U.S. DEPARTMENT OF
ENERGY

Report on Uncosted Balances for Fiscal Year Ended September 30, 2011

Report to Congress
June 2012

United States Department of Energy
Washington, DC 20585

Message from the Secretary

As required by the Energy Policy Act of 1992 (Public Law 102-486), the Department of Energy is submitting a *Report on Uncosted Balances for Fiscal Year Ended 2011.* This report presents the results of the Department's annual analysis of uncosted obligation balances against pre-defined thresholds for various types of funding.

Pursuant to statutory requirements, this report is being provided to the following Members of Congress:

- **The Honorable Joseph Biden**
  President of the Senate
- **The Honorable John Boehner**
  Speaker of the House of Representatives
- **The Honorable Daniel K. Inouye**
  Chairman, Senate Committee on Appropriations
- **The Honorable Thad Cochran**
  Ranking Member, Senate Committee on Appropriations
- **The Honorable Hal Rogers**
  Chairman, House Committee on Appropriations
- **The Honorable Norm Dicks**
  Ranking Member, House Committee on Appropriations
- **The Honorable Dianne Feinstein**
  Chairman, Senate Subcommittee on Energy and Water Development, Committee on Appropriations
- **The Honorable Lamar Alexander**
  Ranking Member, Senate Subcommittee on Energy and Water Development, Committee on Appropriations
- **The Honorable Rodney P. Frelinghuysen**
  Chairman, House Subcommittee on Energy and Water Development, Committee on Appropriations
- **The Honorable Peter J. Visclosky**
  Ranking Member, House Subcommittee on Energy and Water Development, Committee on Appropriations

- **The Honorable Fred Upton**
  Chairman, House Committee on Energy and Commerce
- **The Honorable Henry A. Waxman**
  Ranking Member, House Committee on Energy and Commerce
- **The Honorable Ralph M. Hall**
  Chairman, House Committee on Science, Space, and Technology
- **The Honorable Eddie Bernice Johnson**
  Ranking Member, House Committee on Science, Space, and Technology
- **The Honorable Jeff Bingaman**
  Chairman, Senate Committee on Energy and Natural Resources
- **The Honorable Lisa Murkowski**
  Ranking Member, Senate Committee on Energy and Natural Resources

If you have any questions or need additional information, please contact me or Mr. Jeff Lane, Assistant Secretary, Office of Congressional and Intergovernmental Affairs, at (202) 586-5450.

Sincerely,

Steven Chu

Executive Summary

As required by the Energy Policy Act of 1992 (Public Law 102-486), the Department of Energy is submitting a *Report on Uncosted Balances for Fiscal Year Ended 2011.* This report presents the results of the Department's annual analysis of uncosted obligation balances against pre-defined thresholds for various types of funding.

REPORT ON UNCOSTED BALANCES FOR FISCAL YEAR ENDED SEPTEMBER 30, 2011

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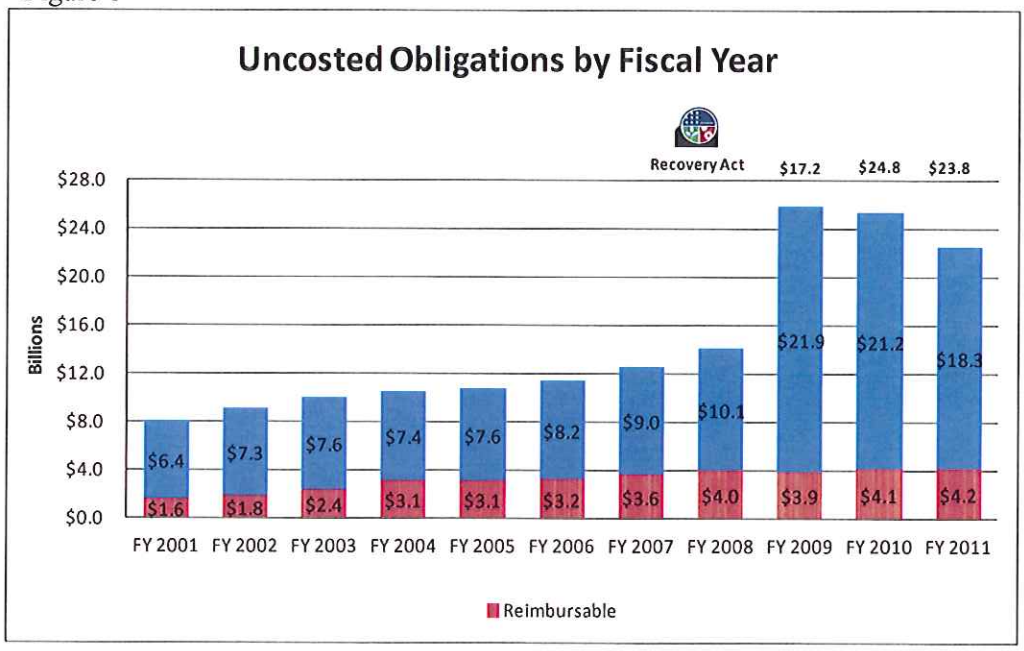
Purpose

Section 2307 of the Energy Policy Act of 1992 (42 U.S.C. § 13526) requires the Department of Energy (Department or DOE) to submit an annual report to Congress on the state of the Department's uncosted obligations. The section requires the report to identify the uncosted obligations at the end of the previous fiscal year (FY), describe the purpose of those funds, and describe the effect the information had on the annual budget request. This report presents an analysis of the Department's uncosted balances for FY 2011. In FY 2009, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided the Department an additional $36.7 billion of funding. The FY 2011 uncosted balances associated with Recovery Act funding are separately presented in Figure 1, but are not included in the additional analysis of uncosted balances in this report.

