

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS  
 BILL, 2014

JULY 2, 2013.—Committed to the Committee of the Whole House on the State of  
 the Union and ordered to be printed

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

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 2609]

The Committee on Appropriations submits the following report in  
 explanation of the accompanying bill making appropriations for en-  
 ergy and water development for the fiscal year ending September  
 30, 2014, 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, Fiscal Year 2014. The following table summarizes appropriations for fiscal year 2013, the budget estimates, and amounts recommended in the bill for fiscal year 2014. The appropriations for fiscal year 2013 are defined as the amounts provided within Public Law 113-6 and excluding emergency funding, disaster relief adjustments, the 251A sequester, and any other adjustments imposed by the Office of Management and Budget pursuant to section 3004 of Public Law 113-6.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2013  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2014  
(Amounts in thousands)

	FY 2013 Enacted /1	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Title I, Department of Defense - Civil.....	10,330,000	4,826,000	4,876,000	-5,454,000	+50,000
Title II, Department of the Interior.....	1,068,719	1,049,584	964,757	-103,962	-84,827
Title III, Department of Energy.....	27,043,427	28,953,893	24,925,252	-2,118,175	-4,028,641
Title IV, Independent Agencies.....	254,496	243,330	249,279	-5,217	+5,949
Title V, General Provisions.....	---	-100,000	-519,000	-519,000	-419,000
Subtotal.....	38,696,642	34,972,807	30,496,288	-8,200,354	-4,476,519
Scorekeeping adjustments.....	-1,952,642	-489,288	-70,288	+1,882,354	+419,000
Grand total for the bill.....	36,744,000	34,483,519	30,426,000	-6,318,000	-4,057,519

1/ Excludes emergency appropriations

## INTRODUCTION

The Energy and Water Development Appropriations bill for fiscal year 2014 totals \$30,426,000,000, \$2,857,000,000 less than the amount appropriated in fiscal year 2013 (defined as the amount provided within Public Law 113–6 and excluding emergency funding, disaster relief adjustments, the 251A sequester, and any other adjustments imposed by the Office of Management and Budget pursuant to section 3004 of Public Law 113–6) and \$4,057,519,000 below the President’s budget request. Total security funding is \$11,104,000,000, \$397,000,000 less than the amount appropriated in fiscal year 2013 and \$548,469,000 below the budget request. Total non-security funding is \$19,322,000,000, \$2,460,000,000 less than the amount appropriated in fiscal year 2013 and \$3,509,050,000 below the budget request.

Title I of the bill provides \$4,876,000,000 for the Civil Works programs of the U.S. Army Corps of Engineers, \$104,000,000 below fiscal year 2013 (excluding funding provided in Public Law 113–2, the Disaster Relief Appropriations Act, 2013) and \$50,000,000 above the budget request. Total funding for activities eligible for reimbursement from the Harbor Maintenance Trust Fund is \$1,000,000,000, \$110,000,000 above the budget request.

Title II provides \$964,757,000 for the Department of the Interior and the Bureau of Reclamation, \$103,962,000 below fiscal year 2013 and \$84,827,000 below the budget request. The Committee recommends \$956,032,000 for the Bureau of Reclamation, \$91,687,000 below fiscal year 2013 and \$90,052,000 below the budget request for accounts traditionally within the Bureau of Reclamation. The Committee recommends \$8,725,000 for the Central Utah Project, \$12,275,000 below fiscal year 2013 and \$5,225,000 above the budget request.

Title III provides \$24,925,252,000 for the Department of Energy, \$2,118,175,000 below fiscal year 2013 and \$4,028,641,000 below the budget request. Funding for the National Nuclear Security Administration (NNSA), which includes nuclear weapons activities, defense nuclear nonproliferation, naval reactors, and the Office of the NNSA Administrator, is \$11,266,000,000, \$235,644,000 below fiscal year 2013 and \$386,469,000 below the budget request.

The Committee recommends \$4,653,000,000 for the Office of Science, \$982,637,000 for renewable energy, energy reliability and efficiency programs; \$656,389,000 for nuclear energy programs; \$450,000,000 for fossil energy research and development; and \$50,000,000 for the Advanced Research Projects Agency—Energy.

Environmental management activities—non-defense environmental cleanup, uranium enrichment decontamination and decommissioning, and defense environmental cleanup—are funded at \$5,489,000,000, \$242,651,000 below fiscal year 2013 and \$132,688,000 below the budget request.

Funding for the Power Marketing Administrations is provided at the requested levels.

Title IV provides \$249,279,000 for several Independent Agencies, \$5,217,000 below fiscal year 2013 and \$5,949,000 above the budget request. Net funding for the Nuclear Regulatory Commission is \$123,216,000, \$4,298,000 below fiscal year 2013 and the same as the budget request.

Title V includes a rescission of \$519,000,000 of prior year appropriations, \$513,000,000 more than fiscal year 2013 and \$419,000,000 more than the budget request. The rescission includes \$200,000,000 from title I and \$319,000,000 from title III. Within title III, \$157,000,000 is rescinded from Energy Efficiency and Renewable Energy, \$142,000,000 is rescinded from Weapons Activities, and \$20,000,000 is rescinded from Defense Nuclear Non-proliferation.

## OVERVIEW OF THE RECOMMENDATION

The Committee recommendation makes clear the tradeoffs forced by relying on cuts in discretionary spending to achieve deficit reductions. In fiscal year 2013, sequestration cut the activities funded in this bill by more than \$2,100,000,000 with the greatest percentage taken from the most critical area this bill funds: our national security. Yet, beyond this percentage difference between security and non-security activities, sequestration was indifferent to the programs, projects, and activities being cut. Compounding the problem, the Energy and Water Appropriations bill for fiscal year 2013 was not enacted into law, so the funding levels were based on priorities at least one year out of date.

The Committee recommendation clearly articulates priorities for fiscal year 2014, differentiating among programs, projects, and activities that are inherently federal responsibilities and those that might be supported by the private sector or other non-federal entities. Above all else, it supports the most critical of inherently federal responsibilities: the national defense and the maintenance of our nation's waterways. Strong support is provided for basic science programs, which are critical to our country's long-term prosperity, and which the private sector is unlikely to assume. Activities to clean up contamination from the Manhattan Project are also inherently federal responsibilities and are required to fulfill agreements with states, tribes, and other non-federal entities. In contrast, applied energy research and development has the greatest opportunity for support from the private sector and the states.

The Committee does recognize that the federal government can, and should, play a role in helping our private sector compete. Many foreign companies enjoy heavy subsidies and other protections from their governments. This assistance can give those companies at least a short-term advantage in the global marketplace. The recommendation continues applied research and development for energy technologies by focusing the limited available resources on programs that help keep the cost of energy low and those that help the American private sector quickly identify and pursue promising technologies.

## NATIONAL DEFENSE PROGRAMS

As in previous years, the Committee considers the national defense programs, run by the National Nuclear Security Administration (NNSA), to be the Department of Energy's top priority. Even within the limited resources available for fiscal year 2014, the recommendation provides strong support for the President's proposals to increase investments in the NNSA's infrastructure through the

following national defense accounts: Weapons Activities, Defense Nuclear Nonproliferation, and Naval Reactors.

The Committee recognizes and supports the close working relationship that the NNSA and the Department of Defense are demonstrating. Properly executed, this unity of mission will help the Department of Defense to better understand the costs of its requirements and the NNSA to build upon Department of Defense budgeting experience to provide more accurate estimates of costs. The Committee is concerned that assumed within the NNSA's budget are more than \$300,000,000 in "efficiencies" that must be realized to allow the NNSA to attain its objectives for fiscal year 2014, and that these "efficiencies" must be maintained in the future. The Committee believes that all options must be considered to find these "efficiencies" and includes bill language to reduce the percentage of overhead at the weapons laboratories that may be used for discretionary research and development. Implementation of this reduction should free more than \$100,000,000 to be applied to the direct support of our nation's nuclear weapons. The NNSA shall report to the Committees on Appropriations of the House of Representatives and the Senate not later than 180 days after enactment of this Act regarding its "efficiencies" for fiscal years 2014 and 2015.

The recommendation continues the Committee's strong support for modernization of the nuclear stockpile and its supporting infrastructure. At the same time, the Committee notes that the full extent of the consequences of the NNSA's project management problems, especially at the largest of the NNSA's construction projects, is still coming to light. As the Administration gains a more complete understanding of cost increases and construction delays, it must take the lead to determine whether a new long-term budget plan is needed to meet the nation's strategic objectives.

The Committee notes that the Administration has proposed a new structure for our nuclear stockpile, the so-called "3+2 strategy", to be implemented in the coming decades. This proposal may be an attempt to accommodate the budgetary environment facing our nation's strategic defense. While in concept some of the claimed benefits, including lower overall costs for maintaining the stockpile, are appealing, the Administration has yet to fully analyze and estimate the costs of the workforce implications, infrastructure needs, and strategic risks of the proposed changes. This analysis and full estimation of risks, benefits, and costs is critical for this Committee to determine its support for the proposal. The recommendation takes a balanced approach by funding work needed to complete this analysis as well as ongoing work that will be needed for our stockpile regardless of its outcome.

The recommendation largely supports the Administration's budget request to prohibit the spread of fissile materials overseas, although the Committee would have preferred to allocate more to the core nonproliferation programs had funding been available. While the United States government has made great strides working with its global partners to limit the potential spread of fissile materials, much more is left to be done. The Committee notes that the United States and Russia have not yet determined the next steps of its bilateral nonproliferation relationship and understands that the outcome of this discussion will have important implications for the

nonproliferation program in the coming years. The Committee requests regular updates from the NNSA regarding the status of these discussions.

Finally, the Committee strongly supports the strategic protection afforded by our country's nuclear fleet, which is supported through the Naval Reactors account. The recommendation prioritizes strategic activities, such as the Ohio-class ballistic submarine replacement reactor program, while delaying infrastructure needs that, while also important, can be slightly deferred with no strategic repercussions. The Committee greatly appreciates the service of the members of our country's armed forces and will continue to place the highest priority on support for them and their work.

#### SUPPORTING AMERICAN COMPETITIVENESS

The agencies and programs funded by the recommendation are critical engines for the prosperity of the nation. The Army Corps of Engineers is responsible for keeping our federal waterways open for business. The Corps also has been instrumental in reducing the risk of flooding for much of this country's food-producing lands. The Bureau of Reclamation supplies reliable water to approximately ten percent of this country's population and to much of its fertile agricultural lands. The Department of Energy has been at the forefront of developing intellectual property in energy sciences and other disciplines, the commercialization of new ideas, and improvements in energy supply and utilization. Working together, these agencies underpin the country's economic competitiveness and energy security.

As the agency responsible for our nation's federal waterways, the Army Corps of Engineers maintains 926 ports and 25,000 miles of commercial channels serving 41 states. The maintenance of these commercial waterways is directly tied to the ability of this country to ship its manufactured and bulk products, as well as to compete with the ports of neighboring countries for the business of ships arriving from around the world. These waterways handled foreign commerce valued at more than \$1,724,000,000,000 in 2012 alone. As a primary supporter of America's waterway infrastructure, the Corps is ensuring that the nation has the tools to maintain a competitive edge in the global market. While the Committee must make hard choices with limited resources, this recommendation makes key changes to the budget request to ensure that the Corps has the necessary tools to continue to support America's shipping infrastructure.

The flood protection infrastructure that the Corps builds or maintains reduces the risk of flooding to people, businesses, and other public infrastructure investments. In fact, Corps projects prevented damages of \$149,600,000,000 in 2012 alone. Between 1928 and 2012, each inflation-adjusted dollar invested in these projects prevented \$7.89 in damages. The properties and investments protected by the Corps infrastructure would often be flooded without that infrastructure, destroying homes, businesses, and many valuable acres of cropland.

The Bureau of Reclamation's water infrastructure is a critical component of the agricultural productivity of this country. These facilities deliver water to one of every five western farmers resulting in approximately 10 million acres of irrigated land that produces 60 percent of the nation's vegetables and 25 percent of its



fruits and nuts. Additionally, these facilities deliver water to more than 31 million people for municipal, rural, and industrial uses. Without these dams and water supply facilities, American agricultural producers in the West would not be able to access reliable, safe water for their families and their businesses and many municipal and industrial users would face critical water shortages.

The Department of Energy supports essential research that has helped keep America at the cutting edge of science and technology innovation. Given the limited resources available this year, the recommendation places a higher priority on research that only the government is likely to do, research that advances our basic scientific understanding, and research that has commercialization possibilities only in the distant future.

Research and development for technologies that are closer to commercialization, and thus that the private sector has more incentive to take up, receives less funding than in previous years. However, the recommendation does continue a long-standing commitment by the Committee to the type of research that will improve American energy security and independence. The recommendation for Fossil Energy; Nuclear Energy; and Renewable Energy, Energy Reliability and Efficiency are balanced to improve the efficiency and cleanliness of existing forms of energy production, while providing support for longer-term development of new and innovative forms of energy for this nation's security and prosperity.

As noted in previous years, the Department has not been successful at ensuring that intellectual property developed with U.S. taxpayer funds benefits those same taxpayers. The Department still has no coherent strategy to track and improve domestic exploitation of Department-developed intellectual property. Without such a strategy, U.S. manufacturing will too frequently be forced to play "catch-up" with foreign competitors benefitting from ideas formed here in the U.S. The Committee strongly urges the Secretary to take more of a leadership role in improving U.S. manufacturing and domestic intellectual property retention and includes direction to this effect in the "Department of Energy" section.

#### PROJECT AND PROGRAM MANAGEMENT

While the Department of Energy has made significant progress in the last few years, until the Committee can have confidence in the cost and schedule baselines upon which it must form its budgetary decisions, project and program management will continue to be a core concern. The Department continues its two decade presence on the Government Accountability Office's "high-risk list" for project management, although it is a hopeful sign that the Department's management of its smaller projects has been removed from the list. Unfortunately, management of the largest projects remains on the "high-risk list" and funding for these projects—including the Mixed Oxide Fuel Fabrication Facility, Waste Treatment Plant, and Uranium Processing Facility—to a large extent drives the Department's budget request. Even though the Committee has strongly supported nuclear weapons, nonproliferation, and cleanup activities, as costs for these construction projects grow and budgets remain constrained, available non-construction program resources will likely fall. The Department must get these projects onto a clear and enforceable path.

The Committee remains concerned about the management of the Department's research and development activities, although it notes significant improvements from previous years. The Department has taken steps to ensure that taxpayer funding is only invested into programs with clear guidelines and expectations, and the Committee expects that the nascent reforms within the energy efficiency and renewable energy activities will help foster a culture in which projects are terminated when those expectations are not met.

The Committee recognizes the improvements made by most of the Department to reduce "mortgages", funding in any fiscal year promised to awards or agreements started in prior years. Energy Efficiency and Renewable Energy (funded under Renewable Energy, Energy Reliability and Efficiency in this recommendation), once one of the greatest offenders, is now on par with Nuclear Energy and Fossil Energy. Minimal mortgages allow these offices to ensure that new resources in any fiscal year are allocated to the highest value projects, rather than to previous years' priorities. Program managers can actively manage their portfolios, ensuring that well-performing awardees are fully resourced without having to accommodate uncertainties about future-years' budgets.

Unfortunately, the Office of Science has failed to follow this trend. Most of its new multi-year awards continue to be mortgaged against out-year funding. Most of these new awards are small and should be fully funded. In fiscal year 2013, more than 70 percent of Science's multi-year awards were valued at less than \$1,500,000. In a nearly \$5,000,000,000 account, the practice of carrying mortgages for smaller awards is avoidable and should be terminated. The recommendation includes language to do so.

The Committee's concerns regarding program and project management are not limited to the Department of Energy. The Corps of Engineers has suffered several significant failings in recent years regarding its projects. The massive increase in the cost of the Olmsted Locks and Dam project, which this recommendation contains authorization language to accommodate, is the most obvious example. Coupled with the failure of the involved parties to solve the revenue challenge limiting projects cost-shared with the Inland Waterways Trust Fund (IWTF), this cost increase means that the Trust Fund's limited resources will be dedicated to making progress at the Olmsted project for many years in the future, rather than addressing the many other priorities awaiting funding.

Smaller projects have faced problems as well. In some cases, the Administration has not requested authorization increases in time for the Congress to accommodate them. This lack of planning and management is unacceptable. The Corps is directed to develop and maintain a database of all current projects, spending-to-date against each authorization limit, and a trigger date at which the Administration must notify the Congress that an authorization increase is needed to maintain progress on the project. Further direction regarding this topic is included in the "Corps of Engineers—Civil" section.

The Committee also has been made aware of concerns regarding the limited manner in which the Corps and the Bureau of Reclamation use technology in their contracting processes. Not later than 180 days after enactment of this Act, the Comptroller General of

the United States shall conduct a review of implementation by the Army Corps of Engineers and the Bureau of Reclamation of the requirement regarding the use of electronic submission in federal procurement in section 850 of Public Law 105–85. The review shall include analysis of: 1) The ability of the data collected through electronic submissions to be used for broader reporting and data usage by each agency; 2) potential benefits and obstacles to implementing fuller use of electronic submissions, including cost savings, increased security, reduction in errors, paperwork reduction, broader bidder participation, competition, and the enhanced use of data collection for management and timely reporting to Congress; and 3) available options and technologies for broader implementation and the suitability of each option, by contract type and size, for implementation. When analyzing options for possible improvements, the Comptroller General should consider the processes or systems used for construction-related contracting by other federal and state agencies, including departments of transportation.

Finally, the Committee notes that the Corps only recently submitted its spending plan for fiscal year 2013, months after it was required. The Administration's inability to submit a spending plan for this critical agency is unacceptable. This delay will be more disruptive to project implementation than the sequestration cuts, especially since the post-sequester funding levels of most of the project-based accounts will still be higher than the fiscal year 2013 budget request.

On the other hand, the Committee notes and appreciates the work of the Bureau of Reclamation and the Department of Energy to keep the Committee up-to-date with their plans for fiscal year 2013. Sequestration has posed significant challenges for all parties, and the Bureau and Department have tried hard to proactively manage their resources with congressional input.

#### COMMITTEE OVERSIGHT INITIATIVES

The highest priority mission of any federal agency is to be an effective steward of taxpayer dollars. Any waste, fraud, or abuse of taxpayer dollars is unacceptable. The Committee uses hearings, reviews by the Government Accountability Office, the Committee on Appropriations' Surveys and Investigations staff, and its annual appropriations Act, including the accompanying report, to promote strong oversight of the agencies under its jurisdiction, with an emphasis on the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Department of Energy.

The Committee requires detailed reporting from its agencies when specific information is needed to inform appropriations Acts and to fulfill oversight responsibilities. The Committee is deeply concerned that agencies are failing to produce these reports in a timely manner. These reports provide critical information that the Committee must have to effectively oversee taxpayer funds. Without them, the Committee must make substantive decisions without the full input of the executive branch.

The inability of the Army Corps of Engineers, the Bureau of Reclamation, and the Department of Energy to provide accurate and timely financial information to the Committee calls into question the strategic planning functions of those agencies and within the Administration's interagency process. The Committee will continue

to direct oversight and financial reports in an effort to build a more open and transparent budgeting process. The Committee expects that the Army Corps of Engineers, the Bureau of Reclamation, and the Department of Energy will renew their commitment to addressing and completing these congressionally directed reports in a timely manner.

The Committee has determined the following reports are no longer necessary to fulfill its oversight functions and is hereby eliminating or otherwise modifying the original reporting requirement:

*Department of Energy.*—Annual Report on Enforcement Actions for Stripper Well and Exxon Funds, required by H.R. 100–498, the Conference Report accompanying Public Law 100–202 (Eliminate).

*Department of Energy.*—Report on Marine and Hydrokinetic Technologies, required by H.R. 111–278, the Conference Report accompanying Public Law 111–85 (Eliminate).

*Army Corps of Engineers.*—Quarterly Report on Project Execution, required by House Report 110–185 (Combine with monthly reporting on emergency funding, except include non-emergency funding each quarter only).

The recommendation continues the Committee’s responsibility to conduct in-depth oversight into all activities funded in this bill. Each agency shall designate a specific point of contact to track each report required in the bill and ensure its timely production and delivery.

A summary of the major oversight efforts in the bill is provided below:

Agency/Account	Requirement
Army Corps of Engineers .....	Report on credit for work by non-Federal sponsors
Army Corps of Engineers .....	Guidance on risk estimation in cost estimating activities
Army Corps of Engineers .....	Report on cost related measures of aquatic ecosystem restoration
Army Corps of Engineers .....	Comprehensive estimate for completing ongoing projects
Army Corps of Engineers .....	Final spending plan for fiscal year 2014
Army Corps of Engineers .....	Guidance on ratings systems for allocating additional funds
Army Corps of Engineers .....	Plan for management of 902 limit project modifications
Army Corps of Engineers .....	List of projects that may exceed 902 limits
Army Corps of Engineers/Investigations .....	Guidance on flood risk in small cities
Army Corps of Engineers/Construction .....	Guidance and report on alternatives to dam safety activities at Isabella Dam and Reservoir project
Army Corps of Engineers/Construction .....	Report on actions to mitigate threat of predatory birds on endangered Salmon species in the Columbia River
Army Corps of Engineers/Construction .....	Report on distribution of Continuing Authorities Program funds
Army Corps of Engineers/FUSRAP .....	Guidance on investigation and study at former Sylva site
Army Corps of Engineers/Flood Control and Coastal Emergencies.	Guidance on tracking emergency related activities
Army Corps of Engineers/Expenses .....	Report on plan for allowing firearms on Corps lands
Army Corps of Engineers/General Provisions ...	Reprogramming requirements
Army Corps of Engineers/General Provisions ...	Restriction on use of continuing contracts
Army Corps of Engineers and Bureau of Reclamation.	GAO Report on electronic submission in contracting
Army Corps of Engineers and Bureau of Reclamation.	Report on performance metrics
Bureau of Reclamation/Water and Related Resources.	Report on water needs in Kettleman City, California
Bureau of Reclamation/Water and Related Resources.	Report on compliance with direction on buried metallic water pipe
Bureau of Reclamation/Water and Related Resources.	Guidance on assembly and analysis of data on pipeline reliability
Bureau of Reclamation/Water and Related Resources.	Report on costs and benefits to address quagga and zebra mussels

Agency/Account	Requirement
Bureau of Reclamation/Policy and Administration.	Guidance on new scope of information for budget justifications
Bureau of Reclamation/Policy and Administration.	Report on five year comprehensive spending plan
Bureau of Reclamation/General Provisions .....	Reprogramming requirements
Department of Energy .....	Guidance on proposal of budget structure changes
Department of Energy .....	Requirement for monthly financial balances report
Department of Energy .....	Report on Department's Program Direction accounts
Department of Energy .....	Report on historical funding of DOE Centers
Department of Energy .....	Guidance on inclusion of centers in future budget justifications
Department of Energy .....	Report on intellectual property protections
Department of Energy .....	Report on educational funding activities
Department of Energy .....	Reprogramming requirements
Department of Energy/Renewable Energy, Energy Reliability, and Efficiency (REERE).	Report on programs supporting thermal energy generation
Department of Energy/REERE .....	Guidance on cost competitive transmission components
Department of Energy/REERE .....	Requirement for grid cyber security testing capabilities list
Department of Energy/REERE .....	Report on strategic workforce plan for OER program
Department of Energy/REERE .....	Guidance on biomass activities that use non-food sources.
Department of Energy/REERE .....	Report on feasibility of dual-fuel in Class 8 trucks
Department of Energy/REERE .....	Guidance on Building America program
Department of Energy/REERE .....	Study to improve manufacturing of consumer electronics
Department of Energy/REERE .....	Guidance on engagement for housing energy standards
Department of Energy/REERE .....	Guidance on support for geothermal technologies
Department of Energy/Nuclear .....	Report on nuclear science and engineering workforce
Department of Energy/Fossil .....	Guidance on full-time equivalent information in budget justifications
Department of Energy/Fossil .....	Report on feasibility of recovering rare earth elements
Department of Energy/Fossil .....	Direction on interagency research plan regarding methane hydrates
Department of Energy/Non-Defense Cleanup ...	Plan for cleanup of SEFOR at University of Arkansas
Department of Energy/Science .....	Plan on Minority Serving Institutions Partnerships
Department of Energy/Science .....	Report on free-electron laser array light source project
Department of Energy/Science .....	Guidance for ten-year plan for Fusion Energy Sciences.
Department of Energy/Science .....	Guidance on budget materials and project baseline for ITER
Department of Energy/Science .....	Report on Office of Science Graduate Fellowship program
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Department of Energy/NNSA .....	Comprehensive review of security management
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Department of Energy/NNSA .....	Guidance on reform of contractor pension and other benefits
Department of Energy/Weapons .....	Guidance on new stockpile concept development
Department of Energy/Weapons .....	Investigation and report on certification of new LEP concepts
Department of Energy/Weapons .....	Guidance on supporting stockpile production operations
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Department of Energy/Weapons .....	Guidance on budgeting for new stockpile development
Department of Energy/Weapons .....	Guidance on budgeting for National Ignition Facility operations
Department of Energy/Weapons .....	Establishment of new reporting controls for stockpile work and infrastructure
Department of Energy/Weapons .....	Requirement for project plans for infrastructure and construction
Department of Energy/Weapons .....	Prohibition on starting construction of Uranium Processing Facility
Department of Energy/Weapons .....	Guidance on Minority Serving Institutions Partnerships
Department of Energy/Defense Nuclear Non-proliferation.	Guidance on lead program office for nuclear forensics
Department of Energy/Defense Nuclear Non-proliferation.	Report on outcome of four-year goal to secure nuclear materials
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Department of Energy/Defense Nuclear Non-proliferation.	Prohibition of continued study of MOX alternatives
Department of Energy/Defense Nuclear Non-proliferation.	Report on NNSA construction Other Project Costs
Department of Energy/Defense Nuclear Non-proliferation.	Establishment of new reporting controls for GTRI
Department of Energy/Defense Nuclear Non-proliferation.	Program review of Domestic Radiological Protection and Removal

Agency/Account	Requirement
Department of Energy/Naval Reactors .....	Guidance on alternatives for spent fuel handling infrastructure
Department of Energy/Naval Reactors .....	Report on ten year site plan
Department of Energy/Defense Environmental Cleanup.	Independent study of risks of outstanding environmental cleanup
Department of Energy/Defense Environmental Cleanup.	Establishment of reporting controls for Waste Treatment Plant
Department of Energy/Defense Environmental Cleanup.	Guidance on semi-annual reports for Waste Treatment Plant
Department of Energy/Defense Environmental Cleanup.	Prohibition on restarting construction of Pretreatment Plant
Department of Energy/Other Defense Activities	Report on HSS annual oversight activities
Department of Energy/Other Defense Activities	Guidance on development of graded security posture
Department of Energy/Bonneville Power .....	Report on any direction from the Secretary of Energy
Department of Energy/Southeastern Power Admin.	Report on any direction from the Secretary of Energy
Department of Energy/Southwestern Power Admin.	Report on any direction from the Secretary of Energy
Department of Energy/Western Area Power Admin.	Report on any direction from the Secretary of Energy
Department of Energy .....	Prohibit funds for activities not approved by Congress
Department of Energy .....	Prohibit funds for high hazard nuclear facilities construction unless cost estimates have been developed
Department of Energy .....	Prohibit implementation of section 407, division A, ARRA 2009
Department of Energy .....	Prohibit certain multi year funding agreements in Office of Science
Department of Energy .....	Report on plan for tritium and enriched uranium
Department of Energy .....	Requirement for analysis of alternatives and certification for warhead refurbishment programs
Nuclear Regulatory Commission .....	Requirement for joint management of salaries and expenses
Nuclear Regulatory Commission .....	Prohibition on terminating programs without Congressional approval
Nuclear Regulatory Commission .....	Requirement for notification of use of emergency functions
Nuclear Regulatory Commission .....	Guidance on funding for Yucca Mountain license application
Nuclear Regulatory Commission .....	Semi-annual report on licensing and regulatory activities
Nuclear Regulatory Commission .....	Report on input and regulatory analysis of 10 CFR Part 50 or 52
Nuclear Regulatory Commission .....	Report on National Framework recommendations
Tennessee Valley Authority .....	Guidance on audit and inspection reports

## ADMINISTRATIVE PROVISION

The bill includes an administrative provision allowing for the purchase of passenger motor vehicles.

## GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

The bill continues a provision regarding the circumstances in which the Bureau of Reclamation may reprogram funds.

The bill continues a provision regarding the San Luis Unit and Kesterson Reservoir in California.

The bill includes a provision regarding pipeline reliability standards.

**TITLE III—DEPARTMENT OF ENERGY**

## INTRODUCTION

Funds recommended in Title III provide for all Department of Energy programs, including Renewable Energy, Energy Reliability and Efficiency; Nuclear Energy; Fossil Energy Research and Development; Naval Petroleum and Oil Shale Reserves; the Strategic Petroleum Reserve; the Northeast Home Heating Oil Reserve; the Energy Information Administration; Non-Defense Environmental Management; the Uranium Enrichment Decontamination and Decommissioning Fund; Science; the Advanced Research Projects Agency—Energy; Innovative Technology Loan Guarantee Program; Advanced Technology Vehicle Manufacturing Loans Program; Departmental Administration; Office of the Inspector General; the National Nuclear Security Administration (Weapons Activities, Defense Nuclear Nonproliferation, Naval Reactors, and the Office of the Administrator); Defense Environmental Management; Other Defense Activities; the Power Marketing Administrations; and the Federal Energy Regulatory Commission.

## COMMITTEE RECOMMENDATION

The Department of Energy has requested a total budget of \$28,953,893,000, as estimated by the Congressional Budget Office, in fiscal year 2014 to fund programs in its five primary mission areas: science, energy, environmental cleanup, nuclear non-proliferation, and national security. The Department of Energy budget request is \$1,910,466,000 above fiscal year 2013 and, once again, includes significant increases to renewable energy programs and national defense mission areas while proposing significant reductions to Nuclear Energy and Fossil Energy Research and Development.

The Committee's recommendation recognizes the difficult budgetary realities faced for fiscal year 2014. It significantly restructures the balance of the bill to ensure inherently federal responsibilities, such as national security, basic science activities, and environmental cleanup, are supported. The limited remaining resources are allocated to programs that can best address the threat of high gasoline and electricity prices and to those that help support American economic competitiveness in a global energy marketplace.

## MAJOR COMMITTEE CONCERNS

Unfortunately, this budget request once again fails to reflect a coherent energy policy or plan for this country. The President continues to espouse an “all of the above” energy portfolio in his speeches, but fails to present such a balanced approach in his budget requests. The fiscal year 2014 budget request, like its predecessors, instead seems more ideological than practical. For instance, the request makes substantial cuts to Fossil Energy and Nuclear Energy, this country’s most important energy sources, in order to increase funding for Energy Efficiency and Renewable Energy by 53 percent. As attractive as renewable energy may be, it will only supply a mere fraction of this country’s energy over the next 50 years, and taxpayer dollars should be invested across the spectrum of all technologies. The Committee encourages the new leadership of the Department of Energy to develop an energy policy which is sound both scientifically and economically. This policy should support the budget request for fiscal year 2015.

On March 20, 2013, the Committee heard testimony from representatives of the Department of Energy, Government Accountability Office, and U.S. Army Corps of Engineers regarding a long-standing Committee concern: the Department’s project management challenges and policies. While the Department has made some improvements in its ability to responsibly manage large construction projects and the billions of dollars spent each year at our national laboratories, it is incumbent on the new Departmental leadership to sustain this progress. At the same time, the new management structure will continue to uncover problems that had been hidden for years under layers of bureaucracy. As those problems are made known, the Department will have to be prepared to respond to criticism by showing that it is rapidly responding to the problems it finds and that its policies will preclude such problems from being repeated.

## CONGRESSIONAL DIRECTION

Article I, section 9 of the United States Constitution states “No money shall be drawn from the Treasury but in consequence of Appropriations made by law”.

The Committee continues the Department’s reprogramming authority in statute to ensure that the Department carries out its programs consistent with congressional direction. This reprogramming authority is established at the program, project, or activity level, whichever is the most specific included in the text or table detailing the Committee’s recommendation for the Department of Energy’s various accounts. The Committee also prohibits new starts through the use of reprogramming and includes other direction to improve public oversight of the Department’s actions.

In addition, the Committee includes a new general provision applying to the Act that prohibits any elimination or reduction proposed in a budget request until such proposed change is enacted or approved pursuant to reprogramming and transfer guidelines included in this Act.



