

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS
BILL, 2002

JUNE 26, 2001.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. CALLAHAN, from the Committee on Appropriations,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 2311]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for energy and water development for the fiscal year ending September 30, 2002, and for other purposes.

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SUMMARY OF ESTIMATES AND RECOMMENDATIONS

The Committee has considered budget estimates which are contained in the Budget of the United States Government, 2002. The following table summarizes appropriations for fiscal year 2001 the budget estimates, and amounts recommended in the bill for fiscal year 2002.

[Dollars in thousands]

	2001	2002 estimate	2002 recommendation compared with—		
			2002 recommendation	2001 appropriation	2002 estimate
Title I—Department of Defense—Civil	\$4,541,065	\$3,900,000	\$4,468,233	(\$72,832)	\$568,233
Title II—Department of the Interior	816,637	819,727	842,890	26,253	23,163
Title III—Department of Energy	18,475,148	18,106,554	18,747,360	272,212	640,806
Title IV—Independent Agencies	171,474	181,721	136,517	(34,957)	(45,204)
Title V—Rescissions	(172,000)	.....	.....	172,000	.....
Title VI—Emergency Supplemental	213,988	.....	.....	(213,988)	.....
Subtotal	24,046,312	23,008,002	24,195,000	148,688	1,186,998
Scorekeeping adjustments	(489,982)	(491,000)	(491,000)	(1,018)	.....
Grand Total of bill	23,556,330	22,517,002	23,704,000	147,670	1,186,998

INTRODUCTION

The Energy and Water Development Appropriations bill for fiscal year 2002 totals \$23,704,000,000, which is \$147,670,000 above the amount appropriated in fiscal year 2001, and \$1,186,998,000 above the President's budget request. Under constrained funding conditions, the Committee has given priority to maintaining the existing inventory of Corps of Engineers and Bureau of Reclamation water resources projects; continuing construction of ongoing water resources projects to avoid increased costs from stretching out project schedules; protecting basic science programs at the Department of Energy; investing in new energy technologies; providing sufficient funds for the Secretary of Energy to make a recommendation on the suitability of Yucca Mountain as a repository for the nation's nuclear waste; maintaining the nation's nuclear weapons stockpile; and providing for cleanup of contaminated Department of Energy sites.

There has been much interest in how this bill would address the Nation's energy shortages. The Committee wishes to emphasize that the Department of Energy's energy technology programs are not designed to provide immediate relief for the energy crisis. Instead, the energy technology programs consist primarily of research and development into technologies such as renewable energy which are intended to provide long-term solutions to the nation's energy needs. Near-term deployment of available energy technologies is best accomplished through incentives other than appropriations.

The National Energy Policy directed the appropriate Federal agencies to take actions to remove constraints on the interstate transmission grid and to allow our nation's electricity supply to meet the growing needs of the economy. The Secretary of Energy was directed to examine the benefits of establishing a national

grid, identify transmission bottlenecks, and identify measures to remove transmission bottlenecks. The Committee expects to address these issues throughout the appropriations process as information becomes available on possible remedies requiring Congressional appropriations action.

Title I of the bill provides \$4,468,233,000 for the programs of the U.S. Army Corps of Engineers, a decrease of \$72,832,000 from fiscal year 2001 and \$568,233,000 over the budget request of \$3,900,000,000. The Committee has maintained nearly level funding for the civil works program despite budgetary constraints. By concentrating resources on traditional missions such as flood control and navigation which yield the greatest economic benefits for the nation, the Committee seeks to ensure the highest possible payback on taxpayer investment. The Committee has generally been unable to provide funds for new construction projects within the water resources programs of the Corps of Engineers.

Title II provides \$842,890,000 for the Department of Interior and the Bureau of Reclamation, an increase of \$26,253,000 over fiscal year 2001 and \$23,163,000 over the budget request of \$819,727,000. The Committee has not provided funding for the California Bay-Delta Restoration program in California pending the enactment of authorizing legislation.

Title III provides \$18,747,360,000 for the Department of Energy, an increase of \$272,212,000 over fiscal year 2001 and \$640,806,000 over the budget request of \$18,106,554,000. The Committee has provided additional funding for energy technology, environmental cleanup, and nuclear nonproliferation programs. Basic research and science programs are supported at a level consistent with fiscal year 2001. In addition, \$7 billion is provided for environmental cleanup programs to remediate contaminated defense and non-defense sites throughout the nation, and \$443 million is provided for the nuclear waste fund program in support of a final geologic repository for spent fuel high-level nuclear waste.

Funding for the National Nuclear Security Administration, which includes nuclear weapons activities, defense nuclear nonproliferation, naval reactors, and the office of the administrator is \$6,667,274,000, an increase of \$90,225,000 over fiscal year 2001 and a decrease of \$109,496,000 from the budget request.

Title IV provides \$136,517,000 for several Independent Agencies, a decrease of \$34,957,000 from fiscal year 2001 and a decrease of \$45,204,000 below the budget request of \$181,720,000. Funding is provided for the Appalachian Regional Commission, the Defense Nuclear Facilities Board, the Nuclear Regulatory Commission and its Inspector General, and the Nuclear Waste Technical Review Board.

TITLE III

DEPARTMENT OF ENERGY

Funds recommended in Title III provide for Department of Energy programs relating to: Energy Supply, Non-Defense Environmental Management, Uranium Facilities Maintenance and Remediation, Science, Nuclear Waste Disposal, Departmental Administration, the Inspector General, the National Nuclear Security Administration, Defense Environmental Management, Other Defense Activities, Defense Nuclear Waste Disposal, the Power Marketing Administrations, and the Federal Energy Regulatory Commission.

COMMITTEE RECOMMENDATION

The Committee recommendation provides additional funding for several Department of Energy programs: renewable energy technologies, environmental cleanup activities, and nuclear non-proliferation programs. However, due to overall funding constraints, the Committee was forced to reduce other Departmental programs in order to add funding to these critical areas.

NATIONAL ENERGY POLICY

The President's National Energy Policy Development Group released its National Energy Policy in May of 2001. The National Energy Policy includes a number of recommendations relevant to the Department of Energy, from increasing research in certain energy technologies to finding solutions to bottlenecks in the national transmission grid. The Committee encourages the Secretary of Energy to proceed as quickly as possible to complete the necessary reviews in order to implement the recommendations of the National Energy Policy.

Unfortunately, the National Energy Policy was released too late to have an effect on the Department's fiscal year 2002 budget request. If the Secretary needs to make changes to bring fiscal year 2002 program funding into alignment with the National Energy Policy, the Committee is receptive to making the necessary adjustments through the appropriations process and through fiscal year 2002 reprogrammings.

The Secretary should place priority on those actions that can alleviate the electricity shortage that is especially acute in the West. In particular, the Secretary should expedite reviews of Path 15 in California and other transmission constraints, the projected financing needs of the Bonneville Power Administration, and projected needs of the other Federal power marketing administrations.

The Committee wishes to emphasize that most of the Department's programs are not designed to provide immediate relief to the Nation's energy crisis. Instead, the Department's energy supply programs consist primarily of research and development into tech-

nologies intended to provide long-term solutions to the Nation's energy needs. Near-term deployment of available energy technologies is best accomplished through incentives other than appropriations.

BASIC RESEARCH FOR ENERGY TECHNOLOGIES

The Committee is concerned that the Department does not have an adequate plan or policy that relates the basic research being conducted by the Office of Science to the energy needs of the country. While the Committee understands that basic research can lead in many directions, there should be a focus on the underlying needs of the Department's energy portfolio. There appears to be minimal cooperation and coordination between the Office of Science and other Departmental offices on the fundamental research needed to improve energy technologies. Each year the Committee provides funding for the Office of Science to support basic research in energy programs. The Committee directs the Department to identify ways in which coordination can be improved and research conducted which is mutually beneficial and to report to the Committee by January 15, 2002, on the Department's strategy for ensuring that the basic research programs also focus on energy technology needs.

PROJECT MANAGEMENT

The Department has established an Office of Engineering and Construction Management (OECM) to strengthen its project management capabilities. The Committee strongly supports this effort, but continues to be concerned with the placement of this Office in the Department's organizational structure. In its recent report to Congress, the National Research Council (NRC) reaffirmed its recommendation that the Office of Engineering and Construction Management ". . . should be at the level of assistant secretary and report directly to the Deputy Secretary." The NRC also noted that, "The most important unresolved issues are: (1) definition of the authority and scope of OECM; (2) the provision of adequate financial and staff resources to improve project management . . ."

The Committee endorses the NRC recommendation that, ". . . the authority of OECM and the PMSOs be strengthened and that the resources and personnel available to them be increased to support their responsibilities." In that regard, the Committee strongly urges the Department to elevate OECM to a level equal to an Assistant Secretary with a direct reporting relationship to the Deputy Secretary/Secretarial Acquisition Executive authority. The Committee believes that the director of the office should continue to be a career position rather than a political appointment. Further, it fully expects that OECM's existing personnel should continue in their current positions in OECM's new location. The Department also should place the facilities and infrastructure policy development and program oversight responsibilities and budget under OECM.

Consistent with NRC's recommendation for strengthening available financial and staff resources, the Committee has provided \$7,600,000 for OECM in fiscal year 2002 and expects the office to report directly to the Deputy Secretary.

FACILITIES AND INFRASTRUCTURE

The Committee is aware of the continuing decline in the condition of the Department's facilities throughout the complex and of the Department's inability to properly evaluate and address the readiness and maintenance status of its facilities. Many of its aged, deteriorated facilities and infrastructure lack the functionality to provide adequate mission support.

Focus on breakdown maintenance at the Department, in lieu of preventive maintenance programs and adequate capital investments for facility upgrades, has resulted in increasing deferred maintenance costs, further exacerbating the problem and increasing the risks for mission failures. This absence of adequate maintenance and capital investment has also resulted in facility operating costs which are inordinately high. The Committee is reluctant to continue funding costly mission-critical repairs and facility upgrades that could have been prevented or corrected at less cost. The Department must develop an improved management system and allocation of resources for its facilities and infrastructure.

The Committee is also aware that the Department has an increasing number of excess facilities that require extensive budgets for surveillance and maintenance. It is critical that the Department address its long-term operations budget requirements which must take into consideration approaches to the re-engineering of its complex, priorities for recapitalization, and removal of excess facilities.

Therefore, the Committee directs the Department to:

- Contract with the National Research Council to provide the Congress an evaluation of the steps the Department is taking to improve its facility and infrastructure management;
- Provide by December 15, 2001, information regarding the current and projected total budgets required for facilities and infrastructure and the process being established to determine priorities and return-on-investments;
- Initiate a Site Planning Pilot program to demonstrate the reconfiguration of its facilities and infrastructure to meet its mission and to address its long-term operational costs and return on investments;
- Initiate a Pilot Site Program that can be used as a model for a cost-efficient maintenance program addressing mission requirements and life cycle costs;
- Include in the fiscal year 2003 budget request, for all construction projects and general plant projects (GPP) initiated in fiscal year 2002 or later, funds to eliminate excess facilities (based on the greatest impact on long-term costs and risk) that are at least equal to the square footage of the new facilities which are being proposed;
- Identify in the fiscal year 2003 budget request all maintenance and infrastructure costs and the adequacy of this funding to meet mission requirements by site and program; and
- Prepare Site Plans for each Department site not slated for closure under the Environmental Management program.

AUGMENTING FEDERAL STAFF

The Committee continues to believe there is too much reliance on support service contractors and other non-Federal employees throughout the Department of Energy. The Department reduced the number of management and operating (M&O) contractor employees assigned to the Washington metropolitan area to 220 in fiscal year 2001. The Committee expects the Department not to exceed this number in fiscal year 2002. However, at Headquarters the Department also continues to rely extensively on support service contractors for technical assistance and oversight despite the large number of Federal employees also on staff.

Report on M&O contractor employees.—The Department is to provide a report to the Committee at the end of fiscal year 2001 on the use of M&O contractor employees assigned to the Washington metropolitan area. The report is to identify all M&O contractor employees who work in the Washington metropolitan area, including the name of the employee, the name of the contractor, the organization to which he or she is assigned, the job title and a description of the tasks the employee is performing, the annual cost of the employee to the Department, the Headquarters program organization sponsoring each M&O employee, the program account funding that employee, and the length of time the employee has been detailed to the Department. The report should also include detailed information on the cost of maintaining each M&O office in the Washington metropolitan area. This report is to include actual data for the period October 1, 2000 through September 30, 2001, and is due to the Committee on January 31, 2002.

Report on support service contractors.—The report is to include for each support service contract at Headquarters: the name of the contractor; the program organization (at the lowest organization level possible) hiring the contractor; a descriptive and detailed list of the tasks performed; the number of contractor employees working on the contract; and the annual cost of the contract. This report is to include actual data for the period October 1, 2000 through September 30, 2001, and is due to the Committee on January 31, 2002.

DEPARTMENT OF ENERGY STAFFING

The Committee continues to be concerned with the staffing levels in many Departmental organizations. Despite expectations expressed by Congress during establishment of the National Nuclear Security Administration (NNSA) in fiscal year 2001 that the new organization should incorporate many organizational and management efficiencies, there appear to be few changes in the regular way of doing business. The result of the new organization has been an increase in the number of field offices and additional staff at Headquarters. The remainder of the Department has also maintained the same staffing levels despite the creation of the NNSA and its separation from most of the Department's support organizations. This failure to address organizational and management efficiencies that were expected both in the NNSA and the remainder of the Department is a disappointment. It was hoped that the Department and NNSA would use this opportunity to revamp the op-

eration of an agency that is widely viewed as overly bureaucratic and process-oriented.

To jump-start a process that should have been implemented one year ago, the Committee directs the Department to prepare an overall staffing plan that implements organizational and management efficiencies throughout the Department and the NNSA and that could lead to a reduction in overall staffing during fiscal year 2003. Each program organization at Headquarters, each support and administrative organization at Headquarters, and each field office should be included in this review. If legislation permitting early retirements or excepted civil service hiring is required to implement this plan, the Department should request this authority when submitting the organization and staffing plan to the Committee. This plan is due by January 31, 2002.

EXTERNAL REGULATION

The Department of Energy is currently self-regulating with respect to nuclear safety and worker safety at most of its facilities under the authority of the Atomic Energy Act of 1954. The Committee directs the Department to prepare an implementation plan to transition to external regulation at the Department's non-defense science laboratories. The Nuclear Regulatory Commission (NRC) would assume responsibility for nuclear safety at the Department's non-defense science laboratories and the Occupational Safety and Health Administration (OSHA) would assume responsibility for worker safety at these same sites. The Department is directed in fiscal year 2002 to prepare a plan for implementation of external regulation, with a proposed effective date for the actual implementation of external regulation of October 1, 2002. This plan is due by March 31, 2002.

For planning purposes, external regulation will apply to the five multiprogram national laboratories under the Office of Science: Argonne National Laboratory; Brookhaven National Laboratory; Lawrence Berkeley National Laboratory; Oak Ridge National Laboratory; and Pacific Northwest National Laboratory. External regulation shall also apply to the five single-purpose laboratories under the Office of Science: Ames Laboratory, Fermi National Accelerator Laboratory; Princeton Plasma Physics Laboratory; Stanford Linear Accelerator Center; and Thomas Jefferson National Accelerator Facility. The requirement to plan for the transition to external regulation is not applicable to the nuclear weapons laboratories, plants, or test facilities, nor to the Department's environmental remediation sites or other laboratories and research facilities.

CONTRACTOR TRAVEL

The Committee has not included a statutory limitation on contractor travel in fiscal year 2002. However, each program organization within the Department is expected to ensure that contractor travel is limited to critical mission functions and that administrative travel to Washington is limited. The Committee directs the Department to maintain a tracking system that will allow for periodic reviews of contractor travel costs and destinations.

INDEPENDENT CENTERS

The Department is directed to provide a report to the Committee by January 15, 2002, on all independent centers funded in fiscal year 2002. The report should identify all independent centers at each laboratory or facility, the annual cost, number of employees, and the source of funding; i.e., multiple programs, laboratory directed research and development funds, and overhead accounts. The report should be at the level of detail included in the fiscal year 2001 report to Congress. All centers should be specifically identified in the fiscal year 2003 budget submission.

BUDGET JUSTIFICATION REQUIREMENTS

The fiscal year 2003 budget justifications submitted by the Department should include the following: a section identifying the last year that authorizing legislation was provided by Congress for each program; funding within each construction project data sheet for elimination of excess facilities at least equal to the square footage of the new facilities being requested; and funding to eliminate excess facilities at least equal to the square footage of new facilities being constructed as general plant projects (GPP). The Department should work with the Committee on the specific information needed for each requirement.

SALE OF LAND

The Department recently sold 182 acres of land in Oak Ridge, Tennessee, for \$54 per acre to a private development company. The Department claimed that the Atomic Energy Act provided the authority to sell land in the performance of a programmatic function without regard to standard Federal practices. It is not clear that the land was sold at fair market value, and the Committee is concerned that the Department did not act in the best interest of the Federal government and the taxpayers. The Department is directed to notify the Committee at least 60 days in advance of any proposed sale of land which does not follow the standard Federal practices for property sales and provide a detailed explanation for the waiver of Federal practices for the sale of the property.

REPROGRAMMING GUIDELINES

The Committee requires the Department to promptly and fully inform the Committee when a change in program execution and funding is required during the fiscal year. To assist the Department in this effort, the following guidance is provided for programs and activities funded in the Energy and Water Development Appropriations Act.

Definition.—A reprogramming includes the reallocation of funds from one activity to another within an appropriation, or any significant departure from a program, project, or activity described in the agency's budget justification as presented to and approved by Congress. For construction projects, a reprogramming constitutes the reallocation of funds from one construction project identified in the justifications to another or a significant change in the scope of an approved project.

Criteria for Reprogramming.—A reprogramming should be made only when an unforeseen situation arises, and then only if delay of the project or the activity until the next appropriations year would result in a detrimental impact to an agency program or priority. Reprogrammings may also be considered if the Department can show that significant cost savings can accrue by increasing funding for an activity. Mere convenience or desire should not be factors for consideration.

Reprogrammings should not be employed to initiate new programs or to change program, project, or activity allocations specifically denied, limited, or increased by Congress in the Act or report. In cases where unforeseen events or conditions are deemed to require such changes, proposals shall be submitted in advance to the Committee and be fully explained and justified.

Reporting and Approval Procedures.—The Committee has not provided statutory language to define reprogramming guidelines, but expects the Department to follow the spirit and the letter of the guidance provided in this report. Consistent with prior years, the Committee has not provided the Department with any internal reprogramming flexibility in fiscal year 2002, unless specifically identified in the House, Senate, or conference reports. Any reallocation of new or prior year budget authority or prior year deobligations must be submitted to the Committees in writing and may not be implemented prior to approval by the Committees on Appropriations.

COMMITTEE RECOMMENDATIONS

The Committee's recommendations for Department of Energy programs are described in the following sections. A detailed funding table is included at the end of this title.

ENERGY SUPPLY

Appropriation, 2001	\$659,918,000
Budget Estimate, 2002	544,245,000
Recommended, 2002	639,317,000
Comparison:	
Appropriation, 2001	– 20,601,000
Budget Estimate, 2002	+95,072,000

The Energy Supply account includes the following programs: Renewable Energy Resources; Nuclear Energy; Environment, Safety and Health (non-defense); and Technical Information Management. As in fiscal year 2001, the Committee recommends that the funds for Energy Supply activities remain available until expended.

RENEWABLE ENERGY RESOURCES

The National Academy of Public Administration (NAPA) in March 2000 identified a number of deficiencies in the management and organization of the Office of Energy Efficiency and Renewable Energy (EERE), including the absence of clear goals and priorities, an integrated work program linked to those goals and priorities, and milestones reflecting program results. In fiscal year 2001, the Committee noted that “[a]ll of the renewable programs are requesting increases of 30 to 50 percent with no clear integration or explanation of why such increases are warranted in all programs simul-

taneously.” The opposite situation exists in fiscal year 2002, where the initial budget request proposed reductions of nearly 50 percent in most renewable energy programs. A budget amendment of \$39.1 million restored funding in some but not all of these renewable energy programs. Again, there is no clear rationale provided to explain the selective budget cuts, and no sense that the Department is conducting an integrated program with a well-defined scheme for measuring success. There is also no apparent coordination between the budget request, which was submitted to Congress in April 2001 and amended in early May 2001, and the National Energy Policy, which was released shortly after submission of the amended budget request.

The total Committee recommendation for renewable energy resources is \$376,817,000, an increase of \$100,164,000 over the amended budget request and \$1,032,000 over fiscal year 2001 funding.

Metrics.—The objective of federal research on renewable energy resources should be to develop significant quantities of clean, reliable and affordable energy from renewable resources. The Secretary of Energy reports that, from fiscal year 1977 through fiscal year 2001, the cumulative Federal investment by the Department of Energy in renewable energy technologies totals over \$6.1 billion. The Committee is concerned that we continue to expend federal research dollars on various renewable technologies without a clear relation between the money invested and the power generated. As the NAPA report noted, there is within EERE an “emphasis on process rather than on product.” The Department needs to develop a clear set of metrics that can be used by the Congress and the Administration to compare the effectiveness of the federal investment in alternate energy sources. These metrics should include the cumulative federal investment to date in each technology, the current cost per kilowatt-hour generated, a realistic assessment of likely future costs and performance with additional research and development, the current total amount of power generated in the United States by each source, a realistic assessment of the potential future power generation capacity available from each source, and an estimate of the environmental advantages and disadvantages of each technology. Past and present subsidies to each technology should be clearly identified. The metrics should also indicate the progress of each technology along the research, development and deployment spectrum so that it is clear when a particular technology is mature enough to hand off to the private sector, recognizing the need to overcome various market barriers and infrastructure gaps. The Department should submit the above-referenced metrics as part of the detailed budget justification for Renewable Energy Resources in the fiscal year 2003 budget request and in subsequent budget requests.

Strategic Review.—The Committee is supportive of the Department’s recently announced strategic review of its renewable energy programs. Such a review is consistent with the need for reliable and quantifiable measures of success, as outlined in the preceding paragraph, which can be used to guide future funding decisions. Upon completion of this strategic review, the Department should submit, if necessary, a reprogramming request to align fiscal year

2002 spending on the most cost-effective renewable energy technologies.

Renewable energy technologies

Renewable Energy Technologies include biomass/biofuels energy systems, geothermal technology development, hydrogen research, hydropower, solar energy, and wind energy systems.

Biomass/Biofuels Energy Systems.—The Committee recommendation for biomass/biofuels energy systems is \$88,960,000, which is an increase of \$7,005,000 over the amended budget request and \$2,000,000 over the fiscal year 2001 funding level. This amount includes \$41,010,000 for power systems and \$47,950,000 for the transportation program.

The funds provided for power systems include: \$2,000,000 for research and development on biopower from switchgrass; \$1,000,000 to support a cost-shared Agricultural Waste Methane Power Generation Facility in California; \$1,000,000 to support a cost-shared agricultural mixed waste biorefinery in Alabama using the thermal-depolymerization technology; and \$1,000,000 to support the Black Belt Bioenergy Demonstration Project in Alabama. The funds provided for the transportation program include \$1,000,000 for microcombustion research at the Oak Ridge National Laboratory.

The control level for fiscal year 2002 is at the program account level of biomass/biofuels energy systems.

Geothermal technology development.—The Committee provides \$27,000,000 for geothermal technology development, an increase of \$13,100,000 over the budget request and the same as the fiscal year 2001 funding level. The Committee is particularly concerned about preserving a strong knowledge base on geothermal energy in the university community. The budget request, however, proposed to reduce university research on geothermal technologies by over 80 percent. Therefore, the Committee recommendation includes sufficient funding in the geothermal technology development account to maintain university research on geothermal technologies at the fiscal year 2001 funding level of \$2,600,000. The Committee recommendation also includes \$2,000,000 in final funding for the Lake County Basin geothermal project in California.

Hydrogen research.—The National Energy Policy of May 2001 noted the promise of hydrogen as a clean-burning, limitless fuel of the future, and recommended continued research on next-generation hydrogen technologies. Funding of \$27,000,000 is provided for hydrogen research, an increase of \$119,000 over the amended budget request and the same as fiscal year 2001 funding.

Hydropower.—A major focus of the Department's recent research on hydropower has been on the development of more environmentally friendly turbine designs that will reduce fish mortality. While a worthwhile objective, such research is more appropriately funded by turbine manufacturers and by the federal agencies with responsibility for building and operating federal hydropower facilities, principally the Army Corps of Engineers, the Bureau of Reclamation, and the power marketing administrations. The Committee recommends \$3,000,000 for hydropower research by the Department of Energy, \$2,000,000 less than fiscal year 2001 and \$1,989,000 less than the amended budget request.

Solar Energy.—Solar energy technologies include: concentrating solar power; photovoltaic energy systems; and solar building technology research. The total Committee recommendation for solar energy is \$94,657,000, an increase of \$51,725,000 over the budget request and \$1,132,000 over fiscal year 2001.

The Committee recommends \$7,932,000 for concentrating solar power, an increase of \$6,000,000 over the budget request and \$5,868,000 less than fiscal year 2001. Both solar troughs and solar dish/Stirling engine technologies have the potential to be more efficient than solar tower technology. Therefore, \$6,000,000 is provided to the Department for field testing of these technologies, and \$1,932,000 is provided to the national laboratories for materials research, reliability testing, and support.

Photovoltaic energy systems are funded at \$81,775,000, an increase of \$6,000,000 over fiscal year 2001 and \$42,775,000 over the budget request. The recommendation includes \$8,700,000 for basic research/university programs and \$18,500,000 for the thin film partnership program. The Committee supports cooperation with universities and industry to develop the science and engineering base required to move photovoltaic technology from the laboratory bench to the assembly line.

The Committee recommends \$4,950,000 for solar building technology research, an increase of \$1,000,000 over fiscal year 2001 and \$2,950,000 over the budget request.

The control level for fiscal year 2002 is at the solar energy program account level.

Wind energy systems.—The Committee recommends \$40,000,000 for wind energy systems, the same as in fiscal year 2001 and an increase of \$19,500,000 over the budget request. The Committee supports the Department's current focus on developing the next generation of wind turbines that will be able to generate electricity at a competitive cost per kilowatt-hour in moderate (i.e., Class 4) winds without the need for a continuing federal subsidy. The Department is encouraged to work with private turbine manufacturers and the utility industry to develop, test, and bring such turbines to market at the earliest opportunity.

Electric energy systems and storage

The electric energy systems and storage program is funded at \$60,000,000, \$8,000,000 more than in fiscal year 2001 and \$8,254,000 more than the amended budget request. Under this program, the Department conducts research and development on advanced technologies for the generation, transmission, storage, and distribution of electric power. The Committee encourages the Department to continue its work to support the timely deployment of distributed energy resources.

