 928     | 1,368   |



# **Departmental Administration**

# **Departmental Administration**

## Table of Contents

|   | Page |
|---|------|
| Appropriation Language .....                      | 189  |
| Overview.....                                     | 191  |
| Office of the Secretary .....                     | 215  |
| Board of Contract Appeals.....                    | 219  |
| Office of Chief Financial Officer.....            | 221  |
| Chief Information Officer .....                   | 227  |
| Congressional and Intergovernmental Affairs ..... | 267  |
| Economic Impact and Diversity.....                | 271  |
| General Counsel.....                              | 279  |
| Human Capital Management .....                    | 283  |
| Management.....                                   | 291  |
| Policy and International Affairs.....             | 299  |
| Public Affairs .....                              | 315  |
| Loan Guarantee.....                               | 319  |
| Competitive Sourcing Initiative.....              | 321  |
| Cost of Work for Others .....                     | 323  |



# Departmental Administration

## Proposed Appropriation Language

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses not to exceed \$30,000 [~~\$311,596,000~~] *\$272,144,000* to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total [~~\$161,818,000~~] *\$117,317,000* in fiscal year [2008] *2009* may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during [2008] *2009*, and any related appropriated receipt account balances remaining from prior years' miscellaneous revenues, so as to result in a final fiscal year [2008] *2009* appropriation from the general fund estimated at not more than [~~\$149,778,000~~] *\$154,827,000*.





## Departmental Administration

### Overview Appropriation Summary by Program

(dollars in thousands)

|  | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Departmental Administration            |                                     |                                      |                        |                                     |                    |
| Office of the Secretary                | 5,429                               | 5,787                                | -36                    | 5,751                               | 5,700              |
| Board of Contract Appeals              | 147                                 | 0                                    | 0                      | 0                                   | 0                  |
| Chief Financial Officer                | 38,044                              | 42,260                               | -262                   | 41,998                              | 45,048             |
| Chief Information Officer              | 105,072                             | 111,107                              | -972                   | 110,135                             | 115,500            |
| Congressional Affairs                  | 4,813                               | 4,762                                | -29                    | 4,733                               | 4,700              |
| Economic Impact and Diversity          | 6,154                               | 6,483                                | -40                    | 6,443                               | 4,400              |
| General Counsel                        | 23,202                              | 30,076                               | -187                   | 29,889                              | 31,233             |
| Office of Human Capital Management     | 22,107                              | 28,161                               | -175                   | 27,986                              | 31,436             |
| Office of Management                   | 54,161                              | 65,439                               | -406                   | 65,033                              | 67,000             |
| Policy and International Affairs       | 16,502                              | 21,170                               | -131                   | 21,039                              | 23,000             |
| Public Affairs                         | 4,493                               | 3,360                                | -21                    | 3,339                               | 3,780              |
| Loan Guarantee                         | 7,000                               | 0                                    | 0                      | 0                                   | 0                  |
| Competitive Sourcing                   | 2,464                               | 0                                    | 0                      | 0                                   | 0                  |
| Subtotal, Departmental Administration  | 289,588                             | 318,605                              | -2,259                 | 316,346                             | 331,797            |
| Cost of Work                           |                                     |                                      |                        |                                     |                    |
| Cost of Work for Others                | 74,243                              | 91,991                               | -571                   | 91,420                              | 48,537             |
| Revenues                               | -128,889                            | -161,818                             | 571                    | -161,247                            | -117,317           |
| Total, Cost of Work                    | -54,646                             | -69,827                              | 0                      | -69,827                             | -68,780            |
| Defense Related Administrative Support | -86,999                             | -99,000                              | 896                    | -98,104                             | -108,190           |
| Total, Departmental Administration     | 147,943                             | 149,778                              | -1,363                 | 148,415                             | 154,827            |

### Mission

The Departmental Administration (DA) appropriation funds 9 DOE-wide management organizations under Administrative Operations. These organizations support headquarters operations in human resources, administration, accounting, budgeting, program analysis, project management, information management, legal services, life-cycle asset management, workforce diversity, minority economic impact, policy, international affairs, congressional and intergovernmental liaison, and public affairs. Funding for the Office of the Secretary is provided separately from the other administrative functions within the DA appropriation. The DA appropriation also budgets for Cost of Work for Others and receives miscellaneous revenues from other sources.

The Departmental Administration offices provide essential services to its mission programs, as well as serve the Secretary of Energy and protect taxpayer interests. The following highlights are provided to outline the functions and essential services provided by this account. These services include:

- Coordinating DOE efforts to achieve the goals of the President's Management Agenda (PMA) and leading the implementation of PMA initiatives on Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, Budget

and Performance Improvement Initiative and Federal Real Property Asset Management.

- Performing strategic planning and implementing management reforms tied to Government Performance and Results Act.
- Providing high level consistent, risk management-based policies and implementation guidance for the protection of cyber assets.
- Providing consistent core training requirements for cyber security professionals, system administrators, senior management and general users.
- Providing Departmental capabilities for cyber incident response, core cyber security architecture, cyber intrusion detection and reporting, and Public Key Infrastructure (PKI) architecture.
- Facilitating communication between the Department and Congress, the Executive Office, state and local Governments and the public.
- Performing financial and accounting functions including producing audited financial statements.
- Reforming processes for project management and acquisition of large facilities to ensure compatibility with mission needs and better adherence to project schedules, budgets and performance requirements.
- Ensuring that facilities and infrastructure are being managed adequately.
- Fulfilling the Department's budget mission in terms of timely formulation and oversight of program execution (overhead and uncosted balances).
- Providing effective and timely legal services, counsel, and support to Departmental elements.
- Representing the Department before Federal, State, and other Governmental Agencies and Courts.
- Protecting the Department's Intellectual Property associated with patents, invention disclosures, and waiver requests.
- Processing procurement and personnel actions.
- Making effective use of commercial applications and solutions for DOE's enterprise-wide IT infrastructure, link IT investments to DOE strategic goals and the needs of business operations.
- Improving enterprise-wide data sharing.
- Ensuring the success of the Working Capital Fund by supplying products and services throughout the Department.
- Promoting diversity within the entire Department and throughout the program areas affected by our

decisions (including economic impact).

## **Benefits**

Improved DOE facilities management will be realized as the Department continues to convert to performance-based service contracts using government-wide standards. DOE project management will meet established goals as project managers and complete a rigorous certification program to make its managers accountable for achieving project and contract cost, schedule, and performance goals. Cost savings will be realized and interface with citizenry enhanced as information technology resources are being used to standardize IT platforms across the Department and E-Government initiatives are implemented. Small business will continue to be supported as larger shares of DOE contracts are awarded to small and economically disadvantaged businesses. Citizens will benefit as the Department continues to coordinate and implement key aspects of the President's National Energy Policy.

## **Defense Related Administrative Support**

From FY 1999 through FY 2008, funding has been provided within the Other Defense Activities appropriation to offset funding within the Departmental Administration appropriation. Per direction provided in the FY 2004 Energy Water and Development conference report, the FY 2009 budget request reflects a proportional contribution from Other Defense Activities for Departmental Administration costs. This budget offsets Departmental Administration administrative work that supports the following appropriations: Defense Site Acceleration Completion, Defense Environmental Services, Defense Nuclear Waste Disposal, and Other Defense Activities. These functions do not duplicate services provided within the Office of the Administrator for the National Nuclear Security Administrative program.



## Departmental Administration

### Funding by Site by Program

|  | (dollars in thousands) |          |          |
|--|------------------------|----------|----------|
|  | FY 2007                | FY 2008  | FY 2009  |
| Idaho Operations Office                |                        |          |          |
| Cost of Work for Others                | 3,169                  | 4,989    | 1,000    |
| NNSA Service Center                    |                        |          |          |
| Chief Information Officer              | 6,465                  | 7,200    | 7,200    |
| Cost of Work for Others                | 38,823                 | 39,253   | 7,150    |
| Total, NNSA Service Center             | 45,288                 | 46,453   | 14,350   |
| Oak Ridge Operations Office            |                        |          |          |
| Chief Information Officer              | 354                    | 375      | 0        |
| Cost of Work for Others                | 9,798                  | 13,408   | 10,005   |
| Total, Oak Ridge Operations Office     | 10,152                 | 13,783   | 10,005   |
| Washington Headquarters                |                        |          |          |
| Office of the Secretary                | 5,429                  | 5,751    | 5,700    |
| Board of Contract Appeals              | 147                    | 0        | 0        |
| Chief Financial Officer                | 38,044                 | 41,998   | 45,048   |
| Chief Information Officer              | 96,240                 | 100,460  | 106,200  |
| Congressional and Intergovernmental    | 4,813                  | 4,733    | 4,700    |
| Economic Impact and Diversity          | 6,154                  | 6,443    | 4,400    |
| General Counsel                        | 23,202                 | 29,889   | 31,233   |
| Human Capital Management               | 22,107                 | 27,986   | 31,436   |
| Management                             | 54,161                 | 65,033   | 67,000   |
| Policy and International Affairs       | 16,502                 | 21,039   | 23,000   |
| Public Affairs                         | 4,493                  | 3,339    | 3,780    |
| Loan Guarantee                         | 7,000                  | 0        | 0        |
| Competitive Sourcing Initiative        | 2,464                  | 0        | 0        |
| Total, Washington Headquarters         | 280,756                | 306,671  | 322,497  |
| Savannah River Operations Office       |                        |          |          |
| Cost of Work for Others                | 17,054                 | 21,310   | 22,570   |
| Chicago Operations Office              |                        |          |          |
| Cost of Work for Others                | 5,060                  | 12,063   | 6,762    |
| Richland Operations Office             |                        |          |          |
| Chief Information Officer              | 2,013                  | 2,100    | 2,100    |
| Cost of Work for Others                | 254                    | 298      | 550      |
| Total, Richland Operations Office      | 2,267                  | 2,398    | 2,650    |
| National Energy Technology Lab         |                        |          |          |
| Cost of Work for Others                | 85                     | 99       | 300      |
| Total, National Energy Technology Lab  | 85                     | 99       | 300      |
| National Renewable Energy Lab          |                        |          |          |
| Cost of Work for Others                | 0                      | 0        | 200      |
| Total, National Renewable Energy Lab   | 0                      | 0        | 200      |
| Subtotal, Departmental Administration  | 363,831                | 407,766  | 380,334  |
| Associated Revenues                    | -128,889               | -161,247 | -117,317 |
| Transfer from Other Defense Activities | -86,999                | -98,104  | -108,190 |
| Total, Departmental Administration     | 147,943                | 148,415  | 154,827  |

## **Departmental Administration Site Description**

### **Chicago Operations Office Cost of Work for Others**

Funding provides for safeguards and security reimbursable activities. In addition, funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) are a revenue program which results from a budgeted mission of the Department; or, 2) are reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **Idaho Operations Office Cost of Work for Others**

Funding provides for safeguards and security reimbursable activities.

### **National Energy Technology Laboratory Cost of Work for Others**

Funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) are a revenue program which results from a budgeted mission of the Department; or, 2) are reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **NNSA Service Center Chief Information Officer**

Cyber Security Engineering and Assessments and Computer Incident Advisory Capability: The Department's Computer Incident Advisory Capability fulfills the statutory responsibility that all agencies maintain an incident response capability to respond to and report cyber security incidents, mitigate risks before substantial damage occurs, promote timely sharing of information on common vulnerabilities and risks, and issue warnings of new vulnerabilities and the availability of corrective patches. Specifically, the Computer Incident Advisory Capability reports and advises on incidents of unauthorized access, malicious code, denial of service and reconnaissance scans and coordinates and shares data with other Federal agencies as required by law and Office of Management and Budget policy.

The Computer Incident Advisory Capability also provides support for criminal investigations, distributes Alerts and Advisories as warranted and on behalf of the Office of the Chief Information Officer surveys sites and facilities to respond to Department of Homeland Security/United States Computer Emergency Readiness Team and White House/Office of Management and Budget requests. Additionally, the Computer Incident Advisory Capability provides the infrastructure for the Computer Protection Program analysis center, which provides proactive identification of potential network threats to the Department of Energy systems.

### **Cost of Work for Others**

Funding provides for safeguards and security reimbursable activities. In addition, funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) a revenue program which results from a budgeted

**Departmental Administration/  
Overview**

**FY 2009 Congressional Budget**

mission of the Department; or, 2) reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **Richland Operations Office**

#### **Chief Information Officer**

The Computer Protection Program is a joint program funded by the Office of the Chief Information Officer and the Office of Intelligence. It provides the Department of Energy with an enhanced perspective of security events across the Department of Energy in near real-time with sensor development and deployment. This program provides a supportive function to the Computer Incident Advisory Capability and the intelligence community.

#### **Cost of Work for Others**

Funding provides for safeguards and security reimbursable activities. In addition, funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) a revenue program which results from a budgeted mission of the Department; or, 2) reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **Savannah River Operations Office**

#### **Cost of Work for Others**

Funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) a revenue program which results from a budgeted mission of the Department; or, 2) reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **Oak Ridge Operations Office**

#### **Chief Information Officer**

The Oak Ridge training initiative will no longer be funded through the Office of the Chief Information Officer's budget as was previously done in FY 2007 and FY 2008.

#### **Cost of Work for Others**

Funding provides for safeguards and security reimbursable activities. In addition, funding finances the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided under this program are 1) a revenue program which results from a budgeted mission of the Department; or, 2) reimbursable work for non-federal entities (state and local governments, universities, etc.) where the sponsor is precluded by law from providing advance funding.

### **Washington Headquarters**

Funding provides for salaries, benefits, travel, training, support services and overhead expenses for the full time equivalent employees funded within the Departmental Administration appropriation.

**Performance Measures**

The Departmental Administration (DA) offices enable the Department to carry out its mission by providing sound department-wide management. In support of the Department's strategic theme "Management Excellence," the DA offices are developing key initiatives designed to assist DOE senior leadership in achieving the Department's strategic goals. These initiatives include improving the effectiveness and efficiency of recruiting and retaining talented and qualified federal employees; the cost-effective upgrading, renovation, and replacement of outdated facilities; and the continual improvement of financial system and processes throughout the Department through the integration of business management processes throughout DOE. The DA offices also support these initiatives by managing information technology, providing management with sound legal advice, developing and implementing consistent department-wide program policy and procedures, maintaining the health and safety of our employees and facilities, and providing sound accurate information to the President, Congress and the public.



## Annual Performance Results and Targets – Chief Financial Officer

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets   | FY 2008 Targets   |
|--|--|--|---|---|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | Meet or exceed Government-wide financial management performance metric ratings as established by the Office of Management and Budget. | Meet or exceed Government-wide financial management performance metric ratings as established by the Office of Management and Budget. |

## Annual Performance Targets - Chief Financial Officer

| FY 2009 Targets |
|-----------------|
|-----------------|

Meet or exceed Government-wide financial management performance metric ratings as established by the Office of Management and Budget

## Annual Performance Results and Targets – Chief Information Officer

| FY 2004 Results   | FY 2005 Results                                   | FY 2006 Results   | FY 2007 Targets   | FY 2008 Targets   |
|---|---|---|---|---|
| <p><b>Cyber Security</b></p> <p><b>CM2-1.</b> Advocate and implement E-Government citizen service delivery office. Support the President’s E-Government initiatives by developing a framework for existing IT initiatives and a roadmap for corporate direction.</p> <p><b>CM2-1a.</b> Continue to review business practices.<br/>- Manage the IDEA process to identify Departmental e-Gov initiatives for re-engineering and business transformation.</p> <p><b>Corporate Management Information Program</b></p> <p><b>CIO CM2-1b.</b> Strengthen Cyber Security posture for Headquarters information systems and assets.<br/>- Establish a core of common IT services offered to HQ customers and managed by the CIO.</p> | <p>There were no related targets for FY 2005.</p> | <p><b>Cyber Security</b></p> <p>Increase efficiency by integrating and automating Office of Cyber Security reporting processes (FISMA, POAM, DARTS, SSIMS, and OCIO Data Calls) to obtain a 10 percent cost reduction from FY 2005 levels in these areas in FY 2006, allowing funding to be redirected to other Cyber Security priorities.</p> <p><b>Corporate Management Information Program</b></p> <p>Increase efficiency by reducing the percentage of major IT business cases requiring rework to meet OMB Circular A-11 requirements from 64 percent in FY 2005 to 10 percent in FY 2006.</p> | <p><b>Cyber Security</b></p> <p>Establish and institutionalize the revitalized Department cyber security program, including advanced policy and guidance, comprehensive threat statement, cyber security architectures, and metrics.</p> <p><u>Revitalized Department cyber security program, including advanced policy and guidance, comprehensive threat statement, cyber security architectures, and metrics established in the Department’s line organization.</u></p> <p><b>Corporate Management Information Program</b></p> <p>2% reduction in IT administrative and infrastructure investments against the prior year’s baseline due to provision of a target EA, improved corporate and E-Government solutions, and improved investment management.</p> | <p><b>Cyber Security</b></p> <p>Updated cyber security governance, policy and guidance, threat statement, architectures and metrics to reflect changes in national guidance and threats</p> <p><u>Improve the effectiveness of the Department’s incident prevention, detection and response capabilities to achieve a 10% reduction in the number of successful external attacks on the Department’s unclassified information systems.</u></p> <p><u>Improve the effectiveness of the Department’s incident prevention, detection and response capabilities on the Department’s national security information systems.</u></p> <p><b>Corporate Management Information Program</b></p> <p>2% reduction in IT administrative and infrastructure investments against the prior year’s baseline due to provision of a target EA, improved corporate and E-Government solutions, and improved investment management.</p> |

## Annual Performance Results and Targets – Chief Information Officer

| FY 2004 Results  | FY 2005 Results | FY 2006 Results   | FY 2007 Targets   | FY 2008 Targets  |
|--|-----------------|---|---|--|
| <p><b>OPERATIONS</b></p> <p><b>CIO CM2-1c.</b> Meeting Service Level Agreements (SLAs) for all services under eXCITE.</p> <p><b>CM2-1d.</b> Improved delivery of IT services.</p> <p><b>CIO CM2-1e.</b> Reduce common IT services costs per user-target of \$3600.</p> |                 | <p><b>OPERATIONS</b></p> <p>Prevention of 99% of malware attacks on DOE infrastructure, provide 99% uptime of network infrastructure, and a 2% increase over the prior year’s baseline in the number of users supported on the enterprise services infrastructure defined by the infrastructure, office automation and telecommunications and target Enterprise Architecture (EA).</p> <p><u>Improve Information Technology (IT) infrastructure management, efficiency and effectiveness by proactively implementing a Technology Modernization Roadmap to include a continuously enhanced Common Operating Environment (COE), asset management, configuration management, enterprise IT systems and application integration, and improved infrastructure security to ensure critical infrastructure protection and the prevention of penetration by malware attacks.</u></p> | <p><b>OPERATIONS</b></p> <p>Prevention of 99% of malware attacks on DOE infrastructure, provide 99% uptime of network infrastructure, and a 2% increase over the prior year’s baseline in the number of users supported on the enterprise services infrastructure defined by the infrastructure, office automation and telecommunications and target Enterprise Architecture (EA).</p> <p><u>Improve Information Technology (IT) infrastructure management, efficiency and effectiveness by proactively implementing a Technology Modernization Roadmap to include a continuously enhanced Common Operating Environment (COE), asset management, configuration management, enterprise IT systems and application integration, and improved infrastructure security to ensure critical infrastructure protection and the prevention of penetration by malware attacks.</u></p> | <p><b>OPERATIONS</b></p> <p>Prevention of 99% of malware attacks on DOE infrastructure, provide 99% uptime of network infrastructure, and a 2% increase over the prior year’s baseline in the number of users supported on the enterprise services infrastructure defined by the infrastructure, office automation and telecommunications business cases and associated target EA.</p> |

## Annual Performance Targets - Chief Information Officer

---

### **FY 2009**

#### **Cyber Security**

Updated and improved cyber security governance, policy and guidance, threat statement, architectures and metrics to reflect changes in national guidance and threats.

Improve the effectiveness of the Department's incident prevention, detection, and response capabilities by deploying an adaptive active defense capability against attacks on the Department's information systems.

#### **Corporate Management Information Program**

2% reduction in IT administrative and infrastructure investments against the prior year's baseline due to provision of a target EA, improved corporate and E-Government solutions, and improved investment management.

## Annual Performance Targets - Chief Information Officer

FY 2009 Targets

### OPERATIONS

Prevention of 99% of malware attacks on DOE infrastructure, provide 99% uptime of network infrastructure, and a 2% increase over the prior year's baseline in the number of users supported on the enterprise services infrastructure defined by the infrastructure, office automation and telecommunications business cases and associated target EA.

## Annual Performance Results and Targets – Congressional and Intergovernmental Affairs

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets   | FY 2008 Targets  |
|--|--|--|---|--|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p data-bbox="1136 321 1522 500"><u>Maintain timely and responsive working relationship with members of Congress, State, local and Tribal governments, other Federal agencies, and stakeholder groups to keep them apprised of the Department's policies and program initiatives.</u></p> <p data-bbox="1136 521 1522 574">Establish data collection process to track incoming calls and time to respond.</p> <p data-bbox="1136 574 1522 651">Maintain timely response for correspondence review for concurrence or non-concurrence.</p> <p data-bbox="1136 672 1522 773">Establish a measurement instrument and baseline in FY 2007 for monitoring of congressional hearings and stakeholder briefings.</p> | <p data-bbox="1522 321 1923 477"><u>Maintain timely and responsive working relationship with members of Congress, State, local and Tribal governments, other Federal agencies, and stakeholder groups to keep them apprised of the Department's policies and program initiatives.</u></p> <p data-bbox="1522 498 1923 552">90% of all calls will be responded to in 24 hours or less.</p> <p data-bbox="1522 573 1923 649">Maintain timely response for correspondence review for concurrence or non-concurrence.</p> <p data-bbox="1522 670 1923 724">90% of all received correspondence reviews will be completed within 72 hours.</p> |

## Annual Performance Targets – Congressional and Intergovernmental Affairs

|                 |
|-----------------|
| FY 2009 Targets |
|-----------------|

Maintain timely and responsive working relationship with key members of the Congress, State, local and Tribal governments, other Federal agencies, and stakeholder groups to keep them apprised of the Department's policies and program initiatives.

90% of all calls will be responded to in 24 hours or less.

Maintain timely response for correspondence review for concurrence or non-concurrence.

90% of all received correspondence reviews will be completed within 72 hours.

## Annual Performance Results and Targets – Economic Impact and Diversity

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets  | FY 2008 Targets   |
|--|--|--|--|---|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | Economic Impact and Diversity/Office of Civil Rights, ED-4   | Economic Impact and Diversity/Office of Civil Rights, ED-4  |
|  |  |  | OCR provides one (1) annual field visit to address Title IV or Title IX reviews for each year starting in FY 07 and running through 2011. This will continue the level of service originally proposed for FY 2006.     | OCR provides one (1) annual field visit to address Title IV or Title IX reviews for each year starting in FY 08 and running through 2012. This will continue the level of service originally proposed for FY 2006 |
|  |  |  | Economic Impact and Diversity/Office of Small disadvantaged Business Utilization, ED-3   | Economic Impact and Diversity/Office of Small disadvantaged Business Utilization, ED-3  |
|  |  |  | OSDBU provides one (1) annual small business conference. FY 2007 attendance will serve as baseline. Each year the conference is projected to grow by one hundred participants  | OSDBU will continue to provide one (1) annual small business conference. Each year the conference is projected to grow by one hundred participants  |
|  |  |  | Economic Impact and Diversity/Minority Education, ED-2   | Economic Impact and Diversity/Minority Education, ED-2  |
|  |  |  | ED operates an intern program in which all program offices are invited to support and fund internships. With target funding ED will continue to fund three student interns over the period of FY 2007 through FY 2011. | ED operates an intern program in which all program offices are invited to support and fund internship. ED will continue to fund three student interns.  |
|  |  |  | Economic Impact and Diversity/Office of Civil Rights, ED-4   | Economic Impact and Diversity/Office of Civil Rights, ED-4  |
|  |  |  | <u>ED maintains program goals and data in automated systems for EEO cases</u>  | <u>ED maintains program goals and data in automated systems for EEO cases</u>   |



## Annual Performance Targets – Economic Impact and Diversity

|                 |
|-----------------|
| FY 2009 Targets |
|-----------------|

Economic Impact and  
Diversity/Office of Civil Rights,  
ED-4

OCR provides annual field visit  
to address Title IV or Title IX  
reviews This will continue the  
level of service originally  
proposed for FY 2006

Economic Impact and  
Diversity/Office of Small  
disadvantaged Business  
Utilization, ED-3

OSDBU will continue to  
provide one (1) annual small  
business conference

Economic Impact and  
Diversity/Minority Education,  
ED-2

ED operates an intern program  
in which all program support.  
ED will continue to fund  
student interns.

Economic Impact and  
Diversity/Office of Civil Rights,  
ED-4

ED maintains program goals  
and data in automated systems  
for EEO cases

## Annual Performance Results and Targets – General Counsel

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets   | FY 2008 Targets   |
|--|--|--|---|---|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p><b>General Counsel management of the Financial Disclosure reporting program.</b></p> <p>Make Ethics training available to all DOE employees that are required to file financial disclosure statements.</p> | <p><b>General Counsel management of the Financial Disclosure reporting program.</b></p> <p>Make Ethics training available to all DOE employees that are required to file financial disclosure statements.</p> |
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p><b>Initial review of financial disclosure reports.</b></p> <p><u>Complete an initial review of all financial disclosure reports within 60 days of filing as required by governmental policy.</u></p>       | <p><b>Initial review of financial disclosure reports.</b></p> <p><u>Complete an initial review of all financial disclosure reports within 60 days of filing as required by governmental policy.</u></p>       |

## Annual Performance Targets – General Counsel

| FY 2009 Targets   |
|---|
| <p><b>General Counsel management of the Financial Disclosure reporting program.</b></p> <p>Make Ethics training available to all DOE employees that are required to file financial disclosure statements.</p> <p><b>Initial review of financial disclosure reports.</b></p> <p><u>Complete an initial review of all financial disclosure reports within 60 days of filing as required by governmental policy.</u></p> |

## Annual Performance Results and Targets – Human Capital Management

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets  | FY 2008 Targets   |
|--|--|--|--|---|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | Reduce the average number of work days required to issue a selection certificate from the date a vacancy announcement closes for excepted service positions (i.e., EK, EJ) by 3% of the baseline established in FY 06. | <p>At-Target funding would only allow HCM to function at a minimum level of operations for basic and mission-critical services (e.g., personnel operations, health care services, drug testing, disability services and recruitment).</p> <ul style="list-style-type: none"> <li>- Establish a minimum DOE-centralized intern program (DOE Scholars).</li> <li>- Establish a Secretary of Energy Awards Program.</li> </ul> <p><u>Reduce overall time required to hire senior executives by 10% as compared to the FY2007 baseline.</u></p> |

## Annual Performance Targets – Human Capital Management

|                 |
|-----------------|
| FY 2009 Results |
|-----------------|

At-Target funding would only allow HCM to function at a minimum level of operations for basic and mission-critical services (e.g., personnel operations, health care services, drug testing, disability services and recruitment).

- Maintain a minimum DOE-centralized intern program
- Maintain a Secretary of Energy Awards Program.
- Conduct bi-annual Human Capital Management survey

Reduce overall time required to hire senior executives by 15% as compared to the FY2007 baseline.

## Annual Performance Results and Targets – Office of Management

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Results  | FY 2008 Targets  |
|--|--|--|--|--|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p>Review/certify six (6) contractor EVMS systems.</p> <p>Develop and implement initiatives, plans of action, and milestones to eliminate, correct, or mitigate vulnerabilities in DOE's contract management, as identified by the Government Accountability Office's High Risk designation and the DOE Inspector General reports.</p> <p>Increase the percentage of applications submitted through Grants.gov or equivalent under competitive financial assistance announcements to 75% in FY 2007, excluding Small Business Innovative Research program and Small Business Technology Transfer program announcements.</p> <p><u>Reduce energy consumption by 1% to 182 billion BTUs (a 37% reduction from 288.409 billion BTUs in 1985) to create a more environmentally responsible workplace in accordance with Executive Order 12902.</u></p> | <p>Review/certify six (6) contractor EVMS systems.</p> <p>Conduct formal A-76 studies on 100-300 FTEs this fiscal year in order to meet DOE commitments to OMB.</p> <p>Perform 95% of all aviation audits and assessments on-time and within budget.</p> <p>Achieve professional certification of at least 90% of the DOE acquisition workforce under the ACD program.</p> <p><u>Reduce energy consumption at the Forrestal and Germantown Buildings by 1% (from 182 to 180 billion BTUs) to create a more environmentally responsible workplace in accordance with Executive Order 12902.</u></p> |

## Annual Performance Targets – Office of Management

FY 2009 Results

Review/certify six (6)  
contractor EVMS systems.

Conduct formal A-76 studies  
on 100-300 FTEs this fiscal  
year in order to meet DOE  
commitments to OMB.

Perform 95% of all aviation  
audits and assessments  
on-time and within budget.

Achieve professional  
certification of at least 90%  
of the DOE acquisition  
workforce under the ACD  
program.

Reduce energy consumption  
at the Forrestal and  
Germantown Buildings by 1%  
(from 180 to 178 billion  
BTUs) to create a more  
environmentally responsible  
workplace in accordance with  
Executive  
Order 12902.

## Annual Performance Results and Targets – Policy and International Affairs

| FY 2004 Results                            | FY 2005 Targets                            | FY 2006 Targets                            | FY 2007 Targets  | FY 2008 Targets   |
|--|--|--|--|---|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p>Definition: S-1 provides a rating of “Satisfactory” for PI’s contribution to supporting DOE mission. Possible ratings are: Outstanding, Satisfactory, or Needs Improvement.</p> <p><u>Definition: Reduce by 10% the average amount of time it takes, based on FY 05 timeframes, from appropriation of contract funds to submission of each procurement document to organizations outside of PI.</u></p> | <p>Definition: S-1 provides a rating of “Satisfactory” for PI’s contribution to supporting DOE mission. Possible ratings are: Outstanding, Satisfactory, or Needs Improvement</p> <p><u>Definition: Reduce by 15% the average amount of time it takes, based on FY 05 timeframes, from appropriation of contract funds to submission of each procurement document to organizations outside of PI.</u></p> |

## Annual Performance Targets – Policy and International Affairs

|                 |
|-----------------|
| FY 2009 Targets |
|-----------------|

Definition: S-1 provides a rating of “Satisfactory” for PI’s contribution to supporting DOE mission. Possible ratings are: Outstanding, Satisfactory, or Needs Improvement

Definition: Reduce by 20% the average amount of time it takes, based on FY 05 timeframes, from appropriation of contract funds to submission of each procurement document to organizations outside of PI

## Annual Performance Results and Targets – Public Affairs

| FY 2004 Results                            | FY 2005 Results                            | FY 2006 Results                            | FY 2007 Targets  | FY 2008 Targets  |
|--|--|--|--|--|
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p><u>Maintain a close working relationship with the news media and general public to keep them apprised of the Department's policies and program initiatives.</u></p> <p>Establish data collection process to track incoming calls and time to respond.</p> | <p><u>Maintain a close working relationship with the news media and general public to keep them apprised of the Department's policies and program initiatives.</u></p> <p>90% of all calls will be responded to in 24 hours or less.</p> |
| There were no related targets for FY 2004. | There were no related targets for FY 2005. | There were no related targets for FY 2006. | <p>Information provided by PA is reported by the major media.</p> <p>Establish data collection process and baseline to assess the number of media advisories, press releases, and news briefs issued.</p>  | <p>Information provided by PA is reported by the major media.</p> <p>60% of information items provided are reported in major media.</p>  |

## Annual Performance Targets – Public Affairs

### FY 2009 Targets

Maintain a close working relationship with the news media and general public to keep them apprised of the Department's policies and program initiatives.

92% of all calls will be responded to in 24 hours or less.

Information provided by PA is reported by the major media.

65% of information items provided are reported in major media.





## Office of the Secretary

### Program Direction Funding Profile by Category

(dollars in thousands/whole FTEs)

|                              | FY 2007 | FY 2008 | FY 2009 |
|------------------------------|---------|---------|---------|
| Headquarters                 |         |         |         |
| Salaries and Benefits        | 4,888   | 4,995   | 5,165   |
| Travel                       | 535     | 750     | 529     |
| Other Related Expenses       | 6       | 6       | 6       |
| Total, Headquarters          | 5,429   | 5,751   | 5,700   |
| Total, Full Time Equivalents | 34      | 34      | 34      |

### Mission

The Office of the Secretary provides leadership and policy direction to the Department of Energy in fulfilling its mission to advance the national economic and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex.

These efforts will be accomplished through:

- Providing scientific research capacity to advance scientific knowledge and discoveries for the DOE's applied missions; promoting the frontiers of the physical sciences and areas of the biological, environmental and computational sciences; and providing world-class research facilities and essential scientific human capital to the Nation's overall science enterprise.
- Strengthening and protecting our national security by applying advanced science and nuclear technology to the Nation's defense, and by reducing the global danger from the proliferation of nuclear materials and weapons of mass destruction.
- Enhancing energy security by developing technologies that foster a diverse supply of affordable and environmentally sound energy, improving energy efficiency, providing for the reliable delivery of energy, exploring advanced technologies that make a fundamental change in our mix of energy options, and guarding against energy emergencies.
- Cleaning up the environmental legacy of nuclear weapons and civilian nuclear research and development programs, permanently disposing of the Nation's radioactive wastes, minimizing the social and economic impacts to individual workers and their communities resulting from Departmental activities, and ensuring the health and safety of DOE workers, the public, and protection of the environment.
- Managing the Department's human, financial, facilities, infrastructure and technical resources and implementing the President's Management Agenda; demonstrating significant progress in resolving DOE's management challenges; and resolving management recommendations from DOE's Inspector General and the Government Accountability Office.

Departmental Administration/  
Office of the Secretary/  
Program Direction

FY 2009 Congressional Budget

The Office of the Secretary will continue to implement the President’s Management Agenda and utilize all resources necessary to support and execute the Administration’s National Energy Policy to promote dependable, affordable and environmentally sound production and distribution of energy for the future.

**Detailed Justification**

(dollars in thousands)

|  | FY 2007      | FY 2008      | FY 2009      |
|--|--------------|--------------|--------------|
| <b>Salaries and Benefits</b>   | <b>4,888</b> | <b>4,995</b> | <b>5,165</b> |
| Provides funding in FY 2009 for 34 full time equivalents in the Office of the Secretary, Deputy Secretary, Under Secretary, and the Under Secretary for Science to include salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, and performance awards.           |              |              |              |
| <b>Travel</b>  | <b>535</b>   | <b>750</b>   | <b>529</b>   |
| Provides funding for the Secretary, Deputy Secretary, Under Secretary, Under Secretary for Science, and special assistants to travel both internationally and domestically in support of the Department’s missions. Prior year balances will be used to offset travel requirements in FY 2009. |              |              |              |
| <b>Other Related Expenses</b>  | <b>6</b>     | <b>6</b>     | <b>6</b>     |
| Other Related Expenses provide funding for employee training and development.  |              |              |              |
| <b>Total, Program Direction</b>  | <b>5,429</b> | <b>5,751</b> | <b>5,700</b> |

**Explanation of Funding Changes**

|   | FY 2009 vs.<br>FY 2008<br>(\$000) |
|---|-----------------------------------|
| <b>Salaries and Benefits</b>  |                                   |
| Increase reflects government-wide increase for pay and personnel related costs.       | +170                              |
| <b>Travel</b>   |                                   |
| Decrease reflects anticipated adjustments and changes during shift in Administration. | -221                              |
| <b>Total Funding Change, Program Direction</b>  | <b>-51</b>                        |

### Other Related Expenses by Category

(dollars in thousands)

|                               | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Other Related Expenses        |         |         |         |
| Training                      | 6       | 6       | 6       |
| Total, Other Related Expenses | 6       | 6       | 6       |



**Board of Contract Appeals  
Program Direction**

**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                       | FY 2007 | FY 2008 | FY 2009 |
|-----------------------|---------|---------|---------|
| Headquarters          |         |         |         |
| Salaries and Benefits | 147     | 0       | 0       |
| Total, Headquarters   | 147     | 0       | 0       |
| Full Time Equivalents | 3       | 0       | 0       |

**Mission**

The Board of Contract Appeals is an administrative tribunal, responsible to the Secretary and under law for the fair and impartial trial and adjudication of a variety of disputes. With few exceptions, these disputes are related to the Department's acquisition and financial assistance programs. The Board exercises an array of statutory and delegated authorities. Board decision constitute final agency decisions and are not subject to administrative review or modification. The Board also serves as the principal source of neutrals for acquisition and financial assistance related mediation and other alternative dispute resolution procedures.

Beginning in FY 2007, Board of Contract Appeals will be funded within the budget for the General Services Administration (GSA).

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**147                      0                      0**

Beginning in FY 2007, Board of Contract Appeals will be funded within the budget for the General Services Administration (GSA).



**Office of the Chief Financial Officer  
Funding Profile by Category  
Program Direction**

(dollars in thousands/whole FTEs)

|                        | FY 2007 | FY 2008 | FY 2009 |
|------------------------|---------|---------|---------|
| Headquarters           |         |         |         |
| Salaries and Benefits  | 27,003  | 29,332  | 31,430  |
| Travel                 | 337     | 338     | 369     |
| Support Services       | 927     | 1,020   | 2,689   |
| Other Related Expenses | 9,777   | 11,308  | 10,560  |
| Total, Headquarters    | 38,044  | 41,998  | 45,048  |
| Full Time Equivalents  | 236     | 236     | 241     |

**Mission**

The Office of the Chief Financial Officer (CFO) assures the effective management and financial integrity of DOE programs, activities, and resources by developing, implementing, and monitoring Department-wide policies and systems in the areas of budget administration, program analysis and evaluation, finance and accounting, internal controls, corporate financial systems, cost analysis, and strategic planning. The CFO performs functions through the following offices which directly support the mission of the Department:

- Internal Review – ensures effective oversight and stewardship of the Department’s financial resources as required by the Chief Financial Officers Act of 1990; plans and manages a comprehensive Financial Management Oversight Program; implements an effective internal control program; manages the Department’s audit resolution and follow-up activities; and provides a corporate financial review, analysis, and reporting capability to the CFO;
- Finance and Accounting – provides central accounting and financial management services to the Department; provides accurate and timely financial reporting and produces auditable financial statements; and provides financial management support to DOE Headquarters program offices;
- Program Analysis and Evaluation – provides independent analytical advice on planning, execution, measurement and evaluation of the Department's program activities; plans and manages the Department’s strategic planning effort; manages the Department’s multi-year planning and resource allocation process; and facilitates improved effectiveness and efficiency of programs;
- Budget – plans, formulates, executes, analyzes, and defends DOE’s budget; manages the corporate funds control process; and serves as the external liaison for DOE on matters related to its budget;
- Corporate Information Systems – plans and manages the design, development, operation and maintenance of the Department’s Integrated Management Navigation System (I-MANAGE) program and projects; identifies and implements business process automation initiatives; provides technical support for legacy systems operations and maintenance; provides technical

support for web design, development and maintenance; manages cyber security and enterprise architecture activities; and serves as the liaison to the Chief Information Officer (CIO) for information technology services;

- Financial Policy - develops and promulgates Department-wide policy and general procedures in the areas of accounting and finance, budget, internal controls, financial systems, and travel management services;
- Cost Analysis - supports Departmental management by validating cost estimates of major new programs and projects, maintaining cost estimation tools and data bases, and developing cost analysis policy; establishment of this function will improve the information available to senior management on complex technical projects. As discussed below, \$2 million is requested in FY 2009 for additional Federal staff and specialized contractors necessary to support this new function; and
- CFO Business Operations Center - provides financial, human resources, travel, training, and administrative support to the Office of the Chief Financial Officer; manages and monitors CFO correspondence and corporate initiatives; and manages the DOE Working Capital Fund.

### Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|                              |               |               |               |
|------------------------------|---------------|---------------|---------------|
| <b>Salaries and Benefits</b> | <b>27,003</b> | <b>29,332</b> | <b>31,430</b> |
|------------------------------|---------------|---------------|---------------|

Provides for the payment of salaries and related expenses for a Federal staff of 241 full time equivalent employees (FTEs). In FY 2009, this includes five additional FTEs that will be added to support the new cost analysis function.

|               |            |            |            |
|---------------|------------|------------|------------|
| <b>Travel</b> | <b>337</b> | <b>338</b> | <b>369</b> |
|---------------|------------|------------|------------|

The CFO travel budget supports the travel of the CFO employees for review of programs, coordination with field activities, and training and development programs. It also supports travel by congressional committee staff members to support information gathering and oversight. The FY 2009 estimate reflects an increase in travel due to the anticipated travel requirements of the new Office of Cost Analysis.

|                         |            |              |              |
|-------------------------|------------|--------------|--------------|
| <b>Support Services</b> | <b>927</b> | <b>1,020</b> | <b>2,689</b> |
|-------------------------|------------|--------------|--------------|

Provide support services to the Office of Program Analysis and Evaluation, the Office of Cost Analysis, Management Support Services, and Other Purchases of goods and services from Government Accounts.

- |  |     |     |     |
|--|-----|-----|-----|
| <b>▪ Office of Program Analysis and Evaluation</b> | 146 | 124 | 757 |
|--|-----|-----|-----|
- Finances functions of the Office of Program Analysis and Evaluation in support of the Department's strategic initiatives and goals, and facilitates improved effectiveness and efficiency of programs. For FY 2009, the budget reflects the need for preparation and publication of a new DOE strategic plan. Further resources are provided for corporate modeling in support of analyses across energy programs.
- |                                 |   |   |       |
|---------------------------------|---|---|-------|
| <b>▪ Cost Analysis Function</b> | 0 | 0 | 1,000 |
|---------------------------------|---|---|-------|
- Funding supports advisory and assistance contractual services support for a new cost estimating analysis function to improve the Department's cost estimation.



(dollars in thousands)

|   | FY 2007       | FY 2008       | FY 2009       |
|---|---------------|---------------|---------------|
| <ul style="list-style-type: none"> <li> <b>Management Support Services</b> <p>Finances advisory and assistance contractual services across the entire CFO organization. The areas of support include management and professional support services, actuarial studies, administrative support, project management support, automated data processing, and desktop publishing support.</p> </li> <li> <b>Other Purchases of goods and services from Government Accounts</b> <p>Finances payments to other Federal agencies in support of E-Government initiatives, interagency councils and related services costs, Audit Clearing services and records management and storage services provided by National Archives Records Storage &amp; Handling (NARA).</p> </li> </ul>  | 363           | 478           | 514           |
| <b>Other Related Expenses</b>   | <b>9,777</b>  | <b>11,308</b> | <b>10,560</b> |
| <ul style="list-style-type: none"> <li> <b>DOE COE/EXCITE</b> <p>Finances DOE COE and related IT services.</p> </li> <li> <b>Working Capital Fund</b> <p>Finances services purchased from Working Capital Fund businesses including building occupancy, supplies, mail, printing, telephones, networking, payroll processing, and other administrative business lines.</p> </li> <li> <b>Other Services</b> <p>Other Related Expenses finances the acquisition of goods and services in support of the CFO's mission that are not classified as support services. This includes systems infrastructure and applications support; maintenance of equipment; information technology materials such as printers, memory upgrades, scanners, and fax machines; and staff training. Funding may also be used for personnel security investigations beginning in FY 2009. The funding also finances training opportunities through the Financial Management Development Program (FMDP).</p> </li> </ul> | 750           | 820           | 1,020         |
|   | 4,282         | 4,577         | 5,431         |
|   | 4,745         | 5,911         | 4,109         |
| <b>Total, Program Direction</b>   | <b>38,044</b> | <b>41,998</b> | <b>45,048</b> |

### Explanation of Funding Changes

|                                      |
|--------------------------------------|
| FY 2009<br>vs.<br>FY 2008<br>(\$000) |
|--------------------------------------|

#### Salaries and Benefits

Increase in salaries and benefits supports general pay increases, promotions, and within-grade increases for the CFO authorized staffing level of 241. The increase also supports an additional 5 FTEs over the FY 2008 level to establish the new cost analysis function.

+2,098

|                                      |
|--------------------------------------|
| FY 2009<br>vs.<br>FY 2008<br>(\$000) |
|--------------------------------------|

**Travel**

The increase supports the new cost analysis function. +31

**Support Services**

- **Office of Program Analysis and Evaluation**

The increase supports the Office of Program Analysis and Evaluation in the areas of corporate modeling, analysis and document preparation across the energy programs, and the FY 2009 update of the Department's Strategic Plan +633

- **Cost Analysis Function**

The increase provides funding for the new cost analysis function beginning in FY 2009 to finance advisory and assistance contractual services. +1,000

- **Management Support Services**

The increase provides for inflation and for increases in staffing supported by these services. +36

**Other Related Expenses**

- The increase for DOE COE and related IT services from the Office of the CIO reflects the impact of increased on-board employment. +200

- The increase in Working Capital Fund costs is due to the addition of seven (7) business activities into the Fund and the need to support staffing increases, including cost analysis. +854

- The decrease reflects the completion of upgrades to the Department's financial systems and related training. This decrease is offset by net increases in other CFO functions including human capital initiatives such as support for the Financial Management Development Program for financial professionals throughout the DOE complex. -1,802

**Total Funding Change, Program Direction** +3,050

### Support Services by Category

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Support Services   |         |         |         |
| Advisory & Assistance Contractual Services                     | 509     | 602     | 2,271   |
| Other purchases of goods and services from Government Accounts | 418     | 418     | 418     |
| Total, Support Services  | 927     | 1,020   | 2,689   |

### Other Related Expenses by Category

(dollars in thousands)

|                               | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Other Related Expenses        |         |         |         |
| Other Services                | 4,745   | 5,911   | 4,109   |
| DOE/COE                       | 750     | 820     | 1,020   |
| Working Capital Fund          | 4,282   | 4,577   | 5,431   |
| Total, Other Related Expenses | 9,777   | 11,308  | 10,560  |



## Chief Information Officer

### Funding Profile by Subprogram

(dollars in thousands)

|   | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|---|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Chief Information Officer                   |                                     |                                      |                        |                                     |                    |
| Cyber Security                              | 43,075                              | 35,184                               | -319                   | 34,865                              | 34,512             |
| Corporate Management Information<br>Program | 22,825                              | 28,421                               | -257                   | 28,164                              | 27,250             |
| Program Direction                           | 39,172                              | 47,502                               | -396                   | 47,106                              | 53,738             |
| Total, Chief Information Officer            | 105,072                             | 111,107                              | -972 <sup>a</sup>      | 110,135                             | 115,500            |

#### Public Law Authorizations:

Public Law 103-62: 'Government Performance Results Act of 1993'

Public Law 104-106: 'Clinger-Cohen Act of 1996'

Public Law 105-277: 'Government Paperwork Elimination Act of 1998'

Public Law 107-347: 'The E-Government Act of 2002'

Public Law 107-190: 'Federal Information Security Management Act of 2002'

Public Law 108-494: 'Commercial Spectrum Enhancement Act of 2004'

#### Mission

The Office of the Chief Information Officer provides advice and assistance to the Secretary of Energy and other senior managers to ensure that information technology is acquired and information resources are managed in a manner that complies with statutory policies and procedures including the Paperwork Reduction Act and the Clinger-Cohen Act, and the priorities established by the Secretary.

Additional functions include:

- Coordinates and articulates a shared vision and corporate perspective among the Department's information activities and champions Departmental initiatives to effectively manage information and to provide for corporate systems that add value to the businesses of the Department.
- Establishes, implements, and maintains a comprehensive and effective cyber/computer security program to protect the Department's classified and unclassified information and information technology assets.
- Provides required information on information technology to the public including posting Exhibit 300 Business Case Summaries for all major information technology investments at <http://cio.energy.gov/it-capital-planning.htm>.
- Ensures that information created and collected by the Department is provided to internal and external

<sup>a</sup> Includes a rescission of -\$972,000 in accordance with P.L. 110-161, the Appropriations Act, 2008.

customers and stakeholders in a timely, cost-effective and efficient manner.

- Defines and implements policies, procedures, and guidelines to ensure efficient, economical and effective information management planning and acquisition in support of the Department of Energy's mission and objectives.
- Promotes effective Departmental operations by encouraging performance-based management and where appropriate, facilitates the restructure of mission related processes before making significant information technology investments to improve the performance and cost-effectiveness of the Department's information management activities.
- Provides information security protections commensurate with the risk and magnitude of the harm resulting from unauthorized access, use, disclosure, disruption, modification, or destruction of information collected or maintained by the Department, and information systems used or operated by the Department or by a contractor or other organization on behalf of the Department.

### **Benefits**

Within the Departmental Administration Appropriation, the Office of the Chief Information Officer provides the following corporate guidance:

- Formulates and articulates a vision of the Department's information management activities aligned with the Department's strategic plan and mission.
- Assesses the Department's Program and Staff Offices capabilities, in the context of their strategic and tactical plans, to ensure their information and information technology requirements are aligned with their mission objectives and goals.
- Establishes standards and guidelines to maximize information and information system integration.
- Provides assistance and guidance in cyber/computer security to all Departmental elements.
- Coordinates planning for major information and information technology investments and assists in the development and application of programmatic performance measures for those investments.
- Advocates the creation, collection, and use of information as a corporate asset.
- Serves as the key advocate for information technology capital planning and investment.
- Provides advice and assistance to the Departmental information management community.
- Provides for information management and information technology systems support and operations for the Department of Energy Headquarters, and others upon request.

- Provides leadership and services to ensure secure, efficient, and effective quality life-cycle management of information to support the diverse missions of the Department.
- Advances information technology which is critical to Departmental programs, energy strategies, and the National interest.





## Cyber Security

### Funding Schedule by Activity

(dollars in thousands)

|                                    | FY 2007 | FY 2008 | FY 2009 |
|------------------------------------|---------|---------|---------|
| Cyber Security                     |         |         |         |
| Continuous Asset Monitoring System | 4,115   | 7,921   | 7,753   |
| Policy, Planning and Awareness     | 26,868  | 12,208  | 12,205  |
| Technology and Assessments         | 850     | 2,230   | 2,146   |
| Incident Management and Compliance | 11,242  | 12,506  | 12,408  |
| Total, Cyber Security              | 43,075  | 34,865  | 34,512  |

### Description

The Office of Chief Information Officer's Office of Cyber Security provides leadership and services, in coordination with program offices, field offices, and site and contractor organizations to ensure comprehensive and effective protection of electronic information and computer systems which support the Department of Energy. Additionally, the Office of Cyber Security is responsible for the following:

- Establishes, implements, maintains a comprehensive and effective cyber/computer security program to protect the Department of Energy's classified and unclassified information and information technology assets.
- Monitors oversight and audit activities to ensure appropriate and cost-effective information protection measures are applied to the information and information technology assets. Manages the Department-wide Communications Security, Emissions Security, Protected Transmission System, and Computer Security programs.
- Provides planning, coordination, and implementation support for Department-wide initiatives to enhance information protection.
- Provides assistance and guidance in cyber/computer security to all the Department of Energy Headquarters and field elements.
- Represents the Department of Energy in interactions with Federal, State, local government, and public and private organizations on cyber/computer security issues.
- Coordinates cyber security activities with program offices, field offices, and site and contractor organizations, as well as the Office of Health, Safety and Security.

The Office of Cyber Security develops cyber security policies and procedures that comply with statutory and regulatory requirements; responds to external reporting requirements such as the Federal Information Security Management Act of 2002; provides cyber security training; administers

**Departmental Administration/  
Chief Information Officer/  
Cyber Security**

**FY 2009 Congressional Budget**

compliance with National Communications Security and Telecommunications Electronics Material Protected from Emanating Spurious Transmissions policies; and provides technical and computer forensic services to Department of Energy components. The Office of Cyber Security has no direct supervisory authority over any Department of Energy information system to address these responsibilities.

The Program Goals of the Office of Cyber Security will be accomplished not only through the efforts of the direct (GPRA Unit) programs but with additional efforts from subprograms which support the GPRA Units in carrying out their mission.

**Benefits**

The performance objectives for the Department of Energy information systems (including information systems storing, transmitting and/or processing Department of Energy information) are externally mandated through the Federal Information Security Management Act, Office of Management and Budget instructions, and standards established by the appropriate bodies overseeing the regulation of unclassified, classified, intelligence and/or Restricted Data maintained in the information system. Reduced to their most common elements, these external requirements include the need to make risk-based investments in cyber security processes and tools that provide management, operational, and technical controls supporting these beneficial objectives: (1) Uninterrupted availability of information system resources, and (2) Confidentiality and integrity of information systems and their contents.

**Detailed Justification**

(dollars in thousands)

| FY 2007      | FY 2008      | FY 2009      |
|--------------|--------------|--------------|
| <b>4,115</b> | <b>7,921</b> | <b>7,753</b> |

**Continuous Asset Monitoring System**

The Continuous Asset Monitoring System (previously titled Corporate Asset Management) provides the Department with automated tools and processes to develop and maintain an accurate inventory of the Department’s information technology assets and information systems. This activity provides a distributed architecture to enable sites and facilities to identify systems, conduct vulnerability scanning and remediation, collect information regarding their certification and accreditation status, detect and manage the introduction of new systems, distribute security patches in a timely manner, and continuously monitor the configuration of the systems including validation that patches are up-to-date and that all security parameters are correct.