## FINANCIAL REPORTING

The Department continues to request changes to the congressional budget structure. While the Committee has supported changes to the budget structure to improve transparency and provide flexibility in executing funding, these structural changes can make it difficult to understand programmatic trends, cause misperceptions, and make it difficult to conduct an “apples to apples” comparison. For instance, in the Nuclear Energy account, this year’s request proposed to shift funding for Idaho Sitewide Safeguards and Security from Other Defense Activities into the Nuclear Energy account, while also shifting funding for certain activities within Radiological Facilities Management out of the Nuclear Energy account and into NASA’s budget. Because of these puts and takes, the Department presented roughly level funding for Nuclear Energy, even though the request actually reduced funding for research and development activities by 17 percent. Similarly, multiple changes to the Weapons Activities and Nuclear Nonproliferation accounts, including the transfer of scope between them, make understanding the impacts of the budget request difficult. The Committee directs the Department to consult with the Committee before implementing any changes to its budget request structure.

In addition, the Committee directs the Department to continue to provide monthly Financial Balances Reports to the Committee. The reports should provide, for each program at the congressional control level as specified in the table in this report detailing the Committee’s recommendation for the Department’s various accounts, the following balances: total available (prior and current year); unobligated; unobligated but committed; and obligated, uncosted. Data should be provided both in summary form and by the fiscal year the funding was appropriated. Emergency funding, including any unspent American Recovery and Reinvestment Act balances, should be displayed separately within the report. This direction shall apply to future fiscal years unless contradicted by the Committee.

The Committee remains concerned over the lack of transparency in the Department’s use of Program Direction funds and has specified Program Direction funding in the bill for the relevant accounts. The Committee directs the Department to provide a Program Direction Report to the Committees on Appropriations of the House of Representatives and the Senate not later than 180 days after enactment of this Act. The report should provide for each program and field activity for the two previous fiscal years budgeted and expended amounts for salaries and benefits, travel, support services, and other related expenses and other relevant categories. This report should include Program Direction balances in summary form and by fiscal year.

## MANAGEMENT OF NUCLEAR SPENT FUEL AND DEFENSE WASTE

Again this year, the Obama Administration continues its willful disregard for its legal responsibilities regarding Yucca Mountain. By unilaterally halting the Yucca Mountain High-Level Waste Geological Repository, the Administration has delayed fulfilling its legal requirement to take responsibility for civilian spent nuclear

fuel, increasing the financial penalties taxpayers must bear. The Department's fiscal year 2012 Financial Report shows the estimated liability our taxpayers now face is \$22,300,000,000, an increase of \$3,200,000,000 from the previous year, and an increase of more than \$7,000,000,000 from 2010. This liability will continue to grow. In addition, the Department of Energy has no disposition pathway for high-level defense waste at sites across the country, presenting the likelihood that the federal government will have to pay penalties to the states as deadlines for removal are missed. Finally, the credibility of the federal government has been further eroded by the blatant political maneuverings of the Administration to skirt the law and halt the program.

The fiscal year 2014 request includes a proposal to implement the Department's *Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste*. This strategy—informed by the Administration's Blue Ribbon Commission that by its very charter did not examine the suitability of Yucca Mountain as a permanent repository—is estimated at \$5,600,000,000 over the next ten years. The strategy also proposes to reform the current funding arrangement for the Department's nuclear waste fund management program. The Committee notes that neither the BRC recommendations nor the Department's proposal has been considered by Congress, yet the Administration included \$60,000,000 in its fiscal year 2014 request for used nuclear fuel disposition, including activities necessary solely as a consequence of the Administration's Yucca Mountain policy. The recommendation rejects these proposals and makes clear that any activities funded from the Nuclear Waste Fund must be in support of Yucca Mountain.

In addition, the recommendation provides \$25,000,000 to support the Yucca Mountain High-Level Waste Geological Repository and includes bill language allowing Nuclear Waste Fund appropriations to be transferred to the Nuclear Regulatory Commission in support of Yucca Mountain. The recommendation also expresses support to local communities who have formally consented to host Yucca Mountain. The Committee includes this support in recognition that Nye County, the county that encompasses the Yucca Mountain area, has given its formal consent to host Yucca Mountain, yet the Administration blithely ignores this consent as it pushes ahead on its own "consent-based approach".

The Committee notes that geological repositories will be needed in addition to Yucca Mountain. If the Congress provides the authority for such repositories, as well as for a consensus-based siting process, the Committee will consider support for such activities at that time. In the meantime, the bill contains a prohibition on using funds to close the Yucca Mountain license application or to take actions that would irrevocably remove Yucca Mountain as an option for a repository.

#### PROLIFERATION OF CENTERS

The Committee has for years expressed concern with the Department's establishment of a variety of new research centers, or persistent, location-based grantees that receive funding across a number of years and that often require out-year commitments subject

to appropriations. Examples included Energy Frontier Research Centers, Energy Innovation Hubs, BioEnergy Research Centers, Clean Energy Application Centers, and Manufacturing Demonstration Facilities. This year, the President added to this list by announcing new “Innovative Manufacturing Initiative” centers. Unfortunately, the Administration continues to propose these new ideas without examining, or at least articulating, why existing programs are inadequate or underperforming. No offsets are offered within existing programs, and no policy prescriptions are offered. The Committee continues to support the ongoing review of all existing research centers and expects frequent and thorough updates as the Department considers their relative effectiveness and potential renewal or termination in future years. The Committee urges the Department to look at its programs as a portfolio of approaches to achieve results and to propose eliminating less effective programs and support mechanisms.

While many of these centers have been proposed openly and established with congressional concurrence, a number have been established or renewed over the years without mention in budget requests, including Manufacturing Demonstration Facilities. Further, many centers have been funded perennially and lack a concrete goal after which they would be terminated. This practice has led to the proliferation of centers across many Departmental programs consuming program budgets and preventing prioritization of funds towards other higher-priority activities. Addressing this problem requires a higher degree of transparency, evaluation, and prioritization to ensure that the Department funds only highly-effective centers closely aligned to program missions.

Not later than 60 days after enactment of this Act, the Department is directed to submit to the Committee a comprehensive list of all centers to be funded in fiscal year 2014, including the date of establishment, funding level in fiscal year 2014, total funding received to date, purpose and milestones, and expected termination date. Further, future budget request justifications should explicitly include all centers and their current and proposed funding levels, expected out-year commitments, and detail on their programmatic and technical goals.

#### INTELLECTUAL PROPERTY

The Committee urges the Secretary to take a more aggressive approach to ensure U.S. innovation benefits the United States. Each year, the Administration proposes increases for basic science and applied research and development, but includes little or no attention to ensuring that the intellectual property developed by people supported by these funds is used to further the interests of the United States economy. Not later than 120 days after enactment of this Act, the Secretary shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate on his initiatives to preserve intellectual property and encourage its use in the United States, as well as on what authorities are available to control intellectual property, including the Bayh-Dole Act, that may help the retention of domestic manufacturing. The report should describe how the Department uses these authorities to ensure that its scientific discoveries yield commercial tech-

nologies that are manufactured domestically. In addition, the Secretary should include in the report specific recommendations for improving domestic intellectual property transfer and retention. The Committee urges the Secretary to identify and enable a specific office in the Department of Energy to take the lead on advancing retention and utilization of intellectual property developed through Department of Energy support.

#### EDUCATIONAL ACTIVITIES

The Department is prohibited from funding fellowship and scholarship programs in fiscal year 2014 unless they were explicitly included in the budget justification or funded within this recommendation. Any new or ongoing programs that the Department wishes to fund in fiscal year 2015 must be detailed in the fiscal year 2015 budget request documents. This direction shall be followed in future fiscal years unless contradicted by the Committee.

Further, the Department is directed to report to the Committees on Appropriations of the House of Representatives and the Senate, not later than 90 days after enactment of this Act, a comprehensive listing of educational activities at the Department funded with fiscal year 2013 appropriations, including all fellowships, scholarships, workforce training programs, and primary and secondary school activities. For each activity, the report shall include the fiscal year 2013 funding level, purpose, out-year mortgages, and Department account and program within which the activity resides. This report shall be submitted in future fiscal years unless contradicted by the Committee.

#### REPROGRAMMING GUIDELINES

The Committee requires the Department to inform the Committee promptly and fully when a change in program execution and funding is required during the fiscal year. As in the fiscal year 2012 Act, the Department's reprogramming requirements are detailed in statute. 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. The recommendation includes a general provision providing internal reprogramming authority to the Department, as long as no program, project, or activity is increased or decreased by more than \$5,000,000 or 10 percent, whichever is less, compared to the levels in the text or table detailing the Committee's recommendations for the Department's various accounts. For construction projects, a reprogramming constitutes the reallocation of funds from one construction project to another project or a change of \$2,000,000 or 10 percent, whichever is less, 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 activity until the next appropriations year would result in a detrimental impact to an agency program or priority. A reprogramming may also be considered if the Department can show that significant cost savings can accrue by increasing funding for an activity. Mere convenience or preference should not be factors

for consideration. A reprogramming may not be employed to initiate new programs. No funds may be added to programs for which funding has been denied.

*Reporting and Approval Procedures.*—In recognition of the security missions of the Department, the legislative guidelines allow the Secretary and the Administrator of the National Nuclear Security Administration jointly to waive the reprogramming restriction by certifying to the Committees on Appropriations of the House of Representatives and the Senate that it is in the nation's security interest to do so. The Department shall not deviate from the levels for activities specified in the report that are below the level of the detail table, except through the regular notification procedures of the Committee. Any reallocation of new or prior-year budget authority or prior-year de-obligations, or any request to implement a reorganization that includes moving previous appropriations between appropriations accounts must be submitted to the Committees on Appropriations of the House of Representatives and the Senate in writing and may not be implemented prior to approval by the Committees.

#### COMMITTEE RECOMMENDATIONS

The Committee's recommendations for Department of Energy programs in fiscal year 2014 are described in the following sections. A detailed funding table is included at the end of this title.

#### ENERGY PROGRAMS

##### RENEWABLE ENERGY, ENERGY RELIABILITY AND EFFICIENCY

Appropriation, 2013*	---
Budget estimate, 2014	---
Recommended, 2014**	\$982,637,000
Comparison:	
Appropriation, 2013	+982,637,000
Budget estimate, 2014	+982,637,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

\*\*Excludes \$157,000,000 in rescissions of prior-year unobligated balances.

The Renewable Energy, Energy Reliability and Efficiency account consolidates the Office of Electricity Delivery and Energy Reliability and the Office of Energy Efficiency and Renewable Energy within the Department of Energy. This consolidated office includes programs that conduct research, development, demonstration, and deployment activities that keep our nation's energy infrastructure secure, that address the impact of high gas prices, and that support energy efficiency and renewable energy, as well as federal energy assistance programs.

The Committee recommends \$982,637,000 for Renewable Energy, Energy Reliability and Efficiency, \$982,637,000 above fiscal year 2013 and \$982,637,000 above the budget request. After accounting for the new account structure included in this bill, the recommendation for activities currently funded in two separate accounts is \$970,954,000 below fiscal year 2013 and \$1,962,078,000 below the budget request. Title V of this bill rescinds \$157,000,000 of unobligated prior-year balances from within Energy Efficiency and Renewable Energy account.

*Priorities.*—Within limited resources in fiscal year 2014, the Committee focuses funding on programs that address future high gas prices and support American manufacturing, two of the Committee's highest priorities. Funding for these two priorities comprises two-thirds of all research funding in the new account, compared to less than half under current levels. In addition, the recommendation fully supports efforts to strengthen the resilience and cyber security of our electricity infrastructure.

The Vehicle Technologies, Bioenergy Technologies, and Hydrogen and Fuel Cell Technologies programs fund activities that can reduce American exposure to future high oil prices. Research into cutting-edge technologies that will increase the gas mileage of gasoline and diesel fuel vehicles—the vast majority of today's fleet—will allow Americans to spend less on fuel over the same distance. Research into next-generation automotive and fuel technologies that power vehicles with domestic energy sources such as natural gas, electricity, biofuels, and hydrogen can likewise dramatically lower the impact of future high gas prices on Americans. The activities funded within this program, together with the activities funded elsewhere in the bill to increase electricity production from domestic coal, gas, and nuclear fuel, form a two-pronged approach to protecting Americans from future increases of petroleum-based fuel prices.

The Advanced Manufacturing Program, formerly Industrial Technologies, will fund activities to help American manufacturers compete in the global marketplace. Energy costs are a major contributor to manufacturing costs, and technology innovations that steeply reduce energy consumption in industrial and manufacturing processes can give American manufacturers competitive advantages. Further, the Committee funds activities throughout all research and development programs targeted at lowering the manufacturing cost of emerging energy technologies.

The Committee is concerned that, historically, technology innovations developed through energy efficiency and renewable energy research and development ultimately lead to manufacturing of new or cheaper products overseas. The Committee cautions the Department against this pitfall and charges the new program with targeting the Advanced Manufacturing activities, as well as research and development across the Department, to ultimately create manufacturing jobs in the United States.

Reliable and resilient energy infrastructure is vital to our nation's economy, human health and safety, and national security, and cyber security has emerged as one of the nation's most serious grid modernization and infrastructure security issues. The Cyber Security for Energy Delivery Systems program develops advanced technologies and cyber security capabilities, and expands situational awareness to enhance the reliability and resilience of the nation's energy infrastructure by reducing the risk of energy disruptions due to cyber events.

*Thermal Energy.*—The Committee recognizes that thermal energy accounts for approximately thirty percent of our national energy consumption and directs the Department to submit to the Committees on Appropriations of the House of Representatives and the Senate not later than 180 days after enactment of this Act a

report on the programs supporting thermal energy generation, including across the residential, commercial, and industrial sectors. The report should specifically identify which mechanisms and programs support community-scale projects to increase local energy independence, and identify improvements or new ways the Department of Energy can partner with the Department of Agriculture to promote thermal energy market development and community scale projects.

#### ELECTRICITY DELIVERY AND ENERGY RELIABILITY

The Electricity Delivery and Energy Reliability program advances technologies and provides operational support to increase the efficiency, resilience, and security of the nation's electricity delivery system. The power grid currently employs aging technologies at a time when power demands, deployment of new intermittent energy resources, and rising security threats are imposing new stresses on the system. Activities within the Electricity Delivery and Energy Reliability program aim to develop a modern power grid by advancing cyber security technologies, intelligent and high-efficiency grid components, and energy storage systems.

The Committee recommends \$80,000,000 for Electricity Delivery and Energy Reliability, \$32,490,000 below fiscal year 2013 and \$61,400,000 below the budget request. Administrative costs for this program have been incorporated into Program Direction within the new account.

*Electricity Delivery and Energy Reliability Research and Development.*—The Committee recommends \$14,000,000 for Clean Energy Transmission and Reliability, \$11,490,000 below fiscal year 2013 and \$18,000,000 below the budget request. Within available funds, the Department is directed to support research and development of cost-competitive transmission components using high-temperature superconducting and ambient-temperature conducting materials with increased efficiency, capacity, durability, longevity, and reliability, as well as to examine the feasibility of ultraconductive copper technology.

The Committee recommends \$5,000,000 for Energy Storage Research and Development, \$15,000,000 below fiscal year 2013 and \$10,000,000 below the budget request, and \$5,000,000 for Smart Grid Research and Development, \$19,000,000 below fiscal year 2013 and \$9,400,000 below the budget request. Within available funding, the Committee encourages the Department to explore grid integration research. The request proposes \$80,000,000 for such activities within the Energy Efficiency and Renewable Energy account, but the Department has yet to sufficiently articulate why the integration of clean energy technologies into the electricity grid is not more suited to the Electricity Delivery and Energy Reliability program mission.

The Committee recommends no funds for the proposed Electricity Systems Energy Innovation Hub, \$20,000,000 below the budget request.

The Committee recommends \$40,000,000 for cyber security for energy delivery systems research and development, \$10,000,000 above fiscal year 2013 and \$2,000,000 above the budget request, of which \$5,000,000 is for the Department to explore the potential

benefits of a test grid capable of conducting full-scale research, testing, and evaluation of cyber security effects on the grid, including integration of wireless technologies and systems. The Department is further directed to submit to the Committee a prioritized list of current and potential testing capabilities, including a full-scale test grid.

*National Electricity Delivery.*—The Committee recommends \$6,000,000 for National Electricity Delivery, formerly Permitting, Siting, and Analysis, \$1,000,000 below fiscal year 2013 and the same as the request.

*Infrastructure Security and Energy Restoration.*—The Committee recommends \$10,000,000 for this program that secures the nation's energy infrastructure, \$4,000,000 above fiscal year 2013 and \$6,000,000 below the request, to include \$4,000,000 for the proposed Operational Energy and Resilience (OER) program. The Department is directed to submit a strategic workforce plan for the OER program to the Committees on Appropriations of the House of Representatives and the Senate not later than 90 days after enactment of this Act, should any of this additional funding be used for staffing purposes.

ENERGY EFFICIENCY AND RENEWABLE ENERGY RESEARCH,  
DEVELOPMENT, DEMONSTRATION, AND DEPLOYMENT

The Energy Efficiency and Renewable Energy program includes research, development, demonstration, and deployment activities into bioenergy technologies, hydrogen and fuel cells, advanced manufacturing, geothermal technologies, solar energy, water power, and wind energy. Energy efficiency activities include reducing the energy consumption of vehicle, building and industrial technologies. Federal energy assistance programs include weatherization assistance, state energy programs, and tribal energy activities.

The Committee recommends \$731,600,000 for energy efficiency and renewable energy research, development, demonstration, and deployment activities, \$766,392,000 below fiscal year 2013 and \$1,587,900,000 below the budget request, to include \$390,000,000 for programs that address the impact of high gas prices and \$341,600,000 for research into renewable energy and energy efficiency.

*Bioenergy Technologies.*—Along with electric, fuel-cell, and natural gas vehicles, biofuels grown from non-food crops or algae are one of the few ways by which the nation can lower its dependence on imported oil and reduce the impact of future high gas prices on American families and businesses. Bioenergy Technologies, formerly Biomass and Biorefinery Systems R&D, develops and demonstrates technologies to convert biomass crops to fuels, chemicals, heat, and power. The Committee recommends \$120,000,000 for this program, \$78,804,000 below fiscal year 2013 and \$162,000,000 below the budget request.

The Department is directed to continue conducting only research, development, and demonstration activities advancing technologies that can produce fuels and electricity from biomass and crops that could not otherwise be used as food. Within available funding, the recommendation encourages the Department to conduct research and development of biofuels from algae feedstocks.



The Committee is concerned the Department is interpreting biomass too narrowly and failing to consider promising noncellulosic forms of biomass energy technology projects. For purposes of allocating resources, the Department is encouraged to include biosolids derived from the municipal wastewater treatment process and other similar renewables within the definition of noncellulosic biomass.

The budget request proposes funding and legislative language for a joint initiative with the Navy and the Department of Agriculture to develop commercial diesel and jet biofuels production capacity for defense purposes. The Department has not adequately justified why the Department of Energy should fund this Defense initiative, nor whether the proposed investments can successfully lower costs to competitive levels in several years or will only serve to sink costs into a product that is too immature to compete without federal support. The recommendation includes no funding for the proposed initiative and does not include the requested legislative language.

The recommendation provides no funds for cook stoves activities, \$4,000,000 below the request.

*Hydrogen and Fuel Cell Technologies.*—The Hydrogen and Fuel Cell Technologies program advances technologies that use fuel cells and hydrogen energy carriers for both transportation and stationary purposes. The Committee recognizes the breakthrough research, cost reductions, and increased efficiencies and durability of fuel cell and hydrogen energy systems achieved by this program that have accelerated the technologies' transition to market. Hydrogen and fuel cell technologies remain one of the limited avenues to reduce Americans' exposure to future high gas prices, and the Committee continues to support research in this area. The Committee recommends \$65,000,000 for Hydrogen and Fuel Cell Technologies, \$38,378,000 below fiscal year 2013 and \$35,000,000 below the budget request.

The Committee encourages the Department to explore Market Transformation for cost-shared advanced demonstration and deployment of early market stationary power and motive applications, including material handling equipment, ground support equipment, refrigerated trucks, auxiliary power units and the associated hydrogen infrastructure, to the extent possible within available funding.

*Vehicle Technologies.*—The Vehicle Technologies program invests in activities to lower the impact of high gas prices on the nation's drivers through technological advancements that increase the fuel efficiency of vehicles and the spectrum of transportation fuels. The Committee recommends \$205,000,000 for Vehicle Technologies, \$123,027,000 below fiscal year 2013 and \$370,000,000 below the budget request.

The Committee encourages the Department to prioritize funding for Advanced Combustion Engine Research and Development to increase gas mileage by improving the combustion engine technologies used in the vast majority of the nation's current vehicles. Within available funding, the Committee directs the Department to consult with other federal agencies, such as the Environmental Protection Agency, to determine the feasibility for dual-fuel research, development, and demonstration of Class 8 heavy-duty

trucks and to report to the Committees on Appropriations of the House of Representatives and the Senate its findings not later than 100 days after enactment of this Act.

As the Department focuses more efforts on developing new alternative fuels for automotive, power production, and industrial applications, research is needed to improve the efficiency and performance of alternative fuels rather than focusing solely on increased production. Better understanding of alternative fuel properties, combustion, and fluid dynamics can assist producers and engine manufacturers in achieving the clean utilization of alternative fuels. The Committee encourages the Department to support research that targets multidisciplinary efforts involving researchers, fuel producers, and end users to help develop a sustainable fuel industry from domestic sources.

The recommendation includes \$10,100,000, the same as the request, for the Supertruck program, a cost-shared project with industry to design a heavy-duty Class 8 truck with 50 percent improvement in overall freight efficiency. The Committee encourages the Department to identify further measures to leverage the success of the current program toward additional fuel economy gains and to incorporate alternatives to petroleum fuels in commercial vehicles. The Committee remains supportive of advancing technologies that will enable the next generation of vehicles powered by domestically-produced electricity.

The recommendation includes no funding for Alternative Fuel Vehicle Community Partner Projects, \$90,000,000 below the budget request.

*Advanced Manufacturing.*—The Advanced Manufacturing program, formerly the Industrial Technologies program, invests in research and development to improve the competitiveness of American manufacturing by increasing the energy efficiency of manufacturing processes across a variety of industries. Energy usage is a large contributor to the cost of manufacturing, and reductions to energy expenditures can significantly lower manufacturing costs. The Committee recommends \$120,000,000 for advanced manufacturing, \$4,693,000 above fiscal year 2013 and \$245,000,000 below the budget request.

The recommendation supports the third year of funding for the Critical Materials Energy Innovation Hub. The constrained supply of critical materials continues to be a serious concern for advanced energy, vehicle, and defense technologies. The Department is encouraged to address the domestic rare earth supply chain through the Critical Materials Energy Innovation Hub and other means, including the investigation of cost-neutral opportunities such as recycling programs.

Within available funds, the recommendation includes not less than \$4,205,000 for improvements in production in the steel industry and \$20,000,000 for combined heat and power activities relevant to industrial applications and energy savings in manufacturing processes. The Department is also encouraged to continue its efforts furthering improvements in mechanical insulation, an area with the potential to yield significant energy and cost savings for the industrial, commercial, and manufacturing sectors.

*Building Technologies.*—Buildings consume more than 40 percent of the nation’s energy and more than 70 percent of the nation’s electrical energy. The Building Technologies program seeks to save energy by advancing technologies in building systems and in appliances and devices within them. The Committee recommends \$65,300,000 for Building Technologies, \$153,385,000 below fiscal year 2013 and \$234,700,000 below the request.

The recommendation includes \$6,000,000 for small-scale combined heat and power systems with applications in residential and small commercial settings and \$25,800,000 for solid state lighting research and development. The Committee directs the Department to support the Building America program to the extent possible within available funding. The recommendation includes no funding for the Better Buildings Challenge, \$9,500,000 below the request.

The Committee directs the Department to work with its partner agencies, industry, and relevant university programs to complete a study, not later than eight months after enactment of this Act, of the potential benefits of a research and development program to improve the manufacturing of consumer electronics. The study should include, but not be limited to: the potential for manufacturing improvements, cost-effective “smart electronics” technologies that could further save consumers money and reduce the energy consumption of consumer electronics, and an evaluation of research and development approaches for increasing energy efficiency of consumer electronics.

The Committee is aware that the Energy Independence and Security Act of 2007 assigned the Department the role to develop energy efficiency standards for manufactured housing, a responsibility which had previously been assumed by the Department of Housing and Urban Development (HUD). The Committee directs the Department to work closely with HUD, industry, and tenant groups to ensure that any proposed standards take equally into account the up-front cost of housing as well as lifecycle operating costs.

The Committee supports measures in building energy codes that are cost-effective and demonstrate savings to the consumer, by using a simple payback methodology over a prescribed period of time.

*Geothermal Technologies.*—Ground heat is a potentially large source of domestic energy that could be broadly tapped for power generation, heating, and cooling. The Committee recommends \$12,000,000 for geothermal technology, \$25,773,000 below fiscal year 2013 and \$48,000,000 below the budget request.

The recommendation includes no funds for the \$30,000,000 proposal for Enhanced Geothermal Systems Field Sites. The Department is encouraged in future budget requests to include details on out-year commitments.

The United States Geological Survey has identified more than 120 gigawatts of potential domestic energy from low-temperature geothermal sources. The Committee directs the Department to continue supporting a comprehensive program that will help the nation tap these vast resources and to consider the full authorized spectrum of geothermal technologies in order to maximize the use of domestic geothermal energy.

*Solar Energy.*—The Solar Energy program funds applied research, development, and demonstration of both photovoltaic and concentrating solar technologies to reduce the cost of solar power to economically competitive levels. The Committee recommends \$65,300,000 for Solar Energy, \$222,967,000 below fiscal year 2013 and \$291,200,000 below the budget request.

Keeping American manufacturing competitive continues to be a major priority for the Committee across all technology areas, and the Committee encourages the Department to prioritize solar manufacturing initiatives within this program and, to the extent possible within available funding, to explore cross-cutting advanced solar films aimed at improving the cost-effectiveness of solar technologies. The Committee also supports research and demonstration projects to develop the needed integrated and smart grids to maximize the use of solar energy.

*Water Power.*—The Committee recommends \$24,000,000 for Water Power research and development, \$34,647,000 below fiscal year 2013 and \$31,000,000 below the budget request. Within available funding, the Committee directs \$3,600,000 for the purposes of Section 242 of the Energy Policy Act of 2005. The recommendation includes no funding for a deep tank wave test facility, \$10,000,000 below the request, and instead directs the Department to consult with the Navy about the potential for joint usage before making another capital investment request.

The Committee commends the Department for its work in marine and hydrokinetic research, development, and demonstration, including tidal power.

*Wind Energy.*—The Wind Energy program supports research and development to improve the reliability and decrease the cost of wind power. The Committee recommends \$24,000,000 for Wind Energy, \$69,034,000 below fiscal year 2013 and \$120,000,000 below the budget request.

The Committee continues to support wind activities with large generation potential that rely on technology innovations that would not be developed by the private sector alone. To this end, the Committee supports an emphasis on offshore wind technologies significantly more advanced and in deeper water than those being considered currently by the private sector.

*Facilities and Infrastructure.*—The Committee recommends \$31,000,000 for Facilities and Infrastructure, \$4,751,000 above fiscal year 2013 and \$15,000,000 below the budget request, which includes activities at the National Renewable Energy Laboratory (NREL). The Committee supports the Department's proposal to consolidate all NREL facility operations and maintenance into a single budgetary line within Facilities and Infrastructure.

*Federal Energy Management Program.*—The recommendation provides no funding for the Federal Energy Management Program, which seeks to mitigate energy costs of the federal government by assisting federal agencies in reducing their energy usage.

#### FEDERAL ENERGY ASSISTANCE PROGRAMS

The Committee recommends a total of \$92,111,000 for federal energy assistance programs, \$35,123,000 below fiscal year 2013 and \$155,889,000 below the budget request.

*Weatherization Assistance.*—The Committee recommends \$77,111,000 for the Weatherization Assistance Program, \$9,518,000 above fiscal year 2013 and \$106,889,000 below the request, of which \$2,500,000 is for training and technical assistance.

*State Energy Program.*—The Committee recommends \$12,000,000 for the State Energy Program, \$37,701,000 below fiscal year 2013 and \$45,000,000 below the request, all for formula grants.

*Tribal Energy Activities.*—The Committee recommends \$3,000,000 for tribal energy projects, \$6,940,000 below fiscal year 2013 and \$4,000,000 below the budget request, to continue providing assistance to tribes for developing sustainable and economical energy solutions for their communities.

#### PROGRAM DIRECTION AND SUPPORT

*Program Direction.*—The Committee recommends \$76,926,000 for program direction, \$114,098,000 below fiscal year 2013 and \$135,689,000 below the budget request, for activities previously funded separately within the Electricity Delivery and Energy Reliability program and the Energy Efficiency and Renewable Energy program.

*Strategic Programs.*—The Committee recommends \$2,000,000 for Strategic Programs, \$22,851,000 below fiscal year 2013 and \$34,000,000 below the budget request, to include \$2,000,000 for the U.S.-Israel energy cooperative agreement.

#### NUCLEAR ENERGY

##### (INCLUDING TRANSFER OF FUNDS)

Appropriation, 2013* .....	\$759,000,000
Budget estimate, 2014 .....	735,460,000
Recommended, 2014 .....	656,389,000
Comparison:	
Appropriation, 2013 .....	- 102,611,000
Budget estimate, 2014 .....	- 79,071,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

Nuclear power generates approximately one-fifth of the nation's electricity and will continue to be an important base-load energy source in the future. The Department of Energy's Nuclear Energy program invests in research, development, and demonstration activities that develop the next generation of clean and safe reactors, further improve the safety of our current reactor fleet, and contribute to the nation's long-term leadership in the global nuclear power industry.

The Committee recommends \$656,389,000 for Nuclear Energy, \$102,611,000 below fiscal year 2013 and \$79,071,000 below the budget request. Taking into consideration the budget request's proposed shifts of \$94,000,000 for Idaho Sitewide Safeguards and Security into this account and \$50,000,000 for Space and Defense Infrastructure out of this account and into NASA's budget, only the latter of which is supported in this recommendation, the programmatic level for Nuclear Energy is \$38,525,000 below fiscal year 2013 and \$14,929,000 above the budget request.

*Use of Prior-Year Balances.*—The Department is directed to use \$5,000,000 of prior-year balances as proposed in the request.

## NUCLEAR ENERGY RESEARCH AND DEVELOPMENT

The Committee provides \$387,329,000 for Nuclear Energy Research and Development, \$59,754,000 below fiscal year 2013 and \$14,929,000 above the budget request.

*Nuclear Energy Enabling Technologies.*—The Committee recommends \$66,748,000, \$7,191,000 below fiscal year 2013 and \$4,448,000 above the request, for this program that supports the full spectrum of nuclear research across the Department. The recommendation includes \$14,563,000 for the National Science User Facility at the Idaho National Laboratory and \$24,300,000 for the Modeling and Simulation Energy Innovation Hub, both the same as the request.

*Integrated University Program.*—The Committee recommends \$5,500,000 to continue the Integrated University Program, which is critical to ensuring the nation's nuclear science and engineering workforce in future years. In addition to providing support to nuclear science and engineering undergraduate and graduate programs, the Committee recognizes the importance of skilled trade craft workers in ensuring the safe and reliable construction and maintenance of the nation's nuclear fleet. Therefore, within the amounts provided, the Department shall investigate the current state of the nuclear trade craft workforce in the both the civilian and government nuclear sectors; projected changes in the workforce due to retirements and competition from other sectors; scope and implementation of craft training and apprenticeship programs; and opportunities to expand the breadth and quality of workforce training programs. The Department shall report to the Committees on Appropriations of the House of Representatives and the Senate not later than July 2014 on its findings.

*Small Modular Reactor Licensing Support Programs.*—The recommendation provides \$110,000,000 for SMR Licensing Support Programs, \$43,842,000 above fiscal year 2013 and \$40,000,000 above the request, to include \$85,000,000 for the SMR Licensing Technical Support Program and \$25,000,000 for the SMR Design Certification Program.

The Committee notes the Department of Energy has modified the original criteria under which the SMR Licensing Technical Support Program was approved by the Congress. The original program called for \$452,000,000 over five years for two awards of SMR designs, each of which was to have a utility partner to be eligible and a target commercialization date of 2022. At the end of these five years, the awardee would have a completed design certification and its utility partner a completed combined license or construction permit and operating license from the Nuclear Regulatory Commission (NRC) to construct and operate the SMR design. Under these terms, the Department made one award. The recommendation provides \$85,000,000 to keep that award on track for \$226,000,000 over five years.