The Committee recommends \$39,870,000 for high temperature superconducting research and development, \$3,051,000 more than the amended budget request and \$2,870,000 more than provided in fiscal year 2001. For energy storage systems, the Committee provides \$7,130,000, \$1,143,000 more than the budget request and \$1,130,000 more than fiscal year 2001. For transmission reliability, the Committee recommends \$13,000,000, an increase of \$4,000,000 over the funding level in fiscal year 2001 and an increase of

\$4,060,000 over the budget request. Within the funds available for transmission reliability, the Department should initiate the field testing of advanced composite conductors, which have the potential to increase the capacity of existing transmission lines.

The control level for fiscal year 2002 is at the electric energy systems and storage program account level.

Renewable support and implementation

The renewable support and implementation program includes departmental energy management, international renewable energy, the renewable energy production incentive (REPI), renewable Indian energy resources, and renewable program support. The Committee recommendation for renewable support and implementation is \$12,500,000, an increase of \$2,950,000 over the budget request and a decrease of \$9,100,000 compared to the fiscal year 2001 funding level. This recommendation provides \$2,500,000 for departmental energy management, \$3,000,000 for the international renewable energy program, \$4,000,000 for the renewable energy production incentive program, and \$3,000,000 for renewable program support. Consistent with the budget request, the Committee has provided no funding for renewable Indian energy resources, with available funds directed to other renewable energy work.

National Renewable Energy Laboratory

The Committee recommendation for the National Renewable Energy Laboratory (NREL) in Golden, Colorado, is \$5,000,000, the same as the budget request and an increase of \$1,000,000 over the fiscal year 2001 funding level. NREL is one of the Department's newer laboratories, and it is essential that the Department maintain this facility properly so that it does not require a larger investment later in time, as is the case with much of the infrastructure elsewhere in the DOE complex.

Program direction

The Committee notes with disapproval that the Department requested a three percent increase for program direction at the same time as it proposed a 36 percent reduction in the total funding for Renewable Energy Resources. The program direction funding, and the Federal staff supported by this funding, should be proportional to the funding available for substantive research and development work on renewable energy resources. The Committee, therefore, recommends \$18,700,000 for program direction, the same as the fiscal year 2001 level and a reduction of \$500,000 from the budget request.

The Committee supports the Department's initiative to improve the project management capabilities in the Golden Field Office. Centralized project management by the federal staff in Golden should offer efficiencies compared to the current fragmented approach in which renewable energy projects are managed by a variety of other field offices and laboratories. However, the Committee does not believe that this initiative requires additional funding and FTEs. Instead, the Department should look first at retraining the existing federal workforce in the Golden Field Office and then

gradually shift more project management responsibilities as their capabilities improve.

NUCLEAR ENERGY PROGRAMS

The Department's programs support a wide variety of applications of nuclear energy, from powering spacecraft to treating cancer to developing reactor technologies that provide 20 percent of the Nation's electricity. The Committee recommendation for nuclear energy programs is \$224,130,000, an increase of \$1,008,000 over the budget request but a decrease of \$35,795,000 from the fiscal year 2001 funding level.

Advanced Radioisotope Power Systems.—The Committee recommendation is \$28,200,000, a reduction of \$894,000 from the budget request and \$4,000,000 below the enacted level for fiscal year 2001. The Committee acknowledges the importance of maintaining the infrastructure and institutional knowledge base necessary to provide radioisotope power systems for space and national security missions. However, given the funding constraints on the overall Department of Energy budget, the Department should seek additional support for radioisotope power systems from the user agencies.

Isotopes.—The amount provided for isotope support and production is \$22,683,000, a reduction of \$2,000,000 from the budget request and \$2,032,000 compared to fiscal year 2001. Funding for the Isotope Production Facility at Los Alamos National Laboratory is \$2,494,000, the same as the budget request. With the use of offsetting collections of \$9,000,000 in fiscal year 2002, the net appropriation for isotopes is \$16,177,000, \$2,000,000 less than the budget request. The recommendation includes \$900,000 for alpha emitting isotopes, the same level as provided in fiscal year 2001.

For the extraction of alpha emitting isotopes from excess uranium 233 presently stored in Building 3019 at the Oak Ridge National Laboratory, the Department should submit a project plan to the Committee by December 31, 2001, and include the proposal as part of the fiscal year 2003 budget request. This proposal should clearly identify all project costs, including the costs for storage and final disposal of the excess uranium 233 and for decontamination and decommissioning of Building 3019. The Department's proposal should include a baseline estimate for these activities, so that it can be determined whether or not the extraction of alpha emitting isotopes would increase the ultimate cleanup costs for the excess uranium 233 and for Building 3019. The Department's proposal should also address the cost-effectiveness of acquiring the medically-valuable isotopes from the Russian nuclear complex.

University Reactor Fuel Assistance and Support.—The Committee recommendation is \$15,895,000, an increase of \$3,921,000 over the budget request and \$3,895,000 over fiscal year 2001. The Committee is concerned about the recent decline in the number of graduates specializing in nuclear science and engineering. One of the major impediments to the construction of next-generation nuclear power plants in the United States may not be the technology itself, but rather the lack of skilled scientists and engineers who can design, license, build, and operate these new reactor designs. The Committee, therefore, provides additional funding for both the fuel

to support the university reactors and for the various grants and fellowships that support nuclear science and engineering education.

The Committee is aware that several universities are currently deciding whether to continue operating their reactors for teaching, research, and service. Past support for these reactors has been inadequate in view of their importance in forging the nation's nuclear technology capabilities. The Committee directs DOE to work with the nuclear engineering community, the nuclear medicine community, and the Nuclear Energy Research Advisory Committee to provide, through a peer-reviewed process, enhanced long-term support for key university facilities, possibly including staff support and instrumentation. The Department should submit a report to the Committee by December 31, 2001, presenting the Department's plan to accomplish this objective.

Research and Development.—The Committee strongly supports continued research and development to make the current generation of nuclear power plants safer and more efficient, and to develop the next generation of reactors. The total Committee recommendation for nuclear energy research and development is \$32,579,000, an increase of \$5,500,000 over the budget request and a decrease of \$14,921,000 relative to fiscal year 2001.

For the nuclear energy plant optimization (NEPO) program, the Committee provides \$5,000,000, the same amount as in fiscal year 2001 and \$500,000 more than the budget request. As directed in fiscal year 2001, all NEPO projects should have industry contributions that equal or exceed the Federal share.

The Committee recommendation for the nuclear energy research initiative (NERI) is \$23,079,000, an increase of \$5,000,000 over the budget request and a decrease of \$11,921,000 compared to fiscal year 2001. In addition to partnering with industry, the Department should ensure that universities play a major role in the NERI program.

The Committee provides \$4,500,000 for nuclear energy technologies, the same as the budget request and \$3,000,000 less than the fiscal year 2001 funding level. In addition to its efforts on developing Generation IV reactor technologies, the Department should take steps to facilitate the near-term deployment of existing advanced reactor designs. However, the Committee is not persuaded that the Federal government needs to fund the licensing of advanced reactor designs. No funds are made available for activities related to the deployment of small modular reactors in remote locations.

Infrastructure.—The Committee provides a total of \$80,529,000, \$750,000 less than the budget request and \$11,631,000 less than fiscal year 2001. This includes \$33,357,000 for ANL-West operations, \$38,439,000 to implement the permanent deactivation of the Fast Flux Test Facility (FFTF), and \$8,733,000 for Test Reactor Area (TRA) landlord costs. No funds are provided for initiation of conceptual design for a remote-handled facility for transuranic waste at ANL-West. Included within the TRA landlord appropriation is \$500,000 for fire and life safety improvements and \$950,000 for the electrical utility upgrade.

Nuclear facilities management.—The Committee recommendation is \$30,250,000, a reduction of \$207,000 from the budget request

and \$4,600,000 from the fiscal year 2001 funding level. The recommendation includes \$4,200,000 for EBR-II shutdown, \$16,200,000 for the disposition of spent nuclear fuel and legacy materials, and \$9,850,000 for disposition technology.

Program direction.—The Committee is concerned that the Department proposes to increase program direction funding by 8.8 percent at the same time it proposes to reduce the total program funding by 8.4 percent. Such a disproportionate increase in program direction funding is not supportable. Accordingly, the Committee recommendation for program direction funding is \$20,500,000, a reduction of \$1,500,000 from fiscal year 2001 and \$4,562,000 from the budget request.

ENVIRONMENT, SAFETY AND HEALTH

The Committee recommendation is \$31,500,000, a reduction of \$4,000,000 from the budget request and \$4,498,000 from fiscal year 2001.

As directed in section 308 of the General Provisions part of this Act, the Department is to prepare for the transition to external regulation of nuclear safety and worker health and safety for the non-defense science laboratories. The effective date for the transition to external regulation of these facilities will be October 1, 2002. The Department should transfer \$4,000,000 to the Nuclear Regulatory Commission (NRC) to cover NRC's costs to prepare for the transition to external regulation. The Department should transfer \$720,000 to the Occupational Safety and Health Administration (OSHA), \$120,000 for external regulation preparations and \$600,000 for worker health and safety at those sites transferred to non-Federal entities and for the Department's non-nuclear facilities not covered under the Atomic Energy Act.

The Department should plan on reducing its current headquarters staffing levels by at least 10 percent upon the implementation of external regulation in fiscal year 2003, and should determine whether reductions in field staffing are appropriate as well. The Department should also take steps to reduce its reliance on support contractors for the environment, safety, and health function.

The Committee supports the efforts of the Department and its contractors on the Voluntary Protection Program (VPP). Modeled after a successful OSHA program, VPP encourages the Department's contractors to apply industry best practices for health and safety.

TECHNICAL INFORMATION MANAGEMENT

The Committee recommendation for the Technical Information Management program is \$7,870,000, a reduction of \$1,100,000 from the budget request and \$730,000 from the enacted level for fiscal year 2001. Funding for program support is \$1,400,000, and funding for program direction is \$6,470,000. The Committee is concerned that the Department is duplicating technical information services that are already available from the private sector. The Department should carefully review its information services such as PubSCIENCE to be sure that such efforts remain focused on appro-

appropriate scientific journals and do not compete improperly with similar services available from the private sector.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

Appropriation, 2001	\$277,200,000
Budget Estimate, 2002	228,553,000
Recommended, 2002	227,872,000
Comparison:	
Appropriation, 2001	-49,328,000
Budget Estimate, 2002	-681,000

The Non-Defense Environmental Management program includes funds to manage and clean up sites used for civilian, energy research, and non-defense related activities. These past activities resulted in radioactive, hazardous, and mixed waste contamination which requires remediation, stabilization, or some other type of action. The major activities are: Site Closure for cleanup projects to be completed by the end of fiscal year 2006, and for which no further DOE mission is anticipated; Site/Project Completion for cleanup projects that will be completed by 2006, but where DOE programs will continue; Post 2006 Completion for cleanup projects that will extend beyond 2006; and Excess Facilities for final disposition of excess contaminated facilities. The Committee recommendation is \$227,872,000, a decrease of \$681,000 from the budget request.

The fiscal year 2001 supplemental appropriations bill contains additional funding of \$11,950,000 for this program. An additional \$10,000,000 was provided for cleanup activities at the Brookhaven National Laboratory and \$1,950,000 to study remediation options at the former Atlas Corporation's uranium mill tailings site near Moab, Utah.

SITE CLOSURE

The recommendation for site closure is \$43,000,000, the same as the budget request, which will maintain the Weldon Spring Site cleanup for completion in 2002.

SITE/PROJECT COMPLETION

The recommendation for site/project completion is \$64,119,000, the same as the budget request.

POST 2006 COMPLETION

The recommendation for post 2006 completion is \$115,753,000, a decrease of \$4,300,000 from the budget request of \$120,053,000. Additional funding of \$3,700,000 has been provided to maintain the cleanup activities at the Energy Technology Engineering Center in California consistent with fiscal year 2001.

Atlas.—The Committee recommendation includes \$2,000,000 for stabilization activities at the Atlas uranium mill tailings site in Moab, Utah. The budget requested no funding for this activity. The Committee also provided funds in the fiscal year 2001 supplemental budget request to prepare a remediation plan for the Atlas in Moab, Utah. The Department is required to prepare this remediation plan, with the assistance of the National Academy of

Sciences, by the National Defense Authorization Act for Fiscal Year 2001 (P.L. 106-398) before it can proceed with site remediation.

West Valley.—The Committee recommendation for the West Valley Demonstration Project in New York is \$85,115,000, a reduction of \$10,000,000 from the budget request of \$95,115,000. This recommendation includes \$38,000,000 for high-level waste vitrification and tank heel high activity waste processing and \$3,000,000 for spent nuclear fuel, both funded at the same level as the budget request. The amount for site transition, decommissioning, and project completion is \$44,115,000, a reduction of \$10,000,000 from the budget request, but only \$271,000 less than fiscal year 2001. The Department is to spend these funds performing the most critical activities necessary to maintain the West Valley site in a safe and stable condition.

The Committee is concerned about the impasse in negotiations between the Department and the State of New York over a number of critical issues, including the scope of Federal cleanup activities at the site, the duration of the Federal presence at the site, non-Federal funding for disposition of vitrified high level waste and spent nuclear fuel, and the respective Federal and non-Federal cost shares. The lack of agreement does not impede completion of vitrification at West Valley, and the Department has indicated that certain other decontamination and waste management activities can proceed absent a final agreement with the State of New York. However, some site transition, decommissioning, and project completion activities are deferred pending resolution of this impasse.

The General Accounting Office (GAO) recently completed an analysis of the situation in a report entitled “Nuclear Waste: Agreement Among Agencies Responsible for the West Valley Site is Critically Needed” (GAO-01-314). This report identified the lack of agreement between the Department of Energy and the State of New York as the most significant impediment to completing cleanup of the West Valley site. The GAO found the differences between the Department and the State so serious that agreement is unlikely without Congressional intervention.

The Department may submit a reprogramming request for additional funds for remaining site transition, decommissioning, and project completion activities only upon successful conclusion of an agreement with the State of New York. Such agreement must be consistent with the project scope and cost-sharing requirements as defined in the West Valley Demonstration Project Act of 1980, and with the terms of the Nuclear Waste Policy Act of 1982, as amended, regarding the disposal of spent nuclear fuel and high-level waste. Any proposal by the Department to exceed the constraints of existing law must be transmitted in advance to the Committee with an explanation of why such a proposal is in the Federal interest. Offers made by the Department on behalf of the Federal government may not be protected from Congressional oversight by a confidentiality agreement.

EXCESS FACILITIES

The environmental management program is responsible for final disposition of excess contaminated facilities throughout the Department. Funds are currently being expended only for surveillance

and maintenance of most excess facilities, and these costs will continue until decontamination and decommissioning (D&D) is completed. The Committee strongly urges the Department to seek new, innovative, and less costly ways to accomplish final D&D of these facilities.

The Committee has provided \$5,000,000 for the excess facility program, an increase of \$3,619,000 over the budget request. The budget requested only surveillance and maintenance costs for the excess facilities transferred to the program in fiscal year 2002. In addition to these surveillance and maintenance costs, the recommendation includes \$3,619,000 to initiate a program to begin the actual D&D of excess facilities already owned by the environmental management program. These funds must be used to dispose of those facilities that will provide the greatest impact on reducing long-term costs and risk.

URANIUM FACILITIES MAINTENANCE AND REMEDIATION

Appropriation, 2001	\$392,502,000
Budget Estimate, 2002	363,425,000
Recommended, 2002	393,425,000
Comparison:	
Appropriation, 2001	+923,000
Budget Estimate, 2002	+30,000,000

Congress created the Uranium Facilities Maintenance and Remediation account in fiscal year 2001 to consolidate the programs previously funded in two separate accounts: one set of activities funded by the Uranium Enrichment Decontamination and Decommissioning Fund and managed by the Office of Environmental Management, and the other set of related uranium activities that had been managed by the Office of Nuclear Energy, Science, and Technology. The consolidated Uranium Facilities Maintenance and Remediation account is managed by the Office of Environmental Management and includes two subaccounts, the Uranium Enrichment Decontamination and Decommissioning Fund, and Other Uranium Activities. The Committee recommendation is \$393,425,000, an increase of \$30,000,000 over the budget request and \$923,000 more than fiscal year 2001.

Uranium Enrichment Decontamination and Decommissioning Fund.—This fund was established by the Energy Policy Act of 1992 (P.L. 102-486) to carry out environmental remediation at the nation's three gaseous diffusion plants, at the East Tennessee Technology Park in Oak Ridge, Tennessee, at Portsmouth, Ohio, and at Paducah, Kentucky. Title X of the 1992 Act also authorized use of a portion of the Fund to reimburse private licensees for the Federal government's share of the cost of cleaning up uranium and thorium processing sites.

The Committee recommends \$272,641,000 for activities funded from the Uranium Enrichment Decontamination and Decommissioning Fund, an increase of \$20,000,000 over the budget request and a reduction of \$72,397,000 compared to fiscal year 2001. Funding for the depleted uranium hexafluoride (DUF6) conversion facilities is shifted to the Other Uranium Activities subaccount, as it was appropriated in fiscal year 2001. The Committee recommendation for the Uranium Enrichment Decontamination and Decommissioning

sioning Fund includes a portion of the funds necessary to provide for winterization and cold standby at the Portsmouth plant; the balance of the funds are provided under Other Uranium Activities. The net increase over the budget request, \$30,000,000 in consideration of the shift of DUF6 activities to Other Uranium Activities, is to be divided with \$10,000,000 to the Paducah site and \$20,000,000 to the East Tennessee Technology Park.

The Committee recommendation includes the requested amount, \$1,000,000, for uranium and thorium reimbursements as authorized by Title X of the Energy Policy Act of 1992. Because of significantly increased funding for this activity in fiscal year 2001, the Department indicates that the backlog of reimbursements has been eliminated and \$1,000,000 will be sufficient for anticipated claims in fiscal year 2002.

Other Uranium Activities.—The Committee recommendation is \$120,784,000, an increase of \$10,000,000 over the budget request. This \$10,000,000 reflects the transfer of DUF6 activities from the Uranium Enrichment Decontamination and Decommissioning Fund subaccount to the Other Uranium Activities subaccount. In addition to funds for the DUF6 conversion project at Portsmouth and Paducah, the Other Uranium Activities subaccount includes maintenance of enrichment facilities and inventories, financial liabilities arising prior to the privatization of the United States Enrichment Corporation, and the balance of the winterization and cold standby activities for the Portsmouth plant. These are funded at the Administration's requested levels: \$99,000,000 for maintenance of facilities and inventories, including the winterization/cold standby work at Portsmouth; \$11,784,000 for pre-existing liabilities; and \$10,000,000 for the DUF6 conversion facilities (transferred from the Uranium Enrichment Decontamination and Decommissioning Fund).

SCIENCE

Appropriation, 2001	\$3,180,341,000
Budget Estimate, 2002	3,159,890,000
Recommended, 2002	3,166,395,000
Comparison:	
Appropriation, 2001	– 13,946,000
Budget Estimate, 2002	+6,505,000

The Science account funds the Department's work on high energy physics, nuclear physics, biological and environmental sciences, basic energy sciences, advanced scientific computing, energy research analyses, facilities support for the multiprogram energy laboratories, fusion energy sciences, safeguards and security, and program direction. The Committee is very supportive of most of the research conducted by the Department's Office of Science, but funding constraints preclude significant increases this fiscal year. The Committee recommendation is \$3,166,395,000, an increase of \$6,505,000 over the budget request and \$13,946,000 less than the fiscal year 2001 funding level.

HIGH ENERGY PHYSICS

The Committee recommends \$716,100,000 for high energy physics, the same as the budget request and \$10,030,000 less than fiscal year 2001.

Research and technology.—The Committee recommendation for research and technology in high energy physics is \$247,870,000, the same as the budget request and \$13,150,000 more than provided in fiscal year 2001.

Facility operations.—The Committee recommends \$456,830,000 for facility operations, the same as the budget request and \$2,180,000 less than fiscal year 2001. This amount includes \$244,739,000 for Fermilab and \$125,078,000 for the Stanford Linear Accelerator Center to provide for full operation of these facilities.

Construction.—The Committee recommendation for construction of the Neutrinos at the Main Injector project at Fermilab is \$11,400,000, the same as the budget request.

NUCLEAR PHYSICS

The Committee recommendation for nuclear physics is \$361,510,000, \$1,000,000 more than the budget request, but \$8,380,000 less than provided in fiscal year 2001. Additional funds are provided for university research in nuclear physics.

BIOLOGICAL AND ENVIRONMENTAL RESEARCH

The Committee recommendation for biological and environmental research is \$445,880,000, an increase of \$2,910,000 over the budget request but \$55,380,000 less than in fiscal year 2001.

This amount includes \$19,470,000, the same as the budget request, to continue the Microbial Cell Project and to initiate the Genomes to Life program. The National Institute for Global Environmental Change (NIGEC), which is integrated throughout the Environmental Processes subaccount, is funded at the requested funding level of \$8,763,000.

Joint Genome Institute.—The Committee recommendation provides the requested amount for the Joint Genome Institute, \$57,200,000. The Committee encourages the Joint Genome Institute to utilize its sequencing capacity to provide sequences and draft sequences of the gene-rich regions of plant and microbial organisms of economic importance to agriculture, such as corn, wheat, and plant pathogens.

Construction.—The Committee recommendation includes \$11,405,000, an increase of \$1,405,000 over the budget request, to complete the construction of the Laboratory for Comparative Functional Genomics at the Oak Ridge National Laboratory. The total project cost for this facility is only \$14,420,000. By completing construction in two rather than three fiscal years, this will enable beneficial occupancy of the new facility in May 2003 instead of May 2004. This accelerated project completion will save the costs of utilities and maintenance for the old facility, plus the site usage fee at the Y-12 site, yielding a total net savings to the Federal government of approximately \$800,000.

BASIC ENERGY SCIENCES

The Committee recommendation for basic energy sciences is \$1,006,705,000, \$2,000,000 more than the budget request and a reduction of \$6,665,000 from fiscal year 2001. For purposes of reprogramming during fiscal year 2002, the Department may allocate funding among all operating accounts within basic energy sciences.

Spallation Neutron Source.—The Committee recommends the requested amount for construction of the Spallation Neutron Source (SNS), \$276,300,000. This represents an increase of \$16,800,000 compared to fiscal year 2001. The Committee appreciates the recent improvements made in the management of this project, but cautions the Department to maintain a close watch on the various components of the SNS being produced by other national laboratories.

Intense Pulsed Neutrino Facility.—The Committee recognizes the value of such a facility in conjunction with the Spallation Neutron Source, but budget constraints preclude funding an intense pulsed neutrino facility in fiscal year 2002.

Nanoscale Science Research.—The Committee supports the creation of several regional nanoscale science research centers consistent with the September 1999 recommendations of the Interagency Working Group on Nanoscience, Engineering and Technology of the National Science and Technology Council. The Committee also supports the efforts of the Department to seek the active involvement of the academic community in the development of these centers. However, the Committee reminds the Department that its efforts to involve universities must reach broadly and openly rather than selectively. Consistent with existing policies for current user facilities, discussions regarding the characteristics and equipment to be provided in these planned nanoscience user facilities should be open to all U.S. universities via published notice, workshops, and other formal mechanisms. The external users of the Department's resources must be determined through the competitive peer-review process. Any partnership arrangements between the involved national laboratories and academic institutions, or any other non-federal partners, must follow procedures to ensure full and open competition, as required by section 309 of this Act.

The Committee recommendation includes \$3,000,000 to initiate project engineering and design (PED) for three nanoscale science research centers in fiscal year 2002. This is a reduction of \$1,000,000 from the budget request of \$4,000,000. Any additional centers should be requested as part of the fiscal year 2003 budget request. The detailed budget justification for fiscal year 2003 should also provide more accurate cost estimates for the three centers receiving PED funds in fiscal year 2002. The Committee expects the Department to maintain tight cost and schedule controls on these three facilities.

The additional \$3,000,000 included over the budget request is to be made available for university research in nanoscale science and engineering.

Experimental Program to Stimulate Competitive Research (EPSCoR).—The Committee recommendation includes \$10,000,000

within available funds for EPSCoR, an increase of \$2,315,000 over the budget request and \$3,185,000 over fiscal year 2001.

ADVANCED SCIENTIFIC COMPUTING RESEARCH

The Committee recommendation is \$163,050,000, the same as the budget request and \$6,950,000 less than the funding in fiscal year 2001. The Committee is supportive of the objectives of the Advanced Scientific Computing Research (ASCR) program, but is concerned that the effort not duplicate the work already being done on the defense side of the Department in the Advanced Scientific Computing Initiative (ASCI). The Department should submit a report not later than December 31, 2001, that specifically outlines the differences between the objectives and current and proposed work activities of ASCR and ASCI. The Department is also directed to maximize the involvement of universities in the ASCR program, so that both the Department and the academic community can share in the latest technology developments in this field.

ENERGY RESEARCH ANALYSES

The Committee recommendation for energy research analyses is \$1,000,000, the same as the budget request and the fiscal year 2001 funding level.

MULTI-PROGRAM ENERGY LABORATORIES FACILITIES SUPPORT

The multi-program energy laboratories facilities support program provides funding to support the infrastructure at the five multi-program national laboratories under the direction of the Office of Science. This program also provides funding for landlord costs for the centralized Oak Ridge Operations Office. The Committee recommendation is \$30,175,000, the same as the budget request but \$3,755,000 less than in fiscal year 2001. This amount includes the requested funds of \$3,183,000 for project engineering design for three new projects: Phase I of the mechanical and control systems upgrade at Argonne National Laboratory—East, laboratory systems upgrades at Pacific Northwest National Laboratory, and the research support center at Oak Ridge National Laboratory (project 02-SC-001). Also included is \$18,613,000, the same as the budget request, for various infrastructure improvement projects at the five multi-program national laboratories (project MEL-001).

FUSION ENERGY SCIENCES

The Committee recommendation for fusion energy sciences is \$248,495,000, \$6,505,000 less than the fiscal year 2001 funding level but the same as the amended budget request. The Committee concurs with the National Energy Policy's assessment of the potential for fusion energy, but funding constraints prevent additional research funding at this time. The Committee has also provided \$25,000,000 in the inertial confinement fusion program for high average power lasers which is complementary to the work performed in fusion energy sciences.

FACILITIES AND INFRASTRUCTURE

The Committee has provided \$10,000,000 for a new Facilities and Infrastructure program to improve the facilities and infrastructure at the Department's science laboratories. The Administration's budget proposal included no funding for this program. These funds should be used to reduce the backlog of maintenance and infrastructure upgrades and dispose of excess facilities.