**Policy, Planning, and Awareness**

**26,868            12,208            12,205**

The Policy, Planning, and Awareness program provides Department-wide policy, guidance, oversight, compliance reviews, and advice and assistance support for the implementation of all cyber security related requirements including certification and accreditation and the Federal Information Security Management Act reporting. The program also provides rapid response services in responding to Inspector General and Independent Oversight findings, Congressional, Homeland Security and other external inquiries regarding the protection of Departmental information technology assets. Additionally, the program provides the Training, Education and Awareness program for the

**Departmental Administration/  
Chief Information Officer/  
Cyber Security**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Department of Energy.

|                                   |            |              |              |
|-----------------------------------|------------|--------------|--------------|
| <b>Technology and Assessments</b> | <b>850</b> | <b>2,230</b> | <b>2,146</b> |
|-----------------------------------|------------|--------------|--------------|

The Technology and Assessments program provides identification and evaluation of leading-edge cyber security solutions for use throughout the Department. The evaluations will include reviews of current and future commercial hardware and software products to identify possible cyber security concerns and support the development of new or modified policies and technical controls to mitigate new vulnerabilities. A major effort in this activity is collaboration with other government agencies and the national laboratories to identify cyber security solutions being developed through other research and development programs for possible use in the Department of Energy, and when appropriate, support the deployment of the prototype tools in the Department.

|   |               |               |               |
|---|---------------|---------------|---------------|
| <b>Incident Management and Compliance</b> | <b>11,242</b> | <b>12,506</b> | <b>12,408</b> |
|---|---------------|---------------|---------------|

The Incident Management and Compliance program activity supports the on-going Cyber Forensics Laboratory, the Computer Incident Advisory Capability, and Cooperative Protection Program to maintain the Department's basic incident detection and management capabilities. This activity will support the re-engineering of the incident detection and management activities across the Department to develop a Department-wide incident detection and management system that integrates the incident detection resources at each of the Department of Energy sites with the on-going Department activities and provide secure means for the rapid secure communications regarding suspected and known attacks and mitigation responses. The re-engineered incident detection and management system will facilitate the exchange of incident information with the United States Computer Emergency Readiness Team and other government agencies.

|                                 |               |               |               |
|---------------------------------|---------------|---------------|---------------|
| <b>Subtotal, Cyber Security</b> | <b>43,075</b> | <b>34,865</b> | <b>34,512</b> |
|---------------------------------|---------------|---------------|---------------|

### Explanation of Funding Changes

|  |
|--|
| <b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b> |
|--|

#### Continuous Asset Monitoring System (previously titled Corporate Asset Management)

As most of the actions identified in the DOE Cyber Security Revitalization plan have been completed and are now entering ongoing operational phase, the overall costs of cyber security have been marginally reduced.

-168

#### Policy, Planning, and Awareness

As most of the actions identified in the DOE Cyber Security Revitalization plan have been completed and are now entering ongoing operational phase, the overall costs of cyber security have been marginally reduced.

-3

#### Technology and Assessments

Departmental Administration/  
Chief Information Officer/  
Cyber Security

FY 2009 Congressional Budget

|  |
|--|
| <b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b> |
|--|

As most of the actions identified in the DOE Cyber Security Revitalization plan have been completed and are now entering ongoing operational phase, the overall costs of cyber security have been marginally reduced.

-84

**Incident Management and Compliance**

As most of the actions identified in the DOE Cyber Security Revitalization plan have been completed and are now entering ongoing operational phase, the overall costs of cyber security have been marginally reduced.

-98

**Total Funding Change, Cyber Security**

---

**-353**

## Corporate Management Information Program

### Funding Schedule by Activity

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Corporate Management Information Program        |         |         |         |
| Integrated Management Navigation System         | 11,458  | 11,760  | 11,710  |
| Architecture and Planning                       | 8,383   | 8,149   | 6,513   |
| Modernization Initiatives                       | 2,984   | 3,255   | 3,229   |
| Converged Networks                              | 0       | 5,000   | 5,000   |
| Records Management                              | 0       | 0       | 546     |
| Spectrum Management                             | 0       | 0       | 252     |
| Total, Corporate Management Information Program | 22,825  | 28,164  | 27,250  |

### Description

The Corporate Management Information Program is the Department of Energy's corporate initiative to replace outdated corporate information systems. The Corporate Management Information Program provides the Department with a managed, centralized, and cost-effective way to modernize the Department of Energy's corporate business systems.

The Program Goals of the Office of Corporate Management Information Program will be accomplished not only through the efforts of the direct (GPRA Unit) programs but with additional efforts from subprograms which support the GPRA Units in carrying out their mission.

### Benefits

The Program provides funding for four key elements of information technology modernization in the Department of Energy. First, it supports the Integrated Management Navigation System's financial, budget, human resource, procurement, document management, travel, and data warehouse development initiatives. Second, it provides funding for the development and maintenance of two core information technology management processes: Enterprise Architecture and Information Technology Capital Planning and Investment Control. Third, it provides modernization funding to enable the Department to leverage E-Government opportunities and support infrastructure improvements. Finally, it provides initial funding for the infrastructure requirements for a Converged Networks telecommunications system.

## Detailed Justification

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
|--|---------|---------|---------|

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Integrated Management Navigation System Program</b> | <b>11,458</b> | <b>11,760</b> | <b>11,710</b> |
|--|---------------|---------------|---------------|

The Integrated Management Navigation System Program (formerly titled Business Management Information System) provides the Department with a modern, comprehensive and responsible financial management and budget, human resources, procurement, and travel services systems. Funding will provide for the continued development and implementation of a Standard Budget System, post-deployment activities for the Strategic Integrated Procurement Enterprise System, enhancements to interfaces and a major software upgrade for the Standard Accounting and Reporting System, and expansion of data sources and enhancements to interfaces for the Department’s Integrating Business Management System Data Warehouse. It also provides for initial migration costs of the Department’s financial and human resources systems to the E-Government Financial Management and Human Resources Lines of Business solution consistent with the Department of Energy’s E-Government Implementation Plan.

|                                  |              |              |              |
|----------------------------------|--------------|--------------|--------------|
| <b>Architecture and Planning</b> | <b>8,383</b> | <b>8,149</b> | <b>6,513</b> |
|----------------------------------|--------------|--------------|--------------|

In order to support sound information technology management agency-wide and to meet the requirements of the Clinger-Cohen Act, the Office of the Chief Information Officer has implemented two core information technology management processes: Enterprise Architecture and Information Technology Capital Planning and Investment Control. This funding line supports the ongoing enhancement and implementation of these essential information technology management processes. In FY 2009, the Department of Energy’s Enterprise Architecture program will be enhanced to maintain a rating of four on the Government Accountability Office’s capability maturity model scale for Enterprise Architecture capability and accomplishments. Also, the Information Technology Capital Planning and Investment Control program will focus on maximizing the value of information obtained through the annual selection, control and evaluation processes to ensure that the Agency receives the maximum benefit from its large investment in information technology.

|  |              |              |              |
|--|--------------|--------------|--------------|
| <b>Department of Energy Information Technology Modernization Initiatives</b> | <b>2,984</b> | <b>3,255</b> | <b>3,229</b> |
|--|--------------|--------------|--------------|

This initiative is the Department’s primary implementing tool to ensure that specific investments identified by the E-Government Strategy are funded. The primary focus is to ensure that the ‘highest value’ E-Government initiatives are implemented, resulting in fewer duplicative information technology systems and delivering higher quality citizen-centric services.

In FY 2009, it will provide for enhancement of the Department of Energy’s Geospatial Sciences Program to coordinate the geospatial resources agency-wide and the implementation of collaboration tools that will support the delivery of several key corporate systems including e-Freedom of Information, Knowledge Management and the Concurrency Process Initiative.

|                           |          |              |              |
|---------------------------|----------|--------------|--------------|
| <b>Converged Networks</b> | <b>0</b> | <b>5,000</b> | <b>5,000</b> |
|---------------------------|----------|--------------|--------------|

The Department of Energy’s telephone and data networks at Headquarters are reaching the end or beyond the planned system life-cycle with rising maintenance costs, inadequate security features, and increasingly scarce technically qualified support service availability. Digital convergence and

**Departmental Administration/  
Chief Information Officer/  
Corporate Management Information Program**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

convergence of voice and data into a single wiring infrastructure is the predominant replacement service for the future. In FY 2009, the Department will continue to enable deployment of a modern single network/wiring infrastructure with high service availability while providing a unified management system within the Application Hosting Environment with continuous power over the network infrastructure and 99.999 percent service availability due to a fully meshed network infrastructure. Converged Networks will significantly improve Headquarters' cyber security posture and network access control at edge switches while reducing cost of operation in the future by 20 percent.

**Records Management** 0            0            546

Records Management Program has agency-wide policy and oversight responsibility for management of the Department's records. In compliance with the Federal Records Act, this program ensures that the Department of Energy adequately documents its missions and functions, policies, procedures, and decisions and preserves its historically valuable records. In FY 2007 and FY 2008, Records Management responsibilities were supported by the Office of the Chief Information Office's Program Direction account.

**Spectrum Management** 0            0            252

Spectrum Management is responsible for obtaining certification for major Department of Energy spectrum dependent systems, processing requests for Radio Frequency Authorizations for all Department Field activities, coordinating agency activity on Spectrum relocation and reimbursement, and Department policy governing use of wireless products and services and Federal spectrum. Very limited action plans will be developed to implement the Department of Energy's Wireless Strategic Plan and continued maintenance of the Wireless Technology Website will be provided. In FY 2007 and FY 2008, Spectrum Management responsibilities were supported by the Office of the Chief Information Office's Program Direction account in the Wireless and Spectrum Management Program.

---

**Total, Corporate Management Information Program** **22,825            28,164            27,250**

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Integrating Department of Energy Business Management System**

Funding decreased slightly due to reduced E-Gov Line of Business migration costs. -50

**Architecture and Planning**

Funding decreased in FY 2009 due to the establishment of increasingly mature, integrated Enterprise Architecture and Capital Planning and Investment Control agency processes. -1,636

Departmental Administration/  
Chief Information Officer/  
Corporate Management Information Program

FY 2009 Congressional Budget

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Modernization Initiatives**

Funding decreased slightly in FY 2009 due to the establishment of an increasingly mature Geospatial Sciences Program agency-wide. -26

**Records Management**

Records Management was previously reported in the Program Direction section of the budget. No actual funding increase. +546

**Spectrum Management**

Spectrum Management was previously reported in the Program Direction section of the budget. No actual funding increase. +252

---

**Total Funding Change, Corporate Management Information Program -914**



## Program Direction

### Funding Profile by Category

(dollars in thousands/whole FTEs)

|                              | FY 2007 | FY 2008 | FY 2009 |
|------------------------------|---------|---------|---------|
| Headquarters                 |         |         |         |
| Salaries and Benefits        | 13,525  | 17,736  | 18,418  |
| Travel                       | 135     | 138     | 138     |
| Support Services             | 20,377  | 22,482  | 28,028  |
| Other Related Expenses       | 5,135   | 6,750   | 7,154   |
| Total, Headquarters          | 39,172  | 47,106  | 53,738  |
| Total, Full-Time Equivalents | 116     | 141     | 141     |

### Mission

Program Direction provides Federal staffing and associated funding required for the overall management of activities carried out by the Office of the Chief Information Officer to include Cyber Security, Corporate Management Information Program, and Headquarters' Operations and Maintenance activities.

### Detailed Program Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

#### Salaries and Benefits

**13,525      17,736      18,418**

Provides salaries and benefits for Federal staff assigned to the Office of the Chief Information Officer to include the Most Efficient Organization. The request supports 141 full-time equivalents of which 34 are assigned to the Most Efficient Organization.

#### Travel

**135                  138                  138**

Includes all costs for transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations.

#### Support Services

**20,377              22,482              28,028**

#### ▪ Most Efficient Organization

**0                      0                      22,093**

The Most Efficient Organization is a partnership between Federal and contractor resources and is a first for this type of partnership. The Most Efficient Organization has been formed as a result of the A-76 competition for IT Services. In FY 2007, the Department of Energy competed for the performance of a commercial activity under the standard competition procedures of the Office of Management and Budget Circular A-76.

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
| 0       | 0       | 1,108   |

**Systems Development and Engineering**

▪ **Application Development and Software Engineering**

0 0 724

The Application Development and Software Engineering is a Service Provider that provide services including, but not limited to, full life cycle software engineering support to a wide variety of systems (mission systems) that support the day-to-day business functions of various components of Department of Energy. The Service Provider shall provide Information Technology development and support services, to include modernization and enhancements, to various software applications and data warehouses that support a variety of organizational and cross-organizational functions. Systems may be developed or enhanced using any combination of the following tools: Contractor off the shelf, Government off the shelf products, and database management software supplemented with custom code and/or high level programming languages as approved by Contracting Officer Representative. The Service Provider shall provide user training for developed or modified applications. The extent of user training required will be defined by the Contracting Officer Representative on a task order basis.

All work performed must conform to the requirements of the Clinger-Cohen Act or other applicable Department of Energy Orders, Department of Energy Corporate Information Management Guidance, Department of Energy Software Engineering Methodology, Office of Management and Budget Circular A-130, the Joint Financial Management Improvement Program, and other applicable guidance. The Service Provider shall identify its current Software Engineering Institute/Capability Maturity Model maturity level in its proposal. The Contracting Officer Representative, if appropriate, will specify the Software Engineering Institute/Capability Maturity Model level required by specific task order.

Existing applications shall be modified or enhanced per customer requirements as directed by task order to accommodate hardware, software, requirements changes, or software problems. Department of Energy retains the right to acquire new systems and enhancements to existing systems, outside this Contract, to ensure the best value for the Government. The Service Provider shall turn over all licenses, source codes (except Contractor off the shelf), products and ownership to the Government at the end of each task order or the master contract, whichever arises first. Upon completion of each task order the Service Provider shall comply with Department of Defense 8500.1 Section (D): Information Assurance when sanitizing Information Technology equipment.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

▪ **Web Site Development and Maintenance**

0 0 384

The Web Site Development and Maintenance is a Service Provider that is responsible for the administration and maintenance of existing web sites within Department of Energy. Tasks

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

include, but are not limited to, verification of hyperlinks, implementation of new technologies as they become available (e.g., multimedia, streaming technologies, and active server pages), and adherence to existing Federal regulations (e.g., Section 508). The Service Provider shall assist Department of Energy with various Government-wide initiatives, to include but not limited to, Web Council and e-Government. The Service Provider shall respond to and implement inter-agency and other Federal requests and mandates for changes to existing web sites. The Service Provider shall perform research and provide analysis about emerging technologies including, but not limited to, metadata, portals, and others as the need arises. The Service Provider shall be responsible for the development, administration, and maintenance of new web sites within Department of Energy as requested. These tasks include, but are not limited to, defining and developing of requirements (user and business), conducting testing, implementation, user training (on-site or remote), adherence to Department of Energy Enterprise Architecture Guidelines, and database design and maintenance, when applicable.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

|  |          |          |               |
|--|----------|----------|---------------|
| <b>Information Technology Operations Support</b> | <b>0</b> | <b>0</b> | <b>10,739</b> |
|--|----------|----------|---------------|

|                            |          |          |            |
|----------------------------|----------|----------|------------|
| ▪ <b>Inventory Control</b> | <b>0</b> | <b>0</b> | <b>166</b> |
|----------------------------|----------|----------|------------|

In accordance with Department of Energy standards, Inventory Control is a Service Provider that maintain and supplement the existing property management systems, policies, and procedures to ensure that inventories of Government Furnished Property are maintained and updated for all Information Technology related items to include, but not limited to, hardware, software, licensing agreements, maintenance contracts, wireless devices, and spare parts in accordance with local policies and procedures. The Service Provider shall identify excess Government Furnished Property and support the Contracting Officer Representative in its disposal. For approved excess Government Furnished Property this includes ensuring timely sanitation in accordance with Department of Defense Directive Section (D) 8500.1 and transfer of sanitized surplus equipment for disposal in accordance with local policies. When applicable, the Service Provider shall coordinate Information Technology inventory efforts with physical inventory personnel to ensure compliance.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

|  |          |          |              |
|--|----------|----------|--------------|
| ▪ <b>User Support and Workstation Management</b> | <b>0</b> | <b>0</b> | <b>2,199</b> |
|--|----------|----------|--------------|

User Support and Workstation Management is a Service Provider responsible for customer relationship and workstation management for the Department of Energy. User support maintains Customer Relationship Management, to include, but not limited to, pre-service activities, during service activities, post-service activities, and customer feedback programs to include surveys, follow-ups, and liaison with the customer. It provides user support to include, but not limited to,

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

assistance by telephone, remote control, support at the desktop/problem area, and complies with the Department of Energy remote access requirements. It provides new user set-ups, account termination, the establishment of e-mail and messaging accounts as well as telecommunication services, and the set up of peripheral/portable devices. Identifies equipment for disposal and ensures it is processed in accordance with Section 3.3.4: Inventory Control. Supports problem resolution, manages desktop hardware and software assignments, and addresses warranty problems.

Workstation Management is responsible for the planning, designing, testing, implementation, deployment, administration, maintenance, repairing, modification, final disposition, day to day operations, and upgrading to operating systems, software applications, and hardware utilized on user workstations. It provides and maintains a Contracting Officer Representative approved refresh rate; performs Personal Computer adds, moves, and changes; load clients; provides central management and remote management of desktops; and provides loaner equipment.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officers Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

▪ **Facilities Management and Physical Security** **0** **0** **485**

The Information Technology Facilities Management and Physical Security is a Service Provider that works with administrative services to provide facilities in use by the various Information Technology department(s) with the proper power, heating, cooling, ventilation, lighting, space management, construction, security, and maintenance as appropriate for the various sites. It develops, implements, and tests a backup and recovery strategy. Examples of areas to be considered include, but are not limited to, server rooms, switch closets, Local Area Network rooms, and Network Communication Centers. It prepares, updates, and maintains drawings of the various information technology facilities and other facilities for the purpose of configuration management, security, fire, safety, and physical planning. It provides a common repository of information regarding configuration management on all hardware and telecommunications equipment within the various Information Technology Facilities' physical plants. It provides analytical work including research and planning documents to support facilities work to be performed for the various locations included under this Contract.

Responsible for the planning and coordinating of non-emergency outages affecting service areas to include, but not limited to: creating timely notification of outages; maintaining physical security requirements and documents as deemed appropriate by the Contracting Officer Representative; and maintaining both physical and logical drawings of the processors, peripheral equipment, and their connectivity. The provider submits and seeks approval for all Information Technology related Configuration Change Proposals with the Change Control Board or the appropriate personnel, as identified by specific task orders. Performs administrative management support functions as directed.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations responsibilities were reorganized and reassigned into the Most Efficient Organization.

- **Server Administration** 0 0 2,797

The Server Administration is a Service Provider that manages all production, test, and development servers. Performs server administration activities to include, but not limited to, account management, monitoring and auditing system logs, back up and recovery, security, managing operating systems, and storage management. Responsible for testing and installing operating system upgrades and patches in a timely manner consistent with security and change control requirements.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

- **Emergency Preparedness** 0 0 4,926

The Emergency Preparedness is a Service Provider that performs emergency preparedness activities to include disaster recovery planning and execution and development of the Continuity of Operations Plan. Currently, the majority of Headquarters user's desktops, E-mail and supporting server infrastructure and Department of Energy - wide corporate systems are supported by the Office of the Chief Information Officer at Headquarters Enterprise Service Center-East. This funding addresses needed improvements to support both Continuity of Operations/Disaster Recovery infrastructure build out at the Enterprise Service Center-West. Having this capability would enable the rapid recovery of these essential support services for the personnel working on critical Department of Energy mission functions.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations' responsibilities were reorganized and reassigned into the Most Efficient Organization.

- **Secure Wireless Services** 0 0 166

Provides Secure Wireless Services to securely install, operate, maintain, repair, upgrade, configure, and document all wireless technology (including such things as cellular telephones, radio frequency communication (conventional and trunking), microwave, satellite links, and bi-directional satellite links, Personal Digital Assistants, paging systems (advanced messaging), wireless Local Area Networks, repeaters, and all associated support equipment that completes the wireless Local Area Network system) required to meet the business needs of the organization. Changing and increasingly sophisticated cyber security threats and evolving and increasing customer demands for wireless/mobile technology require additional investments in support resources and equipment. As the jobs of Department of Energy personnel require more mobility and connectivity, the previous protection of data by physical means is no longer available. This requires sophisticated technological solutions to provide protection of data as it travels both over the air waves and as it resides on mobile devices.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Operational Cyber Security**

**0                      0                      8,030**

Provide cyber security for the Department of Energy in compliance with the Department of Energy’s Order 205.1; Department of Energy Cyber Security Management Program, dated March 21, 2003; and any other applicable security regulations and policies. In the case of the National Nuclear Security Administration, Operational Cyber Security complies with all National Nuclear Security Administration Policy Letters concerning cyber security.

The Headquarters Operational Cyber Security Support provides support for the planning, purchase, configuration and operation of enhanced cyber security controls to mitigate weaknesses and to enhance ongoing operations and maintenance of existing cyber security controls. The Cyber Security Division provides penetration test functions, as well as supporting the ongoing operations and maintenance of newly implemented solutions. This support will be used to enhance cyber security in multiple primary areas: server security; network security; access administration and control, desktop security, and intrusion detection and response. The Department of Energy has identified specific determined and pervasive threats to the Department’s cyber assets, information and intellectual capital. These threats are known to be from both domestic and foreign sources. The increasingly sophisticated attacks against the Department of Energy from these identified threats occur daily, in very large numbers. Recent Office of Health, Safety and Security and the Inspector General testing recognized cyber security improvements, but at the same time indicated that several significant weaknesses continue to exist, and confirmed the urgent need to provide operational and management funding to fully and properly implement the desired and necessary cyber security controls. Some needed hardware and software was provided as a stop gap measure to mitigate the most severe weaknesses identified in the report entitled “United States Department of Energy Cyber Security Program, Revitalization of the Department of Energy Cyber Security Program.” However, labor to implement and make these products fully operational was not provided. As a result, while these products provided some increased cyber capabilities and protection, significant weaknesses continue to exist. Among other things this funding will provide the necessary labor to complete the implementation and fully configure the software and hardware previously purchased thus making them fully operational.

Provides support to implement enhanced cyber security controls in response to evolving threats to the Department of Energy’s Headquarters information technology resources and changing Federal and Department of Energy requirements. The support will be used to procure, implement, operate and manage a cyber security defense-in-depth architecture initially proposed as a result of the FY 2005 Office of Oversight and Assurance Red Team Penetration Test. It’s intended to facilitate implementation, operation and management of cyber security functions newly mandated in the Office of the Chief Information Officer issued Technical and Management Requirements, as well as new regulations, standards and guidelines emanating from the Office of Management and Budget and the National Institutes of Standards and Technology. The Office of the Chief Information Officer must enhance protection of the Department’s sensitive unclassified information, including Personally Identifiable Information in accordance with Office of Management and Budget and Department of Energy mandates. It will establish measures for

**Departmental Administration/  
Chief Information Officer/  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

protection of this sensitive unclassified information to include purchase, implementation and operation of encryption for data at rest, 2-factor authentication for all Headquarters users, enhanced remote access capabilities and implementation of measures to detect and prevent removal of sensitive unclassified information from Department of Energy Headquarters systems.

Protects all the Department of Energy's unclassified and classified information and information systems under its management. The Designated Approval Authority(s) will define at the task level, the level of risk the Department of Energy is willing to accept. Controls all information systems at all times commensurate with the risk and magnitude of harm that could result to national security interests and Department of Energy missions and programs resulting from a loss of confidentiality, availability, and/or integrity of the information or systems. Serves as senior network security technical advisor, and performs a detailed examination of the security management and monitoring procedures/resources required to keep the Department of Energy in compliance with Federal cyber security directives and best business practices. Also provides the relevant Cyber Security awareness training as directed at the task level.

Maintain network vulnerability scanning services and analysis as well as track and report configuration and vulnerabilities of supported systems, corrective actions taken, and vulnerability mitigation. Establishes, implements, and maintains the following controls: limit and control outside visibility to Department of Energy systems; limit and control access to the same systems; limit and control network interfaces across security boundaries, and monitor and report anomalous, security related (network) activity.

Provide cyber security and network support services 24 hours a day, seven days a week, to include, but not limited to, responding to real or potential security events, responding to Federal data calls or other mandated reporting requirements, and providing after-hours security support for Department of Energy networks and all associated Program/Staff Offices and Field Organizations. Oversee response(s) to all incidents involving malicious or suspicious code to include, but not limited to, viruses, Trojan horses, worms, and macros. Respond to malicious attacks, provide technical advice when required, and collect incident tracking information. Maintain a database of all pertinent information relating to malicious code encounters and incidents including, but not be limited to, virus, user, organization, location, source, affected media, and whether the incident was internal or external to Department of Energy. Update and maintain the knowledge management solution accordingly and coordinate with other Federal elements and vendors as needed.

Implement anti-viral tools as necessary including, but not limited to, configurations and dissemination mechanisms, filtering, blocking, and auditing. Provide senior expertise, guidance, resources, and analysis for organizational and enterprise virus protection audits as required. Develop and maintain mechanisms for distribution of anti-viral software to virus response staff, system administrators, and users at the desktop, remote locations, and at home. Provide reports of virus encounters on a monthly basis to the Department of Energy Computer Incident Advisory Capability, to various virus bulletins, and others as necessary. Ensure all virus definitions for anti-virus software are kept current, within 24 hours of release of the new definitions either

**Departmental Administration/  
Chief Information Officer/  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

through manual or electronic means.

**Chief Information Officer Contracted Services**

|   |          |          |              |
|---|----------|----------|--------------|
| <b>Outside Performance Work Statement</b> | <b>0</b> | <b>0</b> | <b>1,024</b> |
|---|----------|----------|--------------|

The Chief Information Officer Contracted Services outside Performance Work Statement supports services task that provides a variety of network and wireless support services to the Department of Energy’s Headquarters-wide community that is not covered within the confines of the Department’s Working Capital Fund. The Office of the Chief Information Officer has direct responsibility for networking a wireless infrastructure between and among the Department’s staff offices, program offices, and field sites, and is required to provide network infrastructure support services and enhance its current network transport capabilities to be able to recover from any adverse crisis and disastrous condition and ensure continuous operations. To this end, this task provides support for engineering and optimum Information Technology network infrastructure and ensures operational system management, networking, telecommunications, and records management capabilities are in affect and are continually available.

Provides system engineering support personnel for developing Information Technology business practices/processes and deploying optimum operating processes and procedures along with supporting operating documentation and guides for ensuring continuous network infrastructure operations as required by the Presidential Management Agenda and the measurement and reporting of key markers outlined in the Federal Information Security Management Act. Specific activities include the definition and deployment of Enterprise Management System requirements for automating the best practices and procedures for managing the network infrastructure and providing system engineering support services, including labor, licenses and Other Direct Costs funds necessary for supporting deployment Enterprise Management System infrastructure platforms for monitoring and measuring the operational condition and performance of the Department of Energy network infrastructure. This task also includes funding for operations and operational support personnel to operate and maintain the Department of Energy Telecommunications Infrastructure components and satellite uplink time for official mass media communications via televideo broadcasts to all Department of Energy employees throughout the Department of Energy.

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer’s Operations Office. In FY 2009, Operations’ responsibilities were reorganized and reassigned into the Most Efficient Organization.

**Department of Energy Common Operating Environment**

|  |          |          |              |
|--|----------|----------|--------------|
|  | <b>0</b> | <b>0</b> | <b>1,192</b> |
|--|----------|----------|--------------|

The Department of Energy Common Operating Environment supports the Most Efficient Organization A-76 Field service requirement for consolidation of information technology Field support services activities into the Department’s Department of Energy Common Operating Environment and its associated Program. Also supports the checking, testing, and validation on the compatibility and use of the Department of Energy Common Operating Environment. Desktop Common Operating Environment services by Department’s Field Sites and operational activities. Implementing the Most Efficient Organization Performance Work Statement will result in an

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

increase in volume of services to the Program and increase Technology Integration Center testing and evaluation requirements.

The task provides program management and technical and systems engineering support services to the Office of Operations for the Department of Energy Common Operating Environment Program. The task provides for the staffing of the Department of Energy Common Operating Environment Technology Integration Center for annual evaluating and testing of the new Desktop Common Operating Environment hardware and software configurations and evaluation and testing of Application Hosting Environment infrastructure platforms for hosting and housing applications services. The Technology Integration Center will also assist the Department in the technical management, planning, design, implementation deployment, operation, evaluation, maintenance, troubleshooting and enhancement of Department of Energy Common Operating Environment services upon deployment nationwide. The support will be comprehensive in nature; crossing many Department of Energy Common Operating Environment service development and deployment areas and may include but not be limited to engineering and system design support. The focus of the Department of Energy Common Operating Environment initiative is to: consolidate all aspects of common information technology services throughout Department of Energy as a way to improve services, increase information technology purchasing power, increase efficiency, and reduce overall information technology expenditures. Department of Energy Common Operating Environment Program Management will continue to conduct cost effective and efficient migrations to the Department's Desktop Common Operating Environment through the use of electronic tools. The Technology Integration Center will also be continually evaluating and performing Desktop Common Operating Environment upgrades and enhancement on a daily basis, and performing compatibility testing as required. The task provides for technology assessment and planning resulting in improving the financial planning, budget formulation, and budget forecasting of modernization, enhancement and upgrade of the Department of Energy-wide information technology infrastructure services through development of a proactive Technology Infrastructure.

Modernization Roadmap that will include not just Common Operating Environment and systems integration but application integration across the enterprise as well. The task also provides hardware, software and contractor technical support for managing Headquarters-wide electronic mail messaging and Departmental collaboration service. Information Technology also provides management and technical support to 7,500 e-mail users that include integrated directory services, protection against viruses introduced via Internet e-mail into the Headquarters operating environment, and funding to maintain the Automated Digital Network circuit connectivity to the Defense Information Systems Agency Defense Data Network system for distributing interagency and interdepartmental classified and unclassified message traffic from other Federal Department and Agencies. The Department-wide Secure Information Management and Exchange Network system also distributes Automated Digital Network message traffic to nine other Department of Energy Field Sites that has operational affiliation with other Federal Departments.

In FY 2007 and FY 2008, the Department's Desktop Common Operating Environment responsibilities were provided from Operations and transferred into the Most Efficient Organization

**Departmental Administration/  
Chief Information Officer/  
Program Direction**

**FY 2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

in FY 2009 as a result of the reorganization.

|   |               |               |          |
|---|---------------|---------------|----------|
| ▪ <b>Operations</b>   | <b>14,610</b> | <b>16,250</b> | <b>0</b> |
| <b>Telecommunications, Engineering, and Network Support</b> | <b>5,499</b>  | <b>5,161</b>  | <b>0</b> |
| ▪ <b>Infrastructure, Network, and Support Services</b>      | <b>1,728</b>  | <b>1,562</b>  | <b>0</b> |

In FY 2009, Infrastructure, Network, and Support Services is transferred into Chief Information Officer Contracted Services Outside Performance Work Statement. In FY 2007 and FY 2008, Infrastructure, Network, and Support Services provided for a variety of networking support, engineering and maintenance services in support of the Department of Energy-wide Headquarters community that was funded outside of the Headquarters Working Capital Fund. The Department has developed and expanded its increased level of awareness and concern regarding the ability of the Department of Energy-wide information technology infrastructure to continue normal operations after the occurrence of any adverse condition such as a crisis, emergency or disaster. To this end, the Office of the Chief Information Officer must ensure that the Department's mission critical functions can be accommodated by the information technology infrastructure in the areas of design, operations and management of the Department of Energy-wide information technology infrastructure, telecommunications and networking, cyber space detection and protection, common enterprise-wide application services, and records management. The Office of the Chief Information Officer has direct responsibility for all networking between and among the Department Staff Offices, Program Offices and Field Sites, and is required to provide and enhance its current secure network transport capabilities to be able to recover from an adverse condition and ensure continuous operations.

Included support personnel responsible for development and preparing procedures, practices, technical skills, standards and documentation necessary to support the President's Management Agenda and the measurement and reporting of key markers from the Federal Information Security Management Act. Specific activities involve Enterprise Management Systems requirements for automated best practices for managing critical network and infrastructure necessary for supporting the Enterprise Management Systems platforms. Includes funding to operate and maintain Telecommunications Infrastructure components and satellite uplink time for official mass media communications via televideo broadcasts to the Department-wide community.

|   |            |            |          |
|---|------------|------------|----------|
| ▪ <b>Department of Energy Headquarters Video/Audio Communications Support</b> | <b>616</b> | <b>566</b> | <b>0</b> |
|---|------------|------------|----------|

In FY 2009, the Department of Energy Headquarters Video/Audio Communications Support is transferred to Chief Information Officer Contracted Service Outside Performance Work Statement under the Most Efficient Organization. In FY 2007 and FY 2008, the support provided management and technical resources in support of the daily operations of classified and unclassified videoconference systems and services within Headquarters. Management and technical support included centralized conferencing scheduling services; engineering support; design, operation, and maintenance of the Headquarters Integrated Switched Digital Network;

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

installation and maintenance of classified and unclassified videoconference systems; Department-wide consulting services; design and maintenance of the Video Operations website; and Communications Security Account Management. Management and technical resources also provided administrative and technical assistance in support of the VIA3 multi-media meeting, coordination and collaboration system/service to include Web-Ex audio conferencing system and service. These dynamic video and audio conferencing services are provided through the Artic Slope Regional Corporation Aerospace and York Telecom Corporations contracts.

- |                                     |            |            |          |
|-------------------------------------|------------|------------|----------|
| <b>E-Mail and Messaging Support</b> | <b>865</b> | <b>865</b> | <b>0</b> |
|-------------------------------------|------------|------------|----------|

In FY 2009, E-Mail and Messaging Support is transferred to User Support and Workstation Management under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided hardware, software and contractor technical support for managing Headquarters-wide electronic mail messaging and Department-wide coordination and collaboration service. Provided for program management and technical support to 7,500 e-mail users that includes integrated directory services, protection against viruses, Trojans and malware introduced via Internet e-mail into the Headquarters operating environment, and funding for operation and maintenance of the Automated Digital Network circuit connectivity to the Defense Information Systems Agency Defense Data Network system for distributing interagency and interdepartmental classified and unclassified message traffic from other Federal Departments and Agencies. The Department-wide Secure Information Management and Exchange Network system also distributed Automated Digital Network message traffic to other Department of Energy Field Sites that had operational affiliation with other Federal Departments.
  
- |   |              |              |          |
|---|--------------|--------------|----------|
| <b>Public Key Infrastructure Operations</b> | <b>1,290</b> | <b>1,168</b> | <b>0</b> |
|---|--------------|--------------|----------|

In FY 2009, the Public Key Infrastructure Operations is transferred to Operational Cyber Security under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for a Department-wide Public Key Infrastructure trusted and secure infrastructure that supported the Department's Headquarters, Field Sites, and Department of Energy Research Laboratories and Facilities' missions of protecting the Department of Energy's basic science and intellectual capital relative to advanced research and scientific information and data. The Department-wide Public Key Infrastructure solution eliminated the need for the Department's Field Sites and laboratories from developing their own redundant Public Key Infrastructure solution for the verification of identity and electronic signatures. Moreover, the Department's enterprise-wide Public Key Infrastructure applications deployment, operations and maintenance provided for a more secure and reliable E-Government platform for the Department of Energy. The Department's enterprise-wide Public Key Infrastructure, along with digital signatures, also encouraged the fulfillment of business transactions electronically and enhanced the electronic communications within the Department of Energy, business partners and other Federal Departments such as the Treasury Department. This task provided for the hardware, software, certificate licenses, and contractor technical support to operate and maintain the existing public key infrastructure. This task also supported the operation and maintenance of the RSA Security System for Two-Factor authentication for providing a greater degree of authorization and authentication security in operation and management of the Department of Energy enterprise applications and information technology infrastructure by information technology system application/operating system

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

administrators and remotely connected Department of Energy business users.

▪ **Network Security Team** **1,000** **1,000** **0**

In FY 2009, the Network Security Team is transferred to Operational Cyber Security under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for Headquarters Cyber Security operations, monitoring and detection services. These services were comprised of operation and maintenance of the Department's Headquarters Network Security Operations Center and detection and eradication of malware intrusions and events. Information Technology also provided for training on eradication of viruses for the Help Desk Service Center's computer support staff. Analyzed detection incidents and provided remediation and eradication. The Network Security Operations Center operated 24/7 to provide basic oversight, detection and remediation of the Department's assets affected by malware.

**Headquarters Cyber Security Support Systems** **1,800** **2,107** **0**

In FY 2009, the Headquarter Cyber Security Support Systems is transferred to Operational Cyber Security under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for Unclassified and Classified Certification and Accreditation Support Services in the certification and accreditation of Headquarters classified data and information technology application and information technology infrastructure assets. In addition, funding provided cyber security assessments, security auditing and management services in support of Headquarters operations. Information Technology supports the development of common criteria to introduce a repeatable methodology for documenting information technology security requirements, documenting and validating product security capabilities, and promoting cross-organizational cooperation in the area of information technology security. Additionally, Information Technology provides assistance to Headquarters management and Program Offices in developing and implementing processes for the certification and accreditation of classified security policies and technical security procedures in compliance with the Department's directives, Federal laws and regulations, National Institutes of Standards and Technology Special Publications, and other guidelines issued by the Office of the Chief Information Officer.

**Information Technology Office Systems** **1,096** **1,375** **0**

In FY 2009, Information Technology Office Systems is transferred to Facilities Management and Physical Security under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided hardware, software, and contractor desktop support services to include managed news and mass media communications services to the Departmental Administration-funded customer base. This included ensuring that desktop hardware and software was no more than three-years old (one-third of the users are upgraded per year on a revolving cycle); Help Desk Service Center and desk side support services for resolving and correcting desktop configuration problems, operational Office Automation and desktop hardware problems, ad-hoc user training, etc.; and modernization and upgrade of the Department's Help Desk Service Center trouble ticket/asset management systems (Applix) along with its call routing software (Apropros) for greater efficiency and productivity of Help Desk agents and service technicians.

(dollars in thousands)

**Department of Energy Corporate Systems**

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
| 5,249   | 6,315   | 0       |

▪ **Energy.Gov**

374 374 0

In FY 2009, Energy.Gov is transferred to Web Site Development and Maintenance under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for operation, maintenance and upgrades to energy.gov into line with best practices throughout the Federal Government and transition to one “look and feel” for web presence across all the Department of Energy. The task also provided for expansion of content management and maintenance services throughout Headquarters only.

▪ **Department of Energy Headquarters Data Center Services**

1,700 1,900 0

In FY 2009, the Department of Energy Headquarters Data Center Services is transferred to Server Administration. In FY 2007 and FY 2008, the task provided for computer operations, facilities management, hardware maintenance, software licensing, systems programming and data base management support (i.e., Payroll, Procurement, Corporate Data Repository, Online Locator System, etc.) in support of Headquarters within the Department’s Application Hosting and Housing Environment. Information Technology also provided for disaster recovery services for common enterprise applications services within the Headquarters Administrative Computing Center Section of the Application Hosting Environment.

The Application Hosting Environment was established as a managed information technology infrastructure service that allows developers the flexibility to choose from a variety of technologies and platforms to build the best solution. This environment consolidates many of the current “one application/one hardware” solutions onto shared platforms. This allows leveraging of resources and a reduction in costs associated with maintenance, licenses, backup/recovery, Disaster Recovery, Continuity of Operations, people, etc. The Application Hosting Environment has established methods and mechanisms for supporting software deployment, maintenance, license management, and Certification and Accreditation of servers at the Department. Application Hosting Environment provides automated infrastructure provisioning of operating systems and applications. This reduces the time and labor required to provision large numbers of servers while at the same time providing better infrastructure consistency and security management.

▪ **Web Services Support**

200 225 0

In FY 2009, the Web Services Support was transferred to Application Development and Software Engineering under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for general software updates, assessing additional enhancements, gathering business requirements, and assessing any additional costs pertaining to the Energy.gov web site and its design and/or Content Management/Maintenance system; provided system administration support for content management and maintenance of the Office of the Chief Information Officer’s Website; and provides for renewal of software maintenance agreements and associated licenses.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- |   |            |              |          |
|---|------------|--------------|----------|
| <b>Corporate Systems</b>  | <b>900</b> | <b>1,000</b> | <b>0</b> |
| <p>In FY 2009, the Corporate Systems is transferred to Network Upgrades under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for a Departmental Disaster Recovery and Continuity of Operations site with Storage Area Network, server, and storage systems staged online to be activated in the event of a declared National or metropolitan crisis, emergency or disaster. Department of Energy has identified significant vulnerabilities to its continuity of operations and its ability to operate under emergency conditions for the past several years. The Office of the Chief Information Officer also has the responsibility for providing these services to other Departmental organizations which includes the Office of the Secretary of Energy, and is tasked to provide and enhance information technology capabilities to facilitate recovery from any emergency and ensure a continuity of operations of mission critical and essential application services in support of the various Department Staff Offices and selective Program Offices. This includes continued operations for Department's critical business applications like: Integrating Department of Energy Business Management System, Corporate Human Resources Information System, Electronic Proposal Management Application, Department of Energy Info, Corporate Data Repository, Department's National Telephone Directory, Automated Time Attendance and Payroll System, Energy.gov, Emergency Notification System, Citrix, and many other key Departmental programs and services hosted within the Department of Energy's Application Hosting Environment facility and complex.</p> |            |              |          |
| <b>Office of the Chief Information Officer Portal and Other Services</b>  | <b>200</b> | <b>299</b>   | <b>0</b> |
| <p>In FY 2009, the Office of the Chief Information Officer Portal and Other Services is transferred to Application Development and Software Engineering under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for a Department of Energy corporate portal that facilitates the operation and maintenance of a secure on-line collaboration, common integration and single point of access for optimizing access to enterprise integrated document and records management system, providing access to the Department's Continuity of Operations documents/records, supporting access to Electronic Freedom of Information Act and Knowledge Management services.</p>  |            |              |          |
| <b>Departmental Budget Financial System</b>   | <b>700</b> | <b>1,000</b> | <b>0</b> |
| <p>In FY 2009, the Departmental Budget Financial System was transferred to Server Administration under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for information technology infrastructure support services in support of corporate business applications. Information Technology includes planning, design, engineering, integration and coordination with system owners on business requirements and system design. The task assured that new systems comply with existing Department of Energy and Chief Information Officer policy, Enterprise Architecture standards, properly implement security policy and configurations and fully exploit existing corporate systems data, infrastructure and application capabilities. The task also will be used to facilitate the integration of the e-Gov initiatives into the Department's information and data infrastructure. The initiative supports migrating the Department of Energy to a data centric architecture and establishes an enterprise discipline in the development of corporate</p>   |            |              |          |

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

and enterprise systems that provide business intelligence on the health and performance of the Department's programs.

▪ **Opsware Software Licenses and Support** **500** **642** **0**

In FY 2009, Opsware Software Licenses and Support was transferred to Network Administration under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided for the annual cost of Headquarters' recently deployed vulnerability management and patch management system called BigFix. The application system assisted the Office of the Chief Information Officer in better managing information technology assets and licenses, analyzing vulnerabilities of information technology infrastructure platforms, provisioning of patches on the information technology infrastructure platforms to include desktops, etc. Information Technology will also assist with validation and verification of cyber security accreditation and certifications and associated compliance with minimum security configuration standards. The support will increase the Office of the Chief Information Officer's ability to be leaders in the Department for information technology innovations and advanced solutions and the ability to support Program Strategic Performance Goal CM3-1: Promote the effective management of information technology resources in the Department.

▪ **Oracle Enterprise License Agreement** **675** **875** **0**

In FY 2009, the Web Services Support was transferred to Application Development and Software Engineering under the Most Efficient Organization. In FY 2007 and FY 2008, the task provided payment for the annual Department of Energy enterprise-wide maintenance licenses for Oracle under an Enterprise License Agreement established in FY 2003.

**Department of Energy Common Operating Environment**

**966** **1,292** **0**

In FY 2007 and FY 2008, this responsibility was supported under the Office of the Chief Information Officer's Operations Office. In FY 2009, Operations responsibilities were reorganized and reassigned into the Most Efficient Organization.

▪ **Residual Organization Support Services** **0** **0** **1,000**

The Residual Organization is responsible for monitoring the cost and performance of the Service Provider on a quarterly basis, recording the actual cost of performance by performance period, implementing a quality assurance surveillance plan for each task order and sub-task order, and ensuring proper documentation of contract deliverables.

The Residual Organization shall measure and monitor cost and performance for all performance periods, implement the quality assurance surveillance plan/conduct reviews (36), retain the solicitation and any other documentation from the streamlined or standard competition as part of the competition file, maintain the currency of the contract file, consistent with Federal Acquisition Regulation Subpart 4.8, for contracts, Most Efficient Organization letters of obligation, and fee-for-service agreements, record the actual cost of performance by performance period, monitor, collect, and report performance information, consistent with Federal Acquisition Regulation Subpart 42.15, for purposes of past performance evaluation in a follow-on streamlined or standard competition.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Enterprise Operations**

0                      0                      1,000

In FY 2007 and FY 2008, this responsibility is supported under the Office of the Chief Information Officer's Operations' Office. In FY 2009, responsibilities were reassigned into Enterprise Operations. Responsible for overall management, implementation, operation and maintenance oversight of Department-wide unclassified enterprise information technology services and infrastructure systems to include: information technology business practices and processes re-engineering and improvement to include promoting cost-effective services through cost-sharing arrangements; unclassified telecommunications and networks; cyber security infrastructure operations and maintenance; information technology office systems to include seat management and network device peripherals systems; and applications services and their associated infrastructure and network platforms operations and maintenance. Represents the Department of Energy, as appropriate, on Government-wide information technology infrastructure activities and events to include the Department of Homeland Security, National Communications System, and other external oversight agencies. Provides contractual and quality assurance oversight over the information technology Service Provider and the associated information technology services' contract and ensures that efficient and effective Department-wide, enterprise information technology services are delivered in support of the Department of Energy corporate mission in accordance with the Federal Acquisition Regulations. Provides task/Statement of Work management and associated budget, financial and human capital oversight over the Performance Work Statement contract and the associated information technology Service Provider.

▪ **Information Technology Corporate Management**                      5,767                      6,232                      4,935

Information Technology Corporate Management manages the Office of the Chief Information Officer's human resources, budget formulation and execution, and the acquisition process of Department's Information Technology.

**E-Government**                      3,336                      3,400                      3,400

The President's vision for reforming Government emphasizes that "Government needs to reform its operations - how it goes about its business and how it treats the people it serves." E-Government is a critical component in meeting today's citizen and business expectations for interaction with Government, as information technology facilitates the ability to align efforts to significantly improve service and reduce operating costs. The Department provides funds in support of the following Government-wide initiatives: GovBenefits, Grants.gov, E-Rulemaking, E-Training, Integrated Acquisition Environment, E-Authentication, Business Gateway, Recruitment One-Stop, Enterprise Human Resource Integration, E-Travel, and the following Lines of Business: Financial Management, Grants Management, Human Resources Management, Budget Formulation and Execution, Geospatial, and Information Technology Infrastructure. In FY 2009, the Office of the Chief Information Officer will fund \$3.4 million of the Departmental E-Government initiatives and the remainder is funded through Departmental and Interagency allocations. The total FY 2009 Departmental obligation for E-Government initiatives is \$7.3 million.

**FY 2007, FY 2008, and FY 2009 E-Government Initiatives and Benefits**

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**GovBenefits.gov** (FY 2007 315,000; FY 2008 313,799; FY 2009 323,840 – Service Fee)

- Helps to raise public awareness of Energy’s Weatherization program.
- Supports the Department of Energy’s strategic goals of reducing the burden of energy prices on low-income families by working with state and local agencies to weatherize homes.

**E-Rulemaking** (FY 2007 280,000; FY 2008 241,000; FY 2009 99,211 - Contribution)

- The Federal Docket Management System:
- Improves public access to all rulemaking material,
- Provides a central location for the public to find and comment on regulatory actions that affect their lives, and
- Reduces data storage costs and allows regulation writers an easy way to have cross-agency/cross-government collaboration on regulatory matters.

**Business Gateway** (FY 2007 131,527; FY 2008 44,000; FY 2009 86,235 - Contribution)

- Single Source Coal Reporting System reduces the reporting burden on industry by employing database technology to reduce the requirement for redundant data submission.
- This project reduces the Department of Energy’s forms processing, systems development, and maintenance costs.

**E-Travel** (FY 2007 922,000; FY 2008 941,394; FY 2009 937,945 – Service Fee)

- Provides more efficient and effective travel management services which include:
- Cost savings associated with cross-government purchasing agreements improved functionality through streamlined travel policies and processes,
- Strict security and privacy controls, and
- Enhanced agency oversight and audit capabilities.

The Department of Energy employees benefit through more efficient travel planning, authorization, and reimbursement processes.

**Integrated Acquisition Environment** (FY 2007 2,302,320; FY 2008 2,304,296; FY 2009 2,119,150 - Contribution)

- Improves agency’s ability to make informed and efficient purchasing decisions
- Allows agency to replace manual processes
- Agency purchasing officials benefit from access to databases of important information from other agencies on vendor performance.

**E-Authentication** (FY 2007 0; FY 2008 219,200; FY 2009 429,700 - Contribution)

- Provides E-Authentication:
  - Expertise,
  - Guidance, and
  - Documentation, including project planning and reporting templates.
- Enables the Department of Energy to achieve production implementation of E-Authentication for its Vendor Inquiry Payment Electronic Reporting System and Industry Interactive Procurement

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

System.

- The E-Authentication Federation allows the Department of Energy and its bureaus to use identity credentials issued and managed by organizations within and outside the Federal Government.

**Financial Management LoB Interagency** (FY 2007 83,333; FY 2008 75,000; FY 2009 75,000 - Contribution)

- To assist the Department of Energy in planning and managing the Department's migration to a selected center of excellence the following is provided:
- By establishing common solutions for agency standard accounting and reporting processes this E-Gov initiative can streamline and standardize accounting processes; eliminate duplicative financial systems; and reduce the cost of standard accounting processes.
- Key tools such as an RFP framework and SLA guides to help develop agency agreements with their selected service providers
- Opportunity to play an active role in standardizing core FM business process and data elements.

**Human Resources Management LoB Interagency** (FY 2007 65,217; FY 2008 65,217; FY 2009 65,217 - Contribution)

- Agency can achieve the benefits of "best-in-class" Human Resources solutions without the costs of developing and maintaining their own Human Resources systems. Employees across the agency benefit from improved Human Resources services.

**Enterprise Human Resource Integration** (FY 2007 1,700,000; FY 2008 42,500; FY 2009 287,200 – Service Fee)

- Streamline and automate the electronic exchange of standardized Human Resource data needed for an official employee record.
- Provides comprehensive knowledge management workforce analysis, forecasting, and reporting across the agency.

**E-Training** (FY 2007 1,364,254, FY 2008 1,364,254; FY 2009 1,364,254 – Service Fee)

- Provides a premier electronic training environment to support the development of the Federal workforce.
- Advances the accomplishment of agency missions through simplified and one-stop access to E-Training products and services.
- Reduce redundancies.
- Achieves economies of scale and in the purchase and/or development of E-Learning content.
- Purchases of learning technology infrastructure (e.g., Learning Management Systems, Learning Content Management Systems, and other information technology hardware/software), consolidation, and sharing of hardware/software wherever possible.
- Offers user-friendly, one-stop access to a robust and high-quality E-Training environment. Encourages E-Learning investments as part of the strategic, systematic, and continuous development of Federal government human capital.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Grants Management LoB Interagency** (FY 2007 60,147; FY 2008 59,316; FY 2009 59,316 - Contribution)

- Improving the delivery of services to grant recipients.
- Improving decision-making.
- Decreasing costs associated with building and maintaining Grants Management information technology systems.

**Grants.gov** (FY 2007 520,570; FY 2008 536,187; FY 2009 517,763 - Contribution)

- Provides a single location to publish grant (funding) opportunities and application packages.
- Provides a single site for the grants community to apply for grants using common forms, processes and systems

**Geospatial LoB** (FY 2007 42,000; FY 2008 43,260; FY 2009 42,000 - Contribution)

- Supports the identification and sharing/reuse of geospatial information that can potentially support current and future Department of Energy missions including Environmental Management, Legacy Management, Emergency Response Management, materials transportation programs, and others.
- Appropriately applied, this initiative can reduce the overall cost of geospatial data development agency-wide over time.

**Budget Formulation & Execution LoB** (FY 2007 75,000; FY 2008 85,000; FY 2009 95,000 - Contribution)

- By establishing common solutions for agency budget formulation and reporting processes, this E-Gov initiative can streamline and standardize budget processes; eliminate duplicative budget support systems; and reduce the cost of budget formulation.

**Information Technology Infrastructure LoB** (FY 2007 160,000; FY 2008 160,000; FY 2009 0 - Contribution)

- Through the identification of performance metrics and standards for categories of information technology infrastructure this initiative will enable Department of Energy to measure information technology performance and compare it to accepted standards.
- The agency will be able to target inefficient/high cost infrastructure services and standardize around cost effective solutions improving the cost benefit of information technology infrastructure across the agency.

**USA Jobs (formerly Recruitment One-Stop)** (FY 2007 75,064; FY 2008 86,677; FY 2009 90,144 – Service Fee)

- This initiative provides a common automated support for all individuals' interested in applying for Department of Energy vacancies. This tool enables the agency to reach a broader audience of applicants and ensures that all individuals have equal access to application processes. It eliminates the need for the Department of Energy to maintain its own application support tool thereby reducing the cost of this human resource process to the agency.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**IAE-Loans and Grants** (FY 2007 0; FY 2008 189,973; FY 2009 189,973)

- Supports the expansion of the Dunn and Bradstreet contract currently being used by Federal agencies for contractor identification numbers.

**Disaster Assistance Improvement Plan** (FY 2007 0; FY 2008 476,373; FY 2009 476,373)

- Supports actions included in the implementation plan to address Executive Order 13422, Improving Assistance for Disaster Victims.