Background and DOE's Approach

The Department's uncosted balances increased steadily from FY 1998 through FY 2009 but in recent fiscal years, there has been a decline in the uncosted balances. Because of these increasing balances through FY 2009, the Department has been frequently audited by the Government Accountability Office (GAO). Historically, the Department used a comprehensive approach to systematically manage and analyze uncosted balances. DOE's original approach was developed in FY 1996 in response to GAO criticism that the Department did not have a standard, effective approach for identifying excess carryover balances that might be available to reduce future budget requests. To address GAO's concerns, DOE established percentage thresholds specifying levels of uncosted balances consistent with sound financial management for specific types of financial / contractual arrangements. This allowed the Department to evaluate its overall performance based on the variance between target thresholds and actual uncosted balances. The Department established the target thresholds through internal analysis and

Figure 1



discussions with GAO. A target threshold is defined as an analytical reference point (i.e., a specific dollar value or percentage of funds available) beyond which uncosted obligation balances should be given greater scrutiny. Balances in excess of these thresholds are subjected to more intensive review and require a more detailed explanation or justification to determine their cause and to identify the expectation for full costing. Table 1 defines the Department's uncosted categories and associated thresholds.

Table 1

CATEGORY	THRESHOLD
Contractor Operating Costs: Costs incurred by Site/Facility Management Contractors (SFMC).	13% of the Total Funds Available to Cost (TAC)* for contractor operating activities for the FY just ended.
Federal Operating Costs: Operating costs not related to SFMCs or other identified categories.	17% of the TAC for Federal operating activities for the FY just ended.
Capital Equipment (CE), General Plant Projects (GPP) & Accelerator Improvement Projects (AIP): Costs incurred for CE, GPP and AIP. CE includes those items that meet the accounting criteria for capitalization.	50% of the TAC for CE, GPP and AIP, respectively, for the FY just ended.
• Line Item Construction • Grants • Cooperative Research and Development Agreements and other Cooperative Agreements • Reimbursable Work	Not subject to a specific threshold. These must be evaluated on a case-by-case basis. (Consistent with GAO's approach)
*Total Available to Cost (TAC) represents the total of all obligated amounts that are available for costing during the year. TAC is calculated as Beginning Uncosted + Current Year Obligations.	

To arrive at a target percentage for each category of funding, the Department analyzed the typical funding patterns and balanced those with what should be reasonably expected given typical procurement and funding execution patterns. GAO's methodology for reviewing uncosted balances was also examined to help make a final determination for the Department. The 17 percent threshold for Federal Operating Costs represents approximately two months of carryover available at the beginning of the next fiscal year to facilitate the receipt of new funding and processing of procurement requests. This assumes no funding delays (e.g. continuing resolution) and the use of basic funding instruments (e.g. no special procurement instruments that would require extended solicitations). In working with our laboratory budget directors, it was proposed that the more streamlined procurement processes of the contractors would allow for a slightly accelerated obligation pattern if funding is received in a timely manner. Therefore, they proposed a more stringent threshold (based on an analysis of typical obligation and costing patterns) of 13 percent. Capital equipment projects in total typically have higher uncosted balances since many are multi-year in nature. Therefore, as much as 50 percent could be uncosted in the first year of the

award. Since we have a continuous stream of new projects and old project completions, 50 percent was set as a reasonable threshold beyond which further justification should be considered. Setting a lower threshold would likely cause the automatic review of most projects, which would find the same root cause for the delay in costing (i.e., the first year of a multi-year contract).

To identify thresholds at the appropriate level, the Department first segregates the uncosted balance for each appropriation by the categories identified in Table 1. The thresholds for each category are then calculated using the established percentages. The line-item construction and grant categories are removed since these categories are not subject to a specific threshold. The category thresholds are then rolled together to obtain the overall threshold amount by appropriation. The combined threshold is then compared to the ending uncosted balance to generate the variance or over / under threshold amount. The threshold analysis section of this report provides more information for the significant variances.

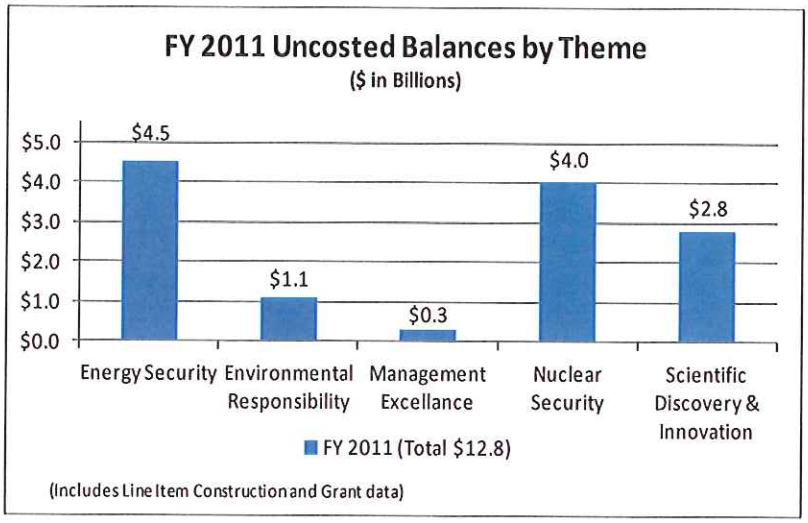
While this approach provides a sound analytical foundation, the Department wanted to incorporate an ongoing management focus and a collaborative forum for the discussion of the Department's financial execution. The Department holds a Business Quarterly Review (BQR) which helps strengthen the ability to effectively execute budgets by providing an understanding of the drivers of high uncosted balances, establishing standard corporate benchmarks for financial performance, strengthening requests for new budget authority, and improving the Department's ability to forecast out-year requirements.

Additionally, the Department has refocused attention on aging uncosted balances (any balance older than two years prior to current fiscal year). Emphasis has been placed on these aged balances and understanding why they remain uncosted through the use of monthly financial reports. The review and understanding of these aged balances have permitted the Department to use these funds for mission-related work.