The Committee is aware of the need for funding a facilities and infrastructure program, but is concerned the Department does not have in place a facilities management structure to ensure the funds are used to address those items which will have the greatest impact on reducing long-term costs and risk. The Department is to provide a semi-annual report to the Committee on the status of the facilities and infrastructure program. The report should include the current priority list of proposed facilities and infrastructure projects including cost and schedule requirements. For each site, the report is to include: a current ten-year site plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment; the current budget for all facilities and infrastructure funding in this program as well as all funding for maintenance and infrastructure upgrades funded through other parts of the budget; and the current status of each facilities and infrastructure project compared to the original baseline cost, schedule, and scope.

The Committee directs that at least 25 percent of the facilities and infrastructure funding be used to dispose of excess facilities that will provide the greatest impact on reducing long-term costs and risk. New and innovative decontamination and decommissioning (D&D) practices must be implemented to reduce costs and expedite site cleanups. There are clearly savings to be realized throughout the complex as evidenced by a recent contractor innovation at the Rocky Flats site that reduced the cost of D&D for a building from an estimated \$3,500,000 using existing DOE practices and procedures to approximately \$700,000 using commercial practices. Potential cost savings of this magnitude have also been identified at other sites through the use of standard commercial practices for D&D.

SAFEGUARDS AND SECURITY

Beginning in fiscal year 2001, the cost of safeguards and security activities at the multi-program and single-purpose science laboratories are now direct funded in the Science appropriation. The Committee recommends \$55,412,000, the same as the budget request and \$5,594,000 more than fiscal year 2001.

PROGRAM DIRECTION

The Committee recommendation is \$134,980,000, a reduction of \$4,265,000 from fiscal year 2001 and \$7,405,000 less than the amended budget request. The control level for fiscal year 2002 is at the program account level of program direction.

NUCLEAR WASTE DISPOSAL

Appropriation, 2001	\$190,654,000
Budget Estimate, 2002	134,979,000
Recommended, 2002	133,000,000
Comparison:	
Appropriation, 2001	-57,654,000
Budget Estimate, 2002	-1,979,000

The Nuclear Waste Policy Act of 1982, as amended, established the Federal government's responsibility for the permanent disposal of spent nuclear fuel and high-level radioactive waste, and established the statutory framework to guide the selection and development of a site for a permanent repository. This law also created the Nuclear Waste Fund to finance the disposal of commercially generated spent nuclear fuel through the collections of fees from the owners and generators of such spent fuel. The costs for disposal of high-level radioactive waste generated from the atomic energy defense activities of the Department of Energy, and the spent nuclear fuel generated by the Department of Defense, are funded by the Defense Nuclear Waste Disposal appropriation.

The Department was required by statute to accept commercial spent nuclear fuel for disposal beginning on January 31, 1998, and has entered into legally enforceable contracts with utilities to execute that obligation. It is now anticipated that the Department will submit the Site Recommendation to the President in early fiscal year 2002. Assuming the President and the Congress accept the Department's recommendation, the Department will then submit a License Application to the Nuclear Regulatory Commission in fiscal year 2003. This will, at best, lead to initial repository operations beginning in 2010, twelve years after the Department was supposed to begin accepting spent nuclear fuel for disposal. During that time, the liability of the Federal government for its failure to meet its statutory and contractual obligation to accept commercial spent nuclear fuel beginning in January 1998 will continue to grow. The repository is also essential to the ability of the Department to remove defense-related high level radioactive waste and spent nuclear fuel from other sites in the DOE complex, and the delay in repository completion may affect the government's ability to meet legally enforceable cleanup milestones at those sites.

The Committee is disappointed with the latest slippage in the Department's schedule for submission of the Site Recommendation from fiscal year 2001 into fiscal year 2002, and the consequent delay in the License Application to the Nuclear Regulatory Commission from fiscal year 2002 to fiscal year 2003. Nevertheless, it is critical for the Department to complete the site selection process in fiscal year 2002 so that it can move forward expeditiously with the design, licensing, and construction of the repository.

The Committee recommends \$133,000,000 from the Nuclear Waste Fund in fiscal year 2002. Combined with the appropriation of \$310,000,000 from the Defense Nuclear Waste Disposal account, this provides a total of \$443,000,000 for Nuclear Waste Disposal activities in fiscal year 2002, a reduction of \$1,979,000 from the budget request. When coupled with the Defense Nuclear Waste Disposal appropriation, this represents a total increase of \$48,074,000 over

the funding provided to the Department for nuclear waste disposal in fiscal year 2001.

State and local government funds.—The Committee recommendation includes \$6,000,000 for the affected units of local government and \$2,500,000 for the State of Nevada to conduct their respective external oversight responsibilities. These are the same funding levels as provided in fiscal year 2001. After being reassured that prior problems with improper use of Federal funds provided to the State of Nevada had been corrected, the Committee restored funding to the State in fiscal year 2001. These funds were provided through the Department to the Nevada Division of Emergency Management, for use in executing appropriate scientific and technical oversight activities. The State is prohibited from using these external oversight funds to pay the salaries and expenses of State employees, nor can it use Federal funds to engage in lobbying against the repository. Unfortunately, the Department has not yet conducted an audit to confirm whether this new funding arrangement is working as intended and is not repeating the problems of past years. The Committee is aware of the State's request for additional external oversight funding as the critical site selection decision will be made in early fiscal year 2002. The Committee is also aware that the State legislature has approved the Governor's request for \$4,000,000 in State funds for use in lobbying and litigation to block the repository. In the absence of an independent audit to verify that funding provided in fiscal year 2001 has been spent properly by the State, the Committee recommends no increase in State funding for fiscal year 2002. The Department is directed to audit the Federal funds provided to Nevada at the earliest opportunity to confirm that these funds have been used in a manner consistent with Congressional guidance.

The Administration proposed changing the recipient of the external oversight funds for the State of Nevada from the Nevada Division of Emergency Management to the Nevada Office of Science, Engineering and Technology. In the absence of any justification from the Department for this change, and without an audit or other evidence to show that the present recipient (i.e., the Division of Emergency Management) is using the fiscal year 2001 Federal funds improperly, the Committee does not make the requested change in recipient.

Future program funding.—The Department has acknowledged that the current funding arrangement will not provide sufficient funds for design and construction of the repository. The one mil fee paid by the consumers of electricity generated by nuclear power yields annual collections in the \$600 to \$700 million range. With the improved operating efficiency of reactors in recent years and the extension of several reactor licenses, this collection is expected to exceed \$700 million in fiscal year 2001. The Nuclear Waste Fund presently has a balance of over \$10 billion from collections of this one mil fee in prior years.

The balance in the Waste Fund and the annual revenue generated by the one mil fee, coupled with the contribution from the Defense Nuclear Waste Disposal appropriation for defense-generated waste and spent fuel, should provide more than sufficient funds for the design, construction, and operation of the repository.

In recent years, an annual appropriation of \$300 to \$400 million has been sufficient to cover the expenses of the program for site characterization work. Once the program moves out of the study phase and into the design and construction phases, the annual funding requirements will increase significantly, exceeding \$1 billion annually for several fiscal years. This will exceed the annual collections from the one mil fee, requiring either a major increase in the defense contribution or expenditure from the balance in the Nuclear Waste Fund, which would be scored as a new outlay. The Committee expects that the Department's budget request for fiscal year 2003 will include a specific legislative proposal to resolve future funding requirements for this program.

Waste acceptance.—Because of concerns about the Department's commitment to the timely removal of spent nuclear fuel, the Committee in fiscal year 2001 directed the Department to submit its plan for the fabrication and deployment of waste acceptance capabilities. In January 2001, the Department submitted a report entitled "Plan for Transportation Cask Fabrication and Deployment of Waste Acceptance Capability." This report merely confirms that the Department's strategy is to defer any concrete actions on waste acceptance pending final site selection. The Committee remains concerned that the Department will not be ready to fulfill its waste acceptance responsibilities consistent with the repository schedule, particularly for spent fuel from reactors presently undergoing decommissioning. The Committee recommendation includes \$1,800,000 within available funds to initiate the procurement of one transportation cask for each of the six reactor sites presently undergoing dismantlement and decommissioning. Such procurement does not constitute a settlement or fulfillment of the Secretary's obligation to take acceptance of spent nuclear fuel.

Transportation planning and readiness.—The United States has an exemplary safety record in shipping commercial and naval spent nuclear fuel. Nevertheless, a major point of public concern about the permanent repository is the perceived risk of such shipments. As with waste acceptance, the Department has opted to defer serious transportation planning until after completion of the final site selection. With the site recommendation now scheduled for completion in early fiscal year 2002, the Department needs to take a more aggressive approach in educating the public and working with state and local governments to develop safe transportation routes to the repository. One of the first steps should be to work with the State of Nevada to specify the transportation modes and routes that will avoid the Las Vegas metropolitan area. The Department should use available funds in fiscal year 2002 to initiate the selection of transportation routes in Nevada and other States, in cooperation with the States, and to begin planning for construction of a rail line to the repository site.

Alternatives to the repository.—The National Research Council's Committee on Disposition of High-Level Radioactive Waste Through Geological Isolation recently completed a report entitled "Disposition of High-Level Waste and Spent Nuclear Fuel: The Continuing Societal and Technical Challenges." The National Research Council found that "geological disposition and surface storage are the only options that the committee found to be feasible

now or in the foreseeable future . . . ”. The National Research Council also makes clear that neither reprocessing nor transmutation of spent nuclear fuel, while having the potential to reduce the total volume of radioactive wastes and especially the volume of long-lived radionuclides, eliminates the need for a repository. Not only does the accelerator transmutation of waste approach still require a repository, but the National Research Council cites data provided by the Department of Energy showing that transmutation will cost significantly more and take longer than the current geologic repository program. The West Valley Demonstration Project, now estimated to cost \$4.5 billion and take 40 more years to clean up, is testimony to the fact that spent fuel reprocessing is not without its own environmental impacts and waste streams. Accordingly, the Committee does not provide any funds in this bill for the Department to pursue these so-called alternatives to the repository.

DEPARTMENTAL ADMINISTRATION

GROSS APPROPRIATION

Appropriation, 2001	\$225,942,000
Budget Estimate, 2002	221,618,000
Recommended, 2002	209,611,000
Comparison:	
Appropriation, 2001	- 16,331,000
Budget Estimate, 2002	- 12,007,000

MISCELLANEOUS REVENUES

Appropriation, 2001	- \$151,000,000
Budget Estimate, 2002	- 137,810,000
Recommended, 2002	- 137,810,000
Comparison:	
Appropriation, 2001	+13,190,000
Budget Estimate, 2002 .....	.....

The Committee recommendation for Departmental Administration is \$209,611,000, a decrease of \$12,007,000 from the budget request of \$221,618,000. Funding recommended for Departmental Administration provides for general management and program support functions benefiting all elements of the Department of Energy and the National Nuclear Security Administration. The account funds a wide array of activities not directly associated with program execution. Funding for many offices has been reduced due to funding constraints and the availability of prior year carryover balances.

The Committee has provided bill language allowing the Department to transfer funds previously appropriated for Year 2000 (Y2K) activities to the Departmental Administration account. In conjunction with Y2K conversion efforts begun in late 1998, the Department initiated full-scale modernization of its core financial systems under the on-going Business Management Information System (BMIS). BMIS is replacing out-of-date financial and budgeting systems and requires substantially greater federal support to assure operational reliability by 2003. Balances remaining from funds made available in the Departmental Administration, Defense Environmental Restoration and Waste Management, and Defense Facilities Closure Projects accounts, estimated to total \$1,480,000, are transferred to and merged with the funding in this account. These

funds, which otherwise would expire on September 30, 2001, will remain available until expended for the Federal costs associated with the success of these continuing information technology enhancement activities.

Engineering and Project Management.—The Committee recommendation includes a separate account for the personnel and activities of the Office of Engineering and Construction Management in line with the recommendation that the Office be provided greater authority within the Department's organizational structure. Funding for the facilities and infrastructure group has also been transferred to this office. The Committee recommendation of \$7,600,000 does not include the budget proposal to fund central project management activities through a tax on other organizations.

Working Capital Fund.—The Department is using a charge-back program similar to a working capital fund which charges benefiting programs and organizations with administrative and housekeeping activities traditionally funded in a central account. The Committee continues to support this, but wants to reiterate its expectations that: no salaries or other expenses of Federal employees may be charged to the fund; Departmental representation on the Board establishing the policies should be broad-based and include smaller organizations; the pricing policies used must be sound and defensible and not include added factors for administrative costs; the advanced payments at any time may be no more than the amount minimally required to adequately cover outstanding commitments and other reasonable activities; and a defined process must be established to dispose of excess advance payments (accumulated credits). Additionally, it is the Committee's expectation that the fund manager will ensure that the fund will neither be managed in a manner to produce a profit nor allow the program customers to use the fund as a vehicle for maintaining unencumbered funds.

The working capital fund should be audited periodically by the Department's Inspector General to ensure the integrity of the accounts, and the Committee expects to be apprised of any recommendations to improve the charge-back system.

Use of Prior Year Deobligations and Construction Project Reserves.—Throughout the fiscal year, funds often become available as projects are completed and contracts closed out throughout all of the Department's appropriation accounts. These funds become available for reuse and are retained by the Controller as either prior year deobligations or transferred to construction project reserve accounts. During fiscal year 2002, these funds are not available for reallocation within the Department unless approved by Congress as part of a reprogramming or specifically identified in the budget request.

Cost of Work for Others.—The recommendation for the cost of work for others program is \$71,837,000, the same as the budget request. The Committee recognizes that funds received from reimbursable activities may be used to fund general purpose capital equipment which is used in support of those activities.

Revenues.—The recommendation for revenues is \$137,810,000, the same as the budget request.

Transfer from Other Defense Activities.—For many years, full funding for all corporate and administrative activities of the Department has been provided in the energy portion of this bill despite the fact that over 70 percent of the Department's funding is provided in the national security programs. Consistent with the budget request, the Committee has distributed these costs more equitably in fiscal year 2002 and provided \$25,000,000 from national security programs.

OFFICE OF INSPECTOR GENERAL

Appropriation, 2001	\$31,430,000
Budget Estimate, 2002	31,430,000
Recommended, 2002	32,430,000
Comparison:	
Appropriation, 2001	+1,000,000
Budget Estimate, 2002	+1,000,000

The Office of Inspector General performs agency-wide audit, inspection, and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste and mismanagement. The audit function provides financial and performance audits of programs and operations. The inspection function provides independent inspections and analyses of the effectiveness, efficiency, and economy of programs and operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. During fiscal year 2001, the Department has received payments exceeding \$10 million from Inspector General investigations which resulted in settlements in favor of the Government.

The Committee recommendation is \$32,430,000, an increase of \$1,000,000 over the budget request. The Committee is aware that additional duties assigned to the Office of the Inspector General by Congress have not been fully funded in prior years. This funding increase addresses that concern.

ATOMIC ENERGY DEFENSE ACTIVITIES

The Atomic Energy Defense Activities programs of the Department of Energy include the National Nuclear Security Administration which consists of Weapons Activities, Defense Nuclear Nonproliferation, Naval Reactors, and the Office of the Administrator; Defense Environmental Restoration and Waste Management; Defense Facilities Closure Projects; Defense Environmental Management Privatization; Other Defense Activities; and Defense Nuclear Waste Disposal. Descriptions of each of these accounts are provided below.

NATIONAL NUCLEAR SECURITY ADMINISTRATION

The Department of Energy is responsible for enhancing U.S. national security through the military application of nuclear technology and reducing the global danger from the proliferation of weapons of mass destruction. The National Nuclear Security Administration (NNSA), a semi-autonomous agency within the Department, carries out these responsibilities. Established in March 2000 pursuant to Title 32 of the National Defense Authorization

Act for Fiscal Year 2000 (Public Law 106–65), NNSA is responsible for the management and operation of the Nation’s nuclear weapons, naval reactors, and nuclear nonproliferation activities. Three offices within the NNSA carry out the Department’s national security mission: the Office of Defense Programs, the Office of Defense Nuclear Nonproliferation, and the Office of Naval Reactors.

WEAPONS ACTIVITIES

Appropriation, 2001	\$5,006,153,000
Budget Estimate, 2002	5,300,025,000
Recommended, 2002	5,123,888,000
Comparison:	
Appropriation, 2001	+117,735,000
Budget Estimate, 2002	-176,137,000

The goal of the Weapons Activities program is to maintain confidence in the safety, security, reliability and performance of the Nation’s nuclear weapons stockpile. The program seeks to maintain and refurbish nuclear weapons to sustain confidence in their safety and reliability indefinitely under the nuclear testing moratorium and arms reduction treaties. The Committee’s recommendation for Weapons Activities is \$5,123,888,000, a decrease of \$176,137,000 from the budget request of \$5,300,025,000, but an increase of \$117,735,000 over fiscal year 2001.

The fiscal year 2001 supplemental appropriations bill contains additional funding of \$140,000,000 for weapons activities. An additional \$54,000,000 was provided for directed stockpile work, \$9,000,000 for campaigns, and \$47,000,000 for readiness in technical base and facilities. In addition, \$30,000,000 was provided to establish a new program, Facilities and Infrastructure, to reduce maintenance backlogs and dispose of excess facilities.

Strategic Review.—The Administration is currently conducting a review of the Nation’s nuclear weapons strategy, but the results of this review are not yet known. The Committee is aware that the outcome of this review could significantly change the weapons activities funding requirements for fiscal year 2002 and will make appropriate adjustments as needed during the appropriations process.

Reprogramming Authority.—The Committee recommends limited reprogramming authority within weapons activities for the production plants to provide flexibility to achieve cost savings and programmatic efficiencies during the year. In fiscal year 2002, each plant may transfer between programs up to \$5,000,000 or 10 percent of the funding, whichever is lower, if it can be shown that cost savings and efficiencies will result. This reprogramming authority is not to be used to cover cost overruns and schedule slips for any project or program. This reprogramming authority may not be used to initiate new programs or programs specifically denied, limited, or increased by Congress in the Act or report. The Committees on Appropriations in the House and Senate must be notified within 30 days of the use of this reprogramming authority.

DIRECTED STOCKPILE WORK

Directed Stockpile Work includes all activities that directly support weapons in the nuclear stockpile, including maintenance, research, development, engineering, and certification activities. The

Committee recommendation is \$1,043,791,000, the same as the budget request, and an increase of \$133,188,000 over fiscal year 2001.

CAMPAIGNS

Campaigns are focused efforts involving the three weapons laboratories, the Nevada Test Site, the weapons production plants, and selected external organizations to address critical capabilities needed to achieve program objectives. Campaigns have definitive milestones, specific work plans, and specific end dates. The Committee recommendation is \$1,945,413,000, a decrease of \$51,000,000 from the budget request of \$1,996,413,000.

Inertial Confinement Fusion.—The Committee recommends \$492,943,000 for the inertial confinement fusion program, an increase of \$25,000,000 over the budget request of \$467,943,000. The recommendation includes \$25,000,000 to continue development of high average power lasers and supporting science and technology. The Committee is disappointed that the Department has not yet supported this activity despite recommendations by the Fusion Energy Science Advisory Committee and the Secretary of Energy's Advisory Board and the continuing progress of the research. The Committee recommendation also includes the budget request of \$10,000,000 for the Naval Research Laboratory and \$33,450,000 for the University of Rochester.

The Department is also directed to initiate a study to determine the programmatic need for a Petawatt laser facility.

The Committee recommendation provides \$245,000,000 for construction of the National Ignition Facility (NIF), the same as the budget request. While the Department has stated that the NIF is back on track, a recent General Accounting Office (GAO) follow-up review of NIF expressed some continuing concerns. GAO notes that, while past internal reviewers have concluded that NIF's milestones are challenging but doable, most major performance milestones will not occur until 2004, and some reviewers have recommended that more near-term milestones be added to assess laser performance. Other issues that GAO believes continue to place NIF at risk are: persistent DOE oversight problems (i.e., the same people have performed oversight since 1999 when NIF's cost and schedule grew unnoticed); the NIF project does not manage about \$700 million in research and development that directly support NIF; and NIF still lacks an independent external review process. The Committee expects the Department to address these concerns in an expeditious manner.

Advanced simulation and computing.—The Committee recommendation for the Advanced Simulation and Computing program is \$638,032,000, a reduction of \$100,000,000 from the budget request of \$738,032,000. The Committee has consistently supported this program, but believes that recent events could require a modification to the proposed program strategy. While the Department's schedule for a 100 trillion operations per second (100 TeraOPS) computer has slipped beyond the original date of 2004, a private company has begun an effort to increase computing capability with the goal of achieving 100 TeraOPS by 2004. In addition, the Committee is funding the Advanced Scientific Computing Research pro-

gram at a level in excess of \$160,000,000 in the DOE non-defense laboratories. The Department must ensure that the current program strategy takes into full account these changes which have occurred since the program was initiated in 1996.

Pit manufacturing and certification.—The Committee recommendation for pit manufacturing readiness is \$128,545,000, the same as the budget request. The Department is currently unable to demonstrate that it has a viable plan to manufacture and certify pits on the schedule dictated by national security needs. The Department's management and the national laboratory's execution of this project have been quite deficient—the project is years behind schedule and hundreds of millions of dollars over the original cost estimate. The NNSA has established a separate project office to oversee pit manufacturing and certification. The Committee will base its judgment on the success of the NNSA on how well this project succeeds. At this time the proposed certification date is years away and does not meet national security requirements for a new pit. The Department is directed to submit to the Committee a comprehensive report on the status of this project on a quarterly basis beginning October 1, 2001.

Secondary readiness.—The Committee has provided an additional \$24,000,000 in secondary readiness for the Y-12 Plant in Oak Ridge, Tennessee. These additional funds are for direct support to the stockpile life extension program, demonstration of technologies for the Special Materials Complex facility, and modernization planning.

READINESS IN TECHNICAL BASE AND FACILITIES

The Readiness in Technical Base and Facilities program supports the physical and operational infrastructure at the laboratories, the Nevada Test Site, and the production plants. The Committee recommendation is \$1,481,988,000, an increase of \$35,000,000 over the budget request of \$1,446,988,000. Additional funding of \$25,000,000 has been provided for the Pantex plant in Texas and \$10,000,000 for the Y-12 Plant in Tennessee to meet facility needs.

Construction projects.—Funding of \$9,500,000 has been provided for Project 02-D-101, the Microsystems and Engineering Sciences Applications (MESA) Complex at Sandia National Laboratories, an increase of \$7,500,000 over the budget request. Funding of \$7,500,000 for infrastructure activities has been transferred to the MESA line item construction project from Project 01-D-103, Project Engineering and Design (PE&D). The budget request of \$45,5379,000 for Project 01-D-103, PE&D, has been reduced accordingly to \$37,879,000. In its fiscal year 2003 budget request for MESA, the Department is directed to revise the project data sheet to include the cost of disposing of excess facilities that are equal to or greater than the new space that will be created by this project.

Underground Nuclear Testing.—The Department of Energy was slow to provide detailed justification for its supplemental appropriations funding request for fiscal year 2001 to the Committee. The information it provided to the Committee was informal and on an ad-hoc rather than a formal basis. After the Committee had made its funding recommendations for the bill, DOE submitted for-

mal justification material to justify its request. The formal material mentions funding to increase the state of readiness of underground nuclear testing.

If the Nation were to decide to invest funds to restore underground nuclear testing to a higher level than presently, this could only be done: (1) once the Secretary of Defense concluded his strategic review; (2) once the President made a recommendation to the Congress; (3) once it was approved by the Armed Services Committees of the House and the Senate; and (4) only if it were subsequently approved by Congress. None of these activities has occurred. It is not the Committee's intent to provide funding in this Act, the supplemental appropriations Act for fiscal year 2001, or any prior Act for activities to increase the readiness for underground nuclear testing. None of the funds in such Acts may be used for that purpose.

FACILITIES AND INFRASTRUCTURE

The Committee has provided \$17,000,000 for the Facilities and Infrastructure program to address the serious shortfall in maintenance throughout the nuclear weapons complex. The Administration's budget proposal included no funding for this program. These funds should be used to reduce the backlog of maintenance and infrastructure upgrades and dispose of excess facilities. Funding of \$30,000,000 was also provided in the fiscal year 2001 supplemental appropriations bill.

The Committee is aware of the need for funding a facilities and infrastructure program, but is concerned the Department does not have in place a facilities management structure to ensure the funds are used to address those items which will have the greatest impact on reducing long-term costs and risk. The Department is to provide a semi-annual report to the Committee on the status of the facilities and infrastructure program. The report should include the current priority list of proposed facilities and infrastructure projects including cost and schedule requirements. For each site, the report is to include: a current ten-year site plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment; the current budget for all facilities and infrastructure funding in this program as well as all funding for maintenance and infrastructure upgrades funded through other parts of the budget; and the current status of each facilities and infrastructure project compared to the original baseline cost, schedule, and scope.

The Committee directs that at least 25 percent of the facilities and infrastructure funding be used to dispose of excess facilities that will provide the greatest impact on reducing long-term costs and risk. New and innovative decontamination and decommissioning (D&D) practices must be implemented to reduce costs and expedite site cleanups. There are clearly savings to be realized throughout the complex as evidenced by a recent contractor innovation at the Rocky Flats site that reduced the cost of D&D for a building from an estimated \$3,500,000 using existing DOE practices and procedures to approximately \$700,000 using commercial practices. Potential cost savings of this magnitude have also been

identified at other sites through the use of standard commercial practices for D&D.

SECURE TRANSPORTATION ASSET

The Secure Transportation Asset program provides for the safe, secure movement of nuclear weapons, special nuclear materials, and non-nuclear weapon components between military locations and nuclear weapons complex facilities within the United States. The Committee recommendation is \$121,800,000, the same as the budget request.

SAFEGUARDS AND SECURITY

This program provides for all safeguards and security requirements at NNSA landlord sites. The Committee recommendation is \$448,881,000, the same as the budget request, but an increase of nearly 14 percent over fiscal year 2001. Physical safeguards and security measures are only part of the solution to address security concerns throughout the weapons complex. With program needs going unmet and infrastructure deteriorating, the Committee strongly encourages the NNSA to review these growing costs and seek smarter and more efficient ways to meet security needs.