**Technical and Administrative Support** 600                  600                  600

Provides technical support to the Chief Information Officer for change management studies, strategic planning, and process reviews.

**Business, Finance, and Procurement** 1,033                  984                  935

Provides support to the Chief Information Officer for financial management, analytical studies, logistical/administrative support, contract administration, workforce planning and timesharing services in accordance with support of its operational responsibilities.

**Records Management** 546                  546                  0

In FY 2009, Record Management is transferred to the Corporate Management and Information Program. In FY 2007 and FY 2008, the Records Management Program provided agency-wide policy and oversight responsibility for management of the Department's records. In compliance with the Federal Records Act, this program ensured that the Department of Energy adequately documented its missions and functions, policies, procedures, and decisions and preserves its historically valuable records.

**Wireless and Spectrum Management Program** 252                  252                  0

In FY 2009, Wireless and Spectrum Management Program is transferred to the Corporate Management and Information Program under Spectrum Management. In FY 2007 and FY 2008, the Wireless and Spectrum Management was responsible for obtaining certification for major Department of Energy spectrum dependent systems, processing requests for Radio Frequency Authorizations for all Department Field activities, and Department policy governing use of wireless products and services and Federal spectrum.

**E-Government Support** 0                  450                  0

In FY 2007 and FY 2008, the support provided the Office of the Chief Information Officer with expert consultant services to continue the Department's implementation of the E-Government Act of 2002. The Department identified 19 internal E-Government initiatives that either have been implemented or are planned for implementation in the coming years. Additionally, the Department funded 10 of the 25 Office of Management and Budget E-Gov initiatives and 6 of the 9 Federal Lines of Business.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Other Related Expenses**

5,135                  6,750                  7,154

Ensures the Office of the Chief Information Officer’s staff is trained in order to support the Chief Information Officer’s mission. Information Technology training is vital for the Department to support the dynamic changes to deployment of the Department of Energy Common Environment as a result of consolidating Department of Energy Field services to enterprise distribution platforms at Department of Energy distribution centers and Headquarters. Supports the information technology Most Efficient Organization. All engineers, information technology staff, etc., is required to have training on software upgrades and changes. Also supports incremental cost and projected usage of goods and services provided by the Working Capital Fund for the Office of the Chief Information Officer. Funds may also be used for personnel security investigations beginning in FY 2009.

**Total, Program Direction**

39,172                  47,106                  53,738

**Explanation of Funding Changes**

|   |
|---|
| <p><b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b></p> |
|---|

**Salaries and Benefits**

Increase provides personnel compensation as well as cost-of-living adjustments for 141 full-time equivalent employees. Supports 107 full-time equivalent employees under the Office of the Chief Information Officer’s direct operations and 34 full-time equivalent employees under the Most Efficient Organization.

+682

**Support Services**

**Most Efficient Organization Support Services**

**Systems Development and Engineering**

▪ **Application Development and Software Engineering**

Additional funding of +\$122K will implement enhanced cyber security controls in response to evolving threats to Department of Energy Headquarters information technology resources. It will procure, implement, operate and manage cyber security solutions initially proposed as a result of the FY 2005 Red Team Penetration Test. Other funding to support increase is due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from the Office of the Chief Information Officer Portal and Other Services (+\$299K), 14.3 percent from Public Key Infrastructure Operations (+167K), and 60.4 percent from Web Services Support (+\$136K) to the Most Efficient Organization’s User Support and Workstation Management.

+724

Departmental Administration/  
Chief Information Officer/  
Program Direction

FY 2009 Congressional Budget

- **Web Site Development and Maintenance**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from Energy.Gov (+\$374K) and .8 percent of the Department of Energy Common Operating Environment (+\$10K) to the Most Efficient Organization.

+384

**Information Technology Operations Support**

- **Inventory Control**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, 14.2 percent funding and responsibilities from Public Key Infrastructure Operations were transferred to the Most Efficient Organization.

+166

- **User Support and Workstation Management**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from E-Mail and Messaging Support (+\$865K), Department of Energy Headquarters Video/Audio Communications (+\$566K), 33.4 percent from Infrastructure, Network, and Support (+\$521K), and 21.1 percent from Public Key Infrastructure Operations (+\$247K) to the Most Efficient Organization.

+2,199

- **Facilities Management and Physical Security**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, 35.3 percent funding and responsibilities from Information Technology Office Systems were transferred to the Most Efficient Organization.

+485

- **Server Administration**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from Departmental Budget Financial Systems (+\$1,000K), Oracle Enterprise License Agreement (+\$875K), 75.2 percent of Opware Software Licenses and Support (+\$483K), and 23.1 percent of the Department of Energy Headquarters Data Center Services (+\$439K) to the Most Efficient Organization.

+2,797

- **Emergency Preparedness**

No actual increase is requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from 76.9 percent of the Department of Energy Headquarters Data Center Services (+\$1,461K), 48.3 percent of Headquarters Cyber Security Support Systems (+\$1,017K), Corporate Systems (+\$1,000K), 58.8 percent of Information Technology Office Systems (+\$808K), 47.2 percent of Public Key

|   |
|---|
| <p><b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b></p> |
|---|

Infrastructure Operations (+\$551K), and 39.6 percent of Web Services Support (+\$89K) to the Most Efficient Organization.

+4,926

▪ **Secure Wireless Services**

Increase to support Secure Wireless Services providing secure installation, operation, maintenance, repair, upgrade, configuration, and document all wireless technology (including such things as cellular telephones, radio frequency communication (conventional and trunking), microwave, satellite links, and bi-directional satellite links, Personal Digital Assistants, paging systems (advanced messaging), wireless Local Area Networks, repeaters, and all associated support equipment that completes the wireless Local Area Network system). Changing and increasingly sophisticated cyber security threats and evolving and increasing customer demands for wireless/mobile technology require additional investments in support resources and equipment.

+166

**Operational Cyber Security**

The Department of Energy has identified specific determined and pervasive threats to the Department’s cyber assets, information and intellectual capital. These threats are known to be from both domestic and foreign sources. The increasingly sophisticated attacks against the Department of Energy from these identified threats occur daily, in very large numbers. Recent Office of Health, Safety and Security and the Inspector General testing recognized cyber security improvements, but at the same time indicated that several significant weaknesses continue to exist, and confirmed the urgent need to provide operational and management funding to fully and properly implement the desired and necessary cyber security controls. Funding provides for the purchase of hardware, software, and most importantly, the labor required to fully and properly implement and make operational the measures necessary to mitigate the most severe weaknesses, identified in the report entitled “United States Department of Energy Cyber Security Program, Revitalization of the Department of Energy Cyber Security Program.” The funding will be used to enhance the protection of the Department's sensitive unclassified information, including Personally Identifiable Information in accordance with the Office of Management and Budget and Department of Energy mandates. To enhance cyber security controls in response to evolving threats to the Department of Energy’s Headquarters information technology resources.

Increase of +\$6,555K supports the above as well as funding transferred due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization. Funding and responsibilities were transferred from 51.7 percent Headquarters Cyber Security Support Systems (+\$1,090K), 24.8 percent of Opsware Software Licenses and Support (+\$159K), 7.0 percent of Department of Energy Common Operating Environment (+\$90K), 6.0 percent of Information Technology Office Systems (+\$82K), 3.2 percent of Public Key Infrastructure Operations (+\$37K), and 1.1 percent of Infrastructure, Network, and Support (+\$17K) to the Most Efficient Organization.

+8,030

**Departmental Administration/  
Chief Information Officer/  
Program Direction**

**FY 2009 Congressional Budget**

**Chief Information Officer Contracted Service Outside Performance Work Statement**

No actual increase is requested. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, 65.6 percent funding and responsibilities from Infrastructure, Network, and Support was transferred to the Most Efficient Organization. +1,024

**Department of Energy Common Operating Environment**

No actual increase is requested. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, 92.3 percent funding and responsibilities were transferred from Operations to Most Efficient Organization. +1,192

**Operations Support Services**

**Telecommunications Engineering, and Network Support**

- **Infrastructure, Network, and Support**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,562
- **Department Headquarters HQ Video/Audio Communications Support**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -566
- **E-Mail and Messaging Support**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -865
- **Public Key Infrastructure Operations**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,168
- **Network Security Team**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,000
- **Headquarters Cyber Security Support Systems**  
 No actual decrease. Due to the Office of the Chief Information Officer's reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -2,107



|   |
|---|
| <p><b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b></p> |
|---|

- **Information Technology Office Systems**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,375
- **Energy-Gov**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -374
- **Department of Energy Headquarters Data Services Center**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,900
- **Web Services Support**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -225
- **Corporate Systems**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,000
- **Office of the Chief Information Officer Portal and Other Services**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -299
- **Departmental Budget Financial System**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -1,000
- **Opware Software Licenses and Support**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -642
- **Oracle Enterprise License Agreement**  
 No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were redistributed to the Most Efficient Organization. -875

|   |
|---|
| <p><b>FY 2009 vs.<br/>FY 2008<br/>(\$000)</b></p> |
|---|

**Department of Energy Common Operating Environment**

No actual decrease. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred to the Most Efficient Organization.

-1,292

**Residual Organization Support Services**

▪ **Enterprise Operations**

No actual increase requested. Due to the Office of the Chief Information Officer’s reorganization and implementation of the Most Efficient Organization, funding and responsibilities were transferred from the Network Security Team to meet Enterprise Operations responsibilities.

+1,000

**Information Technology Corporate Management Support Services**

▪ **Business, Finance and Procurement**

Funding decrease will impact the efficiency of operations in the areas of financial and procurement support to the Office of the Chief Information Officer.

-49

▪ **Records Management**

Funding decrease due to transfer of Records Management into the Corporate Management Information Program.

-546

▪ **Wireless and Spectrum Support**

Funding decrease due to transfer of Wireless and Spectrum Support into the Corporate Management Information Program under Spectrum Management.

-252

▪ **E-Government Support**

Decrease due to responsibilities funded through the Corporate Management Information Program.

-450

**Other Related Expenses**

Increase supports the additional business lines that were added to the Working Capital Fund beginning in FY 2009.

+404

**Total Funding Change, Program Direction**

**+6,632**

### Support Services by Category

|                         | (dollars in thousands) |         |         |
|-------------------------|------------------------|---------|---------|
|                         | FY 2007                | FY 2008 | FY 2009 |
| Support Services        |                        |         |         |
| Management Support      | 18,278                 | 20,383  | 25,929  |
| Other Services          | 2,049                  | 2,049   | 2,049   |
| Supplies and Materials  | 50                     | 50      | 50      |
| Total, Support Services | 20,377                 | 22,482  | 28,028  |

### Other Related Expenses by Category

|                               | (dollars in thousands) |         |         |
|-------------------------------|------------------------|---------|---------|
|                               | FY 2007                | FY 2008 | FY 2009 |
| Other Related Expenses        |                        |         |         |
| Working Capital Fund          | 5,000                  | 6,540   | 6,944   |
| Training                      | 135                    | 210     | 210     |
| Total, Other Related Expenses | 5,135                  | 6,750   | 7,154   |



## Congressional and Intergovernmental Affairs

### Program Direction Funding Profile by Category

(dollars in thousands/whole FTEs)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Congressional & Intergovernmental Affairs - Headquarters |         |         |         |
| Salaries and Benefits                                    | 3,950   | 3,722   | 3,700   |
| Travel   | 60      | 60      | 60      |
| Support Services   | 94      | 96      | 101     |
| Other Related Expenses                                   | 709     | 855     | 839     |
| Total, Congressional & Intergovernmental Affairs         | 4,813   | 4,733   | 4,700   |
| Total, Full Time Equivalents                             | 30      | 30      | 30      |

### Mission

CI serves the Department in fulfilling the statutory requirement of DOE Organization Act (P.L. 95-91) by:

- Working with Members of Congress, their staffs, and Committees/Subcommittees to define, articulate and advance the Department's position on pending legislation; to implement national policy priorities as enacted into law by the Congress; and in compliance with DOE's Acquisition Regulation, notify members of Congress regarding pending awards that have an impact upon the member's State/District.
- Working with governors and their staffs, local elected/appointed officials, and Tribal officials to provide information on DOE activities and decisions, and to elicit and incorporate their concerns and interests into DOE decision processes.
- Providing timely notifications to Members of Congress, governors, and Tribal officials on DOE matters of specific interest or impact and providing timely and full response to their inquiries, requests for information, and constituents' concerns.
- Attending briefings, meetings and committee markups in performance of CI's liaison functions.
- Providing support to Secretarial and Program Officers in the research, preparation, and/or review of:
  - Testimony and briefing books/papers for Congressional hearings and meetings, and gubernatorial and tribal events;
  - Congressional, State, and Tribal correspondence; and
  - Coordination of Congressional hearing statements, transcripts, pre- and post-hearing questions and answers, and inserts for the record.
- Providing timely Congressional, gubernatorial, and stakeholder notifications on Departmental program issues and major announcements.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**3,950                  3,722                  3,700**

Funds salaries, benefits, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards for 30 full time permanent and other than full time permanent employees.

**Travel**

**60                                  60                                  60**

Provides funding for official travel for site visits to facilities of interest to Congress; attendance at conferences and meetings with State, local, and Tribal government officials, business and community groups, and a broad range of DOE stakeholders to discuss DOE initiatives and policies and elicit their views.

**Support Services**

**94                                  96                                  101**

Provides funding for professional support services (on-line legislative research and analysis activities, data and information sources (such as Congressional Quarterly, Hotline/Greenwire, library reference materials, etc) and for technical support services (e-Gov initiatives, IT support), and courier services. Prior year funds were used to fully fund requirements for FY 2007 and FY 2008.

▪ **Technical Support Services**

30                                  32                                  34

Technical Services include CI's IT support costs for IT equipment service and supplies, and time sharing services. Prior year funds were used to fully fund requirements for FY 2007 and FY 2008.

▪ **Courier Services**

21                                  22                                  23

Courier Services include costs associated with the near daily movement of reports, responses, and communications, between CI at DOE Headquarters, Congress and the White House. Prior year funds were used to fully fund requirements for FY 2007 and FY 2008.

▪ **Professional Services**

43                                  42                                  44

Professional Services include costs associated with the National Archives and Records Administration records handling and storage, Office supplies and accessories, as well as, data and information services and publications such as: Congressional Quarterly, National Journal – Hotwire including: Environment & Energy (E&E) Policy News, E&E Daily, Greenwire, E&E News PM, E&E TV; Newspapers such as the Wall Street Journal, Washington Post, and Washington Times, and Government Printing Office (GPO) publications such as: Appropriation Materials Related to: Defense, Energy and Water Development, Interior and Related Agencies; and other Congressional information sources such as: House and Senate Telephone Directories, Congressional Record-Daily, Untied States Government Manual, and the Congressional Directory. Prior year funds were used to fully fund requirements for FY 2007 and FY 2008.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Other Related Expenses**

**709                      855                      839**

Other related expenses provides funding for employee training and development; services included in the business lines of the Working Capital Fund (e.g., office space, building operations and maintenance, postage, telephone service, printing and graphics, copying, desktop services, supplies/equipment, and corporate training services); subscription to DOCS for software, licenses and maintenance, Congress Plus, operating and maintenance costs of the Standard Accounting and Reporting System (STARS) and other miscellaneous administrative business lines; and for purchase of goods and services from government accounts (IT services provided under the eXCITE initiative). Funds may also be used for personnel security investigations beginning in FY 2009.

▪ **Purchase of Goods and Services**

**100                      118                      100**

Purchase of Goods & Services from Government Accounts include access to DOE’s CIO managed IT network and desktop maintenance and periodic refreshment funded though OCIO eXCITE.

▪ **Training**

**6                              6                              6**

Training for employee development and knowledge-skill maintenance.

▪ **Working Capital Fund**

**603                      731                      733**

DOE’s Working Capital Fund supports costs associated with building occupancy (rent), utility services (electric, gas, water and sewage), building maintenance and renovation, office supply, copying and printing, and other business requirements. For FY 2009, new business lines associated with development and maintenance of “Safe Havens” in the Forrestal Building, Shuttle Bus Service, DOE Logistic Services contract, Audits, On-line Learning, and STARS - DOE Financial System.

**Total, Program Direction**

---

**4,813                      4,733                      4,700**

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

Net decrease in salaries and benefits results from implementation of anticipated pay raise, offset by reduction in aggregate staffing costs during Administration transition. - 22

### Support Services

Increase results from the escalation of costs for technical and management support services. + 5

### Other Related Expenses

While CI is requesting less in new budget authority for FY 2009, costs associated with anticipated inflation will be address using prior year fund balances. - 16

---

**Total Funding Change, Program Direction** **- 33**

## Support Services by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Technical Support                                 |         |         |         |
| Office Repairs & Maintenance                      | 30      | 32      | 34      |
| Total, Technical Support                          | 30      | 32      | 34      |
| Management Support                                |         |         |         |
| Publications & Periodicals                        | 52      | 50      | 52      |
| Congressional Directories & Information (Printed) | 12      | 14      | 15      |
| Total, Management Support Services                | 64      | 64      | 67      |
| Total, Support Services                           | 94      | 96      | 101     |

## Other Related Expenses by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Other Related Expenses                                    |         |         |         |
| Purchase of Goods & Services from Gov't Accounts (eXCITE) | 100     | 118     | 100     |
| Training  | 6       | 6       | 6       |
| Working Capital Fund                                      | 603     | 731     | 733     |
| Total, Other Related Expenses                             | 709     | 855     | 839     |

**Departmental Administration/  
Congressional and Intergovernmental Affairs/  
Program Direction**

**FY 2009 Congressional Budget**



## Economic Impact and Diversity

### Funding Profile by Subprogram

(dollars in thousands)

|                               | FY 2007 Current<br>Appropriation | FY 2008<br>Appropriation | FY 2008<br>Adjustments <sup>a</sup> | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|-------------------------------|----------------------------------|--------------------------|-------------------------------------|-------------------------------------|--------------------|
| Economic Impact and Diversity |                                  |                          |                                     |                                     |                    |
| Program Direction             | 5,477                            | 5,649                    | -35                                 | 5,614                               | 3,545              |
| Minority Economic Impact      | 677                              | 834                      | -5                                  | 829                                 | 855                |
| Economic Impact and Diversity | 6,154                            | 6,483                    | -40                                 | 6,443                               | 4,400              |

**Public Law Authorizations:**

P.L. 95-619, "National Energy Conservation Policy Act" (NECPA -1978) Section 641 of (42 U.S.C.7141)  
15 USC 637, The Small Business Act.

**Executive Orders:**

13021 "Tribal Colleges and Universities"  
13216 "Improving Quality of Life of Asian Americans and Pacific Islanders"  
13230 "Educational Excellence for Hispanic Americans"  
13256 "Historically Black Colleges and Universities"

**Mission**

The mission of The Office of Economic Impact and Diversity is to assure the development and implementation of comprehensive Department-wide policies, procedures and systems pertaining to small, and minority socio-economic businesses participating in DOE programs. The Office of Economic Impact and Diversity advises the Secretary on the effects of energy policies, regulations, and other actions of the Department on all individuals, small-disadvantaged minority business enterprises, and minority educational institutions desiring to participate fully in the programs of the Department. The Office of Economic Impact and Diversity (ED) consists of the offices of Minority Economic Impact, Small and Disadvantaged Business Utilization.

---

<sup>a</sup> Reflects amounts rescinded by General Provision, section 312, of the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

## **Benefits**

This program strengthens diversity goals affecting the workplace, small and disadvantaged businesses, minority educational institutions, and historically under-represented communities. It oversees implementation of partnerships with minority educational institutions and the small business community.

## **Accomplishments**

### Office of Minority Economic Impact

- Prepared Annual Plans and Reports in compliance with Executive Orders: 13270 (Historically Black Colleges and Universities); 13230 (Tribal Colleges and Universities); and 13256 (Hispanic Serving Institutions).
- Expanded the Student Diversity Partnership Program to include more than 45 student interns placed throughout the DOE complex.
- Established a cooperative education program with the Science and Engineering Alliance to increase minority student participation in university science, engineering and technology programs.
- Coordinated a “Day of Science” workshop with representatives from DOE and its national laboratories to collaborate with research and development officials from educational institutions on partnership opportunities.
- Identified and recruited “Trustee Banks” for the Bank Deposit Financial Assistance Program.
- Conducted on-going partnering exploration meetings with the Department of Treasury and U.S. Postal Service.

### Office of Small and Disadvantaged Business Utilization

- Participated with the SBA Office of National Ombudsman in support of the President’s Small Business Agenda.
- Conducted studies to validate goals and performance in prime and subcontract activities.
- Negotiated annual SBA Small Business Goals for the Department of Energy.
  - DOE met or exceeded SBA Goal in each of the past three years
  - Actual performance against SBA Goal increased by \$462 million – going from \$955 million to \$1.42 billion.
- Developed the Department’s small business strategic plan establishing specific actions to increase small business participation in procurements.
- Increased the number of small business concerns in the OSDBU Small Business database from 3,200 to 3,700.
- Hosted the National Department of Energy Small Business Conference and participated in a series of regional small business conferences reaching out to small businesses on how to do business with DOE.
- Published on-line annual and semi-annual Forecast of DOE Subcontracting Opportunities Database with \$497 million of business opportunities available for small business.
- Prepared and submitted the Annual Small Business Report to the Secretary reflecting the Department’s small business performance and highlighting areas for improvement.

## **Significant Changes**

Civil Rights functions currently performed by the Office of Civil Rights will be transferred to the Office of Hearings and Appeals. Diversity functions currently performed by the Office of Civil Rights will be transferred to the Office of Human Capital Management. This realignment results in a reduction of 12 FTE in the Office of Economic Impact and Diversity.

## Economic Impact and Diversity

### Funding Schedule by Activity

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Minority Economic Impact                 |         |         |         |
| Minority Educational Institution Support | 453     | 554     | 565     |
| Data Analysis Development                | 20      | 25      | 25      |
| Business and Community Development       | 184     | 225     | 240     |
| Bank Deposit Financial Assistance        | 20      | 25      | 25      |
| Total, Minority Economic Impact          | 677     | 829     | 855     |

### Description

The Office of Minority Economic Impact (OMEI) is mandated by statute and Executive Orders to advise the Secretary of Energy on the effects of energy policies, regulations, and other actions of the Department on minorities, minority business enterprises and minority educational institutions on ways to insure that these groups are afforded an opportunity to participate fully in the energy programs of the Department.

### Benefits

OMEI supports DOE's goals to ensure full participation by underserved individuals and minority educational institutions in energy programs at the Department. Specifically, the Minority Educational Institutional Support Program provides guidance to minority educational institutions on how to access opportunities at DOE, and provides scholarships and internships to underrepresented groups thereby providing a science, math and engineering pipeline for the future workforce of the Department.

- Data Analysis and Development to determine the effects of DOE programs, policies, and regulations on small and disadvantaged businesses.
- Business & Community Development provides technical assistance to small and minority businesses to enable these firms to more fully participate in the contract activities of the Department; this assistance includes the Annual DOE Small Business Conference.
- Bank Deposit Financial Assistance Program provides training and development for minority-owned banks participating in the DOE Minority Bank Deposit Assistance Program

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Minority Educational Institution Support** 453      554      565

In FY 2009 the Office Minority Economic Impact will 1) provide guidance to minority educational institutions on how to access opportunities at DOE, and 2) promote science-related degrees and energy-related careers to support the DOE workforce pipeline through internships and scholarships for students from minority institutions.

**Data Analysis and Development** 20      25      25

In FY 2009 the Office Minority Economic Impact will conduct data analysis on the effects of Management and Operating contracts on small business.

**Business and Community Development** 184      225      240

In FY 2009 the Office Minority Economic Impact will develop and provide contracting information and management and technical assistance to small disadvantaged businesses through a variety of means, including the annual small business conference.

**Bank Deposit Financial Assistance** 20      25      25

In FY 2009 the Office Minority Economic Impact will provides training to minority banks on the DOE Minority Bank Deposit Program.

|  |     |     |     |
|--|-----|-----|-----|
| <b>Total, Minority Economic Impact</b> | 677 | 829 | 855 |
|--|-----|-----|-----|

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Minority Educational Institution Support** +11

Increase to provide guidance to additional minority educational institutions on how to access opportunities at DOE.

**Business and Community Development** +15

Increase to support additional outreach event.

|   |     |
|---|-----|
| <b>Total Funding Change, Minority Economic Impact</b> | +26 |
|---|-----|

## Economic Impact and Diversity

### Funding Profile by Category

|  | (dollars in thousands/whole FTEs) |         |         |
|--|-----------------------------------|---------|---------|
|  | FY 2007                           | FY 2008 | FY 2009 |
| Economic Impact and Diversity Program Direction        |                                   |         |         |
| Salaries and Benefits                                  | 4,100                             | 4,250   | 2,747   |
| Travel   | 50                                | 60      | 60      |
| Support Services                                       | 239                               | 299     | 0       |
| Other Related Expenses                                 | 1,088                             | 1,005   | 738     |
| Total, Economic Impact and Diversity Program Direction | 5,477                             | 5,614   | 3,545   |
| Total, Full Time Equivalents                           | 31                                | 32      | 20      |

### Detailed Justification

|  | (dollars in thousands) |              |              |
|--|------------------------|--------------|--------------|
|  | FY 2007                | FY 2008      | FY 2009      |
| <b>Salaries and Benefits</b>   | <b>4,100</b>           | <b>4,250</b> | <b>2,747</b> |
| <p>FY 2009 funding covers salary and benefits for 20 full-time and other than full time federal employees. The amount shown also includes cost of living adjustments. Beginning in FY 2009, the Office of Civil Rights will be funded in the Office of Hearings and Appeals and diversity functions will be funded in the Office of Human Capital Management. As a result the FY 2009 FTE level of 20 is a reduction of 12 FTE from FY 2008.</p> |                        |              |              |
| <b>Travel</b>  | <b>50</b>              | <b>60</b>    | <b>60</b>    |
| <p>FY 2009 funding covers the following activities: 1) three site visits to review and monitor funded projects, 2) meetings with minority education institutions, 3) outreach activities, 4) conducting/attending training sessions, 5) participation in procurement/contracting seminars, 6) assessment of financial grants compliancy in the field, and 7) on-site visits to DOE field and M&amp;O offices.</p>                                |                        |              |              |
| <b>Support Services</b>  | <b>239</b>             | <b>299</b>   | <b>0</b>     |
| <p>FY 2009 funding provides (A-76) contractor support to the Office of Civil Rights, which provides equal employment opportunity and affirmative action services. This activity is transferred to the Office of Hearings and Appeals in FY 2009.</p>   |                        |              |              |

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Other Related Expenses**

**1,088                      1,005                      738**

Other related expenses include Working Capital Fund which supports utilities, telephone, rent, supplies, equipment, printing, graphics, copying, postage, STARS and other administrative support business systems and functions. Other related expenses also funds surveys, outreach activities, oversight, special emphasis and commemorative events, specialized training for staff, and Departmental E-Government initiatives.

**Total, Program Direction**

**5,477                      5,614                      3,545**

**Explanation of Funding Changes**

|                                      |
|--------------------------------------|
| FY 2009<br>vs.<br>FY 2008<br>(\$000) |
|--------------------------------------|

**Salaries and Benefits**

Decrease reflects the transfer of Diversity functions (-3 FTEs) to the Office of Human Capital Mangement and the transfer of Civil Rights functions (-9 FTEs) to Office of Hearings and Appeals.

-1,503

**Support Services**

Decrease reflects the transfer of Diversity functions (-3 FTEs) to the Office of Human Capital Mangement and the transfer of Civil Rights functions (-9 FTEs) to Office of Hearings and Appeals.

-299

**Other Related Expenses**

Decrease reflects the transfer of Diversity functions (-3 FTEs) to the Office of Human Capital Mangement and the transfer of Civil Rights functions (-9 FTEs) to Office of Hearings and Appeals.

-267

**Total Funding Change, Program Direction**

**-2,069**

### Support Services by Category

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Management Support   |         |         |         |
| Reports and Analyses Management and General Administrative Services (A-76) | 239     | 299     | 0       |
| Total, Support Services  | 239     | 299     | 0       |

### Other Related Expenses by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Other Related Expenses                        |         |         |         |
| Other Services                                | 132     | 49      | 95      |
| ADP, E-Government                             | 10      | 10      | 10      |
| Training and Education                        | 10      | 10      | 10      |
| Operation and Maintenance of Equipment EXCITE | 126     | 126     | 123     |
| Working Capital Fund                          | 810     | 810     | 500     |
| Total, Other Related Expenses                 | 1,088   | 1,005   | 738     |



**General Counsel  
Program Direction**

**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                        | FY 2007 | FY 2008 | FY 2009 |
|------------------------|---------|---------|---------|
| Headquarters           |         |         |         |
| Salaries and Benefits  | 18,142  | 22,562  | 23,301  |
| Travel                 | 76      | 147     | 80      |
| Support Services       | 1,443   | 2,998   | 2,888   |
| Other Related Expenses | 3,541   | 4,182   | 4,964   |
| Total, Headquarters    | 23,202  | 29,889  | 31,233  |
| Full Time Equivalents  | 140     | 153     | 153     |

**Mission**

The Office of the General Counsel is responsible for providing comprehensive legal services and support to the Secretary and to all Departmental programs, except those relating to the Federal Energy Regulatory Commission. General Counsel assures that the Department operates in compliance with applicable laws and regulations.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits** **18,142**      **22,562**      **23,301**

Provides funding in FY 2009 for 153 full-time equivalent employees to include salaries, benefits, overtime, incentive awards, lump sum leave, SES and other performance awards, and unemployment compensation.

**Travel** **76**      **147**      **80**

Provides funding for employees to attend hearings, court trials, proceedings, and depositions. Also provides for conference and training attendance.

|   | (dollars in thousands) |               |               |
|---|------------------------|---------------|---------------|
|   | FY 2007                | FY 2008       | FY 2009       |
| <b>Support Services</b>   | <b>1,443</b>           | <b>2,998</b>  | <b>2,888</b>  |
| ○ NEPA– technical, analytical, & publication for National Environmental Policy Act compliance activities  | 0                      | 1,348         | 1,339         |
| ○ Intellectual Property (IP) – patent law firms to process IP actions   | 146                    | 147           | 149           |
| ○ Alternative Dispute Resolution – mediation services   | 77                     | 83            | 50            |
| ○ DOE/COE– desktop IT services (formerly eXCITE)  | 550                    | 601           | 613           |
| ○ Information Technology– GC dedicated technical support, database programming/maintenance, etc.  | 306                    | 423           | 429           |
| ○ Law Library – personnel and materials   | 364                    | 396           | 308           |
| <b>Other Related Expenses</b>   | <b>3,541</b>           | <b>4,182</b>  | <b>4,964</b>  |
| ○ Government Agencies, Intellectual Property – U.S. Patent Office costs.  | 293                    | 330           | 340           |
| ○ Timesharing – Westlaw and Lexis/Nexis   | 304                    | 331           | 338           |
| ○ Working Capital Fund – GSA rent, telephones, printing/copying, supplies, and mail.  | 2,786                  | 3,314         | 4,093         |
| ○ Miscellaneous – training, archive storage, E-Gov initiatives, hardware/software, courier service, office supplies/materials, and security investigations. | 158                    | 207           | 193           |
| <b>Total, Program Direction</b>   | <b>23,202</b>          | <b>29,889</b> | <b>31,233</b> |

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

The increase reflects full funding for 153 FTEs with cost of living adjustments. +739

### Travel

Decrease in estimate of travel needs. -67

### Support Services

Increases:

- Intellectual Property (+\$2,000),
- DOE/COE (+\$12,000), and
- Information Technology (+\$6,000)

Decreases:

- NEPA support services (-\$9,000)
- Alternative Dispute Resolution (-\$33,000), and
- Law Library (-\$88,000). -110

### Other Related Expenses

Increases:

- Intellectual Property (+\$10,000),
- Timesharing (+\$7,000), and
- Working Capital Fund (+\$779,000).

Decreases:

- Miscellaneous expenses (-\$14,000). +782

|  |               |
|--|---------------|
| <b>Total Funding Change, Program Direction</b> | <b>+1,344</b> |
|--|---------------|

### Support Services by Category

|                                | FY 2007 | FY 2008 | FY 2009 |
|--------------------------------|---------|---------|---------|
| Technical Support              |         |         |         |
| NEPA Support                   | 0       | 1,348   | 1,339   |
| Intellectual Property          | 146     | 147     | 149     |
| Alternative Dispute Resolution | 77      | 83      | 50      |
| DOE/COE                        | 550     | 601     | 613     |
| Information Technology         | 306     | 423     | 429     |
| Law Library                    | 364     | 396     | 308     |
| Total, Support Services        | 1,443   | 2,998   | 2,888   |

### Other Related Expenses by Category

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Other Related Expenses                      |         |         |         |
| Government Agencies - Intellectual Property | 293     | 330     | 340     |
| Timesharing                                 | 304     | 331     | 338     |
| Working Capital Fund                        | 2,786   | 3,314   | 4,093   |
| Miscellaneous                               | 158     | 207     | 193     |
| Total, Other Related Expenses               | 3,541   | 4,182   | 4,964   |

**Human Capital Management  
Program Direction**

**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                        | FY 2007 | FY 2008 | FY 2009 |
|------------------------|---------|---------|---------|
| Headquarters           |         |         |         |
| Salaries and Benefits  | 17,304  | 17,747  | 18,891  |
| Travel                 | 60      | 135     | 150     |
| Support Services       | 2,155   | 5,439   | 6,751   |
| Other Related Expenses | 2,588   | 4,665   | 5,644   |
| Total, Headquarters    | 22,107  | 27,986  | 31,436  |
| Full Time Equivalents  | 151     | 158     | 161     |

**Mission**

The Office of Human Capital Management (HCM) provides the DOE with direction and oversight for the full range of human capital management and administrative services. The Chief Human Capital Officer (CHCO), Deputy Chief Human Capital Officer (DCHCO) and the Director of Human Capital Management, represent the Department on inter-agency councils on a broad range of workforce and human capital management issues. The Office of Human Capital Management performs critical functions which directly support the mission of the Department. These functions include: providing leadership and advice to the Department regarding the impact and use of human resource management policies, proposals, programs, and partnership agreements; coordinating programs and developing standards necessary to ensure that DOE employees maintain the technical qualifications necessary to safely operate DOE facilities; providing leadership and direction in dealings with Federal and non-Federal organizations regarding the Department’s human resources programs and policies; and providing training and learning management services. Beginning in FY 2009, HCM will implement a diversity program that strengthens the diversity goals affecting the workplace, ensures appropriate diversity training for staff, and provides special emphasis and commemorative programs.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**17,304      17,747      18,891**

Provides funding for 161 full time equivalents (FTEs) to include salaries, overtime, incentive awards, lump sum leave, SES and other performance awards. In addition to salaries and benefits, funding is also provided for workers’ compensation payments on behalf of all employees funded through the Departmental Administration appropriation (FY2007 \$900K; FY2008 \$950K; FY2009 \$925K).

**Departmental Administration/  
Human Capital Management  
Program Direction**

**FY2009 Congressional Budget**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

The Office of Human Capital Management has implemented basic programs for the development of the DOE workforce associated with certain critical business functions for which HCM has corporate management responsibilities. Beginning in FY 2009 the Human Capital Management program will assume the diversity function that was previously managed by the Office of Economic Impact and Diversity (ED). There are three FTEs associated with this office.

**Travel** **60** **135** **150**

Provides funding for staff travel; travel associated with program oversight, program evaluation, project engineering, recruitment, and permanent change of station moves. Includes travel associated with the operation of the Enterprise Training Services (ETS) Most Efficient Organization (MEO).

**Support Services** **2,155** **5,439** **6,751**

Finances technical and management support services. The areas of support include computer support, project management and performance, strategic planning, automated data processing, delivery of training, database maintenance, human resource systems operations, E-Gov initiatives and minimal technical financial support. Also includes key support of the following HCM programs: Recruitment and Outreach; Drug Testing Program; Employee Assistance Program; Corporate Human Resource Information System (CHRIS); HQ Health Care Services; Labor/Management Relations; Disability Services; staff training; leadership training and succession planning, including a Senior Executive Service Candidate Development Program (SESCDP); and a DOE-wide Corporate Intern Program. In addition, these funds include payments to other units within the Federal Government including the Office of Personnel Management, and for Interagency councils.

- **E-Gov Initiatives** 90 100 925  
Includes HCM share to support centralized collection for HR Line of Business and the Enterprise Human Resource Initiative (EHRI), specifically the E-OPF project (\$100K). Includes funding to support the Shared Service Center (SSC) migration to full HR Line of Business, as is currently projected for FY 2009 (\$750K).
- **Corporate HR Initiatives** 40 2,115 2,124  
Funding for a corporate approach to combine existing intern programs across the DOE complex under a single umbrella to attract, develop and retain talent. Includes funding for HQ-specific participation in events and programs.
- **Drug Testing Program** 85 85 500  
Funding will support expansion of the current DOE Drug Testing Program. Changes will be made to the frequency of testing employees, with the major change being the inclusion of all DOE employees (existing and new hires) that have a security clearance into the testing pool.
- **Corporate Human Resource Information System** 325 325 375  
Supports a small staff at the National Energy Technology Laboratory (NETL), which provide critical automated actions in the DOE Corporate Human Resource Information System (CHRIS); most notably mass processing of annual performance awards and cost of living adjustments for DOE Federal employees.
- **HQ Health Care Services** 500 600 600  
Staff and operation of two Headquarters (HQ) health centers at the Forrestal and Germantown facilities. Services include emergency response, travel immunizations, fitness-for-duty and pre-employment physical exams, and general occupational health concerns.

Departmental Administration/  
Human Capital Management  
Program Direction

FY2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **SES Candidate Development Program** 140 700 700  
Supports a Department-wide career development program focused on attracting, developing and retaining Senior Executive Service (SES) candidates and employees.
- **HR Core Contractors** 850 1,000 1,000  
Supports a group of core contractors central to the internal support of HCM. Contractor employees support numerous offices, programs and functions within HCM including: the Chief Human Capital Officer's (CHCO) Front Office; recruitment and outreach; automation; HR operations; Employee Work Life Center (EWLC); and the Employee Assistance Program (EAP).
- **Miscellaneous Support Services** 125 514 527  
Supports other miscellaneous Support Services, programs and functions (non-core contractor) within HCM including: the Employee Assistance Program (EAP); HQ HR operations; Labor/Management Relations; Disability Services; Corporate Learning Services; and Enterprise Training Service (ETS) MEO support.

**Other Related Expenses 2,588 4,665 5,644**

Other Related Expenses finances the acquisition of goods and services that support HCM's mission not classified as Support Services. Included in this category are: implementation and maintenance of major Human Capital automation initiatives (software systems and support) to include Succession Planning, Performance Management, Workforce Planning, E-Performance, and HCM website enhancements; Secretary of Energy Awards Program; HR Fellows; Knowledge Management; standard IT services under the DOE Common Operating Environment (DOECOE); non-standard IT goods for the purchase of information technology materials such as desktop printers, laptops, memory upgrades, scanners, and fax machines; HCM staff training and Working Capital Fund infrastructure to support 161 FTEs. Funds may also be used for diversity-related goods and services and personnel security investigations beginning in FY 2009.

- **Working Capital Fund** 2,178 2,543 2,980  
Finances infrastructure services under the Working Capital Fund (WCF) for HCM at HQ, as well as GSA rent costs supporting the ETS MEO duty station in Albuquerque, NM.
- **Staff Training** 50 100 115  
Supports staff training (individual and corporate) for 161 Federal employees. Skill and competency gaps were assessed in FY 2007; based on initial feedback additional training will be required in FY 2008 and FY 2009.
- **DOECOE** 250 800 787  
Supports Federal and contract staff, goods and services under the DOE Common Operating Environment (DOECOE), which stipulates the common approved automation equipment and software for DOE employees as well as providing basic technical support. Services and tools above approved level are funded as necessary.
- **Other Personnel Services** 25 199 435  
Supports councils, assessments and other related costs. Includes OPM-mandated HC Survey in FY 2009.
- **Automation Initiatives** 50 425 335  
Supports HC-specific automation needs. Beginning in FY 2008 includes On-line Learning Center (OLC) capability enhancements, E-Performance, Hiring Management and HCM small systems support and maintenance through the CIO.

Departmental Administration/  
Human Capital Management  
Program Direction

FY2009 Congressional Budget

(dollars in thousands)

|  | FY 2007       | FY 2008       | FY 2009       |
|--|---------------|---------------|---------------|
| ▪ <b>Performance Management</b>  | 0             | 100           | 500           |
| Funding to provide additional contract support for the Performance Management initiative, which includes the development and maintenance of an information tool for DOE managers and employees.  |               |               |               |
| ▪ <b>Workforce Planning</b>  | 0             | 100           | 80            |
| Funding to acquire a Succession/Workforce Planning software system, maintenance, and provide minimal contract support for utilization of the system.   |               |               |               |
| ▪ <b>Award Programs</b>  | 0             | 301           | 201           |
| Supports the creation and continued performance of a DOE-wide awards program on behalf of the Secretary of Energy. The program will include a major annual presentation event, as well as the associated award paraphernalia. Also includes small amount for HCM-internal needs. |               |               |               |
| ▪ <b>Diversity Services and Programs</b>   | 0             | 0             | 4             |
| Funding for diversity-related surveys, outreach activities, oversight of special emphasis and commemorative events, and specialized training for staff.  |               |               |               |
| ▪ <b>Miscellaneous Other Related Services</b>  | 35            | 97            | 207           |
| Supports other miscellaneous Other Related Services, programs and functions within HCM including: Office Administration; HCM Policy; Executive Resources; and the Employee work Life Center (EWLC).  |               |               |               |
| <b>Total, Program Direction</b>  | <b>22,107</b> | <b>27,986</b> | <b>31,436</b> |



## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

Increase in salaries and benefits is due to general pay increases, promotions, within-grade increases for the target level of 158 Full Time Equivalent employees (FTEs), plus the addition of 3 FTEs due to the addition of the Diversity function in HCM, for a total of 161 FTEs.

+1,144

### Travel

Increase in travel is due to general annual cost increases associated with traveling, plus the addition of the Diversity function to HCM.

+15

### Support Services

#### ▪ E-Gov Initiatives

Increase results from: projected E-Gov costs associated with the migration to a full HR Line of Business and the adoption of a Shared Service Center (SSC) process across the Federal government for HR services.

+825

#### ▪ Corporate HR Initiatives

Increase results from minor annual cost adjustments.

+9

#### ▪ Drug Testing Program

Increase results from a major expansion of the DOE Drug Testing Program to support testing for all DOE employees with a security clearance.

+415

#### ▪ Corporate Human Resource Information System

Increase results from minor annual cost adjustments.

+50

#### ▪ Miscellaneous Support Services

Increase results from minor annual cost adjustments for HCM services and programs.

+13

### Other Related Services

#### ▪ Working Capital Fund

Increase results from additional WCF business line functions, minor annual cost adjustments for HC infrastructure, and the addition of the Diversity staff beginning in FY 2009.

+437

#### ▪ Staff Training

Increase results from minor annual cost adjustments.

+15

#### ▪ DOECOE

Decrease results from minor cost adjustments to offset the addition of the Diversity function to HCM beginning in FY 2009.

-13

#### ▪ Other Personnel Services

Increase results from performance of the Human Capital Survey (as directed by OPM), which is only funded by HCM every other fiscal year, and minor annual cost adjustments.

+236

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li> <b>Automation Initiatives</b><br/> Decrease results from multiple minor cost adjustments to offset the addition of the Diversity function to HCM beginning in FY 2009. </li> <li> <b>Performance Management</b><br/> Increase results from a need to develop an automated web utility to support knowledge of DOE-wide Performance Management. Contract subject matter experts will be required to assist in content development and selection. </li> <li> <b>Workforce Planning</b><br/> Decrease results from multiple minor cost adjustments to offset the addition of the Diversity function to HCM beginning in FY 2009. </li> <li> <b>Award Programs</b><br/> Decrease results from adjustment to annual maintenance and operation costs for Secretarial Awards Program. A greater amount of award paraphernalia will be purchased in FY 2008 to get the program initiated, maintenance and replacement is planned for FY 2009 and beyond (in addition to ceremonies). </li> <li> <b>Diversity Services and Programs</b><br/> Increase results from addition of the Diversity function to HCM from the Office of Economic Impact and Diversity (ED) beginning in FY 2009. </li> <li> <b>Miscellaneous Other Related Services</b><br/> Increase results from minor annual cost adjustments for HCM services and programs. </li> </ul> | -90<br><br>+400<br><br>-20<br><br>-100<br><br>+4<br><br>+110<br><br><hr/> <b>+3,450</b> |
| <b>Total Funding Change, Program Direction</b>   |   |

### Management Support Services by Category

|                                       | FY2007       | FY2008       | FY2009       |
|---------------------------------------|--------------|--------------|--------------|
| <b>Management Support</b>             |              |              |              |
| Corporate HR Initiatives              | 40           | 2,115        | 2,124        |
| Drug Testing                          | 85           | 85           | 500          |
| CHRIS                                 | 325          | 325          | 375          |
| Health Care Services                  | 500          | 600          | 600          |
| SES CDP                               | 140          | 700          | 700          |
| E-Government Initiatives              | 90           | 100          | 925          |
| HR Support Service (Core) Contractors | 850          | 1,000        | 1,000        |
| Miscellaneous Support Services        | 125          | 514          | 527          |
| <b>Total, Management Support</b>      | <b>2,155</b> | <b>5,439</b> | <b>6,751</b> |

### Other Related Expenses by Category

|                                      | FY2007       | FY2008       | FY2009       |
|--------------------------------------|--------------|--------------|--------------|
| <b>Other Related Expenses</b>        |              |              |              |
| Working Capital Fund                 | 2,178        | 2,543        | 2,980        |
| Staff Training                       | 50           | 100          | 115          |
| DOECOE                               | 250          | 800          | 787          |
| Other Personnel Services             | 25           | 199          | 435          |
| Automation Initiatives               | 50           | 425          | 335          |
| Award Programs                       | 0            | 301          | 201          |
| Performance Management               | 0            | 100          | 500          |
| Workforce Planning                   | 0            | 100          | 80           |
| Diversity Services and Programs      | 0            | 0            | 4            |
| Miscellaneous Other Related Services | 35           | 97           | 207          |
| <b>Total, Other Related Services</b> | <b>2,588</b> | <b>4,665</b> | <b>5,644</b> |

## Management

### Program Direction Funding Profile by Category

(dollars in thousands/whole FTEs)

|                        | FY 2007 | FY 2008 | FY 2009 |
|------------------------|---------|---------|---------|
| Headquarters           |         |         |         |
| Salaries and Benefits  | 29,952  | 36,775  | 37,766  |
| Travel                 | 1,178   | 1,035   | 1,002   |
| Support Services       | 9,464   | 12,692  | 12,022  |
| Other Related Expenses | 13,567  | 14,531  | 16,210  |
| Total, Headquarters    | 54,161  | 65,033  | 67,000  |
| Full Time Equivalents  | 319     | 284     | 283     |

### Mission

The Office of Management (MA) provides the Department of Energy (DOE) with centralized direction and oversight for the full range of management, procurement and administrative services. MA's activities include project and contract management policy development and oversight, and delivery of procurement services to DOE headquarters organization. Our administrative activities include the management of headquarters facilities and the delivery of other services critical to the proper functions of the Department. MA also fulfills the statutory responsibilities of the Chief Acquisition Officer, and through the Office of Procurement and Assistance Management, serves as DOE's Senior Procurement Executive.

MA's functions include:

- Engineering and Construction Management – provides corporate processes for and oversight of DOE projects and real property assets; drives improvement in project, facilities and infrastructure management systems; integrates sound fiscal acquisition and business practices into our management of projects and facilities and infrastructure; conducts the Department's external independent reviews; and manages the Program and Project Management Career Development Program in support of DOE's federal project directors;
- Procurement and Assistance Management – develops, implements and maintains DOE-wide policies, procedures, programs, and management systems pertaining to acquisition, financial assistance, personal property management, and contractor resource management; provides operational procurement services to Headquarters elements; manages the Department's A-76 studies, and serves as the Department's Federal Activities Inventory Reform (FAIR) Act program manager;
- Administration – provides oversight and support for printing and mail services; Headquarters support for facilities and assets management, safety and occupational health; travel, transportation, messenger/courier and library services; moving, warehousing, supplies, copier and space management; and manages the Departmental Foreign Travel and Exchange Visitor Program;

- Scheduling and Advance – manages schedules and travel preparations for the Office of the Secretary;
- Aviation Management – manages all 24 DOE-owned aircraft and contracted aviation services for the Department world-wide including the operations; and conducts independent oversight of the 15 field offices to ensure aircraft operations are safe, effective, efficient and secure;
- Executive Secretariat – facilitates quality document management; facilitates the timely delivery of executive commitments and information; serves as the Department's Federal Preservation Officer; and oversees the Department's Federal Advisory Committee Program; and
- Information Resources – implements the Department's Freedom of Information Act and Privacy Act programs; and manages the Department's directives management and delegation of Authority System.

### Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

#### Salaries and Benefits

**29,952          36,775          37,766**

Provides funding for 283 full time equivalents to include salaries, overtime, incentive awards, lump sum leave, SES and other performance awards. Request reflects the transfer of six full time equivalents from MA to the Office of Health, Safety and Security (HSS) for the Quality Assurance function. Request also includes funding for an additional five full time equivalents to address the skill gaps within the DOE project, facility and real estate management functions.

#### Travel

**1,178          1,035          1,002**

Provides funding for staff travel; all travel associated with scheduling and logistics for Secretarial trips; and travel associated with program oversight and evaluation, project engineering and construction management activities. Also includes the rental of vehicles from the General Services Administration (GSA) motor pool; lease of DOE fleet; and the costs for hybrid vehicle leasing.

#### Support Services

**9,464          12,692          12,022**

- **External Independent Reviews (EIRs)**

**0          0          4,203**

Finances EIRs, which provide final assurance that projects can be executed to the proposed performance baseline (scope, cost, and schedule). EIRs ensure the validity of DOE's projects' performance baselines prior to budget requests. DOE Order 413.3A, "Program and Project Management for the Acquisition of Capital Assets," requires that EIRs be conducted by the Office of Management for projects greater than \$100M for major Programs and greater than \$5M for others (lacking Project Management Support Offices). DOE will bring these EIRs under the purview of MA beginning in FY 2009 to ensure appropriate EIR scope definition as well as to maintain the external and independent nature of EIR audits on Program project performance baselines. This funding will support the National Nuclear Security Administration (\$500K), the Office of Energy Efficiency and Renewable Energy (\$103K), the Office of Science (\$600K), and the Office of Environmental Management (\$3,000K).

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **A-76 Logistics Service Provider** 4,520 4,520 0  
Funding provides services for all Headquarters Program offices in the areas of facility operations, property and space management, copying, printing, travel and transportation. Beginning in FY 2009 this activity will be funded in the Working Capital Fund.
- **Earned Value Management System (EVMS)** 366 250 1,492  
EVMS is an integrated set of policies, processes, procedures, systems and practices that meet the intent of the American National Standards Institute/Electronic Industries Alliance Standard 748-A, Earned Value Management Systems. The primary purpose of an EVMS is to support project management. An EVMS integrates cost, schedule and scope; tracks planned value, earned value of actual work accomplished, and actual cost data; provides an objective measure of performance against a baseline; enables trend analysis and evaluation of estimated cost at completion; and provides a sound basis for problem identification, corrective actions, and management re-planning. These metrics are effective summary level project measurements that senior executives can use to assess current project and program status. The EVMS funding request supports the review and certification by the Office of Engineering and Construction Management, using an independent contractor, of our EVM systems utilized by our contractors.
- **Performance Assessment and Reporting System (PARS)** 370 240 1,240  
PARS delivers project status and assessment information to the Deputy Secretary, other HQ Acquisition Executives, senior management, and other stakeholders (including GAO, OMB and Congressional staffers) and is part of the DOE's project reform initiative that was launched in June 1999. PARS is a web-enabled distributed database, which is based on EVMS standards. With this updated tool, the Department will have a common structure for reporting the current status of all acquisition programs that will enable more accurate, complete, reliable and timely project reporting, and forecasting for senior management at Headquarters.
- **Foreign Travel Management Program** 0 550 550  
The Foreign Travel Management System (FTMS) is the DOE-HQ corporate electronic database that manages and tracks official travel to foreign countries for DOE federal and contractor personnel. Funds also cover the costs of support which includes administrative support to address Department-wide issues pertaining to the Foreign Travel Management Program.
- **Acquisition Career Management Program** 0 1,011 700  
Acquisition Career Management Program (ACMP) provides a training and career development certification program for contracting, purchasing, financial assistance, personal property management, contracting officers and contracting officer's representatives. The purpose of the program is to ensure that the acquisition workforce has the knowledge and skills necessary to effectively manage their mission requirements.
- **Organizational Review** 0 1,500 0  
Congressionally-mandated organizational review of the Offices of Procurement, Human Resources and the Chief Financial Officer in conjunction with the National Academy of Public Administration (NAPA).