The Department's continued use and upgrades to the iPortal system (an application that allows users to access financial, procurement, budget, and personnel information in one online location to provide financial management information for decision making purposes) has enabled further insight into the uncosted balances. The iPortal provides uncosted balances and related data within dashboards for executives and program managers to use in making operational decisions and for preparation of BQR activities and explanations. The iPortal system can display uncosted information using threshold values by category at the Strategic Theme level for the Department - Energy Security, Environmental Responsibility, Management Excellence, Nuclear Security and Scientific Discovery and Innovation. The iPortal uncosted balances excludes American Recovery and Reinvestment Act (Recovery Act) funding, reimbursable work for others, and other miscellaneous exclusions to avoid distorting operational uncosted balances.

Current Status of Uncosted Balances

Figure 2



This report provides an analysis of the Department's appropriated uncosted balances for FY 2011 ($12.8 Billion) (exclusive of Recovery Act balances). Figure 2 presents the FY 2011 uncosted balances by theme. The Department leadership takes seriously the careful management of federal resources. While Continuing Resolutions, the Recovery Act, and other factors described in the report lead generally to slower costing of appropriated dollars, Department leadership recognize that there are always opportunities to enhance management control of our balances. We are improving our ability to monitor spending and to take action where necessary to use money to achieve the goals for which it was intended in a timelier manner.

For example, during FY 2012, uncosted balances older than three fiscal years will be closely examined, Business Quarterly Reviews with upper Department management will be held, Quarterly Program Execution Reviews with the Program Offices will be held, and Program Offices will submit spend plans for obligations and costing of older balances as well as new budget authority. Spend plan balances will be tracked monthly against actual spending, and justifications for significant deviations will be required. Quarterly program execution reviews include a focus on the status of the uncosted balances prior to FY 2010 and how the spend plan is being executed when compared to the actual data. These reviews provide scrutiny of program execution as well as more rigor in the analysis of the budgets. The Programs are held accountable to the projected year end uncosted balances.

The Department's uncosted balances exceeded thresholds by $2.5 billion in FY 2011. The following table presents a breakout of threshold variances by themes for FY 2011. It excludes Line-Item Construction and Grants data since these categories are not subject to a specific threshold.

Table 2
Uncosted Balances
Summary Threshold Analysis by Theme
Dollar in Thousands

Theme	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold Variance
Energy Security	4,856,736	1,841,246	37.9%	785,467	1,055,779
Environmental Responsibility	5,805,415	705,565	12.2%	859,921	-154,356
Management Excellence	1,075,501	273,701	25.5%	176,002	97,699
Nuclear Security	12,175,535	2,856,838	23.5%	1,925,287	931,552
Scientific Discovery and Innovation	5,033,538	1,515,171	30.1%	977,844	537,327
Total	28,946,725	7,192,521	24.9%	4,724,521	2,468,001

(Excludes Line-Item Construction and Grants)

Threshold Analysis by Theme and Appropriation

Explanation of Significant Threshold Variances

As noted earlier in this report, the purpose of the threshold approach is to provide a reference point beyond which further analysis of uncosted balances is required. It cannot be assumed that any amount over threshold is inherently available or unnecessary or that any amount under threshold is appropriate or justified. In addition to providing a basis for assessing the appropriateness of balances, this analysis helps to identify types of funding and contractual instruments that display inherently higher balances than typical operating funding.

It is important to note that the amount over threshold represents a "net" amount at the Departmental level, and that this variance consists of a combination of over and under-threshold amounts for various appropriations. The following sections identify the key drivers/justifications for appropriations with significant over-threshold amounts. Threshold variances for all appropriations are provided in Appendix 1.

Energy Security - $1.1 Billion over Threshold

Appropriation 89-X-0213 Fossil Energy Research and Development

This appropriation exceeds the threshold by a net amount of $90.9 million. This over threshold uncosted balance is due to the funding obligations at the end of the fiscal

year for field work proposals and other major obligations that were due to delayed enactment of final appropriations. The uncosted balance covers numerous projects across multiple funding sources. Funding on awards requires sufficient advanced funding to mitigate stop-work orders and for any significant equipment purchases in anticipation of a Continuing Resolution and limited allotments. This results in an uncosted balance which is in excess of the threshold estimate.

Appropriation 89-X-0218 Strategic Petroleum Reserve
This appropriation exceeds the threshold by a net amount of $73.4 million. Of this amount: $55 million in uncosted balances are for the replacement of a cavern at one of the SPR sites which are a necessary replacement because the existing cavern poses a major environmental risk. The remaining uncosted balances attributing to the excess threshold condition is related to ongoing M&O contract work on maintenance and operations to meet mission critical requirements.

Appropriation 89-X-0318 Electricity Delivery and Energy Reliability
This appropriation exceeds the threshold by a net amount of $67.8 million. Primary drivers for this over threshold amount were

1) delayed enactment of final appropriations, which limited the availability of funds and postponed the obligations. Of the uncosted balances, 80% were from obligations made in FY 2011, 70% of which were obligated in last five months of the year once a final appropriations bill was enacted in mid-April;

2) forward funding of multi-year interagency awards in Clean Energy Transmission and Reliability and Smart Grid R&D; and

3) lengthy competition and selection process of new support services contracts, which resulted in late 4th quarter obligation.

Appropriation 89-X-0319 Nuclear Energy
This appropriation exceeds the threshold by a net amount of $165.5 million. The primary driver for this over-threshold amount is $124 million of uncosted balances within the Nuclear Energy University Program (NEUP). NEUP awards fully funded 3-year R&D grants. By fully funding the awards results in planned uncosted balances equal to 200% of annual funding levels of about $60 million. The remainder of the over-threshold balances is primarily associated with activities impacted by late-year resolution of new start authorities within the FY 2011 full year continuing resolution.

