DOE/ME-0033
Volume 2

Department of Energy
FY 2005 Congressional Budget Request

Other Defense Activities

Energy Security and Assurance
Security
Independent Oversight & Performance Assurance
Civilian Radioactive Waste Management
Environment, Safety & Health
Legacy Management
Nuclear Energy
Defense Related Administrative Support
Office of Hearings & Appeals
Future Liabilities

Safeguards & Security Crosscut

February 2004

Office of Management, Budget and Evaluation/CFO

Volume 2

DOE/ME-0033
Volume 2

Department of Energy
FY 2005 Congressional Budget Request

Other Defense Activities

Energy Security and Assurance
Security
Independent Oversight & Performance Assurance
Civilian Radioactive Waste Management
Environment, Safety & Health
Legacy Management
Nuclear Energy
Defense Related Administrative Support
Office of Hearings & Appeals
Future Liabilities

Safeguards & Security Crosscut

February 2004

Office of Management, Budget and Evaluation/CFO

Volume 2
Printed with soy ink on recycled paper

Bleed bars

Bleed bars

Volume 2

Table of Contents

The Department of Energy's FY 2005 Congressional Budget justification is available on the Office of Management, Budget and Evaluation/CFO homepage at http://www.mbe.doe.gov/budget/

Department of Energy
Appropriation Account Summary
(dollars in thousands -OMB Scoring)

	FY 2003 Comparable Approp	FY 2004 Comparable Approp	FY 2005 Congress Request	FY 2005 vs. FY 2004	
Energy and Water Development					
Energy Programs					
Energy supply	730,215	788,620	835,266	+46,646	+5.9%
Non-Defense site acceleration completion	156,129	162,411	151,850	-10,561	-6.5%
Uranium enrichment D&D fund	320,563	414,027	500,200	+86,173	+20.8%
Non-Defense environmental services	161,852	306,439	291,296	-15,143	-4.9%
Science	3,322,244	3,500,169	3,431,718	-68,451	-2.0%
Nuclear waste disposal	144,058	188,879	749,000	+560,121	+296.6%
Departmental administration	89,219	93,720	122,611	+28,891	+30.8%
Inspector general	37,426	39,229	41,508	+2,279	+5.8%
Total, Energy Programs	4,961,706	5,493,494	6,123,449	+629,955	+11.5%
Atomic Energy Defense Activities					
National nuclear security administration:					
Weapons activities	5,961,345	6,233,503	6,568,453	+334,950	+5.4%
Defense nuclear nonproliferation	1,223,453	1,334,040	1,348,647	+14,607	+1.1%
Naval reactors	702,196	761,878	797,900	+36,022	+4.7%
Office of the administrator	330,314	336,826	333,700	-3,126	-0.9%
Total, National nuclear security administration	8,217,308	8,666,247	9,048,700	+382,453	+4.4%
Environmental and other defense activities:					
Defense site acceleration completion	5,496,409	5,576,760	5,970,837	+394,077	+7.1%
Defense environmental services	1,105,778	1,012,610	982,470	-30,140	-3.0%
Other defense activities	637,125	670,083	663,636	-6,447	-1.0%
Defense nuclear waste disposal	312,952	387,699	131,000	-256,699	-66.2%
Total, Environmental & other defense activities	7,552,264	7,647,152	7,747,943	+100,791	+1.3%
Total, Atomic Energy Defense Activities	15,769,572	16,313,399	16,796,643	+483,244	+3.0%
Defense EM privatization (rescission)	——	-15,329	——	+15,329	100%
Power marketing administrations:					
Southeastern power administration	4,505	5,070	5,200	+130	+2.6%
Southwestern power administration	27,200	28,431	29,352	+921	+3.2%
Western area power administration	167,760	176,900	173,100	-3,800	-2.1%
Falcon & Amistad operating & maintenance fund	2,716	2,625	2,827	+202	+7.7%
Total, Power marketing administrations	202,181	213,026	210,479	-2,547	-1.2%
Federal energy regulatory commission	——	——	——	——	——
Subtotal, Energy and Water Development	**20,933,459**	**22,004,590**	**23,130,571**	**+1,125,981**	**+5.1%**
Uranium enrichment D&D fund discretionary payments	-432,731	-449,333	-463,000	-13,667	-3.0%
Excess fees and recoveries, FERC	-22,669	-18,000	-15,000	+3,000	+16.7%
Colorado River Basins	-22,000	-22,000	-23,000	-1,000	-4.5%
Total, Energy and Water Development	**20,456,059**	**21,515,257**	**22,629,571**	**+1,114,314**	**+5.2%**

Department of Energy
Appropriation Account Summary
(dollars in thousands -OMB Scoring)

	FY 2003 Comparable Approp	FY 2004 Comparable Approp	FY 2005 Congress Request	FY 2005 vs. FY 2004	
Interior and Related Agencies					
Fossil energy research and development	611,149	672,771	635,799	-36,972	-5.5%
Naval petroleum and oil shale reserves	17,715	17,995	20,000	+2,005	+11.1%
Elk Hills school lands fund	36,000	36,000	36,000	——	——
Energy conservation	880,176	877,984	875,933	-2,051	-0.2%
Economic regulation	1,477	1,034	——	-1,034	-100.0%
Strategic petroleum reserve	171,732	170,948	172,100	+1,152	+0.7%
Strategic petroleum account	1,955	——	——	——	——
Northeast home heating oil reserve	5,961	4,939	5,000	+61	+1.2%
Energy information administration	80,087	81,100	85,000	+3,900	+4.8%
Subtotal, Interior Accounts	1,806,252	1,862,771	1,829,832	-32,939	-1.8%
Clean coal technology	-47,000	-98,000	-140,000	-42,000	-42.9%
Total, Interior and Related Agencies	**1,759,252**	**1,764,771**	**1,689,832**	**-74,939**	**-4.2%**
Total, Discretionary Funding	**22,215,311**	**23,280,028**	**24,319,403**	**+1,039,375**	**+4.5%**
Yucca mountain--mandatory collection to offset discretionary funding	——	——	-749,000	-749,000	n/a
Total, Discretionary Funding	**22,215,311**	**23,280,028**	**23,570,403**	**+290,375**	**+1.2%**

Other Defense Activities

Other Defense Activities

Table of Contents

Other Defense Activities

Proposed Appropriation Language

For Department of Energy expenses including the purchase, construction, and acquisition of plant and capital equipment, and other expenses necessary for atomic energy defense, other defense activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $663,636,000, to remain available until expended. *(Energy and Water Development Appropriations Act, 2004.)*

Explanation of Change

The FY 2005 Congressional Request for the Other Defense Activities Appropriation does not reflect the amount requested in the President's Budget ($664,618,000). The difference ($982,000) was inadvertently included in the Nuclear Energy request for Other Defense Activities instead of deducted from the Nuclear Energy request for Energy Supply. This submission correctly aligns the request.

Department of Energy

Appropriation Summary by Program

(discretionary dollars in thousands)

	FY 2003 Comparable Approp	FY 2004 Comparable Approp	FY 2005 Congress Request	FY 2005 vs. FY 2004	
Other Defense Activities					
Energy security and assurance	26,042	22,340	10,600	-11,740	-52.6%
Office of Security	241,833	256,226	255,101	-1,125	-0.4%
Independent oversight and performance assurance	24,420	23,917	24,669	+752	+3.1%
Civilian waste research and development	16,047	22,858	22,250	-608	-2.7%
Environment, safety & health	110,381	119,866	119,519	-347	-0.3%
Office of Legacy Management	43,333	37,961	34,895	-3,066	-8.1%
Nuclear energy	107,137	111,684	112,847	+1,163	+1.0%
Defense related administrative support	86,913	86,168	92,440	+6,272	+7.3%
Office of hearings and appeals	2,914	3,775	4,318	+543	+14.4%
Office of Future liabilities	——	——	5,000	+5,000	n/a
Subtotal, Other Defense Activities	659,020	684,795	681,639	-3,156	-0.5%
Use of prior year balances and other adjustments	-21,895	-14,712	-18,003	-3,291	-22.4%
Total, Other Defense Activities	**637,125**	**670,083**	**663,636**	**-6,447**	**-1.0%**

Other Defense Activities
Energy Security and Assurance

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjust-ments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Energy Security and Assurance	22,242	20,000	-117	19,883	6,100
Program Direction	3,800	2,472	-15	2,457	4,500
Subtotal, Energy Security and Assurance	26,042	22,472	-132	22,340	10,600
Use of Prior Year Balances	-52	0	-97	0	0
Total, Other Defense Activities, Energy Security and Assurance	25,990[a]	22,472	-229	22,243	10,600

Preface

The Energy Security and Assurance Program (EA) contributes in cooperation with the Department of Homeland Security to the Federal government's effort to ensure a robust, secure, and reliable energy infrastructure in the new threat environment. EA fulfills the Secretary's core responsibilities for critical energy infrastructure protection and preparedness.

Within the Other Defense Activities appropriation, the Energy Security and Assurance Program has a single program consisting of six activities: Energy Disruptions and Preparedness, Coordination with the Private Sector, State and Local Government Support, Policy and Analysis Support, Criticality of Energy Assets, Technology Development and Application, and Program Direction. These activities accomplish specific requirements assigned to the Secretary by Congress and by the President in Homeland Security Presidential Directives (*Critical Infrastructure Identification, Prioritization, and Protection*, Homeland Security Presidential Directive 7 [HSPD-7] and *National Preparedness*, Homeland Security Presidential Directive 8 [HSPD-8]).

This Overview will describe Strategic Context, Mission, Benefits, and Significant Program Shifts. These items together put this appropriation in perspective.