(dollars in thousands)

|   | FY 2007       | FY 2008       | FY 2009       |
|---|---------------|---------------|---------------|
| ○ <b>Other</b>  | 4,208         | 4,621         | 3,837         |
| Finances management and professional support services; studies, analyses and evaluations; engineering and technical services. Areas of additional support include project management control and performance, facilities and infrastructure, FAIR act, contract management and administration, automated data processing, operation of the Headquarters virtual technical and law libraries, database maintenance, historic preservation, and aviation assessments. |               |               |               |
| <b>Other Related Expenses</b>   | <b>13,567</b> | <b>14,531</b> | <b>16,210</b> |
| ○ <b>Training</b>   | 114           | 113           | 108           |
| Provides training and course registration costs for MA employees for essential training activities.   |               |               |               |
| ○ <b>E-Government Initiatives</b>   | 90            | 45            | 45            |
| Funding supports Department-wide E-Government Initiatives such as Integrated Acquisition Environment, IAE Dunn and Bradstreet and Grants.gov.   |               |               |               |
| ○ <b>eXCITE</b>   | 0             | 1,390         | 1,390         |
| Includes funding for the Office of the Chief Information Officer for the delivery of computer and network services through the Department's Extended Common Integrated Technology (eXCITE) program.   |               |               |               |
| ○ <b>Working Capital Fund</b>   | 10,118        | 10,319        | 12,302        |
| The Working Capital Fund covers non-discretionary costs such as space utilization, computer and telephone usage, mail service, supplies and electronic services. Funding also supports MA office expenditures for printing and reproduction, and telecommunication needs.   |               |               |               |
| ○ <b>Other</b>  | 3,245         | 2,664         | 2,365         |
| Finances acquisition of goods and services that support MA's mission, not classified as support services. Funds may also be used for personnel security investigations for the Office of the Secretary and MA beginning in FY 2009.   |               |               |               |
| <b>Total, Program Direction</b>   | <b>54,161</b> | <b>65,033</b> | <b>67,000</b> |

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Salaries and Benefits

+991

Increase is the net result of the five additional full time equivalents to address the skill gaps within the DOE project, facility and real estate management functions; the transfer of six full time equivalents from MA to HSS for the Quality Assurance function; and, the government-wide increase for pay- and personnel-related costs for MA's 283 full-time equivalent employees.



**Travel**

**-33**

Decrease due to transfer of funding from MA to HSS in support of the six full time equivalents for the Quality Assurance function.

**Support Services**

**-670**

Net decrease of \$670K reflects the following changes in FY 2009:

- **External Independent Reviews (EIRs)**  
 The transfer of EIRs to MA. Funding has been provided directly by the Programs since FY 2004 for Environmental Management and since FY 2005 for all other Programs. DOE will bring these EIRs under the purview of MA beginning in FY 2009 to ensure appropriate EIR scope definition and maintain the external and independent nature of EIR audits on Program project performance baselines. +4,203
- **A-76 Logistics Service Provider**  
 Reflects the transfer of the A-76 Logistics service provider from MA to the Working Capital Fund. -4,520
- **Earned Value Management System (EVMS)**  
 Funding to support the accelerated completion of the EVMS certifications of all contractors executing construction projects greater than \$50M and IT projects greater than \$5M. Additionally, funding will support start-up of new EVMS surveillance program. +1,242
- **Performance Assessment and Reporting System (PARS)**  
 Funding to support the replacement of the current Performance Assessment and Reporting System (PARS) reporting system with a single, Department-wide system. Previous funding levels provided maintenance for the existing PARS. The additional request of \$1M is seed money; over time there is an expectation that the new PARS system will execute phased enhancements to ultimately serve as a project management tool for the Federal Project Directors at the sites. Today, PARS is utilized as a reporting system for senior management at Headquarters on the status of projects. However, the current PARS is not user-friendly, outdated, and burdensome to the Programs. Preliminary full cost range is \$2.5M to 5.0M. +1,000
- **Organizational Review**  
 The decrease reflects one-time FY 2008 funding for the National Academy of Public Administration (NAPA) review directed by Congress. -1,500
- **Other**  
 Across-the-board reductions in other support service areas to fund higher priorities and to reflect efficiencies (such as in the Acquisition Career Management Program and for various procurement systems, as they will be decommissioned when the new procurement system is deployed). -1,095

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

|   |  |
|---|--|
| <b>Other Related Expenses</b>   | <b>+1,679</b>  |
| Net increase of \$1,679K is due to:   |  |
| <ul style="list-style-type: none"> <li>○ <b>Training</b><br/>The transfer of funding from MA to HSS in support of the six full time equivalents for the Quality Assurance function.</li> <li>○ <b>Other</b><br/>The transfer of funding for eXCITE from MA to HSS in support of the six full time equivalents for the Quality Assurance function, and across the board reductions to fund higher priorities and to reflect efficiencies.</li> <li>○ <b>Working Capital Fund</b><br/>Net increase for increased services purchased from the Working Capital Fund, including new activities that were added in FY 2009, and the transfer of funding from MA to HSS in support of the six full time equivalents for the Quality Assurance function.</li> </ul> | <ul style="list-style-type: none"> <li style="text-align: right;">-5</li> <li style="text-align: right;">-299</li> <li style="text-align: right; border-top: 1px solid black;">+1,983</li> </ul> |
| <b>Total Funding Change, Program Direction</b>  | <b>+1,967</b>  |

### Support Services by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Management Support  |         |         |         |
| Reports and Analyses Management and General Administrative Services | 9,464   | 12,692  | 12,022  |
| Total, Management Support   | 9,464   | 12,692  | 12,022  |

### Other Related Expenses by Category

(dollars in thousands)

|                                    | FY 2007 | FY 2008 | FY 2009 |
|------------------------------------|---------|---------|---------|
| Other Related Expenses             |         |         |         |
| Other Services                     | 2,446   | 2,739   | 2,442   |
| Training                           | 114     | 113     | 108     |
| Purchases from Government Accounts | 548     | 435     | 434     |
| Supplies and Materials             | 100     | 725     | 722     |
| Equipment                          | 241     | 200     | 202     |
| Working Capital Fund               | 10,118  | 10,319  | 12,302  |
| Total, Other Related Expenses      | 13,567  | 14,531  | 16,210  |



## Office of Policy and International Affairs

### Funding Profile by Subprogram

(dollars in thousands)

|  | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Policy and International Affairs                   |                                     |                                      |                        |                                     |                    |
| Program Direction                                  | 15,054                              | 18,948                               | -117 <sup>a</sup>      | 18,831                              | 19,469             |
| Policy Analysis and Systems<br>Studies             | 389                                 | 625                                  | -4 <sup>b</sup>        | 621                                 | 1,000              |
| Environmental Energy Policy<br>Analysis            | 558                                 | 531                                  | -3 <sup>c</sup>        | 528                                 | 531                |
| Climate Change Technology<br>Program               | 501                                 | 1,066                                | -7 <sup>d</sup>        | 1,059                               | 2,000              |
| <b>Total, Policy and International<br/>Affairs</b> | <b>16,502</b>                       | <b>21,170</b>                        | <b>-131</b>            | <b>21,039</b>                       | <b>23,000</b>      |

### Mission

The Office of Policy and International Affairs serves as the primary advisor to the Secretary and the Department on energy and technology policy development, analysis and implementation, and leads DOE's international energy initiatives. The policy analysis and international liaison work of PI is primarily performed by federal personnel and funded through Program Direction, although PI also requires some support services funds to obtain the analysis tools, and data and economic models necessary to conduct policy analysis and fulfill other responsibilities.

### Benefits

PI provides cross-cutting energy policy development and analysis that enables DOE to assess and respond to energy challenges ranging from current energy price and market volatility to the long term technology transitions necessary to reduce U.S. dependence on oil and greenhouse gas emissions.

- PI analysis of the regulatory and other factors affecting current energy markets, and its assessment of policy options for addressing these issues, are key to the Administration's ability to quickly respond to market developments.
- PI's unique ability to integrate cross-sectoral and multi-technology assessments enables it to develop integrated strategies for addressing national long term energy challenges.
- PI's efforts in the international arena contribute directly to the resolution of both current and future energy challenges.

PI oversees all of the Department's multilateral and bilateral relationships and agreements, as well as directly representing DOE and the U.S. government in a broad range of international organizations,

<sup>a</sup> Reflects a FY 2008 rescission of \$134,000 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

<sup>b</sup> Reflects a FY 2008 rescission of \$4,000 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

<sup>c</sup> Reflects a FY 2008 rescission of \$4,000 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

<sup>d</sup> Reflects a FY 2008 rescission of \$8,000 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

forums, and cooperative ventures. These relationships and agreements support achievement of U.S. objectives, including:

- the creation of competitive energy markets essential to increasing investment in energy development and infrastructure globally;
- the establishment of effective policies for improving efficiency and utilizing renewable resources; and,
- the support of cooperative efforts to develop the energy technologies necessary to reduce oil dependence and greenhouse gas emissions.

PI's work with energy-producing countries has resulted in policy and regulatory reforms that have increased private investment in energy resource development and infrastructure (such as oilfields, pipelines, etc.), thereby increasing the diversity of energy supplies for the U.S.

In each of these areas, PI plays a unique and critical role within the DOE organization.

### Energy Diversity

As the world's largest producer and consumer of energy resources, the U.S. must play a leading role in ensuring a secure energy future. A major focus of PI's domestic and international efforts is the development and implementation of policies to increase U.S. energy options, reduce our dependence on oil, and enhance the capability of markets to respond to supply disruptions and to adjust to changing circumstances. These goals are pursued through the development of domestic regulatory and economic policies, as well as active cooperation with a broad range of countries and international organizations representing all regions of the world, and all stages of energy and economic development. PI's supports the achievement of these objectives by:

Increasing supplies of energy from more diverse domestic and foreign sources by:

- Developing policies to spur domestic energy production.
- Fostering energy resource investments and development in a broad range of countries.
- Analyzing the strengths and weaknesses of key international energy organizations, including, but not necessarily limited to, the International Energy Agency (IEA), International Atomic Energy Agency (IAEA), Asia-Pacific Economic Cooperation (APEC), and Latin American Energy Organization (OLADE), with a view toward crafting an overall U.S. government approach to the optimal use of international energy organizations to further US international energy policy goals.

Reducing U.S. demand for oil through improvements in motor vehicle fuel economy and the introduction of alternative energy sources by:

- Developing strategies for substantially improving motor vehicle fuel economy, without endangering public safety or the competitiveness of domestic vehicle manufacturers.
- Assessing options for enabling alternatives to petroleum products to be increasingly introduced in the transportation sector.
- Transferring to other countries U.S. experience in developing and promoting the adoption of fuel economy technologies and alternative transportation fuels.

Enhancing the ability of markets to respond to energy market disruptions, and to adjust to changes in, motor fuel regulations and sources by:

- Examining the role of state and federal fuel quality and content requirements on market responsiveness and overall price levels.
- Encouraging energy market reforms, both domestically and internationally, which increase competition and responsiveness to changing market conditions.
- Periodically assessing the adequacy of U.S. markets, strategic energy reserves and emergency response agencies to mitigate the impacts of energy supply disruptions.
- Ensuring that U.S. companies and agencies are prepared to coordinate their emergency response activities with the International Energy Agency and other international forums.

### Environmental Impacts of Energy

The U.S. and other countries require technology and policy instruments necessary to meet energy security and economic growth objectives, while at the same time improving environmental quality. This objective is pursued through the development of advanced technologies capable of substantial reductions in emissions, market-based regulatory strategies and other policies, and the initiation and active support of cooperative international and voluntary program efforts. PI activity in this area includes:

Developing and overseeing the implementation of effective strategies for addressing the risks posed by global climate change:

- Implementing a Climate Change Technology Program that balances the government's research and technology development priorities to ensure that resources are directed to areas likely to produce the greatest long-term benefits.
- Developing and implementing effective voluntary programs for achieving near-term reductions in greenhouse gas emissions intensity, such as Climate VISION and the revised Voluntary Reporting of Greenhouse Gases [1605(b)] Program.
- Assessing market-based strategies for encouraging the adoption of climate-friendly technologies and other actions to reduce greenhouse gas emissions.
- Supporting international efforts to enhance our understanding of climate change science and the options for controlling greenhouse gas emissions, as well as efforts to develop and adopt technologies to reduce global greenhouse gas emissions intensity.
- Analyzing policy options for preventing adverse climate change impacts.

Ensuring that environmental policies are designed to achieve key environmental objectives while minimizing their potential adverse impacts on energy security or the economy.

- Working closely with the Environmental Protection Agency and other Federal agencies to ensure that energy technology developments, the effects on energy markets and security, and the potential benefits of market-based strategies are fully considered during the development of environmental regulations and policies.
- Ensuring that priorities for the development and deployment of advanced energy technology priorities reflect potential environmental benefits and costs.
- Encouraging efforts to improve energy efficiency or switch to alternative fuels, especially when such shifts have both environmental and energy security benefits.
- Developing strategies that strengthen environmental protection by enabling the private sector to more effectively anticipate and plan necessary investments, by using market-based regulatory mechanisms and by select governmental incentives.
- Supporting international efforts, such as the U.S. Clean Energy Initiative (CEI), the U.S. Clean Energy Technology Export Initiative (CETE) and the Renewable Energy and Energy Efficiency

Partnership (REEEP), that are designed to achieve, through public-partnerships, both energy and environmental objectives, with a focus upon market development of cleaner, more efficient energy technologies and through commercializing financing, “market pull/market push” strategies and infrastructure building efforts to increase the competitiveness of U.S. clean energy technology exports.

### Energy Infrastructure

The capacity and quality of the U.S. energy sector’s infrastructure are key to its reliability and efficiency, as well as to its ability to accommodate new sources of supply. PI pursues these objectives by:

- Assuring sufficient reliable capacity for importing, refining, generating, and distributing energy within the North America:
  - Encouraging increased private investment in the North American Liquid Natural Gas (LNG) market, oil refining and energy distribution systems.
  - Assessing options for ensuring that U.S. refining and distribution systems can accommodate the introduction of fuels derived from unconventional oils, synthetic fuels and other new energy resources.
  - Exploring options for creating a motor vehicle fuel distribution system that is capable of accommodating new technologies and fuels, including biofuels, net-based electricity for plug-in hybrids and, ultimately, hydrogen.

### Energy Productivity

The economic efficiency of the U.S. energy sector is critical to the success of the U.S. economy. Well functioning and competitive energy markets are one means of ensuring that productivity, but this objective is also supported by the development and deployment of improved energy supply and end-use technologies. PI pursues these objectives by:

- Encouraging the development of innovative financing mechanisms and incentives to accelerate the introduction of new supply and end-use technologies.
- Developing strategies and policies that foster energy efficiency investments domestically and internationally, including expansion of energy efficiency standards where appropriate.
- Ensuring that existing efforts to encourage or require improved energy efficiency maximize the long term benefits for consumers.



**Policy and International Affairs  
Program Direction**

**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                              | FY 2007 | FY 2008 | FY 2009 |
|------------------------------|---------|---------|---------|
| Headquarters                 |         |         |         |
| Salaries and Benefits        | 11,896  | 15,413  | 15,721  |
| Travel                       | 584     | 724     | 715     |
| Other Related Expenses       | 2,574   | 2,694   | 3,033   |
| Total, Headquarters          | 15,054  | 18,831  | 19,469  |
| Total, Full Time Equivalents | 120     | 120     | 120     |

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits** **11,896**    **15,413**    **15,721**

The FY 2009 request funds federal personnel who carry out the program efforts to aggressively develop policies, strategies and options for implementing the Administration's initiatives, including helping the U.S. increase energy diversity, reduce energy-related environmental impacts, enhance U.S. energy infrastructure, and increase energy productivity.

Most of PI's program work is performed by federal personnel. The FY 2009 budget will support 120 full time equivalents (FTEs) including salary and wages, overtime pay, cash incentive awards, lump sum leave payments and performance awards.

**Travel** **584**    **724**    **715**

Primarily funds international travel to support Departmental global dialogue in support of energy security and domestic travel in support of national energy policy initiatives and programs. Also funds travel to meetings relevant to domestic and international energy, science and technology, and environmental policies, as well as meetings with stakeholders and energy policy professionals.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
| 2,574   | 2,694   | 3,033   |

**Other Related Expenses**

Provides funding for various operating expenses including working capital fund expenditures, information technology support and acquisition, LAN administration, E-Gov, subscriptions, training, interpreters, pagers, portable phones, and international phone charges. Beginning in FY 2009, funds may be used for personnel security investigations.

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Salaries and Benefits**

+308

The increase reflects cost of living adjustments for 120 FTEs.

**Travel**

The decrease reflects a reduction in travel performed by PI with no impact on the program.

-9

**Other Related Expenses**

The increase supports the additional business line items that were added to the FY 2009 Working Capital Fund account.

+339

**Total Funding Change, Program Direction**

---

+638

## Other Related Expenses by Category

(dollars in thousands)

| Other Related Expenses        | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Training                      | 76      | 101     | 101     |
| Working Capital Fund          | 1,800   | 1,770   | 2,141   |
| Miscellaneous                 | 698     | 823     | 791     |
| Total, Other Related Expenses | 2,574   | 2,694   | 3,033   |

**Policy Analysis and Systems Studies  
Funding Schedule by Activity**

(dollars in thousands)

|                                     | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------------|---------|---------|---------|
| Policy Analysis and Systems Studies | 389     | 621     | 1,000   |

Some of the program work of PI is accomplished via contract efforts funded in Policy Analysis and System Studies. PI often requires access to policy analysis tools, data and economic models available only in the private sector.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|   |            |            |              |
|---|------------|------------|--------------|
| <b>Policy Analysis and System Studies</b> | <b>389</b> | <b>621</b> | <b>1,000</b> |
|---|------------|------------|--------------|

- PI Energy Modeling Activities

Funding will be used to update PI's U.S. energy supply and demand models, and U.S. - and World-MARKAL models (MARKAL is a generic model used to predict the evolution, over decades, of specific energy systems) and other quantitative analysis tools. PI requires improved modeling capabilities in all energy sectors from primary energy (e.g., fossil fuels, renewable energy, nuclear) to energy conversion (e.g., refineries, heat production, electricity production, hydrogen production, coke ovens) to final energy products (e.g., motor fuels, electricity, hydrogen, heat) to energy technologies in final demand (e.g., industry, transport, buildings) and finally to energy service demand (e.g., travel, cooling, heating, power). These capabilities provide a greatly expanded basis to support key Administration policy initiatives with prompt and logically consistent analysis of different policy scenarios. Also provides cost-benefit analysis for Administration proposals. PI is frequently called upon by the Secretary of Energy to perform energy policy analysis. These assignments fall outside of the purview of DOE's Energy Information Administration because of their policy focus.

- Transportation Energy Efficiency Analysis

Examine fuel economy standards for light and heavy duty vehicles, methods of improving fuel economy, potential use of alternative fuel vehicles, impacts on domestic and foreign manufacturers, vehicle price impacts, and effects on safety, and air quality. Analysis will provide comparison of impacts from 2010 to 2030. Additionally methods for evaluating the effects vehicle efficiency standards have on vehicle miles travel and evaluating the energy security premium for policies that reduce petroleum consumption.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **EPACT 2005 Analysis**  
The Energy Policy Act of 2005 required the Department of Energy to conduct several analyses and reports. PI has been tasked to conduct some of these reports and analysis including an evaluation of the gasoline supply infrastructure capabilities concerning fuel type proliferation.
- **Energy and Water**  
The growing demand for energy will increase demand for water to develop, transport, and process energy and energy fuels. This will impact fossil, nuclear, hydro, and biofuels. This task will quantify, at the regional level, the significance of water as a constraint on energy development. It will also identify cases in which energy development has been hampered and to ascertain the contribution of water resource limitations on energy development.
- **Energy Return on Energy Invest (EROEI) Metrics**  
As the world moves into a period of less abundance in energy supplies, the energy efficiency of the production process itself may well prove to be a critical criterion. This will give the Department the ability to evaluate projects by EROEI. This study would produce a set of metrics that would be a standard usable across energy sources.
- **S&T Policy Studies:**  
Funds will be used to conduct studies that examine what kinds of public policies will accelerate the deployment and commercialization of technologies that enhance a diverse energy supply, improve the energy infrastructure. The studies will examine various market policies that stimulate the deployment and commercialization of advanced energy supply, conversion, and demand reduction technologies.
- **Energy Market Disruptions**  
Continually assess the likelihood and effects of energy supply disruptions and analyze government actions to avoid or minimize adverse effects.

**Total, Policy Analysis and System Studies**

**389**

**621**

**1,000**

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

The increase in funding will be used to enhance the modeling capabilities and other quantitative analysis tools in all energy sectors; and, to conduct additional studies on market policies that stimulate technology deployments and commercialization.

**Total Funding Change, Policy Analysis and System Studies**

+379

---

+379

**Environmental Energy Policy Analysis  
Funding Schedule by Activity**

|                                      | (dollars in thousands) |         |         |
|--------------------------------------|------------------------|---------|---------|
|                                      | FY 2007                | FY 2008 | FY 2009 |
| Environmental Energy Policy Analysis | 558                    | 528     | 531     |

PI is the Department’s lead on climate change technology issues and policy development. It provides overall strategic direction and coordination of climate change activities, including DOE’s role in the Climate VISION and Voluntary Greenhouse Gas Registry programs, and serve as DOE’s lead representative in interagency, intergovernmental, and international proceedings relating to climate change. Some of the program work of PI is accomplished via contract efforts funded in Environmental Energy Policy Analysis.

**Detailed Justification**

|   | (dollars in thousands) |            |            |
|---|------------------------|------------|------------|
|   | FY 2007                | FY 2008    | FY 2009    |
| <b>Environmental Energy Policy Analysis</b> | <b>558</b>             | <b>528</b> | <b>531</b> |

• **Input to Federal Rulemakings with Potential Energy Effects**

Identify key rulemaking activities that could affect energy development and use and analyze the potential economic, energy and environmental impacts. Where such impacts appear significant, suggest alternative approaches for meeting the objectives. Rulemakings to be covered in this task include: standards for the management of coal combustion wastes; emissions standards from petroleum and bio refineries, federal and state fuel standards and renewable or low fuel mandates; controlling air pollution from oil and natural gas production; federal consistency regulations under the Coastal Zone Management Act; pipeline safety requirements; protection of marine mammals and protected species; and regulations for offshore floating production facilities.

• **Market Assessment of Low Green House Gas Fuels Standards**

Conduct analysis of the feasibility of implementing a low Green House Gas (GHG) fuel requirement as directed by the President’s May 14 Executive Order to implement the Administration’s 20-in-10 program to reduce gasoline demand by 20 percent in 10 years. Analysis will explore domestic and international renewable and alternative fuel production potential and the feasibility of the current petroleum fuel production, transportation and distribution infrastructure to incorporate renewable and alternative fuels and feedstocks into existing or alternative fuel in the retail market.

▪ **Cost-Effective Incentives for Clean Energy Market Development:**

- Domestic. Evaluate costs/benefits of alternative policy interventions and financial instruments to spur domestic marketplace investment in commercial deployment of clean energy technologies for more efficient, productive, sustainable, and environmentally sound use of energy resources. Support development of cost-effective policy instruments that complement Administration and private sector technology innovation efforts, especially options that minimize use of federal resources, maximize use of market forces, and leverage private sector resources. Build on developed commercial risk frameworks; conduct business case studies; perform analyses that address core drivers, risks, and costs of investment in targeted energy market segments; and evaluate leading options through specific cases/pilots, focusing on industrial gasification, distributed energy and bio-refineries.
- International. Conduct outreach, build innovative and replicable analytical and measurement tools, and form partnerships to improve the uptake of clean energy technologies in emerging markets. Drawing from experience in U.S. domestic markets and in consultation with private partners, provide leadership to other U.S. government agencies and donors in developing innovative solutions to market barriers. This includes targeted incentives, financial products, practical policies and appropriate pre-feasibility studies. Organize interagency cooperation to accomplish goals and engage other donor governments, International Financial Institutions, host governments, technology vendors, project developers, interested investors and other parties as appropriate.

▪ **Integrated Analysis of Large Scale Carbon Capture and Storage (CCS) Technology**

Project utilizes model of current and anticipated future technology options to examine feasibility of incorporating carbon capture technology as an alternative to meeting efficiency improvements for existing plants as directed in EPACT05. As CCS activities progress, this analysis would support inevitable policy and legal issues that would emerge with commercialization, especially with regard to Federal and State responsibilities. To be done in collaboration with the Office of Fossil Energy.

- **Climate VISION Program Support:** Implement the President's Climate VISION program to contribute to national greenhouse gas (GHG) emissions intensity reduction goal. Provide analytical and coordination support to administer/expand program and assure demonstrable progress in meeting program's objectives. Particularly, define further sector commitments, maintain website, recruit new partners, implement a memorandum of understanding (MOU) with Power Partners, implement tracking system to monitor the progress of the Partners in meeting key program steps, develop industrial sector metrics to measure GHG emissions intensity reductions, and develop annual report on progress.
- Periodic review and revision of Voluntary Reporting of Greenhouse Gases [1605(b)] guidelines  
The final guidelines issued in April 2006 pledge that DOE will review and update the guidelines approximately every three years. This requires that DOE initiate the review process in FY 2008 with a Federal Register notice and public workshop, and complete it in FY 2009 and repeat this process in FY 2011 and FY 2012. Additionally, every year, PI will have to be prepared to assess and respond to technical proposals to amend the guidelines.



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Total, Environmental Energy Policy Analysis**

558

528

531

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

- The increased funding will be used for analysis to support Market Assessments of Low GHG Fuels Standards. PI is developing the Department of Energy's integrated policy and analytical position in support of the Clean Air Act regulations for transportation fuels and vehicles as outlined in the President's May 14 executive order. Analytical work includes technological and economic feasibility assessments for vehicles and fuels to ensure energy conservation and GHG reductions goals are established that also ensure adequate fuel supplies to enable continued U.S. economic expansion.

+3

**Total Funding Change, Environmental Policy Studies**

+3

## Climate Change Technology Program

### Funding Schedule by Activity

(dollars in thousands)

|                                   | FY 2007 | FY 2008 | FY 2009 |
|-----------------------------------|---------|---------|---------|
| Climate Change Technology Program | 501     | 1,059   | 2,000   |

### Description

The Office of Policy and International Affairs has undertaken a leadership role in the area of climate change technology development and deployment. This work is being carried out by the Climate Change Technology Program.

### Detailed Justification

(dollars in thousands)

|   | FY 2007    | FY 2008      | FY 2009      |
|---|------------|--------------|--------------|
| <b>Climate Change Technology Program (CCTP)</b> | <b>501</b> | <b>1,059</b> | <b>2,000</b> |

- CCTP was created to coordinate and prioritize the Federal government’s climate-related technology research, development, demonstration, and deployment programs, and to further the President’s National Climate Change Technology Initiative. CCTP is a Presidential Initiative.
- CCTP was authorized in EPAct 2005, Title XVI (Climate Change) Sec.1610(d). Responsibilities include assisting a Cabinet-level committee in carrying out the provisions of that Title.
- CCTP’s principal aim is to accelerate the development and reduce the cost of new and advanced technologies that could significantly avoid, reduce, or capture and store emissions of greenhouse gases.
- CCTP conducts analyses and technology assessments as part of its coordination function. It focuses on both near and long-term technology options, and places the U.S. situation within a global context.
- CCTP conducts portfolio analyses, progress reviews, identifies gaps and opportunities for future research, and makes recommendations.
- CCTP carries out advanced studies, including technology inventory reports, technology limits analyses, technology roadmaps, and other studies.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- CCTP performs analyses of future scenarios that assess potential contributions from various advanced technologies. Such analyses include scenarios analyses and sensitivity analyses.
- The request provides for technical analyses, contract support and miscellaneous expenses for CCTP.

|   |            |              |              |
|---|------------|--------------|--------------|
| <b>Total, Climate Change Technology Program</b> | <b>501</b> | <b>1,059</b> | <b>2,000</b> |
|---|------------|--------------|--------------|

**Explanation of Funding Changes**

|                                  |
|----------------------------------|
| FY 2009 vs.<br>FY<br>2008(\$000) |
|----------------------------------|

**Climate Change Technology Program** –The increase is primarily for:

CCTP Portfolio Review and Assessment – CCTP will expand significantly its role, in conjunction with the Office of the Secretary and the Office of the Chief Financial Officer, in assessing, informing and guiding the formulation of a strategic portfolio of Departmental investments in climate change related technology research, development, demonstration, and deployment. This work will require expanded analysis of technology options, scenarios analyses, potential contributions over time under a range of varying assumptions, including sensitivity analyses. It will also require application of the portfolio planning principals and criteria, as outlined in the Administration’s recently published CCTP Strategic Plan, to decision-making. The expected outcome is a strategy-grounded, risk-adjusted, and optimized portfolio of Research Development, Demonstration, and Deployment (RDD&D) investments. In support of CCTP’s expanded role for portfolio review and assessment, CCTP will invest in the development of improved methods, tools, data collection, and analysis for decision-making. CCTP will implement a process to assess the adequacy of the overall CCTP multi-agency RDD&D portfolio, identify key gaps, and ensure that the most important opportunities are addressed.

|  |             |
|--|-------------|
| <b>Total Funding Change, Climate Change Technology Program</b> | <b>+941</b> |
|  | <b>+941</b> |



## Public Affairs

### Program Direction Funding Profile by Category

(dollars in thousands/whole FTEs)

|                                     | FY 2007      | FY 2008      | FY 2009      |
|-------------------------------------|--------------|--------------|--------------|
| Headquarters                        |              |              |              |
| Salaries and Benefits               | 3,075        | 2,544        | 2,633        |
| Travel                              | 80           | 80           | 80           |
| Support Services                    | 282          | 126          | 126          |
| Other Related Expenses              | 1,056        | 589          | 941          |
| <b>Total, Public Affairs</b>        | <b>4,493</b> | <b>3,339</b> | <b>3,780</b> |
| <b>Total, Full Time Equivalents</b> | <b>26</b>    | <b>24</b>    | <b>24</b>    |

#### Mission

The mission of the Office of Public Affairs (PA) is to communicate information about DOE's work in a timely, accurate, and accessible way to the news media and the general public. The Office of Public Affairs directly supports the mission of the Department and the Secretary of Energy. Functions include communicating the Departmental message, its policies, initiatives and information to the news media and the general public; managing and coordinating public affairs activities for Headquarters, field offices and sites, and DOE laboratories; serving as DOE's primary spokesperson; responding to requests for information from the public and the news media; arranging interviews with the news media; providing speechwriting services to the Secretary, Deputy Secretary and Under Secretary; preparing written press releases about Departmental activities and sharing Departmental highlights with the news media and the general public.

#### Detailed Justification

(dollars in thousands)

|  | FY 2007      | FY 2008      | FY 2009      |
|--|--------------|--------------|--------------|
| <b>Salaries and Benefits</b>   | <b>3,075</b> | <b>2,544</b> | <b>2,633</b> |
| Funds salaries, benefits, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards for 24 full time permanent and other than full time permanent employees. |              |              |              |
| <b>Travel</b>  | <b>80</b>    | <b>80</b>    | <b>80</b>    |

Travel provides funding for official travel to arrange and lead media events accompany the Secretary, Deputy Secretary, and Under Secretary at public appearances; and attend conferences and meetings with Public Affairs Field Directors to convey DOE initiatives and policies.

Departmental Administration  
Office of Public Affairs  
Program Direction

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Support Services** **282**      **126**      **126**

Provides funding for professional support services for producing the daily news clips, radio/TV monitoring and transcription services; on-line research and newswire services (Lexis/Nexis, Bacon's, Federal News, Burrell's, Hotline/Greenwire), and library reference materials; and for technical support services (maintenance and software upgrades for the Content Management System (DOE Home Page), and funding for E-Gov initiatives.

- |                 |     |    |    |
|-----------------|-----|----|----|
| • Subscriptions | 198 | 71 | 71 |
| • IT Services   | 80  | 50 | 50 |
| • Publications  | 4   | 5  | 5  |

**Other Related Expenses** **1,056**      **589**      **941**

Other related expenses provides funding for training and employee development; services include the business lines of the Working Capital Fund, such as office space, building operations and maintenance, postage, telephone service, printing and graphics, copying, desktop services, supplies, equipment, Corporate training services, operating and maintenance costs of the Standard Accounting and Reporting System (STARS) and other miscellaneous administrative support services; and for purchase of goods and services from government accounts (IT services provided under the eXCITE initiative). Funds may also be used for personnel security investigations beginning in FY 2009.

- |   |     |     |     |
|---|-----|-----|-----|
| • Working Capital Fund                                | 870 | 499 | 733 |
| • Training  | 6   | 5   | 6   |
| • eXCITE  | 106 | 85  | 96  |
| • Other miscellaneous administrative support services | 74  | 0   | 106 |

|                                 |              |              |              |
|---------------------------------|--------------|--------------|--------------|
| <b>Total, Program Direction</b> | <b>4,493</b> | <b>3,339</b> | <b>3,780</b> |
|---------------------------------|--------------|--------------|--------------|

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Salaries and Benefits

Increase in salaries and benefits resulting to reflect cost of living adjustments for 24FTES. +89

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Other Related Expenses**

Increase is a result of the use of prior year balances in FY 2008 to offset WCF and other related expenses.

**Total Funding Change, Program Direction**

+352

---

**+441**

**Support Services by Category**

(dollars in thousands)

|                             | FY 2007 | FY 2008 | FY 2009 |
|-----------------------------|---------|---------|---------|
| Support Services            |         |         |         |
| Management Support Services | 282     | 126     | 126     |
| Total, Management Support   | 282     | 126     | 126     |

**Other Related Expenses by Category**

|                                       | FY 2007 | FY 2008 | FY 2009 |
|---------------------------------------|---------|---------|---------|
| Other Related Expenses                |         |         |         |
| Purchase from Gov't Accounts (eXCITE) | 106     | 85      | 96      |
| Other Services                        | 80      | 5       | 112     |
| Working Capital Fund                  | 870     | 499     | 733     |
| Total, Other Related Expenses         | 1,056   | 589     | 941     |





**Loan Guarantee  
Program Direction**

**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                       | FY 2007 | FY 2008        | FY 2009        |
|-----------------------|---------|----------------|----------------|
| Loan Guarantee        | 7,000   | 0 <sup>a</sup> | 0 <sup>a</sup> |
| Total, Loan Guarantee | 7,000   | 0 <sup>a</sup> | 0 <sup>a</sup> |
| Full Time Equivalents | 3       | 0 <sup>a</sup> | 0 <sup>a</sup> |

<sup>a</sup> Beginning in FY 2008, the administrative funding for the Loan Guarantee program will no longer be provided for within the Departmental Administration appropriation. Funds for these activities will be provided in a separate discreet appropriation account titled the “Innovative Technology Loan Guarantee Program”

**Mission**

The mission of the Loan Guarantee Office is to administer a federal loan guarantee program for advanced technology projects that avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases, and have a reasonable prospect of repaying the principal and interest on their debt obligations.

Beginning in FY 2008, the administrative funding for the Loan Guarantee program will no longer be provided for within the Departmental Administration appropriation. Funds for these activities will be provided in a separate appropriation account titled the “Innovative Technology Loan Guarantee Program”

**Detailed Justification**

(dollars in thousands)

|  | FY 2007      | FY 2008  | FY 2009  |
|--|--------------|----------|----------|
| <b>Loan Gurantee Program (Departmental Administration)</b> | <b>7,000</b> | <b>0</b> | <b>0</b> |

Beginning in FY 2008, the administrative funding for the Loan Guarantee program will no longer be provided for within the Departmental Administration appropriation. Funds for these activities will be provided in a separate appropriation account titled the “Innovative Technology Loan Guarantee Program”



## Competitive Sourcing Initiative

### Funding Profile by Activity

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
|--|---------|---------|---------|

|                                 |       |   |   |
|---------------------------------|-------|---|---|
| Competitive Sourcing Initiative | 2,464 | 0 | 0 |
|---------------------------------|-------|---|---|

#### **Description**

The Competitive Sourcing Initiative supports the President’s Management Agenda and the Department’s goal of making competition drive improved performance and efficiency of federal programs. The Department achieves this mission by promoting sound and accountable decision making and improving processes for the fair and efficient conduct and implementation of public-private competitions.

#### **Benefits**

The Department conducts complex-wide studies that have resulted in more efficient and consolidated operations. DOE also: combined federal employees and contractors into a government/private-industry bidding team, in order to maximize savings; utilized Federal Supply Schedules to increase competition which resulted in a significant increase in the number of bidders; and conducted competitive sourcing competitions on laboratories and research centers. To date, DOE has completed ten A-76 competitions studying 1,288 federal employees and over 1,000 contractor positions, and anticipates savings of approximately \$538M.

### Detailed Justification

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
|--|---------|---------|---------|

|                             |              |          |          |
|-----------------------------|--------------|----------|----------|
| <b>Competitive Sourcing</b> | <b>2,464</b> | <b>0</b> | <b>0</b> |
|-----------------------------|--------------|----------|----------|

No funds are requested for the Competitive Sourcing Initiative at this time. Prior year balances will be used during FY 2009 to fund any Competitive Sourcing requirements. No new studies are anticipated for FY 2008 and FY 2009.

|                                 |              |          |          |
|---------------------------------|--------------|----------|----------|
| <b>Total, Program Direction</b> | <b>2,464</b> | <b>0</b> | <b>0</b> |
|---------------------------------|--------------|----------|----------|



**Cost of Work for Others**  
**Funding Profile by Category**

|                                       | (dollars in thousands) |         |         |
|---------------------------------------|------------------------|---------|---------|
|                                       | FY 2007                | FY 2008 | FY 2009 |
| Products Sold:                        |                        |         |         |
| Savannah River Ops Office.....        | 4,979                  | 6,166   | 6,200   |
| Services Performed:                   |                        |         |         |
| NNSA Service Center                   | 5,623                  | 6,265   | 7,150   |
| Brookhaven National Laboratory        | 169                    | 49      | 0       |
| Chicago Operations Office             | 766                    | 1,442   | 3,746   |
| Lawrence Berkeley Laboratory          | 2,325                  | 8,772   | 2,866   |
| Oak Ridge National Laboratory         | 6,867                  | 11,149  | 9,861   |
| Pacific Northwest Laboratory          | 931                    | 259     | 144     |
| Safeguards and Security               | 40,000                 | 39,788  | 0       |
| Savannah River Ops Office             | 12,075                 | 15,144  | 16,370  |
| Richland Operations Office            | 254                    | 298     | 550     |
| National Energy Technology Laboratory | 85                     | 99      | 300     |
| National Renewable Energy Laboratory  | 0                      | 0       | 200     |
| New Brunswick Laboratory              | 0                      | 0       | 150     |
| Idaho Operations Office               | 169                    | 1,989   | 1,000   |
| Subtotal, Services Performed.....     | 69,264                 | 85,254  | 42,337  |
| Subtotal, Cost of Work for Others..   | 74,243                 | 91,420  | 48,537  |

**Description**

The Cost of Work for Others (CWO) program provides funding to the Department of Energy’s (DOE) multi-purpose field offices and national laboratories to finance the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided by the Department under this program generally are not available from alternate sources and 1) are a revenue program which results from a budgeted mission of the Department; or, 2) are reimbursable work for non-federal entities where the sponsor is precluded by law from providing advance funding. The costs of the Cost of Work for Others program are offset by revenues received from the sale of products and services to customers.

The Cost of Work for Others Program includes a portion of the Department’s Foreign Research Reactor Spent Fuel Program. This program which involves the receipt and storage of foreign research reactor spent fuel is provided for in the Cost of Work for Others Program only to the extent of revenues provided.

In prior years, approximately \$40.0 million was funded in Departmental Administration within the Cost of Work for Others program to be offset by an estimated \$40.0 million in revenues. This funding was utilized for safeguards and security reimbursable activities by the following program offices: Defense Programs; Defense Environmental Management; Science; and Security, Other Defense Activities. Beginning in FY 2009, each of the four program offices will budget directly for these safeguards and security requirements. As a result, the Cost of Work for Others and Associated Revenues budgets will no longer have a safeguards and security line item.

**Benefits**

The benefits for this program are: continued access to the Department’s laboratory complex, and the availability of by-products for sale to non-federal customers. The CWO program satisfies the needs of our non-federal customers. For this reason, performance evaluation for this work is the responsibility of our customers. The success of this program is indicated by the steady stream of business from the targeted groups.

**Detailed Justification**

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Products Sold**

- |   |              |              |              |
|---|--------------|--------------|--------------|
| <b>Savannah River Operations Office</b> | <b>4,979</b> | <b>6,166</b> | <b>6,200</b> |
|---|--------------|--------------|--------------|

Supports forest management and the sale of timber by U.S. Forest Service. This funding level was derived based on the personnel costs for the 32 full time equivalent employees (FTEs) of the U.S. Forest Service who support the Savannah River Timber Management Program, and the historical costs, adjusted for inflation, associated with contractual support for services, radio maintenance, reforestation activities, surveying and monitoring of protected, endangered, and threatened species, archeology surveys and various research studies.

**Services Performed** 69,264      85,254      42,337

- |                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>NNSA Service Center</b> | <b>5,623</b> | <b>6,265</b> | <b>7,150</b> |
|----------------------------|--------------|--------------|--------------|

Provides miscellaneous services for state and local governments, such as the shipment of surplus HEU and Low Enriched Uranium (LEU) from Y-12 for use in foreign research and test reactors; homeland security training activities for state and local governments; water quality studies in support of the California State Water Resources Control Board by Lawrence Livermore National Laboratory; systems engineering oversight in addressing the threat of terrorism in the maritime industry for the Port of Los Angeles by Sandia National Laboratory and training, mentorship and laboratory capabilities in the area of biomaterial interfaces and systems research for the University of Arizona by Sandia National Laboratory.
- |                                       |            |           |          |
|---------------------------------------|------------|-----------|----------|
| <b>Brookhaven National Laboratory</b> | <b>169</b> | <b>49</b> | <b>0</b> |
|---------------------------------------|------------|-----------|----------|

Funding will support the New York University Medical Center in research of Alzheimer’s Disease.
- |                                  |            |              |              |
|----------------------------------|------------|--------------|--------------|
| <b>Chicago Operations Office</b> | <b>766</b> | <b>1,442</b> | <b>3,746</b> |
|----------------------------------|------------|--------------|--------------|

Funding will support research for protection of public health and safety. Proposals are in process to Amtrak, NY Metro, NY Transit and Baltimore Metro to aid in the protection of these cities transit systems. In addition, work is to be performed in support of Illinois Emergency Management Agency, the City of Chicago, and Michigan State University.
- |                                     |              |              |              |
|-------------------------------------|--------------|--------------|--------------|
| <b>Lawrence Berkeley Laboratory</b> | <b>2,325</b> | <b>8,772</b> | <b>2,866</b> |
|-------------------------------------|--------------|--------------|--------------|

Departmental Administration/  
Cost of Work for Others

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Work is in support of various state and local government sponsors, and universities in the areas of indoor and outdoor air quality, water research, basic biological, environmental energy and genomic research.

- **Oak Ridge National Laboratory** **6,867**    **11,149**    **9,861**  
Funding will support: 1) analysis of swipe samples provided by the International Atomic Energy Agency to the DOE network of analytical laboratories; 2) research and development for Bioassay Samples; 3) South Carolina state transport police; 4) Columbia River Basin Fish and Wildlife Program as stipulated in the amended Northwest power Act; 5) development and monitoring of disease progression and regression as a result of therapeutic intervention; 6) designing, measuring and analyzing habitat houses for research purposes; 7) research and analysis for transportation statistics for New York Dept. of Transportation (DOT); 8) provide internal and external dissymmetry services; 9) work in computational chemistry with University of Tennessee (UT); and 10) R&D support to UT.
  
- **Pacific Northwest Laboratory** **931**    **259**    **144**  
Supports water resources modeling for King County, Washington, and other municipalities.
  
- **Safeguards and Security** **40,000**    **39,788**    **0**  
Provides funding for safeguards and security requirements throughout the Department. Beginning in FY 2009, DOE program offices will direct fund this activity within their appropriation accounts.
  
- **Savannah River Operations Office** **12,075**    **15,144**    **16,370**  
Receive, manage and provide interim storage of Foreign Research Reactor Spent Nuclear Fuel. The funding level was derived based on the historical transportation cost of a shipment from a country, unloading costs for a shipment at the port, satellite tracking costs, and overland shipment support activities such as emergency preparedness training and other needs of the country involved with the shipment. Facility operating costs based on allocation of incremental costs at the facility (and supporting organizations) to receive and unload foreign casks.
  
- **Richland Operations Office** **254**    **298**    **550**  
Supports the Volpentest HAMMER Training and Education Center. Training covers all elements of worker health and safety as well as hazardous waste worker and radiological worker training, general construction industry programs, fire response and environmental restoration programs.
  
- **National Energy Technology Laboratory** **85**    **99**    **300**  
Funding will support Fossil Energy related in-house research and development efforts conducted for State government entities.
  
- **National Renewable Energy Laboratory** **0**    **0**    **200**

Departmental Administration/  
Cost of Work for Others

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

Funding will support Renewable Energy Technology deployment and Energy Efficiency efforts conducted for state governments or state government sub-units.

|  |               |               |               |
|--|---------------|---------------|---------------|
| ▪ <b>New Brunswick Laboratory</b>  | 0             | 0             | 150           |
| Supports the State of Maryland in the use of coal combustion by-products for the prevention and reduction of water pollution. Develop and implement new technologies and approaches that will prevent acid mine drainage formation and reduce its impact.                          |               |               |               |
| ▪ <b>Idaho Operations Office</b>   | 169           | 1,989         | 1,000         |
| Under the DOE non-proliferation mission, Idaho accepts Foreign Research Reactor (FRR) spent nuclear fuel from low income and high income countries. Shipments in FY 2008 will be funded with prior year unobligated balances. Funds will support anticipated shipments from Japan. |               |               |               |
| <b>Total, Cost of Work for Others</b>  | <b>74,243</b> | <b>91,420</b> | <b>48,537</b> |

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Products Sold:

##### Savannah River Ops Office

The Increase is a result of the .91 percent rescission that was enacted in FY 2008. +34

#### Services Provided

##### NNSA Service Center

Increase will support the shipment of surplus HEU and LEU from Y-12 for use in foreign research and test reactors; homeland security training activities; and water quality studies. +885

##### Brookhaven National Laboratory

The decrease is a result of the completion of the New York University Medical Center program. -49

##### Chicago Operations Office

Increase supports proposals to aid in the protection of Amtrak, NY Metra, NY Transit and Baltimore Metra transit systems. +2,304

##### Lawrence Berkeley Laboratory

Decreased support for state and local governments in the areas of indoor and outdoor air quality, water research, basic biological, environmental energy and genomic research. -5,906

Departmental Administration/  
Cost of Work for Others

FY 2009 Congressional Budget



|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Oak Ridge National Laboratory**

Decreased support for state and local activities. -1,288

**Pacific Northwest Laboratory**

Decreased support for King County, Washington and other municipalities. -115

**Safeguards and Security**

Decrease reflects the termination of the safeguards and security offset in the Cost of Work and Associated Revenues accounts. Beginning in FY 2009, these activities will be budgeted directly by the program offices. -39,788

**Savannah River Operations Office**

Increase will support anticipated shipments of Foreign Research Reactor fuel and associated costs. +1,226

**Richland Operations Office**

Increased support for the Volpentest HAMMER Training and Education Center. +252

**National Energy Technology Laboratory**

Increased research and development support. +201

**National Renewable Energy Laboratory**

Funding will support renewable Energy Technology deployment and Energy Efficiency efforts conducted for state governments or state government sub-units. +200

**New Brunswick Laboratory**

Increase will support the State of Maryland in the use of coal combustion by-products for the prevention and reduction of water pollution. +150

**Idaho Operations Office**

Decrease reflects reduced shipments of Foreign Research Reactor Fuel from Japan. -989

**Total Funding Change, Cost of Work** -42,883

## Revenues Associated with Cost of Work for Others

### Funding Profile by Category

|                                       | (dollars in thousands) |         |         |
|---------------------------------------|------------------------|---------|---------|
|                                       | FY 2007                | FY 2008 | FY 2009 |
| Products Sold:                        |                        |         |         |
| Savannah River Ops Office.....        | -7,924                 | -6,166  | -6,200  |
| Services Performed:                   |                        |         |         |
| NNSA Service Center                   | -4,968                 | -6,265  | -7,150  |
| Brookhaven National Laboratory        | -20                    | -49     | 0       |
| Chicago Operations Office             | -2,356                 | -1,442  | -3,746  |
| Lawrence Berkeley Laboratory          | -708                   | -8,772  | -2,866  |
| Oak Ridge National Laboratory         | -4,697                 | -11,149 | -9,861  |
| Pacific Northwest Laboratory          | -64                    | -259    | -144    |
| Safeguards and Security               | -42,965                | -39,788 | 0       |
| Savannah River Ops Office             | -9,827                 | -15,144 | -16,370 |
| Richland Operations Office            | -62                    | -298    | -550    |
| National Energy Technology Laboratory | 0                      | -99     | -300    |
| National Renewable Energy Laboratory  | 0                      | 0       | -200    |
| New Brunswick Laboratory              | 0                      | 0       | -150    |
| Idaho Operations Office               | -2,118                 | -1,989  | -1,000  |
| Subtotal, Services Performed.....     | -67,785                | -85,254 | -42,337 |
| Total, Associated Revenues            | -75,709                | -91,420 | -48,537 |

### Description

Associated Revenues represents the full-cost recovery offset to the Cost of Work for Others account, the program associated with providing products and services to our customers.

In prior years, approximately \$40.0 million was funded in Departmental Administration within the Cost of Work for Others program to be offset by an estimated \$40.0 million in revenues. This funding was utilized for safeguards and security reimbursable activities by the following program offices: Defense Programs; Defense Environmental Management; Science; and Security, Other Defense Activities. Beginning in FY 2009, each of the four program offices will budget directly for these safeguards and security requirements. As a result, the Cost of Work for Others and Associated Revenues budgets will no longer have a safeguards and security line item.

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

### Products Sold

- |   |               |               |               |
|---|---------------|---------------|---------------|
| <b>▪ Savannah River Operations Office</b> | <b>-7,924</b> | <b>-6,166</b> | <b>-6,200</b> |
|---|---------------|---------------|---------------|
- Supports forest management and the sale of timber by U.S. Forest Service. This funding level was derived based on the personnel costs for the 32 full time equivalent employees (FTEs) of the U.S. Forest Service who support the Savannah River Timber Management Program, and the historical costs, adjusted for inflation, associated with contractual support for services, radio maintenance, reforestation activities, surveying and monitoring of protected, endangered, and threatened species, archeology surveys and various research studies.

|                           |                |                |                |
|---------------------------|----------------|----------------|----------------|
| <b>Services Performed</b> | <b>-67,785</b> | <b>-85,254</b> | <b>-42,337</b> |
|---------------------------|----------------|----------------|----------------|

- |                              |               |               |               |
|------------------------------|---------------|---------------|---------------|
| <b>▪ NNSA Service Center</b> | <b>-4,968</b> | <b>-6,265</b> | <b>-7,150</b> |
|------------------------------|---------------|---------------|---------------|
- Provides miscellaneous services for state and local governments, such as the shipment of surplus HEU and Low Enriched Uranium (LEU) from Y-12 for use in foreign research and test reactors; homeland security training activities for state and local governments; water quality studies in support of the California State Water Resources Control Board by Lawrence Livermore National Laboratory; systems engineering oversight in addressing the threat of terrorism in the maritime industry for the Port of Los Angeles by Sandia National Laboratory and training, mentorship and laboratory capabilities in the area of biomaterial interfaces and systems research for the University of Arizona by Sandia National Laboratory.

- |   |            |            |          |
|---|------------|------------|----------|
| <b>▪ Brookhaven National Laboratory</b> | <b>-20</b> | <b>-49</b> | <b>0</b> |
|---|------------|------------|----------|
- Funding will support the New York University Medical Center in research of Alzheimer's Disease.

- |                                    |               |               |               |
|------------------------------------|---------------|---------------|---------------|
| <b>▪ Chicago Operations Office</b> | <b>-2,356</b> | <b>-1,442</b> | <b>-3,746</b> |
|------------------------------------|---------------|---------------|---------------|
- Funding will support research for protection of public health and safety. Proposals are in process to Amtrak, NY Metro, NY Transit and Baltimore Metro to aid in the protection of these cities transit systems. In addition, work is to be performed in support of Illinois Emergency Management Agency, the City of Chicago, and Michigan State University

- |                                       |             |               |               |
|---------------------------------------|-------------|---------------|---------------|
| <b>▪ Lawrence Berkeley Laboratory</b> | <b>-708</b> | <b>-8,772</b> | <b>-2,866</b> |
|---------------------------------------|-------------|---------------|---------------|
- Work is in support of various state and local government sponsors, and universities in the areas of indoor and outdoor air quality, water research, basic biological, environmental energy and genomic research.

Departmental Administration/  
Cost of Work for Others/  
Associated Revenues

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **Oak Ridge National Laboratory** -4,697 -11,149 -9,861  
Funding will support: 1) analysis of swipe samples provided by the International Atomic Energy Agency to the DOE network of analytical laboratories; 2) research and development for Bioassay Samples; 3) South Carolina state transport police; 4) Columbia River Basin Fish and Wildlife Program as stipulated in the amended Northwest power Act; 5) development and monitoring of disease progression and regression as a result of therapeutic intervention; 6) designing, measuring and analyzing habitat houses for research purposes; 7) research and analysis for transportation statistics for New York Dept. of Transportation (DOT); 8) provide internal and external dissymmetry services; 9) work in computational chemistry with University of Tennessee (UT); and 10) R&D support to UT.
  
- **Pacific Northwest Laboratory** -64 -259 -144  
Supports water resources modeling for King County, Washington, and other municipalities.
  
- **Safeguards and Security** -42,965 -39,788 0  
Provides funding for safeguards and security requirements throughout the Department. Beginning in FY 2009, DOE program offices will direct fund this activity within their appropriation accounts.
  
- **Savannah River Operations Office** -9,827 -15,144 -16,370  
Receive, manage and provide interim storage of Foreign Research Reactor Spent Nuclear Fuel. The funding level was derived based on the historical transportation cost of a shipment from a country, unloading costs for a shipment at the port, satellite tracking costs, and overland shipment support activities such as emergency preparedness training and other needs of the country involved with the shipment. Facility operating costs based on allocation of incremental costs at the facility (and supporting organizations) to receive and unload foreign casks.
  