Appropriation 89-X-0321 Energy Efficiency and Renewable Energy
This appropriation exceeds the threshold by a net amount of $533.4 million. The primary drivers for this over-threshold balance include:

1) delayed enactment of final appropriations due to a Continuing Resolution that postpones the award of contracts;

2) high priority is still being given to the oversight of the $16.8 billion of Recovery Act funds;

3) many of EERE's technology projects must be competed, which often requires a long solicitation period approximately 7 months (for preparation, review, release, competition, negotiating awards); and

4) Congressionally Directed Project recipients that are often delinquent in submitting complete applications, project scope, cost-share, budgets for prime and sub-recipients, or information regarding NEPA requirements, and therefore conditional awards are made until proper documentation is submitted causing delays in the expenditure of funds.

The most significant funding elements contributing to the over threshold amounts include the following:

1) $90.4 million in Federal Operating uncosted obligations for Biomass/Biofuels to support Biomass Systems Integration and Production R&D;

2) $26.0 million in SFMC uncosted obligations for Biomass/Biofuels research and development;

3) $10.8 million in Federal Operating uncosted obligations for Building Technologies program research and development;

4) $56.2 million in SFMC uncosted obligations for Building Technologies program research and development;

5) $4.8 million in Federal Operating uncosted obligations for Hydrogen and Fuel Cells research and development;

6) $16.1 million in SFMC uncosted obligations for Hydrogen and Fuel Cells research and development;

7) $6.1 million in Federal Operating uncosted obligations for Geothermal Technologies program research and development in Enhanced Geothermal Resources;

8) $9.3 million in SFMC uncosted obligations for Geothermal Technologies program research and development in Enhanced Geothermal Resources;

9) $45.3 million in Federal Operating uncosted obligations for Solar Energy research and development of Photovoltaic energy systems;

10) $46.7 million in SFMC uncosted obligations for Solar Energy research and development of Photovoltaic energy systems;

11) $4.3 million in Federal Operating uncosted obligations for Strategic Programs in support of Communications and Outreach, Commercialization, Strategic Priorities and Impact Analysis, and International activities;

12) $16.3 million in SFMC uncosted obligations for Strategic Programs in support of Communications and Outreach, Commercialization, Strategic Priorities and Impact Analysis, and International activities;

13) $17.5 million in Federal Operating uncosted obligations for Vehicle Technologies research and development and deployment activities;

14) $72.9 million in SFMC uncosted obligations for Vehicle Technologies program research and development;

15) $7.9 million in Federal Operating uncosted obligations for Wind Energy research and development;

16) $20.2 million in SFMC uncosted obligations for Wind Energy research and development;

17) $8.3 million in Federal Operating uncosted obligations for Weatherization and Intergovernmental including State Energy Program Special Projects, Training and Technical Assistance, and Tribal Energy; and

18) $13.8 million in SFMC uncosted obligations for Weatherization and Intergovernmental including State Energy Program Special Projects, Training and Technical Assistance, and the International Renewable Energy Program.

The uncosted balances in these RD&D programs, a total of $472.9 million, resulted primarily from delayed awards due to the late appropriation and lengthy solicitation and review periods due to the complexity of the proposed work.

The balance of the uncosted obligations, a total of $60.5 million, relates to other Energy Efficiency and Renewable Energy research and development program offices with much smaller uncosted balances, the Federal Energy Management Program, Congressionally Directed Projects, and General Plant Projects and General Purpose Equipment.

Nuclear Security - $0.9 Billion over Threshold

Appropriation 89-X-0240 Weapons Activities

This appropriation exceeds the threshold by a net amount of $93 million. Programmatically, these balances were most prevalent in the following programs: Readiness in Technical Base and Facilities, Facilities and Infrastructure Recapitalization Program (FIRP), Readiness Campaign, Secure Transportation Asset (STA), Cyber Security and Site Stewardship.

Readiness in Technical Base and Facilities balances were above threshold due to: the Kansas City Responsive Infrastructure Manufacturing and Sourcing (KCRIMS) project and infrastructure projects at the Savannah River Site. KCRIMS groundbreaking occurred in October 2011, which will now accelerate the costing.

Uncosted balances in Tritium Readiness are driven by a multi-year fixed price contract for fabrication of Tritium Producing Burnable Absorber Rods (TPBARs), which has required full funding at contract award although the contract has a multi-year period of performance. The program is in the process of restructuring procurements, cancelling out-year scope, and de-obligating funds on multi-year vehicles in order to bring down uncosted balances.

The majority of the uncosted balance over the threshold for FIRP falls under Recapitalization, a construction-based program where the work is performed by subcontractors. These are long lead procurements that take up to several months to cost. Uncosted balances over threshold in STA result from long lead procurements of ammunition, agent equipment, and vehicles, some of which can take up to 3 years to cost. For the Cyber Security program, uncosted balances over threshold result from delayed decisions for the NNSA Information Assurance Resource Center (NIARC) project, procurements issued late in the fiscal year for infrastructure activities, and long lead procurements for conversions and improvements at NNSA landlord. For Site Stewardship, uncosted balances over threshold result from

regulatory requirements tied to specific plans awaiting approval by host State environmental oversight agencies, ongoing efforts associated with a joint treatment program, removal of special nuclear material, and ongoing energy modernization projects.

Appropriation 89-X-0309 Defense Nuclear Nonproliferation (DNN)
This appropriation exceeds the threshold by a net amount of $879.7 million. DNN submits a semi-annual report on its uncosted/uncommitted balances in response to the requirement given in Section 3121 of the National Defense Authorization Act for Fiscal Year 2004, P.L. 108-136. A more detailed explanation of the programs uncosted balances can be found in that appropriation specific report for end-of-year FY 2011.

Uncosted balances for DNN often exceed Departmental thresholds due to the program's variety of overseas projects. Sound management and programmatic necessities require work to be fully completed and verified before DNN disburses funds in non-U.S. venues. For these reasons, the program also reports uncommitted balances, which are more reflective of DNN's financial performance. Committed uncosted obligations are defined as subcontracts awarded by integrated M&O contractors, plus uncosted balances on DOE direct awarded contracts to other than integrated M&O contractors. Uncommitted funds are those for which there are no such encumbrances. At year end, 9.4 percent of total DNN funding was uncommitted. If uncommitted funds are used as the metric, DNN execution is within the DOE thresholds.