[a] FY 2003 includes funding of $3,378,000 (whole dollars) that was expended for programs transferred to the Department of Homeland Security.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. Energy Security and Assurance performs critical functions which directly support the mission of the Department. These functions include working with other Federal agencies, States, local governments, and the private sector to guard against, respond to, and recover from energy emergencies and ensure the reliable delivery of energy.

Subsequent to the issuance of the *National Energy Policy*, the President issued HSPD-7 and HSPD-8 on December 17, 2003. These directives assign a wide range of responsibilities to the Department of Homeland Security (DHS) and other Federal agencies to lead and support domestic homeland security. HSPD-7 designates the Department of Energy as the Sector-Specific Federal Agency with primary Federal responsibility for facilitating protection of critical infrastructures and key assets in the energy sector including the production, refining, storage and distribution of oil and gas, and electric power except for commercial nuclear power facilities.

HSPD-8 establishes how Federal agencies will prepare for responding to disasters and incidents as authorized by the Stafford Disaster Relief and Emergency Act. As the Department lead for energy emergencies, EA provides technical support and assistance to FEMA during disasters and other major energy disruptions. EA activities directly support the National Response Plan.

Mission

The Energy Security and Assurance Program leads the Federal government's effort to ensure a robust, secure, and reliable energy infrastructure in the new threat environment that includes malevolent threats and increasing complexity due to interdependencies. EA works with States, local governments, and the private sector to coordinate protection activities and cultivate collaborative partnerships to assure public safety, public confidence, and service in the energy sector.

Benefits

The activities of the Energy Security and Assurance Program will engender direct and immediate benefits that will increase the security, reliability, and resiliency of U.S. energy infrastructures. Benefits include:

- **Improved public safety and reduced recovery time following an energy disruption** by assisting State and local governments to improve their energy assurance and response strategies, and supporting emergency operations.
- **Decreased vulnerability of critical energy assets** by conducting in-depth vulnerability assessments.

- **Mitigating the likelihood and impact of energy disruptions on the energy infrastructure and other critical infrastructures**.
- **Improved coordination on energy assurance and emergencies** by developing procedures and protocols to facilitate information sharing and coordinated planning among the energy sectors, States, and Federal agencies.
- **Motivating increased private investment in energy security** by raising awareness of energy assurance issues, and developing policies and strategies that encourage private investment.

Significant Program Shifts

On March 1, 2003, portions of the DOE Energy Security and Assurance program were transferred to the Department of Homeland Security (DHS) as part of a Federal government-wide reorganization of homeland security functions as outlined in the Homeland Security Act of 2002. HSPD-7, issued on December 17, 2003, clarifies DOE's role designating DOE as the Sector-Specific Federal agency responsible for critical infrastructure activities in the energy sector. In addition to critical infrastructure activities, EA retains responsibility for the energy emergency support function of the National Response Plan, which implements 42 USC 5121. These DOE responsibilities are distinct and complementary to those transferred to DHS.

In FY 2003, after transferring certain funds and personnel to the Department of Homeland Security (DHS) in accordance with the Determination Order process, Energy Security and Assurance implemented three program elements: (1) funds were provided to the Idaho National Energy and Environmental Laboratory to establish a Critical Infrastructure Testbed; (2) funds were provided to the National Energy Technology Laboratory (NETL) in West Virginia to assist Energy Security and Assurance to implement the program, and, (3) program direction funds were utilized to develop program plans and implementation strategies for the energy assurance program at DOE. Activities at the Idaho National Energy and Environmental Laboratory and the National Energy Technology Laboratory will continue with prior year funding.

In FY 2004, EA successfully conducted numerous programs to improve the security and reliability of the Nation's energy infrastructure. Select accomplishments include:

- Responding to Hurricane Isabel and working with FEMA, States, and utilities to expedite the restoration of power to the millions who suffered outages;
- Managing the energy emergency created by the August 14, 2003 power outage by gathering power system information, developing response actions, and coordinating recovery efforts. EA also served on the Security Working Group of the U.S./Canada Power System Outage Task Force, which investigated security implications of the power outage;
- Conducting energy emergency training simulations for State stakeholders; and
- Sponsoring demonstrations of new technologies and tools that will help protect the Nation's energy infrastructure from attack and help to determine its vulnerabilities.

In FY 2005, EA will support core program activities and personnel to accomplish key mission elements and responsibilities in energy assurance, critical infrastructure protection, and energy emergencies. These core activities include:

- **Energy Disruptions and Preparedness:** Conduct required emergency functions (including support to the Federal Emergency Management Agency under the Stafford Act and National Response Plan).

- **Criticality of Energy Assets:** Partner with industry to conduct in-depth vulnerability assessments, prioritize critical energy assets and nodes, and develop methodologies and energy asset assessment capabilities; build university-based energy assessment capabilities.

- **State and Local Government Support:** Work with States and local governments to coordinate energy disruption and preparedness and infrastructure protection activities.

- **Coordination with the Private Sector:** Partner with industry, States, and other Federal agencies to coordinate infrastructure protection activities and facilitate effective information exchange practices among public and private partners.

- **Policy and Analysis Support:** Develop and analyze energy assurance data and evaluate national policy implications; evaluate policy barrier and implications of assurance policies; develop program metrics and benchmark performance; and partner with industry to develop metrics and market incentives for enhancing energy assurance.

Other Defense Activities
Energy Security and Assurance

Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Chicago Operations Office					
Argonne National Laboratory	2,200	00,000	00,000	+ 0,000	+ 0.0%
Brookhaven National Laboratory	40	00,000	00,000	+ 0,000	+ 0.0%
Total, Chicago Operations Office	2,240	00,000	00,000	+ 0,000	+ 0.0%
Idaho Operations Office					
Idaho National Engineering and Environmental Laboratory	3,243	00,000	00,000	+ 0,000	+ 0.0%
Total, Idaho Operations Office	3,243	00,000	00,000	+ 0,000	+ 0.0%
National Energy Technology Laboratory ...	15,644	19,883	00,000	- 16,403	- 100.0%
Total, National Energy Technology Laboratory	15,644	19,883	00,000	- 16,403	- 100.0%
Oak Ridge Operations Office					
Oak Ridge National Laboratory	630	00,000	00,000	+ 0,000	+ 0.0%
Total, Oak Ridge Operations Office	630	00,000	00,000	+ 0,000	+ 0.0%
Oakland Operations Office					
Lawrence Livermore National Laboratory	100	00,000	00,000	+ 0,000	+ 0.0%
Total, Oakland Operations Office	100	00,000	00,000	+ 0,000	+ 0.0%
Washington Headquarters	4,185	2,457	10,600	+ 4,663	+78.5%
Total, Energy Assurance Program	26,042	22,340	10,600	- 11,740	-52.6%

Site Description

Argonne National Laboratory (ANL)
Argonne National Laboratory (ANL) is one of the U.S. Department of Energy's largest research centers. It is also the Nation's first national laboratory, chartered in 1946.The laboratory has two campuses and more than 4,000 employees, including about 1,400 scientists and engineers. Argonne supports upwards of 200 research projects, ranging from studies of the atomic nucleus to global climate change research. Since 1990, Argonne has worked with more than 600 companies and numerous Federal agencies and other organizations.

ANL's specific activities for Energy Security and Assurance include vulnerability assessments and exercises and training.

Brookhaven National Laboratory (BNL)
Brookhaven National Laboratory is located in Upton, New York. The staff conducts research in the physical, biomedical, and environmental sciences, as well as in energy technologies. BNL's specific activities for Energy Security and Assurance include vulnerability assessments.

Idaho National Engineering and Environmental Laboratory (INEEL)
Idaho National Engineering and Environmental Laboratory (INEEL), located in Eastern Idaho, consists of an 890-square mile reservation located 32 miles west of Idaho Falls, Idaho. Research facilities and office buildings are also located in Idaho Falls. The Laboratory employs about 8,000 people at these two locations. The mission of the INEEL includes:

- Deliver science-based, engineered solutions to the challenges of DOE's mission areas, other Federal agencies, and industrial clients.
- Complete environmental cleanup responsibly and cost-effectively using innovative science and engineering capabilities.

Lawrence Livermore National Laboratory (LLNL)
Lawrence Livermore National Laboratory (LLNL) is a U.S. Department of Energy national laboratory operated by the University of California. LLNL was founded in September 1952 as a second nuclear weapons design laboratory to promote innovation in the design of our Nation's nuclear stockpile through creative science and engineering. Livermore has also become one of the world's premier scientific centers, where cutting-edge science and engineering in the interest of national security is used to break new ground in other areas of national importance, including energy, biomedicine, and environmental science.

Oak Ridge National Laboratory (ORNL)

Oak Ridge National Laboratory (ORNL) is a multiprogram science and technology laboratory. Scientists and engineers at ORNL conduct basic and applied research and development to create scientific knowledge and technological solutions that strengthen the Nation's leadership in key areas of science; increase the availability of clean, abundant energy; restore and protect the environment; and contribute to national security. ORNL's specific activities for Energy Security and Assurance include exercises and training.

National Energy Technology Laboratory (NETL)
NETL has campuses located in Morgantown, West Virginia, Pittsburgh, Pennsylvania, and Tulsa, Oklahoma. NETL's primary mission is to assure that U.S. fossil energy resources meet increasing demand for affordable energy without compromising the quality of life for future generations of Americans. NETL's major mission area is energy resources. NETL is a key resource in the development of science and technology needed to support DOE's mission of fostering "a secure and reliable energy system that is environmentally and economically sustainable."

NETL's specific activities for DOE's Energy Resources mission are:

- Shape, fund, and manage extramural RD&D programs.
- Conduct on-site research and technology development.
- Assess energy systems and conduct other studies to support energy policy development.
- Provide procurement and project management support for several programs.