In fiscal year 2013, the Department has proposed a second funding opportunity with different criteria for at least one, but potentially two, SMR designs. The new award supports a more innovative technology demonstration, extends the program to six years, removes the eligibility requirement of a utility partner, and pushes

the target commercialization date to 2025, plus or minus two years. At the end of the six-year program for this award, the technology vendor would have a design certification from the NRC, but not necessarily a combined license for a utility partner to construct and operate the new design. The recommendation includes \$25,000,000 for the second award, the same as the budget request.

Of the funds previously made available under the SMR Licensing Technical Support Program prior to fiscal year 2014, \$30,000,000 shall be available to the SMR Design Certification Program. Furthermore, should the Administration select two SMR designs for the second funding opportunity, the Committee encourages the Department to submit adequate budget requests to fully support both designs in future fiscal years.

*Reactor Concepts Research, Development, and Demonstration.*—The Committee recommends \$86,500,000 for this program, \$27,591,000 below fiscal year 2013 and \$14,000,000 above the budget request. The recommendation includes \$20,000,000 for Small Modular Reactor Advanced Concepts Research and Development and \$21,500,000 for Light Water Reactor Sustainability, both the same as the request. The recommendation provides \$45,000,000 for Advanced Reactor Concepts, \$14,000,000 above the request, to include \$30,000,000 for research of the fuel and graphite qualification program for the High Temperature Gas Reactor, which was funded under the Next Generation Nuclear Plant line in previous budgets.

*Fuel Cycle Research and Development.*—The Committee recommends \$91,081,000 for Fuel Cycle Research and Development, \$93,915,000 below fiscal year 2013 and \$74,019,000 below the request. The recommendation includes no funding to implement the Department's proposed *Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste* for storage, transportation, disposal, and strategic activities of used nuclear fuel disposition activities, some of which would only be necessary as a consequence of the Administration's Yucca Mountain policy. Since Congress has not made any changes to the authorized plan of record, which continues to be Yucca Mountain, no funding is provided for the requested activities.

*Yucca Mountain.*—The recommendation provides \$25,000,000 to support the Yucca Mountain High-Level Waste Geological Repository and recognize local communities who have formally consented to host it.

*International Nuclear Energy Cooperation.*—The Committee recommends \$2,500,000 for International Nuclear Energy Cooperation, \$462,000 below fiscal year 2013 and the same as the budget request.

#### RADIOLOGICAL FACILITIES MANAGEMENT

The Radiological Facilities Management program maintains safe and effective operation of the critical infrastructure that provides radioisotope power systems production capabilities for defense and space agency users. These outside users fund the Department's operational, production, and research activities on a reimbursable basis. The Committee recommends \$5,000,000 for Radiological Facilities Management, \$64,009,000 below fiscal year 2013 and the

same as the budget request. The recommendation supports the proposed relocation of the Space and Defense Infrastructure activity into NASA's budget.

#### IDAHO FACILITIES MANAGEMENT

The Committee recommends \$181,560,000 for Idaho Facilities Management, \$28,508,000 above fiscal year 2013 and the same as the request. In order to provide levels for energy research and development comparable across technologies, the recommendation for Nuclear Energy does not include the proposed shift of Idaho Sitewide Safeguards and Security from Other Defense Activities. However, the Committee does not object to this approach in concept.

*Construction.*—The recommendation includes \$16,398,000, the same as the request, for design and construction of the Remote-Handled Low-Level Waste Disposal Project, a joint project with Naval Reactors.

The Committee continues to fund operations of the Idaho National Laboratories National Science User Facility within Nuclear Energy Enabling Technologies, as proposed in the budget request and adopted by the Congress in fiscal year 2012.

#### PROGRAM DIRECTION

The Committee recommends \$87,500,000 for Program Direction, \$2,356,000 below fiscal year 2013 and the same as the budget request.

#### FOSSIL ENERGY RESEARCH AND DEVELOPMENT

Appropriation, 2013*	\$534,000,000
Budget estimate, 2014	420,575,000
Recommended, 2014	450,000,000
Comparison:	
Appropriation, 2013	– 84,000,000
Budget estimate, 2014	+29,425,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

Fossil energy resources, such as coal, oil, and natural gas, provide approximately 82 percent of all energy used by the nation's homes and businesses and will continue to provide for the majority of our needs for the foreseeable future. The Fossil Energy Research and Development program funds research, development, and demonstration activities to improve existing technologies and develop next-generation systems in the full spectrum of fossil energy areas. At a time when fossil fuel power generation is expanding around the globe and gas prices continue at high levels, the activities funded within this program advance our nation's position as a leader in fossil energy technologies and ensure that we use the full extent of our vast domestic resources safely and efficiently.

The Committee recommends \$450,000,000 for Fossil Energy Research and Development, \$84,000,000 below fiscal year 2013 and \$29,425,000 above the budget request.

Once again, the budget request proposes to focus funding within Fossil Energy Research and Development on carbon capture and sequestration technologies and projects. This focus underemphasizes two areas critical to our nation's energy future: the efficient



use of existing fossil energy resources and the full, safe, and responsible use of untapped domestic resources. The Committee recommendation increases funding in these areas to improve the efficiency of power generation and to bolster efforts that can help protect Americans from future high gasoline and diesel prices. Technological advances in these areas also will help American industry compete in the booming global marketplace for fossil energy technologies.

The Committee notes that the Department of Energy's National Energy Technology Laboratory (NETL) is a critical resource for the nation as it continues to expand the use and exploration of natural gas and other domestic fuel resources. The Committee believes the Department should continue to utilize the experience and expertise of NETL in these critical and growing research fields.

*Use of Prior-Year Balances.*—The Department is directed to use \$8,700,000 of prior-year balances, as proposed in the budget request.

*Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Research Fund.*—The recommendation does not include the proposed legislative repeal of this fund and its programs.

*Natural Gas Export Applications.*—The Committee is concerned about the process and backlog at the Department of Energy for considering pending applications for natural gas export. Under current Department processes, the application for export to free trade agreement (FTA) countries is handled quickly and without objection. However, the Department's handling of export applications to non-FTA countries has been prone to lengthy delays, with only two applications approved to date. The Committee notes that multiple applications have been pending at the Department for more than two years, and that the Department has not identified a plan to expeditiously process the remaining applications for export to non-FTA countries. The Committee supports a clearly communicated, timely process to make an appropriate determination on each of the pending applications at the Department and directs the Secretary to submit to the Committees on Appropriations of the House of Representatives and the Senate, not later than 30 days after enactment of this Act, its plan to finish consideration of all applications filed with the Department.

#### COAL—CCS AND POWER SYSTEMS

The Committee recommends \$315,856,000 for Carbon Capture and Sequestration (CCS) and Power Systems, \$52,753,000 below fiscal year 2013 and \$39,225,000 above the budget request.

Funds made available for Carbon Capture, Carbon Storage, and Advanced Energy Systems shall be available to advance the full scope of technologies for the reduction of carbon emissions conducted at the National Carbon Capture Center, including direct carbon capture and technologies or methods to reduce the cost of or advance the efficiency or reliability of post-combustion capture technologies, pre-combustion capture technologies, and oxy-combustion systems.

*Carbon Capture.*—The Committee recommends \$68,938,000 for Carbon Capture, the same as fiscal year 2013 and \$43,062,000

below the budget request. The recommendation includes no funding for a Natural Gas Capture Prize.

*Carbon Storage.*—The Committee recommends \$79,295,000 for Carbon Storage, \$36,182,000 below fiscal year 2013 and \$18,200,000 above the budget request, to include \$7,500,000 for additional support of enhanced oil recovery technologies and projects, which can advance American industry and clean fossil energy power generation while increasing domestic oil production, and \$40,495,000 for Regional Carbon Sequestration Partnerships.

*Advanced Energy Systems.*—The Committee recommends \$91,687,000 for Advanced Energy Systems, \$8,313,000 below fiscal year 2013 and \$43,687,000 above the budget request. Of this amount, the recommendation includes \$25,000,000, \$25,000,000 above the request, to continue the Department's research, development, and demonstration of solid oxide fuel cell systems. These systems have the potential to increase substantially the efficiency of clean coal power generation systems, to create new opportunities for the efficient use of natural gas, and to contribute significantly to the development of alternative-fuel vehicles.

Within available funds, the recommendation includes \$5,000,000 for coal-biomass to liquids activities, which seek to produce liquid fuels from blends of domestic coal and biomass resources with reduced emissions and land and water use through the integration of carbon capture and other technologies.

The recommendation includes \$5,000,000 for High Performance Materials within Advanced Combustion Systems and \$8,000,000 within Gasification Systems to continue activities improving advanced air separation technologies.

*Cross Cutting Research.*—The Committee recommends \$30,925,000 for cross cutting research, \$18,238,000 below fiscal year 2013 and \$10,400,000 above the budget request. The recommendation includes \$5,000,000 for efforts associated with high temperature materials under the Advanced Ultra Super Critical Program to identify, test, qualify, and develop domestic suppliers capable of producing components from these materials.

*NETL Coal Research and Development.*—The Committee recommends \$45,011,000, \$9,980,000 above fiscal year 2013 and \$10,000,000 above the budget request. The Committee notes that this program was funded within Program Direction prior to fiscal year 2012. The Department is directed to continue including in the budget request all full-time equivalent employee information within this program, as it does under Program Direction.

The recommendation includes \$10,000,000 to perform an assessment and analysis of the feasibility of economically recovering rare earth elements from coal and coal byproduct streams, such as fly ash, coal refuse, and aqueous effluents. The Department is directed to report its findings and, if determined feasible, to outline a multi-year research and development program for recovering rare earth elements from coal and coal byproduct streams to the Committees on Appropriations of the House of Representatives and the Senate.

#### NATURAL GAS TECHNOLOGIES

The Committee recommends \$7,200,000 for Natural Gas Technologies, \$7,800,000 below fiscal year 2013 and \$9,800,000 below

the budget request. Of this amount, the recommendation includes \$5,000,000 for research into the cost-effective and responsible extraction of methane hydrates, a vast and currently inaccessible resource whose total energy reserves rival those from all other known fossil fuels combined, and \$2,200,000 for the Department to continue the Risk Based Data Management System.

The recommendation provides no new funding for the proposed joint research effort with the Environmental Protection Agency and the Department of the Interior into hydraulic fracturing technologies, \$12,000,000 below the budget request. The Committee notes the Department allocated \$10,000,000 for this effort in fiscal year 2013 under the continuing resolution, despite no funding being allocated by the Environmental Protection Agency and significantly reduced funding being allocated by the United States Geological Survey. For fiscal year 2014, the Committee directs the Department to utilize these existing funds for this collaborative effort and further directs that no funds, whether prior or new, may be obligated until the Department submits a finalized interagency research plan to the Committees on Appropriations of the House of Representatives and the Senate.

#### PROGRAM DIRECTION

The Committee recommends \$115,753,000 for Program Direction, \$4,247,000 below fiscal year 2013 and the same as the budget request. The Committee notes that the recommendation also provides funding within CCS and Power Systems for NETL Coal Research and Development, an activity funded within Program Direction prior to fiscal year 2012.

#### NAVAL PETROLEUM AND OIL SHALE RESERVES

Appropriation, 2013 *	\$14,909,000
Budget estimate, 2014	20,000,000
Recommended, 2014	14,909,000
Comparison:	
Appropriation, 2013	---
Budget estimate, 2014	-5,091,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Naval Petroleum and Oil Shale Reserves no longer serve the national defense purpose envisioned in the early 1900's, and consequently the National Defense Authorization Act for fiscal year 1996 required the sale of the Government's interest in the Naval Petroleum Reserve 1 (NPR-1). To comply with this requirement, the Elk Hills field in California was sold to Occidental Petroleum Corporation in 1998. Following the sale of Elk Hills, the transfer of the oil shale reserves, and transfer of administrative jurisdiction and environmental remediation of the Naval Petroleum Reserve 2 (NPR-2) to the Department of the Interior, the Department retains one Naval Petroleum Reserve property, the Naval Petroleum Reserve 3 (NPR-3) in Wyoming (Teapot Dome field). This is a stripper well oil field that the Department has maintained while it remained economically productive.

The fiscal year 2014 budget request proposes to accelerate environmental remediation responsibilities of NPR-1. As in fiscal year 2013, it also focuses on implementation of a disposition plan for

NPR-3 still being developed with production facilities remaining operational as long as economically viable. The budget request does not include funding for management of the Rocky Mountain Oil-field Testing Center (RMOTC) at NPR-3, proposing to allow only projects with fully reimbursable arrangements or fully funded by the Department's Geothermal Technology Program.

The Committee recommendation for the operation of the naval petroleum and oil shale reserves is \$14,909,000, the same as fiscal year 2013 and \$5,091,000 below the budget request. Since development of the NPR-3 disposition plan continues to drag on, the Committee expects the Department to provide a final plan to the Committee for review prior to taking steps to implement the plan.

#### STRATEGIC PETROLEUM RESERVE

Appropriation, 2013*	\$192,704,000
Budget estimate, 2014	189,400,000
Recommended, 2014	189,400,000
Comparison:	
Appropriation, 2013	-3,304,000
Budget estimate, 2014	----

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The mission of the Strategic Petroleum Reserve (SPR) is to store petroleum to reduce the adverse economic impact of a major petroleum supply interruption to the U.S. and to carry out obligations under the international energy program. The capacity of the Reserve is 727 million barrels. The current inventory is 696 million barrels or approximately 93 days of net import protection for the United States economy. Operational activities, however, will leave approximately 70 million barrels unavailable for drawdown, thereby reducing the U.S. net import protection to 85 days. Additionally, damage at one storage tank reduces the drawdown rate to 4.25 million barrels per day from 4.4 million barrels per day.

The Committee recommendation for the Strategic Petroleum Reserve is \$189,400,000, \$3,304,000 below fiscal year 2013 and the same as the budget request.

#### NORTHEAST HOME HEATING OIL RESERVE

Appropriation, 2013*	\$4,119,000
Budget estimate, 2014	8,000,000
Recommended, 2014	8,000,000
Comparison:	
Appropriation, 2013	+3,881,000
Budget estimate, 2014	----

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The acquisition and storage of heating oil for the Northeast began in August 2000 when the Department of Energy, through the Strategic Petroleum Reserve account, awarded contracts for the lease of commercial storage facilities and acquisition of heating oil. The purpose of the reserve is to assure home heating oil supplies for the Northeastern States during times of very low inventories and significant threats to the immediate supply of heating oil. The Northeast Heating Oil Reserve was established as a separate entity from the Strategic Petroleum Reserve on March 6, 2001. The reserve contains one million barrels of Ultra Low Sulfur Diesel (ULSD), with approximately one-half located in commercial facilities.

ties in Boston, Massachusetts and approximately one-half located in commercial facilities in Groton, Connecticut.

In late 2012, over 121,000 barrels of the NEHHOR's inventory was loaned to the Department of Defense in support of the Federal Emergency Management Agency for use in emergency operations and support to the region affected by Hurricane Sandy. Additional exchanges with commercial terminals provided diesel fuel supplies for the state of Connecticut and the New York City, New York, area. All ULSD was returned to the NEHHOR by April 2013.

The Committee recommendation for the Northeast Home Heating Oil Reserve is \$8,000,000, \$2,119,000 below fiscal year 2013 (after accounting for a rescission of \$6,000,000 of prior-year balances in fiscal year 2013) and the same as the budget request.

#### ENERGY INFORMATION ADMINISTRATION

Appropriation, 2013 *	\$105,000,000
Budget estimate, 2014	117,000,000
Recommended, 2014	100,000,000
Comparison:	
Appropriation, 2013	- 5,000,000
Budget estimate, 2014	- 17,000,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Energy Information Administration (EIA) is a quasi-independent agency within the Department of Energy established to provide timely, objective, and accurate energy-related information to the Congress, the executive branch, state governments, industry, and the public. The Committee recommends \$100,000,000 for the Energy Information Administration, \$5,000,000 below fiscal year 2013 and \$17,000,000 below the budget request.

The Committee recognizes that the Commercial Buildings Energy Consumption Survey (CBECS) data are critical to the building industry. The 2003 CBECS remains the most current survey of commercial building efficiency. CBECS data are used in the development of ASHRAE building energy efficiency standards, the Energy Star program at U.S. EPA, the U.S. Green Building Council's Leadership in Energy and Environmental Design program, and Green Globes. To the extent possible within available funding, the Committee encourages the Energy Information Administration to complete the current CBECS survey and publish the results as soon as practical.

#### NON-DEFENSE ENVIRONMENTAL CLEANUP

Appropriation, 2013 *	\$235,721,000
Budget estimate, 2014	212,956,000
Recommended, 2014	194,000,000
Comparison:	
Appropriation, 2013	- 41,721,000
Budget estimate, 2014	- 18,956,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Non-Defense Environmental Cleanup program includes funds to manage and cleanup sites used for civilian, energy research, and non-defense related activities. These past activities resulted in radioactive, hazardous, and mixed waste contamination that requires remediation, stabilization, or some other action. The Committee recommendation for Non-Defense Environmental Clean-

up is \$194,000,000, \$41,721,000 below fiscal year 2013 and \$18,956,000 below the budget request.

*Small Sites.*—The Committee recommends \$48,233,000 for Small Sites, \$19,197,000 below fiscal year 2013 and \$1,956,000 below the budget request. Within this amount, \$40,000,000 is provided to accelerate removal of uranium mill tailings at Moab, \$4,222,000 above the budget request. The Department provided a report on its small sites cleanup activities in July 2012 that showed significant progress has been made at Argonne, Brookhaven, SLAC National Accelerator, and Lawrence Berkeley in recent years. However, the Department could not show that there had been comparative progress made at the Southwest Experimental Fast Oxide Reactor (SEFOR) located at the University of Arkansas. The Department also did not provide a detailed action plan for cleanup as directed. Within funding for Small Sites, \$2,000,000 is provided to develop an updated cost estimate for an accelerated phased cleanup plan that makes further progress for the decontamination and decommissioning of SEFOR.

*West Valley Demonstration Project.*—The Committee recommends \$47,000,000 for West Valley cleanup, \$18,000,000 below fiscal year 2013 and \$17,000,000 below the budget request. The recommended level is reduced from the request in order to address cleanup activities at other sites which represent a higher risk to health and the environment.

#### URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

Appropriation, 2013 *	\$472,930,000
Budget estimate, 2014	554,823,000
Recommended, 2014	545,000,000
Comparison:	
Appropriation, 2013	+72,070,000
Budget estimate, 2014	-9,823,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Uranium Enrichment Decontamination and Decommissioning Fund was established by the Energy Policy Act of 1992 to pay for the cleanup of gaseous diffusion plants at Portsmouth, Ohio; Paducah, Kentucky; and the East Tennessee Technology Park, in Oak Ridge, Tennessee. The Committee recommends \$545,000,000 for activities funded from the Uranium Enrichment Decontamination and Decommissioning Fund, \$72,070,000 above fiscal year 2013 and \$9,823,000 below the budget request. The amounts specified for each site include funding requested for pension and community and regulatory support. The Committee has no need to establish separate reprogramming controls for pension and community and regulatory support as in the budget request.

*Oak Ridge.*—The Committee recommends \$186,167,000, \$14,689,000 below fiscal year 2013 and \$9,103,000 above the budget request. The Committee commends the Department for its recent progress on demolition of the K-25 Building. The Department reports it is now ahead of schedule on this massive cleanup project that has been plagued by past performance problems and tragedy. The recommendation supports completion of K-25, but defers the request to initiate new decontamination and decommissioning ac-

tivities on the adjacent K-27 Building in order to accelerate other higher risk cleanup activities at the site.

*Paducah.*—The Committee recommends \$265,220,000 for Paducah, \$183,413,000 above fiscal year 2013 and \$3,163,000 above the budget request. The recommendation fully funds the transition of the Gaseous Diffusion Plant from the United States Enrichment Corporation to the Department of Energy.

*Portsmouth.*—The Committee recommends \$93,613,000 for Portsmouth, \$96,654,000 below fiscal year 2013 and \$1,795,000 above the budget request.

Title X of the 1992 Act 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 Department reports \$32,756,000 in approved but unpaid claim balances and up to \$241,495,000 in remaining potential liability for cleanup activities important to the health and safety of a number of communities. The Department should consider where progress can be made for site remediation and clean-up work at residential sites, public school properties, and other sensitive locations.

## SCIENCE

Appropriation, 2013*	\$4,876,000,000
Budget estimate, 2014	5,152,752,000
Recommended, 2014	4,653,000,000
Comparison:	
Appropriation, 2013	-223,000,000
Budget estimate, 2014	-499,752,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Office of Science funds basic science research across national laboratories, universities, and other research institutions in support of American innovation and the Department's energy-focused missions. Through research in physics, biology, chemistry, and other science disciplines, these activities expand scientific understanding and secure the nation's leadership in energy innovation. The Office of Science funds a significant portion of science research nationwide.

The Science program office includes Advanced Scientific Computing Research, Basic Energy Sciences, Biological and Environmental Research, Fusion Energy Sciences, High Energy Physics, Nuclear Physics, Workforce Development for Teachers and Scientists, Science Laboratories Infrastructure, Safeguards and Security, and Science Program Direction. The Committee has placed a high priority on funding these activities within the limited resources available in fiscal year 2014. The private sector is not likely to invest in basic science, since the findings either have high non-commercial value or are not likely to be commercialized in the near or medium term. However, this work is very important to sustaining the scientific leadership of the United States and can provide the underpinnings for valuable intellectual property in the coming decades.

The Committee recommendation is \$4,653,000,000 for the Office of Science, \$223,000,000 below fiscal year 2013 and \$499,752,000 below the budget request.

The Committee is concerned about the long-term science, technology, engineering, and math (STEM) workforce pipeline develop-

ment for underrepresented minorities and notes the National Academies recommendation that the federal government offer support for undergraduate and graduate STEM programs focused on increasing the participation and success of minority students through engaged mentoring, enriching research experiences, and opportunities to publish, present, and network.

Further, the Committee encourages the Department to develop and broaden partnerships with minority serving institutions, including Historically Black Colleges and Universities (HBCUs). In particular, the Committee encourages programs involving undergraduate research experiences, high speed computing access and education, nonproliferation studies, and research inclusive of the social sciences. The Committee recognizes the importance of workplace diversity in the Department of Energy's National Laboratories and directs the Secretary of Energy, not later than 120 days after enactment of this Act, to provide a detailed plan on recruitment and retention of diverse talent that includes outreach and recruitment programs at HBCUs and other Minority Serving Institutions.

*Use of Prior-Year Balances.*—The recommendation includes the use of \$10,000,000 of prior-year balances, \$10,000,000 more than the request.

#### ADVANCED SCIENTIFIC COMPUTING RESEARCH

The Advanced Scientific Computing Research (ASCR) program develops and hosts some of the world's fastest computing and network capabilities to enable science and energy modeling, simulation, and research. The Committee recommends \$432,365,000 for Advanced Scientific Computing Research, \$8,460,000 below fiscal year 2013 and \$33,228,000 below the budget request.

*Exascale Computing.*—The Committee continues to support the exascale initiative, which seeks to develop the next generation of computing systems three orders of magnitude faster than today's fastest systems. This decade-long effort is critical to enabling basic and energy-focused science research not previously possible and to maintaining the nation's global leadership in computing technologies. The recommendation includes the requested level of \$68,580,000 for the exascale initiative.

*High Performance Computing and Network Facilities.*—In addition to the long-term exascale initiative, the Committee supports continued upgrade and operation of the Leadership Computing Facilities at Argonne and Oak Ridge National Laboratories and of High Performance Production Computing capabilities at Lawrence Berkeley National Laboratory. These systems' capabilities are a critical component of science and industrial research and development across the nation, and they should be maintained as world-leading facilities. The recommendation includes \$148,500,000 for Leadership Computing Facilities and \$62,000,000 for High Performance Production Computing.

The recommendation includes the requested level of \$32,608,000 for High Performance Network Facilities and Testbeds (ESnet).



## BASIC ENERGY SCIENCES

The Basic Energy Sciences program funds basic research in materials science, chemistry, geoscience, and bioscience. The science breakthroughs in this program enable a broad array of innovations in energy technologies and other industries critical to American economic competitiveness. The Committee recommends \$1,583,099,000 for Basic Energy Sciences, \$106,396,000 below fiscal year 2013 and \$279,312,000 below the budget request.

The program's budget consists of funding for research; the operation of existing user facilities; and the design, procurement, and construction of new facilities and equipment. The long-term success of the program hinges on striking a careful balance among these three areas. However, the increasing level of research commitments and completion of new facilities make it difficult to adequately fund all three components of the Basic Energy Sciences program within existing budgetary constraints. The Committee strongly cautions the Department against assuming an ever-increasing budget when planning the balance among facility runtime, construction, and research funding.

The Committee recognizes the critical contribution that the program's light sources, neutron sources, and other user facilities make to scientific discovery and American industry. The United States is currently host to the world's most advanced and productive basic energy science user facilities, and the Department is urged to develop a plan for the next generation of light sources and other user facilities in order to maintain American leadership through the next decade.

*Research.*—The Committee recommends \$1,509,299,000 for Research within Basic Energy Sciences, \$29,199,000 below fiscal year 2013 and \$231,812,000 below the budget request.

The recommendation includes \$24,237,000 for the fourth year of the Fuels from Sunlight Energy Innovation Hub and \$24,237,000 for the second year of the Batteries Energy Innovation Hub, both the same as the request. The recommendation does not include funding for the Experimental Program to Stimulate Competitive Research, \$8,520,000 below the budget request.

The recommendation includes not less than \$60,000,000 for Energy Frontier Research Centers in fiscal year 2014, \$40,000,000 below the request, but does not provide \$68,729,000 for one-time funding for additional Energy Frontier Research Centers as requested by the Department.

The recommendation provides \$64,200,000 for major items of equipment, to include \$39,200,000 for the Advanced Photon Source Upgrade and \$25,000,000 for the National Synchrotron Light Source II (NSLS-II) Experimental Tools, both the same as the budget request.

The recommendation provides \$775,003,000 for facilities operations, which includes funding for individual scientific user facilities at their finalized fiscal year 2013 operating levels and \$50,000,000 for NSLS-II early operations, \$29,053,000 above fiscal year 2013 and \$19,000,000 below the budget request.

*Construction.*—The Committee recommends \$73,800,000 for Basic Energy Sciences construction projects, \$77,197,000 below fis-

cal year 2013 and \$47,500,000 below the budget request. The recommendation includes the first year of construction funding for the LINAC Coherent Light Source II two-tunnel upgrade project.

The Committee is aware of the Department's Critical Decision—0 that establishes the Department's mission need for a novel free-electron laser array light source. Should it choose to move forward with this project, the Office of Science is directed to submit a report to the Committees on Appropriations of the House of Representatives and the Senate on how it intends to balance these project costs against BES research and facility runtime under a flat budget scenario.

#### BIOLOGICAL AND ENVIRONMENTAL RESEARCH

The Biological and Environmental Research program supports advances in energy technologies and related science through research into complex biological and environmental systems. The Committee recommends \$494,106,000 for Biological and Environmental Research, \$116,090,000 below fiscal year 2013 and \$131,241,000 below the budget request.

The Committee continues to support the Biological Systems Science program, which focuses on the biology of plants and microbes with the ultimate goal of enabling future generations of biofuels from a variety of sustainable domestic biomass sources. In addition to reducing our nation's dependence on petroleum-based fuels with chronically high prices, the biofuels produced through this program's science breakthroughs can lower the cost of, improve the sustainability of, and ease industry's transition to those fuel alternatives.

The recommendation includes \$75,000,000, the same as fiscal year 2013 and the budget request, for the second year of the second five-year term of the three BioEnergy Research Centers.

#### FUSION ENERGY SCIENCES

The Fusion Energy Sciences program supports basic research and experimentation aiming to harness nuclear fusion for energy production. The Committee recommends \$506,076,000 for fusion energy sciences, \$104,968,000 above fiscal year 2013 and \$47,752,000 above the budget request.

The domestic fusion program is a critical component of United States science leadership and a necessary building block of any successful fusion projects, including the International Thermonuclear Experimental Reactor (ITER). The recommendation provides \$288,576,000 for the domestic fusion program, \$8,601,000 below fiscal year 2012—the last time Congress set forth a domestic fusion budget—and \$55,252,000 above the request, of which \$22,260,000 is for operations and research at the Alcator C-Mod Facility at Massachusetts Institute of Technology in fiscal year 2014.

The recommendation includes \$217,500,000 for the United States contribution to ITER, the international collaboration to construct the world's first self-sustaining experimental fusion reactor, \$93,500,000 above fiscal year 2013 and \$7,500,000 below the budget request.

*Ten-Year Fusion Plan.*—ITER is an important international collaboration that represents a major step forward in fusion energy

science, but its funding requirements will create substantial budgetary challenges, throughout the decade. The Committee appreciates that the Office of Science is grappling with these challenges, but notes that the budget request does not strike the proper balance between the domestic fusion program and ITER. The Committee recommendation restores most of the proposed cuts to the domestic fusion program while also increasing ITER funding as the project enters its full construction phase.

Looking forward, the increasing requirements for ITER will continue to pose challenges within the Science budget, and the Committee believes that long-term policy decisions for the Fusion Energy Sciences should be guided by impartial analysis of scientific needs and opportunities and with an eye on American competitiveness and leadership. The Committee therefore reiterates the importance of the ten-year plan for Fusion Energy Sciences directed in the fiscal year 2012 appropriations conference report; that plan's timely delivery to Congress; and the inclusion of priorities across domestic and international fusion facilities, projects, and programs. As the Administration formulates this plan, the Committee notes that the level of funding for fusion should not be assumed to be flat. As the Department continues to assert, ITER is one of the top priorities of the nation's science program as a whole, and as such should require investments across all programs within science. The current estimated cost share for the U.S. portion of the project is \$2,400,000,000 to achieve first plasma, with additional funding required to operate and maintain the facility over its lifespan. With this significant investment, our nation must maintain a robust domestic program and expertise to benefit from the project's eventual operation.

*ITER Project Directive.*—The Committee is deeply concerned about the lack of transparency regarding the U.S. contribution to the ITER project, particularly given the scale and complexity of the project as it enters its full construction phase. The Department has yet to submit an ITER project data sheet, including a project baseline and cost schedule, both of which are instrumental to the Committee's oversight role and consistent with all other DOE line-item construction projects. The Committee strongly encourages the Department to treat the U.S. contribution to ITER as a line-item construction project and directs the Department to submit a project baseline and cost schedule to the Committees on Appropriations of the House of Representatives and the Senate not later than 180 days after enactment of this Act.

#### HIGH ENERGY PHYSICS

The High Energy Physics program supports fundamental research into the elementary constituents of matter and energy, and ultimately into the nature of space and time. The program focuses on particle physics theory and experimentation in three areas: the energy frontier, which investigates new particles and fundamental forces through high-energy experimentation; the intensity frontier, which focuses on rare events to better understand our fundamental model of the universe's elementary constituents; and the cosmic frontier, which investigates the nature of the universe and its form of matter and energy on cosmic scales. The Committee recommends

\$772,521,000 for High Energy Physics, \$17,074,000 below fiscal year 2013 and \$4,000,000 below the budget request.

*Research.*—The Committee recommends \$729,521,000 for Research, \$32,148,000 below fiscal year 2013 and \$12,000,000 below the budget request, which includes activities in proton, electron, non-accelerator, and theoretical physics. The recommendation includes \$12,000,000 for operations of the Sanford Underground Research Facility, \$2,000,000 above the request, as the Department continues to evaluate a path forward for the Long Baseline Neutrino Experiment (LBNE) and its alternatives.

*Construction.*—The Committee recommends \$43,000,000 for construction, \$15,074,000 above fiscal year 2013 and \$8,000,000 above the budget request. The recommendation includes \$35,000,000 for preliminary engineering design and construction of the Muon to Electron Conversion Experiment.

The recommendation also includes \$8,000,000 for project engineering and design activities of LBNE and its alternatives, \$8,000,000 above the budget request. The recommendation includes no funding for long-lead procurements or construction activities for the LBNE project. The Committee recognizes the importance of this project to maintaining American leadership in the intensity frontier and to basic science discovery of neutrino and standard model physics. However, the Committee also recognizes that LBNE construction must be affordable under a flat budget scenario. As such, the Committee supports the Office of Science's challenge to the High Energy Physics community to identify an LBNE construction approach that avoids large out-year funding spikes or to identify viable alternatives with similar scientific benefits at significantly lower cost.

#### NUCLEAR PHYSICS

The Committee recommends \$551,913,000 for Nuclear Physics, \$3,376,000 above fiscal year 2013 and \$18,025,000 below the request.