Nonproliferation and Verification Research and Development (30.2 percent uncosted; 18.8 percent uncommitted) balances are due to delays in awarding of multi-year university research grants, and delays in the processing of these grants, small purchases, and support service contracts due to the continuing resolution (CR) and resulting funding constraints. These balances allow for improvements to test bed facilities, continuation of major field experiments and demonstrations, long lead procurements, sensor production activities, multi-year university contracts, small purchases, and payment of laboratory commitments.

The Elimination of Weapons-Grade Plutonium Production program (8.1 percent uncosted; 0.6 percent uncommitted) was closed out at the end of 2011 with uncosted balances well below thresholds. Remaining balances are for contract closeout activities, including Defense Contract Audit Agency (DCAA) audit.

In Nonproliferation and International Security (25.9 percent uncosted; 12.9 percent uncommitted) balances result from activities that were planned to occur late in FY 2011, but had to be delayed due to completing agreements with foreign partners and international policy issues. Activities were expected to occur and be costed primarily in the 1st Quarter of FY 2012.

For International Nuclear Materials Protection and Cooperation, (54.6 percent uncosted; 8.1 percent uncommitted) balances arose from long-lead procurements and delays with Russia and non-FSU partner countries, including delays in acceptance testing, cost information, and contract execution. Balances are expected to be committed early in FY 2012. For Second Line of Defense (SLD), uncommitted balances can be attributed to delays in acceptance testing at some sites and with accepting some mobile detection equipment; emergency withdrawal of staff from a country due to security concerns; and planned training that did not occur. For Navy Complex/Strategic Rocket Forces (SRF)/12th Main Directorate, balances are due to delayed sustainment contract signings at various Ministry of Defense sites. The bulk of Rosatom Weapons Complex balances are associated with the delay in cost information for Mayak's Plant 20. Additionally, balances were uncommitted due to the difficulty in placing new contracts in Kazakhstan and the slow pace of collaboration with India. The uncommitted balances will be directed toward the remaining physical protection equipment, labor, and materials for comprehensive Physical Protection upgrades at Mayak's Plant 20 in the 1st Quarter FY 2012.

Balances within U.S. Fissile Materials Disposition (48.4 percent uncosted; 21.5 percent uncommitted) are due to the preferential costing of prior year appropriations outside of DNN accounts (Nuclear Energy, Other Defense Activities, and Weapons Activities) for the line-item construction projects. Uncosted/uncommitted balances are essential for MOX operations to support the successful goal to dispose of surplus weapon grade plutonium.

Russian Fissile Materials Disposition (87.5 percent uncosted; 55.6 percent uncommitted) balances will be committed and costed once an agreement is reached between the United States and Russia on milestones in accordance with the amended Plutonium Management and Disposition Agreement (PMDA), which was signed in April 2010 during the Global Nuclear Security Summit.

Balances within the Global Threat Reduction Initiative (46.5 percent uncosted; 7.3 percent uncommitted) stem from long-lead procurement and delays in the contracting and approval process with foreign entities.

Scientific Discovery & Innovation - $0.5 Billion over Threshold

Appropriation 89-X-0222 General Science and Research Activities, Operating
This appropriation exceeds the threshold by a net amount of $537 million. The overall uncosted balance for Office of Science (SC) at the end of FY 2011 is $2,809 million or 37 percent. Of the $2,809 million, $2,185 million is from the FY 2011 Appropriation. This is due in large part to a late (April) year-long Continuing Resolution (CR) and being the first year under quarterly Apportionment of funds both delaying availability of funds and resulting in an abundance of late in the fiscal year awards that cause an increase in uncosted balances at the end of the year.

Of the balances and thresholds contained in this report, SC is over the Federal

Operating threshold by $49 million, the M&O Contractor (SFMC) threshold by $442 million, and the Capital Equipment/General Plant Project (CE/GPP/AIP) threshold by $46 million. Federal Operating balances are a result of Interagency Agreements awarded at the end of the fiscal year that are costed throughout the following fiscal year; multi-year and ongoing activities such as SC IT contract, Working Capital Funds, and 3-year award for Applications of Nuclear Science and Technology (FY 2010 –FY 2012) that were obligated in fourth quarter and anticipated to be costed in FY 2012; for audit closeout that will either be completed or deobligated in FY 2012; for peer review, meeting support, and IPA activities; pending closure of Holifield Radioactive Ion Beam Facility (HRIBF); for Office of Science Graduate Fellowship which plans to spend at least 50 percent in FY 2012; all Climate awards held during CR due to House Mark terminating the program resulting in delay of all awards; for small business awards and three-year awards issued late in the fiscal year; outstanding position vacancies; and a multi-year award to Defense Advanced Research Projects Agency (DARPA) on Productivity Adaptive Computing that has experienced delays but expected to cost $8.5 million by April 2012, another $3 million by July 2012, and the remaining $2.5 million by October 2012.

M&O Contractor balances are attributed to late obligations for items such as, but not limited to, Scientific Discovery through Advanced Computing (SciDAC) awards (awarded after mid-year and needs more than 13 percent carryover to reach end of award period), Funding Opportunity Announcements (FOAs), Early Career Awards, Nuclear Science and Technology awards, Majorana Demonstrator research collaboration, international collaborations, ITER, large open commitments, and other procurements awarded in September for the September through August academic year. Other contributors to M&O Contractor balances include upfront funding for leases, subcontracts, and field experiments to prepare for CRs; Bevatron which is to be costed by the second quarter FY 2012; FY 2011 funds for Argonne Leadership Computing Facility (ALCF) equipment and Oak Ridge Leadership Computing Facility (OLCF) operating to be costed in FY 2012; all Climate awards held during CR due to House Mark terminating the program resulting in delay of all awards; issues filling postdoc positions for Nuclear Data program; pending closing of Holifield Radioactive Ion Beam Facility (HRIBF); and uncertainties of CR with flat funding.