Energy Security and Assurance

Funding Profile by Subprogram

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Energy Security and Assurance …	22,242[a]	20,000	-117	19,883	6,100

Public Law Authorizations:

P.L. 95-91 Department of Energy Organization Act (1977)
P.L. 106-390 Robert T. Stafford Disaster Relief and Emergency Assistance Act (2000)
P.L. 107-296 Homeland Security Act of 2002

Mission

Energy Security and Assurance (EA) leads the Federal government's effort to ensure a robust, secure, and reliable energy infrastructure in the new threat environment that includes malevolent threats and increasing complexity due to interdependencies.

Benefits

Within the Other Defense Activities appropriation, Energy Security and Assurance fully supports DOE's Energy Strategic Goal to improve energy security by providing for reliable delivery of energy and guarding against energy emergencies. This program works with States, local governments, and the private sector to coordinate protection activities and cultivate collaborative partnerships to assure public safety, public confidence, and service in the energy sector. To ensure a seamless Federal response in energy assurance, OEA coordinates its activities with the Department of Homeland Security and other Federal agencies, consistent with the Homeland Security Act of 2002 (Public Law 107-296) and HSPD-7 and HSPD-8.

[a] This amount reflects FY 2003 funds including $3,378,000 (whole dollars) expended for programs transferred to the Department of Homeland Security.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Energy Security and Assurance	**22,242**	**19,883**	**6,100**

The *Homeland Security Act of 2002* reorganized the Federal government's responsibilities to protect the United States from future terrorist attacks. Although some DOE security functions were moved to the Department of Homeland Security on March 1, 2003 as part of this reorganization, key functions and responsibilities remain with DOE and new important functions have been assigned. These include:

- Identify, monitor, and coordinate the protection of critical infrastructure and key resources
- Elevate awareness and understanding of threats and vulnerabilities to critical facilities, systems, and functions
- Identify and promote effective sector-specific risk management policies and protection practices and methodologies
- Expand voluntary, protection-related information sharing among private sector entities within the energy sector, as well as among government and private entities

In addition, DOE has responsibilities to identify critical facilities, systems, and functions within the energy sector; facilitate the development of energy sector protection plans; assess energy sector vulnerabilities; frequently assess the reliability, vulnerability, and threat environments of the Nation's energy infrastructure.

DOE is also responsible for the Emergency Support Function for Energy as outlined in the National Response Plan (2003).

In FY 2005, EA will support core program activities and personnel to accomplish key mission elements and responsibilities in energy assurance, critical infrastructure protection, and energy emergencies. These core activities include:

- **Energy Disruptions and Preparedness:** Conduct required emergency functions (including support of the Federal Emergency Management Agency under the Stafford Act and National Response Plan).

- **Criticality of Energy Assets:** Partner with industry to conduct or facilitate in-depth vulnerability assessments and prioritize critical energy assets and nodes in oil, gas, and electricity sectors.

- **Coordination with the Private Sector:** Partner with industry, States, and other Federal agencies to coordinate infrastructure protection activities and facilitate effective information exchange practices among public and private partners.

- **State and Local Government Support:** Assist States with energy disruption plans, conduct energy assurance exercises, provide guidelines and tools to help States perform vulnerability assessments, and develop the Energy Emergency Assurance Coordinators (EEAC) system, a communications tool for State energy offices and DOE.

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Energy Security and Assurance	**22,242**	**19,883**	**6,100**

- **Policy and Analysis Support:** Develop and analyze energy assurance data and evaluate national policy implications; evaluate policy barrier and implications of assurance policies; develop program metrics and benchmark performance; and partner with industry to develop metrics and market incentives for enhancing energy assurance.

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Energy Security and Assurance	
The FY 2004 **appropriation** was higher than the FY 2005 request due to a $20 million Congressional earmark. However, the FY 2005 request is $1.8 million or 30% more than the FY 2004 request due to the implementation of Homeland Security Presidential Directives 7 and 8.	-13,783
Total Funding Change, Energy Security and Assurance	-13,783

Program Direction

Funding Profile by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Headquarters					
Salaries and Benefits	2,200	1,992	3,000	+1,008	+50.6%
Travel	490	220	290	+ 70	+31.8%
Support Services	800	0	730	+ 730	+ 730.0%
Other Related Expenses	310	245	480	+ 220	+ 84.6%
Total, Program Direction	3,800	2,457	4,500	+2,043	+ 83.2%
Full Time Equivalents	9	13	20	+7	+ 53.8%

Mission

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Energy Security and Assurance program.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. Energy Security and Assurance performs critical functions which directly support the mission of the Department. These functions include working with other Federal agencies, States, local governments, and the private sector to respond to and guard against energy emergencies and ensure the reliable delivery of energy.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**2,200**	**1,992**	**3,000**

Staff coordinates protection, operations planning, and energy assurance functions with 50 states, four territories, and 87,000 local jurisdictions. Staff coordinates critical infrastructure identification and prioritization activities with the oil, gas, and electricity sectors. Staff leads efforts to conduct and facilitate vulnerability assessments. Staff provides technical and analytical support to monitor the supply/demand of energy; respond to energy disruptions; and restore energy systems during disasters. Staff supports State and local governments in developing plans and preparing for energy disruptions.

Travel	**490**	**220**	**290**

The estimate reflects regional meetings to coordinate energy assurance activities, participation in extended vulnerability assessments, required regional training and emergency exercises, participation in National Response Plan regional coordination meetings, and ongoing partnership development activities with States, local governments, and the private sector

Support Services	**356**	**0**	**730**

Provide critical management services to EA including development of strategic and program plans, website development, support for EA emergency functions, stakeholder and contact database development, preparation of outreach and communication materials, support for program reviews, logistical support for meetings and conferences, development of program metrics, assistance with budget and financial requirements, and tracking of financial, travel, and procurement actions.

Provide critical technical services to EA including analysis of technology needs for the energy infrastructure, technical analysis, and review of methodologies to identify critical energy assets, development of criteria for prioritizing energy assets, identification of needs and approaches for training, and develop inventory of technical and scientific capabilities of the national laboratories.

Other Related Expenses	**754**	**245**	**480**

Acquire the necessary services and equipment to accomplish FY 2004 and FY 2005 program including funds for rent, network support, desktop services, computer hardware, software, furniture, and communication equipment.

Total, Program Direction	**3,800**	**2,457**	**4,500**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ Increase in salaries and benefits is due to an increase of 6 FTEs required to implement enhanced FY 2005 activities in energy assurance, as well as general pay increases, promotions, and within-grade increases.	+1,008
Travel	
▪ Additional travel expenses reflect implementation of new FY 2005 program activities and escalating airfare and lodging costs.	+70
Support Services	
▪ Increase reflects required technical and management services to support expanded FY 2005 Energy Security and Assurance Program, such as strategic planning, website development, support for emergency functions, outreach and communications, logistical support for meetings and conferences, technical analysis of the energy infrastructure and R&D gaps, methodology review on identifying critical energy assets, development of criteria for prioritizing energy assets.	+730
Other Related Expenses	
▪ Increase reflects the cost of new computer software, hardware, network infrastructure, communications equipment, rent, and furniture to support planned staff additions.	+235
Total Funding Change, Program Direction.....	**+2,043**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support					
Engineering and technical services ...	200	0	505	+ 505	+505.0%
Total, Technical Support	200	0	505	+ 505	+505.0%
Management Support					
Program management services	156	0	225	+ 225	+ 225.0%
Total, Management Support.....	156	0	225	+ 225	+ 225.0%
Total, Support Services	356	0	730	+ 730	+ 730.0%

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Equipment	474	20	150	+ 130	+ 650.0%
Working Capital Fund	280	225	330	+ 105	+ 46.7%
Total, Other Related Expenses	754	245	480	+235	+ 95.9%

Other Defense Activities
Office of Security

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Office of Security	241,833	257,712	-1,486[a]	256,226	255,101
Subtotal, Other Defense Activities	241,833	257,712	-1,486	256,226	255,101
Use of Prior-Year Balances	-11,175	0	-4,983	-4,983	0
Less Security Charge for Reimbursable Work	-712	-712	0	-712	0
Total, Other Defense Activities, (SO)	229,946	257,000	-6,469	250,531	255,101

Funding Profile by Subprogram

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Office of Security					
Nuclear Safeguards and Security	144,512	150,668	-863[a]	149,805	143,197
Security Investigations	45,579	54,554	-320[a]	54,234	53,554
Program Direction	51,742	52,490	-303[a]	52,187	58,350
Sub-total, Office of Security	241,833	257,712	-1,486	256,226	255,101
Use of Prior-Year Balances	-11,175	0	-4,983	-4,983	0
Less Security Charge for Reimbursable Work	-712	-712	0	-712	0
Total, Other Defense Activities, (SO)	229,946	257,000	-6,469	250,531	255,101

Public Law Authorizations:
P.L. 83-703, "Atomic Energy Act of 1954"
P.L. 95-242, "Nuclear Non-Proliferation Act of 1978"
P.L. 103.62, "Government Performance and Results Act of 1993"

Preface

The Office of Security develops strategies and policies governing the protection of national security and

[a] Distribution of the rescission from the Consolidated (Omnibus) Appropriations Bill for FY 2004.

other assets entrusted to the Department of Energy. The Office of Security also manages the Department's Operations Center; Continuity of Operations (COOP) and Continuity of Government (COG) Plans, provides protection for DOE facilities in the National Capital area, and nuclear materials tracking and accounting programs.