*Operations and Maintenance.*—The Committee recommends \$526,413,000 for nuclear physics operations and maintenance, \$27,743,000 above fiscal year 2013 and \$18,025,000 below the budget request. The recommendation fully funds the request for Relativistic Heavy Ion Collider Operations at \$165,224,000 to support a standalone run of approximately 22 weeks in fiscal year 2014.

The recommendation also includes \$55,000,000 to begin construction of the Facility for Rare Isotope Beams (FRIB), \$33,000,000 above fiscal year 2013 and the same as the budget request. FRIB will serve as a facility with world-leading capabilities for short-lived radioactive beams and remains one of the highest priorities within the Nuclear Physics program. The Committee remains supportive of the next-generation machine that will advance understanding of rare nuclear isotopes and the evolution of the cosmos by testing the limits of nuclear existence.

The Committee encourages the Office of Science to ensure that commercial isotope producers have a direct working relationship with user facilities on day-to-day operational matters as it con-

tinues its effort to coordinate isotope production activities across the DOE complex.

*Construction.*—The Committee recommends \$25,500,000, \$24,367,000 below fiscal year 2013 and the same as the budget request, to continue construction of the 12 GeV Upgrade of the Continuous Electron Beam Accelerator Facility.

#### WORKFORCE DEVELOPMENT FOR TEACHERS AND SCIENTISTS

The Committee recommends \$16,500,000 for workforce development for teachers and scientists, \$1,951,000 below fiscal year 2013 and the same as the budget request. The Committee notes that the budget request proposes to consolidate STEM education programs under education-oriented agencies—a move the Committee is still evaluating—but the Office of Science Graduate Fellowship program was not included in the consolidation. The Committee directs the Department to consult with the National Science Foundation about lack of funding for this program and to report its findings not later than 60 days after enactment of this Act to the Committees on Appropriations of the House of Representatives and the Senate.

#### SCIENCE LABORATORIES INFRASTRUCTURE

The Committee recommends \$46,558,000 for Science Laboratories Infrastructure, \$64,945,000 below fiscal year 2013 and \$51,260,000 below the budget request. For construction, the recommendation provides only the estimated level of funding that can be executed within fiscal year 2014 for the three projects proposed in the budget request.

#### SAFEGUARDS AND SECURITY

The Committee recommends \$85,000,000 to meet safeguards and security requirements at Office of Science facilities, \$3,218,000 above fiscal year 2013 and \$2,000,000 below the budget request.

#### SCIENCE PROGRAM DIRECTION

The Committee recommends \$174,862,000 for Science Program Direction, \$9,646,000 below fiscal year 2013 and \$18,438,000 below the budget request. This level of funding is equal to the Department's finalized operating plan in fiscal year 2013.

#### ADVANCED RESEARCH PROJECTS AGENCY—ENERGY

Appropriation, 2013 *	\$265,000,000
Budget estimate, 2014	379,000,000
Recommended, 2014	50,000,000
Comparison:	
Appropriation, 2013	– 215,000,000
Budget estimate, 2014	– 329,000,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Advanced Research Projects Agency—Energy (ARPA-E) supports research aimed at rapidly developing energy technologies whose development and commercialization are too risky to attract sufficient private sector investment, but that are capable of significantly changing the energy sector to address our critical economic and energy security challenges. Projects funded by ARPA-E include such wide-ranging areas as production processes for transpor-

tation fuel alternatives that can reduce our dependence on imported oil, heating and cooling technologies with exceptionally high energy efficiency, and improvements in petroleum refining processes. While the Committee remains supportive of ARPA-E's efforts for stimulating innovation and appreciative of the reforms it has fostered at the Department, limited resources available in fiscal year 2014 constrain the amount available for this program. The Committee recommends \$50,000,000 for the Advanced Research Projects Agency—Energy, \$215,000,000 below fiscal year 2013 and \$329,000,000 below the budget request. The Department shall report to the Committees on Appropriations of the House of Representatives and the Senate not later than 30 days after enactment of this Act on its needs for program direction funding within this amount.

The Committee is pleased with ARPA-E's increased focus on transportation technologies and urges the program to continue supporting research and development that can make a substantial difference to the impact of future high gas prices on American families and businesses.

## TITLE 17 INNOVATIVE TECHNOLOGY LOAN GUARANTEE PROGRAM

### ADMINISTRATIVE EXPENSES

#### GROSS APPROPRIATION

Appropriation, 2013 *	\$38,000,000
Budget estimate, 2014	48,000,000
Recommended, 2014	22,000,000
Comparison:	
Appropriation, 2013	- 16,000,000
Budget estimate, 2014	- 26,000,000

#### OFFSETTING COLLECTIONS

Appropriation, 2013 *	\$ - 38,000,000
Budget estimate, 2014	- 22,000,000
Recommended, 2014	- 22,000,000
Comparison:	
Appropriation, 2013	+ 16,000,000
Budget estimate, 2014	- - -

#### NET APPROPRIATION

Appropriation, 2013 *	- - -
Budget estimate, 2014	\$26,000,000
Recommended, 2014	- - -
Comparison:	
Appropriation, 2013	- - -
Budget estimate, 2014	- 26,000,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The budget request for the Loan Guarantee program includes administrative expenses of \$48,000,000, which are partially offset by fees collected pursuant to section 1702(h) of the Energy Policy Act. The Committee recommends administrative expenses of \$22,000,000, which are fully offset by fees collected, for a final net appropriation of \$0. Funding for administrative expenses has been limited to the amount projected to be collected in fees, which the Congressional Budget Office has estimated to fall due to a reduc-

tion in the throughput of loan guarantee actions in fiscal year 2014.

The recommendation includes language prohibiting the Department from subordinating U.S. interests in any loan guarantee in violation of existing law or regulation. In addition, the Committee expects the Department to provide quarterly updates to the Committee on the health of its existing portfolio.

The Committee is aware of discrepancies between public statements made by the Department of Energy regarding the status of loan guarantee applications and the understanding by the applicants of the status of their applications. Not later than 60 days following enactment of this Act, the Department shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate including the following information:

(1) The number of applicants originally selected by DOE to proceed under Loan Guarantee Solicitation Number DE-FOA-0000008, the dollar amount requested in loan guarantee authority by each project, and the stage of the application consideration process for each applicant;

(2) A clear explanation of DOE's classification of stages of the application consideration process and DOE's use of an "inactive" designation in regard to an applicant during any of the stages; and

(3) Whether White House approval is involved at any stage of the approval process other than the required OMB review of the credit subsidy cost and, if so, which office of the White House and the nature of the approval.

#### ADVANCED TECHNOLOGY VEHICLES MANUFACTURING LOAN PROGRAM

Appropriation, 2013 *	\$6,000,000
Budget estimate, 2014	6,000,000
Recommended, 2014	6,000,000
Comparison:	
Appropriation, 2013	---
Budget estimate, 2014	---

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Energy Independence and Security Act of 2007 established a direct loan program to support the development of advanced technology vehicles and associated components in the United States. The program provides loans to automobile and automobile part manufacturers for the cost of re-equipping, expanding, or establishing manufacturing facilities in the United States to produce advanced technology vehicles or qualified components, and for associated engineering integration costs.

The Committee recommends \$6,000,000 for the Advanced Technology Vehicles Manufacturing Loan Program, the same as fiscal year 2013 and the budget request. The funds provided support administrative operations only.

The Committee notes that the Department of Energy closed its most recent loan in March 2011, and has zero active applications for the \$4,200,000,000 in remaining credit subsidy appropriations. The Committee directs the Department to submit a plan for this program to best use limited taxpayer funding to best support

American competitiveness and innovation including, if appropriate, a request to rescind funding.

## DEPARTMENTAL ADMINISTRATION

### GROSS APPROPRIATION

Appropriation, 2013 *	\$237,623,000
Budget estimate, 2014	226,580,000
Recommended, 2014	187,863,000
Comparison:	
Appropriation, 2013	- 49,760,000
Budget estimate, 2014	- 38,717,000

### REVENUES

Appropriation, 2013 *	\$- 108,000,000
Budget estimate, 2014	- 108,188,000
Recommended, 2014	- 108,188,000
Comparison:	
Appropriation, 2013	- 188,000
Budget estimate, 2014	- - -

### NET APPROPRIATION

Appropriation, 2013 *	\$129,623,000
Budget estimate, 2014	118,392,000
Recommended, 2014	79,675,000
Comparison:	
Appropriation, 2013	- 49,948,000
Budget estimate, 2014	- 38,717,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Committee recommendation for Departmental Administration is \$187,863,000, \$49,760,000 below fiscal year 2013 and \$38,717,000 below the budget request. The recommendation for revenues is \$108,188,000 as requested, resulting in a net appropriation of \$79,675,000. Funding recommended for Departmental Administration provides for general management and program support functions benefiting all elements of the Department of Energy, including the National Nuclear Security Administration. The account funds a wide array of Headquarters activities not directly associated with the execution of specific programs.

*Idle Reduction Strategies.*—The Committee is aware that the Department owns or operates more than 14,000 vehicles, including mission critical Light-Duty trucks, passenger vans, Medium-Duty, and Heavy-Duty vehicles. While the Committee is aware of the Department's broader plans, it is most interested in strategies that develop petroleum reduction and corresponding emissions reductions in an affordable and cost effective way. The Committee is aware that idle reduction strategies and technologies currently being utilized by the private sector may offer a net cost savings to the end user and directs the Department's Sustainability Performance Office to provide the Committee with a report no later than 90 days after enactment of this Act on the potential benefits, cost effectiveness, and role of idle reduction in its Performance Plan for its fleet vehicles in the operation and performance of DOE's vehicle fleet.

*Office of the Secretary.*—The recommendation includes \$4,986,000, \$22,000 below the budget request.



*Office of the Chief Financial Officer.*—The recommendation includes \$50,104,000 for the Office of the Chief Financial Officer, \$1,100,000 below the budget request, and moves travel-related activities to the Office of Management.

*Office of Congressional and Intergovernmental Affairs.*—The recommendation includes \$4,000,000, \$700,000 below the request.

*Office of Indian Energy Policy and Programs.*—The Committee recommends \$3,000,000 for this office, \$494,000 above the budget request, to coordinate and implement energy management, conservation, education, and delivery systems for Native Americans.

*Office of Economic Impact and Diversity.*—The Committee recommends \$1,600,000 for Minority Economic Impact, \$500,000 above the budget request. The recommendation also includes \$6,197,000 for Program Direction, \$850,000 below the budget request, and moves the Ombudsman to the Office of Management.

*Office of Human Capital.*—The recommendation includes \$20,815,000 for the Office of Human Capital, \$3,673,000 below the budget request.

*Office of Management.*—The Committee recommends \$49,294,000 for the Office of Management, \$6,405,000 below the budget request, and shifts activities from the Office of the Chief Financial Officer and the Office of Economic Impact and Diversity.

*Office of Policy and International Affairs.*—The Committee recommends no funding for this office. The Committee is aware that program offices at DOE also conduct international activities, and that the Department of State is now fulfilling some diplomatic functions this office once performed. The Committee supports efforts to consolidate strategic policy analysis capabilities within a single office at the Department of Energy.

#### OFFICE OF INSPECTOR GENERAL

Appropriation, 2013 *	\$42,000,000
Budget estimate, 2014	42,120,000
Recommended, 2014	42,000,000
Comparison:	
Appropriation, 2013	— — —
Budget estimate, 2014	— 120,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Office of Inspector General (OIG) 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 inspections 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.

The Committee recommendation is \$42,000,000, the same as fiscal year 2013 and \$120,000 below the budget request.

#### ATOMIC ENERGY DEFENSE ACTIVITIES

The Atomic Energy Defense Activities programs of the Department of Energy in the National Nuclear Security Administration

consist of Weapons Activities, Defense Nuclear Nonproliferation, Naval Reactors, and the Office of the Administrator; outside of the NNSA, these include Defense Environmental Management and Other Defense Activities. 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, 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, the NNSA is responsible for the management and operation of the nation's nuclear weapons complex, naval reactors, and nuclear nonproliferation activities. The Office of the NNSA Administrator oversees all NNSA programs.

*Contract and Project Management Reforms.*—The Committee recognizes the considerable reforms that have been implemented to better understand the cost of NNSA programs, to improve project management, and to hold contractors more accountable for performance by enforcing existing contract options and using contract mechanisms that more evenly share risk between the federal government and its contractors. These fundamental contract and management reforms have been sorely needed and will give NNSA managers tools that are critical for effective federal oversight. The Committee notes that progress has been made, recognized by the removal of some of the NNSA's projects from the Government Accountability Office's annual high-risk list. However, the NNSA will only be able to prove it can competently manage its operations through continued and consistent application of these management tools. As senior leadership changes within the Department and the NNSA, the Committee stresses the importance of continuing and accelerating the pace of management reform not just to prevent waste of taxpayer funds, but also to ensure that the NNSA is able to ultimately achieve its mission.

*Security Reforms.*—The Committee encourages continued reform and management improvements that will ensure the NNSA is able to meet high performance standards for physical protection of special nuclear materials. In particular, the Committee supports efforts to develop security expertise within the NNSA federal workforce and to empower those federal managers to take ownership of their roles and responsibilities for ensuring the overall effectiveness of security at the NNSA sites. While reforms to date have focused on improving the identification of security deficiencies, the Committee is concerned that the NNSA has still not demonstrated it is able to take prompt corrective action after it has identified those deficiencies.

Additionally, there are still considerable problems with maintaining security systems and managing projects to upgrade those systems. The NNSA is currently overseeing two major security upgrades which have been severely mismanaged and which have directly impacted security effectiveness at those sites. The botched

security project at the Y-12 National Security Complex directly contributed to the poor response by protective forces during the security incursion in July 2012 by generating excessive nuisance alarms. Additional protective forces have had to make up for an extended degraded status of the security systems at Los Alamos National Laboratory after the contractor incorrectly installed the new system and work was abruptly halted in October to prevent an Anti-Deficiency Act violation. The NNSA must demonstrate its federal managers can competently oversee projects without degrading security performance as it makes the investments it needs to maintain its systems.

*Additional Actions to Address Security of Nuclear Materials.*—While some limited reform actions have begun and show promise, the sheer magnitude of the problems that are pervasive in the NNSA's federal oversight culture make it essential that the Administrator and the Secretary work together to perform a concerted, high-level management review of the security of special nuclear materials. These issues will take years to address if the NNSA relies only on its current set of identified reforms, and the Committee is not content with a protracted timescale.

There is already a loss of exigency for reform as leadership turns over. The previous Secretary of Energy appointed three experts to undertake a review of security management, but none of the reforms recommended by his experts have been implemented. The DOE Inspector General has recommended a re-evaluation of the current structure of the Department's physical security apparatus that places all options on the table, but no such re-evaluation has taken place. The Department must consider all options, including new contract mechanisms and federalization of the security workforce, to drive wholesale near-term improvements in how it ensures the effectiveness of security at its sites. Contrary to previous assumptions that federalization would drive up costs, new analysis from the DOE Inspector General suggests there may actually be cost savings associated with federalization. While the Committee does not advocate federalization at this point, it should be an option that is considered. The Committee directs the NNSA, in consultation with the Secretary of Energy, to conduct a comprehensive review of available options for more fundamental security management reform and to provide a report on its review to the Committees on Appropriations of the House of Representatives and the Senate not later than 180 days after enactment of this Act. In its report, the NNSA should include a comparison of the cost, benefits, effectiveness, timeline to implement, and feasibility of implementation for a variety of alternatives, to include federalization and new contracting mechanisms.

*Program Efficiencies.*—The NNSA request assumed more than \$300,000,000 in program "efficiencies" that must be realized to allow the NNSA to attain its objectives for fiscal year 2014, but did not provide any information on how it would achieve these efficiencies and the impact to NNSA goals if they are not realized. The Committee agrees that there are actions that the NNSA could take to reduce unnecessary administrative and overhead costs. In order to help achieve these savings, the recommendation includes a provision that limits Laboratory-Directed Research and Development

(LDRD) for all Department of Energy laboratories to 4.5 percent in fiscal year 2014 and thereafter. This limitation will effectively serve to bring funding for LDRD at the national security labs to the same percentage amount as those provided for other DOE labs and should free as much as \$100,000,000 to be used for stockpile work.

*Tritium and Enriched Uranium Management.*—The NNSA has yet to provide the Committee with a report that outlines how it will manage tritium and enriched uranium supplies to fully meet all stockpile needs. As a result, the bill contains a statutory reporting requirement to ensure that the NNSA meets this outstanding requirement.

*Pensions.*—The Committee remains concerned about the continually escalating costs of contractor pensions and other postretirement benefits and their impacts on programmatic activities. The fiscal year 2014 request for legacy contractor pensions is \$373,300,000, an increase of \$132,477,000, or 55 percent, over fiscal year 2013. From the additional information provided in the budget request, it is clear that benefits offered to contractor employees vary widely across the nuclear security enterprise and the NNSA has adopted a limited and piecemeal approach to reform. The Committee supports continued review of pension and other postretirement benefits offered to contractor employees and the expeditious implementation of fair reforms to ensure rising costs do not impact ongoing high priority programmatic activities. Given that many of the site operating contracts will be re-competed or renewed in the coming years, the NNSA should evaluate what contract mechanisms are appropriate and available to bring uniformity and certainty to contractor pensions and post-retirement benefits moving forward.

The Committee recommends \$11,266,000,000 for the NNSA, \$235,644,000 below fiscal year 2013 and \$386,469,000 below the budget request. After accounting for the rescissions in title V, the recommendation includes \$11,104,000,000 for the NNSA, \$397,644,000 below fiscal year 2013 and \$548,469,000 below the budget request.

#### WEAPONS ACTIVITIES

Appropriation, 2013*	\$7,577,341,000
Budget estimate, 2014	7,868,409,000
Recommended, 2014	7,675,000,000
Comparison:	
Appropriation, 2013	+97,659,000
Budget estimate, 2014	−193,409,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

Weapons Activities provides funding to ensure the safety, security, reliability, and performance of the nation's nuclear weapons stockpile. The activities funded under this appropriation include the maintenance and refurbishment of nuclear weapons to sustain confidence in their security, safety, and reliability under the nuclear testing moratorium and arms reduction treaties. The Committee recommends a fiscal year 2014 program level of \$7,675,000,000 for Weapons Activities, \$97,659,000 above fiscal year 2013 and \$193,409,000 below the budget request. After accounting for the rescission of \$142,000,000 in title V of this bill, the

recommendation for net budget authority is \$7,533,000,000, \$44,341,000 below fiscal year 2013 and \$335,409,000 below the budget request.

*Overall Funding Levels.*—The recommendation approves the NNSA's request to provide funding for Nuclear Incident Response and the Counterterrorism and Counterproliferation programs within funding for Defense Nuclear Nonproliferation, instead of within Weapons Activities as in fiscal year 2013. After accounting for this transfer, the recommended program level (including stockpile work, campaigns, infrastructure, security and other activities) is \$361,001,000 above fiscal year 2013. Within the overall level, the Committee's recommendation fully funds the increases necessary to support the core requirements to ensure the reliability of the nation's nuclear weapons stockpile, but limits the amount of funding available to explore new stockpile concepts. The recommendation also takes advantage of significant savings that are available from prior-year funds that can no longer be executed to meet deficit reduction needs. With the high costs associated with extending the life of the W76, B61, and W88 and constructing the Uranium Processing Facility, the Committee cannot support large increases for activities that are not required for stockpile sustainment and must find savings that are available for deficit reduction where they will not impact progress of those high priority activities.

*Stockpile Transformation.*—In January 2013, the Nuclear Weapons Council made a decision that its "3+2" strategy (3 ballistic missile warheads and 2 air delivered warheads) will serve as the long-term vision for the stockpile. Since then, the NNSA has provided little explanation or analysis on the force structure implications or the costs to achieve that strategy.

In addition, the strategy relies on the NNSA's ability to prove it can reliably certify a new warhead design and to produce 30 pits per year by 2021, a condensed timeline that will require significant capital investments for which the NNSA has not provided an executable plan. The Committee will not support dedicating significant funding for new stockpile transformation concepts unless the Administration can more clearly lay out its rationale and the NNSA can prove that it is taking a conservative approach that accounts for all costs, is executable in the timeframes needed, is technically feasible, and has demonstrable benefits that justify such a large investment.

*Acquisition Program Improvements.*—The bill contains a general provision which requires an analysis of alternatives be prepared for all major warhead refurbishment activities. This requirement is established to strengthen the joint Department of Energy-Department of Defense phase 6.x process and to better conform to the Department of Defense's major acquisition process. That process entails, among other requirements, that a suitable number of feasible alternatives are analyzed prior to making costly investment decisions, that a trade-off analysis of the costs and benefits has been performed, and that the alternative selected has been certified to be affordable. This supporting information will provide a analytical basis for the NNSA's claims that its budget request contains funding for only the best possible programs, in a rational, defensible manner, considerate of the risk and uncertainty.

*Certification of New LEP Concepts.*—The Committee is concerned that new design concepts being considered do not have a sound scientific and analytical basis to ensure those warheads can be certified. Further, surety and maintainability improvements may introduce unnecessary risk into systems that must be highly reliable and whose performance cannot be verified through nuclear testing. In order to ensure that the NNSA has a sound technical basis for warhead upgrades that include insertion of new surety improvements and pit production, the Committee directs the NNSA to work with the JASONs defense advisory group to provide a report not later than 180 days after enactment of this Act on the need to incorporate insensitive high explosives into future life extensions, the certification risks of using and replacing conventional and insensitive high explosives in remanufactured and reuse pits, and the maturity of the NNSA's ability to remanufacture and certify legacy pits in future life extension reuse applications.

*Production Capabilities.*—The recommendation includes increases to address inadequate funding in the budget request for the W76 and B61 Life Extension Programs (LEP), dismantlement, and production support. These gaps are further examples of the NNSA's troubling history of insufficiently planning for its ongoing production requirements. The NNSA was never able to achieve the production rates it had planned for the W76 LEP, and now its support for the program continues to wane as it cuts overall production amounts. Pantex has experienced unexpected maintenance needs that have slowed production during 2013 and will be implementing a new resource planning system which may cause the NNSA to miss some of its planned deliverables for the year. The NNSA is also transitioning its Kansas City operations to its new facility, which will add even more risk to its ability to stay on track with its production requirements. While considerable time is being spent exploring new stockpile management concepts, there are very real challenges to the enterprise that require focused attention of leadership to overcome. Meeting the ongoing production deliverables for the stockpile represents the highest priority for the Committee. The NNSA must demonstrate sustained performance in meeting its deliverables before it will have sufficient credibility to gain support for new stewardship concepts for the nuclear weapons stockpile.

*Nuclear Programs.*—The NNSA requested to fund some activities under a new Government and Performance Results Act (GPRA) unit called Nuclear Programs, despite the fact that it did not identify any new performance measures associated with those activities. This new GPRA unit was presumably proposed, in part, to align funding as the NNSA reorganizes management within the Office of Defense Programs and the Office of Infrastructure and Operations. The Committee has selectively funded the activities requested under Nuclear Programs using the existing budget structure. The Committee does not require additional funding controls for these activities, and the NNSA's internal reorganization may be carried out using existing budget lines. However, there is a standing need to improve the visibility and justification for new investments within the NNSA budget request. The Committee will consider changing the congressional budget structure for the purposes of improving transparency of the full cost of operations through

consolidation, achieving operational efficiencies, or reducing waste, but not for bureaucratic reorganizations and not for new funding lines that are poorly justified. The Committee's recommendation simplifies budgeting controls to permit flexibility in carrying out activities, while requiring more detail in the NNSA's budget request justification materials to enhance the transparency of how the NNSA intends to use its funding.

#### DIRECTED STOCKPILE WORK

Directed Stockpile Work includes all activities that directly support weapons in the nuclear stockpile, including maintenance, research, development, engineering, certification, dismantlement, and disposal activities. The Committee recommends \$2,718,409,000 for Directed Stockpile Work (DSW), \$602,474,000 above fiscal year 2013 and \$289,893,000 above the budget request. The Committee recommendation includes tritium production; manufacturing development for warhead components and life extension programs (LEPs); and, for the first time, funding for processing, storing, and planning for nuclear, high explosive and other stockpile materials since these activities are directly related to stockpile production activities.

*B61 Life Extension Program (LEP).*—The Committee recommends \$560,744,000, \$23,700,000 above the budget request, in order to address a funding gap in the request compared to the B61 Weapons Design Cost Report (WDCR) that was associated with unspecified program efficiencies. The NNSA must have a solid basis for reductions it proposes to the validated cost profile, with a clear explanation for how those changes will impact the cost and schedule for that LEP. The WDCR identified another \$811,000,000 that would eventually be needed to support the B61 LEP, but did not adequately identify where those activities would be funded in the budget request or provide a valid rationale for why they should not be considered part of the cost of the B61 LEP. In order to ensure full funding, the recommendation includes \$67,000,000 requested under Component Manufacturing Development to directly support the B61 LEP.

The Committee expects the NNSA to improve the quality of the information provided and the frequency of reporting to establish that it has adequately planned to meet its requirements. The NNSA has selected an expensive alternative to extend the life of the B61 in order to improve maintainability by reducing the number of weapon mods, but has not provided any analysis of the costs and benefits for that selection as required by the reporting requirements for early life extension activities set in fiscal year 2012. The high cost of the B61 LEP will continue to drive near-term budgetary requirements and will limit funding available for follow-on LEP activities. Since the B61 LEP has recently obtained its phase 6.3 milestone, the bill contains a provision that requires submission of a report on alternatives and certification of the affordability of the alternative selected. While the NNSA prepares this required information, refurbishment work must move forward expeditiously to meet U.S. commitments to NATO. An investigation by the GAO completed in 2011 concluded that NNSA could not ensure it would be able to maintain U.S. capability to support its NATO commit-

ments if the B61 program were further delayed. Not meeting those commitments could cast doubts on the U.S. resolve to maintain a nuclear umbrella for its allies, potentially unraveling decades of nonproliferation efforts. In light of current events including the growing missile threat from North Korea, sending such a message would be dangerous and irresponsible.

*W76 Life Extension Program.*—The Committee recommends \$248,454,000, \$13,072,000 above the budget request. The budget request continues to inadequately fund activities that are essential to meet production needs of the W76. In addition, the budget request proposes changes to the production schedule for the W76 that would reduce the overall number of W76's well below the New START treaty levels. However, the Administration has not explained how those lower numbers would affect the deterrence capabilities of the most survivable leg of the U.S. nuclear deterrent. In addition, the NNSA request for the W76 continues to bank on cost efficiencies that the DOE Inspector General has reported are unlikely to be realized. The Committee will continue to prioritize ongoing production within its recommendation to meet existing commitments.

*W78 Life Extension Program.*—The Committee recommends \$50,000,000, \$22,691,000 below the budget request. The recommendation provides funding to continue a study to extend the life of the W78 warhead, as opposed to the budget request to discontinue funding for the broader study and to initiate a W78/88-1 Life Extension Program.

On April 21, 2011, the Department notified the Committee of its intent to use \$26,000,000 in fiscal year 2011 funding to “initiate the Concept Assessment Study for the W78 Life Extension Program . . . and to expand the scope of the study to include exploration of a joint W78/W88 warhead.” In fiscal year 2012, the Committee provided another \$37,087,000 to advance the life extension study into phase 6.2. The production of an integrated warhead to replace the W78 represents one alternative for sustaining the role of the W78. The recommendation permits continued consideration of an integrated warhead, but only as part of a continued study of alternatives. The NNSA has a standing requirement to provide a preliminary estimate of the costs and schedule requirements, description of alternatives, and a technology maturation plan upon entry into Phase 6.2a of the study. The bill contains a general provision which requires the NNSA to provide a report and a certification for the W78 at the Phase 6.3 milestone. To meet this requirement, the NNSA should ensure its study work continues to consider an appropriate and diverse set of alternatives as it carries out its ongoing Phase 6.2/6.2a work.

*W88 Alt 370.*—The Committee recommends \$169,487,000, the same as the budget request. This funding will support a \$1,500,000,000 alteration to replace the arming, fusing; and firing assembly of the W88-0/Mk 5, which is in its third decade of life and requires action to address aging issues.

*Stockpile Systems.*—The Committee recommends \$454,488,000, the same as the budget request. The NNSA may conduct conceptual study activities within stockpile systems to explore concepts for extending the life of the stockpile, subject to meeting the stand-



ing reporting requirements for early life extension activities as directed by the Committee in fiscal year 2012. If the NNSA wishes to commence a 6.2 study or perform further development in support of an integrated warhead or life extension study for the W80, it must formally request funding for a new life extension program in a future year budget request.

*Weapons Dismantlement and Disposition.*—The Committee recommends \$55,264,000, \$6,000,000 above the budget request. The NNSA continues to cut funding for dismantlement, despite a clear requirement to continue to dismantle warheads, sustain production line capacity, and harvest materials for recycling to meet stockpile needs. The Committee will not support further reductions to dismantlement funding unless the NNSA demonstrates it will meet its overall commitments for dismantlement and provides a severely overdue production plan.

*Stockpile Services.*—The Committee recommends \$1,179,972,000, \$262,222,000 above fiscal year 2013 and \$269,812,000 above the budget request. The Committee recommendation includes select funding requested under Readiness Campaign and Nuclear Programs that is directly associated with stockpile production.

The NNSA needs to make considerable improvements in its cost estimating and planning capabilities that support its major stockpile acquisition activities. The Committee recommendation reduces funding requested for Research and Development Certification and Management, Technology and Production since the NNSA has not clearly demonstrated why such a large increase is needed to meet ongoing annual assessment and certification needs of the stockpile. The NNSA should not fund new development, including maturation of surety, use control, or other technology upgrades under consideration for insertion as part of life extensions within Stockpile Services, but should clearly account for those costs within funding for that life extension program or refurbishment activity.

*Production Support.*—The Committee recommends \$345,000,000, \$4,531,000 below fiscal year 2013 and \$23,584,000 above the budget request. The recommendation includes additional funding above the request to address gaps in maintenance funding for the W76. No funding is provided for infrastructure upgrades to support new production capabilities for future LEPs since that funding is provided separately within Readiness in Technical Base and Facilities.

*Research and Development and Program Readiness Support.*—The Committee recommends \$93,608,000 within a new combined reporting and reprogramming control. The recommendation combines the full amount requested for Research and Development Support and the full amount requested for Program Readiness within Nuclear Programs. The Committee does not require separate reprogramming controls for planning, training, personnel, and other Defense Programs support-type activities. Combined funding will permit more integrated management of these related activities, and the NNSA should eliminate duplication and seek further efficiencies where possible.

*Plutonium Sustainment.*—The Committee recommends \$138,000,000, \$2,070,000 above fiscal year 2013 and \$18,949,000 below the budget request, for sustainment of plutonium production

capabilities and to reconstitute capabilities to manufacture power sources.

*Tritium Readiness.*—The Committee recommends \$80,000,000, \$11,695,000 below the amount requested for Tritium Readiness within the Readiness Campaign. The recommendation does not provide funding to fuel reactors at the Tennessee Valley Authority that are not actively being used for tritium production.

*Component Manufacturing Development.*—The Committee recommends \$67,000,000, \$39,085,000 below the amount requested for Component Manufacturing Development within the Readiness Campaign. The Committee recommendation provides a separate funding line to develop stockpile manufacturing technologies and processes for the B61 LEP primarily to ensure that the B61 LEP is fully funded, but the NNSA's justification for the remaining activities in the request is vague.

*Material Processing and Storage.*—The Committee recommends \$165,231,000. The recommendation combines the full amounts requested for Material Recycle and Recovery and Storage within Nuclear Programs. No funding is provided to begin stockpiling and processing additional plutonium at Los Alamos. The plutonium facilities at Los Alamos are in need of seismic upgrades, and there is an outstanding recommendation from the Defense Nuclear Facilities Safety Board that indicates the NNSA should take all measures to limit or reduce the amount of nuclear material at risk at Los Alamos until it completes those upgrades.

#### CAMPAIGNS

Campaigns are focused efforts involving the three weapons laboratories, the Nevada National Security Site, the weapons production plants, and selected external organizations to address critical capabilities needed to achieve program objectives. For Campaigns, the Committee recommends \$1,626,099,000, \$66,062,000 below fiscal year 2013 and \$84,866,000 below the budget request.

*Science Campaign.*—The Committee recommends \$397,902,000, the same as the budget request. The recommendation supports a substantial increase for a robust experimental effort to better understand the properties of plutonium and to ensure the NNSA can support pit certification requirements for future LEPs.

*Engineering Campaign.*—The Committee recommends \$149,911,000, the same as the budget request.