CE/GPP/AIP balances are primarily due to long lead times on procuring scientific instruments that consists of design, testing, and final acceptance before costing occurs, but balances are also from upfront funding for small facility projects. Even though uncosted balances are over threshold for Capital Equipment and GPP, nearly all of Office of Science projects are on schedule for cost and performance. One particular project, the Cryogenic Underground Observatory for Rare Events (CUORE) MIE has balances required for large-ticket, long-lead items such as detector and crystals that were delayed approximately 9 month and will be costed over the next 2 years as crystals are delivered and tested and accepted. Also, funding for Capital Equipment and AIP investment for HRIBF were put on hold due to pending closure while a closure and D&D plan is developed.

FY 2011 Uncosted Balances

Dollars in Thousands

Theme	Treasury Symbol	Treasury Symbol Name	Budget Exec Funding Category	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold %	Threshold Variance
Energy Security	70-X-0900	Information Analysis & Infrastructure Protection,	(C) Federal Operating	3	3	100.00%	1	17.00	2.44
			(D) SFMC	3	3	100.00%		13.00	2.58
				6	**6**	**100.00%**	**1**		**5.02**
	89-0708-0224	Energy Supply and Conservation	(D) SFMC	3,226	2,158	66.88%	419	13.00	1,738.22
				3,226	**2,158**	**66.88%**	**419**		**1,738.22**
	89-0809-0319	Nuclear Energy	(D) SFMC	3,281	1,981	60.39%	427	13.00	1,554.90
				3,281	**1,981**	**60.39%**	**427**		**1,554.90**
	89-0910-0319	Nuclear Energy	(D) SFMC	2,397	2,062	86.04%	312	13.00	1,750.82
				2,397	**2,062**	**86.04%**	**312**		**1,750.82**
	89-1011-0318	Electricity Delivery and Energy Reliability	(C) Federal Operating	42	42	100.00%	7	17.00	34.86
			(D) SFMC	58	58	100.00%	8	13.00	50.46
				100	**100**	**100.00%**	**15**		**85.32**
	89-1011-0319	Nuclear Energy	(C) Federal Operating	13	8	63.91%	2	17.00	6.06
			(D) SFMC	1,480	1,096	74.06%	192	13.00	903.75
				1,493	**1,104**	**73.98%**	**195**		**909.80**
	89-1011-0321	Energy Efficiency and Renewable Energy	(C) Federal Operating	100	100	100.00%	17	17.00	83.00
			(D) SFMC	150	150	100.00%	20	13.00	130.50
				250	**250**	**100.00%**	**37**		**213.50**
	89-20-X-0114	Transfer Appro. Received - Treasury - Energy Secur	(C) Federal Operating	135	135	100.00%	23	17.00	112.26
				135	**135**	**100.00%**	**23**		**112.26**
	89-X-0212	Federal Energy Regulatory Commission	(C) Federal Operating	310,018	9,604	3.10%	52,703	17.00	-43,099.47
				310,018	**9,604**	**3.10%**	**52,703**		**-43,099.47**
	89-X-0213	Fossil Energy Research and Development	(C) Federal Operating	374,642	111,678	29.81%	63,689	17.00	47,988.65
			(D) SFMC	92,556	49,311	53.28%	12,032	13.00	37,278.41
			(E) CE/GPP/AIP	35,684	23,437	65.68%	17,842	50.00	5,594.45
				502,881	**184,425**	**36.67%**	**93,563**		**90,861.51**
	89-X-0215	Energy Conservation	(C) Federal Operating	-12	3	-27.84%	-2	17.00	5.39
				-12	**3**	**-27.84%**	**-2**		**5.39**
	89-X-0216	Energy Information Administration	(C) Federal Operating	117,401	12,237	10.42%	19,958	17.00	-7,720.76
			(D) SFMC	465	325	69.81%	60	13.00	264.28
			(E) CE/GPP/AIP	77	59	76.48%	38	50.00	20.37
				117,944	**12,621**	**10.70%**	**20,057**		**-7,436.11**

Theme	Treasury Symbol	Treasury Symbol Name	Budget Exec Funding Category	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold %	Threshold Variance
Energy Security (cont.)	89-X-0218	Strategic Petroleum Reserve	(C) Federal Operating	133,585	69,589	52.09%	22,709	17.00	46,879.25
			(D) SFMC	183,529	50,464	27.50%	23,859	13.00	26,605.30
			(E) CE/GPP/AIP	594	225	37.97%	297	50.00	-71.43
				317,708	**120,278**	**37.86%**	**46,865**		**73,413.13**
	89-X-0219	Naval Petroleum and Oil Shale Reserve	(C) Federal Operating	41,082	23,358	56.86%	6,984	17.00	16,374.36
			(D) SFMC	1,481	897	60.54%	193	13.00	704.24
			(E) CE/GPP/AIP	1,389	963	69.35%	694	50.00	268.69
				43,952	**25,218**	**57.38%**	**7,871**		**17,347.29**
	89-X-0222	General Science and Research Activities, Operating	(C) Federal Operating	3	3	101.00%		17.00	2.30
				3	**3**	**101.00%**			**2.30**
	89-X-0224	Energy Supply and Conservation	(C) Federal Operating	-175	652	-372.23%	-30	17.00	681.37
			(D) SFMC	219		.00%	29	13.00	-28.51
			(E) CE/GPP/AIP	40	6	15.49%	20	50.00	-13.95
				85	**658**	**776.68%**	**19**		**638.90**
	89-X-0228	Departmental Administration, Operating Expenses	(D) SFMC	1	1	100.00%		13.00	1.07
				1	**1**	**100.00%**			**1.07**
	89-X-0233	Strategic Petroleum Reserve, Petroleum Account	(C) Federal Operating	8,464	2,985	35.27%	1,439	17.00	1,546.27
			(D) SFMC	20,093	16,360	81.42%	2,612	13.00	13,748.04
				28,557	**19,345**	**67.74%**	**4,051**		**15,294.31**
	89-X-0235	Clean Coal Technology	(C) Federal Operating	1,333	101	7.60%	227	17.00	-125.28
			(D) SFMC	108	105	97.46%	14	13.00	91.28
				1,441	**207**	**14.34%**	**241**		**-34.00**
	89-X-0243	Other Defense Activities, Environmental and Other Defense Activities, Energy	(C) Federal Operating	2,516	1,024	40.71%	428	17.00	596.52
			(D) SFMC	91,768	3,938	4.29%	11,930	13.00	-7,991.90
			(E) CE/GPP/AIP	1,316	50	3.78%	658	50.00	-608.09
				95,599	**5,012**	**5.24%**	**13,015**		**-8,003.47**
	89-X-0244	Defense Nuclear Waste Disposal	(C) Federal Operating	23,151	13,494	58.29%	3,936	17.00	9,558.79
			(D) SFMC	28,070	14,916	53.14%	3,649	13.00	11,266.50
				51,221	**28,410**	**55.47%**	**7,585**		**20,825.29**
	89-X-0318	Electricity Delivery and Energy Reliability	(C) Federal Operating	89,526	47,131	52.65%	15,219	17.00	31,911.61
			(D) SFMC	107,272	49,909	46.53%	13,945	13.00	35,963.97
			(E) CE/GPP/AIP	792	322	40.70%	396	50.00	-73.71
				197,590	**97,363**	**49.28%**	**29,561**		**67,801.87**