Within the Other Defense Activities appropriation, the Security program has three (3) subprograms: Nuclear Safeguards and Security (three key activities: Operational Support; Technology and Systems Development; and Classification/Declassification); Security Investigations; and Program Direction.

This Overview will describe Strategic Context, Mission, Benefits, and Significant Program Shifts. These items together put this appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Security performs critical functions which directly support the mission of the Department as described in the Mission statement below.

Mission

The overall security mission for the Department of Energy is to contribute, in partnership with others, to the Nation's security by protecting America's nuclear deterrence capabilities from a spectrum of diverse threats. In concert with this mission, the Office of Security develops and promulgates clear and consistent safeguards and security strategies and policy governing the protection of national security and other critical assets entrusted to the Department. In addition, the Office of Security manages security operations for DOE facilities in the National Capital area as well as the DOE Headquarters Operations Centers and the Department's programs for Continuity of Operations (COOP) and Continuity of Government (COG).

The Office of Security performs critical functions which directly support the mission of the Department as part of the following budget structure.

- Nuclear Safeguards and Security (NSS) Program
  - Operational Support
  - Technology and Systems Development
  - Classification, Declassification, and Controlled Information
- **Security Investigations**
- **Program Direction**

NSS Operational Support funds: 1) the Department's official system of record for special nuclear materials (SNM) to satisfy statutory requirements and international obligations as well as a system for standardized site reporting of nuclear materials safeguards data; 2) support for the development and promulgation of Department-wide security policy; 3) Headquarters Security to protect personnel, facilities, Government property and classified matter at Headquarters sites; 4) the Department-wide process for granting of access to foreign nationals to DOE Federal and contractor facilities as well as the approval, control and reporting on DOE-wide official foreign travel; 5) DOE Headquarters Operations Centers, the Emergency Communications Network (ECN), and the Continuity of Operations/Continuity of Government program; and 6) security training and education to personnel throughout the DOE complex.

NSS Technology and Systems Development funds cross cutting technology solutions that enhance the Department's ability to defend against threats to its nuclear weapons, special nuclear materials, classified information, and other key assets and personnel.

NSS Classification, Declassification, and Controlled Information: 1) provides Government-wide and Department-wide policies and guidance to identify nuclear weapons and other information that warrant protection in the interest of national security; and 2) supports declassification reviews and audits of classified documents as well as providing training and assistance programs throughout the Government to ensure consistent protection of the most sensitive information.

The Security Investigations Program centrally funds all background investigations for DOE Federal employees and contractors who, in the performance of their official duties, require access authorizations for Restricted Data, National Security Information, or certain quantities of special nuclear material.

Program Direction: Provides Federal salaries and related support at DOE Headquarters, NNSI, and New Brunswick Laboratory to carry out the program's mission.

Benefits

The Office of Security provides the framework for a comprehensive and balanced Departmental security posture by supporting its energy security, accountability, and emergency management mandates. The Departments principal tool in its national security mandate is policy – a key functional element of the Office of Security. Recent development of the Design Basis Threat and Strategic Security Plan provides the basic policy roadmap for how DOE must respond to perceived threats now and well into the future. Part of this strategy is to invest in high-risk, high value Department-wide security technology solutions that enhance and strengthen the Department's security posture. Security enhancements at National Capital Region facilities help ensure the physical protection of DOE leaders and employees. The energy operations center enables the Department to respond to operational, energy, and emergency assistance situations. The continuity of operations program can relocate and support DOE operations and support Executive Branch and national requirements for executive succession. We develop standards, manage and supervise Department-wide compliance over a wide range of operations such as security training, nuclear material accountability, and classified information. These initiatives and daily activities are critical to the Department's Mission and Strategic Plan.

Significant Program Shifts

Based on a re-evaluation of core functions, Department-wide security training will be restructured to meet mission requirements.

Based on a reevaluation of mission requirements, the Technology and Systems Development sub-program will eliminate performance testing and associated capital equipment funding in FY 2005.

Other Defense Activities
Office of Security

Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Chicago Operations Office					
Argonne National Laboratory	750	750	750	0	0.0%
Chicago Operations Office	454	613	643	+30	+4.9%
New Brunswick Laboratory	6,411	7,771	6,537	-1,234	-15.9%
Total, Chicago Operations Office	7,615	9,134	7,930	-1,204	-13.2%
Idaho Operations Office					
Idaho National Engineering and Environmental Laboratory	1,067	1,252	1,212	-40	-3.2%
Idaho Operations Office	634	1,117	1,292	+175	+15.7%
Total, Idaho Operations Office	1,701	2,369	2,504	+135	+5.7%
Livermore Site Office					
Livermore Site Office	3,131	2,276	182	-2,094	-92.0%
Total, Livermore Site Office	3,131	2,276	182	-2,094	-92.0%
Los Alamos Site Office					
Los Alamos National Laboratory	5,435	5,695	5,399	-296	-5.2%
Total, Los Alamos Site Office	5,435	5,695	5,399	-296	-5.2%
Nevada Site Office					
Nevada Site Office	6,828	7,923	9,166	+1,243	+15.7%
Total, Nevada Site Office	6,828	7,923	9,166	+1,243	+15.7%
NNSA Service Center					
NNSA Service Center	28,142	34,680	32,582	-2,098	-6.1%
Nonproliferation and National Security Institute	12,989	12,349	8,341	-4,008	-32.5%
Total, NNSA Service Center	41,131	47,029	40,923	-6,106	-13.0%
Oak Ridge Operations Office					
Oak Ridge Institute for Science & Education	500	838	500	-338	-40.3%
Oak Ridge National Laboratory	0	10	0	-10	-100.0%
Oak Ridge Operations Office	2,624	3,329	3,696	+367	+11.0%
Total, Oak Ridge Operations Office	3,124	4,177	4,196	+19	+0.5%
Pantex Site Office					
Pantex Plant	25	5	25	+20	+400.0%
Total, Pantex Site Office	25	5	25	+20	+400.0%
Richland Operations Office					
Hanford Site	89	89	89	0	0.0%

	(dollars in thousands)				
	FY 2003	FY 2004	FY 2005	$ Change	% Change
Pacific Northwest National Laboratory	3,238	3,614	2,244	-1,370	-37.9%
Richland Operations Office	1,933	2,302	2,425	+123	+5.3%
Total, Richland Operations Office	5,260	6,005	4,758	-1,247	-20.8%
Sandia Site Office					
Sandia National Laboratories	10,396	11,990	10,230	-1,760	-14.7%
Total, Sandia Site Office	10,396	11,990	10,230	-1,760	-14.7%
Savannah River Operations Office					
Savannah River Operations Office	8,372	8,271	9,541	+1,270	+15.4%
Savannah River Site	1,549	2,436	2,450	+14	+0.6%
Total, Savannah River Operations Office	9,921	10,707	11,991	+1,284	+12.0%
Washington Headquarters					
Office of Scientific and Tech Information	330	295	415	+120	+40.7%
Washington Headquarters	144,571	147,031	157,182	+10,153	+6.9%
Total, Washington Headquarters	144,901	147,326	157,527	+10,273	+7.0%
Y-12 Site Office					
National Security Complex	2,365	1,590	200	-1,390	-87.4%
Total, Y-12 Site Office	2,365	1,590	200	-1,390	-87.4%
Subtotal, Office of Security	241,833	256,226	255,101	-1,125	-0.4%
Use of Prior Year Balances	-11,175	-4,983	0	+3,483	+100.0%
Less Security Charge for Reimbursable Work	-712 a	-712	0	+712	+100.0%
Total, Office of Security	229,946	250,531	255,101	+4,570	+1.8%

a For FY 2003 and FY 2004, the site funding for NBL is $712K higher due to the security charge for reimbursable work.

Site Description

Chicago Operations Office

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Chicago Operations Office.

Argonne National Laboratory (ANL)

Nuclear Safeguards and Security
ANL supports tasks associated with the Foreign Ownership, Control, or Influence (FOCI) program facilitating an e-FOCI database of information that ensures a thorough DOE investigation of foreign ownership, control or influence on contracts involving classified information of special nuclear materials. The e-FOCI system is an e-Government initiative.

New Brunswick Laboratory (NBL)

Nuclear Safeguards and Security
NBL located at Argonne, Illinois, is the U.S. Government's nuclear material measurements and standards laboratory and is a Federal Center of Excellence in nuclear material measurement science. The laboratory provides and maintains an internationally compatible nuclear material reference base for domestic and international measurements for nuclear material accountability.

Program Direction
Funding supports salaries and benefits, travel, training, and contractual services in support of the Federal personnel.

Idaho Operations Office

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Idaho Operations Office.

Idaho National Engineering and Environmental Laboratory (INEEL)

Nuclear Safeguards and Security
INEEL provides technical assistance and engineering support for: review and evaluation of security design requirements; site safeguards and security plan reviews; development and refinement of security design criteria; and day-to-day technical support of the Headquarters security alarm and access control system.

Livermore Site Office/Lawrence Livermore National Laboratory (LLNL)

Nuclear Safeguards and Security
The LLNL technology development program focuses on physical security and Materials Control and Accounting (MC&A). Physical security activities focus on expanding the ability of current alarm communication and access control systems to interact more effectively during an emergency situation (e.g., fire protection, radiological release monitoring). MC&A provides enhanced measurement capabilities that increase accuracy and reduce the amount of time required to perform measurements. The Classification, Declassification, and Controlled Information Program is supported by providing classification/declassification technical expertise in the following areas: nuclear weapons, material production, material disposition, computer codes, arms control, subcritical experimentation (experiments, in lieu of weapon testing, conducted underground at the Nevada Test Site with very small amounts of plutonium and high explosives), homeland security, guidance streamlining initiative, novel methods of uranium enrichment, and intelligence issues. In addition, LANL provides analysis and reports on the detailed content and proliferation potential of certain nuclear weapon-related information available in the public domain.