*Inertial Confinement Fusion and High Yield Campaign.*—The Committee recommends \$513,957,000, \$112,914,000 above the budget request. Within these funds, \$66,000,000 is for the OMEGA Laser Facility at the University of Rochester. Also within these funds, \$329,000,000 is provided for operation of the National Ignition Facility (NIF). The NNSA requested \$113,000,000 for NIF operations within its request for Site Stewardship. The recommendation consolidates total funding for NIF facility operations within Campaigns, consistent with how facility operations are funded for Z, OMEGA, and the scientific computing facilities. The NNSA is directed to budget for NIF operations in future budget requests in one location within Campaigns in order to provide better transparency into the total costs of operating the facility.

*Advanced Simulation and Computing Campaign.*—The Committee recommends \$564,329,000, the same as the budget request. The Committee strongly supports the advancement of computing capabilities within the NNSA's ASC campaign since these resources are essential to maintaining the stockpile. However, funding is reduced from the fiscal year 2013 level to account for savings that are available due to completion of Sequoia at Lawrence Livermore National Laboratory and the existence of \$40,000,000 in prior-year balances.

*Readiness Campaign.*—The Committee recommends no funding to continue work under the Readiness Campaign. The production of tritium and other production support activities requested within the Readiness Campaign are instead provided under Directed Stockpile Work since those activities directly support stockpile production needs.

#### READINESS IN TECHNICAL BASE AND FACILITIES

Readiness in Technical Base and Facilities (RTBF) provides funding for the operations, maintenance, and recapitalization of NNSA facilities and infrastructure. The Committee recommends \$1,909,674,000 for RTBF, \$234,596,000 below fiscal year 2013 and \$1,909,674,000 above the budget request. The Committee continues funding for the NNSA's infrastructure operations and construction within RTBF as in fiscal year 2013 and prior years, instead of within funding for Site Stewardship as in the budget request. In the past, the NNSA has failed to adequately fund facility maintenance and recapitalization needs, and the recommendation includes funding above the request within maintenance and repair of facilities to address these historic shortfalls. The recommendation no longer includes funding for Program Readiness, Material Recycle and Recovery, Containers, Storage and the National Ignition Facility as in fiscal year 2013.

*Operations of Facilities.*—The Committee recommends \$984,455,000, \$984,455,000 above the budget request. The recommendation fully funds the request for facility operations as requested within Site Stewardship, except for \$113,000,000 for the operation of the National Ignition Facility which is provided within the Inertial Confinement Fusion and High Yield Campaign.

*Maintenance and Repair of Facilities.*—The Committee recommends \$247,591,000 within a new reporting and reprogramming control, \$247,591,000 above the budget request. Within this amount, \$8,000,000 is provided for the Roof Asset Management Program. The recommended level provides \$20,000,000 above the request for direct maintenance, as requested within Site Stewardship, to address chronic underfunding of production facilities maintenance at Y-12, Pantex, and other sites. Funding within Maintenance and Repair of Facilities is intended to be used exclusively for maintenance, risk reduction, surveillance, sustainment, and corrective and routine preventative maintenance activities. The NNSA is directed to provide funding site splits within its budget request justification for Maintenance and Repair of Facilities in future years.

*Recapitalization.*—The Committee recommends \$208,173,000 within a new reporting and reprogramming control, \$208,173,000 above the budget request. The recommended level fully funds the

NNSA's request for recapitalization, as requested within Site Stewardship. Funding within Recapitalization is intended to be used for capital investments that help maintain or improve infrastructure at the NNSA sites, including: line-item construction Other Project Costs; general plant and capital asset operating and other minor construction projects for expansion, renovation, or replacement projects of existing facilities; demolition and disposition; and, purchases of major items of equipment. To the maximum extent possible, the NNSA should manage its recapitalization activities through the delineation of distinct projects which have a clearly defined scope, cost, and schedule basis. No funding shall be available until the NNSA provides the Committees on Appropriations of the House of Representatives and the Senate with an accounting of each project or major item of equipment to be funded that includes a description of that project's total estimated cost, fiscal year 2014 costs or multi-year cost profile if incrementally funded, and the scheduled completion date for each project or major item of equipment. The NNSA is directed to provide these elements at a minimum within its budget request justification for Recapitalization in future years.

*Production Capability Investments.*—The Committee recommends \$28,000,000 within a new reporting and reprogramming control, \$28,000,000 above the budget request. Funding within Production Capability Investments is intended to be used for capital investments to enhance, replace or add new capabilities that are needed to directly support future stockpile production requirements including any investments needed to increase pit production capacity or capability. The NNSA has lost production capabilities that will be needed to meet future production requirements for LEPs and other refurbishments. Though it is not yet clear when and which capabilities will be needed, it is nevertheless essential that the NNSA begin making some concerted investments now to ensure that the infrastructure will be sufficiently responsive. In doing so, the NNSA must demonstrate that those investments are affordable, effectively managed, and meet all statutory reporting requirements for capital projects.

The NNSA may fund new investments requested under Nuclear Programs, except no funding shall be available until the NNSA provides the Committees on Appropriations of the House of Representatives and the Senate with an accounting of each project or major item of equipment to be funded that includes a description of that project's total estimated cost, fiscal year 2014 costs or multi-year cost profile if incrementally funded, and the scheduled completion date for each project or major item of equipment. The NNSA is directed to provide these elements at a minimum within its budget request justification for Production Capability Investments in future years. All production upgrade projects that are required to meet production schedules for a major refurbishment or LEP should be clearly identified as a first-user investment in the associated Selected Acquisition Report.

*Project 07-D-220, Radioactive Liquid Waste Treatment Facility (RLWTF), Los Alamos National Laboratory.*—The Committee recommends \$47,614,000 to construct the Low Level Waste Liquid Facility under the RLWTF project, the same amount as requested

within Nuclear Programs. No funding shall be available for construction until the NNSA establishes a performance baseline for the project and provides the Committees on Appropriations of the House of Representatives and the Senate with an updated project data sheet. The Low Level Liquid Waste Facility is a like-for-like replacement of the capability currently provided in the existing RLWTF. The Committee recommends separate funding for a follow-on subproject to construct a Transuranic Liquid Waste Facility that was requested within the RLWTF project.

*Project 07-D-220-04 Transuranic Liquid Waste Facility, Los Alamos National Laboratory.*—The Committee recommends \$10,605,000 for project engineering and design, the same amount as requested under the RLWTF project within Nuclear Programs.

*Project 06-D-141, Uranium Processing Facility, Y-12 National Security Complex.*—The Committee recommends \$325,835,000, the same amount as requested within Nuclear Programs. No funding shall be available for site preparation or facility construction until the NNSA achieves 90 percent design completion for the entire project. The Committee is concerned by the steep escalation in costs to complete design of the facility and the impacts to the overall cost of constructing the facility. The NNSA reports the cost to complete project engineering and design activities has grown from \$566,192,000 in fiscal year 2013 to \$1,164,000,000 in fiscal year 2014, though some of these costs may be associated with long-lead procurements. The NNSA is expected to provide considerably more detail on its plan to construct this facility as it awards the CD-2 milestone in the third quarter of fiscal year 2104. The NNSA should provide notification to the Committee if it is unable to meet its commitment to baseline the entire project scope in fiscal year 2014.

#### SECURE TRANSPORTATION ASSET

The Office of Secure Transportation Asset 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 recommends \$219,190,000, \$121,000 above fiscal year 2013 and the same as the budget request.

#### SITE STEWARDSHIP

Site Stewardship provides funding for several supporting activities that are better served by enterprise-wide federal management and includes funding for Long-Term Stewardship (formerly Environmental Projects and Operations), Nuclear Materials Integration, Containers, Minority Serving Institution Partnerships Program, Corporate Project Management, and Nuclear Criticality and Safety Research and Development. The Committee recommends \$154,788,000 for Site Stewardship, \$75,659,000 above fiscal year 2013 and \$1,551,219,000 below the budget request. No funding is provided for the Energy Modernization and Investment Program. The Committee does not require separate reprogramming funding controls to support these activities. The reduction below the request is due to continued funding of infrastructure under Readiness in Technical Base and Facilities. The NNSA should not re-

quest funding for site facility operations, maintenance, or recapitalization within Site Stewardship.

*Minority Serving Institution Partnership Program.*—The Committee recommends \$14,531,000, the same as the budget request. The Committee is encouraged by new strides within the NNSA to foster increased diversity in the science, technology, engineering, and math (STEM) pipeline which serves our national security workforce. The Committee applauds the NNSA for specifying dedicated funding within its Weapons Activities request for the Minority Serving Institution Partnership Program (MSIPP). Funding for this program has been dwindling in recent years, and separately identifying funding will ensure the program is fully sustained and supported. The Committee supports these educational and research partnerships and encourages additional partnerships to be developed with minority serving institutions, including historically black colleges and universities, to ensure diversity within the next generation of scientists and researchers.

#### DEFENSE NUCLEAR SECURITY

Defense Nuclear Security is responsible for developing and implementing security programs for the protection, control, and accountability of materials and for the physical security of the nuclear security enterprise. The Committee recommends \$664,981,000 for Defense Nuclear Security, \$29,080,000 below fiscal year 2013 and the same as the budget request. Reductions from the fiscal year 2013 level are available, in part, from savings associated with the removal of special nuclear materials from Lawrence Livermore National Laboratory. The recommendation does not provide funding requested to start work on a new major security systems upgrade for the Device Assembly Facility at the Nevada National Security Site. The recommendation defers new work while the NNSA makes further progress on addressing the known deficiencies at Y-12 and Los Alamos, ensures similar mistakes will not be made during the Device Assembly Facility upgrade, and implements its plans for reorganization.

#### INFORMATION TECHNOLOGY AND CYBER SECURITY

Information Technology and Cyber Security combines funding for Cyber Security with funding to maintain the NNSA's unclassified information technology systems, previously funded under the Office of the Administrator. Combined funding was requested under a single program line, NNSA CIO Activities, which has been renamed to more clearly describe the purposes for which the funds may be used. The Committee recommends \$150,000,000 for Information Technology and Cyber Security, \$1,559,000 above the budget request.

The NNSA must maintain a robust capability to combat sophisticated cyber security attacks against its computer systems. However, the budget request contained obvious funding gaps and banked an unspecified amount for vaguely described program efficiencies which could undermine the cyber security posture of the NNSA systems. Additional funding above the request is provided to address gaps identified at Nevada and other NNSA sites.

## LEGACY CONTRACTOR PENSIONS

The Committee provides \$279,597,000 for payments into the legacy University of California contractor employee defined benefit pension plans, \$94,597,000 above fiscal year 2013 and the same as the budget request.

## FUNDING ADJUSTMENTS

*Use of prior-year balances.*—As requested, the Committee directs the use of \$47,738,000 in prior-year balances to offset the fiscal year 2014 needs as described above. These balances are available due to lower than anticipated payments for pensions in fiscal year 2012.

*Rescission.*—In title V of the bill, the Committee rescinds \$120,000,000 in prior-year balances from the Chemistry and Metallurgy Research Replacement project. The NNSA has announced a five-year delay in constructing the Nuclear Facility and is unable to reprogram prior-year funding, so these funds are available to offset costs in fiscal year 2014. The Committee further rescinds \$16,500,000 from Secure Transportation Asset that is available since the NNSA will not purchase a replacement aircraft for which funds were appropriated in fiscal year 2012, and \$5,500,000 that is available from completion of the Highly Enriched Uranium Materials Facility.

## DEFENSE NUCLEAR NONPROLIFERATION

Appropriation, 2013 *	\$2,434,303,000
Budget estimate, 2014	2,140,142,000
Recommended, 2014	2,100,000,000
Comparison:	
Appropriation, 2013	– 334,303,000
Budget estimate, 2014	– 40,142,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

Defense Nuclear Nonproliferation includes funding for Non-proliferation and Verification Research and Development, Non-proliferation and International Security, International Material Protection and Cooperation, Fissile Materials Disposition, Global Threat Reduction Initiative, Nuclear Incident Response, and Nuclear Counterterrorism and Counterproliferation. The Committee's recommendation for Defense Nuclear Nonproliferation is \$2,100,000,000, \$334,303,000 below fiscal year 2013 and \$40,142,000 below the budget request. After accounting for the rescission of \$20,000,000 in title V of this bill, the recommendation for net budget authority is \$354,303,000 below fiscal year 2013 and \$60,142,000 below the budget request.

*Overall Funding Levels.*—The recommendation approves the NNSA's request to provide funding for Nuclear Incident Response and the Counterterrorism and Counterproliferation programs within funding for Defense Nuclear Nonproliferation, instead of within Weapons Activities as in fiscal year 2013. After accounting for this transfer, the recommended program level is \$579,303,000 below fiscal year 2013. The Committee recommendation does not continue direct funding for a domestic uranium enrichment demonstration project, \$110,000,000 below fiscal year 2013. Instead, the final installment of funding is provided via special reprogramming author-

ity. The Committee's recommendation takes into account substantial savings that are available as the NNSA nears completion of its four-year effort to secure vulnerable nuclear materials around the world. In addition, the United States and the Russian Federation have agreed upon a new framework to permit continuation of several areas of cooperation in Russia that were previously conducted under the now-expired Cooperative Threat Reduction umbrella agreement. The Committee encourages the NNSA to clarify its strategy to continue its international threat reduction activities, which have had strong bipartisan support in Congress. In order to ensure continuity of these activities as the program evolves, the recommendation provides an additional \$20,000,000 above the request for international material protection and removal activities within the Global Threat Reduction Initiative.

*Nuclear Forensics.*—The NNSA has taken a positive step by consolidating its nuclear incident response and counterterrorism and counterproliferation activities within the budget request for Defense Nuclear Nonproliferation. The responsibilities of the Office of Emergency Operations and the Office of Counterterrorism and Counterproliferation are inherently aligned with the responsibilities of the Office of Defense Nuclear Nonproliferation and should not be considered part of the funding required to maintain the nation's nuclear weapons stockpile. By integrating fiscal planning and execution, the NNSA can improve overall integration of what are clearly cooperative and complementary programs. However, the NNSA must still improve the way it shares responsibilities for developing a national nuclear forensics capability. The national security need to establish such a capability has been well articulated, but the activities within the NNSA are still not clearly distinguished. The Committee directs the NNSA to name a lead program office responsible for the coordination of the NNSA intra- and cross-agency activities that contribute to building a national nuclear forensics capability.

*Report on the Four-year Goal to Secure Vulnerable Nuclear Materials.*—The Committee expects that as the four-year effort to secure materials worldwide concludes, the NNSA will be able to demonstrate many accomplishments, but it should also be able to provide an accurate accounting of what was unable to be accomplished and why. No later than May 1, 2014, the NNSA is directed to provide the Committees on Appropriations of the House of Representatives and the Senate with a full accounting of its four-year work that identifies what challenges remain and where emphasis needs to be placed in the future to achieve the NNSA's international nuclear security goals. This report should also include an analysis of Russia's willingness and ability to support and sustain the nuclear security investments the NNSA has made as part of the four-year effort.

*Performance Measures.*—While progress has been made reducing uncosted balances and improving reporting, the Committee has continued concerns regarding the NNSA's ability to evaluate and provide meaningful assessments of its own program performance. The Government Accountability Office reported in December 2011 that the results of some programs appear overstated because the NNSA measured performance against different targets at the end



of year than the ones presented in the budget request. The Committee directs the NNSA to contract with an independent entity with recognized expertise in evaluating program effectiveness to conduct a review of Defense Nuclear Nonproliferation performance measures. The entity shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate with its findings and recommendations on developing more accurate and meaningful measures of program performance. The Committee is aware that the program uses and tracks additional metrics in some core programs which may be valuable to decision makers when weighing the merits of resource allocations. Further, the budget documents should clearly articulate and track changes to program goals and schedules over time in order for Congress to adequately weigh the implications of the budget request. For example, the original goal of the HEU conversion program was 200 reactors by 2022, but the budget request moves that goal to 2030. The Committee directs the NNSA to expand its metrics and explanation in future budget requests to provide additional background on the effectiveness and evolution of its programs.

#### 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 to respond to threats to national security posed by the proliferation of nuclear weapons and special nuclear materials. The Committee recommends \$388,838,000 for Nonproliferation and Verification Research and Development, \$32,688,000 above fiscal year 2013 and the same as the budget request. The Committee is concerned that the NNSA is not adequately planning to meet its space-based sensor production requirements. In fiscal year 2013, the NNSA was not able to meet its production requirements after allowing development to fall so far behind that it could no longer shift funding to recover its schedule and meet its deadlines. To prevent repeating these mistakes, the NNSA should consider fully funding individual sensor procurements in the initial year of funding starting with its budget request for fiscal year 2015.

#### DOMESTIC URANIUM ENRICHMENT RESEARCH, DEVELOPMENT, AND DEMONSTRATION

The recommendation includes special reprogramming authority in the bill for up to \$48,000,000 in fiscal year 2014 for the final installment of funding for a domestic uranium enrichment research, development, and demonstration project, the same amount as the budget request. The Department requested broad authority to fund this program through a transfer from any appropriation of the Department of Energy. The Committee's recommendation provides the authority to continue to fund this program within the appropriation for Defense Nuclear Nonproliferation.

#### NONPROLIFERATION AND INTERNATIONAL SECURITY

The Committee recommends \$128,675,000 for Nonproliferation and International Security, \$26,630,000 below fiscal year 2013 and

\$13,000,000 below the budget request. No funding is provided to start a Global Security through Science Partnerships program. The NNSA may conduct training and similar partner engagement activities in order to address the expertise proliferation threat, but may not provide grants that support research and development projects of foreign scientists. There is no support for proceeding with a program that does not have clearly defined expected outcomes and that is based on the Global Initiatives for Proliferation Prevention program, which the Government Accountability Office found to have serious flaws and which may have inadvertently contributed to sustaining expertise for the Russian nuclear weapons program.

#### INTERNATIONAL MATERIALS PROTECTION AND COOPERATION

The International Materials Protection and Cooperation (IMPC) program works cooperatively with partner countries to secure weapons and weapons-usable nuclear material in order to improve the physical security at facilities that possess or process significant quantities of materials that are of proliferation concern. The Committee recommends \$369,625,000 for IMPC activities, \$202,014,000 below fiscal year 2013 and the same as the budget request.

#### FISSILE MATERIALS DISPOSITION

The Fissile Materials Disposition (FMD) program is responsible for eliminating surplus Russian weapons-grade plutonium and surplus U.S. weapons-grade plutonium and highly enriched uranium, including construction of the Mixed Oxide Fuel Fabrication Facility to meet commitments under the U.S.-Russia Plutonium Management and Disposition Agreement. The Committee recommendation provides \$502,557,000 for fissile materials disposition activities, \$182,829,000 below fiscal year 2013 and the same as the budget request.

*Mixed Oxide Fuel Fabrication Facility, Savannah River, SC.*—The Committee recommends \$320,000,000, \$115,172,000 below fiscal year 2013 and the same as the budget request. During the fiscal year 2013 continuing resolution, MOX project funding was sustained at a higher level than was requested. In addition, the Committee shifted an additional \$50,000,000 from MOX operations to construction in fiscal year 2012. Despite this influx of additional funding, the NNSA has been unable to recover its schedule and is now facing another \$2,800,000,000 in additional costs. Instead of fulfilling its responsibility to address these rising costs through reforming its management of the project and conducting an independent cost estimate to quantify those cost increases, the NNSA wrote “TBD” in its budget justification and removed all project funding from its five-year plan while it carries out a strategic pause.

The recommendation provides no additional funding to continue studying alternatives to the MOX plant. The NNSA has not described any alternatives which have not already been exhaustively considered or which are likely to result in any substantial cost savings to justify this pause, particularly with no permanent nuclear waste repository available after the Department’s decision to unilaterally terminate Yucca Mountain. An extended study would in-

stead further drive up the overall cost of the project by delaying ongoing construction and diverting attention from what should be a concerted high-priority effort to improve the project's management and to limit further cost escalation.

*Mixed Oxide Fuel Fabrication Facility, Other Project Costs (OPCs).*—The Committee recommends \$40,000,000, the same as the budget request. It is not clear how the NNSA has distributed project construction costs between OPCs and line-item construction for its FMD projects. The Committee directs the NNSA to provide a report to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after enactment of this Act which explains how it distributes these costs for its capital line-item construction projects.

#### GLOBAL THREAT REDUCTION INITIATIVE

The Global Threat Reduction Initiative (GTRI) mission is to identify, secure, remove, and facilitate the disposition of high-risk, vulnerable nuclear and radiological materials and equipment around the world. The Committee recommends \$408,304,000 for GTRI activities, \$91,696,000 below fiscal year 2013 and \$16,183,000 below the budget request. While the four-year goal is set to conclude in December 2013 and it is unclear whether there will be limitations on the amount of work the NNSA can accomplish within Russia, the budget request proposed a drastic cut in funding for international activities that have received strong bipartisan support and that directly contribute to our nation's security. The Committee recommendation provides \$208,000,000, \$20,000,000 above the amount requested for GTRI international material removal and protection activities, and contains new funding controls to ensure the NNSA does not divert funding for these international security activities to lower-priority activities. In fiscal year 2012, the NNSA used its internal funding flexibility to realign approximately \$18,000,000 requested to secure and remove vulnerable international nuclear materials to increase funding for domestic material protection activities, which do not pose the same threat to national security and which are already regulated by the Nuclear Regulatory Commission. While the recommendation for the international activities is increased, the amount of funding for domestic radiological material removal and protection is reduced, resulting in an overall decrease in total funding for GTRI from the budget request.

*HEU Reactor Conversions.*—The Committee recommends \$162,000,000, the same as the budget request.

*International Nuclear and Radiological Material Removal and Protection.*—The Committee recommends \$208,000,000 to remove Russian-origin, U.S.-origin, and gap materials and to remove and secure nuclear and radiological materials at research reactors and radiological buildings, \$20,000,000 above the budget request. While it accelerates the repatriation of U.S. origin fuel, the NNSA is placing an increasing burden on the spent fuel management responsibilities of the Office of Environmental Management, which assumes the cost of storage and disposition. The NNSA should adopt a more appropriate cost sharing model that reflects the national se-

curity purpose of accelerating the return, storage, and disposition of this material.

*Domestic Radiological Material Removal and Protection.*—The Committee recommends \$38,304,000, \$35,717,000 below the budget request. Domestic radiological materials are regulated by the Nuclear Regulatory Commission, and licensees are subject to U.S. law for providing adequate protection of these materials. While the NNSA may be able play a positive role in improving the level of protection, the program model is excessively bureaucratic and has large laboratory and contract overhead costs that ultimately limit the program's impact. Further, there are numerous cost-effective strategies that could be adopted to improve effectiveness, such as providing more accessible training opportunities for state inspectors and licensees. The NNSA is directed to conduct a program review and, not later than 180 days after enactment of this Act, to provide a report to the Committees on Appropriations of the House of Representatives and the Senate on strategies to improve its programmatic model. In addition, the private sector continues to offer greater opportunities for radiological material disposal to states and licensees, and the NNSA should ensure that its efforts in no way compete with or limit the growth of private sector enterprise.

#### NUCLEAR INCIDENT RESPONSE

The Office of Emergency Operations responds to and mitigates nuclear and radiological incidents worldwide and has a lead role in defending the nation from the threat of nuclear terrorism. The Committee recommendation includes funding for nuclear incidence response activities for the first time within the appropriation for Defense Nuclear Nonproliferation, instead of within the appropriation for Weapons Activities as in fiscal year 2013. The Committee recommends \$180,000,000 for Nuclear Incident Response, \$1,293,000 below the budget request.

#### NUCLEAR COUNTERTERRORISM AND COUNTERPROLIFERATION

The Office of Counterterrorism and Counterproliferation provides the expertise, practical tools, and technically informed policy recommendations required to understand nuclear threat devices and advance nuclear counterterrorism and counterproliferation objectives. The Committee recommendation includes consolidated and dedicated funding for the Office of Counterterrorism and Counterproliferation for the first time within the appropriation for Defense Nuclear Nonproliferation, instead of within the appropriation for Weapons Activities as in fiscal year 2013. The Committee recommends \$65,000,000 for Nuclear Counterterrorism and Counterproliferation, \$9,666,000 below the budget request.

#### FUNDING ADJUSTMENTS

*Use of prior-year balances.*—As requested, the Committee directs the use of \$36,702,000 in prior-year balances to offset the fiscal year 2014 needs as described above. These balances are available due to lower than anticipated payments for pensions in fiscal year 2012.

*Rescission.*—In title V, the Committee rescinds \$20,000,000 in prior-year balances from Russian Surplus Materials Disposition. Funding is available without impact since the U.S. has still not reached an agreement with Russia on milestones in accordance with the amended Plutonium Management and Disposition Agreement. Once an agreement is reached, the NNSA may request additional funding.

#### NAVAL REACTORS

Appropriation, 2013 *	\$1,080,000,000
Budget estimate, 2014	1,246,134,000
Recommended, 2014	1,109,000,000
Comparison:	
Appropriation, 2013	+29,000,000
Budget estimate, 2014	– 137,134,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Naval Reactors (NR) 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. The Committee recommendation provides \$1,109,000,000 for Naval Reactors, \$29,000,000 above fiscal year 2013 and \$137,134,000 below the budget request. The fiscal year 2014 budget request adheres to the Committee's requirements to identify separate funding for the OHIO-Replacement Reactor Systems Development and the S8G Prototype Refueling, and the Committee continues to provide funding separately for these high-priority activities. While funding for new activities will continue to be constrained, the Committee's recommendation fully funds development of the OHIO-Replacement ballistic missile submarine and refueling of the S8G prototype, which is closely linked to the OHIO-Replacement.

*NR Development.*—The Committee recommends \$421,400,000, \$400,000 above fiscal year 2013 and \$2,000,000 above the budget request. Additional funding above the request is provided to support operation of the Advanced Test Reactor at Idaho National Laboratory.

*NR Operations and Infrastructure.*—The Committee recommends \$363,198,000, \$4,898,000 above fiscal year 2013 and \$92,542,000 below the budget request. The recommendation does not include funding requested for detailed design of a new spent fuel recapitalization project.

*Spent Fuel Handling Recapitalization Project.*—The Committee recommends no funding and directs a two-year delay to commence detailed design for this new start project. While a delay may drive up the overall costs by as much as \$335,000,000, the Committee anticipates that the limited budgets expected under the Budget Control Act will not support the most cost-effective funding profile for this project while also simultaneously funding the large increases required for the development of the OHIO-Replacement ballistic missile submarine and the refueling of the S8G prototype reactor. If NR starts design in fiscal year 2014, even a delay caused by a Continuing Resolution or flat funding would drive up the cost of recapitalization by as much as \$260,000,000. A two-year delay

staggers peak funding requirements slightly and ultimately provides a more reliable planning basis.

While detailed design and construction on the project is delayed, NR should continue conceptual design activities for the project within available funding to fully investigate any alternatives that might lower costs. The DOE Inspector General reported in December 2012 that NR had not adequately considered the use of a commercial off-the-shelf product prior to upgrading and modernizing the financial components of its Enterprise Business System. Its proposed new spent fuel facility would double the capacity and footprint of the existing facility, and it is still not clear why such an increase in capacity is needed or if there are alternatives to growing the footprint that might lower costs. In addition, NR has not resolved plans to sustain spent fuel examination capabilities, which could represent significant additional costs. As part of its continued consideration of alternatives, NR should also consider whether investment in existing facilities at Idaho National Laboratory, such as the Idaho Nuclear Technology and Engineering Center (INTEC), might meet Navy needs for spent fuel processing.

*Infrastructure Planning.*—NR provided a ten-year facilities plan in October 2012, but the plan did not provide a site-by-site description of its real property and infrastructure requirements that were clearly linked to strategic programmatic goals and priorities. Not later than 60 days after enactment of this Act and annually thereafter, NR is directed to provide the Committees on Appropriations of the House of Representatives and the Senate with a ten-year site plan that demonstrates an integrated corporate-level, performance based approach to the life-cycle management of its real property assets. While the Department of Energy has excluded NR from the requirements of DOE Order 430.1B, Real Property Asset Management, Naval Reactors should work with the DOE Office of Engineering and Construction Management to make sure the ten-year site plans developed to meet this requirement provide a comparative level of detail as other DOE ten-year site plans and conform to the general intent of DOE Order 430.1B.

*Use of prior-year balances.*—As requested, the Committee directs the use of \$13,983,000 in prior-year balances to offset the fiscal year 2014 needs as described above. These balances are available due to lower than anticipated payments for pensions in fiscal year 2012.

#### OFFICE OF THE ADMINISTRATOR

Appropriation, 2013* .....	\$410,000,000
Budget estimate, 2014 .....	397,784,000
Recommended, 2014 .....	382,000,000
Comparison:	
Appropriation, 2013 .....	– 28,000,000
Budget estimate, 2014 .....	– 15,784,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Office of the Administrator of the National Nuclear Security Administration (NNSA) provides corporate planning and oversight for Weapons Activities, Defense Nuclear Nonproliferation, and Naval Reactors, including the NNSA field offices in New Mexico, Nevada, and California. The Committee recommendation is

\$382,000,000, \$28,000,000 below fiscal year 2013 and \$15,784,000 below the budget request.

The recommendation reflects the continued failure of the NNSA's federal management to provide the Committee with the reports and information it needs to conduct its oversight mission, despite the clear commitment made by the NNSA to produce its required reports in time for the fiscal year 2014 budget request. The Committee expects the NNSA to improve both the timeliness of its reporting and the quality of the information provided.

## ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

### DEFENSE ENVIRONMENTAL CLEANUP

Appropriation, 2013 *	\$5,023,000,000
Budget estimate, 2014	4,853,909,000
Recommended, 2014	4,750,000,000
Comparison:	
Appropriation, 2013	- 273,000,000
Budget estimate, 2014	- 103,909,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Defense Environmental Management (EM) program is responsible for identifying and reducing risks and managing waste at sites where the nation carried out defense-related nuclear research and production activities that resulted in radioactive, hazardous, and mixed waste contamination requiring remediation, stabilization, or some other cleanup action. The Committee's recommendation for Defense Environmental Cleanup is \$4,750,000,000, \$273,000,000 below fiscal year 2013 and \$103,909,000 below the budget request. The recommendation does not include a federal contribution of \$463,000,000 into the Uranium Enrichment Decontamination and Decommissioning Fund.

The budget request for cleanup continues to be driven by individual, site-specific negotiations between the Department and Federal and state regulators. It has become clear that many of these agreements, while negotiated in good faith, nevertheless relied on highly optimistic funding increases that would have been difficult in any budget environment. Under the Budget Control Act, the Committee anticipates that future funding available for environmental cleanup will be highly constrained for the next several years. The Committee's recommendation reflects that reality, providing \$5,489,000,000 overall for the Office of Environmental Management, which includes funding for Non-Defense Environmental Cleanup and the Uranium Enrichment Decontamination and Decommissioning Fund. This amount is a reduction of \$242,651,000 from the fiscal year 2013 level for overall EM activities.

The Committee has carefully examined the activities that represent the highest risks to security, public health, and the environment across the cleanup sites. Funding for Hanford's tank farm activities represents the largest increase over the fiscal year 2013 level within Defense EM and is needed to accelerate tank waste retrieval and to ensure the Department is appropriately addressing indications of newly leaking tanks, as well as degraded ventilation and level monitoring systems that are essential for tank maintenance and safety. The Committee recognizes security and health risks at Oak Ridge by providing additional funding for Building

3019 and by separately funding research on mercury remediation. The recommendation also includes adequate funding so that the Salt Waste Processing Facility can begin processing tank wastes at Savannah River in a more reasonable timeframe. In addition, EM has been notably underfunding sustainment of the nation's only operating permanent repository for nuclear waste. A shutdown of the Waste Isolation Pilot Plant would put at risk progress at nearly every cleanup site and the recommendation provides additional funding to address maintenance which continues to be deferred.

While the highest risks are addressed, the Committee recognizes the need to ensure progress towards cleanup milestones, even where the plan to meet those commitments is still not clear. As a result, the overall funding amount, while a decrease from the enacted level, is \$184,575,000 above the post-sequester level for the Office of Environmental Management and will sustain the pace of cleanup across the sites.

*DOE Inspector General Recommendations on Risk-Based Funding.*—In its report on management challenges for fiscal year 2013, the DOE Inspector General recommends that the Department reprioritize its cleanup activities on a complex-wide basis utilizing a risk-based strategy to address a remaining unfunded environmental remediation liability of approximately \$250,000,000,000. In order to fully implement the DOE IG's recommendations, the Department is directed to retain a respected outside group, such as the National Academy of Sciences, to rank and rate, on a national, complex-wide risk/priority basis, the Department's outstanding environmental remediation requirements and to provide a report to the Committees on Appropriations of the House of Representatives and the Senate not later than one year following enactment of this Act. The report should include an explanation of the outstanding risks at each legacy cleanup site.