Theme	Treasury Symbol	Treasury Symbol Name	Budget Exec Funding Category	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold %	Threshold Variance
Energy Security (cont.)	89-X-0319	Nuclear Energy	(C) Federal Operating	150,713	30,444	20.20%	25,621	17.00	4,822.95
			(D) SFMC	769,617	266,765	34.66%	100,050	13.00	166,714.82
			(E) CE/GPP/AIP	54,618	21,239	38.89%	27,309	50.00	-6,070.41
				974,947	**318,448**	**32.66%**	**152,980**		**165,467.36**
	89-X-0321	Energy Efficiency and Renewable Energy	(C) Federal Operating	639,505	326,670	51.08%	108,716	17.00	217,953.98
			(D) SFMC	1,234,390	471,311	38.18%	160,471	13.00	310,840.72
			(E) CE/GPP/AIP	91,103	50,130	55.03%	45,552	50.00	4,578.58
				1,964,999	**848,112**	**43.16%**	**314,738**		**533,373.28**
	89-X-5105	Payments to States under Federal Power Act	(C) Federal Operating	5,790		.00%	984	17.00	-984.32
				5,790		**.00%**	**984**		**-984.32**
	89-X-5180	Energy Security Reserve, Alternative Fuels Product	(C) Federal Operating	8,889	8,889	100.00%	1,511	17.00	7,378.25
				8,889	**8,889**	**100.00%**	**1,511**		**7,378.25**
	89-X-5227	Nuclear Waste Fund	(C) Federal Operating	43,895	18,442	42.01%	7,462	17.00	10,979.43
			(D) SFMC	3,343	1,446	43.24%	435	13.00	1,011.09
				47,238	**19,887**	**42.10%**	**7,897**		**11,990.53**
	89-X-5369	Northeast Home Heating Oil Reserve Account	(C) Federal Operating	16,955	11,912	70.26%	2,882	17.00	9,029.61
				16,955	**11,912**	**70.26%**	**2,882**		**9,029.61**
	89-X-5523	Ultra-Deepwater and Unconventional Natural Gas and other Petroleum Research Fund	(C) Federal Operating	158,545	122,518	77.28%	26,953	17.00	95,565.20
			(D) SFMC	500	500	100.00%	65	13.00	435.00
			(E) CE/GPP/AIP	998	35	3.52%	499	50.00	-463.76
				160,043	**123,053**	**76.89%**	**27,517**		**95,536.44**
Energy Security Total				**4,856,736**	**1,841,246**	**37.91%**	**785,467**		**1,055,779.00**
Environmental Responsibility	89-69-X-8083	Allocation from FHWA to DOE, Pike County Ohio Fog Road Upgrade, 23 USC 117	(D) SFMC	177		.00%	23	13.00	-22.99
				177		**.00%**	**23**		**-22.99**
	89-X-0224	Energy Supply and Conservation	(C) Federal Operating	1,332	658	49.39%	226	17.00	431.57
				1,332	**658**	**49.39%**	**226**		**431.57**
	89-X-0243	Other Defense Activities, Environmental and Other Defense Activities, Energy	(C) Federal Operating	111,269	26,098	23.45%	18,916	17.00	7,181.88
			(D) SFMC	111,802	28,868	25.82%	14,534	13.00	14,333.38
			(E) CE/GPP/AIP	53	53	100.00%	27	50.00	26.55
				223,124	**55,018**	**24.66%**	**33,476**		**21,541.81**