PROGRAM DIRECTION

The Committee recommendation of \$250,000,000 for program direction is a reduction of \$21,137,000 from the budget request of \$271,137,000, and \$566,000 below fiscal year 2001. Congress assumed that creation of the NNSA would lead to efficiencies and streamlined management. However, the result has been an increase in staff at Headquarters and in the field. The conference report to accompany the Fiscal Year 2001 National Defense Authorization Act (P.L. 106-398) decreased program direction funding for fiscal year 2001 because the conferees believed the Office of Defense Programs to be overstaffed. The conferees urged the Department to eliminate duplicative efforts and streamline management control and directed the Department to reorganize and realign headquarters and field offices roles and responsibilities. The Committee expects the NNSA to address this issue during fiscal year 2002 and seek additional efficiencies throughout the Headquarters and field organizations during fiscal year 2003.

FUNDING ADJUSTMENTS

The recommendation includes an adjustment of \$184,985,000. This consists of a \$28,985,000 security charge for reimbursable work as included in the budget request and a general reduction of \$156,000,000.

DEFENSE NUCLEAR NONPROLIFERATION

Appropriation, 2001	\$872,273,000
Budget Estimate, 2002	773,700,000
Recommended, 2002	845,341,000
Comparison:	
Appropriation, 2001	- 26,932,000
Budget Estimate, 2002	+71,641,000

The Defense Nuclear Nonproliferation account includes funding for Nonproliferation and Verification Research and Development, Arms Control, International Materials Protection, Control, and Accounting, Russian Transition Assistance, HEU Transparency Implementation, International Nuclear Safety, Fissile Materials Disposition, and Program Direction. Descriptions of each of these programs are provided below.

The Department requested \$7,000 for official reception and representation expenses in this account. The Committee recommendation transfers this funding and combines it with the request of \$5,000 for official reception and representation expenses in the Office of the Administrator for a total of \$12,000.

NONPROLIFERATION AND VERIFICATION RESEARCH AND DEVELOPMENT

The nonproliferation and verification research and development program conducts applied research, development, testing, and evaluation of science and technology for strengthening the United States response to threats to national security and to world peace posed by the proliferation of nuclear weapons and special nuclear materials. Activities center on the design and production of operational sensor systems needed for proliferation detection, treaty verification, nuclear warhead dismantlement initiatives, and intelligence activities.

The Committee recommendation is \$216,102,000, an increase of \$10,000,000 over the budget request of \$206,102,000. The recommendation provides an additional \$10,000,000 for ground-based systems for treaty monitoring which was reduced from \$22,510,000 in fiscal year 2001 to \$12,510,900 in the budget request.

Competitive Research.—Concerns have been raised repeatedly that there should be more opportunity for open competition in certain areas of the nonproliferation and verification research and development program. A report by an outside group established by the Department to review the Office of Nonproliferation Research and Engineering included a similar recommendation. The Committee expects the Department to act in good faith on the recommendations provided by the external review group and directs the Department to continue a free and open competitive process for 25 percent of its research and development activities during fiscal year 2002 for ground-based systems treaty monitoring. The competitive process should be open to all Federal and non-Federal entities.

ARMS CONTROL

The Committee recommendation has restructured the Arms Control program to provide more visibility for program activities. The arms control and nonproliferation program seeks to detect, prevent, and reverse the proliferation of weapons of mass destruction materials, technology, and expertise. The major functional areas of the program include: policy analysis; reduced enrichment research and test reactor (RERTR); international safeguards; export control operations; treaty agreements; New Independent States (NIS) nonproliferation; and international security.

The Committee recommendation for Arms Control is \$75,741,000, a reduction of \$25,759,000 from the budget request of

\$101,500,000. Funding of \$4,000,000 included in the Arms Control program for Second Line of Defense activities has been transferred to the International Materials Protection, Control and Accounting program. Funding of \$28,759,000 included in the budget request in the NIS nonproliferation program for the Initiatives for Proliferation Prevention (IPP) and the Nuclear Cities Initiative (NCI) programs has been transferred to a new program, "Russian Transition Assistance." Within Arms Control, total funding of \$15,945,000, an increase of \$7,000,000 over the budget request, has been provided to maintain the schedule for completing the spent fuel activities in Kazakhstan.

NONPROLIFERATION PROGRAMS WITH RUSSIA

The Department of Energy funds many nonproliferation programs with Russia. These programs help secure Russian nuclear weapons materials, prevent the outflow of scientific expertise from Russia, eliminate excess nuclear weapons materials, and help downsize the Russian nuclear weapons complex.

In January of this year, "A Report Card on the Department of Energy's Nonproliferation Programs with Russia" was released by the Russian Task Force co-chaired by Howard Baker and Lloyd Cutler. The Committee has reviewed this report and supports the major recommendation which states that, "The President, in consultation with Congress and in cooperation with the Russian Federation, should quickly formulate a strategic plan to secure and/or neutralize in the next eight or ten years all nuclear weapons-usable material located in Russia and prevent the outflow from Russia of scientific expertise that could be used for nuclear or other weapons of mass destruction." The Task Force further notes that, "While emphasizing that enhanced efforts are needed from the U.S., the Task Force underscores that enhanced efforts are also required from Russia. Ultimately, Russia will be responsible for securing its remaining nuclear arsenal." Within available funding, the Committee has sought to support the recommendations of this Task Force.

Highly Enriched Uranium (HEU) Agreement.—Several external reviews have urged that excess quantities of Russian Highly Enriched Uranium (HEU) be reduced as quickly as possible. Excess Russian HEU is currently being managed under the auspices of the HEU Purchase Agreement established in 1994. This agreement authorized the U.S. to purchase 500 metric tons of Russian HEU that was to be converted to low enriched uranium for commercial uses over 20 years at a cost of \$12 billion. While more than 110 metric tons of HEU have been down-blended, implementation of the HEU Purchase Agreement has been slower and more difficult than anticipated. The Committee strongly urges the Department to work with the United States Enrichment Corporation (USEC) to explore ways to accelerate the current purchase agreement.

With the continued downsizing of the Russian nuclear weapons stockpile, more HEU is becoming available. The Administration is urged to expand the amount of HEU purchases included in the original agreement, which covers less than half of Russia's total HEU stockpile. The Committee is aware of the concerns that additional purchases could adversely impact the world market for ura-

mium. The Administration should explore options such as securing a second U.S. executive agent for the purchase; down-blending the material but leaving it in Russia until it can be sold onto international markets without adverse impacts; and working with the international community to purchase additional blended-down Russian HEU. The Committee understands that much of the Russian funding for its nuclear weapons complex conversion programs comes from the HEU purchase agreement, so any increase in purchases should also ensure that the additional revenue is used for these conversion initiatives.

Limitation on Russian Program Funds.—The Department is still not adequately addressing the concern that too much of the money for Russian programs is being spent in the U.S. at the Department's own national laboratories rather than going to the facilities in Russia. The Department's contracting mechanisms are resulting in excess funds going to pay laboratories for contract administration and oversight that would be better performed by Federal personnel. The Department's national laboratories should be used to provide technical oversight and programmatic guidance in those areas where they have special expertise.

The Committee directs that not more than 25 percent of the funding for Russian programs may be spent in the United States. The Department is not adequately reviewing the types of administrative and programmatic guidance that are needed for these programs and choosing the proper contractual mechanism. This leads to excessive costs for administration and less funding going to Russia. The Department should report to the Committee by December 15, 2001, on the steps being taken to meet the 25 percent limitation.

INTERNATIONAL MATERIALS PROTECTION, CONTROL AND ACCOUNTING

The International Materials Protection, Control and Accounting (MPC&A) activities are designed to work cooperatively with Russia to secure weapons and weapons-usable nuclear material. The focus is to improve the physical security at facilities that possess or process significant quantities of nuclear weapons-usable that are of proliferation concern. Activities include installing monitoring equipment, inventorying nuclear material, improving the Russian security culture, and establishing a security infrastructure.

The Committee recommendation is \$190,000,000, an increase of \$51,200,000 over the budget request of \$138,800,000, and \$16,144,000 over fiscal year 2001. Funding of \$4,000,000 is provided for the Second Line of Defense program which was transferred from the Arms Control program. The Committee has provided a significant increase in funding for fiscal year 2002. This increase should be targeted toward projects to consolidate materials and reduce the number of buildings and facilities holding nuclear materials. The Committee also directs the Department to increase the level of program funding that goes to employing Russian workers and purchasing Russian-made equipment and reduce the amount of funding that is spent in the United States.

RUSSIAN TRANSITION ASSISTANCE

The Committee has transferred the Initiatives for Proliferation Prevention (IPP) and the Nuclear Cities Initiative (NCI) programs from Arms Control and established a new program, "Russian Transition Assistance." The Committee recommendation is \$40,000,000 for projects to employ Russian weapons scientists and downsize the Russian weapons complex. The Committee recommendation provides \$30,000,000 for IPP and \$10,000,000 for NCI.

A recent General Accounting Office (GAO) report suggested several areas of improvement for the NCI program and recommended combining the NCI and IPP programs since they share a common goal—employing Russian weapons scientists in nonmilitary work—and, in many cases, are implementing similar types of projects. At this time, the Committee has maintained the two separate programs, but expects the Department to provide a single program manager responsible for both. The program manager should also ensure close coordination with other Federal agencies that direct money to scientists working in closed cities, such as the State Department's International Science and Technology Center.

Management of the IPP program has improved considerably in recent years, while the NCI program appears to be suffering the same problems that IPP has overcome. The NCI program could be strengthened significantly by using the same standards, applications, and approval procedures already in place in the IPP program. While the Committee believes that non-proliferation projects should continue to take place within the closed cities, such projects should be guided by an emphasis on private sector involvement using the commercialization principles inherent in the IPP program.

To ensure that the appropriate amount of funding goes to facilities in Russia and the NIS, the Committee directs that not more than 25 percent of the funds be spent at the Department of Energy laboratories and that these funds be used by the laboratories only for technical validation of projects. The Committee also recommends that the Department direct the United States Industry Coalition (USIC) to assume responsibility for all business-related activities including structuring contracts and intellectual property rights arrangements.

A near-term measure of success for this program will be the number of technologies that are commercialized, the number of jobs created in Russia, and the amount that the Russian weapons complex is downsized. The ultimate measure of success will be elimination of U.S. aid to support these commercialization ventures. The Committee expects the program to increase the amount of cost sharing required from U.S. industry participants, and directs the Department to establish a revolving fund to support the program, and ultimately, eliminate Federal government funding of projects.

The Department is directed to report to the Committee by January 15, 2002, on the level of coordination with other Federal agencies and the implementation of the GAO recommendations to: evaluate all ongoing NCI projects; establish quantifiable goals and milestones for jobs creation and downsizing the weapons complex; and strengthen efforts to reduce national laboratories' costs to im-

plement the program. The report should also address whether the two programs should be consolidated into a single effort and whether cost savings and other programmatic and administrative efficiencies would be possible through consolidation.

HIGHLY ENRICHED URANIUM TRANSPARENCY IMPLEMENTATION

The highly enriched uranium (HEU) transparency implementation program is responsible for ensuring that the nonproliferation aspects of the February 1993 agreement between the United States and the Russian Federation are met. This agreement covers the purchase over 20 years of low enriched uranium (LEU) derived from at least 500 metric tons of HEU removed from dismantled Russian nuclear weapons. Under the agreement, conversion of HEU components into LEU is performed in Russian facilities. The purpose of the program is to put into place those measures agreed to by both sides that permit the U.S. to have confidence that the Russian side is abiding by the agreement.

The Committee recommendation is \$13,950,000, the same as the budget request.

INTERNATIONAL NUCLEAR SAFETY

The international nuclear safety program is designed to reduce the threats posed by the operation of unsafe and aging Soviet-designed nuclear power plants in Russia and the Newly Independent States. The Committee recommendation for this program is \$10,000,000, a reduction of \$3,800,000 from the budget request of \$13,800,000, due to funding constraints. The Committee expects U.S. participation in this program to be completed by 2005.

From within available funds, \$1,500,000 is to be used to transfer and implement the proven U.S.-developed Mechanical Stress Improvement Process technology requested by the Russian Federation. The Department is to provide a status report on the progress of this project by March 31, 2002.

The Committee directs the Department to provide an annual report showing the status of each of the Soviet-designed reactors, the work to be accomplished, the total estimated cost for each reactor, the cost of completing the upgrades to each of the reactors, the schedule by fiscal year for accomplishing this work, and the cost of each task by fiscal year. In addition, the report should provide summary tables of total annual resources expended and planned at: each reactor and each project/activity receiving funding outside explicit reactors for fiscal years 1993–2005, which total to the annual amount provided and projected to complete the program. The report should include a strategic plan outlining the most urgent and pressing safety priorities that remain and need to be addressed in order to close out the program by 2005.

FISSILE MATERIALS DISPOSITION

The fissile materials disposition program is responsible for the technical and management activities to assess, plan and direct efforts to provide for the safe, secure, environmentally sound long-term storage of all weapons-usable fissile materials and the disposition of fissile materials declared surplus to national defense

needs. The Committee recommendation is \$290,089,000, the same as the budget request, and an increase of \$40,640,000 over fiscal year 2001. Funding of \$130,089,000, the same as the budget request, is provided for U.S. surplus materials disposition and \$57,000,000, the same as the budget request, for the Russian plutonium disposition program. The U.S. portion of the fissile materials disposition program is not to be counted in the 25 percent limitation on funds for Russian programs to be spent in the U.S.

The Department's budget request for fissile materials disposition is insufficient to proceed with the simultaneous design and construction of three key plutonium disposition facilities. To accommodate the shortfall, DOE proposes to move ahead with the development of a mixed oxide (MOX) Fuel Fabrication Facility while delaying work on the other two U.S. facilities until closer to the time when they are needed. At the same time, DOE is examining various technical alternatives to make greater use of existing facilities at Savannah River to reduce the costs of plutonium disposition.

The Department's approach is understandable in light of the fact that irradiating MOX fuel in nuclear reactors is key to working with Russia to dispose of stocks of surplus Russian plutonium. However, the Committee wants to remind DOE that it is essential to provide an unambiguous and timely pathway out of Savannah River for plutonium brought there from other sites for disposition. Should unanticipated problems make proceeding with the irradiation of MOX fuel infeasible, the Department should proceed promptly with immobilization to dispose of surplus U.S. plutonium. Only in this manner does the Committee believe that DOE can honor commitments to South Carolina, avoid billions of dollars in long-term storage costs, and assure that Savannah River does not become the de facto dumping ground for stockpiles of surplus U.S. weapons plutonium.

PROGRAM DIRECTION

The Committee recommendation of \$51,459,000 for program direction is the same as the budget request.

NAVAL REACTORS

Appropriation, 2001	\$688,645,000
Budget Estimate, 2002	688,045,000
Recommended, 2002	688,045,000
Comparison:	
Appropriation, 2001	- 600,000
Budget Estimate, 2002 .....	.....

The Naval Reactors program is responsible for all aspects of naval nuclear propulsion—from technology development through reactor operations to ultimate reactor plant disposal. The program provides for the design, development, testing, and evaluation of improved naval nuclear propulsion plants and reactor cores. These efforts are critical to the continued success of over 97 reactors in operating nuclear-powered submarines and surface ships and to development of the next generation reactor.

The Committee recommendation is \$688,045,000, the same as the budget request.

OFFICE OF THE ADMINISTRATOR

Appropriation, 2001	\$9,978,000
Budget Estimate, 2002	15,000,000
Recommended, 2002	10,000,000
Comparison:	
Appropriation, 2001	+22,000
Budget Estimate, 2002	-5,000,000

The Office of the Administrator of the National Nuclear Security Administration (NNSA) provides corporate planning and oversight for Defense Programs, Defense Nuclear Nonproliferation, and Naval Reactors, including the NNSA field offices in New Mexico, Nevada, and California. The Committee recommendation is \$10,000,000, a reduction of \$5,000,000 from the budget request, and \$22,000 more than fiscal year 2001.

The Committee recommendation provides \$12,000 for official reception and representation expenses for the NNSA. This combines the request of \$7,000 included in the Defense Nuclear Nonproliferation account with the \$5,000 requested in this account.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

Appropriation, 2001	\$4,963,533,000
Budget Estimate, 2002	4,548,708,000
Recommended, 2002	5,174,539,000
Comparison:	
Appropriation, 2001	+211,006,000
Budget Estimate, 2002	+625,831,000

The Environmental Management program is responsible for identifying and reducing risks and managing waste at sites where the Department carried out nuclear energy or weapons research and production activities which resulted in radioactive, hazardous, and mixed waste contamination requiring remediation, stabilization, or some other type of cleanup action. Environmental management activities are budgeted under the following appropriation accounts: Defense Environmental Restoration and Waste Management; Defense Facilities Closure Projects; Defense Environmental Management Privatization; Non-Defense Environmental Management; and Uranium Facilities Maintenance and Remediation.

The fiscal year 2002 budget request for environmental management activities was not adequate to maintain cleanup progress at each of the Department's sites. While the Committee strongly supports the Secretary's internal review of these programs, certain ongoing cleanup projects must be funded.

The Committee's recommendation for Defense Environmental Restoration and Waste Management is \$5,174,778,000, an increase of \$625,831,000 over the budget request of \$4,548,708,000. Additional funding of \$100,000,000 was provided in the fiscal year 2001 supplemental appropriations bill to support a variety of cleanup activities in this account. Details of the recommended funding levels follow.

GENERAL

The Secretary has ordered a top-to-bottom review of the environmental management programs. The Committee supports this effort and hopes to realize significant cost savings and program efficiencies from new and innovative cleanup strategies throughout the complex.

Low level waste disposal costs.—The Department expects to generate 10.6 million cubic meters of low level radioactive waste (LLW) and mixed low level waste (MLLW) needing disposal; of this amount, only 1.2 million cubic meters is projected for disposal at commercial facilities. The Committee is concerned that the Department is relying too heavily on the use of Federal on-site and off-site disposal cells, effectively inhibiting the development of a viable and competitive commercial disposal industry. Commercial off-site disposal facilities may offer the Department the lowest overall life-cycle cost for disposal of this waste, particularly if the Department can foster some competition for its disposal business. The General Accounting Office (GAO), in its report entitled “Nuclear Cleanup: DOE Should Reevaluate Waste Disposal Options Before Building New Facilities,” (GAO-01-441, May 2001), investigated three sites which had decided to build on-site disposal facilities. The GAO found that the Department had not used the latest estimates of waste volumes and transportation costs when deciding between on-site and off-site disposal. The Committee is further concerned that the Department has implemented a rate structure for the disposal of low-level waste and mixed low-level waste disposal at the Nevada Test Site (NTS) which understates the true life-cycle cost of disposal at NTS, thus making a fair comparison with commercial disposal alternatives impossible.

The Committee expects the Department, where cost-effective, to use existing Federal contracts for the disposal of low-level and mixed low-level waste at commercial off-site disposal sites. The Department is directed to prepare an objective analysis of the life-cycle costs of LLW and MLLW disposal for the various Federal and commercial disposal options. This cost analysis should include the specific costs (on a unit volume of waste basis) for: preparation of the waste; packaging of the waste for transport; transportation of the waste to the disposal site; actual disposal of the waste at the disposal site; long-term closure and stewardship costs at the disposal site; and the means and timing (as measured in cost of money) for payments for disposal. The Department is directed to submit a report to the Committee by February 1, 2002, with the detailed cost data as specified above.

Project Changes.—The Department is directed to provide a report by January 30, 2002, showing the initial funding allocation by site for each individual project. After that date, the House and Senate Committees on Appropriations must be notified of any change that increases or decreases funding for any project by more than 25 percent. The Department should work with the Committee to establish the level of detail required in the initial report.

Reprogramming Authority.—The Committee continues to support the need for some flexibility to meet changing funding requirements at former defense sites which are undergoing remedial

cleanup activities. In fiscal year 2002, each site manager may transfer up to \$5,000,000 between Defense Environmental Restoration and Waste Management program activities such as site/project completion, post-2006 completion, and construction projects to reduce health or safety risks or to gain cost savings as long as no program or project is increased or decreased by more than \$5,000,000 once during the fiscal year. This reprogramming authority may not be used to initiate new programs or programs specifically denied, limited, or increased by Congress in the Act or report. The Committees on Appropriations in the House and Senate must be notified within thirty days of the use of this reprogramming authority.

Economic development.—None of the environmental management funds are available for economic development activities.

SITE/PROJECT COMPLETION

The site/project completion account provides funding for projects that will be completed by fiscal year 2006 at sites or facilities where a DOE mission will continue beyond the year 2006. This account focuses management attention on completing specific environmental projects at sites where the Department anticipates continuing missions, and distinguishes these projects from the long-term cleanup activities such as those associated with high level waste streams.

The Committee recommendation for site/project completion activities is \$1,041,996,000, an increase of \$130,010,000 over the budget request of \$911,986,000. Additional funding of \$95,000,000 is provided for the Idaho site to support activities necessary to meet deadlines for shipping waste out of the State; \$20,000,000 for the Savannah River Site for plutonium packaging and stabilization activities and restoration of infrastructure funding; and \$34,300,000 for the Hanford site to support the River Corridor Initiative. Funding for Project 01-D-414, Project Engineering and Design, has been reduced by \$3,500,000, and Project 92-D-140, F&H Canyon Exhaust Upgrades, has been reduced by \$15,790,000 due to deferral and elimination of some activities.

The Committee is extremely concerned that projects previously scheduled for completion by 2006 are slipping beyond that date. The Department should be very careful not to underestimate the strong interest of the Committee that site/project cleanups remain on schedule. The Department must demonstrate that it is capable of completing projects on schedule and within cost. It appears that the Department is much too quick to slip the schedule rather than pursue creative solutions to maintain the schedule within cost. Problems that arise during the course of project execution must be dealt with quickly to ensure project completion. During fiscal year 2002, the Department is to notify the Committee in writing of any project that slips beyond 2006 and provide a detailed explanation of the cause of the delay as well as proposed solutions for getting the project back on schedule for 2006 completion.

POST 2006 COMPLETION

Environmental Management projects currently projected to require funding beyond fiscal year 2006 are funded in the Post 2006

completion account. This includes a significant number of projects at the largest DOE sites—the Hanford site in Washington; the Savannah River site in South Carolina; the Oak Ridge Reservation in Tennessee; and the Idaho National Engineering and Environmental Laboratory in Idaho—as well as the Los Alamos National Laboratory in New Mexico, the Nevada Test Site, and the Waste Isolation Pilot Plant in Carlsbad, New Mexico. A variety of multi-site activities are also funded in this account.

The Committee recommendation for Post 2006 Completion is \$3,393,472,000, an increase of \$473,271,000 over the budget request of \$2,920,201,000. Additional funding is provided to support current cleanup schedules and fiscal year 2001 levels of funding at the following sites: \$109,290,000 for Savannah River; \$105,200,000 for Hanford; \$16,700,000 for Idaho; and \$12,600,000 for the Waste Isolation Pilot Project in New Mexico.

From within available funds for the Savannah River Site, funding of \$8,000,000 has been provided for the Savannah River Ecology Laboratory, an increase of \$2,000,000 over the budget request of \$6,000,000.

Funding of \$8,481,000 has been provided for the Hazardous Waste Worker Training Program, an increase of \$7,481,000 over the budget request, and the same as fiscal year 2001.

Consistent with the recommendations contained in the GAO report on low-level waste disposal, the Department should perform an updated cost comparison of on-site versus off-site disposal costs before committing to construction of a new CERCLA waste disposal cell at the Idaho National Engineering and Environmental Laboratory.

For the Office of River Protection, an additional \$56,000,000 is provided for tank farm operations. Additional funding of \$165,000,000 has been provided for Project 01–D–416, the Hanford Waste Treatment Plant, for a total of \$665,000,000 in fiscal year 2002. This funding is necessary to maintain the current schedule for operations.

Uranium Enrichment D&D Fund Contribution.—The Committee recommendation includes the budget request of \$420,000,000 for the defense contribution to the Uranium Enrichment Decontamination and Decommissioning Fund as authorized in Public Law 102–486, the Energy Policy Act of 1992.

Health Effects Studies.—The Committee recommendation does not include any funding for worker and public health effects studies.

SCIENCE AND TECHNOLOGY

The Office of Science and Technology conducts a national program that provides a full range of resources and capabilities—from basic research through development, and demonstration, and technical and deployment assistance—that are needed to deliver scientific and technological solutions to cleanup and long-term environmental stewardship problems. The Committee recommendation for science and technology is \$226,850,000, an increase of \$30,850,000 over the budget request of \$196,000,000.

One-year funding agreements.—It is a continuing source of frustration to the Committee that the Department signs agreements

with universities and other entities committing to five years of funding at a specified level and then fails to request funding in the budget to support these agreements. This leads to much frustration among the entities which believe that the agreement was a legitimate contract and the Committee which receives numerous requests to add funds to meet these commitments. The Committee has no role in making these agreements and should not be put in the position each year to correct the failures of the Department. Thus, the Department is directed to sign no funding agreement with any entity that commits more than one year of funding for science and technology activities.

Technology deployment.—The Committee urges the Department to make every effort to seek alternative cost-effective cleanup technologies from outside the Department in cleaning up its legacy waste. The Committee is aware that the international agreement with AEA Technology has been very successful in bringing cheaper and more efficient technologies to bear on the Department's cleanup problems and urges the Department to renew this agreement. The budget request included \$2,000,000 for this agreement in fiscal year 2002, but the Committee has provided \$4,000,000, the same as fiscal year 2001.

Environmental management science program.—The Committee is disappointed that the Department was again unable to provide funding for new grants in fiscal year 2002. This is a collaborative program between the Department's Office of Environmental Management and the Office of Science that identifies long-term, basic science research needs and targets the research and development toward critical cleanup problems. This program has been given high marks by the National Research Council and the Department's Environmental Management Advisory Board. The Committee believes it is critical to provide continuity of funding for this research program and has provided \$5,000,000 for the next round of new and innovative research grants in fiscal year 2002.

Idaho validation and verification program.—The Committee has provided \$20,000,000 for basic research activities at the Idaho National Engineering and Environmental Laboratory. The Department had requested no funds to continue this program.

University Research Program in Robotics.—The Committee has provided \$4,350,000 for the university research program in robotics, an increase of \$1,850,000 over the budget request of \$2,500,000 and the same as fiscal year 2001.

Florida International University.—Funding of \$5,000,000 has been provided for the Department's cooperative agreement with the Florida International University to support environmental cleanup technologies. This is an increase of \$2,500,000 over the budget request and the same as fiscal year 2001.

EXCESS FACILITIES

The environmental management program is responsible for final disposition of excess contaminated facilities throughout the Department. Funds are currently being expended for surveillance and maintenance of these excess facilities, and these costs will continue until decontamination and decommissioning (D&D) is completed.