*Community and Regulatory Support.*—To provide additional flexibility, the Committee no longer requires separate reprogramming controls for community and regulatory support and provides funding for those activities as described below.

*Hanford Site.*—The Committee recommends \$876,612,000, \$76,640,000 below fiscal year 2013 and \$45,173,000 below the budget request. Within the amount for River Corridor and other cleanup operations, funding is included for community and regulatory support. The recommendation fully funds the request for cleanup activities on the River Corridor and within the Central Plateau, except for the request to ramp up funding at the Plutonium Finishing Plant (PFP). Only a year after completing a new baseline for a subset of the overall cleanup project, DOE is again behind schedule, and the project continues to face the risks of work stoppages and employee turnover that have contributed to these delays. In addition, the DOE Inspector General's review of work on the Central Plateau found several issues with timely reporting of performance information and that the Department had not corrected those performance issues. The Committee continues to support a measured and constant pace of work at the facility that emphasizes employee safety, particularly considering that increasing the pace of activities there is not necessary to meet the 2016 consent milestone for facility disposition.



The U.S. Department of Justice released a press statement in March 2013 announcing a settlement following its investigation that confirmed extensive timecard fraud at Hanford from 2005 to 2008. It is not clear what actions, if any, the Department has taken to ensure it can prevent similar systemic fraud and to foster increased accountability in light of this settlement. The Committee expects the Department to more effectively oversee its contractors in order to safeguard the use of taxpayer funding against fraud, waste, and abuse.

*Idaho National Laboratory.*—The Committee recommends \$368,010,000, \$18,859,000 below fiscal year 2013 and \$3,000,000 above the budget request. Within this amount, funding is included for community and regulatory support. In its report released in January 2013, the Idaho Leadership in Nuclear Energy Commission noted that once the Idaho cleanup efforts are completed, the facilities at the Advanced Mixed Waste Treatment Plant (AMWTP) could be effectively used to assist in the characterization and cleanup being performed at other national locations. Given the current budget climate and the necessity to use taxpayer resources wisely, the Committee encourages the Department to fully explore future utilization of the AMWTP to meet the Department's backlog of environmental cleanup requirements and obligations to those states with materials presently awaiting disposition.

*NNSA Sites.*—The Committee recommends \$284,887,000, \$2,494,000 above fiscal year 2013 and \$24,789,000 below the budget request. Within this amount, the Committee recommends \$195,000,000 for Los Alamos National Laboratory, \$10,000,000 above fiscal year 2013, to increase funding available for the removal of above-ground legacy transuranic waste which has become a high priority with stakeholders. The Committee is encouraged by the progress EM has made at Los Alamos despite the limited funding available. As it finalizes work on a framework agreement in fiscal year 2014, the Department should work with the state to establish new milestones that can reasonably be achieved in the current fiscal environment. The Department is further directed to work with the state government and local communities in a transparent and open dialogue to address questions and concerns regarding any effort to store uranium waste at the Nevada National Security Site.

*Oak Ridge Reservation.*—The Committee recommends \$204,027,000, \$4,518,000 above fiscal year 2013 and \$6,000,000 above the budget request. Within the amount for Oak Ridge Cleanup and Disposition, funding is included for community and regulatory support. The Committee is concerned by the risks associated with materials stored in Building 3019 at Oak Ridge National Laboratory and provides an additional \$6,000,000 to expedite material removal and to accelerate building modifications to process this material.

The recommendation also provides separate funding at the requested level to accelerate development of technologies to address the remediation of mercury in soil and water. The cleanup of mercury presents significant environmental and technical challenges, and the Department has yet to develop a technical approach for its cleanup at Y-12. The Committee supports efforts to take early action to address this significant health and environmental risk.

*Waste Treatment and Immobilization Plant (WTP).*—The Committee recommends \$675,000,000, \$65,000,000 below fiscal year 2013 and \$15,000,000 below the request. The reduction below the request is due to construction funding which cannot be executed because the Department has halted work on the Pretreatment Facility while it resolves engineering issues. The reduction also reflects the lack of a clear overall plan to complete the facility, the continued failure to provide timely information, and the continued management of the project without valid performance data against which it can track progress.

The Government Accountability Office (GAO) recently reported that, “daunting technical challenges that will take significant effort and years to resolve, combined with a near tripling of project costs and a decade of schedule delays, raise troubling questions as to whether this project can be constructed and operated successfully.” The revelations regarding the extent of the outstanding engineering issues are deeply troubling, and the Department needs to make considerable improvements in its management of the project to ensure it will operate safely. The WTP is a critical project that must move forward, but the budget request provides little transparency into how the Department is using its funding to advance the project or whether it is able to track and manage ongoing work. The Committee’s recommendation provides new funding controls to improve visibility and consolidate management of those design resolution efforts. With separate funding, the Department should move forward to rebaseline the remaining unaffected portions of the project to demonstrate it can adequately track contractor performance and competently manage the project to completion.

*Low Activity Waste, Analytical Laboratory, and Balance of Facilities.*—The Committee recommends \$361,000,000 within a new reporting and reprogramming control. The Department was one year late in meeting its first semi-annual reporting requirement to the Committee for the WTP, and that report did not adequately describe progress compared to its current performance baseline. In supplemental data provided to the Committee for fiscal years 2012 and 2013, the Department reports the Low-Activity Waste Facility portion of the current Total Project Cost is \$2,030,598,000 with a construction completion date of June 2015, the estimated Analytical Laboratory portion is \$717,108,000 with a construction completion date of June 2014, and the estimated Balance of Facilities portion is \$1,143,932,000 with a construction completion date of January 2017. If these dates cannot be met, the Department should move expeditiously to quantify the delays and cost increases and submit a change to its baseline, since completion of these parts of the project are not subject to the resolution of outstanding engineering issues.

*High Level Waste and Pretreatment Facilities.*—The Committee recommends \$158,000,000 for procurement, construction, and commissioning within a new reporting and reprogramming control. Construction of the Pretreatment Facility has stopped pending resolution of nuclear safety-related engineering issues. Therefore, the recommendation does not include \$15,000,000 of the \$22,000,000 requested for construction of the Pretreatment Facility and only provides construction funding for maintenance of the partially-built

structure. The Department has admitted that starting construction too early has contributed to the cost growth in its projects, and the GAO found the continued use of a fast-track, design-build management approach has resulted in costly reworking and schedule delays on the WTP project. No funding shall be used to restart construction at the Pretreatment Facility until the Department can show it has achieved sufficient design maturity to prevent rework, as recommended by the GAO in its December 2012 report. The Department should provide a full justification for any future request to restart construction before it has achieved 90 percent design completion that shows a clear commitment to prevent further waste of taxpayer funding.

*Project Engineering Development, Demonstration and Testing.*—The Committee recommends \$156,000,000 within a new reporting and reprogramming control for project engineering and design, development, demonstration and testing activities related to the design of the High Level Waste and Pretreatment Facilities, as well as additional facilities and infrastructure that may ultimately be required, such as a direct feed capability. The Department must present a realistic strategy and timeline to resolve technical issues, and any changes in the overall approach to constructing the WTP must be backed by a business case analysis. As it completes design, the Department should implement the GAO's recommendations to ensure the contractor performance evaluation process does not prematurely reward contractors for resolving technical issues later found to be unresolved and to take appropriate steps to determine whether any incentive payments were made erroneously and, if so, take actions to recover them. The Committee is also concerned about the quality of the engineering performed to date on the project and directs the Department to employ expertise from its national laboratories and independent sources to validate and assist the ongoing engineering activities. The Committee directs the Department to include information on the progress and work plans of its technical teams within its semi-annual reports on the WTP project.

*Savannah River Risk Management Operations.*—The Committee recommends \$396,604,000, \$56,399,000 above fiscal year 2013 and \$35,887,000 below the budget request. Within this amount, funding is included for community and regulatory support. The continued delay of the Salt Waste Processing Facility project will continue to limit funding available to start new cleanup activities and to ramp up material stabilization at Savannah River. The recommendation does not provide additional funding requested in fiscal year 2014 for new start activities associated with reprocessing and risk reduction work at Building 235-F. While the Committee awaits a cost estimate and benefit analysis for those new start activities, the Department should move forward with operational improvements that will minimize the ongoing risks of Building 235-F.

*Project 05-D-405, Salt Waste Processing Facility (SWPF), Savannah River.*—The Committee recommends \$120,000,000, \$50,071,000 below fiscal year 2013 and \$28,000,000 above the budget request. The Committee is concerned by the lack of progress in developing a credible path forward for meeting commitments to clean up large quantities of liquid radioactive waste at Savannah

River. The Department submitted a budget request for the project that provided no clear solution for resolving considerable cost increases of this project. Though it has acknowledged it will not meet its 2015 startup commitment to regulators, the Department has not explained how the limited funding proposed in the budget request would impact the timeline and overall costs of meeting that commitment. While the Committee is encouraged by recent efforts to exercise options within existing contracts that hold contractors more accountable and to negotiate new performance-based contracts which share risk and reduce waste, the Department is also accountable for developing credible plans that will not waste taxpayer dollars. The extended time it has taken the Department to resolve its plan is not acceptable for an ongoing major project, and significant delays of construction will drive up costs. The recommendation includes funding above the request to establish a more credible funding plan for timely completion of the SWPF.

*Technology Development and Deployment.*—The Committee recommends \$10,000,000, \$1,000,000 below fiscal year 2013 and \$10,000,000 below the budget request. Much of the legacy cleanup accomplished to date has required relatively straightforward techniques, but an increasing proportion of the remaining cleanup poses challenges that will require concentrated research and development to address. The Department needs to provide better transparency into its request for development funds as those activities relate to individual site cleanup efforts. The recommendation includes development funding to address mercury remediation at Y-12 within funding for Oak Ridge National Laboratory for the first time. The Department should consider this funding model for future requests for technology development.

#### OTHER DEFENSE ACTIVITIES

Appropriation, 2013*	\$823,364,000
Budget estimate, 2014	749,080,000
Recommended, 2014	830,000,000
Comparison:	
Appropriation, 2013	+6,636,000
Budget estimate, 2014	+80,920,000

\*FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

Other Defense Activities provides funding for the Office of Health, Safety and Security; Office of Legacy Management; Idaho Site-wide Safeguards and Security; Defense Related Administrative Support; and the Office of Hearings and Appeals. The Committee recommendation for Other Defense Activities (ODA) is \$830,000,000, \$6,636,000 above fiscal year 2013 and \$80,920,000 above the budget request.

*Health, Safety and Security.*—The Office of Health, Safety and Security (HSS) develops programs and policies to protect the workers at the Department's sites and facilities and the public; conducts independent oversight of performance and security; and integrates health, safety, and security policies across the Department, among other related functions. The Committee recommends \$247,616,000 for the Office of Health, Safety and Security, \$3,121,000 below fiscal year 2013 and \$4,301,000 below the budget request. The Committee believes it is critical to preserve the authority of HSS to independently assess Departmental compliance and performance

and that HSS continues to have access to and cooperation from all Departmental programs. HSS is directed to continue to provide annual updates on its oversight activities.

The Committee notes considerable improvements made regarding the responsiveness of DOE program offices in addressing findings identified by HSS during its reviews and inspections, which have enabled much needed action on embedded cultural problems impacting nuclear safety and the security posture at several DOE sites. However, the Committee remains highly concerned about the protection of special nuclear materials at the DOE sites and the ability of the Department to conduct basic security reform. The Department must be able to set and enforce security standards and to update those standards in a timely manner as its understanding of the risks and threats evolve. The latest attempt to update the Graded Security Posture (GSP) policy has become mired in bureaucracy, shuffled along a seemingly endless concurrence chain with no clear accountability or timeline for completion. The GSP is used by the sites as the basis for establishing protective force levels and security implementation plans to meet the latest threat. The document has not been updated in over five years, and implementation of the previous policy has been inconsistent, resulting in a lack of standardization across sites that is difficult for federal security managers to oversee. Without clear responsibility and accountability for who sets and enforces those security standards, the Department has by default passed on this inherently federal responsibility to its contractors. The DOE is directed to move expeditiously in updating its analysis with the latest known threats and approving a GSP that can be used to set and enforce adequate and consistent standards of protection at each DOE site.

*Specialized Security Activities.*—The Committee recommends \$191,500,000 for Specialized Security Activities, \$4,801,000 above fiscal year 2013 and \$4,822,000 below the budget request.

*Office of Legacy Management.*—The Office of Legacy Management provides long-term stewardship following site closure. The Committee recommends \$173,026,000 for Legacy Management, \$3,426,000 above fiscal year 2013 and \$3,957,000 below the budget request.

*Idaho Sitewide Safeguards and Security.*—The Committee recommends \$94,000,000 for Idaho Sitewide Safeguards and Security, \$650,000 above fiscal year 2013 and the same as requested within Nuclear Energy.

*Defense Related Administrative Support.*—The Committee recommends \$118,836,000, the same as fiscal year 2013 and the budget request, to provide administrative support for programs funded in the atomic energy defense activities accounts.

*Office of Hearings and Appeals.*—The Office of Hearings and Appeals is responsible for all of the Department's adjudicatory processes, other than those administered by the Federal Energy Regulatory Commission. The Committee recommends \$5,022,000, \$880,000 above fiscal year 2013 and the same as the budget request.

## POWER MARKETING ADMINISTRATIONS

Management of the federal power marketing functions was transferred from the Department of the Interior to the Department of Energy in the Department of Energy Organization Act of 1977 (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 Southeastern Power Administration, the Southwestern Power Administration, and the power marketing functions of the Bureau of Reclamation that have been transferred to the Western Area Power Administration.

All four power marketing administrations give preference in the sale of their power to publicly-owned and cooperatively-owned utilities. Operations of the Bonneville Power Administration are financed principally 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.

Beginning in fiscal year 2011, power revenues from the Southeastern, Southwestern, and Western Area Power Administrations, which were previously classified as mandatory offsetting receipts, were reclassified as discretionary offsetting collections to directly offset annual expenses. The capital expenses of Southwestern and Western Area Power Administrations are appropriated annually.

### 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, and exchanges and markets surplus power with Canada and California. Language is included to allow expenditures from the Bonneville Power Administration Fund for John Day Reprogramming and Construction, Columbia River Basin White Sturgeon Hatchery, and Kelt Reconditioning and Reproductive Success Evaluation Research. Expenditure authority also is provided for construction or participation in the construction of a high voltage line from Bonneville's high voltage system to the service areas of requirements customers located within Bonneville's service area in southern Idaho, southern Montana, and western Wyoming; such line may extend to, and interconnect in, the Pacific Northwest with lines between the Pacific Northwest and the Pacific Southwest.

The Committee remains concerned about implementation of the memorandum dated March 16, 2012, from the Secretary of Energy instructing the Power Marketing Administrations to modernize their operations. In particular, communication with the appropriate committees of Congress regarding statutory authority and the potential impact on electricity prices remains limited at best. For fiscal year 2014, no expenditure authority is requested and no ex-

penditure authority is provided to comply with this memorandum. The Committee directs each Power Marketing Administration to report to the Committees on Appropriations of the House of Representatives and the Senate any direction provided by the Secretary with an analysis of the costs of complying with such direction, including additional costs to electricity consumers.

#### OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

Appropriation, 2013* .....	---
Budget estimate, 2014 .....	---
Recommended, 2014 .....	---
Comparison:	
Appropriation, 2013 .....	---
Budget estimate, 2014 .....	---

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Southeastern Power Administration (SEPA) markets hydroelectric power produced at 22 Army Corps of Engineers Projects in 11 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 total program level for SEPA in fiscal year 2014 is \$101,034,000, with \$93,284,000 for purchase power and wheeling and \$7,750,000 for program direction. The purchase power and wheeling costs will be offset by collections of \$78,081,000, and annual expenses will be offset by collections of \$7,750,000 provided in this Act. Additionally, SEPA has identified \$15,203,000 in alternative financing for purchase power and wheeling. The net appropriation, therefore, is \$0 in the recommendation and the budget request.

The Committee remains concerned about implementation of the memorandum dated March 16, 2012, from the Secretary of Energy instructing the Power Marketing Administrations to modernize their operations. In particular, communication with the appropriate committees of Congress regarding statutory authority and the potential impact on electricity prices remains limited at best. For fiscal year 2014, no funding is requested and no funding is provided to comply with this memorandum. The Committee directs each Power Marketing Administration to report to the Committees on Appropriations of the House of Representatives and the Senate any direction provided by the Secretary with an analysis of the costs of complying with such direction, including additional costs to electricity consumers.

#### OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

Appropriation, 2013* .....	\$12,702,000
Budget estimate, 2014 .....	11,892,000
Recommended, 2014 .....	11,892,000
Comparison:	
Appropriation, 2013 .....	- 810,000
Budget estimate, 2014 .....	---

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Southwestern Power Administration (SWPA) markets hydroelectric power produced at 24 Corps of Engineers projects in the

six-state area of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas. SWPA operates and maintains 1,380 miles of transmission lines, along with supporting substations and communications sites.

The Committee recommendation for the Southwestern Power Administration is a net appropriation of \$11,892,000, the same as the budget request. The total program level for Southwestern in fiscal year 2014 is \$101,764,000, including \$13,598,000 for operation and maintenance expenses, \$52,000,000 for purchase power and wheeling, \$29,939,000 for program direction, and \$6,227,000 for construction. Offsetting collections total \$75,564,000, including \$42,000,000 for purchase power and wheeling, \$28,267,000 for program direction, and \$5,297,000 for operations and maintenance. Southwestern estimates it will secure alternative financing from customers in the amount of \$14,308,000.

The Committee remains concerned about implementation of the memorandum dated March 16, 2012, from the Secretary of Energy instructing the Power Marketing Administrations to modernize their operations. In particular, communication with the appropriate committees of Congress regarding statutory authority and the potential impact on electricity prices remains limited at best. For fiscal year 2014, no funding is requested and no funding is provided to comply with this memorandum. The Committee directs each Power Marketing Administration to report to the Committees on Appropriations of the House of Representatives and the Senate any direction provided by the Secretary with an analysis of the costs of complying with such direction, including additional costs to electricity consumers.

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

Appropriation, 2013 *	\$91,900,000
Budget estimate, 2014	95,930,000
Recommended, 2014	95,930,000
Comparison:	
Appropriation, 2013	+4,030,000
Budget estimate, 2014	-----

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

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 western states over a service area of 1.3 million square miles.

The Committee recommendation for the Western Area Power Administration is a net appropriation of \$95,930,000, the same as the budget request. The total program level for Western in fiscal year 2014 is recommended at \$830,098,000, which includes \$122,437,000 for construction and rehabilitation, \$82,843,000 for system operation and maintenance, \$407,109,000 for purchase power and wheeling, and \$217,709,000 for program direction. No funding is provided, or requested, for the Utah Mitigation and Conservation Fund, consistent with Public Law 108-137 which ended Western's contributions in fiscal year 2013.



Offsetting collections include \$434,727,000 for purchase power and wheeling and annual expenses, and the use of \$6,092,000 of offsetting collections from the Colorado River Dam Fund (as authorized in P.L. 98-381). Western Area estimates it will secure alternative financing from customers in the amount of \$293,349,000.

The budget request proposed legislative language to allow the recovery of purchase power and wheeling expenses to include the cost of voluntary participation in state greenhouse gas programs. The Committee agrees with Western that the Clean Air Act does not require Western to participate in California's cap and trade program for greenhouse gases. Further, the Committee strongly believes that Western and the Department should have sought agreement from the appropriate committees of the Congress prior to committing Western to participating voluntarily in this state program. A new activity of this magnitude, especially a voluntary activity that could have a significant cost to Western's customers and federal taxpayers, should not have been undertaken without specific approval from the Congress. Without a clear understanding of the costs and other implications of voluntary participation in California's program generally and the legislative language specifically, the Committee must reject the budget proposal. Instead, Western and the Department are directed to report to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after enactment of this Act on the costs and other implications of alternative methods of voluntary participation in the state program, as well as the alternative of not participating in the state program.

The Committee remains concerned about implementation of the memorandum dated March 16, 2012, from the Secretary of Energy instructing the Power Marketing Administrations to modernize their operations. In particular, communication with the appropriate committees of Congress regarding statutory authority and the potential impact on electricity prices remains limited at best. For fiscal year 2014, no expenditure authority is requested and no expenditure authority is provided to comply with this memorandum. The Committee notes that the Joint Outreach Team submitted to the Secretary final recommendations for the Western Area Power Administration on January 29, 2013. The Secretary, in a memorandum dated March 1, 2013, directed Western to prepare an implementation plan to help prioritize tasks and establish a schedule for completion. The Committee directs Western to provide this information to the Committee not later than three days after providing it to the Secretary. The information to the Committee should include an analysis of the costs of implementing each recommendation, including additional costs to electricity consumers.

The Committee is concerned that Western has not been fully responsive in its efforts to work with its customers in implementing its Access to Capital (A2C) initiative. The Committee believes that Western has relied too much on a "top down" approach and could be missing innovative proposals from its customer base. Accordingly, the Committee hopes to see improvement in Western's approach and will continue to monitor further developments to ensure that customers' concerns are addressed.

## FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

Appropriation, 2013 *	\$220,000
Budget estimate, 2014	420,000
Recommended, 2014	420,000
Comparison:	
Appropriation, 2013	+200,000
Budget estimate, 2014	---

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

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 budget request includes a proposal for permanent authority to accept contributed funds for use in fulfilling duties associated with the Falcon and Amistad Dams. This authority would be equivalent to the authority used throughout the Western Area Power Administration to secure alternative financing. The Committee amends this proposal to limit authority to up to \$865,000 in fiscal year 2014 only.

The Committee recommendation is a net appropriation of \$420,000, the same as the budget request. The total program level is \$6,196,000, with \$4,910,671 of offsetting collections applied toward annual expenses and \$865,000 of alternative financing.

## FEDERAL ENERGY REGULATORY COMMISSION

## SALARIES AND EXPENSES

Appropriation, 2013 *	\$304,600,000
Budget estimate, 2014	304,600,000
Recommended, 2014	304,600,000
Comparison:	
Appropriation, 2013	---
Budget estimate, 2014	---

## REVENUES

Appropriation, 2013 *	\$ - 304,600,000
Budget estimate, 2014	- 304,600,000
Recommended, 2014	- 304,600,000
Comparison:	
Appropriation, 2013	---
Budget estimate, 2014	---

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Committee recommendation for the Federal Energy Regulatory Commission (FERC) is \$304,600,000, the same as fiscal year 2013 and the budget request. Revenues for FERC are established at a rate equal to the budget authority, resulting in a net appropriation of \$0.

The Committee is aware that concerns remain about the degree of consideration given by FERC to the rights and concerns of private property owners during the process for developing, reviewing,

and approving shoreline management plans. The Committee reiterates its support for the expeditious development and implementation of innovative and mutually agreeable solutions to resolve conflicts among project purposes and private property at specific locations. The Committee also expects FERC to complete as soon as possible its review of the overall shoreline management plan process and report to Congress, as directed in fiscal year 2012.

*Natural Gas Export Project Consideration.*—The Committee is concerned with the pace of the Federal Energy Regulatory Commission's consideration of natural gas export projects, including the use of "tolling orders" to extend statutory deadlines. The Committee supports a clearly communicated, expedited process to make an appropriate determination on each of the pending applications and directs the Commission to submit to the Committees on Appropriations of the House of Representatives and the Senate, not later than 30 days after the date of the enactment of this Act, its plan to finish consideration of all applications filed with the Commission.

#### COMMITTEE RECOMMENDATION

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

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
ENERGY PROGRAMS					
RENEWABLE ENERGY, ENERGY RELIABILITY AND EFFICIENCY					
ELECTRICITY DELIVERY AND ENERGY RELIABILITY					
Clean Energy Transmission and Reliability.....	---	---	14,000	+14,000	+14,000
Cyber Security for Energy Delivery Systems.....	---	---	40,000	+40,000	+40,000
Energy Storage.....	---	---	5,000	+5,000	+5,000
Smart Grid Research and Development.....	---	---	5,000	+5,000	+5,000
National Electricity Delivery.....	---	---	6,000	+6,000	+6,000
Infrastructure Security and Energy Restoration.....	---	---	10,000	+10,000	+10,000
-----					
Subtotal, Electricity Delivery and Energy Reliability.....	---	---	80,000	+80,000	+80,000
ENERGY EFFICIENCY AND RENEWABLE ENERGY RD&D					
RESEARCH TO ADDRESS GAS PRICES					
Bioenergy Technologies.....	---	---	120,000	+120,000	+120,000
Hydrogen and Fuel Cell Technologies.....	---	---	65,000	+65,000	+65,000
Vehicle Technologies.....	---	---	205,000	+205,000	+205,000
-----					
Subtotal, Research to Address Gas Prices.....	---	---	390,000	+390,000	+390,000
ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAMS					
Advanced Manufacturing.....	---	---	120,000	+120,000	+120,000
Building Technologies.....	---	---	65,300	+65,300	+65,300
Geothermal Technologies.....	---	---	12,000	+12,000	+12,000

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Solar Energy.....	---	---	65,300	+65,300	+65,300
Water Power.....	---	---	24,000	+24,000	+24,000
Wind Energy.....	---	---	24,000	+24,000	+24,000
Facilities and Infrastructure.....	---	---	31,000	+31,000	+31,000
Subtotal, Energy Efficiency and Renewable Energy Programs.....	---	---	341,600	+341,600	+341,600
Subtotal, Energy Efficiency and Renewable Energy RD&D.....	---	---	731,600	+731,600	+731,600
FEDERAL ENERGY ASSISTANCE PROGRAMS					
Weatherization Assistance.....	---	---	74,611	+74,611	+74,611
Training and Technical Assistance.....	---	---	2,500	+2,500	+2,500
Subtotal, Weatherization Assistance Programs.....	---	---	77,111	+77,111	+77,111
State Energy Program Grants.....	---	---	12,000	+12,000	+12,000
Tribal Energy Activities.....	---	---	3,000	+3,000	+3,000
Subtotal, Federal Energy Assistance Programs.....	---	---	92,111	+92,111	+92,111
PROGRAM DIRECTION AND SUPPORT					
Program Direction.....	---	---	76,926	+76,926	+76,926
Strategic Programs.....	---	---	2,000	+2,000	+2,000
Subtotal, Program Direction and Support.....	---	---	78,926	+78,926	+78,926

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
TOTAL, RENEWABLE ENERGY, ENERGY RELIABILITY AND EFFICIENCY.....	---	---	982,637	+982,637	+982,637
=====					
ENERGY EFFICIENCY AND RENEWABLE ENERGY					
Energy Efficiency and Renewable Energy RD&D.....	1,686,857	2,540,500	---	-1,686,857	-2,540,500
Weatherization and intragovernmental.....	127,234	248,000	---	-127,234	-248,000
-----					
Subtotal, Energy efficiency and renewable energy....	1,814,091	2,788,500	---	-1,814,091	-2,788,500
Use of Prior Year Balances.....	---	-12,800	---	---	+12,800
-----					
TOTAL, ENERGY EFFICIENCY AND RENEWABLE ENERGY.....	1,814,091	2,775,700	---	-1,814,091	-2,775,700
=====					
ELECTRICITY DELIVERY AND ENERGY RELIABILITY.....	139,500	169,015	---	-139,500	-169,015
NUCLEAR ENERGY					
Research and development:					
Nuclear energy enabling technologies.....	73,939	62,300	66,748	-7,191	+4,448
Integrated university program.....	4,937	---	5,500	+563	+5,500
Small modular reactor licensing technical support...	66,158	70,000	85,000	+18,842	+15,000
Small modular reactor design certification.....	---	---	25,000	+25,000	+25,000
Reactor concepts RD&D.....	114,091	72,500	86,500	-27,591	+14,000
Fuel cycle research and development.....	184,996	165,100	91,081	-93,915	-74,019
Yucca Mountain.....	---	---	25,000	+25,000	+25,000

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
International nuclear energy cooperation.....	2,962	2,500	2,500	-462	---
Subtotal.....	447,083	372,400	387,329	-59,754	+14,929
Infrastructure:					
Radiological facilities management:					
Space and defense infrastructure.....	64,086	---	---	-64,086	---
Research reactor infrastructure.....	4,923	5,000	5,000	+77	---
Subtotal.....	69,009	5,000	5,000	-64,009	---
INL facilities management:					
INL Operations and infrastructure.....	153,052	165,162	165,162	+12,110	---
Construction:					
13-D-905 Remote-handled low level waste.....					
disposal project, INL.....	---	16,398	16,398	+16,398	---
Subtotal, Construction.....	---	16,398	16,398	+16,398	---
Subtotal, INL facilities management.....	153,052	181,560	181,560	+28,508	---
Idaho sitewide safeguards and security.....	---	94,000	---	---	-94,000
Subtotal, Infrastructure.....	222,061	280,560	186,560	-35,501	-94,000
Program direction.....	89,856	87,500	87,500	-2,356	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Use of prior year balances.....	---	-5,000	-5,000	-5,000	---
<b>TOTAL, NUCLEAR ENERGY.....</b>	<b>759,000</b>	<b>735,460</b>	<b>656,389</b>	<b>-102,611</b>	<b>-79,071</b>
-----					
RACE TO THE TOP FOR ENERGY EFFICIENCY AND GRID MODERNIZATION.....	---	200,000	---	---	-200,000
FOSSIL ENERGY RESEARCH AND DEVELOPMENT					
CCS and power systems:					
Carbon capture.....	68,938	112,000	68,938	---	-43,062
Carbon storage.....	115,477	61,095	79,295	-36,182	+18,200
Advanced energy systems.....	100,000	48,000	91,687	-8,313	+43,687
Cross cutting research.....	49,163	20,525	30,925	-18,238	+10,400
NETL Coal Research and Development.....	35,031	35,011	45,011	+9,980	+10,000
<b>Subtotal, CCS and power systems.....</b>	<b>368,609</b>	<b>276,631</b>	<b>315,856</b>	<b>-52,753</b>	<b>+39,225</b>
Natural Gas Technologies.....	15,000	17,000	7,200	-7,800	-9,800
Unconventional fossil energy technologies from Petroleum - oil technologies.....	5,000	---	---	-5,000	---
Program direction.....	120,000	115,753	115,753	-4,247	---
Plant and Capital Equipment.....	16,794	13,294	13,294	-3,500	---
Fossil energy environmental restoration.....	7,897	5,897	5,897	-2,000	---
Special recruitment programs.....	700	700	700	---	---
Use of prior year balances.....	---	-8,700	-8,700	-8,700	---
<b>TOTAL, FOSSIL ENERGY RESEARCH AND DEVELOPMENT.....</b>	<b>534,000</b>	<b>420,575</b>	<b>450,000</b>	<b>-84,000</b>	<b>+29,425</b>



DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
NAVAL PETROLEUM AND OIL SHALE RESERVES.....	14,909	20,000	14,909	---	-5,091
STRATEGIC PETROLEUM RESERVE.....	192,704	189,400	189,400	-3,304	---
NORTHEAST HOME HEATING OIL RESERVE					
Northeast Home Heating Oil Reserve.....	10,119	8,000	8,000	-2,119	---
Rescission.....	-6,000	---	---	+6,000	---
TOTAL, NORTHEAST HOME HEATING OIL RESERVE.....	4,119	8,000	8,000	+3,881	---
ENERGY INFORMATION ADMINISTRATION.....	105,000	117,000	100,000	-5,000	-17,000
NON-DEFENSE ENVIRONMENTAL CLEANUP					
Fast Flux Test Reactor Facility (WA).....	2,703	2,545	2,545	-158	---
Gaseous Diffusion Plants.....	100,588	96,222	96,222	-4,366	---
Small sites.....	67,430	50,189	48,233	-19,197	-1,956
West Valley Demonstration Project.....	65,000	64,000	47,000	-18,000	-17,000
TOTAL, NON-DEFENSE ENVIRONMENTAL CLEANUP.....	235,721	212,956	194,000	-41,721	-18,956