- **Richland Operations Office** -62 -298 -550  
Supports the Volpentest HAMMER Training and Education Center. Training covers all elements of worker health and safety as well as hazardous waste worker and radiological worker training, general construction industry programs, fire response and environmental restoration programs.
  
- **National Energy Technology Laboratory** 0 -99 -300  
Funding will support Fossil Energy related in-house research and development efforts conducted for State government entities.
  
- **National Renewable Energy Laboratory** 0 0 -200  
Funding will support Renewable Energy Technology deployment and Energy Efficiency efforts conducted for state governments or state government sub-units.

Departmental Administration/  
Cost of Work for Others/  
Associated Revenues

FY 2009 Congressional Budget

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

|  |                |                |                |
|--|----------------|----------------|----------------|
| <ul style="list-style-type: none"> <li> <b>New Brunswick Laboratory</b><br/>           Supports the State of Maryland in the use of coal combustion by-products for the prevention and reduction of water pollution. Develop and implement new technologies and approaches that will prevent acid mine drainage formation and reduce its impact.         </li> </ul>                         | 0              | 0              | -150           |
| <ul style="list-style-type: none"> <li> <b>Idaho Operations Office</b><br/>           Under the DOE non-proliferation mission, Idaho accepts Foreign Research Reactor (FRR) spent nuclear fuel from low income and high income countries. Shipments in FY 2008 will be funded with prior year unobligated balances. Funds will support anticipated shipments from Japan.         </li> </ul> | -2,118         | -1,989         | -1,000         |
| <b>Total, Cost of Work for Others</b>  | <b>-75,709</b> | <b>-91,420</b> | <b>-48,537</b> |

### Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

#### Products Sold:

##### Savannah River Operations Office

The increase is a result of the .91 percent rescission that was enacted in FY 2008. -34

#### Services Provided

##### NNSA Service Center

Increase will support the shipment of surplus HEU and LEU from Y-12 for use in foreign research and test reactors; homeland security training activities; and water quality studies. -885

##### Brookhaven National Laboratory

The decrease is a result of the completion of the New York University Medical Center program. +49

##### Chicago Operations Office

Funding will support research for protection of public health and safety. Proposals are in process to Amtrak, NY Metro, NY Transit and Baltimore Metro to aid in the protection of these cities transit systems. In addition, work is to be performed in support of Illinois Emergency Management Agency, the City of Chicago, and Michigan State University. -2,304

##### Lawrence Berkeley Laboratory

Decreased support for state and local governments in the areas of indoor and outdoor air quality, water research, basic biological, environmental energy and genomic research. +5,906

##### Oak Ridge National Laboratory

+1,288

#### Departmental Administration/

#### Cost of Work for Others/

#### Associated Revenues

FY 2009 Congressional Budget

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

Decreased support for state and local activities.

**Pacific Northwest Laboratory**

Decreased support for King County, Washington and other municipalities. +115

**Safeguards and Security**

Decrease reflects the termination of the safeguards and security offset in the Cost of Work and Associated Revenues accounts. Beginning in FY 2009, these activities will be budgeted directly by the program offices. +39,788

**Savannah River Operations Office**

Increase will support anticipated shipments of Foreign Research Reactor fuel and associated costs. -1,226

**Richland Operations Office**

Increased support for the Volpentest HAMMER Training and Education Center. -252

**National Energy Technology Laboratory**

Increased research and development support. -201

**National Renewable Energy Laboratory**

Funding will support renewable Energy Technology deployment and Energy Efficiency efforts conducted for state governments or state government sub-units. -200

**New Brunswick Laboratory**

Increase will support the State of Maryland in the use of coal combustion by-products for the prevention and reduction of water pollution. -150

**Idaho Operations Office**

Decrease reflects reduced shipments of Foreign Research Reactor Fuel from Japan. +989

**Total Funding Change, Cost of Work** +42,883

**Miscellaneous Revenues**  
**Funding Profile by Category**

(dollars in thousands)

|                                    | FY 2007 | FY 2008 | FY 2009 |
|------------------------------------|---------|---------|---------|
| Total, Miscellaneous Revenues..... | -53,180 | -69,827 | -68,780 |

**Mission**

Miscellaneous Revenues are received from the sale of by-products that have no cost associated with the Departmental Administration appropriation. These items are by-products of activities funded by other on-going departmental programs and are collected as miscellaneous revenues. Included in this estimate are revenues collected from the Reimbursable Work program for Federal Administrative Charges.

**Detailed Justification**

(dollars in thousands)

|                                    | FY 2007        | FY 2008        | FY 2009        |
|------------------------------------|----------------|----------------|----------------|
| <b>Miscellaneous Revenues.....</b> | <b>-53,180</b> | <b>-69,827</b> | <b>-68,780</b> |

The Department expects to collect miscellaneous revenues from the following sources in FY 2007 through FY 2009.

- **Federal Administrative Charges** – Revenues collected from other federal agencies as well as non-federal entities for Reimbursable activity conducted by the Department in accordance with full-cost recovery policy.
- **Idaho Operations Office** - Costs incurred at the Idaho Chemical Processing Plant for handling and basin storage of spent fuel cores for the Department of Navy.
- **Pittsburgh Naval Reactors Office** - The Department of the Navy reimburses the Pittsburgh Naval Reactors Office for the nuclear material burn-up while the core is in operation.
- **Other Revenues** - Estimate based on current rate of collections for various miscellaneous revenues collected at all Departmental sites.





# **Inspector General**

# **Inspector General**

## **Office of Inspector General**

### **Proposed Appropriation Language**

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, [\$46,480,000] *\$51,927,000*, to remain available until expended.



# Office of Inspector General

## Overview

### Appropriation Summary by Program

(dollars in thousands)

| FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008 Current<br>Appropriation | FY 2009<br>Request |
|-------------------------------------|--------------------------------------|------------------------|----------------------------------|--------------------|
|-------------------------------------|--------------------------------------|------------------------|----------------------------------|--------------------|

|                                    |        |        |                   |        |        |
|------------------------------------|--------|--------|-------------------|--------|--------|
| Total, Office of Inspector General | 41,819 | 46,480 | -423 <sup>a</sup> | 46,057 | 51,927 |
|------------------------------------|--------|--------|-------------------|--------|--------|

### Preface

As mandated by the Inspector General Act of 1978, as amended, the Office of Inspector General (OIG) promotes the effective operation of the Department of Energy, including the National Nuclear Security Administration (NNSA) and the Federal Energy Regulatory Commission (FERC). This is accomplished through audits, investigations, and inspections designed to detect and prevent fraud, waste, abuse, and violations of law.

### Mission

The OIG's mission, as stated in its statutory framework, is to promote the effective, efficient, and economical operation of the Department and all of its components. In addition to requirements under the IG Act of 1978, other mandated and anticipatory functions of the OIG include:

- Government Performance and Results Act (GPRA) of 1993. Continuous review of the Department's implementation.
- Executive Order 12863, "President's Foreign Intelligence Advisory Board" 1993. Reports to the Intelligence Oversight Board as required quarterly and "as necessary or appropriate." This includes reviews to ensure the Department's intelligence activities are conducted in accordance with existing requirements of Executive Order 12333, "United States Intelligence Activities."
- Government Management Reform Act (GMRA) of 1994. Annual audit of Department-wide and designated component financial statements. This effort currently requires approximately 24 percent of the OIG's resources, including contractual assistance from an external audit firm.
- National Defense Authorization Act of 2000. Annual review of Department policies and procedures with respect to the export of sensitive U.S. military technologies and information to countries and entities of concern.
- Reports Consolidation Act of 2000. Annual audit to identify the most significant management and performance challenges facing the Department.
- Federal Information Systems Management Act (FISMA) of 2002. Annual review of Department information security systems.
- Section 522 of the Consolidated Appropriations Act of 2005. Biennial review of the actions of the Department's Chief Privacy Officer.

<sup>a</sup>Reflects a rescission of \$423,000 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

- OMB Circular No. A-123, Management Accountability and Control. New and expanded audit requirements are anticipated.
- Department of Energy Orders. Audits of statements of costs incurred and claimed by the Department's integrated contractors.

### **Benefits**

The OIG identifies opportunities for cost savings, improvements in program and operational performance and efficiency; and, programs that no longer serve their intended purpose. Audit and inspection activities target the safe, secure, and efficient and effective operation of the Department and its national security mission. In FY 2006 and FY 2007, the OIG continued to make positive contributions to the Department's mission-related priorities by making recommendations that \$324M be put to better use. Through investigations the OIG works to identify and prevent efforts to defraud the Department and U.S. Government through criminal wrongdoing.

As part of its law enforcement authority, the OIG carries out an aggressive investigative program. Currently, there are 262 investigations in process, which focus on significant criminal enterprises that affect the Department's diverse activities. Examples of OIG successes and areas for future emphasis are:

- Sustaining record of attaining fines, settlements and recoveries for the Federal Government, which totaled \$48.1 million in FY 2006 and FY 2007. Specifically, the OIG:
  - Is currently working on 18 Qui Tam lawsuits involving alleged fraud against the Government totaling \$137.3 million. A recent investigation of a Qui Tam complaint, involving the submission of false claims over a 12 year period, resulted in the recipient entering into a \$5.3 million civil settlement with the U.S. Government.
  - Investigates cases in areas that threaten public health, safety and security and cases that often result in significant monetary returns to the Department.

Participates in multi-agency taskforce investigations that may involve the Department in larger schemes to defraud the Government.

- Will evaluate the Department's Loan Guarantee Program for new technologies that are mature enough to assure dependable commercial operations and generate sufficient revenues to service the project debt.
- Reviews the oversight of Department contractor quality assurance programs.
- Evaluates efforts to provide sufficient environmentally friendly energy sources to meet the needs of a rapidly growing and developing world population.
- Reviews advanced research projects that focus on high-risk but high potential energy technologies.

- Reviews the Reliable Replacement Warhead Program proposed by NNSA to replace the U.S. nuclear arsenal over then next two decades.
- Reviews the Department's Global Nuclear Energy Partnership and American Competitiveness initiatives to ensure that the Department is on track to accomplish the goals and objectives of these important initiatives.

## Annual Performance Results and Targets<sup>a</sup>

| FY 2004 Results  | FY 2005 Results  | FY 2006 Results  | FY 2007 Results  | FY 2008 Targets   | FY 2009 Targets   |
|--|--|--|--|---|---|
| Conduct reviews relating to: (1) the President's Management Agenda initiatives, (2) the Secretary's Mission Priorities, and (3) the OIG identified Management Challenges. Complete reviews identified in current Fiscal Year within two years and review any new Departmental initiatives and priorities within 1 year. MET GOAL | Conduct reviews relating to: (1) the President's Management Agenda initiatives, (2) the Secretary's Mission Priorities, and (3) the OIG identified Management Challenges. Complete reviews identified in current Fiscal Year within two years and review any new Departmental initiatives and priorities within 1 year. MET GOAL | Conduct reviews relating to: (1) the President's Management Agenda initiatives, (2) the Secretary's Mission Priorities, and (3) the OIG identified Management Challenges. Complete reviews identified in current Fiscal Year within two years and review any new Departmental initiatives and priorities within 1 year. MET GOAL | Conduct reviews relating to: (1) the President's Management Agenda initiatives, (2) the Secretary's Mission Priorities, and (3) the OIG identified Management Challenges. Complete reviews identified in current Fiscal Year within two years and review any new Departmental initiatives and priorities within 1 year. MET GOAL | <u>Efficiency Measure: Conduct 60 reviews relating to: (1) the President's Management Agenda initiatives; (2) the Secretary's Mission Priorities; and the OIG identified Management Challenges.</u> | <u>Efficiency Measure: Conduct 63 reviews relating to: (1) the President's Management Agenda initiatives; (2) the Secretary's Mission Priorities; and the OIG identified Management Challenges.</u> |
| Strive for the Department to accept 75 percent of review recommendations. EXCEEDED GOAL  | Strive for the Department to accept 75 percent of review recommendations. EXCEEDED GOAL  | Strive for the Department to accept 75 percent of review recommendations. EXCEEDED GOAL  | Strive for the Department to accept 75 percent of review recommendations.  |   |   |
| Complete annually the Department's consolidated financial statement audits to determine whether the financial statements are free from material misstatement. MET GOAL   | Complete annually the Department's consolidated financial statement audits to determine whether the financial statements are free from material misstatement. MET GOAL   | Complete annually the Department's consolidated financial statement audits to determine whether the financial statements are free from material misstatement. MET GOAL   | Complete annually the Department's consolidated financial statement audits to determine whether the financial statements are free from material misstatement. MET GOAL   | Effectiveness Measure: Complete by statutory due date, the Department's consolidated financial statement audit to determine whether the financial statements are free from material misstatement.   | Effectiveness Measure: Complete by statutory due date, the Department's consolidated financial statement audit to determine whether the financial statements are free from material misstatement.   |
| Ensure that 75 percent of all cases opened focus on key areas of Department vulnerability, specifically procurement and grant fraud, environmental violations, Qui Tams, or computer crimes. EXCEEDED GOAL   | Ensure that 75 percent of all cases opened focus on key areas of Department vulnerability, specifically procurement and grant fraud, environmental violations, Qui Tams, or computer crimes. EXCEEDED GOAL   | Ensure that 75 percent of all cases opened focus on key areas of Department vulnerability, specifically procurement and grant fraud, environmental violations, Qui Tams, or computer crimes. EXCEEDED GOAL   | Ensure that 75 percent of all cases opened focus on key areas of Department vulnerability, specifically procurement and grant fraud, environmental violations, Qui Tams, or information technology.  |   |   |

<sup>a</sup> Annual effectiveness and efficiency performance targets will not be reported in the Department's annual Performance and Accountability Report (PAR).





**Validation and Verification**

To validate and verify program performance the OIG will use data source validation that will include reports and reviews conducted by our auditors, investigators, and inspectors, as reported in the OIG Semiannual Reports to Congress and included in non-public reports. Data is stored in the OIG Energy Inspector General Project Tracking System (EIGPT).

Verification is documented through the OIG's compliance with policies and procedures, Government Accountability Office (GAO) Government Auditing Standards (Yellow Book), the President's Council for Integrity and Efficiency (PCIE) Quality Standards for Investigations, and Quality Standards for Inspections, as well as internal and external peer reviews.

## Program Direction

### Funding Profile by Category

(dollars in thousands/whole FTEs)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Los Alamos Site Office                                  |         |         |         |
| Los Alamos National Laboratory                          |         |         |         |
| Salaries and Benefits                                   | 948     | 828     | 857     |
| Travel  | 35      | 30      | 48      |
| Support Services  | 0       | 0       | 0       |
| Other Related Expenses                                  | 18      | 11      | 27      |
| Total, Los Alamos Site Office                           | 1,001   | 869     | 932     |
| Full Time Equivalents                                   | 9       | 7       | 7       |
|   |         |         |         |
| NNSA Service Center                                     |         |         |         |
| Albuquerque Operations Office                           |         |         |         |
| Salaries and Benefits                                   | 3,478   | 3,786   | 4,286   |
| Travel  | 128     | 136     | 238     |
| Support Services  | 0       | 0       | 0       |
| Other Related Expenses                                  | 64      | 55      | 181     |
| Total, NNSA Service Center                              | 3,670   | 3,977   | 4,705   |
| Full Time Equivalents                                   | 33      | 32      | 35      |
|   |         |         |         |
| Chicago Operation/Princeton Plasma Physics Lab.         |         |         |         |
| Salaries and Benefits                                   | 1,054   | 1,183   | 979     |
| Travel  | 39      | 42      | 55      |
| Support Services  | 0       | 0       | 0       |
| Other Related Expenses                                  | 19      | 18      | 31      |
| Total, Chicago Operations/Princeton Plasma Physics Lab. | 1,112   | 1,243   | 1,065   |
| Full Time Equivalents                                   | 10      | 10      | 8       |
|   |         |         |         |
| Western Area Power Administration                       |         |         |         |
| Denver Western Area Power Administration                |         |         |         |
| Salaries and Benefits                                   | 1,054   | 946     | 979     |
| Travel  | 39      | 34      | 55      |
| Support Services  | 0       | 0       | 0       |
| Other Related Expenses                                  | 19      | 14      | 31      |
| Total, Western Area Power Administration                | 1,112   | 994     | 1,065   |
| Full Time Equivalents                                   | 10      | 8       | 8       |
|   |         |         |         |
| Idaho Operations Office                                 |         |         |         |
| Idaho National Laboratory                               |         |         |         |
| Salaries and Benefits                                   | 527     | 1,065   | 857     |
| Travel  | 19      | 38      | 48      |
| Support Services  | 0       | 0       | 0       |
| Other Related Expenses                                  | 10      | 15      | 27      |
| Total, Idaho Operations Office                          | 556     | 1,118   | 932     |
| Full Time Equivalents                                   | 5       | 9       | 7       |

(dollars in thousands/whole FTEs)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Pittsburgh Naval Reactors Office        |         |         |         |
| Pittsburgh Naval Reactors Office        |         |         |         |
| Salaries and Benefits                   | 1,159   | 1,420   | 1,470   |
| Travel                                  | 43      | 51      | 82      |
| Support Services                        | 0       | 0       | 0       |
| Other Related Expenses                  | 21      | 21      | 47      |
| Total, Pittsburgh Naval Reactors Office | 1,223   | 1,492   | 1,599   |
| Full Time Equivalents                   | 11      | 12      | 12      |
| <br>                                    |         |         |         |
| Nevada Site Office                      |         |         |         |
| Las Vegas                               |         |         |         |
| Salaries and Benefits                   | 948     | 1,065   | 1,102   |
| Travel                                  | 35      | 38      | 61      |
| Support Services                        | 0       | 0       | 0       |
| Other Related Expenses                  | 18      | 15      | 35      |
| Total, Nevada Site Office               | 1,001   | 1,118   | 1,198   |
| Full Time Equivalents                   | 9       | 9       | 9       |
| <br>                                    |         |         |         |
| Livermore Site Office                   |         |         |         |
| Lawrence Livermore National Lab         |         |         |         |
| Salaries and Benefits                   | 1,791   | 2,366   | 2,204   |
| Travel                                  | 66      | 85      | 123     |
| Support Services                        | 0       | 0       | 0       |
| Other Related Expenses                  | 33      | 35      | 115     |
| Total, Livermore Site Office            | 1,890   | 2,486   | 2,442   |
| Full Time Equivalents                   | 17      | 20      | 18      |
| <br>                                    |         |         |         |
| Oak Ridge Operations Office             |         |         |         |
| Oak Ridge National Laboratory           |         |         |         |
| Salaries and Benefits                   | 3,688   | 4,496   | 4,653   |
| Travel                                  | 136     | 162     | 259     |
| Support Services                        | 0       | 0       | 0       |
| Other Related Expenses                  | 68      | 67      | 148     |
| Total, Oak Ridge Operations Office      | 3,892   | 4,725   | 5,060   |
| Full Time Equivalents                   | 35      | 38      | 38      |
| <br>                                    |         |         |         |
| Richland Operations Office              |         |         |         |
| Richland                                |         |         |         |
| Salaries and Benefits                   | 1,581   | 1,893   | 1,837   |
| Travel                                  | 58      | 68      | 102     |
| Support Services.                       | 0       | 0       | 0       |
| Other Related Expenses                  | 29      | 28      | 59      |
| Total, Richland Operations Office       | 1,668   | 1,989   | 1,998   |
| Full Time Equivalents                   | 15      | 16      | 15      |

(dollars in thousands/whole FTEs)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| <b>Savannah River Operations Office</b>              |         |         |         |
| Savannah River Site                                  |         |         |         |
| Salaries and Benefits                                | 1,475   | 1,656   | 1,592   |
| Travel   | 54      | 59      | 89      |
| Support Services                                     | 0       | 0       | 0       |
| Other Related Expenses                               | 27      | 25      | 51      |
| Total, Savannah River Operations Office              | 1,556   | 1,740   | 1,732   |
| Full Time Equivalents                                | 14      | 14      | 13      |
| <b>Washington Headquarters</b>                       |         |         |         |
| Salaries and Benefits                                | 3,695   | 5,798   | 6,490   |
| Travel   | 138     | 208     | 361     |
| Support Services                                     | 588     | 244     | 493     |
| Other Related Expenses                               | 1,765   | 883     | 1,143   |
| Total, Washington Headquarters                       | 6,186   | 7,133   | 8,487   |
| Full Time Equivalents                                | 35      | 49      | 53      |
| <b>Field Services Activities in Washington, D.C.</b> |         |         |         |
| Salaries and Benefits                                | 4,004   | 3,904   | 3,184   |
| Travel   | 148     | 140     | 177     |
| Support Services                                     | 100     | 164     | 119     |
| Other Related Expenses                               | 74      | 596     | 661     |
| Total, Field Services Activities                     | 4,326   | 4,804   | 4,141   |
| Full Time Equivalents                                | 38      | 33      | 26      |
| <b>D.C. Field Sites (Germantown)</b>                 |         |         |         |
| Salaries and Benefits                                | 4,004   | 2,603   | 3,674   |
| Travel   | 148     | 94      | 204     |
| Support Services                                     | 8,400   | 9,275   | 12,045  |
| Other Related Expenses                               | 74      | 397     | 648     |
| Total, D.C. Field Sites                              | 12,626  | 12,369  | 16,571  |
| Full Time Equivalents.                               | 38      | 22      | 30      |
| <b>Total Program Direction</b>                       |         |         |         |
| Salaries and Benefits                                | 29,406  | 33,009  | 34,164  |
| Travel   | 1,086   | 1,185   | 1,902   |
| Support Services                                     | 9,088   | 9,683   | 12,657  |
| Other Related Expenses                               | 2,239   | 2,180   | 3,204   |
| Total, Program Direction                             | 41,819  | 46,057  | 51,927  |
| Total, Full Time Equivalents                         | 279     | 279     | 279     |

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

**Salaries and Benefits**

**29,406      33,009      34,164**

The OIG employs auditors, investigators, and inspectors to detect and prevent fraud, waste, abuse, and violations of law and to promote economy, efficiency, and effectiveness in the operations of the Department. Additionally, this line item includes costs associated with permanent change of station moves to relocate staff to sites with critical needs, and the transit subsidy program. The OIG will also acquire personnel (steady-state 279 FTEs from FY 2008) with specialized skill sets (e.g., Certified Public Accountants, Technology Crime Investigators, Certified Fraud Examiners) in order to expertly address the significant Departmental challenges in its programs and operations. It is the OIG's intent to pay for certifications and credentials (consistent with the Inspector General community), in order to retain highly qualified employees.

**Travel**

**1,086      1,185      1,902**

Extensive travel is required to make first-hand observations of conditions and review original records at DOE sites; conduct interviews; follow up on leads; meet with subjects, witnesses, and U.S. Attorneys; and appear in court.

**Support Services**

**9,088      9,683      12,657**

- **Audit Contract**

8,600      9,165      11,907

Support services relating to the audit contract are required to attain contractor expertise, needed primarily for financial statement audits required by the Government Management Reform Act (GMRA) (e.g., actuaries, petroleum engineers, and information technology support personnel) and audits required by the Federal Information Security Management Act (FISMA) (e.g., information technology support personnel). A number of external factors, including additional taskings and accelerated reporting dates of the Department's consolidated financial statements, have led to significant cost increases to the audit contract over the past few years.

- **eXCITE**

468      518      475

The eXCITE requirement is the Information Technology (IT) desktop and application hosting support for services at Headquarters. This requirement is funded by the OIG, but is managed by the Department's Office of the Chief Information Officer.

- **EIGPT**

20      0      25

Funding for EIGPT is required for ORACLE application maintenance, data base upgrades, annual system review, ad hoc programming, as well as certification and accreditation.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **Line of Business** 0 0 250  
The Line of Business is the OPM government-wide centralization and automation of human capital services. This requirement would provide standardized Human Resource (HR) solutions increasing efficiencies in the acquisition, development, implementation and operation of HR management systems from HR solution activities and provide improved customer service.

**Other Related Expenses** 2,239 2,180 3,204

- **Working Capital Fund** 1,697 1,694 2,055  
Funding is required for the OIG's share of the DOE Working Capital Fund (WCF). Additional funding is provided to support the new business lines that were added to the WCF in FY 2009.

- **Information Technology Purchases** 100 100 300  
Information Technology funding supports the cyclical replacement of computer hardware and software, primarily for purchases not covered under eXCITE. This funding also includes forensic hardware and software required to accomplish our investigative responsibilities.

- **Training** 111 134 438  
Training is critical for OIG staff to maintain required levels of proficiency and comply with the Inspector General Act by meeting GAO training requirements. Training is also needed to support the President's Council on Integrity and Efficiency standards, Hotline requirements, review and investigation of technological and computer systems and crimes, and succession planning requirements.

- **Other Expenses** 331 252 411  
Funding for other expenses include miscellaneous supplies, materials, publications, subscriptions, mandatory physicals for investigators, settlements and attorney fees, and other services. Funds may also be used for personnel security investigations beginning in FY 2009. General support at the field sites is provided by DOE.

**Total, Program Direction** 41,819 46,057 51,927

## Explanation of Funding Changes

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

### Salaries and Benefits

Increase in Salaries and Benefits reflects steady-state operations for 279 Federal FTEs including cost-of-living adjustments, promotions, and within-grades. +1,155

### Travel

Increase in travel is due to inflation and expanded requirements. +717

### Support Services

- **Audit Contract-** Increase supports the financial statement audit contract. The related work is required by GMRA and the FISMA. Cost increases are due to anticipated audit procedures relative to OMB Circular Number A-123, Management Accountability and Control for FY 2009 and price increases associated with the award of a new contract for the financial statement audit. +2,742
- **eXCITE-** Decrease for Headquarters services managed by the Department. -43
- **EIGPT-** Increase is due to charges from the Department for IT support services of the OIG's management information system database. The database is central to the OIG's ability to house and maintain a significant amount of data used in audits, investigations, and inspections, as well as, providing statistics for congressionally mandated reporting purposes. +25
- **Line of Business-** Increase supports an OPM government-wide centralization and automation of human resource services, a new requirement for FY 2009. +250

### Other Related Expenses

- **Working Capital Fund-** Increase is due to additional business line items added to the Working Capital fund in FY 2009. +361
- **IT Purchases-** Increase is for additional requirements relating to the refresh requirement of computers in the field. +200
- **Training-** Increase is due to inflation and expanded requirements. +304
- **Other Expenses-** Increase supports expenses used to cover administrative purchases. +159

|  |               |
|--|---------------|
| <b>Total Funding Change, Program Direction</b> | <b>+5,870</b> |
|--|---------------|



### Support Services by Category

(dollars in thousands)

|                           | FY 2007 | FY 2008 | FY 2009 |
|---------------------------|---------|---------|---------|
| Management Support        |         |         |         |
| Consulting Services       | 8,600   | 9,165   | 12,157  |
| IT Services               | 488     | 518     | 500     |
| Total, Management Support | 9,088   | 9,683   | 12,657  |
| Total, Support Services   | 9,088   | 9,683   | 12,657  |

### Other Related Expenses by Category

(dollars in thousands)

|                               | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Other Related Expenses        |         |         |         |
| Working Capital Fund          | 1,697   | 1,694   | 2,055   |
| Training                      | 111     | 134     | 438     |
| Other                         | 431     | 352     | 711     |
| Total, Other Related Expenses | 2,239   | 2,180   | 3,204   |



# **Loan Guarantee Program**

# **Loan Guarantee Program**

## Innovative Technology Loan Guarantee Program

### Proposed Appropriation Language

[For the cost of the guaranteed loans as authorized by section 1702(b)(2) of the Energy Policy Act of 2005, such sums as are hereafter derived from amounts received from borrowers pursuant to section 1702(b)(2) of that Act, to remain available until September 30, 2009] *Subject to section 502 of the Congressional Budget Act of 1974, during fiscal years 2008 through 2010 commitments to guarantee loans under Title XVII of the Energy Policy Act of 2005 shall not exceed a total principal amount, any part of which is to be guaranteed, of \$20,000,000,000 for eligible projects (other than nuclear power facilities), and during fiscal years 2008 through 2011 commitments to guarantee loans under Title XVII shall not exceed a total principal amount, any part of which is to be guaranteed of \$18,500,000,000 for eligible nuclear power facilities: Provided, That these amounts are in addition to the authority provided under section 20320 of Division B of Public Law 109-289, as amended by Public Law 110-5: Provided further, That such sums as are derived from amounts received from borrowers pursuant to section 1702(b)(2) of the Energy Policy Act of 2005 under this heading in this and prior Acts, shall be collected in accordance with section 502 (7) of the Congressional Budget Act of 1974: Provided further, That the source of such payment received from borrowers is not a loan or other debt obligation that is guaranteed by the Federal Government: Provided further, [ That none of the funds made available in this or prior Acts shall be available for the execution of a new solicitation with respect to such guaranteed loans until 45 days after the Department of Energy has submitted to the Committees on Appropriations a loan guarantee implementation plan that defines the proposed award levels and eligible technologies: Provided further, That the Department shall not deviate from such plan without 45 days prior notice to the Committees:] That pursuant to section 1702(b)(2) of the Energy Policy Act of 2005, no appropriations are available to pay the subsidy cost of such guarantees: Provided further, That for necessary administrative expenses to carry out this Loan Guarantee program, [\$5,500,000] \$19,880,000 is appropriated, to remain available until expended: Provided further, That \$19,880,000 of the fees collected pursuant to section 1702(h) of the Energy Policy Act of 2005 shall be credited as offsetting collections to this account to cover administrative expenses and shall remain available until expended, so as to result in a final fiscal year [2008]2009 appropriation from the general fund estimated at not more than \$0: Provided further, That fees collected under section 1702(h) in excess of the amount appropriated for administrative expenses shall not be available until appropriated. (Energy and Water Development and Related Agencies Appropriations Act, 2008.)*

### Explanation of Change

During fiscal years 2008 through 2011, commitments to guarantee loans under Title XVII of the Energy Policy Act of 2005 will total \$38.5 billion in addition to the \$4.0 billion in authority provided in FY 2007 under section 20320 of Division B of Public Law 109-289, as amended by Public Law 110-5 for a total loan volume of \$42.5 billion. In the Energy and Water Development and Related Agencies Appropriations Act, 2008, Congress authorized the Department to issue loan guarantees under the Title XVII program until September 30, 2009. The Budget now extends that authorization through fiscal years 2010 and 2011, and specifies amounts and uses of loan guarantee authority for those periods consistent with Congressional guidance accompanying the FY 2008 appropriations act. Of the total provided under this heading, \$20.0 billion will be available through fiscal year 2010 to support projects such as uranium enrichment, coal based power, advanced coal gasification, renewables and electricity

delivery. The remaining \$18.5 billion will be available through fiscal year 2011 to support nuclear power facilities.

The other changes to the appropriation language include requesting \$19,880,000 for administrative expenses in FY 2009 versus the \$5,500,000 provided in FY 2008. The Department is proposing to offset these administrative expenses with an estimated \$19,880,000 in offsetting collections for a net zero appropriation.

Finally, the FY 2009 language proposes to strike the following 45 day Congressional reporting language that was in the FY 2008 language:

[That none of the funds made available in this or prior Acts shall be available for the execution of a new solicitation with respect to such guaranteed loans until 45 days after the Department of Energy has submitted to the Committees on Appropriations a loan guarantee implementation plan that defines the proposed award levels and eligible technologies: *Provided further*, That the Department shall not deviate from such plan without 45 days prior notice to the Committees:]

## Overview

### Appropriation Summary by Program

(dollars in thousands)

|   | FY 2007 Current<br>Appropriation <sup>a</sup> | FY 2008<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|---|---|--------------------------|------------------------|-------------------------------------|--------------------|
| Innovative Technology Loan Guarantee Program        |   |                          |                        |                                     |                    |
| Administrative Operations                           | —   | 5,500                    | -41 <sup>b</sup>       | 5,459                               | 19,880             |
| Offsetting Receipts                                 | —   | -1,000                   | —                      | -1,000                              | -19,880            |
| Total, Innovative Technology Loan Guarantee Program | —   | 4,500                    | -41                    | 4,459                               | —                  |

#### Preface

The Loan Guarantee Program, as authorized under Title XVII of the Energy Policy Act of 2005, will further the President’s Advanced Energy Initiative by encouraging early commercial use of new or significantly improved technologies in energy projects. Projects supported by loan guarantees will help fulfill the Administration’s goals of increasing affordable, reliable, secure, and clean sources of energy for the United States.

Section 1703 of the Act authorizes DOE to provide loan guarantees for renewable energy systems, advanced nuclear facilities, coal gasification, carbon sequestration, energy efficiency, and many other types of projects that use advanced technologies in commercial projects that avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases.

The Loan Guarantee Program Office first received direct appropriations, as part of the Departmental Administration Account, in FY 2007 under Public Law 110-5, to serve as a central coordinating office for loan guarantee applications submitted pursuant to the Energy Policy Act of 2005, Title XVII. Beginning in FY 2008, the administrative activities for the Loan Guarantee program will be funded in a separate discreet appropriation account titled “Innovative Technology Loan Guarantee Program”.

On October 23, 2007, the Department published in the federal register final regulations for the loan guarantee program as authorized by Title XVII of the Energy Policy Act of 2005 (EPAAct). The final rule was the culmination of a public rulemaking process, which began with a Notice of Proposed Rulemaking published on May 16, 2007. The final regulation provides that the Department may issue guarantees for up to 100% of the amount of the loan, subject to the EPAAct limitation that DOE may not guarantee a debt instrument for more than 80% of the total cost of an eligible project. Under the final rule, if the Department issues a guarantee for 100% of a debt instrument, the loan must be issued and funded by the Treasury Department’s Federal Financing Bank. DOE’s intent is to only issue loan

<sup>a</sup> In FY 2007 funding was provided for the Loan Guarantee Program under the Departmental Administration Appropriation in the amount of \$7.0 million.

<sup>b</sup> Includes a rescission of -\$41,000 in accordance with P.L. 110-161, the Appropriations Act, 2008.

guarantees if borrowers and project sponsors pay the “credit subsidy cost” for any loan guarantee they receive. Therefore, DOE does not plan to use taxpayer funds to pay for the credit subsidy costs of these loan guarantees.

On October 4, 2007, the Department also invited 16 project sponsors, who submitted pre-applications in the Fall of 2006, to submit full applications for loan guarantees. These projects include advanced technologies involving the use of biomass, fossil energy, solar, industrial energy efficiency, electricity delivery and energy reliability, hydrogen, and alternative fuel vehicles. The decision to issue loan guarantees will depend on the merits and benefits of particular project proposals and their compliance with statutory and regulatory requirements.

During fiscal years 2008 through 2011, commitments to guarantee loans under Title XVII of the Energy Policy Act of 2005 will total \$38.5 billion. In the Energy and Water Development and Related Agencies Appropriations Act, 2008, Congress authorized the Department to issue loan guarantees under the Title XVII program until September 30, 2009. The Budget now extends that authorization through fiscal years 2010 and 2011 and specifies amounts and uses of loan guarantee authority for those periods consistent with Congressional guidance accompanying the FY 2008 appropriations act. Of the total provided, \$20.0 billion will be available through fiscal year 2010 to support projects such as Uranium Enrichment, Coal Based Power, Advanced Coal Gasification, Renewables and Electricity Delivery. The remaining \$18.5 billion will be available through fiscal year 2011 to support nuclear power facilities. The \$38.5 billion provided in FY 2008 through 2011 will be in addition to the \$4.0 billion in authority provided in FY 2007 under P.L. 110-05 Section 20320(a) for a total loan volume limitation of \$42.5 billion.

### **Mission**

The mission of the Loan Guarantee Program Office is to administer a federal loan guarantee program for advanced technology projects that avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases, and have a reasonable prospect of repaying the principal and interest on their debt obligations.

### **Benefits**

The Loan Guarantee Program Office will administer a loan guarantee program for advanced energy technology projects that will avoid, reduce or sequester air pollutants or anthropogenic emissions of greenhouse gases, thereby improving environmental quality and enhancing energy security. The projects supported by this program will complement and encourage industry efforts to bring more advanced technologies into the marketplace.

### **Means and Strategies**

The Loan Guarantee Program Office will achieve its mission and performance targets by developing and implementing clear rules and procedures and policies for the submission, review, and negotiation of loan guarantee applications and for follow-on project review.

### **Validation and Verification**

To validate and verify program performance, the Loan Guarantee Program Office will continuously monitor achievements for all performance targets through reporting mechanisms and periodic reviews.



## Annual Performance Results and Targets

| FY 2004 Results  | FY 2005 Results | FY 2006 Results | FY 2007 Results | FY 2008 Targets | FY 2009 Targets   |
|--|-----------------|-----------------|-----------------|-----------------|---|
| Innovative Technology Loan Guarantee Program/Administrative Operations |                 |                 |                 |                 |   |
| N/A  | N/A             | N/A             | N/A             | N/A             | <u>Effectiveness Measure:</u><br>Contain the loss rate of guaranteed loans to less than 5%.                             |
|  |                 |                 |                 |                 | <u>Efficiency Measure:</u><br>Average days to process loan application from receipt of completed application (baseline) |

Performance on projects will be measured over time for 1) increase in new generation capacity of the guaranteed technology; 2) forecasted carbon intensity of guaranteed technologies; and 3) forecasted air pollution intensity of guaranteed technologies.



## Funding by Site by Program

(dollars in thousands)

|   | FY 2007 <sup>1</sup> | FY 2008 | FY 2009 |
|---|----------------------|---------|---------|
| Washington Headquarters                             |                      |         |         |
| Administrative Operations                           | —                    | 5,459   | 19,880  |
| Total, Washington Headquarters                      | —                    | 5,459   | 19,880  |
| Total, Innovative Technology Loan Guarantee Program | —                    | 5,459   | 19,880  |

## Major Changes or Shifts by Site

### Washington Headquarters

- FY 2008 will be the first year that funding will be appropriated directly for the Title XVII Innovative Technology Loan Guarantee Program in this account. The increase in funding results from the growth in the program as the program moves further into implementation.

## Site Description

### Washington Headquarters

The Loan Guarantee Program Office is located at the DOE headquarters. The office will set up and administer a federal Loan Guarantee Program in accordance with Title XVII of the Energy Policy Act of 2005, the Federal Credit Reform Act of 1990, and the requirements of OMB Circular A-129.

---

<sup>1</sup> In FY 2007 funding was provided as part of the Departmental Administration appropriation in the amount of \$7.0 million.

**Program Direction**  
**Funding Profile by Category**

(dollars in thousands/whole FTEs)

|                        | FY 2007 <sup>1</sup> | FY 2008 | FY 2009 |
|------------------------|----------------------|---------|---------|
| Headquarters           |                      |         |         |
| Salaries and Benefits  | —                    | 2,100   | 4,700   |
| Travel                 | —                    | 84      | 600     |
| Support Services       | —                    | 2,865   | 13,430  |
| Other Related Expenses | —                    | 410     | 1,150   |
| Total, Headquarters    | —                    | 5,459   | 19,880  |
| Full Time Equivalents  | —                    | 16      | 35      |

**Mission**

The mission of the Loan Guarantee Program Office is to administer a federal loan guarantee program for advanced technology projects that avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases, and have a reasonable prospect of repaying the principal and interest on their debt obligations.

---

<sup>1</sup> In FY 2007 funding was provided as part of the Departmental Administration appropriation in the amount of \$7.0 million.

## Detailed Justification

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| <b>Salaries and Benefits</b>  | —       | 2,100   | 4,700   |
| Provides salaries and benefits for 35 full time equivalent employees (FTEs) to administer the functions of this office.   |         |         |         |
| <b>Travel</b>   | —       | 84      | 600     |
| The Loan Guarantee Program Office travel budget supports the travel of staff members for staff training, attending meetings and presentations, and site visits to potential projects.   |         |         |         |
| <b>Support Services</b>   | —       | 2,865   | 13,430  |
| Support services will finance outside expertise in finance, legal, commercial engineering, technology, credit analysis, and commercial market assessments. Support Services will also finance consultants (as needed), and system enhancements to receive, review, track, and report on applications and the program portfolio. |         |         |         |
| <b>Other Related Expenses</b>   | —       | 410     | 1,150   |
| Other Related Expenses funds computer support and Working Capital Fund services. Funds may also be used for personnel security investigations beginning in FY 2009.   |         |         |         |
| <b>Total Program Direction</b>  | —       | 5,459   | 19,880  |

### Explanation of Funding Changes

|                                      |
|--------------------------------------|
| FY 2009<br>vs.<br>FY 2008<br>(\$000) |
|--------------------------------------|

**Salaries and Benefits**

Increase in salaries and benefits is due to an increase in staffing from 16 full time equivalent employees (FTEs) in FY 2008 to 35 FTEs in FY 2009 in order to adequately staff the office to perform required tasking that is necessary to support the total loan guarantee authority provided from fiscal years 2007 through 2011. The increase also includes general pay increases, promotions, and within-grade increases.

+2,600

**Travel**

The increase supports travel costs (including airfare and lodging costs) for federal employees. In FY 2009, requirements increase due to the need to conduct reviews of selected projects in FY 2008 as well as credit review of FY 2009 candidates. The increase is also due the additional 19 FTEs that will be hired for FY 2009.

+516

|                                      |
|--------------------------------------|
| FY 2009<br>vs.<br>FY 2008<br>(\$000) |
|--------------------------------------|

**Support Services**

The increase in FY 2009 reflects the need both for conduct of credit reviews of new FY 2009 candidate proposals as well as review of selected projects.

Support Services will finance expertise in finance, legal, commercial engineering, technology, credit analysis, and commercial market assessments. Support Services also will finance consultants, and continued system enhancements to receive, review, track, and report on applications and the program portfolio. +10,565

**Other Related Expenses**

In FY 2009, Other Related Expenses will fund DOE COE, to include the cost of computer workstations and network infrastructure technology upgrades needed to improve operational efficiencies, and Working Capital Fund costs. The increase will also support the additional 19 FTEs that will be hired in FY 2009. +740

**Total Funding Change** +14,421

**Support Services by Category**

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Management Support                       |         |         |         |
| Management/Professional Support Services | —       | 2,865   | 13,430  |
| Total, Management Support                | —       | 2,865   | 13,430  |
| Total, Support Services                  | —       | 2,865   | 13,430  |

**Other Related Expenses by Category**

(dollars in thousands)

|                               | FY 2007 | FY 2008 | FY 2009 |
|-------------------------------|---------|---------|---------|
| Other Related Expenses        |         |         |         |
| Other Services                | —       | 35      | 100     |
| Working Capital Fund          | —       | 375     | 1,050   |
| Total, Other Related Expenses | —       | 410     | 1,150   |

# **Working Capital Fund**

# **Working Capital Fund**



## **Working Capital Fund**

### **Program Mission**

The Working Capital Fund (WCF or Fund) is a financial management tool for improving the financing and delivery of a range of common administrative services. Pricing policy and oversight are vested in a Board appointed by the Deputy Secretary. Service delivery is assigned to Business-line Service managers; financial responsibility resides in a Fund Manager and individual Business-line Managers who are responsible for billing and funds control. The Fund creates a framework for business-like organization of support functions and market-like incentives for both customers and suppliers.

The objectives of the Fund include:

- Improve the efficiency of administrative services by providing managers with the opportunity and responsibility to make choices on the amount, priority, and, where possible, the sources of administrative services used by their programs;
- Ensure that program mission budgets include a fair allocation of the costs of common administrative services; and
- Expand the flexibility of the Department's budget structure to permit service providers to respond to customer needs.

Fund businesses maintain performance-based, five-year plans that inform the budget and alert the Board of the need to change pricing policies. Each quarter, the Fund manager reviews financial and business performance, which culminates in an Annual Report that analyzes financial measures of the Fund in addition to each business' performance against its published standards. This rigorous approach to management and governance by a customer board has allowed businesses to reduce the Department's costs by \$218 million in constant 2000 dollars in 11 years of operations, while earning net income of \$12.9 million on \$1.0 billion in cumulative sales.

### **WCF Business-line Accomplishments**

WCF operations are valued by customers, serve the Department, and remain within the fiscal and policy guidelines established by the Board and by Congressional Committees. The Fund Manager's FY 2007 Annual Report documented that the Fund experienced -\$0.9 million net earnings for its FY 2007 operations; and for the first 11 years of operations, reported net earnings of \$12.9 million, or 1.3 percent of customer billings. Although net earnings for individual business-lines have fluctuated between profit and loss over the years, the DOE is achieving its goal of sustained break-even operations.

The Department continues to examine ways of using the Fund to gain greater management efficiencies. The Board chartered an Information Technology Working Group to advise the Board. The Working Group is analyzing the benefits of merging the telephone and network businesses to improve the network infrastructure, eliminate the need for certain telephone infrastructure, and reduce operating costs. Most of the retained earnings of the Fund are reserved for the technology refresh, though these funds only provide a down payment for this corporate enterprise.

The Fund has reported efficiency and effectiveness performance metrics since its inception and documents continuous improvement efforts to provide program customers with the best goods and services possible.

Fund businesses use a “balanced scorecard” approach to both five-year business planning and to annual performance reporting, as good businesses should pay attention to the four corners of their business structure: customers, financial performance, internal processes, and knowledge management including human capital and information systems. Performance baselines include data recorded before the inception of the Fund. In addition to specific goals for each scorecard item, the businesses describe strategies to improve resource utilization and accomplish objectives. Plans, updated annually are available at [www.wcf.doe.gov](http://www.wcf.doe.gov) .

The Fund continues to help Departmental management with emerging issues such as the eGov initiative *Go Learn*, DOE’s new procurement system, STRIPES, the DOE-wide area network (backbone for collaborative technologies), building modernization and safety improvements (Stairwell Safe Havens), project management training, computer-based learning, and the shift away from paper intensive systems. At the same time, the Fund has allowed businesses to close, including the Executive Information System, Desktop, and the original Supply business.

At its May 23, 2007 meeting, the WCF Board voted to expand existing WCF business-lines by changing their respective pricing policies. The STARS business-line is being expanded under a new I-MANAGE umbrella to include STRIPES and the IDW (data warehouse). Consistent with the Fund’s objectives, some activities were added to the WCF to charge benefiting programs where there is a direct relationship between usage and costs. This is especially true for DCAA Audits, which will benefit from improved contract administration. Some businesses increased in order to charge outsourced contractual support to programs for the first time. The impact on existing businesses is further discussed below.

Other accomplishments include:

- Mail Management Team was recognized by the General Services Administration (GSA) for providing best practices information to other federal agencies and new federal mail managers. The business also captured savings in the form of discounts from service providers.
- The Building business-line continued construction and relocated personnel to acquired swing space, facilitating the GSA \$40 million Forrestal Life Safety Sprinkler System and Voice Annunciation Fire Alarm System Installation Project
- The Telephone business-line finalized plans to upgrade the obsolete analog phone switches to full digital phone switches.
- The Network business-line exceeded its availability metrics >99.9 percent for HQ Network Infrastructure, Internet Service and DOEnet Circuits (WAN).
- The Procurement Management business-line exceeded its targets by reducing over-aged instruments by 14 percent. It also returned \$9.4 million of deobligated balances to DOE.
- The Payroll business-line sustained 100 percent on-time delivery of paychecks.
- The CHRIS business-line modified all subsystem capabilities, and automated support was used for 95 percent of all DOE recruitment actions.
- The Project Management Career Development Program certified 41 Federal Project Directors for a cumulative total of 230 and 37 Information Technology Federal Project Directors for a cumulative total of 116.
- The STARS business-line expanded to include the I-MANAGE Data Warehouse .

- The Financial Reporting Assessment business-line developed and deployed a reporting suite that enables A-123 implementation by providing the capability to more fully analyze data and generate standard and customized reports.

### **Working Capital Fund: Business-line Budgets**

Table 1 summarizes projected customer billings by business-line. These billings are the result of pricing policies established and amended by the WCF Board. Board decisions are documented in time for programs to prepare their budgets and are reflected in these estimates.

Changes to WCF businesses total \$35.2 million, which represents \$3.9 million increase to current policy related to inflation and program discretionary spending and \$31.3 million gross increases that result from WCF Board decisions to add new business functions to the WCF. The net increase to program accounts for these added functions is \$15.8 million because DCAA audits (\$15.5 million) are already funded in program accounts.

The Mail Business-line increases \$1.1 million to include the shuttle bus between Germantown and Forrestal buildings and courier and messenger services.

The Copy Business-line increases \$0.2 million to include charges for the outsourced contractual support.

The Printing and Graphics Business-line increases \$0.3 million to include charges for the outsourced contractual support.

The Building Business-line increases \$12.1 million; \$8.7 million based on Board decisions [to include charges for the Stairwell Safe Haven project (\$2.0 million), outsourced contractual support (\$5.5 million), and new services for Property Management, Transportation, and Travel Support (\$1.2 million)] and \$3.4 million for rent increases.

The Procurement Management Business-line increases by \$15.5 million to include DCAA Audits, less \$0.1 million for reductions to Contract Closeout expenses.

The Corporate Training Services (Online Learning Center) increases by \$1.2 million to fund enhancements predicated by the e-gov initiative and \$0.2 million for projected increases to training delivery services.

The STARS Business-line becomes the I-MANAGE Business-line to accommodate the addition of the automated procurement system "STRIPES" (\$2.4 million) and the Oak Ridge Financial Service Center (\$0.8 million) and increases to STARS (\$1.0 million), for a Board approved increase of \$4.2 million.

The Department determined that External Independent Reviews (EIRs) should be financed within the Office of Management and not in the Fund. For this reason, there are no references to EIRs in the WCF justification. Also, in the case of DCAA Audits, the Department determined that the proper source of funds for this activity are program funds.

**Table 1**  
**Working Capital Fund Budget by Business-line <sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Supplies                                      | 3,046             | 2,996               | 2,983               |
| Mail and Transportation Services              | 2,022             | 2,280               | 3,376               |
| Photocopying                                  | 2,238             | 2,569               | 2,766               |
| Printing and Graphics                         | 2,520             | 3,031               | 3,358               |
| Building Occupancy                            | 69,427            | 71,023              | 83,169              |
| Telephones                                    | 8,086             | 8,689               | 9,119               |
| Networking                                    | 6,636             | 6,718               | 6,776               |
| Procurement Management                        | 712               | 1,058               | 16,462              |
| Payroll and Personnel                         | 4,260             | 4,501               | 4,421               |
| Corporate Training Services                   | 320               | 758                 | 2,175               |
| Project Management Career Development Program | 1,000             | 1,000               | 1,000               |
| Standard Accounting and Reporting System      | 4,000             | 3,500               | 7,691               |
| Financial Reporting Control Assessment        | 2,919             | 5,000               | 5,000               |
| Indirect                                      | 120               | 120                 | 120                 |
| Total, Working Capital Fund                   | \$ 107,305        | \$ 113,245          | \$ 148,415          |

Table 2 summarizes costs by customer organization. Estimates represent the best projections currently available, but are subject to change based on customer decisions regarding the mix, level, and source of services employed to support mission programs. These estimates provide an early warning to programs of potential costs if these programs continue to consume goods and services consistent with the past. In some cases, customers may choose to acquire services outside the Fund, and in other cases, customers may make tradeoffs to expand their use of Fund services in order to reduce other costs, including travel or contractual services. Further, customers already appear to have made tradeoffs within the services provided through the Fund, including reduced use of paper and photocopying through increased reliance on electronic communication. Fund management cooperates fully with customer efforts to reduce costs.

<sup>a</sup> Numbers may not add due to rounding.

**Table 2**  
**Working Capital Fund Budget by Program Organization<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 115               | 0                   | 0                   |
| Bonneville Power Administration                       | 198               | 262                 | 568                 |
| Chief Financial Officer                               | 4,816             | 4,729               | 5,281               |
| Congressional & Intergovernmental Affairs             | 681               | 755                 | 937                 |
| Counterintelligence                                   | 1,597             | 1,296               | 804                 |
| Departmental Representative to the DNFSB              | 91                | 0                   | 0                   |
| Economic Impact and Diversity                         | 664               | 705                 | 852                 |
| Energy Efficiency                                     | 6,905             | 7,006               | 8,990               |
| Environment, Safety, and Health                       | 3,182             | 4,299               | 17                  |
| Energy Information Administration                     | 7,331             | 7,662               | 8,686               |
| Environmental Management                              | 8,285             | 9,033               | 15,889              |
| Fossil Energy   | 3,706             | 4,285               | 6,472               |
| General Counsel                                       | 2,978             | 3,051               | 4,093               |
| Hearings and Appeals                                  | 803               | 808                 | 946                 |
| Office of Human Capital Management                    | 2,242             | 2,161               | 2,675               |
| Health, Safety and Security                           | 5,888             | 6,151               | 10,431              |
| Inspector General                                     | 1,652             | 1,721               | 2,054               |
| Chief Information Officer                             | 5,396             | 5,597               | 6,946               |
| Intelligence  | 2,452             | 3,165               | 4,461               |
| Legacy Management                                     | 661               | 745                 | 796                 |
| Office of Management                                  | 9,694             | 9,189               | 10,975              |
| National Nuclear Security Administration              | 21,288            | 23,073              | 29,856              |
| Nuclear Energy  | 2,816             | 2,901               | 4,052               |
| Naval Reactors  | 286               | 306                 | 839                 |
| Office of Electricity Delivery and Energy Reliability | 1,385             | 904                 | 1,475               |
| Public Affairs  | 527               | 796                 | 733                 |
| Policy and International Affairs                      | 1,801             | 1,770               | 2,141               |
| Civilian Radioactive Waste Management                 | 1,837             | 1,948               | 2,401               |
| Office of the Secretary                               | 1,087             | 1,165               | 1,456               |
| Science   | 5,937             | 6,625               | 12,102              |
| WAPA/SWPA/SEPA  | 1,007             | 1,090               | 1,486               |
| Field Offices   | 0                 | 46                  | 1                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 107,305</b> | <b>\$113,245</b>    | <b>\$148,415</b>    |

The following section includes a description of each business-line; each business-line's pricing policy, and selected performance measures. Tables 3 through 16 display revised cost estimates for FY 2007-FY 2009 provided for each business-line.