The Committee has provided \$10,000,000 for the excess facilities program, an increase of \$8,700,000 over the budget request. The budget requested only surveillance and maintenance costs of \$1,300,000 for the excess facilities transferred to the program in fiscal year 2002. In addition to these surveillance and maintenance costs, the recommendation includes \$8,700,000 to initiate a program to begin the actual D&D of excess facilities already owned by the environmental management program. These funds should be used to dispose of those facilities that will provide the greatest impact on reducing long-term costs and risk.

The Committee directs the Department to implement new D&D practices to reduce costs and expedite site cleanups. There are clearly savings to be realized throughout the complex as evidenced by a recent contractor innovation at the Rocky Flats site that reduced the cost of D&D for a building from an estimate of \$3,500,000 using existing DOE practices and procedures to approximately \$700,000 using commercial practices. Potential cost savings of this magnitude have also been identified at other sites through the use of standard commercial practices. The Department is to keep the Committee informed of the D&D projects that are to be performed and the cost of each project.

SAFEGUARDS AND SECURITY

The safeguards and security program ensures appropriate levels of protection against unauthorized access, theft, diversion, or destruction of Departmental assets and hostile acts that may impact national security or the health and safety of DOE and contractor employees. The Committee recommendation for the safeguards and security program is \$205,621,000, the same as the budget request.

PROGRAM DIRECTION

The Committee recommends \$355,761,000 for program direction, the same as the budget request. However, within this amount, the Committee has reduced salaries and benefits by \$3,000,000 and provided funding only for the current on-board staff. No additional funding is provided for staff increases proposed at any site; increased site staffing needs must be met from within current staffing levels. In reviewing site staffing levels, there appear to be many discrepancies in the size of the Federal staff, the amount of contractor funding at the site, and the complexity of the cleanup. The Department is urged to see if there are greater efficiencies that can be made particularly at sites slated for closure.

Formerly Utilized Sites Remedial Action Program (FUSRAP).—The Committee expects the Department to fulfill its responsibilities at FUSRAP sites, exclusive of the remedial actions to be performed by the Corps.

FUNDING ADJUSTMENTS

The recommendation for Defense Environmental Restoration and Waste Management includes the following funding adjustments; prior year balances of \$36,770,000 and a security charge for reimbursable work of \$5,391,000 as requested in the budget, and a general reduction of \$17,000,000.

DEFENSE FACILITIES CLOSURE PROJECTS

Appropriation, 2001	\$1,080,331,000
Budget Estimate, 2002	1,050,538,000
Recommended, 2002	1,092,878,000
Comparison:	
Appropriation, 2001	+12,547,000
Budget Estimate, 2002	+42,340,000

The Defense Facilities Closure Projects account includes funding for sites which have established a goal of completing cleanup by the end of fiscal year 2006. After completion of cleanup, no further Departmental mission is envisioned, except for limited long-term surveillance and maintenance, and the sites may be available for some alternative use. Sites in this account include the Rocky Flats Closure Project in Colorado, and several sites in Ohio—Ashtabula, Columbus, Fernald, and Miamisburg.

This account is intended to highlight those sites where cleanup can be accelerated and substantial savings achieved by reducing long-term program costs and ongoing support costs. The Committee strongly supports this program, and the recommendation for fiscal year 2002 funding is \$1,092,878,000, an increase of \$42,340,000 over the budget request. Additional funding of \$21,000,000 was provided in the fiscal year 2001 supplemental appropriations bill to support the Ohio closure sites. Fiscal year 2002 funding for each closure site is discussed below.

ROCKY FLATS CLOSURE PROJECT

The Department has prepared a baseline schedule showing closure of the Rocky Flats Site in Colorado by 2006. The Committee is aware that, to meet the 2006 deadline, stable funding will be required over several years, and critical path work activities must be successfully completed, not only at Rocky Flats, but at other sites throughout the Department's complex. The Department must ensure that complex-wide policy and funding issues are addressed as they relate to the closure of the Rocky Flats Site. The development of the Rocky Flats Integrated Closure Project Baseline is an important step in meeting this commitment. It is only through successful site closures that funds will be made available to support expensive future cleanup projects like the vitrification plants needed at Hanford and Idaho.

The Committee has provided fiscal year 2002 funding of \$620,504,000, a reduction of \$8,073,000 from the budget request. Funding for some safeguards and security activities was incorrectly included in the Rocky Flats project and has been transferred to the safeguards and security account.

OHIO SITES

The Committee is aware that each of the Ohio cleanup sites is in danger of slipping beyond the 2006 closure date. While it is not surprising that cleanups are encountering some unexpected conditions, it is very discouraging that the Federal program managers and contractors appear to be unable to maintain the schedules—rather than meeting challenges with innovations, the solution always seems to be increase the cost and slip the schedule. The Committee has consistently provided the funding requested by the De-

partment to maintain these projects on a 2006 closure schedule and has provided additional funding in fiscal year 2002 to maintain constant funding levels.

The Committee expects the Department to aggressively review the baseline closure plans for each Ohio cleanup site and take all steps necessary to meet the 2006 closure date. If during fiscal year 2002, it appears that any of these projects will not meet the 2006 closure date, the Department is to notify the Committee immediately, reduce site funding to the minimum necessary to maintain safe surveillance and maintenance conditions, and submit a re-programming to remove the site from the Defense Facilities Closure Project account.

The Committee recommendation is \$418,399,000 for the four Ohio sites, an increase of \$52,061,000 over the budget request, in an attempt to maintain funding at the fiscal year 2001 levels. Funding for the Ashtabula site is \$16,000,000, an increase of \$6,279,000 over the budget request of \$9,721,000. Funding for the Columbus Environmental Management Project is \$16,100,000, an increase of \$6,000,000 over the budget request of \$10,100,000.

Fernald.—The Fernald site in Ohio is now operating under a recent contract modification that assumes closure of the site by 2010. Cleanup at the site has been slowed by the failure of several projects; however, there are contract incentives for closing the site by 2006. Additional funding of \$20,000,000 has been provided in the fiscal year 2001 supplemental appropriations bill to support this accelerated closure schedule. The Committee expects the Department and the contractor to demonstrate during fiscal year 2002 that the site schedule can actually be accelerated to 2006. Significant cost savings can be achieved with early closure, and the Committee strongly supports this approach. The Committee recommendation for the Fernald site is \$295,299,000, an increase of \$10,000,000 over the budget request.

Mound.—The Committee is very concerned with the delays in the cleanup of the Mound site in Miamisburg, Ohio. Cleanup of the site is continuing to slip and now appears to extend significantly beyond fiscal year 2006. The Committee expects the Department to develop a baseline closure plan that supports the 2006 closure date. There are clearly many steps that can be taken at this site to accelerate cleanup activities and reduce managerial, bureaucratic, and worker inefficiencies while still protecting the health and safety of the workers and the community. The Committee strongly encourages the Department to explore alternative approaches to the cleanup that are truly innovative and will restore the schedule and reduce overall costs. The Committee also believes the Department should consider other health and safety regulatory oversight processes that could reduce costs and accelerate cleanup of the site. The Committee understands that increased resources over current levels may be needed to meet the 2006 closure date, but will not consider additional funding until the Department demonstrates that substantial changes have been made to current operations to ensure successful cleanup by 2006. The Committee recommends \$91,000,000, an increase of \$20,061,000 over the budget request of \$70,939,000, and consistent with fiscal year 2001 funding levels. Additional funding of \$1,000,000 has been provided in the fiscal

year 2001 supplemental appropriations bill to support the closure activities.

SAFEGUARDS AND SECURITY

The safeguards and security program ensures appropriate levels of protection against unauthorized access, theft, diversion, or destruction of Departmental assets and hostile acts that may impact national security or the health and safety of DOE and contractor employees. The Committee recommendation for the safeguards and security program is \$53,975,000, an increase of \$8,073,000 over the budget request. This funding for safeguards and security activities, incorrectly included in the Rocky Flats project, has been transferred to this account.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

Appropriation, 2001	\$65,000,000
Budget Estimate, 2002	141,537,000
Recommended, 2002	143,208,000
Comparison:	
Appropriation, 2001	+78,208,000
Budget Estimate, 2002	+1,671,000

The Committee recommendation for the Defense Environmental Management Privatization program is \$143,208,000, an increase of \$1,671,000 over the budget request. The recommendation includes \$52,000,000 for the Advanced Mixed Waste Treatment Project at Idaho, an increase of \$12,000,000 over the budget request of \$40,000,000. Additional funding of \$27,472,000 has been provided in the fiscal year 2001 supplemental appropriations bill to support this project.

Funding for two new projects has been provided in fiscal year 2002: \$3,000,000 for the Paducah Disposal Facility, a reduction of \$10,329,000 from the budget request, and \$2,000,000 for the Portsmouth Disposal Facility, the same as the budget request. In light of the recent General Accounting Office report on low-level waste disposal practices at the Department, the Committee directs the Department to perform a detailed cost and risk assessment to compare on-site versus off-site disposal to determine whether off-site disposal at a commercial facility would be more cost-effective in view of long-term stewardship costs and risks before proceeding with either of these projects.

Consistent with the budget request, \$49,332,000 has been provided for Spent Nuclear Fuel Dry Storage at Idaho, \$26,050,000 for the Environmental Management/Waste Treatment Facility at Oak Ridge, and \$10,826,000 for the Transuranic Waste Treatment Facility at Oak Ridge.

OTHER DEFENSE ACTIVITIES

Appropriation, 2001	\$582,466,000
Budget Estimate, 2002	527,614,000
Recommended, 2002	487,464,000
Comparison:	
Appropriation, 2001	- 95,002,000
Budget Estimate, 2002	- 40,150,000

This account provides funding for Security and Emergency Operations; Intelligence; Counterintelligence; Independent Oversight and Performance Assurance; Environment, Safety and Health (Defense); Worker and Community Transition; National Security Programs Administrative Support; and the Office of Hearings and Appeals. Descriptions of each of these programs are provided below.

SECURITY AND EMERGENCY OPERATIONS

Security and emergency operations provides a domestic safeguards and security program for protection of nuclear weapons, nuclear materials, nuclear facilities, and classified and unclassified information, including cyber systems, against sabotage, espionage, terrorist activities, or any loss or unauthorized disclosure that could endanger the national security or disrupt operations. The Committee recommendation for security and emergency operations is \$249,927,000, a reduction of \$19,323,000 from the budget request of \$269,250,000.

The Department's safeguards and security programs seem to careen from one incident to another—alleged loss of nuclear weapons secrets, misplaced computer hard drives with classified information, and alleged discriminatory actions toward visitors. The Department of Energy spends over \$1 billion annually on safeguards and security activities, but none of these security incidents were caused by lack of funding. The Committee urges the new Administration to review the underlying basis for each of the Department's security practices to determine if current procedures result in excessive costs without commensurate protection for employees, facilities, and national security programs.

Public access to DOE facilities.—The Committee is concerned about the practice used by the Department of Energy to require identification of citizenship as a security screening tool. The Committee notes that the Department of Defense, whose security needs are no less important than those of the Department of Energy, does not use this procedure at the Pentagon. The Department of Energy's practice to require identification of citizenship for entry into its facilities, even for unclassified visits in non-secure areas, fosters the perception of racial profiling no matter how well intended. In a recent alarming incident, admittance to DOE headquarters was refused to a Chinese-American Member of Congress, who was participating in a DOE celebration of Asian Pacific American Heritage Month. The Congressman was asked three times if he was an American, and two guards refused to accept his congressional identification for admittance or that of an Asian American aide who accompanied him. The Committee directs that the Secretary of Energy review security procedures for access to DOE facilities to determine whether the use of identification of citizenship is a proper, effective, and sensitive method and is consistent with procedures at other Federal facilities where classified information is kept. The Secretary shall report his findings to the Appropriations Committees of Congress by September 1, 2001.

Nuclear Safeguards and Security.—The nuclear safeguards and security program provides policy, programmatic direction, and training for the protection of the Department's nuclear weapons, nuclear materials, classified information, and facilities. The Com-

mittee recommendation is \$108,000,000, a reduction of \$13,188,000 from the budget request of \$121,188,000. Funding for outside contractor assistance has been reduced. The Committee has also included \$2,000,000 to continue the procurement of security locks that meet the Federal specifications for containers that hold sensitive classified material.

Security Investigations.—The security investigations program funds background investigations for Department of Energy and contractor personnel who, in the performance of their official duties, require access to restricted data, national security information, or special nuclear material. The Committee recommendation is \$44,927,000, the same as the budget request.

Corporate Management Information Program.—The Committee recommendation is \$20,000,000, the same as the budget request.

Program Direction.—The Committee recommendation is \$77,000,000 for program direction, a decrease of \$6,135,000 from the budget request of \$83,135,000. With a Headquarters staff of 329 Federal employees, the Committee believes that funding for technical assistance and expertise from outside contractors should be reduced.

OFFICE OF INTELLIGENCE

The intelligence program provides information and technical analyses on international arms proliferation, foreign nuclear programs, and other energy related matters to policy makers in the Department and other U.S. Government agencies. The focus of the Department's intelligence analysis and reporting is on emerging proliferant nations, nuclear technology transfers, foreign nuclear materials production, and proliferation implications of the breakup of the Former Soviet Union. The Committee recommendation is \$36,059,000, a reduction of \$4,785,000 from the budget request, and the same as fiscal year 2001.

OFFICE OF COUNTERINTELLIGENCE

The Office of Counterintelligence seeks to develop and implement an effective counterintelligence program throughout the Department of Energy. The goal of the program is to identify, neutralize, and deter foreign government or industrial intelligence threats directed at the Department's facilities, personnel, information, and technologies. The Committee recommendation is \$45,200,000, a reduction of \$1,189,000 from the budget request, and the same as fiscal year 2001.

INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE

The Office of Independent Oversight and Performance Assurance is the focal point for independent evaluation of safeguards, security, emergency management, and cyber security. The Committee recommendation is \$14,904,000, the same as the budget request, and \$33,000 below fiscal year 2001.

ENVIRONMENT, SAFETY AND HEALTH (DEFENSE)

The Office of Environment, Safety and Health develops programs and policies to protect the workers and the public, conducts inde-

pendent oversight of performance, and funds health effects studies. The Committee recommendation is \$105,293,000, a decrease of \$9,307,000 from the budget request of \$114,600,000.

Oversight.—Funding for additional contractor support for oversight activities has been reduced by \$3,369,000 to \$6,000,000. With a Headquarters staff of almost 300 Federal employees, the Committee believes that outside technical assistance can be significantly reduced.

Health Effects Studies.—The recommendation for health effects studies is \$50,000,000, a decrease of \$3,438,000 from the budget request of \$53,438,000. The Department funds several programs for occupational medicine, public health studies, and epidemiologic monitoring. The Committee expects the Department to review all these activities to achieve efficiencies through consolidation.

Marshall Islands.—For over 40 years, the DOE has provided a Congressionally-mandated program of medical monitoring to the residents of Rongelap and Utrik atolls in the Marshall Islands who were exposed to high levels of radioactive fallout from a U.S. nuclear test, Castle Bravo, that occurred on March 1, 1954. The program managed by the Pacific Health Research Institute of Honolulu through a cooperative agreement currently provides care for the remaining 123 of the original 253 individuals who enrolled in the program in 1954.

The U.S. government is currently renegotiating its diplomatic, defense and economic relationship with the Government of the Republic of the Marshall Islands (RMI). In those negotiations, the Committee believes it is time for the U.S. government to provide a single, combined package of assistance to support the medical and public health infrastructure needs of the Marshall Islands. This support should be managed by the U.S. Public Health Service, the Federal agency that has the greatest experience in providing public health care in the U.S. and abroad.

DOE's radiological monitoring, dose assessment and mitigation strategy research will conclude by 2006 and will complete over 30 years of scientific effort to thoroughly characterize the extent and nature of radiological contamination from U.S. atmospheric testing in the northern atolls of Bikini, Enewetak, Rongelap and Utrik. With completion of this task, the responsibility for the use of these assessments and mitigation strategies now falls to the RMI government in making decisions regarding resettlement and land use in the northern atolls. The Committee directs the Department to transition the environmental monitoring program to a program of direct support to the RMI. This will allow the RMI to conduct its own assessments and reach its own conclusions about which mitigation strategies to use in making resettlement and land use decisions.

The Committee recommendation for the Marshall Islands is \$6,300,000, the same as the budget request.

Radiation Effects Research Foundation (RERF).—Through the RERF program, the United States has supported studies for more than 50 years on the health effects of radiation on the survivors of the Hiroshima and Nagasaki atomic bombings. The Committee recommendation is \$13,500,000, the same as the budget request.

Energy Employees Compensation Initiative.—Title 36 of the National Defense Authorization Act of 2001 (P.L. 106-398) established

the Energy Employees Occupational Illness Compensation Program to provide benefits to DOE contractor workers made ill as a result of exposures from nuclear weapons production. The Department is responsible for establishing procedures to assist workers in filing compensation claims. The Committee recommendation is \$15,000,000, the same as the budget request.

Program Direction.—The Committee recommendation for program direction is \$20,793,000, a reduction of \$2,500,000 from the budget request. This amount of funding will support employees currently on board through fiscal year 2002.

WORKER AND COMMUNITY TRANSITION

The Committee's recommendation for the worker and community transition program is \$21,900,000, a reduction of \$2,546,000 from the budget request of \$24,446,000, due to funding constraints. Funding has been restored to many programs which the Department had proposed to reduce so there should be no significant contractor reductions requiring additional funds in fiscal year 2002. The Committee has provided \$900,000 for infrastructure improvements at the former Pinellas weapons plant. The Committee expects the Department to adequately fund and fulfill the commitment that was made to the Miamisburg Mound Community Improvement Corporation, and to grant priority to those communities which received no funds in fiscal year 2001. The Committee directs that none of the funds provided for this program be used for additional severance payments and benefits for Federal employees.

The worker and community transition program was established to mitigate the impacts on workers and communities of contractor workforce reductions as a result of the end of the Cold War. Funds are provided for enhanced severance payments to employees at former defense sites, and for assisting community planning for defense conversion through Federal grants. However, the cost of this program has not been insignificant. Through fiscal year 2000, enhanced severance payments and benefits to workers and grants to communities have totaled more than \$1 billion.

Program direction.—The Office of Worker and Community Transition currently has 19 employees at Headquarters. The budget proposed to reduce the staff to 18 employees, but provided \$207,000 for additional support service contractor assistance to offset the reduction. The Committee recommendation of \$2,900,000 for program direction, a reduction of \$300,000 from the budget request, allows the staff reduction, but does not provide the additional support service.

NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT

The Committee recommendation includes \$25,000,000 to provide administrative support for national security programs. This will fund Departmental activities performed by offices such as the Secretary, Deputy Secretary, the General Counsel, Chief Financial Officer, Human Resources, Congressional Affairs, and Public Affairs, which support the activities of the National Nuclear Security Administration.

OFFICE OF HEARINGS AND APPEALS

The Office of Hearings and Appeals (OHA) is responsible for all of the Department's adjudicatory processes, other than those administered by the Federal Energy Regulatory Commission. The Committee recommendation is \$2,893,000, the same as the budget request.

FUNDING ADJUSTMENTS

The Committee recommendation for funding adjustments is \$13,712,000, an increase of \$3,000,000 over the budget request. Adjustments include the use of \$13,000,000 in prior year balances which is an increase of \$3,000,000 over the budget request, and a reduction of \$712,000 for a security charge for reimbursable work as proposed in the budget.

DEFENSE NUCLEAR WASTE DISPOSAL

Appropriation, 2001	\$199,725,000
Budget Estimate, 2002	310,000,000
Recommended, 2002	310,000,000
Comparison:	
Appropriation, 2001	+110,275,000
Budget Estimate, 2002 .....	.....

Since passage of the Nuclear Waste Policy Act of 1982, as amended, the Nuclear Waste Fund has incurred costs for activities related to disposal of high-level waste generated from the atomic energy defense activities of the Department of Energy. At the end of fiscal year 2000, the balance owed by the Federal government to the Nuclear Waste Fund was \$1,385,000,000 (including principal and interest). The Defense Nuclear Waste Disposal appropriation was established to ensure payment of the Federal government's contribution to the nuclear waste repository program. Through fiscal year 2000, a total of \$1,216,400,000 has been appropriated to support the nuclear waste repository activities attributable to atomic energy defense activities.

The Committee recommendation is \$310,000,000, the same as the budget request. Eliminating the outstanding balance owed by the Federal government will require a significant increase in the amount paid each year and could require as much as \$500,000,000 annually in future years. Since shipment of defense high level waste to the repository is contingent upon full payment of the balance owed at the time the repository is opened, the Committee believes it is prudent to address this funding shortfall sooner rather than later.

POWER MARKETING ADMINISTRATIONS

Management of the Federal power marketing functions was transferred from the Department of the Interior to the Department of Energy by the Department of Energy Organization Act (P.L. 95-91). These functions include the power marketing activities authorized under section 5 of the Flood Control Act of 1944 and all other functions of the Bonneville Power Administration, the South-eastern Power Administration, the Southwestern Power Administration, and the power marketing functions of the Bureau of Rec-

lamation that have been transferred to the Western Area Power Administration.

All power marketing administrations except the Bonneville Power Administration are funded annually with appropriated funds. Revenues collected from power sales and transmission services are deposited in the Treasury to offset expenditures. The Committee recommendation for fiscal year 2002 includes the Administration proposal to fund purchase power and wheeling from power revenues for the Southeastern Power Administration, the Southwestern Power Administration, and the Western Area Power Administration.

Operations of the Bonneville Power Administration are self-financed under the authority of the Federal Columbia River Transmission System Act (P.L. 93-454). Under this Act, the Bonneville Power Administration is authorized to use its revenues to finance the costs of its operations, maintenance, and capital construction, and to sell bonds to the Treasury if necessary to finance any additional capital program requirements.

BONNEVILLE POWER ADMINISTRATION

The Bonneville Power Administration is the Department of Energy's marketing agency for electric power in the Pacific Northwest. Bonneville provides electricity to a 300,000 square mile service area in the Columbia River drainage basin. Bonneville markets the power from Federal hydropower projects in the Northwest, as well as power from non-Federal generating facilities in the region. Bonneville also exchanges and markets surplus power with Canada and California.

Borrowing Authority.—Bonneville Power Administration has available \$3,750,000,000 in permanent borrowing authority, authorized by the Transmission System Act (P.L. 93-454). For fiscal year 2002, the Committee recommendation includes an estimate of use of \$374,500,000 of authorized borrowing authority, the same as the budget request and \$50,000,000 more than fiscal year 2001. This borrowing authority is available for capital investments in power systems (including fish and wildlife measures), transmission systems, and capital equipment. With this borrowing authority, Bonneville forecasts that it will have a total of \$834,000,000 in borrowing available in fiscal year 2002.

The Committee is aware that Bonneville has recently proposed a \$2 billion increase in its borrowing authority to address infrastructure needs arising from an anticipated increase in generation from a variety of sources in the Bonneville service area. The Committee does not at this time have enough information to support such an increase. Consistent with the recommendation contained in the National Energy Policy, the Secretary of Energy has already been tasked to examine the national grid, identify transmission bottlenecks, and identify measures to remove such bottlenecks. The National Energy Policy also recommends a review of Bonneville's capital and financing requirements to determine if additional Federal financing or an increase in borrowing authority is warranted. Bonneville's proposal for increased borrowing authority must be considered within the context of all of the Administration's pro-

posed actions for the power marketing administrations and in view of the combined impact on the various regions of the country.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

Appropriation, 2001	\$3,891,000
Budget Estimate, 2002	4,891,000
Recommended, 2002	4,891,000
Comparison:	
Appropriation, 2001	+1,000,000
Budget Estimate, 2002 .....	.....

The Southeastern Power Administration markets the hydroelectric power produced at 23 Corps of Engineers projects in eleven states in the Southeast. Southeastern does not own or operate any transmission facilities, so it contracts to “wheel” its power using the existing transmission facilities of area utilities.

The Committee recommendation for the Southeastern Power Administration is \$4,891,000, the same as the budget request and a \$1,000,000 increase over fiscal year 2001. The total program level for Southeastern in fiscal year 2002 is \$39,354,000, with \$34,463,000 for purchase power and wheeling and \$4,891,000 for program direction. The purchase power and wheeling costs will be offset by collections of \$34,463,000, leaving a net appropriation of \$4,891,000. The offsetting collections total of \$34,463,000 includes \$26,463,000 made available in Public Law 106–377 for use in fiscal year 2002, plus an additional \$8,000,000 provided in this Act.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

Appropriation, 2001	\$28,038,000
Budget Estimate, 2002	28,038,000
Recommended, 2002	28,038,000
Comparison:	
Appropriation, 2001 .....	.....
Budget Estimate, 2002 .....	.....

The Southwestern Power Administration markets the hydroelectric power produced at 24 Corps of Engineers projects in the six-state area of Arkansas, Kansas, Louisiana, Missouri, Oklahoma and Texas. Southwestern operates and maintains 1,380 miles of transmission lines, with the supporting substations and communications sites. Southwestern gives preference in the sale of its power to publicly and cooperatively owned utilities.

The Committee recommendation for the Southwestern Power Administration is \$28,038,000, the same as the budget request and the fiscal year 2001 funding level. The total program level for Southwestern in fiscal year 2002 is \$29,838,000, including \$3,339,000 for operating expenses, \$1,800,000 for purchase power and wheeling, \$18,668,000 for program direction, and \$6,031,000 for construction. The offset of \$1,800,000 from collections for purchase power and wheeling yields a net appropriation of \$28,038,000. The offsetting collections total of \$1,800,000 includes \$288,000 made available in Public Law 106–377 for use in fiscal year 2002, plus an additional \$1,512,000 provided in this Act.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,
WESTERN AREA POWER ADMINISTRATION

Appropriation, 2001	\$165,465,000
Budget Estimate, 2002	169,465,000
Recommended, 2002	172,165,000
Comparison:	
Appropriation, 2001	+6,700,000
Budget Estimate, 2002	+2,700,000

The Western Area Power Administration is responsible for marketing the electric power generated by the Bureau of Reclamation, the Corps of Engineers, and the International Boundary and Water Commission. Western also operates and maintains a system of transmission lines nearly 17,000 miles long. Western provides electricity to 15 Central and Western states over a service area of 1.3 million square miles.

The Committee recommendation for the Western Area Power Administration is \$172,165,000, an increase of \$2,700,000 over the budget request and \$6,700,000 more than the fiscal year 2001 funding level. The total program level for Western in fiscal year 2002 is \$358,289,000, which includes \$18,764,000 for construction and rehabilitation, \$37,796,000 for system operation and maintenance, \$186,124,000 for purchase power and wheeling, \$114,378,000 for program direction, and \$1,227,000 for Utah mitigation and conservation. Offsetting collections for purchase power and wheeling total \$186,124,000, leaving a net appropriation of \$172,165,000. The offsetting collections total of \$186,124,000 includes \$33,500,000 made available in Public Law 106-377 for use in fiscal year 2002, plus an additional \$152,624,000 provided in this Act.