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND</b>					
Oak Ridge.....	200,856	177,064	186,167	-14,689	+9,103
Paducah.....	81,807	262,057	265,220	+183,413	+3,163
Portsmouth.....	190,267	91,818	93,613	-96,654	+1,795
Pension and community and regulatory support.....	---	23,884	---	---	-23,884
<b>TOTAL, UED&amp;D FUND.....</b>	<b>472,930</b>	<b>554,823</b>	<b>545,000</b>	<b>+72,070</b>	<b>-9,823</b>
<b>SCIENCE</b>					
Advanced scientific computing research.....	440,825	465,593	432,365	-8,460	-33,228
Basic energy sciences:					
Research.....	1,538,498	1,741,111	1,509,299	-29,199	-231,812
Construction:					
07-SC-06 Project engineering and design (PED)					
National Synchrotron light source II (NSLS-II)	150,997	26,300	26,300	-124,697	---
13-SC-10 LINAC coherent light source, II (SLAC)	---	95,000	47,500	+47,500	-47,500
Subtotal.....	150,997	121,300	73,800	-77,197	-47,500
Subtotal, Basic energy sciences.....	1,689,495	1,862,411	1,583,099	-106,396	-279,312
Biological and environmental research.....	610,196	625,347	494,106	-116,090	-131,241

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Fusion energy sciences.....	401,108	458,324	506,076	+104,968	+47,752
High energy physics:					
Research.....	761,669	741,521	729,521	-32,148	-12,000
Construction:					
11-SC-40 Project engineering and design (PED) long baseline neutrino experiment, FNAL.....	3,990	---	8,000	+4,010	+8,000
11-SC-41 Project engineering and design (PED) muon to electron conversion experiment, FNAL..	23,936	35,000	35,000	+11,064	---
Subtotal.....	27,926	35,000	43,000	+15,074	+8,000
Subtotal, High energy physics.....	789,595	776,521	772,521	-17,074	-4,000
Nuclear physics:					
Operations and maintenance.....	498,670	544,438	526,413	+27,743	-18,025
Construction:					
06-SC-01 Project engineering and design (PED) 12 GeV continuous electron beam accelerator facility upgrade, Thomas Jefferson National Accelerator facility (was project 07-SC-001), Newport News, VA.....	49,867	25,500	25,500	-24,367	---
Subtotal, Nuclear physics.....	548,537	569,938	551,913	+3,376	-18,025
Workforce development for teachers and scientists.....	18,451	16,500	16,500	-1,951	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
Science laboratories infrastructure:					
Infrastructure support:					
Payment in lieu of taxes.....	1,381	1,385	1,385	+4	---
Facilities and infrastructure.....	---	900	900	+900	---
Oak Ridge landlord.....	5,479	5,951	5,951	+472	---
Subtotal.....	6,860	8,236	8,236	+1,376	---
-----					
Construction:					
13-SC-70 Utilities upgrade, FNAL.....	---	34,900	14,450	+14,450	-20,450
13-SC-71 Utility infrastructure modernization at TJNAF.....	---	29,200	13,390	+13,390	-15,810
12-SC-70 Science and user support building, SLAC	12,054	25,482	10,482	-1,572	-15,000
10-SC-70 Research support building and infrastructure modernization, SLAC.....	11,992	---	---	-11,992	---
10-SC-71 Energy sciences building, ANL.....	39,894	---	---	-39,894	---
10-SC-72 Renovate science laboratory, Phase II, BNL.....	15,459	---	---	-15,459	---
09-SC-72 Seismic life-safety, modernization and replacement of general purpose buildings Phase 2, PED/Construction, LBNL.....	12,940	---	---	-12,940	---
09-SC-74 Technology and engineering development facilities PED, TJNAF.....	12,304	---	---	-12,304	---
Subtotal.....	104,643	89,582	38,322	-66,321	-51,260
-----					
Subtotal, Science laboratories infrastructure...	111,503	97,818	46,558	-64,945	-51,260
-----					
Safeguards and security.....	81,782	87,000	85,000	+3,218	-2,000
Science program direction.....	184,508	193,300	174,862	-9,646	-18,438

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Use of prior year balances.....	---	---	-10,000	-10,000	-10,000
Subtotal, Science.....	4,876,000	5,152,752	4,653,000	-223,000	-499,752
TOTAL, SCIENCE.....	4,876,000	5,152,752	4,653,000	-223,000	-499,752
ADVANCED RESEARCH PROJECTS AGENCY-ENERGY.....	265,000	379,000	50,000	-215,000	-329,000
TITLE 17 - INNOVATIVE TECHNOLOGY LOAN GUARANTEE PGM					
Administrative expenses.....	38,000	48,000	22,000	-16,000	-26,000
Offsetting collection.....	-38,000	-22,000	-22,000	+16,000	---
TOTAL, TITLE 17 - INNOVATIVE TECHNOLOGY LOAN GUARANTEE PROGRAM.....	---	26,000	---	---	-26,000
ADVANCED TECHNOLOGY VEHICLES MANUFACTURING LOAN PGM					
Administrative expenses.....	6,000	6,000	6,000	---	---
TOTAL, ADVANCED TECHNOLOGY VEHICLES MANUFACTURING LOAN PROGRAM.....	6,000	6,000	6,000	---	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>DEPARTMENTAL ADMINISTRATION</b>					
Administrative operations:					
Salaries and expenses:					
Office of the Secretary:					
Program direction.....	5,030	5,008	4,986	-44	-22
Chief Financial Officer.....	53,204	51,204	50,104	-3,100	-1,100
Management.....	62,693	55,699	49,294	-13,399	-6,405
Human capital management.....	23,089	24,488	20,815	-2,274	-3,673
Chief Information Officer.....	36,615	35,401	35,401	-1,214	---
Congressional and intergovernmental affairs:					
Program direction.....	4,690	4,700	4,000	-690	-700
Economic impact and diversity.....	5,660	7,047	6,197	+537	-850
General Counsel.....	33,053	33,053	33,053	---	---
Policy and international affairs.....	20,518	20,518	---	-20,518	-20,518
Public affairs.....	3,801	3,597	3,597	-204	---
Office of Indian energy policy and programs.....	2,000	2,506	3,000	+1,000	+494
Subtotal, Salaries and expenses.....	250,353	243,221	210,447	-39,906	-32,774
Program support:					
Economic impact and diversity.....	1,813	2,759	3,259	+1,446	+500
Policy analysis and system studies.....	441	441	---	-441	-441
Environmental policy studies.....	520	520	---	-520	-520
Climate change technology program (prog. supp)....	5,482	5,482	---	-5,482	-5,482
Cybersecurity and secure communications.....	21,934	30,795	30,795	+8,861	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Corporate IT program support (CIO).....	27,379	15,866	15,866	-11,513	---
Subtotal, Program support.....	57,569	55,863	49,920	-7,649	-5,943
Subtotal, Administrative operations.....	307,922	299,084	260,367	-47,555	-38,717
Cost of work for others.....	48,537	48,537	48,537	---	---
Subtotal, Departmental administration.....	356,459	347,621	308,904	-47,555	-38,717
Funding from other defense activities.....	-118,836	-118,836	-118,836	---	---
Use of prior year balances.....	---	-2,205	-2,205	-2,205	---
Total, Departmental administration (gross).....	237,623	226,580	187,863	-49,760	-38,717
Miscellaneous revenues.....	-108,000	-108,188	-108,188	-188	---
TOTAL, DEPARTMENTAL ADMINISTRATION (net).....	129,623	118,392	79,675	-49,948	-38,717
OFFICE OF THE INSPECTOR GENERAL.....	42,000	42,120	42,000	---	-120
TOTAL, ENERGY PROGRAMS.....	9,590,597	11,127,193	7,971,010	-1,619,587	-3,156,183

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
ATOMIC ENERGY DEFENSE ACTIVITIES					
NATIONAL NUCLEAR SECURITY ADMINISTRATION					
WEAPONS ACTIVITIES					
Directed stockpile work:					
B61 Life extension program.....	352,681	537,044	560,744	+208,063	+23,700
W76 Life extension program.....	237,280	235,382	248,454	+11,174	+13,072
W78 Life extension program.....	---	72,691	50,000	+50,000	-22,691
W88 Alt 370.....	---	169,487	169,487	+169,487	---
Stockpile systems:					
B61 Stockpile systems.....	65,462	83,536	83,536	+18,074	---
W76 Stockpile systems.....	50,778	47,187	47,187	-3,591	---
W78 Stockpile systems.....	104,697	54,381	54,381	-50,316	---
W80 Stockpile systems.....	49,394	50,330	50,330	+936	---
B83 Stockpile systems.....	68,519	54,948	54,948	-13,571	---
W87 Stockpile systems.....	80,766	101,506	101,506	+20,740	---
W88 Stockpile systems.....	144,328	62,600	62,600	-81,728	---
Subtotal.....	563,944	454,488	454,488	-109,456	---
Weapons dismantlement and disposition:					
Operations and maintenance.....	44,280	49,264	55,264	+10,984	+6,000
Stockpile services:					
Production support.....	349,531	321,416	345,000	-4,531	+23,584
R and D and program readiness support.....	30,104	26,349	93,608	+63,504	+67,259
R and D certification and safety.....	206,301	191,259	151,133	-55,168	-40,126



DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Management, technology, and production.....	195,884	214,187	140,000	-55,884	-74,187
Plutonium infrastructure sustainment.....	135,930	156,949	138,000	+2,070	-18,949
Tritium readiness.....	---	---	80,000	+80,000	+80,000
Component Manufacturing Development.....	---	---	67,000	+67,000	+67,000
Materials processing and storage.....	---	---	165,231	+165,231	+165,231
Subtotal.....	917,750	910,160	1,179,972	+262,222	+269,812
Subtotal, Directed stockpile work.....	2,115,935	2,428,516	2,718,409	+602,474	+289,893
Campaigns:					
Science campaign:					
Advanced certification.....	43,396	54,730	54,730	+11,334	---
Primary assessment technologies.....	93,713	109,231	109,231	+15,518	---
Dynamic materials properties.....	97,071	116,965	116,965	+19,894	---
Advanced radiography.....	29,489	30,509	30,509	+1,020	---
Secondary assessment technologies.....	85,500	86,467	86,467	+967	---
Subtotal.....	349,169	397,902	397,902	+48,733	---
Engineering campaign:					
Enhanced surety.....	44,325	51,771	51,771	+7,446	---
Weapons system engineering assessment technology	17,648	23,727	23,727	+6,079	---
Nuclear survivability.....	18,062	19,504	19,504	+1,442	---
Enhanced surveillance.....	58,791	54,909	54,909	-3,882	---
Subtotal.....	138,826	149,911	149,911	+11,085	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
Inertial confinement fusion ignition and high yield campaign:					
Ignition.....	90,003	80,245	80,245	-9,758	---
Support of other stockpile programs.....	15,765	15,001	15,001	-764	---
Diagnostics, cryogenics and experimental support.....	86,160	59,897	59,897	-26,263	---
Pulsed power inertial confinement fusion.....	5,944	5,024	5,024	-920	---
Joint program in high energy density laboratory plasmas.....	8,209	8,198	8,198	-11	---
Facility operations and target production.....	279,463	232,678	345,592	+66,129	+112,914
Subtotal.....	485,544	401,043	513,957	+28,413	+112,914
Advanced simulation and computing.....	593,277	564,329	564,329	-28,948	---
Readiness campaign:					
Component manufacturing development.....	---	106,085	---	---	-106,085
Nonnuclear readiness.....	60,228	---	---	-60,228	---
Tritium readiness.....	65,117	91,695	---	-65,117	-91,695
Subtotal.....	125,345	197,780	---	-125,345	-197,780
Subtotal, Campaigns.....	1,692,161	1,710,965	1,626,099	-66,062	-84,866
Readiness in technical base and facilities (RTBF):					
Operations of facilities:					
Kansas City Plant.....	169,037	---	135,834	-33,203	+135,834
Lawrence Livermore National Laboratory.....	99,545	---	77,287	-22,258	+77,287
Los Alamos National Laboratory.....	354,031	---	213,707	-140,324	+213,707
Nevada Test Site.....	121,889	---	100,929	-20,960	+100,929

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Pantex.....	177,668	---	81,420	-96,248	+81,420
Sandia National Laboratory.....	155,941	---	115,000	-40,941	+115,000
Savannah River Site.....	112,968	---	90,236	-22,732	+90,236
Y-12 National Security Complex.....	228,392	---	170,042	-58,350	+170,042
Subtotal.....	1,419,471	---	984,455	-435,016	+984,455
Program readiness.....	118,533	---	---	-118,533	---
Material recycle and recovery.....	119,457	---	---	-119,457	---
Containers.....	26,733	---	---	-26,733	---
Storage.....	38,575	---	---	-38,575	---
Maintenance and repair of facilities.....	---	---	247,591	+247,591	+247,591
Recapitalization.....	---	---	208,173	+208,173	+208,173
Production capability investments.....	---	---	28,000	+28,000	+28,000
Construction:					
12-D-301 TRU waste facility project, LANL.....	24,204	---	26,722	+2,518	+26,722
11-D-801 TA-55 Reinvestment project II, LANL.....	8,889	---	30,679	+21,790	+30,679
10-D-501 Nuclear facilities risk reduction Y-12 National security complex, Oakridge, TN..	19,446	---	---	-19,446	---
09-D-404 Test capabilities revitalization II, Sandia National Laboratory, Albuquerque, NM...	9,597	---	---	-9,597	---
08-D-802 High explosive pressing facility Pantex Plant, Amarillo, TX.....	19,365	---	---	-19,365	---
06-D-141 Uranium Processing Facility, Oak Ridge, TN.....	340,000	---	325,835	-14,165	+325,835
07-D-220 Radioactive liquid waste treatment facility, LANL.....	---	---	47,614	+47,614	+47,614

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
07-0-220-04 Transuranic liquid waste facility, LANL.....	---	---	10,605	+10,605	+10,605
Subtotal.....	421,501	---	441,455	+19,954	+441,455
Subtotal, Readiness in technical base and facilities.....	2,144,270	---	1,909,674	-234,596	+1,909,674
Nuclear programs:					
Nuclear operations capability.....	---	265,937	---	---	-265,937
Capabilities based investments.....	---	39,558	---	---	-39,558
Construction:					
12-D-301 TRU waste facilities, LANL.....	---	26,722	---	---	-26,722
11-D-801 TA-55 Reinvestment project Phase 2, LANL.....	---	30,679	---	---	-30,679
07-D-220 Radioactive liquid waste treatment facility upgrade project, LANL.....	---	55,719	---	---	-55,719
06-D-141 PED/Construction, Uranium capabilities replacement project, Y-12.....	---	325,835	---	---	-325,835
Subtotal, Nuclear programs.....	---	744,450	---	---	-744,450
Secure transportation asset:					
Operations and equipment.....	119,021	122,072	122,072	+3,051	---
Program direction.....	100,048	97,118	97,118	-2,930	---
Subtotal, Secure transportation asset.....	219,069	219,190	219,190	+121	---
Nuclear counterterrorism incident response.....	253,015	---	---	-253,015	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Site stewardship.....	79,129	1,706,007	154,788	+75,659	-1,551,219
Defense nuclear security.....	694,061	664,981	664,981	-29,080	---
Construction:					
14-D-710 Device Assembly Facility Argus Installation project, NV.....	---	14,000	---	---	-14,000
08-D-701 Nuclear materials S&S upgrade project Los Alamos National Laboratory.....	30,470	---	---	-30,470	---
Subtotal, Defense nuclear security.....	724,531	678,981	664,981	-59,550	-14,000
Cybersecurity.....	153,904	---	---	-153,904	---
Information technology and Cyber security.....	---	148,441	150,000	+150,000	+1,559
Legacy contractor pensions.....	185,000	279,597	279,597	+94,597	---
National security applications.....	10,327	---	---	-10,327	---
Use of prior year balances.....	---	-47,738	-47,738	-47,738	---
Subtotal, Weapons Activities.....	7,577,341	7,868,409	7,675,000	+97,659	-193,409
TOTAL, WEAPONS ACTIVITIES.....	7,577,341	7,868,409	7,675,000	+97,659	-193,409

DEFENSE NUCLEAR NONPROLIFERATION

Nonproliferation and verification, R&D.....	356,150	388,838	388,838	+32,688	---
Domestic uranium enrichment research, development, and demonstration.....	110,000	---	---	-110,000	---
Nonproliferation and international security.....	155,305	141,675	128,675	-26,630	-13,000
International materials protection and cooperation....	571,639	369,625	369,625	-202,014	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
Fissile materials disposition:					
U.S. plutonium disposition.....	205,632	157,557	157,557	-48,075	---
U.S. uranium disposition.....	26,000	25,000	25,000	-1,000	---
Construction:					
MOX fuel fabrication facilities:					
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC.....	435,172	320,000	320,000	-115,172	---
99-D-141-02 Waste solidification building, Savannah River, SC.....	17,582	---	---	-17,582	---
Subtotal, Construction.....	452,754	320,000	320,000	-132,754	---
Russian surplus materials disposition.....	1,000	---	---	-1,000	---
Total, Fissile materials disposition.....	685,386	502,557	502,557	-182,829	---
Global Threat Reduction Initiative:					
Global threat reduction initiative.....	500,000	424,487	---	-500,000	-424,487
HEU reactor conversion.....	---	---	162,000	+162,000	+162,000
International nuclear and radiological material removal and protection.....	---	---	208,000	+208,000	+208,000
Domestic radiological material removal and protection.....	---	---	38,304	+38,304	+38,304
Subtotal, Global Threat Reduction Initiative....	500,000	424,487	408,304	-91,696	-16,183
Legacy contractor pensions.....	55,823	93,703	93,703	+37,880	---
Nuclear incident response.....	---	181,293	180,000	+180,000	-1,293

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Counterterrorism and counterproliferation programs....	---	74,666	65,000	+65,000	-9,666
Use of prior year balances.....	---	-36,702	-36,702	-36,702	---
Subtotal, Defense Nuclear Nonproliferation.....	2,434,303	2,140,142	2,100,000	-334,303	-40,142
<b>TOTAL, DEFENSE NUCLEAR NONPROLIFERATION.....</b>	<b>2,434,303</b>	<b>2,140,142</b>	<b>2,100,000</b>	<b>-334,303</b>	<b>-40,142</b>

NAVAL REACTORS

Naval reactors development.....	421,000	419,400	421,400	+400	+2,000
OHIO replacement reactor systems development.....	121,300	126,400	126,400	+5,100	---
S8G Prototype refueling.....	99,500	144,400	144,400	+44,900	---
Naval reactors operations and infrastructure.....	358,300	455,740	363,198	+4,898	-92,542
Construction:					
14-D-902 KL Materials characterization laboratory expansion, KAPL.....	---	1,000	1,000	+1,000	---
14-D-901 Spent fuel handling recapitalization project, NRF.....	---	45,400	---	---	-45,400
13-D-905 Remote-handled low-level waste disposal project, INL.....	---	21,073	21,073	+21,073	---
13-D-904 KS Radiological work and storage building, KSO.....	---	600	600	+600	---
10-D-903 Security upgrades, KAPL.....	100	---	---	-100	---
10-D-904 NRF infrastructure upgrades, Idaho.....	12,000	---	---	-12,000	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
08-D-190 Expended Core Facility M-290 recovering discharge station, NRF, ID.....	27,800	1,700	1,700	-26,100	---
Subtotal, Construction.....	39,900	69,773	24,373	-15,527	-45,400
Program direction.....	40,000	44,404	43,212	+3,212	-1,192
Use of prior year balances.....	---	-13,983	-13,983	-13,983	---
TOTAL, NAVAL REACTORS.....	1,080,000	1,246,134	1,109,000	+29,000	-137,134
	=====	=====	=====	=====	=====
OFFICE OF THE ADMINISTRATOR.....	410,000	397,784	382,000	-28,000	-15,784
	=====	=====	=====	=====	=====
TOTAL, NATIONAL NUCLEAR SECURITY ADMINISTRATION.	11,501,644	11,652,469	11,266,000	-235,644	-386,469
	=====	=====	=====	=====	=====
DEFENSE ENVIRONMENTAL CLEANUP					
Closure sites.....	5,375	4,702	4,702	-673	---
Hanford Site:					
Central plateau remediation.....	546,890	513,450	468,277	-78,613	-45,173
River corridor and other cleanup operations.....	386,822	393,634	408,335	+21,513	+14,701
Richland community and regulatory support.....	19,540	14,701	---	-19,540	-14,701
Total, Hanford Site.....	953,252	921,785	876,612	-76,640	-45,173
Idaho National Laboratory:					
Idaho cleanup and waste disposition.....	382,769	362,100	368,010	-14,759	+5,910



DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Idaho community and regulatory support.....	4,100	2,910	---	-4,100	-2,910
Total, Idaho National Laboratory.....	386,869	365,010	368,010	-18,859	+3,000
NNSA sites and Nevada off-sites.....	282,393	309,676	284,887	+2,494	-24,789
Oak Ridge Reservation:					
Building 3019.....	37,000	---	43,000	+6,000	+43,000
OR Nuclear facility D&D.....	69,100	73,716	73,716	+4,616	---
OR cleanup and disposition.....	87,000	115,855	83,220	-3,780	-32,635
OR reservation community & regulatory support.....	6,409	4,365	---	-6,409	-4,365
OR Technology development and deployment.....	---	4,091	4,091	+4,091	---
Total, Oak Ridge Reservation.....	199,509	198,027	204,027	+4,518	+6,000
Office of River Protection:					
Waste Treatment & Immobilization Plant:					
01-D-416 A-E/ORP-0060/Major construction.....	---	690,000	---	---	-690,000
01-D-16 A-C Low-activity waste, analytical lab, balance of facilities.....	---	---	361,000	+361,000	+361,000
01-D-16 D-E High-level waste and pretreatment facilities.....	---	---	158,000	+158,000	+158,000
Project engineering development, demonstration, and testing.....	---	---	156,000	+156,000	+156,000
Waste treatment & immobilization plant					
01-D-16 A-D.....	430,000	---	---	-430,000	---
Waste treatment & immobilization plant					
01-D-16 E.....	310,000	---	---	-310,000	---
Subtotal, Waste Treatment & Immobilization Plant	740,000	690,000	675,000	-65,000	-15,000

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
Tank Farm activities:					
Rad liquid tank waste stabilization and disposition.....	445,000	520,216	520,216	+75,216	---
Total, Office of River Protection.....	1,185,000	1,210,216	1,195,216	+10,216	-15,000
Savannah River Site:					
Savannah River community and regulatory support....	9,584	11,210	---	-9,584	-11,210
SR site risk management operations.....	340,205	432,491	396,604	+56,399	-35,887
Radioactive liquid tank waste stabilization and disposition.....	667,081	552,560	552,560	-114,521	---
Construction:					
05-D-405 Salt waste processing facility, Savannah River.....	170,071	92,000	120,000	-50,071	+28,000
PE&D Glass Waste Storage Bldg #3.....	3,500	---	---	-3,500	---
Subtotal.....	173,571	92,000	120,000	-53,571	+28,000
Total, Savannah River Site.....	1,190,441	1,088,261	1,069,164	-121,277	-19,097
Waste Isolation Pilot Plant.....	215,134	203,390	204,540	-10,594	+1,150
Program direction.....	321,628	280,784	280,784	-40,844	---
Program support.....	20,380	17,979	17,979	-2,401	---
Safeguards and Security.....	252,019	234,079	234,079	-17,940	---
Technology development.....	11,000	20,000	10,000	-1,000	-10,000
TOTAL, DEFENSE ENVIRONMENTAL CLEAN UP.....	5,023,000	4,853,909	4,750,000	-273,000	-103,909
=====					

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
DEFENSE ENVIRONMENTAL CLEANUP (LEGISLATIVE PROPOSAL) ..	---	463,000	---	---	-463,000
OTHER DEFENSE ACTIVITIES					
Health, safety and security:					
Health, safety and security .....	148,737	143,616	143,616	-5,121	---
Program direction .....	102,000	108,301	104,000	+2,000	-4,301
Total, Health, safety and security .....	250,737	251,917	247,616	-3,121	-4,301
Specialized security activities .....	186,699	196,322	191,500	+4,801	-4,822
Office of Legacy Management:					
Legacy management .....	157,514	163,271	159,314	+1,800	-3,957
Program direction .....	12,086	13,712	13,712	+1,626	---
Total, Office of Legacy Management .....	169,600	176,983	173,026	+3,426	-3,957
Idaho sitewide safeguards and security .....	93,350	---	94,000	+650	+94,000
Defense related administrative support .....	118,836	118,836	118,836	---	---
Office of hearings and appeals .....	4,142	5,022	5,022	+880	---
TOTAL, OTHER DEFENSE ACTIVITIES .....	823,364	749,080	830,000	+6,636	+80,920
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES .....	17,348,008	17,718,458	16,846,000	-502,008	-872,458

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
POWER MARKETING ADMINISTRATIONS (1)					
SOUTHEASTERN POWER ADMINISTRATION					
Operation and maintenance:					
Purchase power and wheeling.....	114,870	93,284	93,284	-21,586	---
Program direction.....	8,428	7,750	7,750	-678	---
	-----				
Subtotal, Operation and maintenance.....	123,298	101,034	101,034	-22,264	---
Less alternative financing (PPW).....	-14,708	-15,203	-15,203	-495	---
Offsetting collections.....	-108,590	-85,831	-85,831	+22,759	---
	-----				
TOTAL, SOUTHEASTERN POWER ADMINISTRATION.....	---	---	---	---	---
	=====				
SOUTHWESTERN POWER ADMINISTRATION					
Operation and maintenance:					
Operating expenses.....	14,346	13,598	13,598	-748	---
Purchase power and wheeling.....	50,000	52,000	52,000	+2,000	---
Program direction.....	31,889	29,939	29,939	-1,950	---
Construction.....	10,772	6,227	6,227	-4,545	---
	-----				
Subtotal, Operation and maintenance.....	107,007	101,764	101,764	-5,243	---
Less alternative financing.....	---	-14,308	-14,308	-14,308	---
Offsetting collections.....	-94,305	-75,564	-75,564	+18,741	---
	-----				
TOTAL, SOUTHWESTERN POWER ADMINISTRATION.....	12,702	11,892	11,892	-810	---
	=====				

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
WESTERN AREA POWER ADMINISTRATION					
Operation and maintenance:					
Construction and rehabilitation.....	110,449	122,437	122,437	+11,988	---
Operation and maintenance.....	72,863	82,843	82,843	+9,980	---
Purchase power and wheeling.....	471,535	407,109	407,109	-64,426	---
Program direction.....	205,247	217,709	217,709	+12,462	---
Utah mitigation and conservation.....	3,375	---	---	-3,375	---
	-----				
Subtotal, Operation and maintenance.....	863,469	830,098	830,098	-33,371	---
Less alternative financing.....	---	-293,349	-293,349	-293,349	---
Offsetting collections (P.L. 108-477, P.L. 109-103).....	---	-230,738	-230,738	-230,738	---
Offsetting collections (P.L. 98-381).....	---	-6,092	-6,092	-6,092	---
Offsetting collections (for program direction).....	---	-168,193	-168,193	-168,193	---
Offsetting collections (for O&M).....	---	-35,796	-35,796	-35,796	---
Offsetting collections.....	-771,569	---	---	+771,569	---
	-----				
TOTAL, WESTERN AREA POWER ADMINISTRATION.....	91,900	95,930	95,930	+4,030	---
	=====				
FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND					
Operation and maintenance.....	4,169	6,196	6,196	+2,027	---
Offsetting collections.....	-3,949	-4,911	-4,911	-962	---
Less alternative financing.....	---	-865	-865	-865	---
	-----				
TOTAL, FALCON AND AMISTAD O&M FUND.....	220	420	420	+200	---
	=====				

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
TOTAL, POWER MARKETING ADMINISTRATIONS.....	104,822	108,242	108,242	+3,420	---
=====					
FEDERAL ENERGY REGULATORY COMMISSION					
Federal Energy Regulatory Commission.....	304,600	304,600	304,600	---	---
FERC revenues.....	-304,600	-304,600	-304,600	---	---
=====					
GRAND TOTAL, DEPARTMENT OF ENERGY.....	27,043,427	28,953,893	24,925,252	-2,118,175	-4,028,641
(Total amount appropriated).....	(27,049,427)	(28,966,693)	(24,925,252)	(-2,124,175)	(-4,041,441)
(Rescissions).....	(-6,000)	(-12,800)	---	(+6,000)	(+12,800)
=====					
SUMMARY OF ACCOUNTS					
Energy efficiency and renewable energy.....	1,814,091	2,775,700	---	-1,814,091	-2,775,700
Electricity delivery and energy reliability.....	139,500	169,015	---	-139,500	-169,015
Renewable Energy, Energy Reliability and Efficiency...	---	---	982,637	+982,637	+982,637
Nuclear energy.....	759,000	735,460	656,389	-102,611	-79,071
Race to the Top for energy efficiency.....	---	200,000	---	---	-200,000
Fossil Energy Research and Development.....	534,000	420,575	450,000	-84,000	+29,425
Naval Petroleum & Oil Shale Reserves.....	14,909	20,000	14,909	---	-5,091
Strategic petroleum reserves.....	192,704	189,400	189,400	-3,304	---
Northeast home heating oil reserve.....	4,119	8,000	8,000	+3,881	---
Energy Information Administration.....	105,000	117,000	100,000	-5,000	-17,000
Non-Defense Environmental Cleanup.....	235,721	212,956	194,000	-41,721	-18,956
Uranium enrichment D&D fund.....	472,930	554,823	545,000	+72,070	-9,823
Science.....	4,876,000	5,152,752	4,653,000	-223,000	-499,752

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Advanced Research Projects Agency-Energy.....	265,000	379,000	50,000	-215,000	-329,000
Title 17 Innovative technology loan guarantee program.....	---	26,000	---	---	-26,000
Advanced technology vehicles manufacturing loan pgm....	6,000	6,000	6,000	---	---
Departmental administration.....	129,623	118,392	79,675	-49,948	-38,717
Office of the Inspector General.....	42,000	42,120	42,000	---	-120
Atomic energy defense activities:					
National Nuclear Security Administration:					
Weapons activities.....	7,577,341	7,868,409	7,675,000	+97,659	-193,409
Defense nuclear nonproliferation.....	2,434,303	2,140,142	2,100,000	-334,303	-40,142
Naval reactors.....	1,080,000	1,246,134	1,109,000	+29,000	-137,134
Office of the Administrator.....	410,000	397,784	382,000	-28,000	-15,784
Subtotal, National Nuclear Security Admin.....	11,501,644	11,652,469	11,266,000	-235,644	-386,469
Defense environmental cleanup.....	5,023,000	4,853,909	4,750,000	-273,000	-103,909
Defense environmental cleanup (Legislative proposal)	---	463,000	---	---	-463,000
Other defense activities.....	823,364	749,080	830,000	+6,636	+80,920
Total, Atomic Energy Defense Activities.....	17,348,008	17,718,458	16,846,000	-502,008	-872,458
Power marketing administrations (1):					
Southeastern Power Administration.....	---	---	---	---	---
Southwestern Power Administration.....	12,702	11,892	11,892	-810	---
Western Area Power Administration.....	91,900	95,930	95,930	+4,030	---
Falcon and Amistad operating and maintenance fund....	220	420	420	+200	---
Total, Power Marketing Administrations.....	104,822	108,242	108,242	+3,420	---

DEPARTMENT OF ENERGY  
(Amounts in thousands)

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
-----					
Federal Energy Regulatory Commission:					
Salaries and expenses.....	304,600	304,600	304,600	---	---
Revenues.....	-304,600	-304,600	-304,600	---	---
	=====	=====	=====	=====	=====
Total Summary of Accounts, Department of Energy...	27,043,427	28,953,893	24,925,252	-2,118,175	-4,028,641
	=====	=====	=====	=====	=====

TITLE V - GENERAL PROVISIONS

Sec. 508 Rescissions:

Department of Energy: Renewable Energy, Energy Reliability, and Efficiency.....	---	---	-157,000	-157,000	-157,000
Department of Energy: Weapons Activities.....	---	---	-142,000	-142,000	-142,000
Department of Energy: Defense Nuclear Nonproliferation.....	---	---	-20,000	-20,000	-20,000
	-----	-----	-----	-----	-----
Total, Title V, General Provisions.....	---	---	-319,000	-319,000	-319,000

(1) Totals include alternative financing costs, reimbursable agreement funding, and power purchase and wheeling expenditures. Offsetting collection totals reflect funds collected for annual expenses, including power purchase and wheeling.



## GENERAL PROVISIONS, DEPARTMENT OF ENERGY

The bill includes a provision that prohibits the use of funds provided in this title to initiate requests for proposals, other solicitations or arrangements for new programs or activities that have not yet been approved and funded by the Congress; requires notification or a report for certain funding actions; prohibits funds to be used for certain multi-year “Energy Programs” activities without notification; and prohibits the obligation or expenditure of funds provided in this title through a reprogramming of funds except in certain circumstances.

The bill continues a provision that permits the transfer and merger of unexpended balances of prior appropriations with appropriation accounts established in this bill.

The bill continues a provision that authorizes intelligence activities of the Department of Energy for purposes of section 504 of the National Security Act of 1947.