Theme	Treasury Symbol	Treasury Symbol Name	Budget Exec Funding Category	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold %	Threshold Variance
Environmental Responsibility (cont.)	89-X-0249	Defense Environmental Management Privatization	(C) Federal Operating	7	4	59.90%	1	17.00	3.10
				7	**4**	**59.90%**	**1**		**3.10**
	89-X-0251	Defense Environmental Cleanup	(C) Federal Operating	1,147,959	267,016	23.26%	195,153	17.00	71,863.20
			(D) SFMC	3,445,961	256,008	7.43%	447,975	13.00	-191,967.44
			(E) CE/GPP/AIP	85,993	27,078	31.49%	42,997	50.00	-15,918.95
				4,679,914	**550,101**	**11.75%**	**686,125**		**-136,023.18**
	89-X-0315	Non-Defense Environmental Cleanup	(C) Federal Operating	201,734	40,247	19.95%	34,295	17.00	5,951.77
			(D) SFMC	102,470	15,092	14.73%	13,321	13.00	1,770.47
			(E) CE/GPP/AIP	1,027	2	.21%	514	50.00	-511.44
				305,232	**55,340**	**18.13%**	**48,130**		**7,210.80**
	89-X-0320	Legacy Management	(C) Federal Operating	217	214	98.50%	37	17.00	176.95
				217	**214**	**98.50%**	**37**		**176.95**
	89-X-5231	Uranium Enrichment Decontamination and Decommission	(C) Federal Operating	362,477	41,671	11.50%	61,621	17.00	-19,950.45
			(D) SFMC	232,566	1,824	.78%	30,234	13.00	-28,409.24
				595,043	**43,495**	**7.31%**	**91,855**		**-48,359.70**
	89-X-5530	Sales of Uranium-Energy Programs	(C) Federal Operating	408	408	100.00%	69	17.00	338.61
				408	**408**	**100.00%**	**69**		**338.61**
	89-X-8575	Trust Funds - Advances for Co-Sponsored Projects -	(D) SFMC	369	325	88.24%	48	13.00	277.35
				369	**325**	**88.24%**	**48**		**277.35**
Environmental Responsibility Tot				**5,805,415**	**705,565**	**12.15%**	**859,921**		**-154,356.10**
Management Excellence	89-X-0224	Energy Supply and Conservation	(C) Federal Operating	-12	3	-26.49%	-2	17.00	5.38
				-12	**3**	**-26.49%**	**-2**		**5.38**
	89-X-0228	Departmental Administration, Operating Expenses	(C) Federal Operating	284,094	51,062	17.97%	48,296	17.00	2,765.58
			(D) SFMC	62,267	34,518	55.44%	8,095	13.00	26,423.62
				346,361	**85,580**	**24.71%**	**56,391**		**29,189.21**
	89-X-0236	Inspector General	(C) Federal Operating	42,206	2,202	5.22%	7,175	17.00	-4,973.35
				42,206	**2,202**	**5.22%**	**7,175**		**-4,973.35**
	89-X-0243	Other Defense Activities, Environmental and Other Defense Activities, Energy	(C) Federal Operating	512,923	132,290	25.79%	87,197	17.00	45,093.19
			(D) SFMC	166,945	49,371	29.57%	21,703	13.00	27,668.14
			(E) CE/GPP/AIP	7,077	4,255	60.13%	3,539	50.00	716.71
				686,946	**185,917**	**27.06%**	**112,439**		**73,478.04**
Management Excellence Total				**1,075,501**	**273,701**	**25.45%**	**176,002**		**97,699.28**

Theme	Treasury Symbol	Treasury Symbol Name	Budget Exec Funding Category	Total Available to Cost (TAC)	YTD Obs Uncosted	% YTD Obs Uncosted	YTD Threshold Uncosted	Threshold %	Threshold Variance
Nuclear Security	89-03-0313	Office of the Administrator	(C) Federal Operating			.00%		17.00	-.08
						.00%			**-.08**
	89-X-0240	Weapons Activities	(C) Federal Operating	836,961	259,092	30.96%	142,283	17.00	116,808.27
			(D) SFMC	6,313,605	827,201	13.10%	820,769	13.00	6,432.07
			(E) CE/GPP/AIP	595,234	267,358	44.92%	297,617	50.00	-30,259.16
				7,745,800	**1,353,650**	**17.48%**	**1,260,669**		**92,981.17**
	89-X-0243	Materials Production and Other Defense Programs	(C) Federal Operating	7,167	1,953	27.25%	1,218	17.00	734.60
			(D) SFMC	295	28	9.31%	38	13.00	-10.90
				7,463	**1,981**	**26.54%**	**1,257**		**723.71**
	89-X-0309	Defense Nuclear Nonproliferation	(C) Federal Operating	591,528	290,227	49.06%	100,560	17.00	189,667.67
			(D) SFMC	2,262,790	995,949	44.01%	294,163	13.00	701,786.43
			(E) CE/GPP/AIP	56,998	16,748	29.38%	28,499	50.00	-11,751.26
				2,911,317	**1,302,924**	**44.75%**	**423,222**		**879,702.85**
	89-X-0313	Office of the Administrator	(C) Federal Operating	460,026	55,425	12.05%	78,204	17.00	-22,779.87
			(D) SFMC	15,005	8,213	54.74%	1,951	13.00	6,262.32
			(E) CE/GPP/AIP	2,820	2,508	88.93%	1,410	50.00	1,097.91
				477,851	**66,146**	**13.84%**	**81,565**		**-15,419.64**
	89-X-0314	Naval Reactors	(C) Federal Operating	45,243	2,202	4.87%	7,691	17.00	-5,489.58
			(D) SFMC	927,156	103,367	11.15%	120,530	13.00	-17,163.27
			(E) CE/GPP/AIP	60,705	26,569	43.77%	30,353	50.00	-3,783.66
				1,033,104	**132,138**	**12.79%**	**158,574**		**-26,436.51**
Nuclear Security Total				**12,175,535**	**2,856,838**	**23.46%**	**1,925,287**		**931,551.50**
Scientific Discovery and Innovation	70-X-0800	Science & Tech, R&D, Operations, & Acquisitions	(D) SFMC			100.00%		13.00	.10
						100.00%			**.10**
	89-X-0222	General Science and Research Activities, Operating	(C) Federal Operating	413,420	119,507	28.91%	70,281	17.00	49,225.54
			(D) SFMC	3,790,464	934,443	24.65%	492,760	13.00	441,683.15
			(E) CE/GPP/AIP	829,579	461,175	55.59%	414,790	50.00	46,385.79
				5,033,463	**1,515,126**	**30.10%**	**977,831**		**537,294.48**
	89-X-0243	Materials Production and Other Defense Programs	(C) Federal Operating	76	45	59.55%	13	17.00	32.16
				76	**45**	**59.55%**	**13**		**32.16**
Scientific Discovery and Innovation Total				**5,033,538**	**1,515,171**	**30.10%**	**977,844**		**537,326.74**
Report Total				**28,946,725**	**7,192,521**	**24.85%**	**4,724,521**		**2,468,000.41**