Los Alamos Site Office/Los Alamos National Laboratory (LANL)

Nuclear Safeguards and Security
Work at LANL is designed to address current, evolving, and future needs, primarily in MC&A. MC&A activities include the development of measurement technologies and instrumentation to quantify difficult-to-measure or shielded special nuclear materials. Other LANL activities include the development of standards for special nuclear materials to calibrate instruments around the complex; evaluation and modification of commercial measurement systems to meet DOE requirements; and specialized technical expertise and support to the Classification, Declassification, and Controlled Information Program in the following areas: weapons, material production, material disposition, computer codes, commercial inorganic membranes (permits private sector to utilize gaseous diffusion technology to develop filters for commercial use), centrifuges, and novel methods of uranium enrichment.

Nevada Site Office

Nuclear Safeguards and Security
Activities conducted at the Remote Sensing Laboratory and the Special Technologies Laboratory focus on development of advanced physical security technologies, including the testing of physical security systems to determine if they meet DOE-specific requirements. To assist protective force personnel, activities are focused on integrating a graphical positional system into protective force gear to provide real-time tracking of personnel. The Remote Sensing Laboratory also provides support for the DOE Operations Center and the maintenance, upgrade, and expansion of the Emergency Communications Network (ECN). Nevada also provides unique technical expertise and support to the Classification, Declassification, and Controlled Information Program in the following areas: nuclear weapons testing, subcritical experimentation (experiments, in lieu of weapon testing, conducted underground at the Nevada Test Site with very small amounts of plutonium and high explosives), radiological emergency response, and stockpile stewardship.

NNSA Service Center - Albuquerque

Nuclear Safeguards and Security
The Classification, Declassification, and Controlled Information Program receives support in the development of classification guidance in the areas of nuclear weapons, material disposition, intelligence, and chemical/biological weapons.

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Albuquerque NNSA Service Center.

Nonproliferation and National Security Institute (NNSI), Albuquerque

Nuclear Safeguards and Security
NNSI is located in Albuquerque, New Mexico, and reports to the Office of Security at Headquarters. NNSI was established to be the DOE leader in the development of standardized state-of-the-art security training methodology and for integrating comprehensive and professionally executed training, education, and vocational services. NNSI provides training and education services and support to the Office of Security as follows:

- Safeguards and Security Central Training Academy
- Foreign Interaction Training Academy
- Accelerated Access Authorization Program Test Center

Since the September 11 attacks, NNSI is actively involved in conducting DOE training and education for a major component of the Homeland Defense effort. This includes: identifying and countering foreign intelligence threats; providing value-added defensive counterintelligence; and conducting employee self-defense briefings, debriefings, and specific awareness training about national security issues.

Security Investigations
NNSI receives funding for maintaining the DOE Test Center/Accelerated Access Authorization Program (AAAP) located in Albuquerque, New Mexico and Oak Ridge, Tennessee, and the Safeguards and Security Awareness Program. The AAAP expedites the placement of urgently required personnel through processing a "Q" interim access authorization prior to completion of the standard background investigation. NNSI also develops and distributes annual refresher security briefing material for Department-wide use via the Internet.

Oak Ridge Operations Office

Nuclear Safeguards and Security
Oak Ridge Operations Office provides support to the Classification, Declassification, and Controlled Information Program by: reviewing documents for declassification requested under the Energy

Employees Occupational Illness Compensation Program and Environment, Safety, and Health civil suits and, by providing technical expertise and support for the following areas: nuclear weapons, material production, material disposition, commercial inorganic membranes (permits private sector to utilize gaseous diffusion technology to develop filters for commercial use), centrifuges, and novel methods of uranium enrichment.

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Oak Ridge Operations Office.

Oak Ridge Institute for Science & Education (ORISE)

Nuclear Safeguards and Security
ORISE provides technical support for the implementation, training, operation, and quality assurance of the Personnel Security Assurance Program, and a variety of research and analysis activities in support of the personnel security function.

Pantex Site Office/Pantex Plant

Nuclear Safeguards and Security
Technical expertise and support is provided to the Classification, Declassification, and Controlled Information Program in the following areas: nuclear weapons production and military use, stockpile stewardship, and specific nuclear weapon system guidance.

Richland Operations Office

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Richland Operations Office.

Hanford Site

Nuclear Safeguards and Security
Hanford provides field expertise, technical support and assistance for the review, update and consolidation of safeguards and security orders, policies, and field guidance.

Pacific Northwest National Laboratory (PNNL)

Nuclear Safeguards and Security
PNNL provides technical expertise, assistance, training, and awareness in support of information security. Activities include the identification and resolution of security problems across DOE. Technical assistance is provided to support special nuclear material consolidation, the Master Safeguards and Security (S&S) Agreement, the Site S&S Plan, and performance testing. PNNL provides technical, analytical, operational, and training support to the Office of Foreign Visits, Assignments, and

Travel in support of their Foreign Access Central Tracking System.

Sandia Site Office/Sandia National Laboratories (SNL), Albuquerque

Nuclear Safeguards and Security
Sandia focuses on development of technologies and systems required to protect the Department from catastrophic consequences such as use of nuclear weapons and/or material for malevolent purposes or the erosion of national security secrets through theft or diversion of classified materials or information. Technical assistance is provided for assessment of site vulnerability analysis and site safeguards and security plans. The technology development program focuses on physical security technologies to protect and secure the DOE complex. Activities include developing countermeasures for security equipment vulnerabilities. Sandia will performance test: interior and exterior sensors, alarm communications, access delay, and entry control systems to provide sound acquisition advice to DOE facilities and for inclusion into vulnerability analysis software. Sandia will also update the Adversary Timeline Analysis Software to more accurately and realistically model DOE security systems and analyze them for vulnerabilities. Sandia provides technical expertise to the Classification, Declassification, and Controlled Information Program in the development of Headquarters classification guidance covering the following areas: nuclear weapons, nuclear weapon production and military use, stockpile stewardship, chemical/biological weapons, nuclear smuggling, computer codes, and intelligence.

Savannah River Operations Office

Nuclear Safeguards and Security
Savannah River maintains the Department's official system of record for SNM via the Nuclear Materials Management and Safeguards System.

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of the Savannah River Operations Office.

Savannah River Site

Nuclear Safeguards and Security
Savannah River supports MC&A through the development, enhancement, deployment, and operation of a software application (LANMAS) for nuclear materials accounting throughout the DOE complex. This technology allows greater reliability, efficiency, and cost savings through increased standardization and use of advanced software technologies. Technical support is also provided to the Classification, Declassification, and Controlled Information Program for classification guidance issues concerning materials disposition and tritium production.

Washington Headquarters

Nuclear Safeguards and Security
The Headquarters program for Nuclear Safeguards and Security has responsibility for management and

implementation of the:

- Headquarters Security Police Force;
- Technical Surveillance Countermeasures (TSCM) program;
- Safeguards and Security Information Management System (SSIMS) database;
- DOE Computer Forensics Laboratory supporting inquiries into unauthorized disclosures of classified information;
- Maintenance and upgrade of alarm systems, access control systems, related computer equipment; and protective force equipment;
- DOE Operations Centers and the maintenance and expansion of communications systems connecting the DOE complex and selected Federal agencies which is essential for rapid Departmental response(s) to emergencies that may occur within the DOE complex, or outside the continental United States.
- Continuity of Operations/Continuity of Government (COOP/COG).
- Classification and Declassification of nuclear weapons-related technology (known as Restricted Data and Formerly Restricted Data) and other information classified by Executive Order (known as National Security Information); control of information protected by statute (known as Unclassified Controlled Nuclear Information and Official Use Only Information); policies that provide the public access to information necessary for an informed discussion of DOE's nuclear weapons and other programs while continuing to support the paramount objective of protecting information from strategic adversaries, proliferants or potential proliferants, and terrorists.

Security Investigations
The Security Investigations budget provides funding for background investigations conducted by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) for DOE Federal employees and contractors under the auspices of Washington Headquarters.

Headquarters also funds Department-wide personnel security databases and their subsequent integration via the eGov DOE Integrated Security System+ (eDISS+). The eDISS+ initiative consists of a set of interrelated databases, associated client applications, and web pages that provide a mechanism to automate the processing and tracking of access authorization requests Department-wide. eDISS+ also allows electronic communications between DOE offices and the transmission of investigative requests directly from DOE offices to the Office of Personnel Management (OPM).

Program Direction
The Office of Security Federal personnel serve as the operational element for activities that include: Department-wide security policy, the security training mission at the Nonproliferation and National Security Institute in Albuquerque, New Mexico; Department-wide control and accountability for plutonium, uranium, and special materials; classification and declassification operations; tracking of foreign national visits and assignments and official foreign travel; executive protection; Headquarters

security operations; the DOE Operations Centers and the Continuity of Operations (COOP)/Continuity of Government (COG) programs.

Office of Scientific and Technical Information

Nuclear Safeguards and Security
Efforts are focused on capturing historical and current safeguards and security information, converting this information to electronic documents, and providing timely access and analysis capabilities for the safeguards and security policy staff. Support is also provided for the Classification, Declassification, and Controlled Information Program by improving the access capability to DOE's OpenNet database and maintaining a thesaurus and dictionary for the automated classification guidance system used in the electronic Classification Guidance System (CGS)

Y-12 Site Office/Y-12 National Security Complex

Nuclear Safeguards and Security
At Y-12, the technology development program provides the physical security, material control and accounting support needed to protect nuclear weapons, nuclear material, classified information, and other vital DOE assets (non-nuclear and unclassified). Y-12 also provides technical expertise and support to the Classification, Declassification, and Controlled Information Program in developing guidance streamlining technologies and techniques to manage classification policy and guidance in an effective manner. Specifically, Y-12 is developing a method to manage classification topics and related classification guidance information, such as key concepts, keystones, reasons for classification keywords, etc.