The amount for construction and rehabilitation includes \$2,700,000 to fund high priority portions of the South of Phoenix portion of the Parker-Davis Project transmission system. The Federal share of the upfront costs is to be recovered through the transmission rates of the Parker-Davis Project. Western should pursue additional funds from those utilities requiring additional transmission capacity, and the Committee expects that any funding received will be used to offset future appropriations requirements.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

Appropriation, 2001	\$2,663,000
Budget Estimate, 2002	2,663,000
Recommended, 2002	2,663,000
Comparison:	
Appropriation, 2001 .....	.....
Budget Estimate, 2002 .....	.....

Falcon Dam and Amistad Dam are two international water projects located on the Rio Grande River between Texas and Mexico. Power generated by hydroelectric facilities at these two dams is sold to public utilities through the Western Area Power Administration. The Foreign Relations Authorization Act for Fiscal Years 1994 and 1995 created the Falcon and Amistad Operating and Maintenance Fund to defray the costs of operation, maintenance, and emergency activities. The Fund is administered by the Western

Area Power Administration for use by the Commissioner of the U.S. Section of the International Boundary and Water Commission.

The Committee recommendation is \$2,663,000, the same as the budget request and as the fiscal year 2001 funding level.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

Appropriation, 2001	\$175,200,000
Budget Estimate, 2002	181,155,000
Recommended, 2002	181,155,000
Comparison:	
Appropriation, 2001	+5,955,000
Budget Estimate, 2002 .....	.....

REVENUES APPLIED

Appropriation, 2001	-\$175,200,000
Budget Estimate, 2002	-181,155,000
Recommended, 2002	-181,155,000
Comparison:	
Appropriation, 2001	-5,955,000
Budget Estimate, 2002 .....	.....

The Committee recommendation is \$181,155,000, the same as the budget request and an increase of \$5,955,000 over the fiscal year 2001 funding level. Revenues for FERC are established at a rate equal to the budget authority, resulting in a net appropriation of \$0.

The Committee understands that the Commission is establishing precedent in implementing the stranded cost provisions of Order 888 in the context of "retail turned wholesale" customers. The Committee urges the Commission to stand by its commitment to full cost recovery and directs that the Commission, in this context, use a methodology that contains a recovery period sufficient to ensure the recovery of all generating asset investments included in states approved rates used to serve the departing customers.

The Committee has included language in the bill which prohibits the Federal Energy Regulatory Commission from using the funds provided in this or any other Act to complete the remaining reviews and issue further authorizations to proceed with the Gulfstream Natural Gas Project.

COMMITTEE RECOMMENDATION

The Committee's detailed funding recommendations for programs in Title III are contained in the following table.

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
ENERGY SUPPLY			
RENEWABLE ENERGY RESOURCES			
Renewable energy technologies			
Biomass/biofuels energy systems			
Power systems.....	40,800	37,754	41,010
Transportation.....	46,160	44,201	47,950
Subtotal, Biomass/biofuels energy systems.....	86,960	81,955	88,960
Geothermal technology development.....	27,000	13,900	27,000
Hydrogen research.....	27,000	26,881	27,000
Hydropower.....	5,000	4,989	3,000
Solar energy			
Concentrating solar power.....	13,800	1,932	7,932
Photovoltaic energy systems.....	75,775	39,000	81,775
Solar building technology research.....	3,950	2,000	4,950
Subtotal, Solar energy.....	93,525	42,932	94,657
Wind energy systems.....	40,000	20,500	40,000
Total, Renewable energy technologies.....	279,485	191,157	280,617
Electric energy systems and storage			
High temperature superconducting R&D.....	37,000	36,819	39,870
Energy storage systems.....	6,000	5,987	7,130
Transmission reliability.....	9,000	8,940	13,000
Total, Electric energy systems and storage.....	52,000	51,746	60,000
Renewable support and implementation			
Departmental energy management.....	2,000	1,000	2,500
International renewable energy program.....	5,000	2,500	3,000
Renewable energy production incentive program.....	4,000	3,991	4,000
Renewable Indian energy resources.....	6,600	---	---
Renewable program support.....	4,000	2,059	3,000
Total, Renewable support and implementation.....	21,600	9,550	12,500
National renewable energy laboratory.....	4,000	5,000	5,000
Program direction.....	18,700	19,200	18,700
TOTAL, RENEWABLE ENERGY RESOURCES.....	375,785	276,653	376,817
NUCLEAR ENERGY			
Advanced radioisotope power system.....	32,200	29,094	28,200
Isotopes			
Isotope support and production.....	24,715	24,683	22,683
Construction			
99-E-201 Isotope production facility (LANL).....	2,500	2,494	2,494
Subtotal, Isotope support and production.....	27,215	27,177	25,177
Offsetting collections.....	-8,000	-9,000	-9,000
Total, Isotopes.....	19,215	18,177	16,177
University reactor fuel assistance and support.....	12,000	11,974	15,895
Research and development			
Nuclear energy plant optimization.....	5,000	4,500	5,000
Nuclear energy research initiative.....	35,000	18,079	23,079
Nuclear energy technologies.....	7,500	4,500	4,500
Total, Research and development.....	47,500	27,079	32,579
Infrastructure			
ANL-West operations.....	39,150	34,107	33,357
Fast flux test facility (FFTF).....	44,010	38,439	38,439

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
Test reactor area landlord.....	7,575	7,283	7,283
Construction			
99-E-200 Test reactor area electrical utility upgrade, Idaho National Engineering Laboratory, ID.....	925	950	950
95-E-201 Test reactor area fire and life safety improvements, Idaho National Engineering Laboratory, ID.....	500	500	500
Subtotal, Construction.....	1,425	1,450	1,450
Subtotal, Test reactor area landlord.....	9,000	8,733	8,733
Total, Infrastructure.....	92,160	81,279	80,529
Nuclear facilities management			
EBR-II shutdown.....	8,800	4,200	4,200
Disposition of spent fuel and legacy materials.....	16,200	16,267	16,200
Disposition technology activities.....	9,850	9,990	9,850
Total, Nuclear facilities management.....	34,850	30,457	30,250
Program direction.....	22,000	25,062	20,500
TOTAL, NUCLEAR ENERGY.....	259,925	223,122	224,130
ENVIRONMENT, SAFETY AND HEALTH			
Office of Environment, Safety and Health (non-defense)	16,000	14,973	10,973
Program direction.....	19,998	20,527	20,527
TOTAL, ENVIRONMENT, SAFETY AND HEALTH.....	35,998	35,500	31,500
ENERGY SUPPORT ACTIVITIES			
Technical information management program.....	1,600	1,600	1,400
Program direction.....	7,000	7,370	6,470
TOTAL, ENERGY SUPPORT ACTIVITIES.....	8,600	8,970	7,870
Subtotal, Energy supply.....	680,308	544,245	640,317
Across-the-board cut (.22%) (P.L. 106-554).....	-1,456	---	---
General reduction.....	---	---	-1,000
Offset from nuclear energy royalties.....	-2,352	---	---
Reduction for safeguards and security.....	-16,582	---	---
TOTAL, ENERGY SUPPLY.....	659,918	544,245	639,317
NON-DEFENSE ENVIRONMENTAL MANAGEMENT			
Site closure.....	81,636	43,000	43,000
Site/project completion.....	61,621	64,119	64,119
Post 2006 completion.....	137,744	120,053	115,753
Excess facilities.....	---	1,381	5,000
Across-the-board cut (.22%) (P.L. 106-554).....	-612	---	---
Reduction for safeguards and security.....	-3,189	---	---
TOTAL, NON-DEFENSE ENVIRONMENTAL MANAGEMENT.....	277,200	228,553	227,872

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
URANIUM FACILITIES MAINTENANCE AND REMEDIATION			
Uranium Enrichment Decontamination and Decommissioning Fund			
Decontamination and decommissioning.....	273,038	241,641	271,641
Uranium/thorium reimbursement.....	72,000	1,000	1,000
Depleted UF6 conversion project.....	---	10,000	---
Total, Uranium enrichment D&D fund.....	345,038	252,641	272,641
Other Uranium Activities			
Maintenance of facilities and inventories.....	29,193	99,000	99,000
Pre-existing liabilities.....	11,330	11,784	11,784
Depleted UF6 conversion project.....	21,877	---	10,000
Total, Other uranium activities.....	62,400	110,784	120,784
Reduction for safeguards and security.....	-14,071	---	---
Across-the-board cut (.22%) (P.L. 106-554).....	-865	---	---
TOTAL, URANIUM FACILITIES MAINTENANCE AND REMEDATION.....	392,502	363,425	393,425
SCIENCE			
High energy physics			
Research and technology.....	234,720	247,870	247,870
Facility operations.....			
Construction			
00-G-307 SLAC office building.....	5,200	---	---
99-G-306 Wilson hall safety improvements, Fermilab.....	4,200	---	---
98-G-304 Neutrinos at the main injector, Fermilab.....	23,000	11,400	11,400
Subtotal, Construction.....	32,400	11,400	11,400
Subtotal, Facility operations.....	491,410	468,230	468,230
Total, High energy physics.....	726,130	716,100	716,100
Nuclear physics.....			
	369,890	360,510	361,510
Biological and environmental research.....			
Construction			
01-E-300 Laboratory for Comparative and Functional Genomics, ORNL.....	2,500	10,000	11,405
Total, Biological and environmental research.....	501,260	442,970	445,880
Basic energy sciences			
Materials sciences.....	456,111	434,353	437,353
Chemical sciences.....	223,229	218,714	218,714
Engineering and geosciences.....	40,816	38,938	38,938
Energy biosciences.....	33,714	32,400	32,400
Construction			
02-SC-002 Project engineering and design (VL).....	---	4,000	3,000
99-E-334 Spallation neutron source (ORNL).....	259,500	276,300	276,300
Subtotal, Construction.....	259,500	280,300	279,300
Total, Basic energy sciences.....	1,013,370	1,004,705	1,006,705
Advanced scientific computing research.....	170,000	163,050	163,050
Energy research analyses.....	1,000	1,000	1,000
Multiprogram energy labs - facility support			
Infrastructure support.....	1,160	1,020	1,020

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
Oak Ridge landlord.....	10,711	7,359	7,359
Construction			
MEL-001 Multiprogram energy laboratory infrastructure projects, various locations.....	22,059	18,613	18,613
02-SC-001 Multiprogram energy laboratories, project engineering design, various locations.....	---	3,183	3,183
Subtotal, Construction.....	22,059	21,796	21,796
Total, Multiprogram energy labs - fac. support....	33,930	30,175	30,175
Fusion energy sciences program.....	255,000	248,495	248,495
Facilities and infrastructure.....	---	---	10,000
Safeguards and security.....	49,818	55,412	55,412
Program direction			
Field offices.....	83,307	64,400	60,700
Headquarters.....	51,438	73,525	69,820
Science education.....	4,500	4,460	4,460
Total, Program direction.....	139,245	142,385	134,980
Subtotal, Science.....	3,259,643	3,164,802	3,173,307
Across-the-board cut (.22%) (P.L. 106-554).....	-7,011	---	---
General reduction.....	-34,047	---	-2,000
Reduction for safeguards and security.....	-38,244	---	---
Less security charge for reimbursable work.....	---	-4,912	-4,912
TOTAL, SCIENCE.....	3,180,341	3,159,890	3,166,395
NUCLEAR WASTE DISPOSAL			
Repository program.....	135,200	70,577	69,540
Program direction.....	62,800	64,402	63,460
Across-the-board cut (.22%) (P.L. 106-554).....	-420	---	---
Reduction for safeguards and security.....	-6,926	---	---
TOTAL, NUCLEAR WASTE DISPOSAL.....	190,654	134,979	133,000
DEPARTMENTAL ADMINISTRATION			
Administrative operations			
Salaries and expenses			
Office of the Secretary.....	5,000	4,700	4,700
Board of contract appeals.....	878	911	911
Chief financial officer.....	32,148	36,464	29,000
Contract reform and privatization.....	2,500	---	---
Engineering and project management.....	---	---	7,600
Congressional and intergovernmental affairs.....	5,000	5,478	5,000
Economic impact and diversity.....	5,126	5,230	5,126
General counsel.....	22,724	23,058	22,724
International affairs.....	8,500	8,481	8,481
Management and administration.....	77,800	76,392	71,500
Policy office.....	6,600	6,649	6,600
Public affairs.....	3,900	4,581	3,900
Subtotal, Salaries and expenses.....	170,176	171,944	165,542
Program support			
Minority economic impact.....	1,500	1,498	1,200
Policy analysis and system studies.....	422	420	400
Environmental policy studies.....	1,000	919	600
Corporate management information program.....	12,000	---	---
Subtotal, Program support.....	14,922	2,837	2,200
Total, Administrative operations.....	185,098	174,781	167,742

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
Cost of work for others.....	74,027	71,837	71,837
Subtotal, Departmental Administration.....	259,125	246,618	239,579
Across-the-board cut (.22%) (P.L. 106-554).....	-165	---	---
Use of prior year balances and other adjustments.....	-8,000	---	-4,968
Funding from other defense activities.....	-25,000	-25,000	-25,000
Reduction for safeguards and security.....	-18	---	---
Total, Departmental administration (gross).....	225,942	221,618	209,611
Miscellaneous revenues.....	-151,000	-137,810	-137,810
TOTAL, DEPARTMENTAL ADMINISTRATION (net).....	74,942	83,808	71,801
OFFICE OF INSPECTOR GENERAL			
Office of Inspector General.....	31,500	31,430	32,430
Across-the-board cut (.22%) (P.L. 106-554).....	-70	---	---
TOTAL, OFFICE OF INSPECTOR GENERAL.....	31,430	31,430	32,430
ATOMIC ENERGY DEFENSE ACTIVITIES			
NATIONAL NUCLEAR SECURITY ADMINISTRATION			
WEAPONS ACTIVITIES			
Directed stockpile work			
Stockpile research and development.....	272,300	305,460	305,460
Stockpile maintenance.....	279,994	362,493	362,493
Stockpile evaluation.....	174,710	180,834	180,834
Dismantlement/disposal.....	29,260	35,414	35,414
Production support.....	149,939	152,890	152,890
Field engineering, training and manuals.....	4,400	6,700	6,700
Total, Directed stockpile work.....	910,603	1,043,791	1,043,791
Campaigns			
Primary certification.....	41,400	55,530	55,530
Dynamic materials properties.....	74,408	97,810	97,810
Advanced radiography.....	58,000	60,510	60,510
Construction			
97-D-102 Dual-axis radiographic hydrotest facility (LANL), Los Alamos, NM.....	35,232	---	---
Subtotal, Advanced radiography.....	93,232	60,510	60,510
Secondary certification and nuclear systems margins.....	52,964	47,270	47,270
Enhanced surety.....	40,600	34,797	34,797
Weapons system engineering certification.....	16,300	24,043	24,043
Nuclear survivability.....	15,400	19,050	19,050
Enhanced surveillance.....	106,651	82,333	82,333
Advanced design and production technologies.....	75,735	75,533	75,533
Inertial confinement fusion and high yield.....	250,500	222,943	247,943
Construction			
96-D-111 National ignition facility, LLNL.....	199,100	245,000	245,000
Subtotal, Inertial confinement fusion.....	449,600	467,943	492,943
Advanced simulation and computing.....	716,175	711,185	611,185
Construction			
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA.....	2,300	5,400	5,400
00-D-103, Terascale simulation facility, LLNL, Livermore, CA.....	5,000	5,000	5,000
00-D-105 Strategic computing complex, LANL, Los Alamos, NM.....	56,000	11,070	11,070

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM.....	6,700	5,377	5,377
Subtotal, Construction.....	70,000	26,847	26,847
Subtotal, Advanced simulation and computing.....	786,175	738,032	638,032
Pit manufacturing and certification.....	125,038	128,545	128,545
Secondary readiness.....	20,000	23,169	47,169
High explosives manufacturing and weapons assembly/disassembly readiness.....	---	3,960	3,960
Non-nuclear readiness.....	---	12,204	12,204
Materials readiness.....	40,511	1,209	1,209
Tritium readiness.....	77,000	43,350	43,350
Construction			
98-D-125 Tritium extraction facility, SR.....	75,000	81,125	81,125
98-D-126 Accelerator production of Tritium, various locations.....	15,000	---	---
Subtotal, Construction.....	90,000	81,125	81,125
Subtotal, Tritium readiness.....	167,000	124,475	124,475
Total, Campaigns.....	2,105,014	1,996,413	1,945,413
Readiness in technical base and facilities			
Operations of facilities.....	1,252,232	830,427	865,427
Program readiness.....	74,500	188,126	188,126
Special projects.....	48,297	64,493	64,493
Material recycle and recovery.....	30,018	101,311	101,311
Containers.....	11,876	8,199	8,199
Storage.....	9,075	10,643	10,643
Nuclear weapons incident response.....	56,289	89,125	89,125
Subtotal, Readiness in technical base and fac.....	1,482,287	1,292,324	1,327,324
Construction			
02-D-101 Microsystem and engineering science applications (MESA), SNL.....	---	2,000	9,500
02-D-103 Project engineering and design, various locations.....	---	9,180	9,180
02-D-107 Electrical power systems safety communications and bus upgrades, NV.....	---	3,507	3,507
01-D-103 Preliminary project engineering and design (PE&D), various locations.....	35,500	45,379	37,879
01-D-124 HEU storage facility, Y-12 plant, Oak Ridge, TN.....	17,800	9,500	9,500
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX.....	3,000	7,700	7,700
01-D-800 Sensitive compartmented information facility, LLNL.....	2,000	12,993	12,993
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA.....	5,000	4,400	4,400
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA.....	2,800	2,800	2,800
99-D-106 Model validation & system certification center, SNL, Albuquerque, NM.....	5,200	4,955	4,955
99-D-108 Renovate existing roadways, Nevada Test Site, NV.....	2,000	---	---

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
99-D-125 Replace boilers and controls, Kansas City plant, Kansas City, MO.....	13,000	300	300
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO....	23,765	22,200	22,200
99-D-128 Stockpile management restructuring initiative, Pantex consolidation, Amarillo, TX....	4,998	3,300	3,300
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consolidation, Savannah River, SC.....	30,767	13,700	13,700
98-D-124 Stockpile management restructuring initiative, Y-12 consolidation, Oak Ridge, TN....	---	6,850	6,850
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS.....	2,918	3,000	3,000
96-D-102 Stockpile stewardship facilities revitalization (Phase VI), various locations.....	---	2,900	2,900
95-D-102 Chemistry and metallurgy research (CMR) upgrades project (LANL).....	13,337	---	---
Subtotal, Construction.....	162,085	154,664	154,664
Total, Readiness in technical base and facilities.	1,644,372	1,446,988	1,481,988
Facilities and infrastructure.....	---	---	17,000
Secure transportation asset			
Operations and equipment.....	79,357	77,571	77,571
Program direction.....	36,316	44,229	44,229
Total, Secure transportation asset.....	115,673	121,800	121,800
Safeguards and security.....	356,840	439,281	439,281
Construction			
99-D-132 SMRI nuclear material safeguards and security upgrade project (LANL), Los Alamos, NM...	18,043	9,600	9,600
88-D-123 Security enhancements, Pantex plant, Amarillo, TX.....	2,713	---	---
Subtotal, Construction.....	20,756	9,600	9,600
Total, Safeguards and security.....	377,596	448,881	448,881
Program direction.....	224,071	271,137	250,000
Subtotal, Weapons activities.....	5,377,329	5,329,010	5,308,873
Across-the-board cut (.22%) (P.L. 106-554).....	-11,033	---	---
Use of prior year balances.....	-13,647	---	---
General reduction.....	-35,700	---	-156,000
Reduction for safeguards and security.....	-310,796	---	---
Less security charge for reimbursable work.....	---	-28,985	-28,985
TOTAL, WEAPONS ACTIVITIES.....	5,006,153	5,300,025	5,123,888

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
DEFENSE NUCLEAR NONPROLIFERATION			
Nonproliferation and verification, R&D.....	235,990	170,296	180,296
Construction			
00-D-192 Nonproliferation and international security center (NISC), LANL.....	17,000	35,806	35,806
Total, Nonproliferation and verification, R&D.....	252,990	206,102	216,102
Arms control.....	152,014	101,500	75,741
Nonproliferation programs with Russia			
International materials protection, control, and accounting.....	173,856	138,800	190,000
Russian transition assistance.....	---	---	40,000
HEU transparency implementation.....	15,190	13,950	13,950
International nuclear safety.....	20,000	13,800	10,000
Fissile materials disposition			
U.S. surplus materials disposition.....	139,517	130,089	130,089
Russian surplus materials disposition.....	40,000	57,000	57,000
Construction			
01-D-407 Highly enriched uranium (HEU) blend dow Savannah River, SC.....	20,932	24,000	24,000
01-D-142 Immobilization and associated processin facility, various locations.....	3,000	---	---
99-D-141 Pit disassembly and conversion facility various locations.....	20,000	16,000	16,000
99-D-143 Mixed oxide fuel fabrication facility various locations.....	26,000	63,000	63,000
Subtotal, Construction.....	69,932	103,000	103,000
Subtotal, Fissile materials disposition.....	249,449	290,089	290,089
Total, Nonproliferation programs with Russia.....	458,495	456,639	544,039
Program direction.....	51,468	51,459	51,459
Subtotal, Defense nuclear nonproliferation.....	914,967	815,700	887,341
Use of prior year balances.....	-526	-42,000	-42,000
Across-the-board cut (.22%) (P.L. 106-554).....	-1,923	---	---
Reduction for safeguards and security.....	-40,245	---	---
TOTAL, DEFENSE NUCLEAR NONPROLIFERATION.....	872,273	773,700	845,341
NAVAL REACTORS			
Naval reactors development.....	644,500	652,245	652,245
Construction			
GPN-101 General plant projects, various locations.	11,400	---	---
01-D-200 Major office replacement building, Schenectady, NY.....	1,300	9,000	9,000
90-N-102 Expeded core facility dry cell project, Naval Reactors Facility, ID.....	16,000	4,200	4,200
Subtotal, Construction.....	28,700	13,200	13,200
Total, Naval reactors development.....	673,200	665,445	665,445

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
Program direction.....	21,400	22,600	22,600
Reduction for safeguards and security.....	-4,437	---	---
Across-the-board cut (.22%) (P.L. 106-554).....	-1,518	---	---
	=====	=====	=====
TOTAL, NAVAL REACTORS.....	688,645	688,045	688,045
	=====	=====	=====
OFFICE OF THE ADMINISTRATOR			
Office of the Administrator.....	10,000	15,000	10,000
Across-the-board cut (.22%) (P.L. 106-554).....	-22	---	---
	=====	=====	=====
TOTAL, OFFICE OF THE ADMINISTRATOR.....	9,978	15,000	10,000
	=====	=====	=====
TOTAL, NATIONAL NUCLEAR SECURITY ADMINISTRATION...	6,577,049	6,776,770	6,667,274
	=====	=====	=====
DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MGMT.			
Site/project completion			
Operation and maintenance.....	919,167	872,030	1,021,330
Construction			
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID.....	---	3,256	3,256
01-D-414 Preliminary project, engineering and design (PE&D), various locations.....	17,300	6,254	2,754
01-D-415 235-F packaging and stabilization project, Savannah River, SC.....	4,000	---	---
99-D-402 Tank farm support services, F&H area, Savannah River site, Aiken, SC.....	7,714	5,040	5,040
99-D-404 Health physics instrumentation laboratory (INEL), ID.....	4,300	2,700	2,700
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA.....	1,690	1,910	1,910
97-D-470 Regulatory monitoring and bioassay laboratory, Savannah River site, Aiken, SC.....	3,949	---	---
96-D-471 CFC HVAC/chiller retrofit, Savannah River site, Aiken, SC.....	12,512	4,244	4,244
92-D-140 F&H canyon exhaust upgrades, Savannah River, SC.....	8,879	15,790	---
86-D-103 Decontamination and waste treatment facility (LLNL), Livermore, CA.....	2,000	762	762
Subtotal, Construction.....	62,344	39,956	20,666
	-----	-----	-----
Total, Site/project completion.....	981,511	911,986	1,041,996
	=====	=====	=====
Post 2006 completion			
Operation and maintenance.....	2,251,514	1,680,979	1,933,250
Uranium enrichment D&D fund contribution.....	420,000	420,000	420,000
Construction			
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC.....	27,212	6,754	6,754
Office of River Protection			
Operation and maintenance.....	309,619	272,151	328,151
Construction			
01-D-416 Hanford waste treatment plant, Richland, WA.....	377,000	500,000	665,000
99-D-403 Infrastructure support, Richland, WA...	7,812	---	---

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
97-D-402 Tank farm restoration and safe operations, Richland, WA.....	46,023	33,473	33,473
94-D-407 Initial tank retrieval systems, Richland, WA.....	17,385	6,844	6,844
Subtotal, Construction.....	448,220	540,317	705,317
Subtotal, Office of River Protection.....	757,839	812,468	1,033,468
Total, Post 2006 completion.....	3,456,565	2,920,201	3,393,472
Science and technology.....	256,898	196,000	226,850
Excess facilities.....	---	1,300	10,000
Safeguards and security.....	203,748	205,621	205,621
Program direction.....	363,988	355,761	355,761
Subtotal, Defense environmental management.....	5,262,710	4,590,869	5,233,700
Across-the-board cut (.22%) (P.L. 106-554).....	-10,943	---	---
Use of prior year balances.....	-34,317	-36,770	-36,770
Pension refund.....	-50,000	---	---
General reduction.....	-10,700	---	-17,000
Reduction for safeguards and security.....	-193,217	---	---
Less security charge for reimbursable work.....	---	-5,391	-5,391
TOTAL, DEFENSE ENVIRON. RESTORATION AND WASTE MGMT	4,963,533	4,548,708	5,174,539
DEFENSE FACILITIES CLOSURE PROJECTS			
Site closure.....	1,027,942	1,004,636	1,038,903
Safeguards and security.....	54,772	45,902	53,975
Across-the-board cut (.22%) (P.L. 106-554).....	-2,383	---	---
TOTAL, DEFENSE FACILITIES CLOSURE PROJECTS.....	1,080,331	1,050,538	1,092,878
DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION			
Privatization initiatives, various locations.....	90,092	141,537	143,208
Use of prior year balances.....	-25,092	---	---
TOTAL, DEFENSE ENVIRONMENTAL MGMT. PRIVATIZATION..	65,000	141,537	143,208
TOTAL, DEFENSE ENVIRONMENTAL MANAGEMENT.....	6,108,864	5,740,783	6,410,625
OTHER DEFENSE ACTIVITIES			
Other national security programs			
Security and emergency operations			
Nuclear safeguards and security.....	116,409	121,188	108,000
Security investigations.....	33,000	44,927	44,927
Corporate management information program.....	---	20,000	20,000
Emergency management.....	33,711	---	---
Program direction.....	92,967	83,135	77,000
Subtotal, Security and emergency operations...	276,087	269,250	249,927
Intelligence.....	36,059	40,844	36,059
Counterintelligence.....	45,200	46,389	45,200
Advanced accelerator applications.....	34,000	---	---
Independent oversight and performance assurance			
Program direction.....	14,937	14,904	14,904
Environment, safety and health (Defense).....	102,963	91,307	84,500
Program direction - EH.....	22,604	23,293	20,793
Subtotal, Environment, safety & health (Defense)	125,567	114,600	105,293