The bill continues a provision that prohibits the use of funds in this title for capital construction of high hazard nuclear facilities, unless certain independent oversight is conducted.

The bill continues a provision that prohibits the use of funds provided in this title to approve critical decision-2 or critical decision-3 for certain construction projects, unless a separate independent cost estimate has been developed for that critical decision.

The bill includes a provision amending the frequency with which a certain review is required.

The bill continues a provision prohibiting the implementation of section 407 of division A of the American Recovery and Reinvestment Act of 2009.

The bill includes a provision standardizing the availability of funds for certain research and development activities.

The bill includes a provision prohibiting the Office of Science from entering into multi-year funding agreements with a value of less than \$1,500,000.

The bill includes a provision requiring a plan for tritium and enriched uranium.

The bill includes a provision requiring analysis of alternatives for warhead life extension programs.

## TITLE IV—INDEPENDENT AGENCIES

## APPALACHIAN REGIONAL COMMISSION

Appropriation, 2013 *	\$68,263,000
Budget estimate, 2014	64,618,000
Recommended, 2014	70,317,000
Comparison:	
Appropriation, 2013	+2,054,000
Budget estimate, 2014	+5,699,000

\* FY13 enacted level does not include the 251A sequester or the Sec. 3004 OMB ATB.

The Appalachian Regional Commission (ARC) is a regional economic development agency established in 1965 by the Appalachian Regional Development Act (Public Law 89–4). It comprises the governors of the 13 Appalachian States and a federal co-chair appointed by the President. Each year, the ARC provides funding for several hundred projects in the Appalachian Region in areas such

project, including facilitating the permitting process, as well as joint surveillance and monitoring of construction with the State of Alaska. A North American natural gas pipeline would be an important step towards energy independence for the United States, as it could deliver significant domestic natural gas supply to the lower 48 states.

The Committee recommends an appropriation of \$1,000,000 to support the activities of this office in fiscal year 2014, the same as fiscal year 2013 and the budget request.

#### TENNESSEE VALLEY AUTHORITY

Established in 1933, the Tennessee Valley Authority (TVA) was created as a Government-owned corporation for the coordinated development of water and power programs among seven states in the Tennessee Valley. The TVA finances its program primarily from proceeds available from current power operations and borrowings against future power revenues.

*NNSA Tritium Program.*—The Committee directs the Tennessee Valley Authority to bill the National Nuclear Security Administration (NNSA) on a quarterly basis for the work supporting the NNSA's tritium program. This report shall include funding paid by the NNSA to TVA, and any other programmatic or financial assistance, in support of this program. This requirement shall apply in future fiscal years unless contradicted by the Committee.

*Reports.*—The Committee directs the Inspector General to forward copies of all audit and inspection reports to the Committee immediately after they are issued, and immediately make the Committee aware of any review that recommends cancellation of, or modification to, any major acquisition project or grant, or which recommends significant budgetary savings. The Inspector General is also directed to withhold from public distribution for a period of 15 days any final audit or investigation report that was requested by the House Committee on Appropriations. This requirement shall apply in future fiscal years unless contradicted by the Committee.

#### GENERAL PROVISIONS, INDEPENDENT AGENCIES

The bill includes a provision regarding the Nuclear Regulatory Commission that limits the termination of any program, project, or activity except in certain circumstances.

The bill includes a provision requiring reporting on the use of emergency authority.

### TITLE V—GENERAL PROVISIONS

#### (INCLUDING TRANSFERS AND RESCISSIONS OF FUNDS)

The bill continues a provision that prohibits the use of funds provided in this Act to, in any way, directly or indirectly influence congressional action on any legislation or appropriation matters pending before the Congress, other than to communicate to Members of Congress as described in section 1913 of Title 18, United States Code.

The bill includes a provision regarding enforcement of appropriations levels.

The bill continues a provision limiting the use of funds to enter into a contract, memorandum of understanding, or cooperative agreement with; make a grant to; or provide a loan or loan guarantee to corporations convicted of a felony criminal violation of Federal law within the preceding 24 months. The Department shall provide an annual report to the Committees on Appropriations of the House of Representatives and the Senate, due not later than 30 days after the end of each fiscal year, detailing its implementation of this provision, including a list of affected corporations and a justification for any cases in which the Department has determined that the limitation should not apply.

The bill continues a provision limiting the use of funds to enter into a contract, memorandum of understanding, or cooperative agreement with; make a grant to; or provide a loan or loan guarantee to corporations with certain unpaid Federal tax liabilities. The Department shall provide an annual report to the Committees on Appropriations of the House of Representatives and the Senate, due not later than 30 days after the end of each fiscal year, detailing its implementation of this provision, including a list of affected corporations and a justification for any cases in which the Department has determined that the limitation should not apply.

The bill includes a modified provision consolidating the transfer authorities into and out of accounts funded by this Act. No additional transfer authority is implied or conveyed by this provision. For the purposes of this provision, the term "transfer" shall mean the shifting of all or part of the budget authority in one account to another. In addition to transfers provided in this Act or other appropriation Acts, and existing authorities, such as the Economy Act (31 U.S.C. 1535), by which one part of the United States Government may provide goods or services to another part, the Act allows transfers using Section 4705 of the Atomic Energy Defense Act (50 U.S.C. 2745) and 15 U.S.C. 638 regarding SBIR/STTR.

The bill continues a provision prohibiting funds in contravention of Executive Order No. 12898 of February 11, 1994, regarding environmental justice.

The bill continues a provision prohibiting any new hire by any Federal agency funded in this Act that is not verified through the E-Verify Program.

The bill contains a provision regarding rescissions of prior-year appropriations.

The bill continues a provision prohibiting funds in this Act from being used to close the Yucca Mountain license application process or for actions that would remove the possibility that Yucca Mountain might be an option in the future.

The bill includes a provision directing the Bureau of Reclamation and the Army Corps of Engineers, working with the Government Accountability Office, to provide a comprehensive report that provides updated performance metrics that are measurable, repeatable, and directly linked to requests for funding. Performance measures in future budget justifications should clearly demonstrate the extent to which prior year investments in programs, projects, and activities can be tied to progress toward achieving priority goals and include estimates for how proposed investments will contribute to additional progress. In particular, performance measures

should measure outcome (results and impact), output (volume), and efficiency.

The bill includes a provision regarding the sense of Congress that Congress should not pass any legislation authorizing spending cuts that would increase poverty in the United States.

The bill includes a provision setting at \$0 the amount that the proposed new budget authority in this recommendation exceeds the allocation made by the Committee on Appropriations under section 302(b) of the Congressional Budget Act of 1974.

## **HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS**

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

### **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.

### **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.

#### **TITLE I—CORPS OF ENGINEERS—CIVIL**

Under section 106, "General Provisions, Corps of Engineers—Civil", funds under the heading "Operation and Maintenance" may be transferred to the Fish and Wildlife Service to mitigate for fisheries lost due to Corps projects. The amount that may be transferred is specified in the allocation table under the heading "Operation and Maintenance".

#### **TITLE II—BUREAU OF RECLAMATION**

Under "Water and Related Resources", \$28,000 is available for transfer to the Upper Colorado River Basin Fund and \$8,401,000 is available for transfer to the Lower Colorado River Basin Development Fund. Such funds as may be necessary may be advanced to the Colorado River Dam Fund. The amounts of transfers may be increased or decreased within the overall appropriation under the heading.

Under "California Bay Delta Restoration", such sums as may be necessary to carry out authorized purposes may be transferred to appropriate accounts of other participating federal agencies.

#### **TITLE III—DEPARTMENT OF ENERGY**

Under "Nuclear Energy", such sums as may be necessary to support the Yucca Mountain high-level waste geological repository li-

(c) The Secretary of Energy shall enter into an arrangement with an independent auditor for annual evaluations of the program under title XVII of the Energy Policy Act of 2005. In addition to the independent audit, the Comptroller General shall conduct [an annual review] *a review every three years* of the Department's execution of the program under title XVII of the Energy Policy Act of 2005. The results of the independent audit and the Comptroller General's review shall be provided directly to the Committees on Appropriations of the House of Representatives and the Senate.

\* \* \* \* \*

#### APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f) 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:

(thousand dollars)

Agency/Program	Last Year of Authorization	Authorization Level	Appropriation in Last Year of Authorization	Net Appropriation in this Bill
Corps FUSRAP			<sup>1</sup>	104,000
EERE Program Direction	2006	110,500	164,198	76,926
EERE Weatherization Activities	2012	1,400,000	68,000	77,111
EERE State Energy Programs	2012	125,000	50,000	12,000
Advanced Technology Vehicle Manufacturing Program	2012	not specified	6,000	6,000
Defense Nuclear Facilities Safety Board	2012	29,415	29,130	29,915
Naval Petroleum and Oil Shale Reserves	2012	14,909	14,909	14,909
Non-Defense Environmental Cleanup:				
West Valley Demonstration	1981	5,000	5,000	47,000
Departmental Administration	1984	246,963	185,682	79,675
Atomic Energy Defense Activities:				
National Nuclear Security Administration:				
Weapons Activities	2013	7,657,921	7,577,341	7,675,000
Defense Nuclear Nonproliferation	2013	2,485,631	2,434,303	2,100,000
Naval Reactors	2013	1,088,635	1,080,000	1,119,000
Office of the Administrator	2013	382,000	410,000	382,000
Defense Environmental Cleanup	2013	5,009,001	5,023,000	4,750,000
Other Defense Activities	2013	731,299	823,364	830,000
Power Marketing Administrations:				
Southwestern	1984	40,254	36,229	11,892
Western Area	1984	259,700	194,630	95,930
Nuclear Regulatory Commission	1985	460,000	448,200	123,216
Appalachian Regional Commission	2013	110,000	68,263	70,317
Delta Regional Authority	2012	30,000	11,677	11,319
Northern Border Regional Commission	2012	30,000	1,497	1,355
Southeast Crescent Regional Commission	2012	30,000	250	250

<sup>1</sup> Program was initiated in 1972 and has never received a separate authorization

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call 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:

ROLL CALL NO. 1

Date: June 26, 2013

Measure: Energy and Water Appropriations Bill, FY 2014

Motion by: Mr. Quigley

Description of Motion: To replace 2013/2014 sequester with revenue increases and spending reductions.

Results: Defeated 21 yeas to 28 nays.

*Members Voting Yea*

Mr. Bishop  
 Mr. Cuellar  
 Ms. DeLauro  
 Mr. Farr  
 Mr. Honda  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Owens  
 Mr. Pastor  
 Ms. Pingree  
 Mr. Price  
 Mr. Quigley  
 Ms. Roybal-Allard  
 Mr. Ryan  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky  
 Ms. Wasserman Schultz

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mr. Fleischmann  
 Mr. Fortenberry  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Dr. Harris  
 Ms. Herrera Beutler  
 Mr. Joyce  
 Mr. Kingston  
 Mr. Latham  
 Mr. Nunnelee  
 Mr. Rogers  
 Mr. Rooney  
 Mr. Simpson  
 Mr. Valadao  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call 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:

## ROLL CALL NO. 3

Date: June 26, 2013

Measure: Energy and Water Appropriations Bill, FY 2014

Motion by: Ms. Wasserman Schultz

Description of Motion: To increase the funding level for Renewable Energy, Energy Reliability and Efficiency to \$2,119,078,000.

Results: Defeated 21 yeas to 27 nays.

*Members Voting Yea*

Mr. Bishop  
 Mr. Cuellar  
 Ms. DeLauro  
 Mr. Farr  
 Mr. Honda  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Owens  
 Mr. Pastor  
 Ms. Pingree  
 Mr. Price  
 Mr. Quigley  
 Ms. Roybal-Allard  
 Mr. Ryan  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky  
 Ms. Wasserman Schultz

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mr. Fleischmann  
 Mr. Fortenberry  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Dr. Harris  
 Ms. Herrera Beutler  
 Mr. Joyce  
 Mr. Kingston  
 Mr. Latham  
 Mr. Nunnelee  
 Mr. Rogers  
 Mr. Rooney  
 Mr. Simpson  
 Mr. Valadao  
 Mr. Wolf  
 Mr. Womack



## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call 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:

ROLL CALL NO. 5

Date: June 26, 2013

Measure: Energy & Water Appropriations Bill, FY 2014

Motion by: Mr. Wolf

Description of Motion: To report the bill to the House, as amended.

Results: Agreed to 28 yeas to 21 nays.

*Members Voting Yea*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mr. Fleischmann  
 Mr. Fortenberry  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Dr. Harris  
 Ms. Herrera Beutler  
 Mr. Joyce  
 Mr. Kingston  
 Mr. Latham  
 Mr. Nunnelee  
 Mr. Rogers  
 Mr. Rooney  
 Mr. Simpson  
 Mr. Valadao  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

*Members Voting Nay*

Mr. Bishop  
 Mr. Cuellar  
 Ms. DeLauro  
 Mr. Farr  
 Mr. Fattah  
 Mr. Honda  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Owens  
 Ms. Pingree  
 Mr. Price  
 Mr. Quigley  
 Ms. Roybal-Allard  
 Mr. Ryan  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky  
 Ms. Wasserman Schultz

COMPARATIVE STATEMENT OF BUDGET AUTHORITY FOR 2013 AND REQUEST AND RECOMMENDED AMOUNTS FOR 2014  
(Amounts in thousands)

\*Enacted level does not include the 251A sequester or Sec. 3004 OMB ATB

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Program oversight and administration.....	1,300	---	1,300	---	+1,300
Total, Central Utah project completion account..	21,000	---	8,725	-12,275	+8,725
Bureau of Reclamation					
Water and Related Resources.....	895,000	791,135	812,744	-82,256	+21,609
Central Valley Project Restoration Fund.....	53,068	53,288	53,288	+220	---
California Bay-Delta Restoration.....	39,651	37,000	30,000	-9,651	-7,000
Policy and Administration.....	60,000	60,000	60,000	---	---
Indian Water Rights Settlements.....	---	78,661	---	---	-78,661
San Joaquin River Restoration Fund.....	---	26,000	---	---	-26,000
Central Utah Project Completion Account.....	---	3,500	---	---	-3,500
Total, Bureau of Reclamation.....	1,047,719	1,049,584	956,032	-91,687	-93,552
Total, title II, Department of the Interior.....	1,068,719	1,049,584	964,757	-103,962	-84,827

TITLE III - DEPARTMENT OF ENERGY

Energy Programs

Renewable Energy, Energy Reliability and Efficiency...	---	---	982,637	+982,637	+982,637
Energy Efficiency and Renewable Energy.....	1,814,091	2,775,700	---	-1,814,091	-2,775,700
Electricity Delivery and Energy Reliability.....	139,500	169,015	---	-139,500	-169,015

COMPARATIVE STATEMENT OF BUDGET AUTHORITY FOR 2013 AND REQUEST AND RECOMMENDED AMOUNTS FOR 2014  
(Amounts in thousands)

\*Enacted level does not include the 251A sequester or Sec. 3004 OMB ATB

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Nuclear Energy.....	759,000	735,460	656,389	-102,611	-79,071
Fossil Energy Research and Development.....	534,000	420,575	450,000	-84,000	+29,425
Naval Petroleum and Oil Shale Reserves.....	14,909	20,000	14,909	---	-5,091
Strategic Petroleum Reserve.....	192,704	189,400	189,400	-3,304	---
Northeast Home Heating Oil Reserve.....	10,119	8,000	8,000	-2,119	---
Rescission.....	-6,000	---	---	+6,000	---
Subtotal.....	4,119	8,000	8,000	+3,881	---
Energy Information Administration.....	105,000	117,000	100,000	-5,000	-17,000
Non-defense Environmental Cleanup.....	235,721	212,956	194,000	-41,721	-18,956
Uranium Enrichment Decontamination and Decommissioning Fund.....	472,930	554,823	545,000	+72,070	-9,823
Science.....	4,876,000	5,152,752	4,653,000	-223,000	-499,752
Advanced Research Projects Agency-Energy.....	265,000	379,000	50,000	-215,000	-329,000
Race to the Top for Energy Efficiency and Grid Modernization.....	---	200,000	---	---	-200,000
Title 17 Innovative Technology Loan Guarantee Program Offsetting collection.....	38,000 -38,000	48,000 -22,000	22,000 -22,000	-16,000 +16,000	-26,000 ---
Subtotal.....	---	26,000	---	---	-26,000
Advanced Technology Vehicles Manufacturing Loans program.....	6,000	6,000	6,000	---	---

COMPARATIVE STATEMENT OF BUDGET AUTHORITY FOR 2013 AND REQUEST AND RECOMMENDED AMOUNTS FOR 2014  
(Amounts in thousands)

\*Enacted level does not include the 251A sequester or Sec. 3004 OMB ATB

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Departmental Administration.....	237,623	226,580	187,863	-49,760	-38,717
Miscellaneous revenues.....	-108,000	-108,188	-108,188	-188	---
Net appropriation.....	129,623	118,392	79,675	-49,948	-38,717
Office of the Inspector General.....	42,000	42,120	42,000	---	-120
Total, Energy programs.....	9,590,597	11,127,193	7,971,010	-1,619,587	-3,156,183
Atomic Energy Defense Activities					
National Nuclear Security Administration					
Weapons Activities.....	7,577,341	7,868,409	7,675,000	+97,659	-193,409
Defense Nuclear Nonproliferation.....	2,434,303	2,140,142	2,100,000	-334,303	-40,142
Naval Reactors.....	1,080,000	1,246,134	1,109,000	+29,000	-137,134
Office of the Administrator.....	410,000	397,784	382,000	-28,000	-15,784
Total, National Nuclear Security Administration.	11,501,644	11,652,469	11,266,000	-235,644	-386,469
Environmental and Other Defense Activities					
Defense Environmental Cleanup.....	5,023,000	4,853,909	4,750,000	-273,000	-103,909
Defense Environmental Cleanup (legislative proposal)...	---	463,000	---	---	-463,000

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(Amounts in thousands)

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	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Other Defense Activities.....	823,364	749,080	830,000	+6,636	+80,920
Total, Environmental and Other Defense Activities.....	5,846,364	6,065,989	5,580,000	-266,364	-485,989
Total, Atomic Energy Defense Activities.....	17,348,008	17,718,458	16,846,000	-502,008	-872,458
Power Marketing Administrations /1					
Operation and maintenance, Southeastern Power Administration.....	8,428	7,750	7,750	-678	---
Offsetting collections.....	-8,428	-7,750	-7,750	+678	---
Subtotal.....	---	---	---	---	---
Operation and maintenance, Southwestern Power Administration.....	45,010	45,456	45,456	+446	---
Offsetting collections.....	-32,308	-33,564	-33,564	-1,256	---
Subtotal.....	12,702	11,892	11,892	-810	---
Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration.....	285,900	299,919	299,919	+14,019	---
Offsetting collections.....	-194,000	-203,989	-203,989	-9,989	---
Subtotal.....	91,900	95,930	95,930	+4,030	---

COMPARATIVE STATEMENT OF BUDGET AUTHORITY FOR 2013 AND REQUEST AND RECOMMENDED AMOUNTS FOR 2014  
 (Amounts in thousands)

\*Enacted level does not include the 251A sequester or Sec. 3004 OMB ATB

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Falcon and Amistad Operating and Maintenance Fund.....	4,169	5,331	5,331	+1,162	---
Offsetting collections.....	-3,949	-4,911	-4,911	-962	---
Subtotal.....	220	420	420	+200	---
Total, Power Marketing Administrations.....	104,822	108,242	108,242	+3,420	---
Federal Energy Regulatory Commission					
Salaries and expenses.....	304,600	304,600	304,600	---	---
Revenues applied.....	-304,600	-304,600	-304,600	---	---
Total, title III, Department of Energy.....	27,043,427	28,953,893	24,925,252	-2,118,175	-4,028,641
Appropriations.....	(27,049,427)	(28,953,893)	(24,925,252)	(-2,124,175)	(-4,028,641)
Rescissions.....	(-6,000)	---	---	(+6,000)	---
TITLE IV - INDEPENDENT AGENCIES					
Appalachian Regional Commission.....	68,263	64,618	70,317	+2,054	+5,699
Defense Nuclear Facilities Safety Board.....	29,130	29,915	29,915	+785	---
Delta Regional Authority.....	11,677	11,319	11,319	-358	---
Denali Commission.....	10,679	7,396	7,396	-3,283	---
Northern Border Regional Commission.....	1,497	1,355	1,355	-142	---
Southeast Crescent Regional Commission.....	250	---	250	---	+250

COMPARATIVE STATEMENT OF BUDGET AUTHORITY FOR 2013 AND REQUEST AND RECOMMENDED AMOUNTS FOR 2014  
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\*Enacted level does not include the 251A sequester or Sec. 3004 OMB ATB

	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Nuclear Regulatory Commission:</b>					
Salaries and expenses.....	1,027,240	1,043,937	1,043,937	+16,697	---
Revenues.....	-899,726	-920,721	-920,721	-20,995	---
Subtotal.....	127,514	123,216	123,216	-4,298	---
<b>Office of Inspector General.....</b>					
Revenues.....	10,860	11,105	11,105	+245	---
Subtotal.....	-9,774	-9,994	-9,994	-220	---
Subtotal.....	1,086	1,111	1,111	+25	---
Total, Nuclear Regulatory Commission.....	128,600	124,327	124,327	-4,273	---
Nuclear Waste Technical Review Board.....	3,400	3,400	3,400	---	---
Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects.....	1,000	1,000	1,000	---	---
Total, title IV, Independent agencies.....	254,496	243,330	249,279	-5,217	+5,949
Appropriations.....	(254,496)	(243,330)	(249,279)	(-5,217)	(+5,949)

TITLE V - GENERAL PROVISIONS

<b>Sec. 508 Rescissions:</b>					
Corps of Engineers.....	---	-100,000	-200,000	-200,000	-100,000
Department of Energy: Energy Efficiency and Renewable Energy.....	---	---	-157,000	-157,000	-157,000

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	FY 2013 Enacted	FY 2014 Request	Bill	Bill vs. Enacted	Bill vs. Request
Department of Energy: Weapons Activities.....	---	---	-142,000	-142,000	-142,000
Department of Energy: Defense Nuclear Nonproliferation.....	---	---	-20,000	-20,000	-20,000
Total, Title V, General Provisions.....	---	-100,000	-519,000	-519,000	-419,000
=====					
Grand total.....	38,696,642	34,972,807	30,496,288	-8,200,354	-4,476,519
Appropriations.....	(36,813,642)	(35,072,807)	(31,015,288)	(-5,798,354)	(-4,057,519)
Rescissions.....	(-6,000)	(-100,000)	(-519,000)	(-513,000)	(-419,000)
=====					

1/ Totals adjusted to net out alternative financing costs, reimbursable agreement funding, and power purchase and wheeling expenditures. Offsetting collection totals only reflect funds collected for annual expenses, excluding power purchase wheeling.



## ADDITIONAL VIEWS OF NITA LOWEY AND MARCY KAPTUR

We commend Chairman Rogers and Chairman Frelinghuysen for their efforts to assemble this bill in an inclusive manner. While Chairman Frelinghuysen has worked to incorporate interests of Members from both parties with a budget allocation far below what was envisioned under the Budget Control Act, it is impossible to sufficiently fund critical water resource projects, support science activities necessary for American competitiveness, and contribute to our national defense through vital weapons, naval reactor research, and nonproliferation funding.

While we appreciate the Chairman's efforts on this bill, we are dismayed by the broader House Majority's refusal to go to conference to forge a bipartisan agreement on the budget resolution that addresses sequestration and provides workable 302(b) allocations for Appropriations bills. This failure of the House Majority's Leadership imperils this year's appropriations process, making it nearly impossible to move all 12 bills. Sequestration was intended to be a mechanism to force the parties to come together to address our long-term fiscal challenges. It was never meant to be, in itself, a tool for deficit reduction, and it was certainly never meant to be the basis for a discretionary spending cap in a budget resolution.

The subcommittee's allocation is \$30,426,000,000, a decrease of \$4,057,519,000 from the Administration's budget request and \$2,814,000,000 below the 2013 level, adjusted for Hurricane Sandy reconstruction and the across-the-board cut required by sections 3001 and 3004 of Division D of the Consolidated and Further Continuing Appropriations Act, 2013. This allocation is nearly 2 percent below the level of the bill after the reductions required by sequestration and \$462,000,000 below the levels of 2008. Exacerbating this reduction is the concurrent increase of \$1,569,848,000 in the Weapons and Naval Reactors accounts, leaving the remaining elements of the bill more than \$2,000,000,000 below the levels in 2008.

The Chairman tried his best to craft a reasonable bill at this level, prioritizing some of the security programs and the Corps of Engineers water resource programs, but reasonable funding for these areas required deep and severe reductions in other important areas of the bill. Among these drastic reductions are a nearly 60 percent reduction to renewable energy programs and an 81 percent reduction to ARPA-E. The cost of renewable energy is rapidly becoming competitive with other sources of energy, and this shift may accelerate with the President's renewed focus on clean energy. Shortchanging critical energy and infrastructure investments will slow economic growth and hinder American competitiveness.

While we recognize that difficult choices must be made to address the nation's serious financial situation, this bill starkly illustrates the shortsighted nature of the spending cap set by the House budget. The allocation for Energy and Water is simply insufficient to meet the challenges posed by the energy crisis, the need to maintain our water infrastructure and our national security requirements.

We commend the Chairman for prioritizing the Corps of Engineers. However, when the rescission of \$200,000,000 is included,

funding for the critical activities of the Corps are \$50,000,000 below the budget request and \$304,000,000 below 2013. We must modernize our infrastructure by making preventative and proactive investments. It makes more fiscal sense to prevent a disaster than to respond. Additionally, businesses and individuals are much more likely to invest in a community if there is confidence in its infrastructure. Further, the nation's ports and waterways are critical to ensuring that American made goods can move to market, both domestically and abroad. We firmly believe that our underinvestment in infrastructure continues to hamper our economic recovery and has prolonged the current employment crisis.

The Corps of Engineers currently has a backlog of authorized projects in excess of \$60,000,000,000. Even limiting the figure to those projects currently budgeted, the balance to complete these ongoing projects is more than \$20,000,000,000. This bill does very little to move these projects forward, reducing the Construction account by \$331,000,000 from 2013. Instead, the bill continues the steady decline in funding for water resource infrastructure, bringing a total reduction of \$769,000,000 to the Corps since 2010. The Corps' Construction account has been reduced by \$688,000,000 in that same timeframe. We should be doing more to build infrastructure and create jobs, not less.

To be clear: this decreased investment in water infrastructure has consequences across the country. By not supporting these projects, Members are hurting the direct constituencies that they profess to serve. Without federal support, construction jobs are never created and local businesses and individuals never see the kind of indirect economic benefits that encourage them to embrace risk and make critical investments in their communities.

With regard to the applied energy programs at the Department of Energy, this bill would slash funding for applied energy research and development by more than half, even as foreign competitors double down to develop 21st Century technology and undermine our markets through illegal dumping and intellectual property poaching. We must develop a more energy secure future as fossil energy sources are depleted and global demand rises with population growth; this bill does nothing to achieve that end.

We are disappointed that renewable energy programs in this bill, so vital to America's future, are drastically reduced, though the scope of the cut is difficult to discern given the radically altered budget structure. The majority claims that these deep reductions to renewable energy programs are justified because sufficient private sector support exists to ensure the continuation of cutting edge science and technological innovation. This claim is misguided and incongruent with both facts and experience. If you include both of the programs as outlined in the budget and in the 2013 appropriations that are now combined into Renewable Energy, Energy Reliability and Efficiency and include the rescission of \$157,000,000 in 2013 funds, the reduction is \$2,119,078,000 from the budget request and \$1,127,954,000 less from 2013. That is \$700,000,000 less than this same subcommittee recommended for these purposes just one year ago.

In providing for critical research and development for those sectors that currently provide the bulk of our electricity generation,

we cannot sacrifice the future. Renewable energy can achieve cost competitiveness, but a continued and sustained research and development program is necessary and appropriate. Without this investment, the nation will be forced to continue its reliance on imports to meet our energy needs. The United States can leverage its strength—innovation—to restore the United States to a position of global leadership in clean energy. This effort is a critical national priority, with implications for our economic competitiveness, national security, and environmental legacy.

Our nation's chief strategic vulnerability is its dependence on foreign energy imports and our lack of energy independence. The United States has spent \$2,300,000,000,000 importing foreign petroleum since 2003. This represents thousands of dollars out of the pockets of every hard-working American and are dollars spent, not in much-needed American job creation, but overseas, assisting our competitors in developing their economies and their energy futures. Our republic will not compete in the 21st Century and beyond if we further reduce investments in this area and cede the energy future to other countries.

Foreign competition in energy poses a real threat and we appreciate the Chairman's commitment to ensure that technology developed with taxpayer dollars benefits our nation. The Department of Energy must do more to ensure that intellectual property supported by federal dollars is used to further the interests of the United States economy.

While we are concerned with the level of funding, we appreciate the Chairman's commitment to American manufacturing with the limited funds at his disposal. Manufacturing remains one of the most important drivers in our economy, yet only 12 percent of the nation's private sector workforce is currently employed in manufacturing. We see very little merit in using federal dollars to foster technological advances or breakthroughs for products that are not ultimately manufactured domestically. We must do more to reverse the trend of domestic firms shifting production overseas, because—to put it simply—domestic manufacturing drives domestic innovation. When manufacturing ceases on a product in the U.S. it is often only a matter of time before the engineering and research and development responsible for the product move overseas. This shift makes it virtually impossible for our nation to compete for and create the next generation of products. In turn, the loss of these employment opportunities discourages students from pursuing education in scientific and engineering fields.

The Science account, critical to the competitiveness of our nation, is reduced by 5 percent from 2012. The bill, with an 81 percent reduction, would effectively end the relatively new Advanced Research Projects Agency—Energy (ARPA-E) program. We are beginning to see the initial payoff from the ARPA-E, which advances high-potential, high-impact energy technologies that are too early for private-sector investment. Both of these programs drive innovations to support our scientific competitiveness that we believe will eventually provide much of the inspiration to overcome the energy crisis and address climate change. Return on investment from our publicly funded research and development ranges from 20 to 67

percent. With this rate of return, we should be increasing our investment in science; this bill moves in the opposite direction.

Nonproliferation programs are our first line of defense and the most cost-effective way to achieve the urgent goal of securing and reducing the amount of vulnerable bomb-grade material. While the Chairman increases the request for the Global Threat Reduction Initiative's (GTRI) international material and removal activities, an action that we applaud, this bill cuts these critical efforts by \$599 million when compared to 2013 for the same activities. The Administration has deferred each of the three program goals for GTRI over the last several budgets. In highly enriched uranium reactor conversion, the budget requests have delayed completion by ten years; in removal of vulnerable material the delay has amounted to three years; finally for the category of protection, the Administration's goal has slipped from 8,500 buildings protected with additional security features by 2025 to 2044. The Chairman simply did not have the resources to reverse this rapid slide to the right of the schedule.

We are concerned that the funding the bill includes for Environmental Management (EM) activities is insufficient to meet the federal government's legal obligations to clean up its defense nuclear waste. This program is critical to addressing the environmental legacies of the Cold War and the Manhattan Project. Given that EM's portfolio is one of the nation's largest environmental and financial liabilities, we have the responsibility to address the waste and contamination in the affected communities in a timely and competent manner.

The bill continues the subcommittee's efforts over the years to improve program and project management at all of the agencies under its jurisdiction. In particular, we commend the Chairman for including the statutory reporting requirement on Life Extension Programs at the National Nuclear Security Administration (NNSA). Given current estimates, it is unclear that the plans of the Administration are realistic or affordable under current budgetary constraints. The provision will ensure that the Committee has the necessary information to make informed decisions on proposals made by the NNSA. This is just one illustration of the subcommittee's continued efforts to improve program and project management at all of the agencies under its jurisdiction. We strongly support the Chairman on this and all the other provisions, old and new, aimed at increased oversight and improved project management at the Corps and DOE. However, we are disappointed that the subcommittee must repeat so many of these provisions from year to year. It would behoove the agencies to incorporate these policies into their management structure.

Republicans on the Budget Committee continue to push the outrageous notion that we can balance our budget through cuts to non-defense discretionary spending, which account for only 17 percent of federal spending. This action will only harm our nation.

We commend the Chairman's work; however, the allocation for this bill is insufficient and irresponsible, and we cannot in good conscience support it. It is our firm hope that the Committee will be provided a workable path forward for the FY14 Appropriations bills. We look forward to the day we return allocations to accept-

able levels and to working with the Chairman and the members of this subcommittee to draft a bill worthy of support.

NITA LOWEY.

MARCY KAPTUR.