Nuclear Safeguards and Security

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Nuclear Safeguards and Security					
Operational Support	89,045[a]	96,399	95,754	-645	-.7%
Technology and Systems Development	22,557	20,797	14,519	-6,278	-30.2%
Classification, Declassification, and Controlled Information Program	32,909	32,609	32,924	+315	-1.0%
Total, Nuclear Safeguards and Security	144,512	150,668	143,197	-7,471	-5.0%

Description

The mission of the Nuclear Safeguards and Security program is to provide policy, programmatic direction, technology solutions, nuclear materials accountability, and security training associated with the Department's nuclear weapons, nuclear materials, classified information and facilities. This subprogram also manages security operations for DOE facilities in the National Capital area as well as the DOE Operations Centers and the Department's programs for Continuity of Operations (COOP) and Continuity of Government (COG).

Benefits

Within the Other Defense Activities appropriation, this program fully supports DOE's Defense Strategic Goal to protect our national security. The Departments principal tool in its national security mandate is policy – a key functional element of this subprogram. Recent development of the Design Basis Threat and Strategic Security Plan provides the basic policy roadmap for how DOE must respond to perceived threats now and in the future. Part of this strategy is to invest in high-risk, high value Department-wide security technology solutions that enhance and strengthen the Department's security posture. Security enhancements at National Capital Region facilities are also a major step towards ensuring the physical protection of DOE leaders and employees. The energy operations center enables the Department to respond to operational, energy, and emergency assistance situations. The continuity of operations program can relocate and support DOE operations and support Executive Branch and national requirements for executive succession. We develop standards, manage and supervise Department-wide compliance over a wide range of operations such as security training, nuclear material accountability, and classified information. All these initiatives and daily activities are critical to the Department's Mission and Strategic Plan.

[a] Reflects comparability adjustment to transfer $437,000 in FY 2003 from the Office of Science for costs associated with radioactive waste processing for the New Brunswick Laboratory. Also reflects comparability adjustment to transfer $7,245,000 in FY 2003 from DOE/NNSA to the Office of Security for support of the DOE Operations Center and DOE's Continuity of Operations and Continuity of Government Programs.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Operational Support	**89,045**	**96,399**	**95,754**

The mission of Operational Support is to provide technical and analytical expertise that enhances the Department's security mission effectiveness through policy development, Department-wide nuclear materials accountability, a protective force for Headquarters operations, standardized security training Department-wide, and an energy operations center that enables the DOE leadership to respond to operational, energy, and emergency assistance situations.

The NSS Operational Support subprogram funds the following main functions:

The national nuclear materials database, Nuclear Materials Management and Safeguards System (NMMSS), which serves as the official Departmental system of record for nuclear materials accounting. NMMSS tracks and analyzes U.S. and foreign nuclear materials activity to satisfy statutory requirements and international obligations.

A standardized system, Local Area Network Materials Accounting System (LANMAS), for site reporting of nuclear materials safeguards data to NMMSS.

Programmatic support for the New Brunswick Laboratory, which serves as the central authority for nuclear material, safeguards measurements and measurement evaluations and is the United States Government's certifying authority for nuclear reference materials.

Information Security to support the Department in areas of classified matter protection and control, technical security, operations security, and foreign ownership, control or influence of private companies.

Support for the development and promulgation of Department-wide security policy.

Headquarters Security to protect personnel, facilities, Government property and classified matter at Headquarters sites.

Foreign Visits, Assignments, and Travel (FVAT) Program to manage the granting of access to foreign nationals to DOE Federal and contractor facilities.

Foreign Travel Management System to approve, control and report DOE-wide official foreign travel.

DOE Headquarters Operations Centers, the Emergency Communications Network (ECN), and the Continuity of Operations/Continuity of Government program.

The Nonproliferation and National Security Institute (NNSI), which provides security training and education to personnel throughout the DOE complex, as well as other Federal agencies and foreign countries, who are involved in the protection of national security assets.

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Technology and Systems Development	**22,557**	**20,797**	**14,519**

The mission of the Technology and Systems Development (TSD) subprogram is to identify and evaluate security vulnerabilities throughout the Complex, and then leverage technology solutions to enhance the operational capability to meet these emerging threat scenarios. The funding focuses on the vulnerabilities and solution technologies in the areas of Security Forces, Material Control and Accounting, and Physical Security. The TSD subprogram utilizes core security technologies and expertise in providing sound and innovative technical defenses to protect against a variety of malevolent events, including terrorist attacks, theft of nuclear weapons and special nuclear materials, and radiological sabotage. Vulnerabilities and technology solutions focus on chemical and biological agents, explosives, directed energy weapons, and insiders who possess the knowledge and capability to make weapons of mass destruction, have direct access to special nuclear materials, or have the means to inflict significant harm to DOE and national security.

Classification, Declassification, and Controlled Information Program	**32,909**	**32,609**	**32,924**

The mission of the Classification, Declassification, and Controlled Information Program subprogram is to implement the Government-wide program to classify and declassify nuclear weapons-related technology (classified as Restricted Data (RD) and Formerly Restricted Data (FRD)) and to implement the requirements contained in Executive Order (E.O.) 12958 to classify and declassify other information that is critical to the national security (classified as National Security Information). DOE is also responsible for implementing requirements to identify information that is controlled under statute to protect the national security and other governmental, commercial, and private interests (e.g., Unclassified Controlled Nuclear Information, Official Use Only information). To fulfill these responsibilities, the mission of the Classification, Declassification, and Controlled Information Program is to develop and conduct: 1) government-wide policies and technical guidance to identify nuclear weapons-related information that warrants protection; 2) DOE-wide policies and guidance to identify other information that is critical to protecting the national security and other governmental, commercial, or private interests; and 3) classification and declassification reviews and audits of documents required under statute and executive order. This subprogram is critical to the U.S. non-proliferation and security program since information assets cannot be protected until they are identified as requiring protection. Consistent with this mission, this program funds support service contractors at Headquarters and management and operating contractors in the field who provide highly technical support.

Total, Nuclear Safeguards and Security	**144,512**	**150,668**	**143,197**

Capital Operating Expenses and Construction Summary

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Capital Equipment	6,737	7,672	5,659	-2,013	-26.2%

Security Investigations

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Security Investigations					
Federal Bureau of Investigation	8,800	4,511	2,982	-1,529	-33.9%
Office of Personnel Management	32,215	44,868	46,035	+1,167	+2.6%
Related Security Investigations Activities	4,564	4,855	4,537	-318	-6.5%
Total, Security Investigations	45,579	54,234	53,554	-680	-1.3%

Case Projections

Category	FY 2003	FY 2004	FY 2005	Case Change	% Change
Federal Bureau of Investigation (FBI)					
Initial Background Investigations	877	300	300	0	0.0%
Reinvestigations	2,053	1,229	674	-555	-45.2%
Subtotal, FBI Investigations	2,930	1,529	974	-555	-36.3%
Office of Personnel Management (OPM)					
Initial Background Investigations	5,540	7,494	7,677	+183	+2.4%
Reinvestigations	7,190	10,436	9,636	-800	-7.7%
National Agency Checks	6,815	5,988	6,942	+954	+15.9%
Subtotal, OPM Investigations	19,545	23,918	24,255	+337	+1.4%
Total, Security Investigations	22,475	25,447	25,229	-218	-0.9%

Description

The Security Investigations Program funds all background investigations for Department of Energy (DOE) Federal employees and contractors who, in the performance of their official duties, require access authorizations for Restricted Data, National Security Information, or certain quantities of special nuclear material.

Benefits

This subprogram fully supports DOE's Defense Strategic Goal to protect our national security. Security Investigations are required in order to be in compliance with Section 145 of the Atomic Energy Act of 1954, as amended; Title 10, Code of Federal Regulations, Part 710; and Executive Order 12968. The Department is required to utilize either the Federal Bureau of Investigation (FBI) or Office of Personnel Management (OPM) as a source of personnel security investigations.

Program Distribution Table

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Estimated Program Distribution					
National Nuclear Security Administration	26,978	32,882	32,012	-870	-2.6%
Defense Environmental Management	8,505[a]	10,201	8,868[b]	-1,333	-13.1%
Science	1,345[a]	1,551	3,375[b]	+1,824	+117.6%
Security	8,117	8,483	8,007	-476	-5.6%
Nuclear Energy	634[a]	1,117	1,292	175	+15.7%
Total, Security Investigations	45,579	54,234	53,554	-680	-1.3%

[a] In FY 2003, the Idaho Operations Office's landlord transferred from Defense Environmental Management to Nuclear Energy. The program funding distribution was adjusted to reflect the transfer of programs from Defense Environmental Management and Science (previous landlord to Argonne National Laboratory-West's security investigations) to Nuclear Energy.

[b] In FY 2005, the Richland Operations Office's landlord for Pacific Northwest National Laboratory will transfer from Defense Environmental Management to Science. The program funding distribution was adjusted to reflect the transfer of programs from Defense Environmental Management to Science.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Federal Bureau of Investigation (FBI)	**8,800**	**4,511**	**2,982**

The National Defense Authorization Act for FY 2004 (H.R. 1588, Section 3151) removed the provision for investigation requests for individuals in the Personnel Security Assurance Program (PSAP) and Personnel Assurance Program (PAP) to be conducted by the FBI. Such investigations (PSAP and PAP) will be conducted by the Office of Personnel Management (OPM). The FBI will continue to conduct background investigations for Federal and contractor personnel in high-risk positions. Personnel in less sensitive positions will be investigated by the OPM. FBI investigations are more expensive due to higher contractor operating costs than OPM (6% higher for initial investigations and 29% higher for reinvestigations).