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE
Worker and community transition.....	21,500	21,246	19,000
Program direction - WT.....	3,000	3,200	2,900
Subtotal, Worker and community transition.....	24,500	24,446	21,900
National Security programs administrative support...	25,000	25,000	25,000
Office of hearings and appeals.....	3,000	2,893	2,893
Subtotal, Other defense activities.....	584,350	538,326	501,176
Use of prior year balances.....	---	-10,000	-13,000
Reduction for safeguards and security.....	-595	---	---
Across-the-board cut (.22%) (P.L. 106-554).....	-1,289	---	---
Less security charge for reimbursable work.....	---	-712	-712
TOTAL, OTHER DEFENSE ACTIVITIES.....	582,466	527,614	487,464
DEFENSE NUCLEAR WASTE DISPOSAL			
Defense nuclear waste disposal.....	200,000	310,000	310,000
Across-the-board cut (.22%) (P.L. 106-554).....	-275	---	---
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES.....	13,468,104	13,355,167	13,875,363
POWER MARKETING ADMINISTRATIONS			
SOUTHEASTERN POWER ADMINISTRATION			
Operation and maintenance			
Purchase power and wheeling.....	34,463	34,463	34,463
Program direction.....	5,000	4,891	4,891
Subtotal, Operation and maintenance.....	39,463	39,354	39,354
Offsetting collections.....	-34,463	-34,463	-8,000
Offsetting collections (P.L. 106-377).....	---	---	-26,463
Across-the-board cut (.22%) (P.L. 106-554).....	-9	---	---
Use of prior year balances.....	-1,100	---	---
TOTAL, SOUTHEASTERN POWER ADMINISTRATION.....	3,891	4,891	4,891
SOUTHWESTERN POWER ADMINISTRATION			
Operation and maintenance			
Operating expenses.....	3,795	3,339	3,339
Purchase power and wheeling.....	288	1,800	1,800
Program direction.....	18,388	18,668	18,668
Construction.....	6,817	6,031	6,031
Subtotal, Operation and maintenance.....	29,288	29,838	29,838
Offsetting collections.....	-288	-1,800	-1,512
Offsetting collections (P.L. 106-377).....	---	---	-288
Across-the-board cut (.22%) (P.L. 106-554).....	-62	---	---
Use of prior year balances.....	-900	---	---
TOTAL, SOUTHWESTERN POWER ADMINISTRATION.....	28,038	28,038	28,038
WESTERN AREA POWER ADMINISTRATION			
Operation and maintenance			
Construction and rehabilitation.....	23,115	16,064	18,764
System operation and maintenance.....	36,104	37,796	37,796
Purchase power and wheeling.....	65,224	186,124	186,124
Program direction.....	106,644	114,378	114,378
Utah mitigation and conservation.....	5,950	1,227	1,227
Subtotal, Operation and maintenance.....	237,037	355,589	358,289

DEPARTMENT OF ENERGY (IN THOUSANDS OF DOLLARS)

	FY 2001 ENACTED	BUDGET ESTIMATE	HOUSE ALLOWANCE

Offsetting collections.....	-65,224	-186,124	-152,624
Offsetting collections (P.L. 106-377).....	---	---	-33,500
Across-the-board cut (.22%) (P.L. 106-554).....	-365	---	---
Use of prior year balances.....	-5,983	---	---
	-----	-----	-----
TOTAL, WESTERN AREA POWER ADMINISTRATION.....	165,465	169,465	172,165
	=====	=====	=====
FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND			
Operation and maintenance.....	2,670	2,663	2,663
Across-the-board cut (.22%) (P.L. 106-554).....	-7	---	---
	=====	=====	=====
TOTAL, FALCON AND AMISTAD OPERATING FUND.....	2,663	2,663	2,663
	=====	=====	=====
TOTAL, POWER MARKETING ADMINISTRATIONS.....	200,057	205,057	207,757
	=====	=====	=====
FEDERAL ENERGY REGULATORY COMMISSION			
Federal energy regulatory commission.....	175,200	181,155	181,155
FERC revenues.....	-175,200	-181,155	-181,155
	-----	-----	-----
TOTAL, FEDERAL ENERGY REGULATORY COMMISSION.....	---	---	---
	=====	=====	=====
Defense nuclear waste disposal (rescission).....	-75,000	---	---
Defense environmental privatization (rescission).....	-97,000	---	---
	=====	=====	=====
GRAND TOTAL, DEPARTMENT OF ENERGY.....	18,303,148	18,106,554	18,747,360
	=====	=====	=====

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

Contract Competition.—Section 301 provides that none of the funds in this Act may be used to award a management and operating contract, or award a significant extension or expansion to an existing 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. At least 60 days before such action, the Secretary of Energy must submit to the House and Senate Committees on Appropriations a report notifying the Committees of the waiver and setting forth, in detail, the reasons for the waiver. Section 301 does not preclude extensions of a contract awarded using competitive procedures.

The Committee's concerns regarding the Department's contracting procedures result from the Department's history of having management and operating contracts which have never been bid competitively, in some cases for over four decades. Ensuring competition for these situations in particular, and establishing competition as the norm for the Department's contracting, is imperative. However, the Committee is aware that there may be circumstances where the existing contract has been competed in the past few years; the existing contractor has been doing a good job; the mission at a specific site has been scheduled to end in a limited amount of time; or the time required for a full competitive procurement would result in significant delays to an ongoing project. In those instances where it is clearly in the taxpayers' interest, the Committee would not object to a contract extension.

Limitation on Benefits for Federal Employees.—Section 302 provides that none of the funds in this Act may be used to prepare or implement workforce restructuring plans or provide enhanced severance payments and other benefits and community assistance grants for Federal employees of the Department of Energy under section 3161 of the National Defense Authorization Act of Fiscal Year 1993, Public Law 102-484. The Committee has provided no funds to implement workforce restructuring plans which would provide benefits to Federal employees of the Department of Energy which are not available to other Federal employees of the United States Government.

Limitation on Funding for Section 3161 Benefits.—Section 303 provides that none of the funds in this Act may be used to augment the \$21,900,000 made available for obligation in this Act for severance payments and other benefits and community assistance grants authorized under the provisions of section 3161 of the National Defense Authorization Act of Fiscal Year 1993, Public Law 102-484.

Limitation on Initiation of Requests for Proposals.—Section 304 provides that none of the funds in this Act may be used to initiate requests for proposals or expressions of interest for new programs which have not yet been presented to Congress in the annual budget submission, and which have not yet been approved and funded by Congress.

Transfer and Merger of Unexpended Balances.—Section 305 permits the transfer and merger of unexpended balances of prior appropriations with appropriation accounts established in this bill.

Limitation on Bonneville Power Administration.—Section 306 provides that none of the funds provided in this or any other Act may be used by the Administrator of the Bonneville Power Administration to perform energy efficiency services outside the legally defined Bonneville service territory.

Limitation on Funds Used for LDRD.—Section 307 provides that none of the funds appropriated by Congress in any appropriation act other than Energy and Water Development appropriations acts may be used for Department of Energy laboratory directed research and development (LDRD).

The Department of Energy's laboratory directed research and development program allows laboratory directors to divert up to six percent of funds they receive to other projects at the laboratories at the sole discretion of the laboratory directors. The Department, however, has implemented the program in a manner which extends this policy to the funds received from other Federal agencies. The Committee is concerned that the Department of Energy through this policy has inadvertently allowed its laboratory directors to divert funds from the purpose for which they were appropriated in other Appropriations Acts, unwittingly violating the statutory language of those acts. The Committee is particularly concerned about funds that Congress has provided or added in defense appropriations acts for national missile defense and classified programs, which were provided for specific high-priority national security purposes to meet specific objectives. Diversion of these funds to unrelated laboratory directed research does not contribute to the purpose for which Congress appropriated the funds, but rather detracts from it. The Committee, therefore, recommends section 307 which limits the Department of Energy's laboratory directed research and development program to the funds provided by the Congress for the Department of Energy in this bill and ensures the integrity of funds provided to other Federal agencies in other appropriations bills.

External Regulation of Science Laboratories.—The Department of Energy (DOE) is currently self-regulating with respect to nuclear safety and worker safety at most of its facilities under the authority of the Atomic Energy Act of 1954. Section 308 directs the DOE to prepare an implementation plan to transition to external regulation of DOE's non-defense science laboratories. The Nuclear Regulatory Commission (NRC) would assume responsibility for nuclear safety at DOE's non-defense science laboratories, and the Occupational Safety and Health Administration (OSHA) would assume responsibility for worker safety at these same sites. The Department is directed in fiscal year 2002 only to prepare a plan for implementation of external regulation, with a proposed effective date for the actual implementation of external regulation being October 1, 2002.

For purposes of the implementation plan required by this section, external regulation will apply to the five multiprogram national laboratories under the Office of Science: Argonne National Laboratory; Brookhaven National Laboratory; Lawrence Berkeley National Laboratory; Oak Ridge National Laboratory; and Pacific

Northwest National Laboratory. External regulation shall also apply to the five single-purpose laboratories under the Office of Science: Ames Laboratory, Fermi National Accelerator Laboratory; Princeton Plasma Physics Laboratory; Stanford Linear Accelerator Center; and Thomas Jefferson National Accelerator Facility. The requirement to plan for the transition to external regulation is not applicable to the nuclear weapons laboratories, plants, or test facilities, or to the Department's environmental remediation sites or other laboratories and research facilities.

The Department's external regulation implementation plan is to be prepared in consultation with the agencies that will assume regulatory responsibility from the Department, the NRC and OSHA. The Department should transfer \$4,000,000 to the NRC and \$120,000 to OSHA, from within the funds appropriated in fiscal year 2002 for Environment, Safety, and Health to cover their respective costs to prepare for the transition to external regulation, to coordinate with each other and with DOE, to conduct site visits as necessary and to assist DOE in the preparation of the external regulation implementation plan. Note that the transfer to OSHA for external regulation planning is in addition to the \$600,000 transferred to OSHA for worker health and safety at those sites transferred to non-Federal entities and for the Department's non-nuclear facilities not covered under the Atomic Energy Act.

The Department should complete the external regulation implementation plan by March 31, 2001, and should submit the completed plan to the House and Senate Committees on Appropriations, the House Energy and Commerce Committee, the House Science Committee, the House Education and Workforce Committee, the Senate Energy and Natural Resources Committee, the Senate Environment and Public Works Committee, and the Senate Committee on Health, Education, Labor, and Pensions. The implementation plan should address the specific details on how external regulation will be implemented at the named Science laboratories, including the estimated staffing and funding requirements for NRC and OSHA as they assume their additional regulatory responsibilities, and the corresponding reduction in staffing and funding for DOE as it loses this regulatory responsibility. The implementation plan should identify any specific facilities or class of facilities for which external regulation cannot be reasonably implemented on October 1, 2002, and make recommendations on how to address nuclear and worker safety at those facilities. The implementation plan should address the modifications needed to existing management and operating contracts to reflect the change in federal regulatory oversight. The Committee expects that the NRC will, upon the effective date for external regulation, assume regulatory responsibility for regulating nuclear safety at accelerators in the named DOE Science laboratories. The responsibility for regulating accelerators located on Federal facilities is not to be delegated to the NRC Agreement States. The implementation plan should identify any statutory changes needed and propose the necessary legislative language. The Committee expects the NRC and the OSHA to enter into a memorandum of understanding prior to the effective transition date of October 1, 2002, to define the respective responsibilities of the two agencies at the named DOE laboratories.

User Facilities.—The Committee is very supportive of the Department's efforts to involve universities in the Department's research efforts. User facilities were created by Congress in the Energy Policy Act of 1992 (P.L. 102-486) in order to make the Department's unique energy research capabilities available broadly to universities, industry, private laboratories, other Federal laboratories, and others. The Department has adopted the user facility concept and extended it successfully to other DOE programs, including the National Nuclear Security Administration. The Department's laboratories and research instruments represent a valuable asset to the Nation, as well as a major investment of public funding. As such, the Department must make certain that universities, as well as other potential users, have an equal opportunity to take advantage of the Department's unique research facilities.

This Committee believes the Department already has in place procedures to ensure that the Department's research funds are distributed through a competitive, peer-reviewed process. The Committee also believes that similar competitive, peer-reviewed procedures are in place with respect to research conducted at DOE facilities using non-DOE funds. This section addresses several related parts of the process. When the Department makes a user facility available to universities and other potential users, it must provide notice of such availability in a manner that notifies the potential user community to the greatest extent practicable. The Department should publish its notices in the *Commerce Business Daily* as well as the appropriate scientific and technical journals, and should make use of workshops and other mechanisms to provide broad public notice. Similarly, when the Department seeks the input of universities and other potential users regarding significant changes to an existing user facility, or seeks their input regarding the features needed in a proposed new user facility, the Department must provide broad notice. The Committee is concerned that some of the initial outreach for the proposed nanoscale science research centers was conducted with select universities; other interested universities may not have been aware of the opportunity to provide input to DOE on these planned user facilities.

In certain instances other than management and operating contracts, the Department may choose to enter into a partnership arrangement with a university or other potential users to assist in the establishment or operation of a user facility. In such instances, this section requires the Department to conduct a full and open competition to select such a partner or partners. The opportunity to partner with one of the Department's national laboratories in the operation of a user facility is a valuable albeit limited opportunity. As such, the Department must take steps to ensure that potential partners have an equal chance to compete for that opportunity.

For purposes of this section, the term "user facility" includes, but is not limited to: a user facility as described in section 2203(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 13503(a)(2)); a National Nuclear Security Administration Defense Programs Technology Deployment Center/User Facility; and any other Department facility designated by the Department as a user facility. Note that the Department may not redesignate a facility as something other than

a user facility in order to avoid the notice and competition requirements of this section. Whenever the Department opens its research facilities to outside users, it must do so on a fair and equal basis.

Language not included by the Committee.—The Administration requested language authorizing intelligence activities of the Department of Energy and amending the National Defense Authorization Act for Fiscal Year 2000. The Committee recommendation does not include this proposed legislation.

TITLE V

GENERAL PROVISIONS

The Committee recommendation includes several general provisions pertaining to specific programs and activities funded in the Energy and Water Development Appropriations bill.

Prohibition on Lobbying.—Section 501 provides that none of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in section 1913 of Title 18, United States Code.

Buy American.—Section 502 requires that American-made equipment and goods be purchased to the greatest extent practicable.

Drainage of the San Luis Unit.—Section 503 provides language clarifying the funding requirements for the San Luis Unit.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives.

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states that:

Each report of a committee on a public bill or public joint resolution shall contain the following: (1) A statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from Clause 7 of Section 9 of Article I of the Constitution of the United States of America which states:

No money shall be drawn from the Treasury but in consequence of Appropriations made by law * * *

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

COMPARISON WITH BUDGET RESOLUTION

Clause 3(c)2 of Rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Discretionary	23,704	23,959	23,704	23,927
Mandatory				

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, the following table contains five-year projections associated with the budget authority in the accompanying bill:

Budget Authority	<i>Millions</i> 23,704
Outlays:	
2002	15,420
2003	7,163
2004	1,073
2005	25
2006 and beyond	16

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, the financial assistance to State and local governments is as follows:

Budget authority	<i>Millions</i> 74
Fiscal year 2002 outlays resulting therefrom	12

TRANSFER OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following is submitted describing the transfer of funds provided in the accompanying bill.

Under Title II, Bureau of Reclamation, Water and Related Resources:

* * * of which \$10,649,000 shall be available for transfer to the Upper Colorado River Basin Fund and \$32,442,000 shall be available for transfer to the Lower Colorado River Basin Development Fund; of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund; * * *

* * * Provided, That such transfers may be increased or decreased within the overall appropriations under this heading: * * *

Under Title III, Departmental Administration:

* * * That of the funds provided to the Department of Energy under title III of Public Law 105-277 for activities related to achieving Year 2000 conversion of Federal information technology systems and related expenses, remaining balances, estimated to be \$1,480,000, may be transferred to this account, and shall remain available until expended, for continuation of information technology enhancement activities.

Under Title III, General Provisions:

SEC. 305. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred 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.

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1)(A) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

TITLE I—CORPS OF ENGINEERS

Language has been included under Corps of Engineers, General Investigations, providing for detailed studies and plans and specifications of projects prior to construction. Language is also included under General Investigations which directs the Secretary of the Army to use funds to continue preconstruction engineering and design of the Murrieta Creek, California, project; directs the Secretary of the Army to use a certain report as the basis for the Rock Creek-Keefe Slough, California, project; and provides that the Southwest Valley Flood Reduction Study in New Mexico shall include an evaluation of flood damage reduction measures that would otherwise be excluded from the feasibility analysis based on certain restrictive policies.

Language has been included under Construction, General, permitting the use of funds from the Inland Waterways Trust Fund and the Harbor Maintenance Trust Fund and which provides that \$15,000,000 of the funds appropriated shall be deposited in the San Gabriel Restoration Fund. Language is also provided under Construction, General, which directs the Secretary of the Army to modify the Carr Creek Lake, Kentucky, project at full Federal expense, which directs the Secretary of the Army to undertake design deficiency repairs to the Bois Brule Levee and Drainage District, Missouri, project, and which directs the Secretary of the Army to increase the level of protection for the Bois Brule Levee and Drainage District, Missouri, project. Language is also included which directs the Secretary of the Army to construct the locally preferred plan for the Middlesex Borough element of the Raritan River Basin, Green Brook Sub-Basin, New Jersey, project.

Language has been included under Operation and Maintenance, General, stating the following:

* * * including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; * * *

Language has been included under Operation and Maintenance, General, providing for construction, operation, and maintenance of outdoor recreation facilities and permitting the use of funds from the Harbor Maintenance Trust Fund. Language is also included

under Operation and Maintenance, General, which directs the Secretary of the Army to perform cultural resource mitigation and recreation improvements at Waco Lake, Texas; which directs the Secretary of the Army to grade the basin Hansen Dam in California; and which directs the Secretary of the Army to investigate the development of an upland disposal recycling program.

Language has been included under the Regulatory Program regarding the regulation of navigable waters and wetlands.

Language has been included under General Expenses regarding support of the Humphreys Engineer Support Center Activity, the Institute for Water Resources and headquarters support functions at the USACE Finance Center. Language is also included under General Expenses prohibiting the use of other title I funds for the Office of the Chief of Engineers and the division offices. Language is also included prohibiting the use of funds to support an office of congressional affairs within the executive office of the Chief of Engineers.

Language has been included under Administrative Provision providing that funds are available for purchase and hire of motor vehicles.

Language is included under General Provisions as follows:

Sec. 101. The Committee has included language which amends the authorization for the San Gabriel Basin Restoration, California, program so that the San Gabriel Water Authority shall receive credit for prior expenditures.

Sec. 102. The Committee has included language which provides that the dredge McFARLAND may only be operated in a ready reserve status for urgent dredging, emergencies, and in support of national defense.

Sec. 103. The Committee has included language which directs the Secretary of the Army to include an alternatives analysis of a multipurpose Auburn Dam as part of the American River watershed, California, long-term study.

Sec. 104. The Committee has included language directing the Secretary of the Army to transfer property at Tuttle Creek Lake, Kansas, to the Blue Township Fire District, Blue Township, Kansas.

Sec. 105. The Committee has included language which directs the Secretary of the Army to carry out shore protection projects in accordance with the cost sharing provisions contained in existing Project Cooperation Agreements.

Sec. 106. The Committee has included language which provides that none of the funds appropriated in this Act may be used to revise the Missouri River Master Water Control Manual if such revision provides for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

TITLE II—DEPARTMENT OF INTERIOR

Language has been included under Water and Related Resources providing that funds are available for fulfilling Federal responsibilities to Native Americans and for grants to and cooperative agreements with state and local governments and Indian tribes. Lan-

guage is included under Water and Related Resources providing that such sums as necessary may be advanced to the Colorado River Dam Fund. Language is included under Water and Related Resources which permits fund transfers within the overall appropriation to the Upper Colorado River Basin Fund and the Lower Colorado River Basin Development Fund. Language is provided under Water and Related Resources providing that funds may be used for activities under Public Law 106-163. Language is included under Water and Related Resources providing that funds may be used for work carried out by the Youth Conservation Corps. Language is included under Water and Related Resources providing that funds may be derived from the Reclamation Fund or the special fee account established by 16 U.S.C. 4601-6a(i). Language is included under Water and Related Resources which provides that funds contributed by non-Federal entities shall be available for expenditure. Language is included providing that funds advanced for operation and maintenance of reclamation facilities are to be credited to the Water and Related Resources account. Language is also included permitting the use of funds available for the Departmental Irrigation Drainage Program for site remediation on a non-reimbursable basis. Language is included under Water and Related Resources amending the Reclamation States Emergency Drought Relief Act.

Language has been included under the Bureau of Reclamation Loan Program providing that funds may be derived from the Reclamation Fund.

Language has been included under the Central Valley Project Restoration Fund directing the Bureau of Reclamation to assess and collect the full amount of additional mitigation and restoration payments authorized by section 3407(d) of Public Law 102-575.

Language has been included under Policy and Administration providing that funds may be derived from the Reclamation Fund and providing that no part of any other appropriation in the Act may be used for activities budgeted as policy and administration expenses.

Language has been provided under General Provisions in section 201 which provides that none of the funds appropriated in this Act may be used by the Bureau of Reclamation to issue permits, either directly or by making funds available to an entity under a contract, for commercial rafting activities within the Auburn State Recreation Area, California, until the requirements of the National Environmental Policy Act and the Federal Water Pollution Control Act are met. The Committee has included language in section 202 which amends the authorization for the American and Sacramento Rivers, California, project.

TITLE III—DEPARTMENT OF ENERGY

Language has been included under Nuclear Waste Disposal providing that funds appropriated to the State of Nevada shall be made solely to the Nevada Division of Emergency Management for oversight activities.

Language has been included under Departmental Administration, notwithstanding 31 U.S.C. 3302, and consistent with the authorization in Public Law 95-238, to permit the Department of En-

ergy to use revenues to offset appropriations. The appropriations language for this account reflects the total estimated program funding to be reduced as revenues are received. This language has been carried in prior appropriations Acts.

Language has been included under Departmental Administration providing that notwithstanding the provisions of the Anti-Deficiency Act, such additional amounts as necessary to cover increases in the estimated amount of cost of work for others, as long as such increases are offset by revenue increases of the same or greater amounts.

Language has been included under Departmental Administration providing not to exceed \$35,000 for official reception and representation expenses.

Language has been included under the Office of the Administrator providing not to exceed \$12,000 for official reception and representation expenses.

Language has been included under the Bonneville Power Administration account providing not to exceed \$1,500 for official reception and representation expenses, and precluding any new direct loan obligations.

Language has been included under Southeastern Power Administration providing that, notwithstanding the provisions of 31 U.S.C. 3302, amounts collected to recover purchase power and wheeling expenses shall be credited to the account as offsetting collections and remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

Language has been included under Southwestern Power Administration to permit Southwestern to utilize reimbursements, notwithstanding 31 U.S.C. 3302, and to provide not to exceed \$1,500 for official reception and representation expenses. This language has been carried in previous appropriations Acts.

Language has been included under Southwestern Power Administration providing that, notwithstanding the provisions of 31 U.S.C. 3302, amounts collected to recover purchase power and wheeling expenses shall be credited to the account as offsetting collections and remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

Language has been included under the Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration account providing \$1,227,000 for deposit into the Utah Reclamation mitigation and Conservation Account pursuant to Title IV of the Reclamation Projects Act of 1992, and not to exceed \$1,500 for official reception and representation expenses.

Language has been included under Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration providing that, notwithstanding the provisions of 31 U.S.C. 3302, amounts collected to recover purchase power and wheeling expenses shall be credited to the account as offsetting collections and remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

Language has been included under the Federal Energy Regulatory Commission to permit the hire of passenger motor vehicles, to provide official reception and representation expenses, and to permit the use of revenues collected to reduce the appropriation as

revenues are received. This language has been included in previous appropriation acts.

Language has been included under the Federal Energy Regulatory Commission to prohibit the Commission from using funds appropriated in this or any other Act to complete the remaining reviews and issue further authorizations to proceed with the Gulfstream Natural Gas Project.

Language has been included under Department of Energy, General Provisions, providing that management and operating contracts must be awarded using competitive procedures unless Congress is notified 60 days in advance.

Language has been included under Department of Energy, General Provisions, prohibiting the use of funds to prepare workforce restructuring plans or to provide enhanced severance payments and other benefits for Department of Energy employees under section 3161 of Public Law 102-484.

Language has been included under Department of Energy, General Provisions, prohibiting the use of funds to augment the funding provided for section 3161 of Public Law 102-484.

Language has been included under Department of Energy, General Provisions, prohibiting the use of funds to prepare or initiate requests for proposals for programs which have not yet been funded by Congress.

Language has been included under Department of Energy, General Provisions, providing that unexpended balances of prior appropriations may be transferred and merged with new appropriation accounts established in this Act.

Language has been included under Department of Energy, General Provisions, prohibiting the Administrator of the Bonneville Power Administration to enter into any agreement to perform energy efficiency services outside the legally defined Bonneville service territory.

Language has been included under Department of Energy, General Provisions, prohibiting the use of laboratory directed research and development from programs and/or funds that were appropriated by Congress in other than Energy and Water Development Appropriations acts.

Language has been included that directs the Secretary of Energy to submit a plan to Congress containing an implementation plan for transferring from the Department of Energy the regulatory authority over nuclear safety and worker safety at the Department's science laboratories.

Language has been included requiring the Department of Energy to ensure public notice when it makes a national user facility available to universities and other potential users or seeks input regarding significant characteristics or equipment in a national user facility or a proposed national user facility, and requiring competition when the Department partners with a university or other entity for the establishment or operation of a user facility.