<sup>a</sup> Numbers may not add due to rounding.

## **Supplies**

### **Description**

This business operates two self-service stores, which carry a wide variety of consumable office products. At customers' request, it acquires specialty items, not stocked in the stores. Products carried are based on review of equipment in the agency inventory and customer input and suggestions.

This business is operated by Paper Clips, the office supply store name assigned by Winston-Salem Industries for the Blind, an affiliate of the National Industries for the Blind (NIB). Paper Clips operates the DOE supply stores as a commercial operation. Paper Clips is paid only for the supplies purchased by DOE employees.

### **Board Pricing Policy**

Each organization pays for supplies purchased by its employees.

Table 3 provides the estimated supplies charges for each organization in Headquarters. It is assumed that consumption levels in FY 2009 will remain relatively constant at FY 2007 levels.

**Table 3**  
**Working Capital Fund Budget by Supply Business-line<sup>a</sup>**

|   | (dollars in thousands) |                     |                     |
|---|------------------------|---------------------|---------------------|
|   | FY 2007<br>Actual      | FY 2008<br>Estimate | FY 2009<br>Estimate |
| Board of Contract Appeals                             | 0                      | 0                   | 0                   |
| Bonneville Power Administration                       | 1                      | 1                   | 1                   |
| Chief Financial Officer                               | 124                    | 147                 | 152                 |
| Congressional & Intergovernmental Affairs             | 16                     | 16                  | 24                  |
| Counterintelligence                                   | 5                      | 36                  | 11                  |
| Departmental Representative to the DNFSB              | 0                      | 0                   | 0                   |
| Economic Impact and Diversity                         | 19                     | 27                  | 15                  |
| Energy Efficiency                                     | 327                    | 298                 | 327                 |
| Environment, Safety, and Health                       | 10                     | 80                  | 0                   |
| Energy Information Administration                     | 187                    | 187                 | 183                 |
| Environmental Management                              | 236                    | 225                 | 189                 |
| Fossil Energy   | 127                    | 146                 | 116                 |
| General Counsel                                       | 79                     | 64                  | 68                  |
| Hearings and Appeals                                  | 9                      | 7                   | 8                   |
| Human Capital Management                              | 72                     | 65                  | 68                  |
| Health, Safety and Security                           | 235                    | 169                 | 242                 |
| Inspector General                                     | 46                     | 46                  | 51                  |
| Chief Information Officer                             | 167                    | 144                 | 229                 |
| Intelligence  | 104                    | 77                  | 45                  |
| Legacy Management                                     | 15                     | 17                  | 12                  |
| Office of Management                                  | 159                    | 214                 | 155                 |
| National Nuclear Security Administration              | 540                    | 527                 | 550                 |
| Nuclear Energy  | 109                    | 88                  | 104                 |
| Naval Reactors  | 0                      | 0                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 43                     | 38                  | 45                  |
| Public Affairs  | 19                     | 14                  | 16                  |
| Policy and International Affairs                      | 56                     | 58                  | 54                  |
| Civilian Radioactive Waste Management                 | 62                     | 41                  | 49                  |
| Office of the Secretary                               | 24                     | 20                  | 28                  |
| Science   | 255                    | 240                 | 240                 |
| WAPA/SWPA/SEPA  | 1                      | 1                   | 1                   |
| Field Offices   | 0                      | 0                   | 0                   |
| Total, Working Capital Fund                           | \$ 3,046               | \$ 2,996            | \$ 2,983            |

<sup>a</sup> Numbers may not add due to rounding.

## **Mail and Transportation Services Business-line**

### **Description**

The DOE Mail Center provides a variety of mail services for all official and other authorized mail for the Department of Energy and its employees. The services include the processing of all incoming postal mail, outgoing official mail, internal mail processing, accountable mail processing, pouch mail, a variety of overnight express mail services, directory services, and pick-up and delivery services. In response to the risk of terrorism, the business-line implemented various processes for sanitizing and testing mail against bio-terrorist attacks.

The Working Capital Fund Board also added the shuttle bus between Germantown and Forrestal buildings and courier and messenger service to the business beginning FY 2009. The business is seeking to change its name beginning FY 2009 to the Mail and Transportation Services Business-line.

### **Board Pricing Policy**

The Working Capital Fund Board adopted a new Mail pricing policy at its December 11, 2006 meeting. Based on this new policy, Mail service pricing has multiple components:

- Offices pay the actual dollar cost for outgoing United States Postal Service (USPS) mail and for Federal Express or other special mail. Offices pay for internal mail distribution based on the number of mail stops;
- Offices pay for Mail Security (\$149,000/year) based on their percentage of incoming USPS mail over the preceding six-month period;
- Offices pay for Express Mail Labor based on their percentage of the total volume of incoming and outgoing special mail during the preceding six- month period;
- Offices pay for USPS Outgoing labor based on their percentage of actual outgoing mail for the preceding six months;
- Offices pay for specified special services on a negotiated basis;
- Programs pay for shuttle bus services based on their prior year usage; and
- Programs pay for courier and messenger services based on their prior year usage.

Table 4 provides the estimated mail services charges for each organization in Headquarters. The Mail Business-line increases \$1.1 million to include the shuttle bus between Germantown and Forrestal buildings and courier and messenger services.

.



**Table 4**  
**Working Capital Fund Budget by Mail and Transportation Services Business-line<sup>a</sup>**  
(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 14                | 14                  | 23                  |
| Chief Financial Officer                               | 78                | 79                  | 134                 |
| Congressional & Intergovernmental Affairs             | 31                | 31                  | 70                  |
| Counterintelligence                                   | 19                | 34                  | 24                  |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 50                | 47                  | 55                  |
| Energy Efficiency                                     | 164               | 158                 | 231                 |
| Environment, Safety, and Health                       | 0                 | 51                  | 0                   |
| Energy Information Administration                     | 115               | 96                  | 121                 |
| Environmental Management                              | 63                | 63                  | 135                 |
| Fossil Energy   | 54                | 53                  | 117                 |
| General Counsel                                       | 49                | 50                  | 70                  |
| Hearings and Appeals                                  | 22                | 23                  | 26                  |
| Office of Human Capital Management                    | 97                | 88                  | 135                 |
| Health, Safety and Security                           | 156               | 121                 | 263                 |
| Inspector General                                     | 57                | 61                  | 72                  |
| Chief Information Officer                             | 66                | 64                  | 192                 |
| Intelligence  | 112               | 126                 | 182                 |
| Legacy Management                                     | 26                | 22                  | 24                  |
| Office of Management                                  | 260               | 289                 | 475                 |
| National Nuclear Security Administration              | 278               | 451                 | 466                 |
| Nuclear Energy  | 53                | 48                  | 119                 |
| Naval Reactors  | 1                 | 1                   | 2                   |
| Office of Electricity Delivery and Energy Reliability | 55                | 59                  | 47                  |
| Public Affairs  | 30                | 43                  | 49                  |
| Policy and International Affairs                      | 18                | 21                  | 25                  |
| Civilian Radioactive Waste Management                 | 23                | 22                  | 30                  |
| Office of the Secretary                               | 26                | 26                  | 51                  |
| Science   | 91                | 125                 | 220                 |
| WAPA/SWPA/SEPA  | 13                | 13                  | 18                  |
| Field Offices   | 0                 | 0                   | 0                   |
| Total, Working Capital Fund                           | \$ 2,022          | \$ 2,280            | \$ 3,376            |

<sup>a</sup> Numbers may not add due to rounding.

## **Photocopying**

### **Description**

For FY 2009 the WCF Board added courier and messenger services to this business-line. This business provides the following services:

- Staffed photocopy centers at Forrestal, Germantown and L'Enfant Plaza capable of reproducing 25,000 impressions per document;
- Centralized (Walk-up) Photocopy Rooms;
- Dedicated (Customer-Assigned) Photocopiers including needs assessment analysis to determine workload and most appropriate equipment;
- Digital document management, including optical scanning of paper copy documents and storage on disk; and,
- Digital news clips to programs based on subscriptions. These news clips were previously provided as hard-copy documents prepared in the copy business.

In FY 1996, before creation of the Fund, DOE headquarters made over 100 million copies. The number of copies declined rapidly after creation of the Fund and has continued to decline. Currently, DOE HQ photocopies at an annualized rate of 26 million.

### **Board Pricing Policy**

Each office pays the full cost to maintain and supply its assigned dedicated photocopiers. For walk-up and staffed photocopiers, a cost per photocopy is calculated and programs are charged based on the number of photocopies made by program staff. For digitization, the initial plan is to use negotiated agreements on a per-page basis to cover the costs of this business segment.

Table 5 provides the estimated photocopy charges for each organization in Headquarters. The Copy Business-line increases \$0.2 million to include charges for outsourced contractual support.

**Table 5**  
**Working Capital Fund Budget by Photocopy Business-line<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 1                   | 29                  |
| Chief Financial Officer                               | 113               | 202                 | 157                 |
| Congressional & Intergovernmental Affairs             | 6                 | 13                  | 31                  |
| Counterintelligence                                   | 7                 | 17                  | 33                  |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 36                | 32                  | 39                  |
| Energy Efficiency                                     | 272               | 203                 | 273                 |
| Environment, Safety, and Health                       | 13                | 60                  | 0                   |
| Energy Information Administration                     | 124               | 148                 | 158                 |
| Environmental Management                              | 190               | 215                 | 194                 |
| Fossil Energy   | 100               | 87                  | 74                  |
| General Counsel                                       | 41                | 38                  | 65                  |
| Hearings and Appeals                                  | 10                | 8                   | 32                  |
| Office of Human Capital Management                    | 102               | 53                  | 121                 |
| Health, Safety and Security                           | 144               | 157                 | 180                 |
| Inspector General                                     | 17                | 19                  | 45                  |
| Chief Information Officer                             | 89                | 50                  | 118                 |
| Intelligence  | 33                | 23                  | 53                  |
| Legacy Management                                     | 23                | 98                  | 29                  |
| Office of Management                                  | 213               | 238                 | 269                 |
| National Nuclear Security Administration              | 308               | 340                 | 256                 |
| Nuclear Energy  | 38                | 55                  | 60                  |
| Naval Reactors  | 0                 | 2                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 37                | 9                   | 36                  |
| Public Affairs  | 74                | 201                 | 191                 |
| Policy and International Affairs                      | 58                | 52                  | 66                  |
| Civilian Radioactive Waste Management                 | 19                | 43                  | 45                  |
| Office of the Secretary                               | 27                | 23                  | 45                  |
| Science   | 143               | 180                 | 167                 |
| WAPA/SWPA/SEPA  | 1                 | 1                   | 0                   |
| Field Offices   | 0                 | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 2,238</b>   | <b>\$ 2,569</b>     | <b>\$ 2,766</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## **Printing and Graphics**

### **Description**

The printing and graphics business-line provides procurement and liaison with commercial printers through the Government Printing Office. It also provides design and development of pre-press graphics, electronic forms and exhibits, and court reporting services. Contractor staffs distribute in-house, produced materials as well as materials produced by other government agencies. This business-line also provides professional photography, lab technicians, portrait studio operations, and graphics visual aids and presentation materials. Centralized visual archives are provided through a repository of general interest photos.

### **Board Pricing Policy**

Organizations pay direct costs for printing, printed products, Federal Register publications, and some graphics services. Additionally, programs pay maintenance and depreciation costs on graphics equipment and graphics supplies as a percentage allocation of costs incurred in the previous fiscal year.

Table 6 provides the estimated printing and graphics charges for each Headquarters organization. The Printing and Graphics Business-line increases \$0.3 million to include charges for outsourced contractual support.

**Table 6**  
**Working Capital Fund Budget by Printing and Graphics Business-line<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 7                 | 0                   | 0                   |
| Bonneville Power Administration                       | 7                 | 85                  | 27                  |
| Chief Financial Officer                               | 137               | 177                 | 153                 |
| Congressional & Intergovernmental Affairs             | 11                | 67                  | 57                  |
| Counterintelligence                                   | 5                 | 32                  | 43                  |
| Departmental Representative to the DNFSB              | 1                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 28                | 38                  | 74                  |
| Energy Efficiency                                     | 291               | 209                 | 366                 |
| Environment, Safety, and Health                       | 0                 | 69                  | 0                   |
| Energy Information Administration                     | 170               | 304                 | 248                 |
| Environmental Management                              | 77                | 48                  | 94                  |
| Fossil Energy   | 65                | 340                 | 67                  |
| General Counsel                                       | 123               | 154                 | 195                 |
| Hearings and Appeals                                  | 82                | 68                  | 131                 |
| Office of Human Capital Management                    | 55                | 54                  | 60                  |
| Health, Safety and Security                           | 115               | 104                 | 80                  |
| Inspector General                                     | 82                | 87                  | 122                 |
| Chief Information Officer                             | 29                | 52                  | 59                  |
| Intelligence  | 31                | 15                  | 41                  |
| Legacy Management                                     | 8                 | 9                   | 19                  |
| Office of Management                                  | 271               | 289                 | 442                 |
| National Nuclear Security Administration              | 214               | 346                 | 277                 |
| Nuclear Energy  | 39                | 37                  | 90                  |
| Naval Reactors  | 7                 | 0                   | 4                   |
| Office of Electricity Delivery and Energy Reliability | 62                | 9                   | 34                  |
| Public Affairs  | 19                | 122                 | 46                  |
| Policy and International Affairs                      | 63                | 1                   | 70                  |
| Civilian Radioactive Waste Management                 | 12                | 15                  | 43                  |
| Office of the Secretary                               | 114               | 82                  | 160                 |
| Science   | 361               | 173                 | 273                 |
| WAPA/SWPA/SEPA  | 34                | 45                  | 86                  |
| Field Offices   | 0                 | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 2,520</b>   | <b>\$ 3,031</b>     | <b>\$ 3,358</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## **Building Occupancy**

### **Description**

The core services of the Building Occupancy Business-line include space assignment and utilization, utilities (such as heat and electricity), cleaning services, snow removal, maintenance, pest control, trash removal, and waste recycling. Engineering and facilities services provided are drafting, construction management and inspection, engineering, lock repair and key management, safety and occupational health, moving and warehousing services, and conference support. This business also provides electronic services, which involve audio/visual meeting and conferencing support as well as repair and maintenance of Headquarters radio communications and electronic equipment. Board-approved improvements to the Headquarters complex are also included. Beginning in FY 2009, the business is adding segments to provide property management, transportation, and travel support to programs based on their utilization of these services. These services were previously funded in the Office of Management in the Departmental Administration account. Budget has been transferred to program offices to fund this activity in the WCF.

### **Board Pricing Policy**

Board policy is based on direct costs and allocations in the following manner:

- Each year, organizations sign occupancy agreements that define the space to be assigned to them;
- On a building-by-building basis, direct rental value of the space assigned to each organization is calculated, based on the rent charged to the Department by the General Services Administration. Customer rent costs are based on areas assigned to each organization at the start of each fiscal year;
- Common use space costs in each building are divided among the tenants of that building based on their proportional shares of direct rent costs;
- Certain additional costs, such as common area improvements and health and life safety programs, are allocated as a pro rata addition to the building-by-building charges described above;
- Electronic Services charges are allocated according to direct building occupancy costs;
- In addition, tenants may arrange, at their own cost, alterations of office space; and
- Charges related to property management, transportation, and travel support are allocated based on program usage during the prior fiscal year.

Table 7 provides the estimated building occupancy charges for each organization in Headquarters. The Building Business-line increases \$12.1 million; \$8.7 million based on Board decisions [to include charges for the Stairwell Safe Haven project (\$2.0 million), LAI contract (\$5.5 million), and new services for Property Management, Transportation, and Travel Support (\$1.2 million)] and \$3.4 million for a 5.5 percent rent increase and utility rate increases.

**Table 7**  
**Working Capital Fund Budget by Building Occupancy Business-line<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 105               | 0                   | 0                   |
| Bonneville Power Administration                       | 108               | 112                 | 138                 |
| Chief Financial Officer                               | 2,760             | 2,954               | 3,421               |
| Congressional & Intergovernmental Affairs             | 492               | 507                 | 618                 |
| Counterintelligence                                   | 1,020             | 1,059               | 128                 |
| Departmental Representative to the DNFSB              | 87                | 0                   | 0                   |
| Economic Impact and Diversity                         | 417               | 430                 | 520                 |
| Energy Efficiency                                     | 4,224             | 4,253               | 5,177               |
| Environment, Safety, and Health                       | 2,936             | 3,116               | 0                   |
| Energy Information Administration                     | 5,963             | 6,073               | 7,154               |
| Environmental Management                              | 3,637             | 3,723               | 4,085               |
| Fossil Energy   | 2,067             | 2,141               | 2,528               |
| General Counsel                                       | 2,327             | 2,379               | 3,305               |
| Hearings and Appeals                                  | 634               | 642                 | 692                 |
| Office of Human Capital Management                    | 1,474             | 1,505               | 1,771               |
| Health, Safety and Security                           | 3,852             | 4,232               | 7,771               |
| Inspector General                                     | 1,151             | 1,197               | 1,412               |
| Chief Information Officer                             | 3,843             | 4,096               | 5,083               |
| Intelligence  | 2,061             | 2,110               | 3,402               |
| Legacy Management                                     | 356               | 400                 | 426                 |
| Office of Management                                  | 7,612             | 7,075               | 8,380               |
| National Nuclear Security Administration              | 13,218            | 13,796              | 15,841              |
| Nuclear Energy  | 1,668             | 1,682               | 2,130               |
| Naval Reactors  | 0                 | 0                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 927               | 647                 | 971                 |
| Public Affairs  | 295               | 318                 | 311                 |
| Policy and International Affairs                      | 1,275             | 1,303               | 1,581               |
| Civilian Radioactive Waste Management                 | 1,182             | 1,209               | 1,442               |
| Office of the Secretary                               | 736               | 822                 | 1,007               |
| Science   | 2,883             | 3,124               | 3,734               |
| WAPA/SWPA/SEPA  | 115               | 119                 | 142                 |
| Field Offices   | 0                 | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 69,427</b>  | <b>\$ 71,023</b>    | <b>\$ 83,169</b>    |

<sup>a</sup> Numbers may not add due to rounding.

## Telephones

### Description

The telephone business-line is the telephone company for DOE Headquarters. It comprises an infrastructure connecting two main headquarters buildings and satellite buildings for internal dialing and commercial basic line service. The infrastructure includes communication networks, installed telephone processing switching equipment, and trained technical personnel. Telephone service includes local, long distance, and international dialing provided through the Headquarters Information Exchange (IX) System; specialized services such as operator-assisted calls (including large audio conference calls), voice mail, three-way calling, call forwarding, automatic ring-back, and custom calling cards; and trained technical personnel to install, repair and operate the system. The cost of telephone instruments, cellular phones, pagers, and other like equipment is not included in this business-line. However, as a result of recent Board action, service charges relating to these electronic communication devices are now included in this business-line. These charges were already paid from customer appropriations through a separate billing system outside the fund.

There are approximately 14,500 telephone connections in DOE Headquarters. This reflects a reduction of 10 percent from the nearly 16,000 connections that were in place in FY 1996, before the Fund was implemented. Telephone usage, as measured by the average number of calls per month, declined approximately 33 percent from FY 1996 to FY 2007.

The DOE phone system is comprised of pre-2000 analog technology. DOE missed a full generation of digital phone technology. This represents a risk to the Department of obsolescence of its phone system. This situation will be addressed during FY 2008 with a technology upgrade.

### Board Pricing Policy

Telephone system costs are allocated to Headquarters offices based upon four categories:

- Headquarters telephone system infrastructure costs, which are composed of: (a) the cost of the leased telecommunications circuits connecting the Headquarters buildings to the internal telephone system, including the CENTREX telephone line charges for staff located in leased facilities; (b) the cost of leased telecommunications circuits that support local, long distance and international calling; and (c) the cost of the technical staff who operate the Headquarters telephone switches, and install and repair the telephone wiring plant, are allocated among program organizations based on the number of active telephone lines as a per line monthly charge. Since the Fund's inception, program customers have been validating, and reducing, the number of active phone lines;
- The costs of dedicated communication circuits are allocated to those organizations requesting installation of such lines;
- All long distance, local, and international calls at headquarters are allocated to the originating telephones and thus to programs based on the actual billing information received by the Department; and
- All recurring electronic communication devices (cellular phone, pagers, blackberries, etc.) service contract costs.

Table 8 provides the estimated telephone charges for each organization in Headquarters. The \$0.4 million increase in FY 2009 is related to additional dedicated leased lines for individual programs.



**Table 8**  
**Working Capital Fund Budget by Telephone Business-line<sup>a</sup>**

|   | (dollars in thousands) |                     |                     |
|---|------------------------|---------------------|---------------------|
|   | FY 2007<br>Actual      | FY 2008<br>Estimate | FY 2009<br>Estimate |
| Board of Contract Appeals                             | 1                      | 0                   | 0                   |
| Bonneville Power Administration                       | 12                     | 11                  | 12                  |
| Chief Financial Officer                               | 340                    | 400                 | 345                 |
| Congressional & Intergovernmental Affairs             | 66                     | 69                  | 70                  |
| Counterintelligence                                   | 513                    | 98                  | 531                 |
| Departmental Representative to the DNFSB              | 0                      | 0                   | 0                   |
| Economic Impact and Diversity                         | 54                     | 52                  | 54                  |
| Energy Efficiency                                     | 421                    | 437                 | 407                 |
| Environment, Safety, and Health                       | 46                     | 403                 | 0                   |
| Energy Information Administration                     | 465                    | 547                 | 468                 |
| Environmental Management                              | 639                    | 532                 | 627                 |
| Fossil Energy   | 288                    | 281                 | 252                 |
| General Counsel                                       | 174                    | 173                 | 180                 |
| Hearings and Appeals                                  | 19                     | 23                  | 18                  |
| Office of Human Capital Management                    | 184                    | 152                 | 181                 |
| Health, Safety and Security                           | 775                    | 717                 | 751                 |
| Inspector General                                     | 89                     | 89                  | 92                  |
| Chief Information Officer                             | 524                    | 527                 | 497                 |
| Intelligence  | 61                     | 746                 | 645                 |
| Legacy Management                                     | 39                     | 30                  | 39                  |
| Office of Management                                  | 557                    | 513                 | 567                 |
| National Nuclear Security Administration              | 1,416                  | 1,636               | 2,098               |
| Nuclear Energy  | 251                    | 209                 | 198                 |
| Naval Reactors  | 83                     | 105                 | 43                  |
| Office of Electricity Delivery and Energy Reliability | 165                    | 23                  | 167                 |
| Public Affairs  | 53                     | 56                  | 52                  |
| Policy and International Affairs                      | 176                    | 141                 | 148                 |
| Civilian Radioactive Waste Management                 | 124                    | 165                 | 147                 |
| Office of the Secretary                               | 96                     | 98                  | 100                 |
| Science   | 449                    | 390                 | 423                 |
| WAPA/SWPA/SEPA  | 6                      | 64                  | 7                   |
| Field Offices   | 0                      | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 8,086</b>        | <b>\$ 8,689</b>     | <b>\$ 9,119</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## Networking

### Description

Networking provides:

- Connectivity for DOE Headquarters through Local and Wide Area Networks. This connectivity provides interoperability for 86 organizational Local Area Network (LAN) segments in two main headquarters and associated satellite buildings, and connectivity to the Headquarters application host systems. There are approximately 13,000 LAN connections in Headquarters;
- Access to the Internet and World Wide Web, Electronic mail, and other applications for information processing and sharing through the backbone infrastructure;
- Interface services and communications links to field sites, other government agencies, and public/private business partners; and
- Connectivity to the entire national complex through DOEnet. The DOEnet is a centrally managed Wide Area Network designed to support DOE corporate systems and carry business sensitive data to users throughout the DOE community. DOEnet currently provides connectivity to 38 sites, each adhering to a uniform connection policy to ensure a level of security. In FY 2009 the annualized charge is estimated to be \$2.0 million.

### Board Pricing Policy

Networking charges represent infrastructure costs which are composed of: (1) the cost of leased telecommunications circuits; (2) the cost of maintaining common network infrastructure components (routers, switches, etc.); and (3) the cost of providing technical staff to install and repair network connections and monitor/operate the various common network components. These charges will be allocated among program organizations based on the number of active LAN connections, as a monthly charge. Since the Fund's inception, program customers have been validating the number of these connections. DOEnet costs are allocated to participating sites based on the costs associated with providing the service – circuit costs, hardware and maintenance costs, and the cost of providing technical staff.

Table 10 provides the estimated Networking charges for each organization in Headquarters.

**Table 10**  
**Working Capital Fund Budget by Networking Business-line<sup>a</sup>**

|   | (dollars in thousands) |                     |                     |
|---|------------------------|---------------------|---------------------|
|   | FY 2007<br>Actual      | FY 2008<br>Estimate | FY 2009<br>Estimate |
| Board of Contract Appeals                             | 0                      | 0                   | 0                   |
| Bonneville Power Administration                       | 47                     | 13                  | 47                  |
| Chief Financial Officer                               | 453                    | 509                 | 525                 |
| Congressional & Intergovernmental Affairs             | 46                     | 37                  | 41                  |
| Counterintelligence                                   | 15                     | 15                  | 14                  |
| Departmental Representative to the DNFSB              | 1                      | 0                   | 0                   |
| Economic Impact and Diversity                         | 45                     | 37                  | 41                  |
| Energy Efficiency                                     | 519                    | 679                 | 502                 |
| Environment, Safety, and Health                       | 81                     | 317                 | 0                   |
| Energy Information Administration                     | 6                      | 7                   | 5                   |
| Environmental Management                              | 649                    | 730                 | 775                 |
| Fossil Energy   | 454                    | 425                 | 424                 |
| General Counsel                                       | 118                    | 91                  | 100                 |
| Hearings and Appeals                                  | 15                     | 21                  | 13                  |
| Office of Human Capital Management                    | 168                    | 143                 | 173                 |
| Health, Safety and Security                           | 417                    | 409                 | 456                 |
| Inspector General                                     | 77                     | 70                  | 73                  |
| Chief Information Officer                             | 600                    | 536                 | 575                 |
| Intelligence  | 5                      | 3                   | 4                   |
| Legacy Management                                     | 125                    | 73                  | 113                 |
| Office of Management                                  | 420                    | 369                 | 348                 |
| National Nuclear Security Administration              | 1,190                  | 1,229               | 1,445               |
| Nuclear Energy  | 156                    | 178                 | 132                 |
| Naval Reactors  | 0                      | 1                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 57                     | 44                  | 42                  |
| Public Affairs  | 25                     | 29                  | 26                  |
| Policy and International Affairs                      | 110                    | 110                 | 97                  |
| Civilian Radioactive Waste Management                 | 194                    | 98                  | 189                 |
| Office of the Secretary                               | 52                     | 54                  | 48                  |
| Science   | 446                    | 377                 | 423                 |
| WAPA/SWPA/SEPA  | 145                    | 118                 | 145                 |
| Field Offices   | 0                      | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 6,636</b>        | <b>\$ 6,718</b>     | <b>\$ 6,776</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## Procurement Management

### Description

Beginning FY 2009 the Procurement Management Business-line will add Defense Contract Audit Agency (DCAA) audits. This activity is currently funded in program accounts and moving it into the WCF will not result in any additional costs to the programs and will probably result in minor administrative savings. When combined in this business, these business segments help validate compliance with procedures and improve the internal controls of the Department and respond to specific issues raised by the Inspector General. Ultimately, they result in savings to programs by preventing fraud, waste, and abuse.

The DCAA Audit segment of the business actually represents funding to various federal audit agencies, however, the majority of the funding is provided to DCAA. The Defense Contract Audit Agency (DCAA), Office of Naval Research (ONR), Department of Health and Human Services (HHS) and Defense Logistic Agency (DLA) provide audit services to the Department's Program Offices and Contracting Officers in support of their acquisition activities. These services benefit the contracting officers in supporting their determination for reasonableness and realism of the contractor's proposed rates.

**The Contract Closeout** segment of the business is the final stage in contract administration support for DOE Headquarters elements. Services include ensuring that all contracted products and services have been delivered, final releases are obtained, final invoices and vouchers are processed for payment, and any remaining unexpended funds under the contract are released. Since FY 1996, the universe of contract instruments ready for closeout has been reduced from nearly 3,000 to approximately 1,000 instruments. Over \$55 million has been deobligated from expired contracts in the seven years this activity has been operating as a Fund business.

**The Purchase Card Surveillance** segment provides surveillance over the use of purchase cards by DOE and contractor employees. DOE purchase cards are issued under a task order with Bank of America through the SmartPay program administered by the General Services Administration. Funding for this effort is derived from rebates DOE elements receive from the Bank of America, based upon the dollar volume of purchases. This business develops, installs and operates a data mining system, using proprietary software, and oversees the operation of the Purchase Card Automated Reporting Transaction Tool for DOE, to track and resolve suspicious purchase card transactions by both Federal and contractor employees.

### Board Pricing Policy

Each Headquarters element pays the actual contract closeout cost, determined by the unit price of each contract type and negotiated level of service. Purchase Card Surveillance costs are allocated based on the distribution of the last four quarterly payments (refunds) by the Bank of America. DCAA audits are charged to programs based on actual usage. Traditionally, these expenses have been funded with program funding and the WCF proposes using this same funding for WCF billing.

Table 11 provides the estimated Procurement Management charges for each organization in headquarters. The Procurement Management Business-line increases by \$15.5 million to include DCAA Audits, offset by \$0.1 million decrease in Contract Closeout expenses.

**Table 11**  
**Working Capital Fund Budget by Procurement Management Business-line<sup>a</sup>**  
(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 0                   | 20                  |
| Chief Financial Officer                               | 3                 | 20                  | 2                   |
| Congressional & Intergovernmental Affairs             | 1                 | 2                   | 1                   |
| Counterintelligence                                   | 13                | 1                   | 0                   |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 26                  |
| Economic Impact and Diversity                         | 1                 | 26                  | 866                 |
| Energy Efficiency                                     | 53                | 114                 | 0                   |
| Environment, Safety, and Health                       | 1                 | 51                  | 74                  |
| Energy Information Administration                     | 129               | 73                  | 5,626               |
| Environmental Management                              | 91                | 124                 | 1,641               |
| Fossil Energy   | 33                | 66                  | 3                   |
| General Counsel                                       | 1                 | 3                   | 2                   |
| Hearings and Appeals                                  | 0                 | 2                   | 30                  |
| Office of Human Capital Management                    | 0                 | 30                  | 226                 |
| Health, Safety and Security                           | 38                | 15                  | 3                   |
| Inspector General                                     | 6                 | 3                   | 27                  |
| Chief Information Officer                             | 11                | 25                  | 2                   |
| Intelligence  | 0                 | 2                   | 7                   |
| Legacy Management                                     | 18                | 7                   | 136                 |
| Office of Management                                  | 68                | 64                  | 3,050               |
| National Nuclear Security Administration              | 113               | 186                 | 538                 |
| Nuclear Energy  | 57                | 92                  | 363                 |
| Naval Reactors  | 0                 | 0                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 0                 | 0                   | 1                   |
| Public Affairs  | 0                 | 1                   | 35                  |
| Policy and International Affairs                      | 4                 | 35                  | 14                  |
| Civilian Radioactive Waste Management                 | 0                 | 31                  | 0                   |
| Office of the Secretary                               | 0                 | 0                   | 3,746               |
| Science   | 38                | 54                  | 23                  |
| WAPA/SWPA/SEPA  | 31                | 31                  | 0                   |
| Field Offices   | 0                 | 0                   | 0                   |
| Total, Working Capital Fund                           | \$ 712            | \$ 1,058            | \$ 16,462           |

<sup>a</sup> Numbers may not add due to rounding.

## Payroll and Personnel

### Description

The major components of this business are the processing of the payroll for DOE Federal employees and the operation of the Corporate Human Resources Information System (CHRIS). All related personnel services will continue to be carried out by Federal employees and therefore do not fall under the Working Capital Fund Payroll and Personnel Business-line.

**Payroll Processing** prepares civilian payrolls based on authenticated documentation. The combined efforts of DOE and the Defense Financial Accounting Service perform the following functions.

- Computes, deposits, and reports Federal, State, and local income taxes;
- Maintains employee records related to Civil Service and Federal Employees Retirement Systems, reports retirement information to the Office of Personnel Management, and performs reconciliation of account balances with Office of Personnel Management and the Department of the Treasury;
- Accounts and reports employee's health benefit coverage, thrift savings plans, and unemployment compensation, among other non-salary employee payments;
- Maintains donated leave subsystem; and
- Maintains and operates the Department's system of allocating payroll costs to the proper appropriation.

Detailed employee information and Office of Personnel Management regulations are critical inputs to payroll processing. This business-line is being used to finance certain Office of Personnel Management (OPM) and transit subsidy charges that benefit to the entire DOE work force.

**Corporate Human Resources Information System (CHRIS)** is the Department's Enterprise Human Resources system of record. Specifically, the project supports the strategic management of human resource capital goal of the President's Management Agenda by providing official data and reports for external reporting, internal decision-making, policy reviews and electronic workflow to support the paperless office, streamlined business processes and improved operational efficiencies. Employee Self Service is an additional component of the CHRIS Project, as is DOE Jobs, the web-based automated recruitment and application system.

### Board Pricing Policy

Payroll processing and CHRIS operations costs for this business are allocated to each program on the basis of their employment levels at the beginning of the current fiscal year.

A significant portion of the payroll Working Capital Fund resources are used to reimburse the Defense Finance and Accounting Service, the payroll service provider for the Department of Energy. Actual FY 2002 billing for this business was \$5.3 million compared to \$4.4 million for expanded services today.

Table 12 provides the estimated distribution of costs by program customer. Charges to customers decline slightly in FY 2009.

**Table 12**  
**Working Capital Fund Budget by Payroll and Personnel Business-line<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 0                   | 0                   |
| Chief Financial Officer                               | 85                | 89                  | 89                  |
| Congressional & Intergovernmental Affairs             | 11                | 11                  | 11                  |
| Counterintelligence                                   | 0                 | 0                   | 0                   |
| Departmental Representative to the DNFSB              | 2                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 12                | 12                  | 12                  |
| Energy Efficiency                                     | 176               | 189                 | 189                 |
| Environment, Safety, and Health                       | 74                | 80                  | 0                   |
| Energy Information Administration                     | 142               | 149                 | 149                 |
| Environmental Management                              | 498               | 532                 | 532                 |
| Fossil Energy   | 343               | 363                 | 363                 |
| General Counsel                                       | 57                | 61                  | 61                  |
| Hearings and Appeals                                  | 11                | 12                  | 12                  |
| Office of Human Capital Management                    | 51                | 52                  | 52                  |
| Health, Safety and Security                           | 90                | 96                  | 96                  |
| Inspector General                                     | 106               | 113                 | 113                 |
| Chief Information Officer                             | 35                | 36                  | 36                  |
| Intelligence  | 42                | 43                  | 43                  |
| Legacy Management                                     | 22                | 23                  | 23                  |
| Office of Management                                  | 95                | 98                  | 98                  |
| National Nuclear Security Administration              | 938               | 998                 | 998                 |
| Nuclear Energy  | 164               | 167                 | 167                 |
| Naval Reactors  | 83                | 86                  | 86                  |
| Office of Electricity Delivery and Energy Reliability | 22                | 23                  | 23                  |
| Public Affairs  | 7                 | 8                   | 8                   |
| Policy and International Affairs                      | 37                | 39                  | 39                  |
| Civilian Radioactive Waste Management                 | 68                | 70                  | 70                  |
| Office of the Secretary                               | 11                | 11                  | 11                  |
| Science   | 438               | 467                 | 467                 |
| WAPA/SWPA/SEPA  | 643               | 675                 | 675                 |
| Field Offices   | 0                 | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 4,260</b>   | <b>\$ 4,501</b>     | <b>\$ 4,421</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## Corporate Training Services

### Description

The Corporate Training Services Business-line combines Training Delivery and Services (TDS) and the Online Learning Center (OLC) business segments, to deliver courses which support the Department's mission programs. The benefits to the DOE include: DOE specific courses, competitive pricing, and fee for service pricing.

**The Energy Online Learning Center (OLC)** is a web-based commercial off-the-shelf (COTS) training system that provides access to online learning and training. The goal of this business segment is to use technology to deliver learning activities to the desktop wherever such delivery can be demonstrated to improve learning outcomes and reduce costs independently or in combination with other training methods. The overall vision of the OLC program is to provide the capability for all DOE Federal employees to have access to web-based training via the desktop. The OLC has been structured to meet DOE needs with a customized access process and DOE specific information.

**The Training Delivery and Services (TDS)** include; the design, development, and delivery of competency-based courses to meet critical skills development needs in Project Management, Program Management, and Acquisition and Assistance Management. A series of Continuing Education courses has been added to present new topics and refresher training. Program offerings include modular course design, and customized, just-in-time training, for on-site and centralized delivery. The Program has a twenty-year track record of providing professional training and training services throughout the DOE complex. Training management services are offered to customers on a negotiated basis only.

### Board Pricing Policy

Participating DOE organizations pay for this service through a fixed annual fee per student and allocation of administrative costs, based on number of employees per program, in order to access to the OLC.

Participating DOE organizations pay \$230/day for each employee enrolled in professional skills training courses.

The business-line is also authorized to negotiate agreements with customers to prepare course materials for inclusion in the Center.

Table 13 provides the estimated Corporate Training Services charges for each organization in Headquarters. The Corporate Training Services (Online Learning Center) increases by \$1.2 million to fund enhancements predicated by the E-GOV initiative and \$0.2 million projected increases to training delivery services.



**Table 13**  
**Working Capital Fund Budget by Corporate Training Services Business-line<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 8                 | 25                  | 291                 |
| Chief Financial Officer                               | 14                | 11                  | 53                  |
| Congressional & Intergovernmental Affairs             | 0                 | 2                   | 8                   |
| Counterintelligence                                   | 0                 | 3                   | 3                   |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 1                 | 2                   | 9                   |
| Energy Efficiency                                     | 16                | 21                  | 27                  |
| Environment, Safety, and Health                       | 1                 | 25                  | 17                  |
| Energy Information Administration                     | 12                | 37                  | 58                  |
| Environmental Management                              | 21                | 89                  | 227                 |
| Fossil Energy   | 13                | 64                  | 110                 |
| General Counsel                                       | 6                 | 29                  | 29                  |
| Hearings and Appeals                                  | 0                 | 2                   | 8                   |
| Office of Human Capital Management                    | 36                | 9                   | 69                  |
| Health, Safety and Security                           | 18                | 13                  | 135                 |
| Inspector General                                     | 16                | 22                  | 37                  |
| Chief Information Officer                             | 11                | 12                  | 45                  |
| Intelligence  | 3                 | 19                  | 22                  |
| Legacy Management                                     | 6                 | 6                   | 17                  |
| Office of Management                                  | 28                | 17                  | 68                  |
| National Nuclear Security Administration              | 43                | 158                 | 428                 |
| Nuclear Energy  | 13                | 61                  | 80                  |
| Naval Reactors  | 1                 | 0                   | 23                  |
| Office of Electricity Delivery and Energy Reliability | 2                 | 2                   | 18                  |
| Public Affairs  | 3                 | 3                   | 17                  |
| Policy and International Affairs                      | 2                 | 4                   | 13                  |
| Civilian Radioactive Waste Management                 | 9                 | 5                   | 46                  |
| Office of the Secretary                               | 0                 | 27                  | 4                   |
| Science   | 22                | 25                  | 151                 |
| WAPA/SWPA/SEPA  | 14                | 19                  | 162                 |
| Field Offices   | 0                 | 46                  | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>\$ 320</b>     | <b>\$ 758</b>       | <b>\$ 2,175</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## **Project Management Career Development Program**

### **Description**

The Project Management Career Development Program (PMCDP) provides a wide range of developmental, mentoring, training, and rotational activities which lead to project management certification. Project management certification under the program is based upon the requirements for training, developmental activities, and experience outlined in the certification standard contained in DOE Order 361.1A, Chapter IV. The Project Management Career Development Program defines necessary DOE project management knowledge, skills and abilities, as well as, DOE training course requirements. Components of PMCDP also include a DOE career development tracking system and a DOE project management certification program.

The PMCDP program also provides the Information Technology community with training opportunities to satisfy OMB and Chief Information Officer requirements for project managers.

### **Board Pricing Policy**

In FY 2009, the business-line will continue to assess programs based on the number of projects, the amount of projects in the portfolio, and the number of incumbent project directors or potential project directors identified by the programs. Fixed costs related to the PMCDP will be charged to programs based on their pro-rata share of the number of projects and the value of those projects in the Project Accounting and Reporting System (PARS). The variable costs of delivering courses will be charged to programs based on their pro-rata share of targeted participants based on program PMCDP Profile.

In addition, we expect some programs outside of the assessment pool to desire participation in the training offered to include training for Real Property Asset Management. In those cases, the business will allocate a certain number of slots, on a space available basis, at the rate of \$200/day. These charges will offset other development costs and future charges to the programs.

Table 14 provides the estimated Project Management Career Development Program charges for each organization in Headquarters. There are no budget increases for FY 2009.

**Table 14**  
**Working Capital Fund Budget by PMCDP<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 0                   | 0                   |
| Chief Financial Officer                               | 9                 | 8                   | 31                  |
| Congressional & Intergovernmental Affairs             | 0                 | 0                   | 0                   |
| Counterintelligence                                   | 0                 | 1                   | 3                   |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 0                 | 0                   | 0                   |
| Energy Efficiency                                     | 14                | 16                  | 18                  |
| Environment, Safety, and Health                       | 0                 | 3                   | 9                   |
| Energy Information Administration                     | 7                 | 10                  | 8                   |
| Environmental Management                              | 425               | 394                 | 479                 |
| Fossil Energy   | 45                | 66                  | 19                  |
| General Counsel                                       | 0                 | 0                   | 0                   |
| Hearings and Appeals                                  | 0                 | 0                   | 0                   |
| Office of Human Capital Management                    | 2                 | 3                   | 0                   |
| Health, Safety and Security                           | 7                 | 6                   | 8                   |
| Inspector General                                     | 0                 | 0                   | 0                   |
| Chief Information Officer                             | 8                 | 20                  | 31                  |
| Intelligence  | 0                 | 0                   | 0                   |
| Legacy Management                                     | 2                 | 18                  | 4                   |
| Office of Management                                  | 3                 | 3                   | 0                   |
| National Nuclear Security Administration              | 198               | 198                 | 220                 |
| Nuclear Energy  | 120               | 83                  | 25                  |
| Naval Reactors  | 0                 | 0                   | 0                   |
| Office of Electricity Delivery and Energy Reliability | 0                 | 1                   | 10                  |
| Public Affairs  | 0                 | 0                   | 0                   |
| Policy and International Affairs                      | 0                 | 0                   | 0                   |
| Civilian Radioactive Waste Management                 | 43                | 55                  | 34                  |
| Office of the Secretary                               | 0                 | 0                   | 0                   |
| Science   | 114               | 112                 | 95                  |
| WAPA/SWPA/SEPA  | 3                 | 3                   | 5                   |
| Field Offices   | 0                 | 0                   | 1                   |
| Total, Working Capital Fund                           | \$ 1,000          | \$ 1,000            | \$ 1,000            |

<sup>a</sup> Numbers may not add due to rounding.

## Standard Accounting and Reporting System

### Description

In FY 2009, the WCF Board voted to add contractual expenses related to operations of the DOE automated procurement system, STRIPES and contractual expenses related to operations at Oak Ridge Financial Service Center to the STARS business-line. The STARS Business-line will be renamed the I-MANAGE Business-line in FY 2009.

The Standard Accounting and Reporting System (STARS) provides the Department with a modern, comprehensive, and responsive financial management system that records and processes accounting transactions for general accounting, payments, receivables, purchasing including obligations and reservations, accruals, plant and capital equipment, nuclear materials accounting and many other functions. STARS is the foundation for linking budget formulation, budget execution, financial accounting, financial reporting, cost accounting, and performance measurement. The system fully supports a data warehouse linking common data elements from all of the corporate business systems. STARS is also being used for financial reporting including FACTS I & II, SF 220.9 and SF 224. STARS replaced both the Departmental Integrated Standard Cost Accounting System and Management Accounting Reporting System.

Development of STARS was financed in the Corporate Management Information Program (CMIP). The system became operational in April 2005, and the Department began funding operations and maintenance through the Working Capital Fund in FY 2006. Costs include support for Database Administration, System Administration, System Maintenance and Analysis, Application Hosting, and documentation. In addition, the Oracle Software requires annual maintenance fees.

### Board Pricing Policy

In FY 2009, the business-line will charge programs a prorata allocation of costs based on percentage share of three prior fiscal years' combined budget shares, using the Congressional request of the most recent year. These estimates reflect the three years (FY 2005-7) in the Department's FY 2008 Request to Congress. Departmental programs that use proprietary financial systems, for example, Federal Energy Regulatory Commission and the Power Marketing Administrations will be excluded from billing for this business.

STRIPES will charge programs based on the actual number of system users based on usage during the prior fiscal year.

The Oak Ridge Financial Service Center will charge programs based on a prorata share of invoices processed at the center.

Table 15 provides the estimated STARS Program charges for each organization in Headquarters. The budget increases in FY 2009 to accommodate the addition of the automated procurement system STRIPES (\$2.4 million) and the Oak Ridge Financial Service Center (\$0.8 million) and increases to STARS (\$1.0 million).

**Table 15**  
**Working Capital Fund Budget by STARS<sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 0                   | 0                   |
| Chief Financial Officer                               | 506               | 5                   | 73                  |
| Congressional & Intergovernmental Affairs             | 1                 | 1                   | 4                   |
| Counterintelligence                                   | 0                 | 0                   | 13                  |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 1                 | 1                   | 5                   |
| Energy Efficiency                                     | 186               | 177                 | 356                 |
| Environment, Safety, and Health                       | 21                | 18                  | 0                   |
| Energy Information Administration                     | 12                | 13                  | 41                  |
| Environmental Management                              | 1,070             | 971                 | 1,654               |
| Fossil Energy   | 117               | 105                 | 596                 |
| General Counsel                                       | 3                 | 3                   | 11                  |
| Hearings and Appeals                                  | 1                 | 1                   | 4                   |
| Office of Human Capital Management                    | 2                 | 3                   | 10                  |
| Health, Safety and Security                           | 41                | 46                  | 129                 |
| Inspector General                                     | 6                 | 6                   | 26                  |
| Chief Information Officer                             | 13                | 14                  | 32                  |
| Intelligence  | 0                 | 0                   | 22                  |
| Legacy Management                                     | 10                | 18                  | 49                  |
| Office of Management                                  | 7                 | 8                   | 22                  |
| National Nuclear Security Administration              | 1,195             | 1,256               | 2,435               |
| Nuclear Energy  | 60                | 82                  | 264                 |
| Naval Reactors  | 111               | 111                 | 151                 |
| Office of Electricity Delivery and Energy Reliability | 16                | 20                  | 52                  |
| Public Affairs  | 1                 | 1                   | 17                  |
| Policy and International Affairs                      | 2                 | 3                   | 10                  |
| Civilian Radioactive Waste Management                 | 100               | 79                  | 184                 |
| Office of the Secretary                               | 1                 | 1                   | 1                   |
| Science   | 517               | 559                 | 1,308               |
| WAPA/SWPA/SEPA  | 0                 | 0                   | 222                 |
| Field Offices   | 0                 | 0                   | 0                   |
| <b>Total, Working Capital Fund</b>                    | <b>4,000</b>      | <b>\$ 3,500</b>     | <b>\$ 7,691</b>     |

<sup>a</sup> Numbers may not add due to rounding.

## Financial Reporting Control Assessment

### Background

The Federal Managers' Financial Integrity Act (FMFIA) and OMB Circular A-123, *Management's Responsibility for Internal Control*, define management's responsibility for internal control and include guidance for management to assess the effectiveness of internal control. OMB issued a revised Circular A-123 on December 21, 2004, for implementation in FY 2007. Appendix A of the revised Circular requires a management assessment of the effectiveness of internal control over financial reporting. Specifically, agencies must (1) assess controls at the entity level as well as the process, transaction or application level by gaining a full understanding of how management considers risk relevant to financial reporting and test controls to assess compliance; (2) document the controls over financial reporting as well as the assessment process; and (3) report the results in an assurance statement as of June 30 each year. This requirement was generated to bring parity in the level of review and accountability between the Federal government and public corporations under the Sarbanes Oxley Act.

### Description

This business will ensure the Department meets the intent of the Congress and the Executive Branch for internal control of financial reporting and has appropriate support for the Secretary's annual assurance statement included as part of the Performance and Accountability Report. Because the requirements of OMB A-123 apply to the agency as a whole, each benefiting program must share the cost of this program.

In order to support these goals, the business will develop, provide, and maintain the capabilities needed to implement a comprehensive Department-wide evaluation of internal controls over financial reporting. The resources and knowledge to conduct such an evaluation are currently not fully available in-house. Furthermore, the Department's internal controls over financial reporting may ultimately be audited and a Certified Public Accountancy (CPA) perspective, as well as the resources to complete the work, may be necessary. In addition to any CPA contractors, the Department will also need access to other support contractors to help maintain the tools currently used to evaluate and report on internal controls over financial reporting. In the future, the business may also evaluate, select, and implement a corporate software solution to assist with the Department's A-123 implementation efforts.

### Board Pricing Policy

In FY 2009, the business-line will charge customers a prorata allocation of costs based on percentage share of three prior fiscal years' combined budget shares, using the Congressional request of the most recent year. These estimates reflect the three years (FY 2005-7) in the Department's FY 2008 Request to Congress. Departmental programs that use proprietary financial systems, for example, Federal Energy Regulatory Commission and the Power Marketing Administrations will be excluded from billing for this business.

Table 16 provides the estimated Financial Reporting Control Assessment charges for each organization in Headquarters. There are no budget increases in FY 2009.

**Table 16**  
**Working Capital Fund Budget by**  
**Financial Reporting Control Assessment <sup>a</sup>**

(dollars in thousands)

|   | FY 2007<br>Actual | FY 2008<br>Estimate | FY 2009<br>Estimate |
|---|-------------------|---------------------|---------------------|
| Board of Contract Appeals                             | 0                 | 0                   | 0                   |
| Bonneville Power Administration                       | 0                 | 0                   | 0                   |
| Chief Financial Officer                               | 74                | 8                   | 8                   |
| Congressional & Intergovernmental Affairs             | 0                 | 1                   | 1                   |
| Counterintelligence                                   | 0                 | 0                   | 0                   |
| Departmental Representative to the DNFSB              | 0                 | 0                   | 0                   |
| Economic Impact and Diversity                         | 0                 | 1                   | 1                   |
| Energy Efficiency                                     | 242               | 252                 | 252                 |
| Environment, Safety, and Health                       | 0                 | 25                  | 0                   |
| Energy Information Administration                     | 0                 | 18                  | 20                  |
| Environmental Management                              | 687               | 1,387               | 1,274               |
| Fossil Energy   | 0                 | 149                 | 165                 |
| General Counsel                                       | 0                 | 5                   | 5                   |
| Hearings and Appeals                                  | 0                 | 1                   | 1                   |
| Office of Human Capital Management                    | 0                 | 4                   | 5                   |
| Health, Safety and Security                           | 0                 | 66                  | 88                  |
| Inspector General                                     | 0                 | 9                   | 10                  |
| Chief Information Officer                             | 0                 | 20                  | 22                  |
| Intelligence  | 0                 | 0                   | 1                   |
| Legacy Management                                     | 11                | 25                  | 33                  |
| Office of Management                                  | 0                 | 11                  | 13                  |
| National Nuclear Security Administration              | 1,636             | 1,953               | 1,792               |
| Nuclear Energy  | 89                | 118                 | 145                 |
| Naval Reactors  | 0                 | 0                   | 168                 |
| Office of Electricity Delivery and Energy Reliability | 0                 | 28                  | 28                  |
| Public Affairs  | 0                 | 1                   | 1                   |
| Policy and International Affairs                      | 0                 | 4                   | 4                   |
| Civilian Radioactive Waste Management                 | 0                 | 114                 | 108                 |
| Office of the Secretary                               | 0                 | 1                   | 1                   |
| Science   | 180               | 798                 | 855                 |
| WAPA/SWPA/SEPA  | 0                 | 0                   | 0                   |
| Field Offices   | 0                 | 0                   | 0                   |
| Total, Working Capital Fund                           | \$ 2,919          | \$ 5,000            | \$ 5,000            |

<sup>a</sup> Numbers may not add due to rounding.





# **Energy Information Administration**

# **Energy Information Administration**

## **Energy Information Administration**

### **Proposed Appropriation Language**

For necessary expenses in carrying out the activities of the Energy Information Administration, [\$96,337,000] *\$110,595,000*, to remain available until expended.

## Energy Information Administration

### Overview

#### Appropriation Summary by Program

(dollars in thousands)

|  | FY 2007<br>Current<br>Appropriation | FY 2008<br>Original<br>Appropriation | FY 2008<br>Adjustments | FY 2008<br>Current<br>Appropriation | FY 2009<br>Request |
|--|-------------------------------------|--------------------------------------|------------------------|-------------------------------------|--------------------|
| Energy Information Administration        | 90,653                              | 96,337                               | -877 <sup>a</sup>      | 95,460                              | 110,595            |
| Total, Energy Information Administration | 90,653                              | 96,337                               | -877                   | 95,460                              | 110,595            |

#### Preface

EIA is the Nation's premier source of unbiased energy information, analysis, and forecasting. In many situations, such as the 2005 hurricanes, the transition from methyl tertiary butyl ether (MTBE) to ethanol in gasoline markets in 2006, and congressional debates over limiting greenhouse gas emissions, the Administration and the Congress have relied on EIA as their trusted source of energy information and analysis. With this budget request, EIA seeks to improve its capabilities to respond to the Nation's need for reliable energy information, focusing on energy policies and the need to close growing energy information gaps that challenge the agency's ability to maintain the quality of the information it provides, as called for in Section 805 of the *Energy Independence and Security Act of 2007*.