- **Initial Background Investigations** **3,069** **1,050** **1,050**

  Perform 300 initial background investigations, the same as FY 2004.

- **Reinvestigations** **5,656** **3,386** **1,857**

  Perform 674 periodic reinvestigations. This represents a decrease of 555 cases from the FY 2004 level due to a cyclical decline in the five-year reinvestigation requirement.

- **Federal User Charges** **75** **75** **75**

  Reimburse the FBI for fingerprint cards and name checks.

Office of Personnel Management **32,215** **44,868** **46,035**

Fund background investigations for DOE Federal personnel and contractors who do not require an investigation by the FBI, but require access authorizations for Restricted Data, National Security Information, or certain quantities of special nuclear material.

- **Initial Background Investigations** **17,174** **23,868** **25,180**

  Perform 7,677 initial (Single Scope Background) investigations, 183 less cases than FY 2004. Funding increase is due to case price increases.

- **Reinvestigations** **13,122** **19,150** **18,742**

  Perform 9,636 periodic reinvestigations (for Single Scope Background Investigations). A decrease of 800 cases over FY 2004 levels is due to a cyclical decline in the five-year reinvestigation requirement.

- **National Agency Checks (NAC's)** **1,919** **1,850** **2,113**

  Perform 6,942 NAC's (3,754 initials and 3,188 reinvestigations). An increase of 954 cases (709 initials/245 reinvestigations) is required to meet mission requirements.

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Related Security Investigations Activities	**4,564**	**4,855**	**4,537**

Costs incurred in implementing security investigations related programs and projects outlined below:

▪ Continue operation and maintenance of the eGov DOE Integrated Security System+ (eDISS+) initiative to assist Personnel Security Administrative Staff in automating the processing and tracking of access authorization requests. eDISS+ facilitates the collection, processing, storing, and transfer of personnel security data. This data flows from subjects, to the personnel security offices, to the DOE Operations Offices, to the Office of Personnel Management (OPM), to the return of investigation reports from OPM to DOE Operations Offices. This system supports and tracks the adjudication process from the beginning to the disposition of the clearance request. It contains information concerning clearances, inter-site visits, and maintains this data in a centralized database for nation-wide access by DOE personnel and contractors. It allows electronic communications between the various security information systems/databases at each site. The functionality of these systems do not duplicate the e-Clearance initiative undertaken by OPM	**3,443**	**3,320**	**3,320**
▪ Continue to support the Accelerated Access Authorization Program (AAAP) located in Albuquerque and Oak Ridge	**1,000**	**1,200**	**1,200**
▪ Provide support for miscellaneous costs involved in developing and posting annual refresher security briefing material via the internet	**121**	**335**	**17**
Total, Security Investigations	**45,579**	**54,234**	**53,554**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Federal Bureau of Investigation (FBI)	
▪ Reinvestigations	
Funding level reflects a decrease of 555 reinvestigations from FY 2004. The "Q" reinvestigation workload is projected to be lower due to the five-year reinvestigation requirement	-1,529
Total, Federal Bureau of Investigation (FBI)	-1,529
Office of Personnel Management (OPM)	
▪ Initial Background Investigations	
Funding level reflects an increase of 183 initial background investigations from FY 2004	+1,312
▪ Reinvestigations	
"Q" Reinvestigation requirements are estimated to be 800 cases lower than in the FY 2004 budget request	-408
▪ National Agency Checks (NAC's)	
NAC funding supports 954 more cases than in FY 2004	+263
Total, Office of Personnel Management	+1,167
Related Security Investigations Activities	
▪ Discontinued funding the Oak Ridge Institute for Science and Education (ORISE) task that no longer provides technical support for conducting research related to the security investigations budget	-185
▪ DOE dramatically reduced the costs associated with developing and distributing refresher briefing material by posting the information on a website. DOE employees that have been granted access authorizations are required to access the web-site annually for a refresher security briefing	-133
Total, Related Security Investigations Activities	-318
Total Funding Change, Security Investigations	**-680**

Program Direction

Funding Profile by Category

(dollars in thousands, whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
New Brunswick Laboratory (NBL)					
Salaries and Benefits	3,267	3,670	3,821	+151	+4.1%
Travel	71	71	71	+0	+0.0%
Support Services	143	143	143	+0	+0.0%
Other Related Expenses	1,993	2,349	1,556[a]	-793	-33.8%
Total, NBL	5,474	6,233	5,591	-642	-10.3%
Full Time Equivalents	40	40	40	+0	+0.0%
Headquarters					
Salaries and Benefits	26,392	27,044[c]	32,664	+5,620	+20.8%
Travel	1,616	1,654	1,671	+17	+1.0%
Support Services	6,713	5,997	5,869	-128	-2.1%
Other Related Expenses	11,547	11,259	12,555	+1,296	+11.5%
Total, Headquarters	46,268[b]	45,954	52,759	+6,805	+14.8%
Full Time Equivalents	252	254	254	+0	+0.0%
Total Program Direction					
Salaries and Benefits	29,659	30,714	36,485	+5,771	+18.8%
Travel	1,687	1,725	1,742	+17	+1.0%
Support Services	6,856	6,140	6,012	-128	-2.1%
Other Related Expenses	13,540	13,608	14,111	+503	+3.7%
Total, Program Direction	51,742	52,187	58,350	+6,163	+11.8%
Total, Full Time Equivalents	292	294	294	+0	+0.0%

[a] Reduced $712K reimbursable work from NBL in FY 2005 to coincide with actual dollar request.
[b] Reflects comparability adjustment to transfer $4,014,192 in FY 2003 from DOE/NNSA to the Office of Security for support of the DOE Operations Center and DOE's Continuity of Operations and Continuity of Government programs.
[c] Reflects the FY 2004 Omnibus Rescission of $303,000.

Mission

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Office of Security (SO) mission areas: 1) Nuclear Safeguards and Security, which includes the Nonproliferation and National Security Institute, Nuclear Materials Accountability, Information Security, Headquarters Security, Specialized Security Support, Foreign Visits, Assignments and Travel, Security Policy, Office of Operations Support to include the DOE Operations Centers and the Continuity of Operations and Continuity of Government programs, and Classification/Declassification; 2) Security Investigations; 3) Direct support in the areas of protection of Headquarters assets, budget, finance, procurement, human resources, and information technology; and 4) Program-specific staffing resources at the New Brunswick Laboratory (NBL).

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Security performs critical functions which directly support the mission of the Department. The overall security mission for the Department of Energy is to contribute, in partnership with others, to the Nation's security by protecting America's nuclear deterrence capabilities from a spectrum of diverse threats. In concert with this mission, the Office of Security develops and promulgates clear and consistent safeguards and security strategies and policy governing the protection of national security and other critical assets entrusted to the Department. In addition, the Office of Security manages security operations for DOE facilities in the National Capital area as well as the DOE Operations Centers and the Department's programs for Continuity of Operations (COOP) and Continuity of Government (COG).

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**29,659**	**30,714**	**36,485**

- 254 Federal personnel at Headquarters serve as the operational element for safeguards and security policy and Headquarters security. Activities include the security training mission at the Nonproliferation and National Security Institute in Albuquerque, New Mexico; plutonium, uranium, and special materials control and accountability; classification and declassification operations; tracking of foreign national visits and assignments and official foreign travel; Headquarters security operations; Department-wide security policy; the DOE Operations Centers and the Continuity of Operations (COOP)/Continuity of Government (COG) programs; and the Office of the Director. The increase supports salaries, benefits, performance awards and other compensation programs for existing staff.

- 40 Federal employees at the NBL in Argonne, Illinois. NBL serves as the central authority for nuclear material safeguards measurements and measurement evaluations and is the United States Government's certifying authority for nuclear reference materials.

Travel	**1,687**	**1,725**	**1,742**

- Provides funding for domestic and foreign trips necessary to conduct essential security activities. Domestic travel includes national security assistance and interface with field offices, laboratories and local governments.

Support Services	**6,856**	**6,140**	**6,012**

- Provides highly specialized technical and analytical expertise and management support personnel essential to the mission success of the Office of Security.
- The funds at the NBL provide maintenance of the Laboratory Information Management System. The system tracks all sensitive materials from the time of arrival to the site to departure. Provides technical and administrative information technology expertise. Finances support activities for the day-to-day operations at NBL.

Other Related Expenses	**13,540**	**13,608**	**14,111**
▪ **Training**	**342**	**359**	**351**
Headquarters	338	355	347
NBL	4	4	4

Provides training funds for the technical and administrative personnel to meet the organizational mission requirements.

Other Services	**8,179**	**8,170**	**7,866**
Headquarters	6,190	5,825	6,314
NBL	1,989	2,345	1,552

Funds for expenses such as operations and maintenance of facilities, communications, operations and equipment maintenance, and supplies and materials supporting the Federal staff. At Headquarters, the increase is due to the mandatory Extended Common Integrated Technology Environment (eXCITE) program. At NBL, the decrease is the result of adjustments for reduced reimbursable requirements, furniture, safe repairs, and special supplies.

Working Capital Fund	**5,019**	**5,079**	**5,894**

Funds mandatory administrative costs, such as, telephone services, postage, printing and graphics, supplies, copiers, rent, space, utilities, and payroll services. Payments reflect usage of services, which are priced and charged to users in accordance with policies established yearly by the Working Capital Fund Board. Increase reflects higher costs for these services including rent, supplies and telephone services.