TITLE IV—INDEPENDENT AGENCIES

Language has been included under the Nuclear Regulatory Commission allowing the purchase of promotional items for use in recruiting new employees. Language is also included to permit the

NRC to utilize revenues collected to offset appropriations, notwithstanding 31 U.S.C. 3302. This language has been carried in previous appropriations Acts.

Language has been included under the Nuclear Regulatory Commission, Office of Inspector General, to utilize revenues collected to offset appropriations, notwithstanding 31 U.S.C. 3302. This language has been carried in previous appropriations Acts.

TITLE V—GENERAL PROVISIONS

Language has been included under General Provisions prohibiting the use of funds in this Act to influence congressional action on any legislation or appropriation matters pending before Congress.

Language has been included under General Provisions requiring, to the greatest extent practicable, that all equipment and products purchased should be American-made, and prohibiting contracts with persons falsely labeling products as “Made in America.”

Language has been included under General Provisions prohibiting the use of funds to determine the point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of Interior and the State of California of a plan to minimize the impact of drainage waters, and directing the Secretary of Interior to classify the costs of the Kesterson Reservoir Cleanup program and San Joaquin Valley Drainage Program as reimbursable or nonreimbursable.

COMPLIANCE WITH CLAUSE 3 OF RULE XIII (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

The accompanying bill would amend section 110(3)(B)(ii) of Division B, title I of Public Law 106–554 as follows:

(ii) Non-Federal Responsibility.—The San Gabriel Basin Water Quality Authority shall be responsible for providing the non-Federal amount required by clause (i). The State of California, local government agencies, and private entities may provide all or any portion of such amount: *Provided, That the Secretary shall credit the San Gabriel Water Quality Authority with the value of all prior expenditures by the non-Federal interests that are compatible with the purposes of this Act.*

The accompanying bill would amend section 301 of Public Law 102–250, Reclamation States Emergency Drought Relief Act of 1991, as follows:

Except as otherwise provided in section 2243 of this title (relating to temperature control devices at Shasta Dam, California), there is authorized to be appropriated not more than \$90,000,000 in total for fiscal years 1992, 1993, 1994, 1995, 1996, 1999, 2000, [and 2001] *2001 and 2002.*

The accompanying bill would amend section 101(a)(6)(C) of the Water Resources Development Act as follows:

[(C) Makeup of Water Shortages Caused By Flood Control Operation.—The Secretary of the Interior shall enter into, or modify, such agreements with the Sacramento Area Flood Control Agency regarding the operation of Folsom Dam and reservoir as may be necessary in order that, notwithstanding any prior agreement or provision of law, 100 percent of the water needed to make up for any water shortage caused by variable flood control operation during any year at Folsom Dam and resulting in a significant impact on recreation at Folsom Reservoir shall be replaced, to the extent the water is available for purchase, by the Secretary of the Interior.]

(C) *Makeup of Water Shortages Caused By Flood Control Operation.—The Secretary of the Interior shall enter into, or modify, such agreements with the Sacramento Area Flood Control Agency regarding the operation of Folsom Dam and Reservoir, as may be necessary, in order that, notwithstanding any prior agreement or provision of law, 100 percent of the water needed to make up for any water shortage caused by variable flood control operation during any year at Folsom Dam and resulting in a significant impact to the environment or to recreation shall be replaced, to the extent that water is available, as determined by the Secretary of the Interior, with 100 percent of the cost of such available water borne by the Sacramento Area Flood Control Agency.*

APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

(In thousands of dollars)

Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Corps of Engineers:				
Formerly Utilized Sites Remedial Action Program	(1)	(1)	(1)	140,000
Department of Energy:				
Energy Supply:				
Biomass/Biofuels	1993	(2)	(4)	88,960
Geothermal Energy	1993	23,000	(4)	27,000
Hydrogen	2001	40,000	27,000	27,000
Hydropower	1982	11,700	(4)	3,000
Solar Energy	1993	(2)	(4)	94,657
Wind Energy Systems	1993	(2)	(4)	40,000
Electric energy systems & electric storage systems ...	1994	(3)	(4)	60,000
Renewable Energy Production Incentive	1995	(2)	(4)	4,000
International Renewable Energy Program	1996	(3)	(4)	3,000
Departmental Energy Management	1984	(3)	(4)	2,500
Renewable Program Support	1984	(3)	(4)	3,000
National Renewable Energy Laboratory	1984	(3)	(4)	5,000
Program Direction	1984	(3)	(4)	18,700
Nuclear Energy:				
Advanced Radioisotope Power System	1992	(2)	(4)	28,200
Isotopes	1974	(2)	(4)	16,177
University Reactor Fuel Assistance and Support	1974	(2)	(4)	15,895
Research and Development	1994	(2)	(4)	32,579
Infrastructure	1974	(2)	(4)	80,259
Nuclear Facilities Management	1974	(2)	(4)	30,250
Program Direction	1992	(2)	(4)	20,500
Environment, Safety and Health	1974	(2)	(4)	31,500
Technical Information Management	1981	(2)	(4)	7,870

(In thousands of dollars)

Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Non-Defense Environmental Management	1984	(⁵)	(⁵)	227,872
West Valley Demonstration Project	1981	5,000	5,000	85,115
Uranium Facilities Maintenance and Remediation:				
Other Uranium Activities	1974	(²)	(⁴)	120,784
Science	1984	500,000	635,417	3,166,395
High Energy Physics	1984	(³)	477,947	716,100
Nuclear Physics	1984	(³)	155,220	361,510
Biological and Environmental Research	1994	(³)	388,298	445,880
Basic Energy Sciences	1994	(³)	743,590	1,006,705
Advanced Scientific Computing Research	1996	169,000	111,068	163,050
Energy Research Analysis	1994	(³)	3,507	1,000
Multiprogram Energy Laboratories	1994	(³)	39,327	30,175
Fusion Energy Sciences	1994	380,000	322,277	248,495
Facilities and Infrastructure	(⁶)	(⁶)	(⁶)	10,000
Program Direction	1984	(²)	(⁴)	134,980
Nuclear Waste Disposal	(⁸)	(²)	190,654	133,000
Departmental Administration	1984	246,963	185,682	209,611
Office of the Inspector General	1984	(²)	14,670	32,430
Atomic Energy Defense Activities:				
National Nuclear Security Administration:				
Weapons Activities	2001	4,840,289	5,006,153	5,123,888
Defense Nuclear Nonproliferation	2001	877,467	872,273	845,341
Naval Reactors	2001	694,600	688,645	688,045
Office of the NNSA Administrator	2001	10,000	9,978	10,000
Defense Environmental Restoration and Waste Management	2001	5,973,692	4,963,533	5,174,539
Defense Facilities Closure Projects	2001	(⁹)	1,080,331	1,092,878
Defense Environmental Management Privatization	2001	(¹⁰)	65,000	143,208
Other Defense Activities	2001	523,822	582,466	487,464
Defense Nuclear Waste Disposal	2001	112,000	199,725	310,000
Power Marketing Administrations:				
Southeastern Power Administration	1984	24,240	39,463	39,354
Southwestern Power Administration	1984	40,254	29,288	29,838
Western Area Power Administration	1984	259,700	237,037	358,289
Falcon and Amistad Operating and Maintenance Fund	1995	(²)	2,663	2,663
Federal Energy Regulatory Commission	1984	275,000	175,200	181,155
Independent Agencies:				
Appalachian Regional Commission	2001	70,000	66,254	71,290
Defense Nuclear Facilities Safety Board	2001	18,500	18,459	18,500
Nuclear Regulatory Commission	1985	460,000	448,200	516,900
Nuclear Regulatory Commission—Office of Inspector General	1985	(¹¹)	(¹¹)	6,180

¹ Program was initiated in 1972 and has never received a separate authorization.

² No amount specified.

³ Authorized level provided for multiple programs with no separate program allowances.

⁴ Funding for these activities was spread throughout multiple programs with no individual amount specified.

⁵ Funding for these activities was spread throughout many programs with no amount specified. The last year of authorization was 1984. In 1989, cleanup activities were merged into the non-defense environmental management appropriation account. There has not been a separate authorization for this account.

⁶ New program in FY 2002.

⁷ Such sums as necessary.

⁸ Overall program authorized in 1982 and 1987, but without any authorization of appropriations.

⁹ Authorization for defense facilities closure projects included within overall Defense Environmental Restoration and Waste Management authorization of \$5,973,692,000.

¹⁰ Net authorization of \$0 (authorization of \$90,092,000 for FY2001 less \$90,092,000 in prior year balances).

¹¹ The first separate appropriation for the Office of Inspector General in the Nuclear Regulatory Commission was in FY 1990. Prior to that, the NRC-IG was included within the overall authorization and appropriation for the NRC.

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the Rules of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

There were no rollcall votes.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002
(Amounts in thousands)**

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF DEFENSE - CIVIL					
DEPARTMENT OF THE ARMY					
Corps of Engineers - Civil					
General investigations.....	160,584	130,000	163,260	+ 2,676	+ 33,260
Construction, general.....	1,716,165	1,324,000	1,671,854	-44,311	+ 347,854
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	350,458	280,000	347,655	-2,803	+ 67,655
Operation and maintenance, general.....	1,897,775	1,745,000	1,864,464	-33,311	+ 119,464
Regulatory program	124,725	128,000	128,000	+ 3,275	.....
FUSRAP	139,692	140,000	140,000	+ 308	.....
General expenses.....	151,666	153,000	153,000	+ 1,334	.....
Total, title I, Department of Defense - Civil	4,541,065	3,900,000	4,468,233	-72,832	+ 568,233
TITLE II - DEPARTMENT OF THE INTERIOR					
Central Utah Project Completion Account					
Central Utah project construction	19,524	24,169	24,169	+ 4,645	.....
Fish, wildlife, and recreation mitigation and conservation.....	14,136	10,749	10,749	-3,387	.....
Utah reclamation mitigation and conservation account	4,989	.....	.....	-4,989	.....
Subtotal	38,649	34,918	34,918	-3,731	.....

Program oversight and administration.....	1,213	1,310	1,310	+ 97	.....
Total, Central Utah project completion account.....	39,862	36,228	36,228	-3,634	.....
Bureau of Reclamation					
Water and related resources.....	678,953	647,997	691,160	+ 12,207	+ 43,163
Loan program.....	9,348	7,495	7,495	-1,853	.....
(Limitation on direct loans).....	(26,941)	(26,000)	(26,000)	(-941)	.....
Central Valley project restoration fund.....	38,360	55,039	55,039	+ 16,679	.....
California Bay-Delta restoration.....	.....	20,000	.....	.....	-20,000
Policy and administration.....	50,114	52,968	52,968	+ 2,854	.....
Total, Bureau of Reclamation	776,775	783,499	806,662	+ 29,887	+ 23,163
Total, title II, Department of the Interior	816,637	819,727	842,890	+ 26,253	+ 23,163
TITLE III - DEPARTMENT OF ENERGY					
Energy supply.....	659,918	544,245	639,317	-20,601	+ 95,072
Non-defense environmental management	277,200	228,553	227,872	-49,328	-681
Uranium facilities maintenance and remediation.....	392,502	363,425	393,425	+ 923	+ 30,000
Science.....	3,180,341	3,159,890	3,166,395	-13,946	+ 6,505
Nuclear Waste Disposal.....	190,654	134,979	133,000	-57,654	-1,979
Departmental administration	225,942	221,618	209,611	-16,331	-12,007
Miscellaneous revenues.....	-151,000	-137,810	-137,810	+ 13,190	.....
Net appropriation	74,942	83,808	71,801	-3,141	-12,007
Office of the Inspector General	31,430	31,430	32,430	+ 1,000	+ 1,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued
(Amounts in thousands)**

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Environmental restoration and waste management:					
Defense function	(6,108,864)	(5,740,783)	(6,410,625)	(+ 301,761)	(+ 669,842)
Non-defense function	(669,702)	(591,978)	(621,297)	(-48,405)	(+ 29,319)
Total.....	(6,778,566)	(6,332,761)	(7,031,922)	(+ 253,356)	(+ 699,161)
Atomic Energy Defense Activities					
National Nuclear Security Administration:					
Weapons activities.....	5,006,153	5,300,025	5,123,888	+ 117,735	-176,137
Defense nuclear nonproliferation.....	872,273	773,700	845,341	-26,932	+ 71,641
Naval reactors	688,645	688,045	688,045	-600	.....
Office of the Administrator.....	9,978	15,000	10,000	+22	-5,000
Subtotal, National Nuclear Security Administration.....	6,577,049	6,776,770	6,667,274	+ 90,225	-109,496
Defense environmental restoration and waste management.....	4,963,533	4,548,708	5,174,539	+ 211,006	+ 625,831
Defense facilities closure projects.....	1,080,331	1,050,538	1,092,878	+ 12,547	+ 42,340
Defense environmental management privatization.....	65,000	141,537	143,208	+ 78,208	+ 1,671
Subtotal, Defense environmental management	6,108,864	5,740,783	6,410,625	+ 301,761	+ 669,842
Other defense activities	582,466	527,614	487,464	-95,002	-40,150
Defense nuclear waste disposal	199,725	310,000	310,000	+ 110,275	.....
Total, Atomic Energy Defense Activities.....	13,468,104	13,355,167	13,875,363	+ 407,259	+ 520,196

Power Marketing Administrations					
Operation and maintenance, Southeastern Power Administration	3,891	4,891	4,891	+ 1,000	.....
Operation and maintenance, Southwestern Power Administration	28,038	28,038	28,038	.....	.....
Construction, rehabilitation, operation and maintenance, Western Area Power Administration.....	165,465	169,465	172,165	+ 6,700	+ 2,700
Falcon and Amistad operating and maintenance fund.....	2,663	2,663	2,663	.....	.....
Total, Power Marketing Administrations	200,057	205,057	207,757	+ 7,700	+ 2,700
Federal Energy Regulatory Commission					
Salaries and expenses.....	175,200	181,155	181,155	+ 5,955	.....
Revenues applied	-175,200	-181,155	-181,155	-5,955	.....
Defense nuclear waste disposal (rescission).....	-75,000	.....	.....	+ 75,000	.....
Defense environmental privatization (rescission)	-97,000	.....	.....	+ 97,000	.....
Total, title III, Department of Energy.....	18,303,148	18,106,554	18,747,360	+ 444,212	+ 640,806
TITLE IV - INDEPENDENT AGENCIES					
Appalachian Regional Commission.....	66,254	66,290	71,290	+ 5,036	+ 5,000
Defense Nuclear Facilities Safety Board	18,459	18,500	18,500	+ 41	.....
Delta Regional Authority.....	19,956	19,992	.....	-19,956	-19,992
Denali Commission	29,934	29,939	.....	-29,934	-29,939
Nuclear Regulatory Commission:					
Salaries and expenses	481,825	506,900	516,900	+ 35,075	+ 10,000
Revenues	-447,958	-463,248	-473,520	-25,562	-10,272
Subtotal	33,867	43,652	43,380	+ 9,513	-272

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued
(Amounts in thousands)**

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of Inspector General.....	5,500	6,180	6,180	+ 680	.....
Revenues	-5,390	-5,932	-5,933	-543	-1
Subtotal	110	248	247	+ 137	-1
Total.....	33,977	43,900	43,627	+9,650	-273
Nuclear Waste Technical Review Board.....	2,894	3,100	3,100	+ 206	.....
Total, title IV, Independent agencies.....	171,474	181,721	136,517	-34,957	-45,204
TITLE V - EMERGENCY SUPPLEMENTAL					
DEPARTMENT OF ENERGY					
Atomic Energy Defense Activities					
Cerro Grande fire activities (contingent emergency appropriations)	203,012	.....	.....	-203,012	.....
Appalachian Regional Commission (contingent emergency appropriations)	10,976	.....	.....	-10,976	.....
Total, title V, Emergency Supplemental	213,988	.....	.....	-213,988	.....

Grand total:

New budget (obligational) authority	24,046,312	23,008,002	24,195,000	+ 148,688	+ 1,186,998
Appropriations	(24,004,324)	(23,008,002)	(24,195,000)	(+ 190,676)	(+ 1,186,998)
Contingent emergency appropriations	(213,988)	.....	.....	(-213,988)	.....
Rescissions	(-172,000)	.....	.....	(+ 172,000)	.....
(By transfer).....	.....	.....	.....	.....	.....

ADDITIONAL VIEWS

OVERVIEW

The Majority fully cooperated with the Minority to develop this bill. It fairly represents the views of both. It is a bipartisan bill that Democrats can and will support.

It is not a perfect bill since it overemphasizes funding for nuclear weapons and does not contain sufficient funding to address the nation's energy crisis. But given the constraints that are imposed on the Committee by the Majority's budget resolution, which preclude the Committee from fully addressing the nation's energy and water needs in this bill, it is nonetheless a reasonable and prudent response to the Administration's budget proposals. The Administration proposed unwarranted reductions to water programs, non-proliferation of nuclear materials in Russia, renewable energy technologies, and environmental cleanup of nuclear weapons production sites. This bill rejects that approach, and instead restores funding to these important programs near the funding levels appropriated by Congress last year.

We commend the Majority for working with Democrats to fashion another bipartisan appropriations bill this year. We appreciate the many courtesies the Majority showed us as the bill was being developed, and the professionalism of the Majority staff.

RESPONSE TO THE NATIONAL ENERGY CRISIS

The major weakness of this bill is that it contains no significant increase in funding to address the nation's energy crisis or the President's recent National Energy Policy. It does not take a number of simple and straightforward steps that could be critical in boosting the near term availability of electrical power, protecting consumers from the extreme price gouging occurring in some segments of the industry and insulating the American economy from further damage from rising energy prices. It also does not invest a sufficient amount in developing renewable energy alternatives to fossil fuels.

That is deeply disturbing since the recent House-passed Supplemental Appropriations bill for fiscal year 2001 and this bill are the best and—perhaps only—legislative vehicles that can put resources in place quickly to mitigate the national energy crisis. The Majority has missed the key opportunity to respond to the national energy crisis by failing to properly address these issues in the appropriations bills.

THE ENERGY PROBLEM

The problems facing Americans today are in some respects quite different from those the country faced last fall when Appropriations were enacted for the current fiscal year. With gasoline prices up as

much as 50 cents a gallon over the last year, a typical two car family can expect to pay about \$600 a year more to the oil companies and see a similar increase in heating and electrical costs. This is about a thousand or so dollars per household that won't be available for replacing the family car, buying new clothes or saving for college education. As a result many businesses are suffering and the whole economy has gotten softer.

While higher energy prices have affected households in every part of the United States, the impact on the West Coast has been much more severe. Many Americans in other parts of the United States are still not aware of how serious the situation is in the West and how much it may impact the overall national economy. Because more than one in eight Americans live in the three West Coast states and because so much of our export oriented and high tech industries are concentrated in those states, serious economic disruptions on the coast are certain to have a big impact on the economies of virtually all of the 47 other states.

Fluctuations in the cost of energy have played a major role in the performance of the American economy since the early 1970s. Rising fuel prices have contributed to at least three recessions over the last three decades and falling fuel prices have caused dislocations and bankruptcies in our own energy producing states and wreaked serious havoc with the entire international financial system.

The current situation differs from those of the past in that it is caused not only by an imbalance between the demand and supply of fossil fuels but also by serious emerging structural problems in the industries that generate and transmit electricity. While California and the West Coast provide the most obvious examples of these problems they are not strictly West Coast problems.

The deregulation and restructuring of the electrical utility industry that began more than a decade ago has left investors with considerable uncertainty as to how far deregulation will eventually go and how competitive the market for electricity will be. As a result there has been little growth in capacity for either generating or transmitting electrical power even though the economy has grown at a remarkable pace for most of that same period. As demand for electricity began to approach the capacity to generate it some producers came to realize that by withholding output they could force significantly higher prices in the newly deregulated environment. As a result, consumers are faced with a market that is neither competitive nor regulated.

Western States

There are three fundamental reasons that this problem is more severe in California and on the West Coast. First, California's attempt at deregulation was particularly inept. Wholesale prices were unleashed while retail prices remained regulated. That worked only as long as the price of the oil and natural gas used for generating electricity continued to fall. Once oil and gas prices began to rise, retail suppliers were caught in an untenable squeeze and consumers were given no incentive to conserve.

Second, the national power grid has never had significant capacity to transmit electricity from east of the Rockies to California and the West Coast. As a result, there is much less competition in the

wholesale electricity market in the West than in other parts of the country.

Third, the West has relied more heavily on hydroelectric power than most other parts of the country. Hydroelectric power is dependent on rainfall and the Pacific Northwest where most of the dams are located has been suffering from a severe drought.

The combination of these factors has produced not only dramatic increases in the price of electricity but also in blackouts that jeopardize production and profitability in a wide array of industries. Producers are typically charging between 10 and 30 times the historical rate for electricity and in some instances they have been able to charge as much as 129 times the historical rate. Typical homeowners in many parts of the state have seen their monthly electricity bills go from \$100 to more than \$800. In some communities more than half of all small businesses are either in bankruptcy or in the process of applying for bankruptcy protection. A significant number of larger employers have actually shut down operations. In total, electricity costs in California have gone from \$7 billion a year to around \$70 billion. Even in a state with a trillion dollar a year economy, that is a huge diversion of GDP from other sectors of the economy to the utility companies.

That means that states like Wisconsin that produce capital goods have seen their California markets evaporate and now have surplus inventories. States like Michigan, Ohio and Missouri are seeing layoffs in the automobile industry. Sales are off in the publishing, recording and household products industries largely because of the bite the electricity market in California is taking out of that state's ability to grow and consume products from other parts of the United States.

What can be done?

The United States faces both short-term and long-term problems with respect to energy. Under existing technologies our growing economy requires more and more energy, makes us more and more dependent on oil from the Persian Gulf, and therefore inevitably more vulnerable to political disruptions in that part of the world. At the same time it increases air and water pollution and jeopardizes the global climate. Finding ways to reduce our consumption of energy will help control prices, improve the quality of our air and water and reduce the vulnerability of our economy to events in Southwest Asia. Finding alternative forms of energy will also help achieve all three of those objectives. Those activities require the kind of long term and high-risk investments that the private sector is not likely to undertake and they should be funded in our regular appropriation bills as the high priority investments which any sensible assessment of our economic and security needs indicate they deserve.

The Democrats on the Committee have recently proposed initiatives dealing with separate portions of the energy crisis. These include *temporary* cost-of-service price limits in Western states; \$350 million for national electric power grid improvement loans; and \$125 million for national hydroelectric power improvement loans. None of them were considered for inclusion in this bill.

Alternative renewable energy sources

The Department of Energy leads the national research effort to develop clean, competitive, and reliable renewable energy and power delivery technologies for the 21st century.

The combination of environmental concerns, current and potential constraints of large system power transmission and distribution systems, and technological advances are all causing distributed and hybrid systems and technologies such as combined heat and power system, fuel cells, photovoltaics, wind turbines, geothermal, and biomass systems to gradually augment and eventually replace conventional large-scale power generating technologies. This is the best way to reduce pollutant and greenhouse gas emissions from power generation within the United States in the long term.

Although regulated utilities traditionally invested in power generation R&D, increased competitive pressures from the ongoing restructuring of the U.S. electric power industry has forced utilities and other companies to reduce or eliminate their R&D budgets. This makes federal R&D essential. This bill fails to make investments that are needed to address the national energy crisis in the *near term* by getting R&D out of the lab and into use:

The bill includes no funds for the "Million Solar Roofs" initiative, which is a bipartisan cost-shared partnership between the Department of Energy and states and local communities to get solar technology out of the labs and into practical applications;

The bill includes no funds for the "Wind Powering America" initiative, which is a bipartisan cost-shared partnership between the Department of Energy and states and local communities to deploy advanced wind turbine technology

The bill includes no funds for "Geopowering the West", which is a bipartisan cost-shared partnership between the Department of Energy and states and local communities to deploy geothermal power generation projects;

The bill contains very little for distributed energy resources, an area that the Department of Energy has recently concluded offers potentially high payoff in the future by reducing energy loss over long transmission distances.

The bill also fails to start increased investments in R&D that are needed to address the national energy crisis in the *far term* to meet goals set by the Department of Energy to:

Triple installed U.S. electricity generation capacity of non-hydroelectric renewable energy resources by 2015;

Overcome barriers to distributed power to achieve a 20 percent market penetration of new generation capacity by 2012;

Maintain the high reliability of the Nation's transmission and distribution systems during a period of increased consumer demand for electricity, while enduring numerous constraints on siting and building new transmission and distribution systems; and

To launch an ethanol industry by having (A) at least one ethanol production facility using agricultural and/or municipal solid wastes operational or under construction by 2004 and (B) a demonstration at a commercial facility in 2005 using an en-

ergy crop or closely related biomass to demonstrate a tenfold cost reduction for converting biomass to ethanol.

These are the things the Majority should have properly funded in this bill for fiscal year 2002 if they believe the President when he says there is an energy crisis.

AUBURN DAM

This bill contains legislation on Auburn Dam that should not be adopted because it is not good public policy.

Section 103 of the bill directs the Army Corps of Engineers to include a multi-purpose detention dam in Auburn, California as part of the Final Supplemental Plan Formulation Report for the American River Watershed which is currently estimated to be published in August, 2001. Ongoing studies underway by the Corps of Engineers are limited only to flood control aspects of the American River. The Chief of the Army Corps of Engineers testified to the Committee earlier this year that "Our belief is that carrying through the study as it is presently designed is probably the best way to go at this time."

This provision would delay the report and prevent Sacramento, California from securing additional flood protection for up to 14 additional years. Sacramento has been identified by the Corps of Engineers as the city with the least amount of flood protection for a city of its size in the nation. Over half a million people and more than \$40 billion in property and infrastructure would be impacted by a flood in Sacramento, which is the capitol to the world's sixth largest economy.

Current estimates of the cost of a multipurpose Auburn dam are roughly \$2.5 billion. Construction of the dam was halted in the mid-1970s after a regional earthquake revealed multiple fault lines near the construction site. Auburn dam no longer enjoys support from local, state, or federal agencies. Its construction would do major environmental damage to a pristine part of California.

The bill contains other legislative provisions, relating to the use of water within the region and to recreational rafting, that are aimed at putting roadblocks in place to pressure certain groups to support the Auburn dam project. These provisions are also improper, and should be removed from the bill.

CONCLUSION

It is a shame that this appropriations bill contains nothing of substance to address the immediate needs of American citizens who face a national energy crisis according to the President. The citizens in Western States will endure more hardship as the summer unfolds. Democrats offer national initiatives for real near-term solutions that could be implemented quickly on a bipartisan basis. It is unfortunate that Republicans reject such proposals, and instead have produced this appropriations bill that fails to respond to the national energy crisis in any meaningful way.

DAVID R. OBEY.