More and more, EIA is being called upon to provide timely energy information and analysis on critical energy issues to assist the Congress and the Administration in their deliberations on national and international energy policy. Because energy is key to the U.S. economy, the Nation's leaders, policymakers, energy markets, news media, and citizens need reliable and timely information and analyses when an energy disruption occurs, when debates on competing national energy development and utilization strategies are discussed and when business and personal energy investment decisions are made. EIA's activities have generated countless compliments from customers, including Congressional committee chairmen and senior officials in the Executive Branch.

As the energy industry evolves and becomes increasingly more complex and interdependent, EIA must revise and update its energy data collection and analysis programs to reflect the current industry composition and operation so it can continue to provide the most comprehensive picture of energy markets and industry. It is essential that EIA report on and assess current trends in energy demand and end use, changes in the U.S. energy supply sector, and challenges due to international events since they all affect the Nation's ability to provide safe, affordable energy for a growing economy. This budget request presents EIA's planned program funding and resource requirements, and includes a description of how EIA's planned activities support the Department of Energy's (DOE) strategic goals.

<sup>a</sup> Reflects a FY 2008 rescission of \$876,667 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

Within the Energy Information Administration appropriation, EIA has one program: Energy Information Administration, with no subprograms.

### **Mission**

The Energy Information Administration provides high-quality, policy-neutral energy information to meet the requirements of the Congress, the Executive Branch, the private sector, and the public in a manner that promotes sound policymaking, efficient markets, and public understanding.

### **Benefits**

Every Congress and Administration since EIA's inception in 1977 have come to rely on its objective data, projections and analyses to provide important input for energy policy development, debates, and decisions. Our products help shape U.S. energy and associated environmental policy, as well as assist policymakers and the public in understanding a variety of energy market and geopolitical situations which affect supplies and prices. Our stakeholders request, and depend on EIA to produce credible and reliable analyses on the potential impact of energy policy proposals, and to present clear, accurate, and timely assessments of topical energy issues and events. The scope of our audience is quite broad and, in addition to the U.S. Government, includes energy consumers, producers, investors, State and local governments, the news media, international agencies and foreign governments.

### **Strategic Themes and Goals and GPRA Unit Program Goals**

The Department's Strategic Plan identifies five Strategic Themes (one each for nuclear, energy, science, management, and environmental aspects of the mission) plus 16 Strategic Goals that tie to the Strategic Themes. The Energy Information Administration supports the following goal:

Strategic Theme 1, Energy Security: Promoting America's energy security through reliable, clean, and affordable energy.

Strategic Goal 1.1, Energy Diversity: Increase our energy options and reduce dependence on oil, thereby reducing vulnerability to disruptions and increasing the flexibility of the market to meet U.S. needs.

The program funded within the Energy Information Administration appropriation has one GPRA Unit Program Goal that contributes to the Strategic Goals in the "goal cascade". This goal is:

GPRA Unit Program Goal 1.1.12.00, Energy Information Administration: EIA's information program is relevant, reliable and consistent with changing industry structures, and EIA's products are accurate and timely.

### **Contribution to Strategic Goal**

EIA contributes to the strategic goal by providing national and international energy data, projections and analyses to meet the needs of the Administration, the Department, policymakers and the public. EIA's energy data collection, analysis, and dissemination activities promote sound policymaking, efficient markets, and public understanding.

EIA's priority is to maintain high quality, core energy data programs and modeling methodologies essential to providing timely and accurate energy information, analysis, and forecasts. EIA will continue to collect, analyze and disseminate energy information, and provide analyses and projections to

Administration and Congressional energy policymakers, State and local governments, industry, educational institutions, the news media, and the public. EIA will accomplish its mission through the use of surveys, expert analyses, forecasting models, and various information collection and dissemination techniques, most notably the Internet. EIA also will continue investing in resources to assure the accuracy of energy data and analyses, as well as the security of energy data, which reflect changes in energy sectors resulting from a variety of factors, including the restructuring of energy industries, demographic changes, the need for increased security of market sensitive data, new fuel standards, the increasing use of renewable fuels, and new legislative mandates.

### Funding by Strategic and GPRA Unit Program Goal

(dollars in thousands)

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Strategic Goal 1.1, Energy Diversity                                 |         |         |         |
| GPRA Unit Program Goal 1.1.12.00 (Energy Information Administration) | 90,653  | 94,469  | 110,595 |
| GPRA Unit Program Goal 1.1.12.00 (Congressionally Directed Activity) | 0       | 991     | 0       |
| Total, Strategic Goal 1.1 (Energy Information Administration)        | 90,653  | 95,460  | 110,595 |

## Annual Performance Results and Targets

| FY 2004 Results   | FY 2005 Results  | FY 2006 Results   | FY 2007 Results   | FY 2008 Targets  | FY 2009 Targets  |
|---|--|---|---|--|--|
| Strategic Goal 1.1, Energy Diversity  |  |   |   |  |  |
| <p>Increase the number of unique monthly users of EIA's Web site by at least 20 percent per year through 2005 from a FY 1997 baseline of 37,000 monthly users.<br/>Results: In FY 2004 EIA had an increase of over 2 million users of EIA's Web site. (Met Goal)</p> <p>Conduct informational briefings for high-level energy policy-makers in the Administration and Congress to provide timely information and analyses on topical energy issues and situations. Results: In FY 2004, EIA provided 78 information briefings for high-level policymakers. (Met Goal)</p> | <p>Timeliness of EIA Information Products: 85 percent of EIA recurring products meet their release date targets.<br/>Results: In FY 2005, 91 percent of products met their release date targets. (Met Goal)</p> <p>Quality of EIA Information Products: 90 percent or more of customers rate themselves in customer surveys as satisfied or very satisfied with the quality of EIA information.<br/>Results: In FY 2005, 90 percent of customers were satisfied or very satisfied with the quality. (Met Goal)</p> | <p>Timeliness of EIA Information Products: 90 percent of selected EIA recurring products meet their release date targets (all product types).<br/>Results: In FY 2006, 94 percent of products met their release date targets. (Met Goal)</p> <p>Quality of EIA Information Products: 90 percent or more of customers are satisfied or very satisfied with the quality of EIA information.<br/>Results: In FY 2006, 93 percent of customers were satisfied or very satisfied with the quality. (Met Goal)</p> <p><u>Cost savings realized from a subset of surveys, released on schedule.</u><br/><u>Target: Actual cost will be less than the baseline adjusted for inflation.</u><br/><u>Results: The costs in nominal dollars for FY 2006 for the subset of surveys was 2.4% less than the FY 2004 baseline costs.</u> (Met Goal)</p> | <p>Timeliness of EIA Information Products: 90 percent of selected EIA recurring products meet their release date targets (all product types).<br/>Results: In FY 2007, 95 percent of products met their release date targets. (Met Goal)</p> <p>Quality of EIA Information Products: 90 percent or more of customers are satisfied or very satisfied with the quality of EIA information.<br/>Results: In FY 2007, 92 percent of customers were satisfied or very satisfied with the quality. (Met Goal)</p> <p><u>Cost savings realized from a subset of surveys, released on schedule.</u><br/><u>Target: Actual cost will be less than the baseline adjusted for inflation.</u><br/><u>Results: The costs in nominal dollars for FY 2007 for the subset of surveys was 5.2% less than the FY 2004 baseline costs.</u> (Met Goal)</p> | <p>Timeliness of EIA Information Products: 95 percent of selected EIA recurring products meet their release date targets (all product types).</p> <p>Quality of EIA Information Products: 90 percent or more of customers are satisfied or very satisfied with the quality of EIA information.</p> <p><u>Cost savings realized from a subset of surveys, released on schedule, without any decrease in accuracy.</u><br/><u>Target: Actual cost will be less than the baseline adjusted for inflation.</u></p> | <p>Timeliness of EIA Information Products: 95 percent of selected EIA recurring products meet their release date targets (all product types).</p> <p>Quality of EIA Information Products: 90 percent or more of customers are satisfied or very satisfied with the quality of EIA information.</p> <p><u>Cost savings realized from a subset of surveys, released on schedule, without any decrease in accuracy.</u><br/><u>Target: Actual cost will be less than the baseline adjusted for inflation.</u></p> |





## Means and Strategies

EIA will use various means and strategies to achieve its GPRA Unit Program goal. EIA's FY 2009 program will consist of data collection activities to fulfill statutory requirements to maintain a comprehensive energy information system, publish reports and analyses used by a wide variety of customers in the public and private sectors, maintain the National Energy Modeling System for long-term analyses, and maintain the Short-Term Integrated Forecasting System for near-term energy market analysis and forecasting.

In FY 2009, EIA will employ the following means and strategies:

- Conduct survey frames<sup>a</sup> analysis, maintenance, and development for the petroleum and natural gas surveys to maintain the quality of survey frames that are reaching the end of their life-cycle. Frames analysis is essential for selecting statistical samples and methodology that produce accurate statistics in the most cost-effective manner, and is needed to resolve data discrepancies, keep abreast of changes in the energy industry, and maintain data relevance. The challenges in this area are particularly pressing given the rapid growth in the use of renewable transportation fuels, which has resulted in a shift in the location of considerable amounts of final gasoline blending from the refinery to the distribution terminals, requiring parallel changes in EIA's data collection programs.
- Redesign and rebuild petroleum survey systems due to age, cost and complexity of the legacy systems and the variety of platforms and languages, and add features such as the requirement for data editing at the respondent level during data submission, which will greatly improve accuracy and increase cyber-security.
- Deploy a unified, EIA-wide internet data collection tool for surveys. The corporate system will serve as EIA's primary data-collection mechanism for obtaining respondent data and will improve the efficiency of data collection and editing, and improve data quality.
- Resume replacing the aging National Energy Modeling System (NEMS) to create a better National Energy Model (NEM) that will meet the needs of the Administration, the Congress, and other customers for relevant, reliable, timely, consistent, accurate, and high quality energy analyses.
- Develop a central repository of international petroleum data to support analytic and forecasting programs within EIA, and support expanded modeling capability for contingency analysis and medium-term oil market forecasting. The effort will result in a publicly available unified data system to produce more timely and accurate international oil statistics for all countries, and will upgrade EIA's forecasts for global petroleum markets.
- Continue implementing selected findings and recommendations from the May 2006 External Study Team report, "Challenges, Choices and Changes: An External Study of the Energy Information Administration." The External Study Team, led by Massachusetts Institute of Technology (MIT) professor A. Denny Ellerman, conducted an independent evaluation of EIA's activities and performance. The External Study Team was specifically asked to consider whether EIA is doing the "right things" and to identify challenges that EIA will face over the next five years.

---

<sup>a</sup> Survey frames are a list, map, or other specification of the units that constitute the available information relating to the population of interest for a particular collection effort.

- Continue upgrades that make EIA data and analyses more readily accessible to EIA's diverse audiences. EIA will supplement its new State Energy Profiles with more timely State expenditures data, provide more timely monthly oil production data at the State level, and prepare new Energy Issues Briefs.
- Conduct customer forums and surveys to assess customer needs and to maintain an up-to-date product and service mix.

These strategies will result in improved data quality, analysis, and forecasts; cost savings; and a reduction in the time needed to publish data.

Over the next several years, many external factors will increase the criticality and visibility of EIA's data and analyses and its ability to achieve its goals. Important external factors include:

- Continued growth of global energy demand with world marketed energy consumption projected to grow by 57 percent between 2004 and 2030, according to the reference case projection from EIA's *International Energy Outlook 2007* (IEO2007) released on May 21, 2007. The IEO2007 shows the most rapid growth in energy demand for nations outside the Organization for Economic Cooperation and Development (OECD), especially in non-OECD Asia, where strong projected economic growth drives the increase in energy use.
- Increased energy prices in U.S. markets for petroleum and natural gas, which increases demand for up-to-date information, analyses, and projections. On January 2, 2008 U.S. light sweet crude oil prices for February 2008 closed at a record \$99.62 per barrel after reaching \$100 per barrel.
- Congressional and other customer requests for analyses and forecasts regarding the effects of high energy prices, and proposed energy policies and environmental policies with energy impacts.
- Continual restructuring of the electric and natural gas industries, which has made energy use and price data, especially at the end-use level, much more difficult to obtain from new and emerging merchant providers.

EIA's data and analysis are especially critical to Federal policymakers and State governments, who increasingly rely on these data and analyses to understand and respond to the current and emerging effects of energy industry developments on consumers nationally and in their particular State. The *Energy Independence and Security Act of 2007* recognizes the need and importance of State-level data and in Title VIII, Section 805 authorizes resources for EIA to "ensure the quality, comparability, and scope of state energy data, including data on energy production and consumption by product and sector and renewable an alternative sources, to provide a comprehensive, accurate energy profile at the State level. However, EIA faces a challenge in maintaining the quality of its data due to the increasing amount of work needed to maintain high survey response rates. Similarly, there is a need for updated procedures to capture energy consumption and expenditures data, especially those related to the natural gas and electric markets, due to the more complex energy supply structure.

### **Validation and Verification**

To validate and verify program performance, EIA conducts an annual customer satisfaction survey. EIA also has conducted satisfaction surveys of its most important analytical products and conducts surveys of participants at EIA's annual Energy Modeling and Forecasting Conference, which presents information from EIA's *Annual Energy Outlook* and *Short-Term Energy Outlook*, to guide future conferences. EIA's senior management reviews the results of the customer surveys, and uses the information to adjust available resources to improve EIA outcomes, such as enhancing the quality of EIA's Web site,

improving customer services, reengineering electronic products, and adjusting the information product mix. EIA tracks product usage levels in many ways, including the impact of EIA data on energy markets; number of requests from the Administration and the Congress for testimony, briefings, reports and analysis; number of customers and the products they use; number of telephone inquiries; number of news media citations; number of Web site file downloads, etc.

The development of EIA's statistical data and forecasts, of which survey frames are a crucial portion, is driven by EIA's information quality guidelines. EIA has performance standards to ensure the quality (i.e., objectivity, validity, accuracy, reliability, utility, and integrity) of energy information it disseminates to the public. EIA also strives for transparency of information and methods to improve understanding and to facilitate reproducibility of the information and results of analytical investigations on critical energy issues and topics (i.e., clear and concise information on such topics as information sources, survey and analytical methods, accuracy, and reliability). High quality survey frames are a crucial component of data quality. EIA has recently completed an extensive evaluation of its survey frames and noted challenges that affect their maintenance, such as the rapid growth in the use of renewable transportation fuels. For additional information about EIA's quality program see: <http://www.eia.doe.gov/smg/EIA-IQ-Guidelines.html>.

EIA's performance measures results are presented to senior management on a regular basis. Measures include the percent of recurring products that meet their release dates, the number of monthly user sessions of EIA's Web site, and the percent of customers satisfied with the quality of EIA information. Management also tracks the number of media citations and discussions with high-level policymakers in the Administration and the Congress.

#### **Program Assessment Rating Tool (PART)**

The Department implemented a tool to evaluate selected programs. PART was developed by the Office of Management and Budget (OMB) to provide a standardized way to assess the effectiveness of the Federal Government's portfolio of programs. The structured framework of the PART provides a means through which programs can assess their activities differently than through traditional reviews.

The current focus is to establish outcome- and output-oriented goals, the successful completion of which will lead to benefits to the public, such as increased national security and energy security, and improved environmental conditions. DOE has incorporated feedback from OMB into the FY 2009 Budget Request, and the Department will take the necessary steps to continue to improve performance.

A PART evaluation of EIA was conducted in 2004 in conjunction with the FY 2006 budget process. The assessment found that the program compares favorably with other federal statistical agencies, has a clear purpose, addresses a specific need, and is well designed. However, at that time EIA received an overall rating of "Results Not Demonstrated" due to the lack of annual performance targets and the lack of independent peer review of sufficient scope. Subsequently, EIA established annual measures, baselines, and targets, and in May 2006 an independent, external expert review of EIA's programs, conducted by a team led by Professor Denny Ellerman of MIT, was completed. As appropriate, EIA is adopting recommendations from the external expert review report, "Challenges, Choices, and Changes".



## Energy Information Administration

### Funding by Site by Program

(dollars in thousands)

|  | FY 2007 | FY 2008              | FY 2009 |
|--|---------|----------------------|---------|
| Washington Headquarters                  | 90,653  | 95,460 <sup>ab</sup> | 110,595 |
| Total, Energy Information Administration | 90,653  | 95,460               | 110,595 |

### Major Changes or Shifts by Site

#### Washington Headquarters

In FY 2009, EIA will focus special attention on several areas: addressing significant quality problems in key energy data, developing surveys to collect ethanol and biodiesel data, improving international oil, gas, and coal gas markets data and analysis, and replacing EIA’s U.S. energy model. These efforts will deliver improved energy data coverage, analysis, and modeling to support the needs of the Congress, Administration, States, the private sector, and the public for reliable, accurate, and secure energy information and analyses.

- Our **Energy Data Quality Improvements** efforts will focus on improving petroleum and natural gas data reliability and statistical accuracy. Accurate data drive energy analyses, investment and trade decisions, improve market function, and lead to efficient pricing. EIA has deferred or canceled many petroleum data quality activities over the past decade. Recent changes in the industry have exposed major gaps in EIA’s most important petroleum data, due to inability to fully track gasoline blending activity, missing gasoline and missing imports, significant discrepancies between marketing and supply survey volumes, outdated frames, and antiquated survey systems. These issues are increasingly noted in the trade press, and Section 805 of the *Energy Independence and Security Act of 2007* authorizes resources for improvements in oil and gas data and requires that EIA “establish a 5-year plan to enhance the quality and scope of the data collection to ensure the scope, accuracy, and timeliness of information needed for efficient functioning of energy markets and related financial operations.” Action is required to sustain the confidence of market participants in EIA key data as markets remain tight.
- Our **Data Coverage** efforts include initiating monthly ethanol and biofuels data collections on a national and regional basis as mandated in Section 1508 of the *Energy Policy Act of 2005 (EPAAct 2005)*, beginning development of a weekly ethanol data survey, operating the EIA-182 and EIA-856 petroleum marketing surveys, and combining the environmental data previously collected by the EIA-767, *Steam-Electric Plant Operation and Design Report*, into two existing electric power surveys.

<sup>a</sup> Reflects a FY 2008 rescission of \$876,667 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

<sup>b</sup> Includes a Congressionally Directed Activity of \$991,000.

- Our efforts to improve **International Oil, Gas, and Coal Markets Data and Analysis** will enhance EIA's global oil, gas, and coal analysis and forecasting capabilities. The continued high rate of economic growth of China and India and their dramatic rise in energy consumption is affecting global energy supply/demand balances. This effort would develop coal and natural gas consumption and production data for key countries to complement existing oil data and promote efficient energy markets.
- We will resume development and testing of the **next generation National Energy Model** to replace the existing National Energy Modeling System (NEMS). The new Model will improve our ability to assess and forecast supply, demand, and technology trends impacting U.S. and world energy markets. A reliable and maintainable mid-term energy model is needed for EIA to develop credible baseline energy projections that meet the needs of the Administration, DOE programs, and other customers for relevant, reliable, timely, consistent, accurate, and high quality energy analyses, and execute policy analyses requested by the Administration and Congress.
- In addition, EIA will continue to improve efficiency through: (1) expanded use of electronic data collection methods to replace paper-based energy survey respondent forms; (2) consolidating selected individual surveys to reduce respondent burdens and data reconciliation costs without losing information; (3) consolidating contract requirements, where possible, into less costly support services contracts employing the most cost efficient pricing formula; (4) implementing, as appropriate, recommendations of an independent, external, EIA study team to improve the value of EIA's energy data, analyses and forecasting; (5) absorbing salary and benefit costs; and (6) conducting requirements analyses to replace legacy systems with applications having reduced operating and/or maintenance costs, or providing improved coverage at comparable cost.

## **Site Description**

### **Washington Headquarters**

The Energy Information Administration (EIA), an independent statistical agency, is the Nation's premier source of unbiased energy information, analysis and forecasting. EIA provides timely energy information and analysis to its customers, which include the Administration, the Executive Branch, the Congress, other national and international leaders, energy policymakers world-wide, energy markets, news media, and citizens.

## Program Direction

### Funding Profile by Category

(dollars in thousands/whole FTEs)

|   | FY 2007 | FY 2008 <sup>a</sup> | FY 2009 |
|---|---------|----------------------|---------|
| Headquarters                              |         |                      |         |
| Salaries and Benefits                     | 44,155  | 47,498               | 48,800  |
| Travel                                    | 249     | 370                  | 370     |
| Support Services                          | 31,136  | 33,912 <sup>b</sup>  | 46,063  |
| Other Related Expenses                    | 15,113  | 13,680               | 15,362  |
| Total, Headquarters                       | 90,653  | 95,460               | 110,595 |
| Total, Full Time Equivalents <sup>c</sup> | 352     | 374                  | 375     |

### Mission

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of EIA's mandate to provide high-quality, policy-neutral energy data, analyses, information, and forecasts to meet the requirements of the Administration, the Congress, the States, industry, and the public in a manner that promotes sound policymaking, efficient markets, and public understanding.

EIA performs critical functions that directly support the mission of the Department. These functions include developing and maintaining a comprehensive energy database, disseminating energy data and analyses to a wide variety of customers in the public and private sectors, and preparing special requests and reports. Among other tasks, statutes require EIA to maintain the National Energy Modeling System for mid-term energy market analysis and forecasting; maintain the Short-Term Integrated Forecasting System for near-term energy market analysis and forecasting; conduct surveys of energy use in residences, commercial buildings, and the manufacturing sector; and conduct customer forums and surveys to maintain an up-to-date product and service mix.

EIA is also tasked with responding to inquiries from a broad range of customers asking for energy information. EIA's customers include energy and environmental policymakers in the Administration and the Congress, agencies of the Federal Government, State and local governments, industry, educational institutions, the news media, and the public. EIA's data and analyses serve as a focal point for the international dialogue on energy markets.

EIA's strategy is to make its products and services available to customers through the increasing use of electronic dissemination accessed through the EIA Web site. EIA Web site usage exceeded 34 million user sessions in FY 2007. EIA will continue to print only three multi-fuel publications: the *Annual*

<sup>a</sup> Reflects a FY 2008 rescission of \$876,667 cited in the *Consolidated Appropriation Act, 2008* (P.L. 110-161).

<sup>b</sup> Includes a Congressionally Directed Activity of \$991,000.

<sup>c</sup> Excludes one (1) FTE funded by the Nuclear Waste Disposal Fund.

*Energy Outlook*, the *Annual Energy Review*, and the *International Energy Outlook*<sup>a</sup>. With its focus on customer satisfaction, EIA will continue to offer its customers a limited print-on-demand service.

In FY 2009, EIA intends to continue earning a score of “Green” for all Presidential management agenda initiatives. Specifically:

In the area of Human Capital Management:

EIA continues to use its human capital management to drive efficiencies cited in its budget planning. This budget submission supports staffing needs that are geared towards skills to provide the maximum flexibilities for anticipated changes in future energy data and analytical requirements. The budget also supports training for staff involved in the contract management process, which is an area that offers potential greater efficiencies through the implementation of more effective contracting practices including cost-plus incentive fees, performance-based contracting, incorporation of the project management methodology, and acquisition certification for key EIA staff.

In the area of Competitive Sourcing:

Through the use of contractual support to perform the information technology (IT) work previously performed by EIA’s Federal staff, EIA reduced Federal IT staff and increased the use of small businesses.

In the area of Small Business Support:

In FY 2009, EIA plans to remain a Departmental leader in the use of small businesses. EIA met its goal of 47 percent of its contract funding to small businesses in FY 2005, FY 2006, and FY 2007. EIA will continue to build on the best practices for increasing small business participation and projects and continue to award 47 percent of all contract funds to small businesses in FY 2008 and FY 2009.

In the area of Financial Management:

EIA will make use of the Department’s newly developed financial management system.

In the area of E-Government:

EIA will continue to collect and disseminate energy data, information, analyses, forecasts and reports via the Internet. EIA collects data via the Internet using a secure transfer procedure to assure security of information provided. Of note, EIA implemented Internet data collection (IDC) for 3 of 4 coal surveys in FY 2004. By 2007, 81 percent of FY 2006 annual coal survey forms were received through IDC. In addition, 91 percent of monthly electricity respondents used the IDC to report December 2007 data, compared to 54 percent 4 years earlier.

### **Accomplishments**

The following time line provides a perspective of significant events in the energy markets and examples of EIA’s responses to provide energy data and analyses to aid in critical energy policy decisions. The “EIA Response” column, in most cases, does not include the numerous meetings with, and briefings for, the White House, other government agencies, and members of Congress and their staff. Nor does it

---

<sup>a</sup> The *International Energy Outlook* presents an outlook for international energy markets through 2030, including individual fuel projections for 16 regions. Projections are developed using the System for the Analysis of Global Energy Markets (SAGE), which is an integrated set of regional computer models that provide a technology-rich basis for estimating regional energy consumption.



include the myriad telephone and e-mail requests for data and analysis from the Administration and Congress that are received and answered every quarter.

#### 4<sup>th</sup> Q FY 2006

##### Energy Event

On August 6<sup>th</sup> BP America announces a shutdown of about 400,000 barrels per day (bbl/d) of crude oil production from the North Slope Prudhoe Bay field due to corrosion discovered in the pipelines that gather crude oil from the producing wells for delivery to the Trans-Alaska Pipeline.

Congressional interest in energy-related greenhouse gases and strategies to reduce emissions continues.

##### EIA Response

On August 10<sup>th</sup> EIA issues a special *Report on Alaska Prudhoe Bay Crude Oil Shut-in*. In September, EIA testifies on this issue before a Senate committee.

Responding to Congressional requests, EIA issues several greenhouse gas emissions service reports in FY 2006, including:

*Energy Market Impacts of Alternative Greenhouse Gas Intensity Reduction Goals*, which analyzes the impacts of implementing alternative variants of an emissions cap-and-trade program for greenhouse gases.

*Energy Market Impacts of a Clean Energy Portfolio Standard*, which assesses the impact of a draft legislative proposal on utility emissions.

*Energy and Economic Impacts of H.R.5049, the Keep America Competitive Global Warming Policy Act*, which analyzes the impacts of the legislation implementing a market-based allowance program to cap greenhouse gas emissions at 2009 levels.

#### 1<sup>st</sup> Q FY 2007

##### Energy Event

Congress closely tracks developing challenges in energy markets.

##### EIA Response

In December, EIA releases projections of U.S. energy supply, demand, and prices to 2030 in the reference case forecasts from the *Annual Energy Outlook 2007*. The new EIA *Outlook* reflects energy market shift towards nuclear, biofuels, coal-to-liquids, and accelerated efficiency improvements.

In CY 2006, EIA prepares and delivers 10 congressional testimonies and 29 briefings on a wide range of topics, including: Oil Markets, Gasoline Markets, Refinery Issues, Coal Reliability and Transportation Issues, Effects of Energy Prices on Older Americans, Short and Long-term Energy Outlook, Impacts of High Natural Gas Prices on Small Businesses, and Energy Prices and Agriculture.

#### 2<sup>nd</sup> Q FY 2007

Congressional interest in strategies to reduce energy-related greenhouse gases emissions persist.

In January, EIA issues a service report prepared for a bipartisan group of six senators on impacts of a proposal to reduce greenhouse gas intensity with a cap-and-trade system, and testifies on the report before the Senate Committee on Energy and Natural Resources. The next month, EIA issues a revised analysis of a Clean Energy Portfolio Standard for Senator Norm Coleman (MN).

On March 4, Shell's total shut-in oil production in Nigeria rises to 664,000 bbl/d of crude oil production after discovering a major spill at a pipeline feeding an export terminal. OPEC crude oil production in general declines as a result of cartel decisions.

The EIA Administrator presents testimony on the *Annual Energy Outlook 2007* before the House Appropriations Subcommittee on Energy and Water Development and the Senate Committee on Energy and Natural Resources. The Members focus on the energy outlook for the U.S., where Federal R&D resources should be focused to reduce reliance on foreign oil and greenhouse gas emissions, and the President's Alternative Fuels Standard proposal, among other topics.

### 3<sup>rd</sup> Q FY 2007

Regional tensions push up world oil prices during the 13-day standoff between Iran and the UK over the capture of 15 British military personnel in the Persian Gulf. The standoff raises the perceived risk of a possible oil supply disruption in the Strait of Hormuz, which accounts for roughly two-fifths of all globally traded oil.

In May, prompted by the rise in gasoline prices, the EIA Administrator presents testimony on *Summer 2007 Energy Outlook for Crude Oil and Gasoline* before the Senate Energy and Natural Resources Committee and the House Energy and Commerce Committee. The Administrator provides an overview of world oil markets and factors affecting the gasoline market in the U.S., including lower-than-normal gasoline imports and an unusually high number of refinery outages.

Gasoline prices continue to climb as demand grows with the onset of the summer driving season. The U.S. continues to experience a large number of planned and unplanned refinery outages.

In June, EIA testifies at its third congressional hearing within a month on the topic of gasoline prices, this time before the Senate Committee on Small Business and Entrepreneurship, which focuses on the impact of rising gasoline prices on America's small businesses.

The Senate adopts comprehensive energy legislation, and the House prepares to do so.

In May, EIA releases an analysis of alternative extensions of the Production Tax Credit for wind generators, prepared at the request of the House Ways and Means Committee staff. In June, EIA releases *Impacts of a 15-Percent Renewable Portfolio Standard* at the request of the Chairman, Senate Committee on Energy and Natural Resources.

### 4<sup>th</sup> Q FY 2007

Concern about climate change and energy markets intensifies.

In July, EIA issues *Energy Market and Economic Impacts of S.280, the Climate Stewardship and Innovation Act of 2007*. S. 280 would establish a series of caps on greenhouse gas emissions starting in 2012 followed by increasingly stringent caps beginning in 2020, 2030 and 2050. The report provides estimates of the effects of S. 280 on energy markets and the economy through 2030.

In August, EIA issues *Energy and Economic Impacts of Implementing Both a 25-Percent Renewable Portfolio Standard and a 25-Percent Renewable Fuel Standard by 2025*. The report highlights the demands on biomass energy and the shift away from coal and natural gas for electricity generation, and petroleum fuels for transportation.

The Administrator presents to the Department of State *Oil Market Assessment and Projections* covering the international energy production and consumption outlook through 2030.

## 1st Q FY 2008

### Energy Event

Congress closely tracks developing challenges in the energy sector and their impact on consumers.

Congressional efforts continue on comprehensive energy legislation.

Oil prices continue to hover in the \$90 - \$100 per barrel range, leading to questions about causes and the short- and mid-term outlooks for energy, including ethanol.

Congressional interest in the *Winter Fuels Outlook* and the adverse impacts of high heating fuel prices.

### EIA Response

In CY 2007, EIA prepares and delivers 10 congressional testimonies and 35 briefings on a wide range of topics, including: oil and/or gasoline markets, refinery issues, effects of energy prices on low-income Americans, EIA analysis of proposals to limit greenhouse gas emissions or establish a Renewable Portfolio Standard, short- and long-term energy outlooks, and energy prices and the agricultural sector.

EIA issues an expedited analysis in November of the impacts of the oil and natural gas market and Renewable Portfolio Standard (RPS) provisions of the House-passed energy bill.

Congressional staff is briefed on the results of previous EIA analysis of an RPS legislative proposal.

Prompted by the high oil prices, EIA testifies before several congressional committees, including the House Agriculture Committee, Senate Permanent Subcommittee on Investigations, and the Senate Appropriations Subcommittee on Energy and Water Development on the reasons for high crude oil prices, and other developments in oil and natural gas markets.

The Administrator testifies before the House Committee on Education and Labor Subcommittee on Healthy Families and Communities.

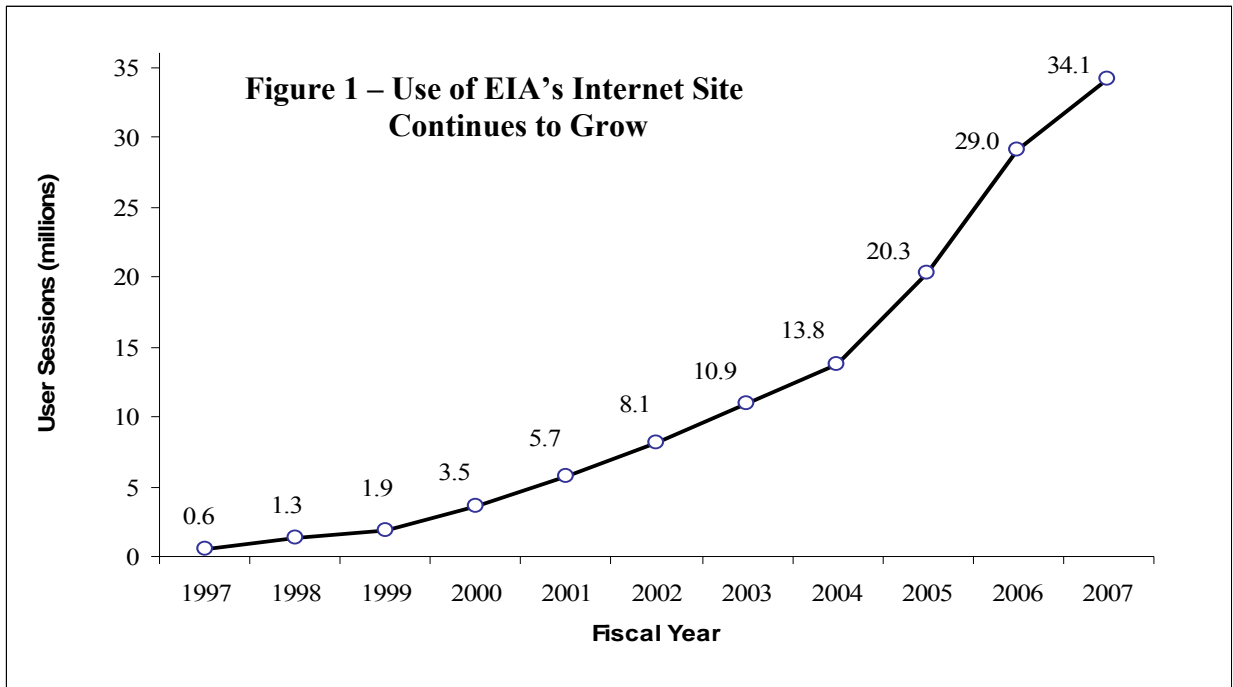
EIA staff briefs staff members of the House of Representatives and the Senate Committee on Energy and Natural Resources on the October *Short-Term Energy Outlook* and the *Winter Fuels Outlook* and addresses the impact of refinery outages on prices.

### Accomplishments in Energy Data Programs

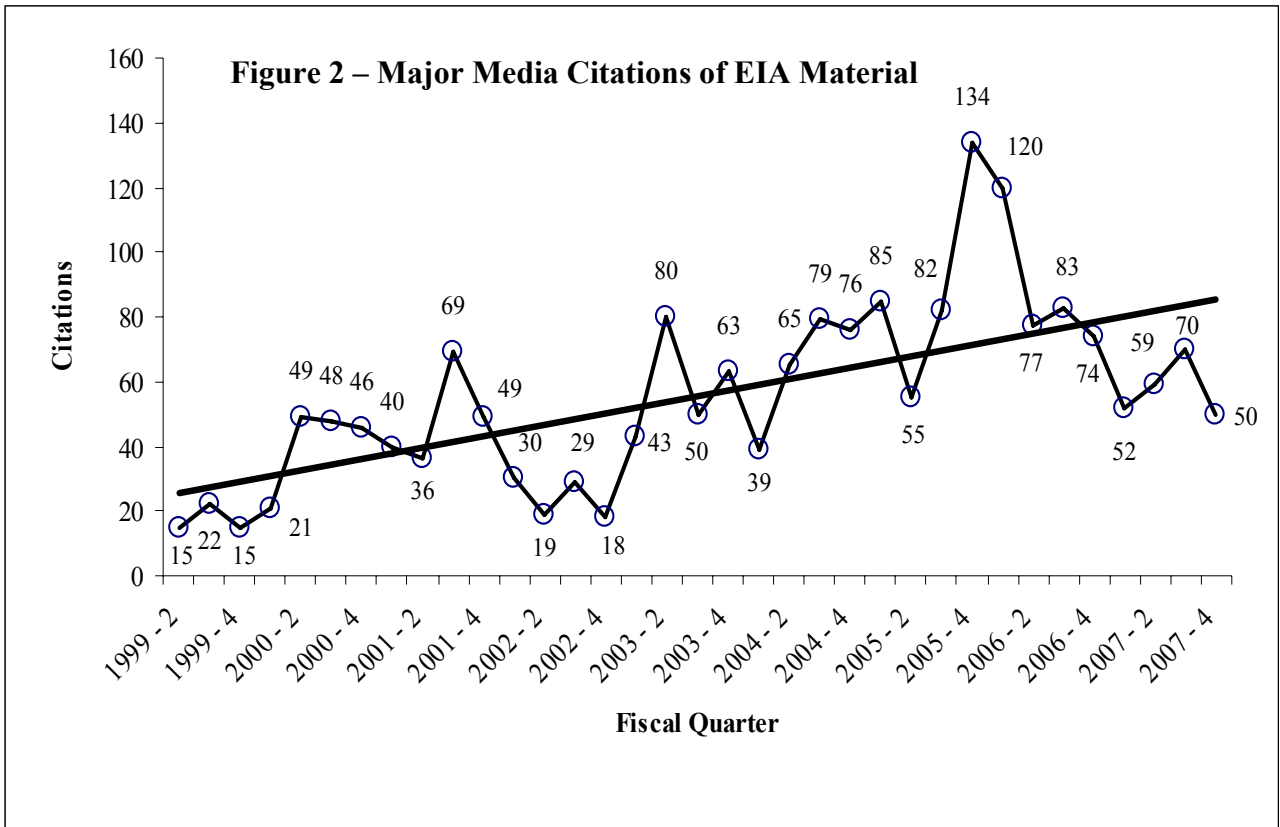
- EIA's *Weekly Natural Gas Storage Report*, the only source of national volumetric information available on a timely basis, became an official OMB Principal Federal Economic Indicator in September 2007, a recommendation from the external expert review report, "Challenges, Choices, and Changes". Principal Federal Economic Indicators are the major statistical series that describe the current condition of the economy.
- Data and Information Releases are Timelier due to Improvements in Data Collection and Processing:
  - The *Annual Energy Review 2006* was released in June 2007, one month earlier than the previous year's edition and five months earlier than the 2003 release; several updates of the *Monthly Energy Review* were released earlier in the month; and the *Performance Profiles of Major Energy Producers* was released two months earlier.
  - The *Electric Power Annual 2006* was released on October 22, 2007, 254 days after the reporting year and 182 days earlier than the 2002 edition.

- EIA is providing early releases of national level electricity data through the monthly Electric Power Flash Estimates. Preliminary electricity sales and generation and power plant coal stocks data are released just 45-50 days after the reference month--30 days earlier than initial data are available in the *Electric Power Monthly*.
- Several additional electric power data reports were also released earlier than in previous years. For example, *State Electricity Profiles* was issued 4 months earlier and *Cost and Quality of Fuels* was released 2 months earlier than last year.
- Expanded Internet Data Collection (IDC) Improves Timeliness and Data Quality:
  - The *Quarterly Coal Report* is now being released within about 80 days of the close of the quarter, compared to 140 days under the previous paper-based system.
  - The *Electric Power Monthly* is now being released three months earlier compared to its schedule prior to initiation of IDC.
  - IDC for the electricity surveys increased substantially with 91 percent of monthly electricity respondents using IDC to report December 2007 data, compared to 54 percent four years earlier. Also, 80 percent of all annual data filers used the IDC, compared to just 28 percent four years ago.
  - Altogether, 88 percent (more than 31,000) of over 35,000 electric survey forms used IDC in 2007, compared to just 46 percent four years ago. This has:
    - reduced the resources needed to collect and process the information, since the data is entered into the database by the respondents;
    - increased the accuracy of the data, since built-in edits require the respondents to correct their data before it is submitted; and
    - reduced the amount of time needed to release the information to the public—the October 2007 edition of the *Electric Power Monthly* was released 70 days after the end of the reporting month, a savings of almost 100 days compared to January 2002
  - EIA used both mail and internet data collection methods for the *2006 Manufacturing Energy Consumption Survey*, which helped increase response rates, improve the timeliness of responses, and allow EIA to release data faster.
- Expanded Internet Data Collection Improves Efficiency:
  - During 2007, about 81 percent of 4,484 coal survey forms were submitted via IDC. With the series of edit checks in the coal survey IDC systems, the respondent is required to correct data or explain why the data fall outside a range of check values. This allows most errors to be corrected in real time by respondents, which reduces costs and increases timeliness.
  - In 2006, self-editing and electronic processing of coal surveys reduced Federal and contractor handling time to less than one hour per quarterly survey form and to about two hours per annual coal production survey form. This is about one-third less time than previous paper-based systems.
  - In its second year using an IDC system, 92% of uranium marketing survey respondents submitted data via the IDC system.
- State and International Data is More Timely and Accessible:
  - EIA launched the “State Energy Profiles” gateway to State Energy Data in December 2006.
    - Many of the statistics in the Profiles are updated simultaneously with EIA’s data updates.
    - Energy Maps display State energy infrastructure and renewable energy potential.
    - Quick Facts provide important State energy information.

- Written Overviews provide summaries of key factors affecting each State's energy and electricity markets.
    - Associated Links take users to the detailed data and time series on EIA's Web page.
  - EIA launched the "Country Energy Profiles" gateway (a companion to EIA's State Energy Profiles) that combines country-level data with EIA's Country Analysis Briefs. Joining data and analysis better serves EIA customers.
  - EIA now releases annual international data as soon as data are available instead of waiting for all countries to report. This allows EIA to publish data for key countries, such as China and India, more quickly and ensures that users will find the most recent international annual data available.
  - EIA released two complete annual updates of EIA's State-level consumption, price, and expenditure summaries within the fiscal year.
- EIA Projections Reflect the Latest Laws
    - By the end of February 2008, EIA will have updated recently released projections of U.S. energy demand and supply through 2030 to reflect the provisions of the *Energy Independence and Security Act of 2007* (P.L. 110-140), which was signed into law on December 19, 2007. Specifically, the *Annual Energy Outlook 2008* reference case, which is often used as the baseline for analyses of proposed policy changes, is being revised to reflect the estimated impacts of this new law on future energy use.
  - Improved Web Site's Responsiveness to Customer Needs:
    - EIA implemented a state-of-the-art Web analytics system to allow the agency to deliver more user-friendly online information and services, take advantage of current best practices regarding Web site evaluation and customer relationship management, and better comply with Federal performance measurement requirements. EIA's Web site continues to provide more data and information to a growing customer base (see **Figure 1**).
    - Launched and continued to expand a new "Frequently Asked Questions" interface that allows information to be found more quickly and efficiently via customer self-service.
    - The Web customer satisfaction survey fielded by EIA in July 2007 received 5,000+ responses from Web users. The results are used to benchmark, measure, and improve performance.
    - Web site usability testing was institutionalized as an important part of the development of any new or redesigned Web products.
    - To extend EIA's expertise and build in-house capacity, the agency introduced a monthly Web Seminar Series to provide an opportunity for individuals across the organization to learn about the latest Web communication and user assessment tools, technologies, and methodologies, as well as to share best practices and lessons learned.



- EIA has increased dramatically the distribution of its information by becoming the dependable source of objective energy information for the major news media, including the *New York Times*, *Washington Post*, *Wall Street Journal*, *USA Today*, and *Los Angeles Times* (see **Figure 2**). This achievement has enabled our energy data to be seen more widely and used by the general public with minimal cost to the agency.

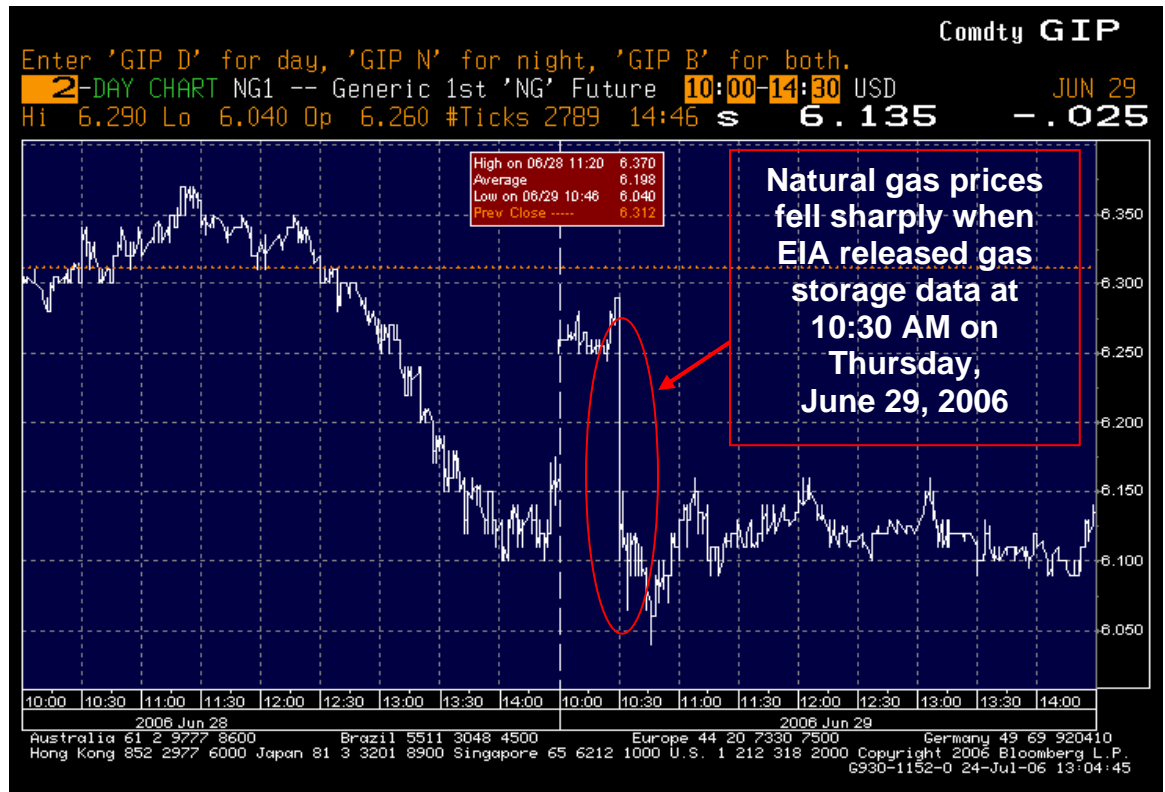


- EIA’s Data Plays a Critical Role in Promoting Efficient Energy Markets:
  - The market depends on EIA natural gas and petroleum data, since no appropriate private sources for these data are available. For example, EIA’s weekly petroleum inventory and natural gas storage numbers, released each Wednesday and Thursday morning, respectively, have had significant impact on futures’ markets. **Figure 3** illustrates the impact on the natural gas market after EIA releases its natural gas storage data on June 29, 2006, while **Figure 4** illustrates the impact of our petroleum inventory data on the crude oil market.

**Figure 3: Natural Gas Markets Rely Heavily on EIA Weekly Data**

Note the impact on natural gas markets immediately following the release of EIA's Natural Gas Storage Data.

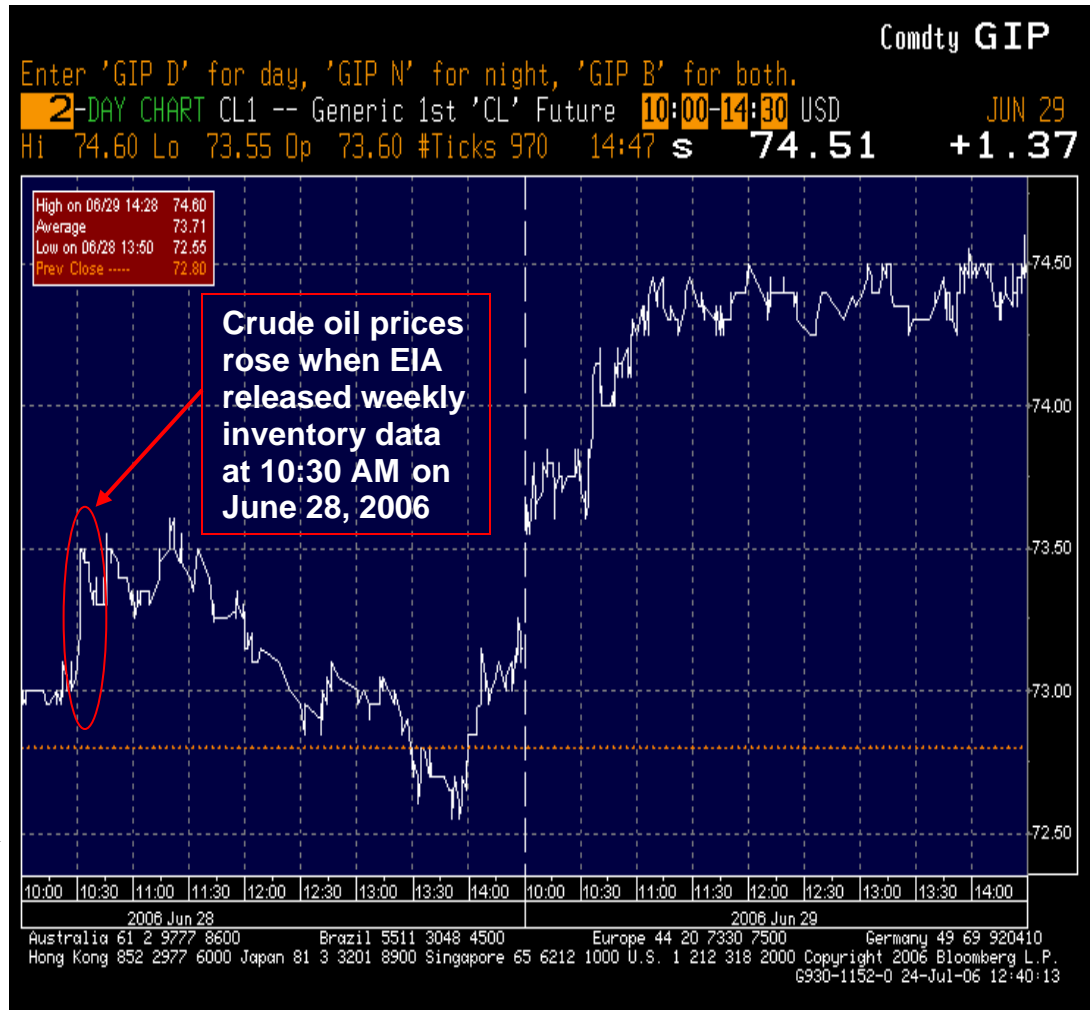
Source: NYMEX Henry Hub Natural Gas Near-Month Futures Contract June 28 - 29, 2006; Bloomberg data 7/24/06





**Figure 4: Oil Markets Rely Heavily on EIA Weekly Data**

Note the impact on oil markets immediately following the release of EIA's Oil Inventory Data.



Source: NYMEX  
 Light, Sweet Crude  
 Oil (WTI) Near-Month  
 Futures Contract,  
 June 28 - 29, 2006  
 Bloomberg's data  
 7/24/06

## Detailed Justification

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

### Salaries and Benefits

**44,155          47,498          48,800**

In FY 2009, fund salaries and benefits for 375 Full Time Equivalents (FTEs), including health benefits, overtime, promotions, incentive awards, lump sum leave, and personnel performance awards. This level excludes 1 FTE funded each year by the Nuclear Waste Disposal Fund.

In FY 2009, Federal staff will conduct weekly, monthly, and annual energy data surveys and operate associated data collection and validation systems; disseminate energy data via publications and the Internet; conduct quadrennial surveys of energy use in residences, commercial buildings, and the manufacturing sector, and analyze results on a regional basis; prepare the *Annual Energy Outlook* and the monthly *Short-Term Energy Outlook*, among other publications; and maintain, update, and operate required energy models.

Federal staff also prepare special modeling analyses requested by the Administration, the Congress, or the Secretary of Energy (e.g., impact assessments of energy and climate policy proposals, reports on effects of alternative mercury control strategies and renewable fuels legislation, evaluations of incentives for nuclear energy and the Alaska natural gas pipeline, etc.); provide public and internal analysis and reports (e.g., Energy Situation Analysis Reports) during periods of energy market stress (e.g., Hurricanes Katrina and Rita, Iraq, transition out of MTBE in gasoline, Northeast electrical service blackout, etc.); collect and analyze financial data from major energy companies and data on foreign direct investment; prepare and update Country Analysis Briefs; and operate the National Energy Information Center.

EIA continues to implement its Human Capital Management Plan. EIA has and will continue to reduce skill gaps in mission-critical occupations by replacing vacated industry specialist positions with core-series professional specialists; continue a streamlined hiring process for entry-level and journeyman-level positions; continue the energy industry study program for new recruits; maintain a Succession Plan facilitating continuity of leadership, knowledge transfer, and specific leadership work experiences; provide rotational opportunities for existing staff to expand their energy experience to more than one fuel area or functional specialty; continue to upgrade the technical expertise of EIA's contracting function; and continue to pursue EIA's formal training/certification of its project managers, IT specialists and technical monitors.

### Travel

**249                  370                  370**

Fund travel for EIA personnel to attend training, professional development programs, industry and State conferences; meet with national and international government and energy industry officials; and provide expertise in support of the EIA mission.

### Support Services

**31,136          33,912          46,063**

Fund contractual support for EIA's energy data collection, analysis, forecasting activities, and energy information dissemination. In FY 2009, support includes development, operation, and processing of 67 surveys, and the automated tools and equipment required to collect, store, maintain, protect, and disseminate energy information.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

▪ **Oil and Gas** **13,535**      **14,789**      **20,870**

The Oil and Gas activity designs, develops, operates and maintains oil and gas statistical data collection and dissemination systems and short-term analytical and estimation systems. In FY 2009, the Oil and Gas activity will operate 41 petroleum, natural gas, reserves, and ethanol surveys. Activities include the data collection, processing, quality control, analysis and report preparation activities associated with EIA's oil and gas information products. In addition to their direct use by thousands of customers, these oil and gas data provide essential inputs for EIA's Short-Term Integrated Forecasting System and National Energy Modeling System. Energy information topics cover: petroleum -- focusing on crude oil and refined petroleum product production, supply and price; natural gas -- focusing on natural gas production, storage, consumption and markets; and reserves -- focusing on oil and natural gas reserves. The company-level data gathered in the oil and gas surveys are edited and aggregated into more than 60,000 distinct on-line data series, such as weekly natural gas storage levels and retail gasoline prices. The data comprise about a billion characters of information, updated weekly, monthly and annually.

This activity supports the Comprehensive Data Collection efforts by operating the EIA-182 and EIA-856 petroleum marketing surveys and completing development of and launching the new monthly ethanol surveys as mandated under Section 1508 of EPAct 2005. In FY 2009, EIA will also begin developing a weekly ethanol survey.

The activity also supports EIA's Energy Data Quality Improvements efforts by continuing to review and maintain the petroleum and natural gas survey frames that are reaching the end of their life, which are essential to produce accurate statistics, resolve data discrepancies, and keep abreast of changes in the energy industry.

• **Conduct Petroleum Surveys and Analyses**

During FY 2009, operate 27 petroleum and 2 ethanol surveys on weekly, monthly, annual and quadrennial cycles, and process and disseminate the survey data. EIA will maintain the weekly supply data, including the motor gasoline production data, whose customers are policymakers in the Congress, the White House, the Office of the Secretary of Energy, State energy officials, corporate planners, gasoline producers, marketers and gasoline purchasers. For the monthly supply data, EIA will conduct quality assurance activities to track ultra-low sulphur diesel fuel volumes, locate importers of diesel fuel, and analyze major reporting issues for diesel fuel, including downgrading that may occur at various stages in the supply chain. Quality control targets would include maintenance of the total U.S. frame of ethanol producers, ethanol motor gasoline blenders, and importers of special blending components.

In FY 2009, complete development of and initiate the new, monthly ethanol survey program mandated by Section 1508 of EPAct 2005. Ethanol data and analysis improvements are critical given the increasing volume and role of ethanol in gasoline blending. The new monthly data will estimate ethanol balances by Petroleum Allocation for Defense District (PADD). In addition, begin development of a new weekly ethanol data collection program that will enable estimation of weekly ethanol balances at the national level. Taken in

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

conjunction, the two new weekly/monthly surveys are critical to gasoline supply situation analyses and decisions regarding possible policy actions to address shortages.

- **Conduct Natural Gas Surveys and Analyses**

During FY 2009, operate 7 natural gas surveys on weekly, monthly and annual cycles, and process and disseminate survey data through the Web site and print-on-demand. This program includes the *Weekly Underground Natural Gas Storage Report*, which collects the only weekly gas storage data in the United States and is critical to decisions made by supply planners in industry and at utilities, as well as to policy analysts, in assessing the current natural gas supply and demand situation. The importance of the *Weekly Natural Gas Storage Report* was acknowledged in September 2007 when it became an official OMB Principle Federal Economic Indicator. Also, continue the current voluntary survey of States to obtain annual data for all States on natural gas production and wellhead prices by State.

In FY 2009, continue addressing deteriorating survey frames by identifying new companies required to report on natural gas surveys, provide modifications and support to the information processing system, and continue data quality projects so that surveys reflect changing natural gas markets.

- **Conduct Reserves Surveys and Analyses**

During FY 2009, operate 5 oil and gas reserves and production surveys, including the *Annual Survey of Domestic Oil and Gas Reserves*, the *Annual Report of the Origin of Natural Gas Liquids Production*, the *Monthly Natural Gas Production Report*, and the *Monthly Crude Oil Production Report*. Analytical activities include the operation and maintenance of systems to estimate and forecast natural gas production and productive capacity, and systems to estimate and forecast crude oil production for use in the *Short-Term Energy Outlook*. Continue to make improvements to the survey frames and operations to reduce errors and increase response rates.

During FY 2009, continue data collection grants to States through the State Heating Oil and Propane Program (SHOPP) to collect heating oil and propane (winter fuels) prices at the State level on a weekly basis. These price data are used by the Department of Health and Human Services Low-Income Home Energy Assistance Program (LIHEAP) to allocate funds for heating cost assistance.

- **Energy Data Quality Improvements**

EIA's Energy Data Quality Improvements efforts will focus on improving data reliability and statistical accuracy. Accurate data drive analyses and forecasting, investment and trade decisions, improve market function, and lead to efficient pricing. Recent changes in the industry have exposed major gaps in EIA's most important petroleum data (due to inability to completely track blending activity, missing gasoline volumes, missing imports, significant discrepancies between marketing and supply survey volumes, outdated frames, antiquated survey systems). These gaps are increasingly noted in the trade press, and market participants are increasingly concerned about the quality of key data at a time of tight markets. For example, on August 2, 2007, *Oil Daily* commented on the apparent frames problems behind

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

the tendency for weekly gasoline and total petroleum demand estimates to be revised downward by monthly estimates, implying that over estimated weekly demand figures were contributing to price volatility by exaggerating demand growth. “Doubts are emerging about the strength of demand growth in the US - which has been a big driver behind the rally that has sent oil prices to record levels - now that yet another revision of data shows that US oil consumption was in fact lower than previously thought.”

Gasoline is representative of the petroleum data quality issues. With the increasingly tight balance between gasoline supply and demand helping to drive gasoline prices over \$3 per gallon, EIA will begin focusing on the eroding quality of gasoline import data. Our current inability to keep importer frames completely up-to-date ensures that some importing companies are not being surveyed, resulting in a low bias in import statistics and adding uncertainty to analyses of the market balance. With the current market tightness expected to continue, it is essential to upgrade the quality of EIA gasoline import data by resolving discrepancies with other data sources and improving our capabilities to identify and resolve reporting problems.

In FY 2009, EIA will continue redesigning key petroleum and natural gas surveys that are outdated and redesign and rebuild monthly petroleum supply and marketing survey processing systems due to age, cost and complexity of legacy systems, and the variety of platforms and languages. Expand the use of advanced data quality checks in these data collection systems, requiring respondents to resolve apparent discrepancies in their proposed data submissions before they are transmitted to EIA. This approach reduces the time and expense of post-submission data cleaning, yielding both cost efficiencies and quality improvements, and increased cyber-security once the investment is made.

In FY 2009, EIA will continue conducting petroleum frames analysis, maintenance, and development to address deteriorating survey frames. EIA will focus on data quality projects such as reducing large unaccounted-for crude oil statistics, missing motor gasoline production, and the inability to track blending activity. Frames analysis to identify new terminal operators, inter-PADD transporters and underreporting is essential for selecting statistical samples and methodology to produce accurate statistics, and is needed to resolve data discrepancies, keep abreast of changes in the energy industry, and maintain data relevance.

- |  |              |              |              |
|--|--------------|--------------|--------------|
| <b>Coal, Nuclear, Electric and Alternate Fuels</b> | <b>3,902</b> | <b>4,006</b> | <b>4,536</b> |
|--|--------------|--------------|--------------|
- The Coal, Nuclear, Electric, and Alternate Fuels activity includes the design, development, and maintenance of fuel-specific statistical and short-term analytical and forecasting information systems. It also provides for statistical services in support of collection, processing, and dissemination of selected, high priority weekly, monthly, quarterly, and annual data on reserves; supply, disposition, and prices for coal, nuclear, renewable fuels, and electric power; and support for short-term forecasting systems.

In FY 2009, the Coal, Nuclear, Electric and Alternate Fuels activity will operate 17 data collection surveys including a new monthly biodiesel survey mandated by Section 1508 of EPA Act 2005. To

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

address the needs of the Environmental Protection Agency (EPA) and State customers and provide energy data relevant to climate change policy, data previously collected by the EIA-767, *Steam-Electric Plant Operation and Design (Environmental) Report*, will be combined into one new and one revised electric power survey in FY 2008, and continue to be collected in FY 2009.

- **Conduct Electric Power Surveys**

In FY 2009, operate 6 electric power data collection surveys, such as the *Annual Electric Generator Report*, EIA-860, which collects data from 850 regulated and 1,800 unregulated companies that operate facilities with nameplate capacities of 1 megawatt or greater; and the *Annual Electric Power Industry Report*, EIA-861, which collects data from approximately 3,300 regulated entities in the United States and its territories that are involved in the generation, transmission, and distribution of electricity. Since the restructuring and deregulation of the electric power industry, operation of the electric power surveys requires collection and processing of a large volume of additional data, particularly from non-utility facilities.

In FY 2009 collect steam-electric power plant information related to environmental impacts and compliance that was terminated in FY 2006, but scheduled to be resumed in FY 2008. The operational portions of the EIA-767, *Steam-Electric Plant Operation and Design (Environmental) Report*, will be collected on the new EIA-923, *Power Plant Operations Report*, while the static data formerly collected on the EIA-767 will be collected on the new EIA-860, *Annual Electric Generator Report*. The data will be disseminated in the *Electric Power Monthly*, *Electric Power Annual*, and a variety of other EIA fuel reports.

- **Conduct Coal Surveys**

Operate 3 coal data collection surveys, and, through an interagency agreement, validate and use data collected by the Mine Safety and Health Administration on its quarterly production form. The quarterly surveys cover manufacturing plants and coke plants as well as institutional and commercial users on their coal receipts and related transportation mode and origin, consumption, stocks, and prices. The annual surveys, which cover coal producers/preparation plants, collect data on coal reserves, coal bed statistics, production capacity, sales and revenue, and prices. Data on coal distribution by State-of-origin to State-of-destination, including the transportation mode previously collected on a coal survey form, will be developed by extracting relevant data from remaining coal survey forms as well as electric power sector survey forms. In FY 2009, implement the FY 2008 changes that were incorporated into the remaining coal and electric survey forms to facilitate this new coal distribution reporting methodology, which will eliminate the prior form and reduce the burden on government and industry. The coal survey data also are used to estimate weekly coal production by State and develop short-term and long-term forecasts of coal supply and demand, providing a timely, reliable source of information on market trends for the industry for strategic planning and market analysis and to support rational spot markets and futures markets.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- **Conduct Renewable and Alternate Fuel Surveys**  
Process 5 renewable and alternative fuel surveys including annual surveys of manufacturers of solar thermal collectors, photovoltaic cells, and geothermal heat pump equipment and a new monthly biodiesel survey mandated under Section 1508 of EPAct 2005. Together with data from the electric power industry, this information is used by policy makers in monitoring the growth of renewable energy and alternative fuels, as well as evaluating policy proposals for renewable energy and for strategic and operational planning by the renewable industry. The annual alternative fuel survey gathers data from: 1) Federal, State, local government and fuel provider fleets on the location, mileage, and fuel consumption of their alternative-fueled vehicles as well as acquisition and retirements of such vehicles, and 2) auto manufacturers on the number of alternative-fueled vehicles that have been made available each year.
- **Conduct Uranium Surveys**  
Process 3 uranium production and marketing surveys, including annual surveys of the uranium producers, marketers, and nuclear plant operators and a quarterly survey of uranium producers, in compliance with Section 1015 of the Energy Policy Act of 1992 (EPAct 1992). The data are used together with information on nuclear capacity and generation collected from the electric power industry to develop short-term forecasts of nuclear generation. These forecasts are the basis for fee adequacy studies for the nuclear waste fund and are used to develop long-term forecasts of nuclear fuel cycle requirements and spent fuel discharges.

- **Energy Markets and End Use** **5,033** **5,154** **7,075**  
The Energy Markets and End Use activity includes the design, development, and maintenance of energy data and statistical programs and short-term forecasting and analysis systems. This activity produces the monthly *Short-Term Energy Outlook*; performs data integration functions; conducts analysis on international energy markets; conducts three surveys on energy consumption; conducts one survey on the financial condition of major energy companies: all of which are used extensively by EIA's customers.

Accurate data, information, and analysis on domestic and global markets are essential to promoting efficient energy markets, understanding price trends and volatility, and changes in global energy supply and demand. These needs are critical as energy demand continues to increase under tight market conditions. This effort would expand coal and natural gas consumption and production data for key countries to complement existing oil data; develop more user-friendly public data for easier access, enhance international forecasting capability; and improve access to integrated data. This effort would support the International Oil, Gas, and Coal Markets Data and Analysis, the Energy Data Quality Improvements effort, and the next generation Energy Model effort.

- **EIA Periodic Analysis Products**  
Produce the monthly *Short-Term Energy Outlook*, which forecasts national energy demand, supply, and prices (up to 24 months) and includes a Summer Transportation Fuels Outlook and a Winter Heating Fuels Outlook. Conduct international energy market analysis and produce *Country Energy Profiles* and *Country Analysis Briefs*. Collect financial data from major

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

energy producers (*Financial Reporting System*, EIA-28) and produce the annual *Performance Profiles of Major Energy Producers* and several quarterly reports on energy financial news. Compile and produce integrated data products: *Annual Energy Review*, *Monthly Energy Review*, *State Energy Profiles*, *International Energy Annual*, and *International Petroleum Monthly*.

In FY 2009, maintain the extensive data needs of EIA's Regional Short-Term Energy Model (RSTEM) and develop diagnostics and performance metrics to gauge the model's forecasting accuracy. Complete updating the petroleum supply model, which is used for EIA's *Short-Term Energy Outlook*. Improve the short-term energy markets demand analysis program, which estimates and publishes official EIA regional forecasts of petroleum, natural gas and electricity supply, demand and prices. Produce graphical user database interface for evaluating model forecast results since current procedures for reviewing the forecasts of our 1,000+ variables are very limited and ad hoc. Conduct economic analysis of short-term trends in domestic and global energy markets to improve and expand the short-term forecast. Continue to build interactive databases for all data products to improve customer access and usability.

- International Petroleum Data and Analysis

Monitor, analyze, and produce data and analysis on world energy market developments in support of EIA's monthly *Short-Term Energy Outlook*, *Country Energy Profiles*, and *Country Analysis Briefs*; assess the impacts of disruptions to world oil markets; improve the timing of international data releases (*International Energy Annual*, and *International Petroleum Monthly*); and improve customer accessibility to international energy data.

In FY 2009, develop coal and natural gas consumption and production data for key countries to complement existing oil data; complete development of a comprehensive, dynamic database for international energy data to support analytic and forecasting programs and public access; improve capability to assess the economics impacts of oil market disruptions; improve international forecasts.

- Conduct Consumption Surveys

The FY 2009 budget funds three Energy Consumption Surveys on a quadrennial (formerly triennial) basis. The surveys include field data collection costs and survey processing of the Buildings Survey data and initial data collection and processing of the Energy Supplier Survey portion.

The *Manufacturing Energy Consumption Survey* (MECS) is the Nation's definitive national survey of manufacturing energy use. This survey provides authoritative information, available nowhere else, on energy throughput along with economic and operational characteristics of manufacturers. Linked with production and employment data from Census Bureau economic surveys, the MECS provides consumption information for policy development, market assessment, and public understanding. The MECS provides the ability to assess fuel switching capability and the effects of energy price changes on industry, and provides critical inputs to short and longer-term forecasting activities.



(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

The *Residential Energy Consumption Survey* (RECS) is the Nation's definitive national survey of household energy use that provides authoritative information, available nowhere else, on structural, equipment, and operational characteristics of housing units, along with energy consumption and expenditures. The RECS provides baseline information crucial to understanding societal demand for and use of goods and services. The RECS survey provides critical contributions to EIA's integrated energy statistics and forecasting programs and is used by other agencies such as EPA and the Department of Health and Human Service's Low-Income Home Energy Assistance Program.

The *Commercial Buildings Energy Consumption Survey* (CBECS) is the Nation's definitive, national survey of commercial building energy use in conjunction with characteristics of buildings and their occupants. The CBECS, which receives some co-funding from States and the DOE Office of Energy Efficiency and Renewable Energy (EERE), provides an understanding of factors driving energy use in the commercial sector, which accounts for one-third of the Nation's electricity use, and provides the information necessary for increased energy efficiency in this sector.

This survey provides the only national information system regarding characteristics of the United States' commercial building stock. EIA's National Energy Modeling System uses CBECS data for its commercial sector inputs. The Department's EERE programs and Office of Policy and International Affairs use the commercial database for energy efficiency program and policy analysis. The building trades use the national information base for marketing analysis, and the energy research community uses the information base for commercial energy trend assessment. EPA uses the data for assessment of commercial environmental impact analysis.

▪ **Integrated Analysis and Forecasting** **3,628** **3,750** **6,213**

The Integrated Analysis and Forecasting activity includes the development of forward-looking projections and analyses of alternative energy futures for the United States and the world. This activity involves the development and maintenance of the National Energy Modeling System (NEMS), and other modeling systems needed to analyze the demand, conversion, and supply of all energy sources and their impacts on the economy and the environment. The statistical services contracts assist in maintaining selected, highest priority mid-term macroeconomic, international, demand, supply, conversion, and integrating components of the NEMS, and in producing the *Annual Energy Outlook*, the *International Energy Outlook*, and the greenhouse gas reporting system.

The FY 2009 budget supports the continued development and testing of the integrating modules for the new National Energy Model (NEM) to replace NEMS. A reliable and maintainable mid-term energy model is needed for EIA to develop baseline energy projections, meet the needs of DOE programs and other customers for relevant, reliable, timely, consistent, accurate, and high quality energy analyses, and prepare policy analyses requested by the Congress, the Administration, the Department of Energy, and other Government agencies.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

In addition, this activity supports EIA's International Oil, Gas, and Coal Markets Analysis efforts by assessing the global market for liquefied natural gas (LNG) and its interaction with oil markets, which are key to meeting future U.S. energy needs. This effort is critical to support an enhanced global dialogue on the development and use of petroleum and natural gas supplies, the development of key technologies, and to facilitate efficient energy markets.

- Modeling, Forecasting, and Analysis of U.S. Energy Markets

Produce the *Annual Energy Outlook (AEO)*, which is the U.S. Government's mid-term projections of U.S. energy demand, supply, and price, using the NEMS, at a reduced level while transitioning to the new NEM. This includes maintaining and operating the current NEMS, analyzing the projection results, and developing and documenting the projections.

The *AEO* is published in accordance with Section 205c of the *Department of Energy Organization Act of 1977* (Public Law 95-91), which requires the EIA Administrator to prepare annual reports on trends and projections for energy use and supply. The *AEO* includes feature articles on significant topics in mid-term energy markets and is used as a base case for developing special reports requested by the Congress, the Administration, the Department of Energy, and other Government agencies.

Maintain and operate--at a slightly-reduced level--the current NEMS, which is the U.S. Government's integrated mid-term energy model. NEMS consists of 12 inter-related energy modules that address future energy demand for the residential, commercial, industrial, and transportation sectors, and future supply of petroleum, natural gas, coal, nuclear and renewable fuels.

- Modeling, Forecasting, and Analysis of International Energy Markets

Produce the *International Energy Outlook*, which is the U.S. Government's mid-term projections of world energy markets that is used to answer questions concerning significant issues affecting world energy markets. With increasingly tight balance between energy supply and demand, it is important to improve our understanding of energy use in China and India and to incorporate that enhanced understanding in the existing System for the Analysis of Global Energy Markets (SAGE) model.

In support of EIA's International Oil, Gas, and Coal Markets Analysis efforts, continue developing SAGE to support international end-use energy assessment. Additional efforts are required to focus on allocating market share among technologies and integrating with alternative supply models to project reliable energy prices. Continue licensing the Global Insight model, which, in combination with work being carried out in support of the NEM project, will greatly increase capability to analyze and project global energy markets, including more accurate conventional and unconventional oil and gas supply, integration of macroeconomic effects, explicit representation of cross-border energy trade, and a technology-rich model of end-use energy markets.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

- Voluntary Reporting of Greenhouse Gases Program

In FY 2009, EIA will operate EIA-1605 to collect and disseminate information under the enhanced Voluntary Reporting of Greenhouse Gases Program in support of the President's Climate Change Initiative. The Program is required under Section 1605(b) of EPA Act 1992. The Program allows reporting entities to identify and claim emissions reduction activities they have taken; provides a means for entities to identify and replicate emission reduction activities that they may use; and provides estimates of voluntary greenhouse gas emissions reductions and other information to the Administration, the Congress, and the public for policy making purposes. The enhanced Program will use the revised guidelines published on April 21, 2006.

- U.S. National Energy Model Replacement

During FY 2009, continue development and testing of the integrating modules that will comprise the next-generation NEM. A reliable and maintainable mid-term energy model is needed for EIA to develop baseline energy projections; improve the representation of energy markets; add flexibility and regionality to address new policies and technologies to meet the needs of DOE programs and other customers for reliable, timely, consistent, accurate energy analyses; and prepare policy analyses requested by the Congress and the Administration.

A preliminary redesign assessment suggests that efforts will be categorized into three broad areas: 1) international energy markets, 2) domestic fuel supply and conversion markets, and 3) end use consumer demand.

In the area of International Energy Markets: a) Continue developing an international natural gas model that captures the international aspects of LNG supply and incorporates a detailed regional international representation of end use natural gas demand. b) Develop a world oil balance module based on resource availability, price, and field production profiles. c) Develop a model of world liquids fuels processing and distribution that addresses biofuels, unconventional processes, tightening fuel specifications, and increasing demand for liquid fuels in China and India.

In the area of Domestic Fuel Supply and Conversion Markets: a) Implement a Lower-48 Oil and Gas Supply Model that includes a play-level representation of conventional and unconventional oil and gas supply, a feature that is desired by Departmental stakeholders. b) Develop a new liquid fuels processing and distribution model to address shortcoming in the current refinery model. c) Enhance the Coal Market Module to represent the development, opening and closing of new mines to meet growing coal needs in the power generation sector. d) Evaluate the potential for incorporating a Land Use Model to appropriately account for biomass and corn production, consumption and imports. e) Enhance the Electricity Market Module to address changes in environmental regulations, legislation, and transmission issues and ensure that sequestration and renewable options are appropriately represented electric power sector technologies.

In the area of End Use Consumer Demand: a) Develop a new transportation module with regional detail and the capability to analyze the impacts of regional-specific travel, fuel

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

economy, and emission policies. b) Enhance the building sector models to account for competition among technologies that reflect regional characteristics and shell efficiency of the existing stock. c) Expand the representation of technologies in the industrial model and develop a more detailed representation for the bulk chemical industry.

▪ **Congressionally Directed Activity** **0** **991** **0**

In FY 2008, provide funds to the National Academy of Sciences for the International Institute for Applied Systems Analysis' Global Energy Assessment.

▪ **Information Technology** **3,430** **3,512** **4,470**

The Office of Information Technology (OIT) provides EIA-wide desktop, hardware, software, database, network, and other IT support, consistent with EIA's mission requirements as a statistical agency that is statutorily charged with data confidentiality requirements and a significant degree of independence from DOE. By law EIA procures and controls access to its IT infrastructure equipment. However, to seek efficiencies, the Department mandated the use of its IT umbrella contract for EIA's IT infrastructure support. EIA continues to use its EIA Omnibus Procurement (EOP II) multi-award contract for survey data collection and processing applications development and other IT programmatic services.

In FY 2009, continue to operate and maintain the EIA network consisting of an enterprise server; four Web servers; over 50 production servers; all network communication equipment including hubs, routers, switches, and cables; and peripheral equipment including a storage device for the enterprise server, high speed printers, and robotic tape backup machines. Maintain communication equipment to connect the network with a remote site in Dallas, Texas, and with individual users. Continue the cyber-security licensing required by OMB and the National Institute of Standards and Technology.

Support development of a unified, EIA-wide data collection methodology for surveys, which will serve as EIA's primary mechanism for obtaining respondent data. This effort will improve the efficiency of data collection and editing, and increase the accuracy and improve timeliness of all energy data collected by EIA.

▪ **National Energy Information Center** **585** **682** **844**

The National Energy Information Center (NEIC) is the point of contact for energy information for the Administration, the Congress, State and local government agencies, the academic community, industrial and commercial organizations, foreign governments and international organizations, the news media, the financial community, research and consulting organizations, and the general public. The NEIC responds to public inquiries and disseminates EIA products and energy information.

In FY 2009, NEIC will respond to approximately 30,000 requests for: 1) EIA data, analyses, and forecasts--most significantly from Executive Branch agencies, Members of Congress and associated staffs, and print and broadcast journalists from major media outlets across the Nation and around the world; 2) extensive EIA Web site support; and 3) referrals to energy information

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

elsewhere in the national and international statistical system. EIA will distribute periodicals; one-time reports; consumer-oriented brochures, flyers, and information cards; and will continue to offer its customers print-on-demand service. NEIC will manage and maintain 10 Web site channels, including the popular Energy Kid's Page, and conduct user assessment activities, such as customer surveys and Web site usability tests, that will allow EIA to pro-actively research and document the needs and interests of its customers and use these insights to substantially improve and enhance its information and data services. It also will conduct the Energy Industry Study Program, which is offered to EIA employees.

In FY 2009, NEIC will continue developing a central data library/warehouse of EIA's final publication level data, both public and non-public, for long-term access and use. Over time, it is expected to subsume and centralize a multiplicity of systems that reside on multiple servers and result in more uniform and consistent creation, maintenance, and preservation of EIA knowledge assets.

▪ **Statistics and Methods** **490** **508** **1,171**

The Statistics and Methods activity provides services in the areas of data quality evaluation; performance measurement; survey and statistical design; development and coordination of definitions and standards governing collection, processing, documentation, and dissemination of energy information; and management of a respondent burden control and public-use forms clearance program, including issues relating to confidentiality and disclosure. This activity also provides workshops for improving knowledge and skills of EIA staff; independent expert reviews of EIA products and methods; coordination with the American Statistical Association Committee on Energy Statistics to discuss statistical issues pertaining to energy data, analysis, or forecasting; improvement of statistical procedures used within EIA survey systems; and development and oversight of performance measures of EIA's operations and products.

In FY 2009, to increase interaction with the broader energy research community, which was one of the recommendations of the May 2006 External Study Team report, EIA will bring academics to EIA for one or two year research projects to provide high quality technical advice on issues of current importance to EIA. EIA also will consult with working groups of outside experts to provide advice during the development of major modeling systems or during major survey redesigns.

As a follow-up to the independent External Study Team, EIA will have an assessment conducted of three of its individual programs (families of surveys, forecasting programs, or analysis) to determine whether they are "doing the right things", as well as whether they are "doing things right."

▪ **Resource Management** **533** **520** **884**

The Resource Management activity includes overall management, analysis, and administrative support, including program and strategic planning, financial management, contracts management, human resource management, resource and workforce analyses, administrative support, logistic support services, and performance statistics support.

(dollars in thousands)

| FY 2007 | FY 2008 | FY 2009 |
|---------|---------|---------|
|---------|---------|---------|

In FY 2009, 1) continue to implement processes to improve the efficiency and the timeliness of EIA’s human resource, contracting, and financial execution/analysis efforts; 2) resume recruiting initiatives to ensure EIA has a viable pool of highly qualified/diverse candidates to fill expected vacancies from significant retirement attrition; 3) increase classification and staffing support to the Department’s Office of Human Resource Services to reduce the hiring timeframe for replacement staff; 4) consolidate contract requirements, where possible, into less costly support services contracts employing the most cost-efficient pricing formula; 5) execute a replacement contract vehicle for the EOP II multi-award contract which expires in early FY 2009.

**Other Related Expenses** **15,113**      **13,680**      **15,362**

Other related expenses include goods and services provided through the DOE Working Capital Fund for operations such as building occupancy, utilities, supplies and materials, phone service, copying, mail supplies, procurement management, and payroll processing. Includes two new Working Capital Fund business lines in FY 2009: the Forrestal Building Stairwell Safe Haven and the HQ Logistics Services A-76 contract. This activity also covers employee training tuition; non-Working Capital Fund overhead expenses such as the Dallas Field Office; communications equipment; personal computers; supplies, materials, and services purchased directly by EIA; and funding for Historical Black Colleges and Universities, Hispanic Serving Institutions, Tribal Colleges and Universities, and commemorative programs. Funds also may be used for personnel security investigations beginning in FY 2009.

**Total, Program Direction** **90,653**      **95,460**      **110,595**

**Explanation of Funding Changes**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

**Salaries and Benefits**

The increase supports one additional FTE and the general pay increases, promotions, and within-grade increases. +1,302

**Support Services**

The net increase improves capabilities to close energy information gaps, strengthen analysis, and address growing energy data quality issues. Provides for the resumption of the petroleum and natural gas data quality initiative as authorized in the *Energy Independence and Security Act of 2007* (+\$2,662), provides support for continued development of EPA Act 2005 ethanol and biofuels data collection (+\$3,410), provides for the U.S. energy model replacement (+\$3,250), offset by the conclusion of funding of the Congressionally directed National Academy of Sciences for the International Institute for Applied Systems Analysis’ Global Energy Assessment (-\$991), enhances availability and timeliness of international coal markets data and analysis (+\$1,135), provides for the energy +12,151

**Energy Information Administration/  
Program Direction**

**FY 2009 Congressional Budget**

|                                   |
|-----------------------------------|
| FY 2009 vs.<br>FY 2008<br>(\$000) |
|-----------------------------------|

consumption surveys (+\$620), provides for mandatory IT certification, infrastructure upgrades, and HSPD-12 cyber-security requirements (+\$750), continues to operate the EIA-182 and EIA-586 petroleum marketing surveys in response to strong support from Congress and other Federal agencies (+\$440), provides for expanding and improving Internet Data Collection (+\$320), collects the EIA-767 environmental data essential to EPA, States, and other stakeholders (+\$300), and enhances State energy statistics (+\$255).

**Other Related Expenses**

The net increase is due to 1) a net increase in WCF (+\$748) due two new Working Capital Fund business lines - the Forrestal Building Stairwell Safe Haven (+\$431) and the HQ Logistics Services A-76 contract (+\$328); increases to online learning center (+\$33) and i-Manage (+\$27); and inflationary increases in the Working Capital Fund costs (+\$260), offset by efficiency gains from consolidating EIA headquarters staff in the Forrestal building (-\$331); 2) an increase in training (+\$160); and 3) an increase of supplies and materials and other non-WCF overhead costs (+\$774) due to increased cyber-security equipment and computer purchases (\$+554), inflationary increases (+\$150), offsite file storage(+\$40), and increases in e-Gov initiatives (+\$30).

+1,682

**Total Funding Change, Program Direction**

**+15,135**

**Support Services by Category**

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Technical Support                                       |         |         |         |
| Survey Operations and Analyses                          | 22,047  | 23,296  | 30,864  |
| Economic and Short-Term Energy Analyses and Forecasting | 3,348   | 3,415   | 5,815   |
| Energy Analyses, Forecasting, and Modeling              | 5,108   | 6,201   | 8,336   |
| Total, Technical Support                                | 30,503  | 32,912  | 45,015  |
| Management Support                                      |         |         |         |
| Analyses, Studies, and Evaluations                      | 633     | 1,000   | 1,048   |
| Total, Management Support                               | 633     | 1,000   | 1,048   |
| Total, Support Services                                 | 31,136  | 33,912  | 46,063  |

## Other Related Expenses by Category

(dollars in thousands)

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Other Related Expenses                  |         |         |         |
| Working Capital Fund                    | 7,740   | 6,800   | 7,548   |
| Training                                | 301     | 260     | 420     |
| Operation and Maintenance of Facilities | 192     | 180     | 180     |
| Supplies and Materials, and Equipment   | 6,687   | 6,200   | 6,974   |
| Grants, Subsidies, and Contributions    | 193     | 240     | 240     |
| Total, Other Related Expenses           | 15,113  | 13,680  | 15,362  |



# **Safeguards and Security Crosscut**

# **Safeguards and Security Crosscut**

## Safeguards and Security

### Program Mission

The mission of the Safeguards and Security (S&S) program at each Department of Energy (DOE) site is to protect DOE interests from theft, diversion, sabotage, espionage, unauthorized access, compromise, and other hostile acts which may cause unacceptable adverse impacts on national security, program continuity, the health and safety of employees, the public or the environment.

This section of the budget provides summary budget estimates of the Department's S&S programs. Details of the individual S&S programs and their budgets are illustrated in the following program budget justifications:

- National Nuclear Security Administration (NNSA)
- Environmental Management (EM)
- Security and Safety Performance Assurance (SSA)
- Health, Safety and Security (HSS)
- Chief Information Officer (CIO)
- Science (SC)
- Nuclear Energy (NE)

### Program Overview

The budget for the Department's direct funded S&S programs is organized to ensure consistency in program and budget execution and ensure adequate management, direction, tracking and monitoring of security costs throughout the Department. Each S&S program budget provides high visibility for S&S issues and helps the Department prioritize functions for effective and efficient S&S program implementation. Furthermore, the structure of the S&S budgets ensures consistency in budget execution across diverse programs, principally the National Nuclear Security Administration, Environmental Management, Science, and Nuclear Energy. For these Field Security programs, the budget structure takes the form of the following seven program elements:

- 1. Protective Forces:** Provides for the protection of special nuclear materials, information, employees, and government property from theft, diversion, sabotage, and malicious destruction.
- 2. Physical Security Systems:** Addresses access control and interior/exterior intrusion detection systems.
- 3. Information Security:** Ensures that individuals protect classified matter and sensitive unclassified matter, and establishes protection systems that require degrees of protection for each classification level.
- 4. Cyber Security:** Assures effective and efficient protection of computer and technical resources.
- 5. Personnel Security:** Supports activities associated with the access authorization program.
- 6. Material Control and Accountability:** Provides assurance that the nuclear materials used and/or stored at DOE facilities are properly controlled and accounted for at all times.
- 7. Program Management:** Assures a framework for efficient and effective security operations.

### Changes in the Composition of the Safeguards and Security Crosscut

The composition of the S&S crosscut is modified as security-related DOE organizations are changed to more effectively address the security concerns that confront the Department.

## Funding by Site

(dollars in thousands)

|  | FY 2007   | FY 2008   | FY 2009   |
|--|-----------|-----------|-----------|
| Safeguards and Security                                |           |           |           |
| Field Security   |           |           |           |
| Science  | 75,830    | 75,946    | 80,603    |
| National Nuclear Security Administration               | 761,158   | 899,520   | 859,839   |
| Environmental Management                               | 272,520   | 259,332   | 251,341   |
| Nuclear Energy   | 75,949    | 75,261    | 78,811    |
| Subtotal, Field Security                               | 1,185,457 | 1,310,059 | 1,270,594 |
| Headquarters Security                                  |           |           |           |
| Security & Safety Performance Assurance                | 237,077   | NA        | NA        |
| Health, Safety and Security                            | NA        | 265,867   | 278,923   |
| Chief Information Officer                              | 43,075    | 34,865    | 34,512    |
| Subtotal, Headquarters Security                        | 280,152   | 300,732   | 313,435   |
| Subtotal, Safeguards and Security                      | 1,465,609 | 1,610,791 | 1,584,029 |
| Security charge against reimbursable work <sup>a</sup> | -41,608   | -42,608   | 0         |
| Total, Safeguards and Security                         | 1,500,819 | 1,620,726 | 1,636,815 |

## Funding Profile

(dollars in thousands)

|   | FY 2007   | FY 2008   | FY 2009   |
|---|-----------|-----------|-----------|
| Safeguards and Security                   |           |           |           |
| Field Security                            |           |           |           |
| Protective Forces                         | 633,715   | 658,143   | 670,517   |
| Physical Security Systems                 | 131,980   | 189,233   | 148,843   |
| Information Security                      | 40,707    | 28,604    | 37,857    |
| Cyber Security                            | 138,192   | 131,697   | 161,609   |
| Personnel Security                        | 49,500    | 43,225    | 49,152    |
| Material Control and Accountability       | 49,812    | 37,783    | 53,863    |
| Program Management                        | 141,551   | 150,264   | 101,642   |
| Construction (NNSA)                       | 0         | 71,110    | 47,111    |
| Subtotal, Field Security                  | 1,185,457 | 1,310,059 | 1,270,594 |
| Charge for Reimbursable Work <sup>a</sup> | -41,608   | -42,608   | 0         |
| Subtotal, Field Security                  | 1,143,849 | 1,267,451 | 1,270,594 |
| Headquarters Security                     |           |           |           |
| Security & Safety Performance Assurance   | 237,077   | NA        | NA        |
| Health, Safety and Security               | NA        | 265,867   | 278,923   |
| Chief Information Officer                 | 43,075    | 34,865    | 34,512    |
| Subtotal, Headquarters                    | 280,152   | 300,732   | 313,435   |
| Total Safeguards and Security             | 1,424,001 | 1,568,183 | 1,584,029 |

<sup>a</sup> Security Charge for Reimbursable is eliminated for all offices in FY 2009.

## Protective Forces

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Protective Forces                        |                        |         |         |
| Science                                  | 31,652                 | 33,032  | 34,384  |
| National Nuclear Security Administration | 400,020                | 439,106 | 418,694 |
| Environmental Management                 | 159,543                | 142,229 | 172,546 |
| Nuclear Energy                           | 42,500                 | 43,776  | 44,893  |
| Total, Protective Forces                 | 633,715                | 658,143 | 670,517 |

### Mission

The mission of Protective Forces is to protect the Department's critical assets, which include nuclear weapons in DOE custody, nuclear weapons components, special nuclear materials, classified information and DOE facilities against a spectrum of threats, including terrorist activity, sabotage, espionage, theft, diversion, loss or unauthorized use. To accomplish this mission:

- Protective Force programs throughout the complex provide for personnel salaries, wages and benefits for personnel; management and supervision; and well-maintained and logically deployed equipment and facilities to ensure effective performance of assigned functions and tasks under normal and emergency conditions.
- Protective Forces programs include the conduct of access control and security response operations; the physical protection of special nuclear material, classified matter and information, and government property; emergency response forces and tactical assistance during events as well as an on-scene security commander; random patrols; coordination with local law enforcement and protective force elements aimed at providing effective response to emergency situations; random prohibited article inspections; security alarm monitoring and dispatch services; the collection and destruction of classified matter; and constant testing of the protective force to respond to various event scenarios.
- Protective Forces programs maintain a Special Response Team capability to provide resolution of incidents that require effective and timely response with force options that exceed the capability of front line protective force personnel. This includes recapture and recovery operations involving the use of special weapons, systems and tactics to effect recovery of special nuclear material under authorized control.

## Physical Security Systems

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Physical Security Systems                |                        |         |         |
| Science                                  | 6,705                  | 6,993   | 7,940   |
| National Nuclear Security Administration | 71,288                 | 133,685 | 106,380 |
| Environmental Management                 | 41,895                 | 37,587  | 23,839  |
| Nuclear Energy                           | 12,092                 | 10,968  | 10,684  |
| Total, Physical Security Systems         | 131,980                | 189,233 | 148,843 |

### Mission

The mission of Physical Security Systems is the physical protection of special nuclear material and equipment, sensitive information, Departmental property and unclassified facilities. Included are buildings, fences, barriers, lighting, sensors, surveillance devices, entry control devices, access control systems, explosive detection systems, power systems and other real property and hardware designed for, or affecting security. This hardware and equipment are operated and used to support the protection of DOE property and other interests of national security.

Security Systems programs support DOE-wide efforts required to conduct performance assurance testing. These programs also ensure that security alarm systems are operational and functioning in accordance with applicable DOE Orders. Physical Security System programs are also responsible for two subprograms: (1) a barriers, secure storage, and lock program to restrict, limit, delay or deny entry into a designated area; and (2) an entry control and access program that provides positive identification of personnel requiring access to facilities and initial access to facilities in general, ensuring that persons entering or leaving facilities are authorized, and do not introduce prohibited articles into or remove Government property from Departmental facilities.

The budget estimates include all access control administrative activity involving production, accountability and destruction of access authorization badges and firearms credentials. They also include systems components and tamper-safe oversight by monitoring and responding to alarms, determining access and securing all alarmed structures on site. In addition, this element provides for handling all radio communications for the protection of the facilities.

## Information Security

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Information Security                     |                        |         |         |
| Science                                  | 4,169                  | 3,781   | 4,028   |
| National Nuclear Security Administration | 27,182                 | 18,803  | 25,880  |
| Environmental Management                 | 7,130                  | 3,951   | 5,850   |
| Nuclear Energy                           | 2,226                  | 2,069   | 2,099   |
| Total, Information Security              | 40,707                 | 28,604  | 37,857  |

### Mission

The mission of Information Security is to ensure that material and documents that may contain sensitive and classified information are accurately and consistently identified, properly reviewed for content, appropriately marked and protected from unauthorized disclosure, and ultimately destroyed in an approved manner.

Information Security programs provides for plans, policies, procedures and training to ensure that all employees are aware of the requirements for the identification, review, classification, declassification, marking, protection and proper disposal of sensitive information and classified material. In addition, operational security considerations are used to preclude inadvertent compromise.

## Cyber Security

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Cyber Security                           |                        |         |         |
| Science                                  | 18,322                 | 17,424  | 19,515  |
| National Nuclear Security Administration | 104,505                | 100,287 | 122,511 |
| Environmental Management                 | 5,765                  | 5,388   | 6,978   |
| Nuclear Energy                           | 9,600                  | 8,598   | 12,605  |
| Total, Cyber Security                    | 138,192                | 131,697 | 161,609 |

### Mission

The mission of Cyber Security is to ensure that sensitive and classified information that is electronically processed, transmitted, or stored, is properly identified and protected. Cyber Security programs also ensure that electronic systems are appropriately marked and protected. The programs plan, document, and test classified automated information systems (AIS), communications security (COMSEC), TEMPEST; and maintain an appropriate level of infrastructure reliability and integrity, as well as an unclassified AIS program. Included are appropriate plans, policies and procedures, assessments, tests, monitoring and self-assessments, certifications, and user and administrator training and awareness.



## Personnel Security

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Personnel Security                       |                        |         |         |
| Science                                  | 5,552                  | 5,153   | 5,615   |
| National Nuclear Security Administration | 31,617                 | 27,192  | 31,263  |
| Environmental Management                 | 9,933                  | 8,587   | 10,336  |
| Nuclear Energy                           | 2,398                  | 2,293   | 1,938   |
| Total, Personnel Security                | 49,500                 | 43,225  | 49,152  |

### Mission

The mission of Personnel Security is to support the access authorization program (excluding Security Investigations), and ensure security sensitivity through security briefings such as the initial refresher and termination briefings, re-orientations, computer based training, special workshops and classes, publications, closed circuit television programs, signs, posters and special event days. Support for the access authorization program includes: (1) personnel security assurance program, adjudications, screening and analysis of personnel security cases for determining eligibility for access authorizations, administrative reviews, and handling of Freedom of Information and Privacy Act requests related to security access authorizations; (2) security awareness and education; and (3) operating and maintenance estimates associated with classified and unclassified visits and assignments by foreign nationals.

## Material Control and Accountability

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Material Control and Accountability        |                        |         |         |
| Science                                    | 2,355                  | 2,401   | 2,348   |
| National Nuclear Security Administration   | 32,146                 | 21,710  | 35,929  |
| Environmental Management                   | 10,410                 | 8,311   | 11,256  |
| Nuclear Energy                             | 4,901                  | 5,361   | 4,330   |
| Total, Material Control and Accountability | 49,812                 | 37,783  | 53,863  |

### Mission

The mission of Material Control and Accountability (MC&A) is to provide assurance that nuclear materials are properly controlled and accounted for at all times. MC&A provides evidence that all nuclear materials are accounted for appropriately and that theft, diversion, or operational loss has not occurred. MC&A also supports weapons production, nuclear nonproliferation, nuclear materials operations, facility closure, and nuclear critical safety by determining and documenting the amounts of nuclear materials in weapons and packaged items. MC&A administration includes the following: (1) assessing the levels of protection, control and accounting required for the types and quantities of materials at each facility; (2) documenting facility plans for nuclear materials control and accounting; (3) assigning authorities and responsibilities for MC&A functions; (4) ensuring that facility MC&A personnel are trained and qualified to perform their responsibilities; (5) establishing programs to report occurrences such as nuclear material theft, the loss of control or inability to account for nuclear materials, or evidence of malevolent acts; (6) conducting performance testing of required program elements; and (7) establishing facility programs to conduct and document internal assessments of their operations and MC&A programs.

## Program Management

### Funding Schedule

|  | (dollars in thousands) |         |         |
|--|------------------------|---------|---------|
|  | FY 2007                | FY 2008 | FY 2009 |
| Program Management                       |                        |         |         |
| Science                                  | 7,075                  | 7,162   | 6,773   |
| National Nuclear Security Administration | 94,400                 | 87,627  | 72,071  |
| Environmental Management                 | 37,844                 | 53,279  | 20,536  |
| Nuclear Energy                           | 2,232                  | 2,196   | 2,262   |
| Total, Program Management                | 141,551                | 150,264 | 101,642 |

### Mission

The mission of Program Management is to develop a framework for efficient and effective security operations. This includes the development and updating of S&S plans, conducting vulnerability assessments to determine if assets are at risk, modeling to ensure the plans and operations meet mission objectives, identifying assets that need protection, developing local threat assessments and participating in the S&S quality panel process and security education. In addition, these programs ensure that plans are developed and revised in accordance with DOE Orders, professional and technical training is administered, and goals and objectives of the Office of Health, Safety and Security are implemented complex wide.

The programs develop S&S plans or other applicable security plans and implement S&S requirements, conduct surveys to determine whether S&S requirements have been implemented, respond to national and local threats and perform a vulnerability analysis that measures the risk of S&S assets. Program Management includes participation in the quality panel process, which raises issues from the field to the headquarters managers and ensures that the staff is properly educated with respect to security matters.



## GENERAL PROVISIONS

### SEC. 301. CONTRACT COMPETITION.

(a) None of the funds in this or any other appropriations Act for fiscal year [2008 ]2009 or any previous fiscal year may be used to make payments for a noncompetitive management and operating contract, or a contract for environmental remediation or waste management in excess of \$100,000,000 in annual funding at a current or former management and operating contract site or facility, or award a significant extension or expansion to an existing management and operating contract, or other contract covered by this section, unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

(b) *In this section:*

(1) *The term "noncompetitive management and operating contract" means a contract that was awarded more than 50 years ago without competition for the management and operation of Ames Laboratory, Argonne National Laboratory, Lawrence Berkeley National Laboratory, Livermore National Laboratory, and Los Alamos National Laboratory.*

(2) The term "competitive procedures" has the meaning provided in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403) and includes procedures described in section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) other than a procedure that solicits a proposal from only one source.

(c) *For all management and operating contracts other than those listed in subsection (b)(1), none of the funds appropriated by this Act may be used to award a management and operating contract, unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver. At least 60 days before a contract award for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report notifying the Committees of the waiver and setting forth, in specificity, the substantive reasons why the Secretary believes the requirement for competition should be waived for this particular award.*

**[(c) Within 30 days of formally notifying an incumbent contractor that the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the Subcommittees of the waiver and setting forth, in specificity, the substantive reasons why the Secretary believes the requirement for competition should be waived for this particular award.]**

SEC. 302. UNFUNDED REQUESTS FOR PROPOSALS. None of the funds appropriated by this Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

SEC. 303. WORKFORCE RESTRUCTURING. None of the funds appropriated by this Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or

(2) provide enhanced severance payments or other benefits for employees of the Department of Energy, under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h).

SEC. 304. SECTION 3161 ASSISTANCE. None of the funds appropriated by this Act may be used to augment the funds made available for obligation by this Act for severance payments and other benefits and community assistance grants under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h) unless the Department of Energy submits a reprogramming [request] *notification* to the appropriate congressional committees.

SEC. 305. UNEXPENDED BALANCES. The unexpended balances of prior appropriations provided for activities in this Act may be available to the same appropriation accounts for such activities established pursuant to this title. Available balances may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 306. BONNEVILLE POWER AUTHORITY SERVICE TERRITORY. None of the funds in this or any other Act for the Administrator of the Bonneville Power Administration may be used to enter into any agreement to perform energy efficiency services outside the legally defined Bonneville service territory, with the exception of services provided internationally, including services provided on a reimbursable basis, unless the Administrator certifies in advance that such services are not available from private sector businesses.

SEC. 307. USER FACILITIES. When the Department of Energy makes a user facility available to universities or other potential users, or seeks input from universities or other potential users regarding significant characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users. When the Department of Energy considers the participation of a university or other potential user as a formal partner in the establishment or operation of a user facility, the Department shall employ full and open competition in selecting such a partner. For purposes of this section, the term "user facility" includes, but is not limited to: (1) a user facility as described in section 2203(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 13503(a)(2)); (2) a National Nuclear Security Administration Defense Programs Technology Deployment Center/User Facility; and (3) any other Departmental facility designated by the Department as a user facility.

SEC. 308. INTELLIGENCE ACTIVITIES. Funds appropriated by this or any other Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year [2008 ]2009 until the enactment of the Intelligence Authorization Act for fiscal year [2008 ]2009.

[SEC. 309. LABORATORY DIRECTED RESEARCH AND DEVELOPMENT. Of the funds made available by the Department of Energy for activities at government-owned, contractor-operator operated laboratories funded in this Act or subsequent Energy and Water Development Appropriations Acts, the Secretary may authorize a specific amount, not to exceed 8 percent of such funds, to be used by such laboratories for laboratory-directed research and development: *Provided*, That the Secretary may also authorize a specific amount not to exceed 4 percent of such funds, to be used by the plant manager of

a covered nuclear weapons production plant or the manager of the Nevada Site Office for plant or site-directed research and development: *Provided further*, That notwithstanding Department of Energy order 413.2A, dated January 8, 2001, beginning in fiscal year 2006 and thereafter, all DOE laboratories may be eligible for laboratory directed research and development funding.]

[SEC. 310. YIELD RATE. For fiscal year 2008, except as otherwise provided by law in effect as of the date of this Act or unless a rate is specifically set by an Act of Congress thereafter, the Administrators of the Southeastern Power Administration, the Southwestern Power Administration, and the Western Area Power Administration, shall use the "yield" rate in computing interest during construction and interest on the unpaid balance of the costs of Federal power facilities. The yield rate shall be defined as the average yield during the preceding fiscal year on interest-bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or more remaining to maturity.]

[SEC. 311. USE PERMIT. The Use Permit granted to the contractor for activities conducted at the Pacific Northwest National Laboratory by Agreement DE-GM05-00RL01831 between the Department of Energy and the contractor shall continue in effect during the term of the existing Operating Contract and the extensions or renewals thereof and shall be incorporated into any future management and operating contract for the Pacific Northwest National Laboratory and such Use Permit may not be waived, modified or terminated unless agreed to by both contractor and the Department of Energy.]

[SEC. 312. (a) ACROSS-THE-BOARD RESCISSIONS.—There is hereby rescinded—  
(1) from discretionary accounts in this title that contain congressionally directed projects, an amount equal to 1.6 percent of the budget authority provided for fiscal year 2008 for such projects; and

(2) from all discretionary accounts in this title, an amount equal to 0.91 percent of the other budget authority provided for fiscal year 2008.

(b) DEFINITIONS.—For purposes of this section: (1) The term "congressionally directed project" means a congressional earmark or congressionally directed spending item specified in the list of such earmarks and items for this division that is included in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act).

(2) The term "other budget authority" means an amount equal to all discretionary budget authority, less the amount provided for congressionally directed projects.

(c) PROPORTIONATE APPLICATION TO OTHER PROGRAMS, PROJECTS, AND ACTIVITIES.—Any rescission made by subsection (a)(2) shall be applied proportionately—

(1) to each discretionary account; and

(2) within each such account, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account).

(d) REPORT.—Within 30 days after the date of the enactment of this section, the Director of the Secretary of Energy shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the account and amount of each rescission made pursuant to this section.]

SEC. 309. *Section 312 of the Energy and Water Development Appropriations Act, 2004 (Pub. L. 108-137), is amended as follows: (1) In the first sentence by inserting between "the material" and "in the concrete silos", the words "formerly stored", by inserting before the period: "when such material is disposed at an Nuclear Regulatory Commission-regulated or Agreement State-regulated facility"; and (2) In the second sentence, striking "for the purpose" and everything that follows, and inserting; "after the material has been disposed at an NRC-regulated or Agreement materials being disposed as NRC-regulated or Agreement State-regulated facilities and shall not preclude the materials from otherwise being disposed at facilities operated by the Department of Energy so long as the materials meet the disposal facility's waste acceptance criteria." Not to exceed 5 per centum of any appropriation made available for Department of Energy activities funded in this Act or subsequent Energy and Water Development Appropriations Acts, not to exceed \$5,000,000, may hereafter be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers: Provided, That 15 days in advance of such transfer, notice shall be submitted to the Committees on Appropriations of the House and Senate.*

SEC. 310. *Not to exceed 5 per centum of any appropriation made available for Department of Energy activities funded in this Act or subsequent Energy and Water Development Appropriations Acts may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and notification of such transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.*

SEC. 311. *Section 311 of the Energy and Water Development Appropriations Act, 2008 is repealed. (Energy and Water Development and Related Agencies Appropriations Act, 2008.)*