Total, Program Direction	**51,742**	**52,187**	**58,350**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ Increase supports salaries, benefits, performance awards and other compensation programs for existing staff.....	+5,771
Travel	
▪ Travel increased slightly due to escalation in transportation.....	+17
Support Services	
▪ Support Services reduced due to changes in security requirements in Program Direction	-128
Other Related Expenses	
▪ Training reduced due to changes in security requirements in Program Direction .	-8
▪ Other Services – At Headquarters, the increase of $489K is due to the mandated Extended Common Integrated Technology Environment (e-XCITE) program. At NBL the decrease of $793K is the ~~a~~ result of adjustments for reduced reimbursable requirements, furniture, safe repair, and special supplies.....	-304
▪ Working Capital Fund increased due to escalation costs and increases charged to users in accordance with policies established yearly by the WCF board (primarily rent, supplies, and telephone services)	+815
Total, Other Related Expenses	+503
Total Funding Change, Program Direction	+6,163

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support Services	4,610	4,558	4,449	-109	-2.4%
Management Support Services	2,246	1,582	1,563	-19	-1.2%
Total, Support Services	6,856	6,140	6,012	-128	-2.1%

Other Related Expenses by Category

(dollars in thousands)

Other Related Expenses	FY 2003	FY 2004	FY 2005	$ Change	% Change
Training	342	359	351	-8	-2.2%
Operations and Maintenance of Facilities (NBL)	1,989	2,345	1,552	-793	-33.8%
Communications, Utilities, Misc.	251	323	323	+0	+0.0%
Other Services	2,043	722	499	-223	-30.9%
Operations & Equipment Maintenance	3,716	4,498	5,210	+712	+15.8%
Supplies and Materials	180	282	282	+0	+0.0%
Working Capital Fund	5,019	5,079	5,894	+815	+16.1%
Total, Other Related Expenses	13,540	13,608	14,111	+503	+3.7%

Other Defense Activities
Office of Independent Oversight and Performance Assurance

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Independent Oversight and Performance Assurance (OA)	23,288	22,575	-124[a]	22,451	23,064
Departmental Representative (DR)[b]	1,132	1,475	-9	1,466	1,605
Subtotal, Other Defense Activities (OA)	24,420	24,050	-133	23,917	24,669
General Reduction	0	0	0	0	0
Less Use of Prior Year Balances	-63	0	-80	-80	0
Total, Other Defense Activities (OA)	24,357	24,050	-213	23,837	24,669

Preface

The Office of Independent Oversight and Performance Assurance (OA) provides information and analysis regarding the Department of Energy's (DOE) security and safety programs and other critical functions of interest to Department management, Congressional committees, and other stakeholders. OA also provides administrative support to the Departmental Representative to the Defense Nuclear Facilities Safety Board.

Within the Other Defense Activities appropriation, the OA Program has two programs: Independent Oversight and Performance Assurance and the Departmental Representative to the Defense Nuclear Facilities Safety Board.

[a] Distribution of the rescission from the Consolidated Appropriations Bill for FY 2004.
[b] The FY 2004 appropriation for DR is included in the Office of Environment, Safety and Health's budget.

This Overview will describe Strategic Context, Mission, Benefits, and Significant Program Shifts. These items together put this appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. OA performs critical functions, which directly support the mission of the Department. These functions include: conducting evaluations to verify that the Department's safeguards and security interests are protected; ensuring that the Department can effectively respond to emergencies; ensuring that site workers, the public, and the environment are protected from hazardous operations and materials; and providing centralized leadership in resolving Defense Nuclear Facilities Safety Board (DNFSB) issues.

Mission

The OA provides information and analysis regarding the Department of Energy's (DOE) security and safety programs and other critical functions of interest to Department management, Congressional committees, and other stakeholders. OA also provides administrative support to the Departmental Representative (DR) to the DNFSB.

Benefits

The OA benefits the Department by: identifying and reporting site-specific and Department-wide issues regarding nuclear safeguards and security; cyber security; emergency management; environment, safety and health; and other programs to senior DOE managers using an efficient systematic oversight process that emphasizes performance and performance testing; conducting follow-up activities to determining the effectiveness of corrective actions; and, promoting line management self-assessment activities thereby enhancing overall performance in nuclear safeguards and security; cyber security; emergency management; and environment, safety and health programs.

The DR benefits the Department by providing effective cross-organizational leadership in resolving DNFSB-related technical and management issues necessary to ensure public health and safety.

As a corporate resource, OA conducts evaluations to verify that the Department's safeguards and security interests are protected, and the Department can effectively respond to emergencies, and that site workers, the public and the environment are protected from hazardous operations and materials. OA is organizationally independent of the DOE offices that develop and implement policy and programs, and therefore, can objectively observe and report on these policies and programs as they relate to Departmental operations. The assessments conducted by OA complement but do not replace DOE line management's responsibility for security and safety program oversight and self-assessments as required

by Integrated Safeguards and Security Management (ISSM) and Integrated Safety Management (ISM) systems implemented throughout the Department.

Significant Program Shifts

The OA has been asked by the Secretary and senior Departmental managers to conduct reviews and provide Continuity of Government Programs and serve as the Independent Review Official for the Department's Competitive Sourcing/A-76 process.

The DR is a direct report to the Secretary and Deputy Secretary of Energy. The Secretary of Energy approved a change in the Department's organization in March 2003 to formalize this reporting relationship, functionally in place since 1997, and to establish DR as a stand-alone organization. Previously, DR was part of the Office of Environment, Safety and Health (EH). On October 1, 2003, the provision of administrative support to DR in the area of budget, personnel, information technology support, and procurement transitioned from EH to OA.

Other Defense Activities
Office of Independent Oversight and Performance Assurance

Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
NNSA Service Center[a]					
Honeywell					
OA	750	250	250	0	0.0%
Total, NNSA Service Center	750	250	250	0	0.0%
Richland Operations Office					
Pacific Northwest National Laboratory					
OA	250	250	250	0	0.0%
Total, Richland Operations Office	250	250	250	0	0.0%
Washington Headquarters					
OA	22,288	21,951	22,564	+613	+2.8%
DR	1,132	1,466	1,605	+139	+9.5%
Other Defense Activities	23,420	23,417	24,169	+752	+3.2%
General Reduction	0	0	0	0	0.0%
Less Use of Prior Year Balances	-63	-80	0	+80	+100%
Total, Washington Headquarters	23,357	23,337	24,169	+832	+3.6%
Total, Other Defense Activities (OA)	24,357	23,837	24,669	+832	+3.5%

[a] On December 20, 2002, the National Nuclear Security Administration (NNSA) disestablished the Albuquerque, Oakland, and Nevada Operations Offices; renamed existing area offices as site offices; established a new Nevada Site Office; and established a single NNSA Service Center to be located in Albuquerque.

Site Description

NNSA Service Center

The NNSA Service Center is located on Kirtland Air Force Base in Albuquerque, New Mexico. The primary mission continues to be stewardship and maintenance of the nation's nuclear weapons stockpile.

Honeywell, Federal Manufacturing and Technologies

Honeywell is located on Kirtland Air Force Base in Albuquerque, New Mexico. Honeywell provides maintenance, storage, and delivery of Multiple Integrated Laser Engagement System (MILES) equipment used by OA. This equipment is used to simulate weapons fire in tactical field exercises that support the assessment of the overall effectiveness of field protection programs.

Richland Operations Office

Richland Operations Office, located in Richland, Washington, manages waste products and develops and applies commercialized technologies.

Pacific Northwest National Laboratory

Pacific Northwest National Laboratory (PNNL), located in Richland, Washington, develops oversight processes and protocols that are used for OA program implementation, planning, and analysis of evaluation results and trends. PNNL also provides technical support for OA special studies and reviews.

Washington Headquarters

The evolving short-term needs for national-level expertise in a multitude of disciplines can best be met through the use of contractors who can rapidly respond to the continually changing skills required of independent oversight activities across the DOE complex. Contractor support provides a practical and cost-effective method of providing a surge pool of technical expertise in specific safety and security disciplines for conducting oversight activities at DOE facilities. These activities include nuclear safeguards and security; cyber security; emergency management; and environment, safety, and health oversight. OA also provides program direction for the Federal staff, including salaries, benefits, travel, training, Working Capital Fund, and other personnel-related expenses.

Program Direction

Independent Oversight and Performance Assurance (OA)

Funding Profile by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change Whole FTEs	% Change
OA					
NNSA Service Center					
Salaries and Benefits	0	0	0	0	0.0%
Travel	0	0	0	0	0.0%
Support Services	750	250	250	0	0.0%
Other Related Expenses	0	0	0	0	0.0%
Total, NNSA Service Center	750	250	250	0	0.0%
Full Time Equivalents	0	0	0	0	0.0%
Richland Operations Office					
Salaries and Benefits	0	0	0	0	0.0%
Travel	0	0	0	0	0.0%
Support Services	250	250	250	250	0.0%
Other Related Expenses	0	0	0	0	0.0%
Total, Richland	250	250	250	250	0
Full Time Equivalents	0	0	0	0	0
Headquarters					
Salaries and Benefits	7,562	8,174	8,619	+445	+5.4%
Travel	943	800	800	0	0.0%
Support Services	12,512	11,676	11,800	+124	+1.1%
Other Related Expenses	1,271	1,301	1,345	+44	+3.4%
Total, Headquarters	22,288	21,951	22,564	+613	+2.8%
Full Time Equivalents	66	66	66	0	0.0%

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change Whole FTEs	% Change
Total, Program Direction					
Salaries and Benefits	7,562	8,174	8,619	+445	+5.4%
Travel	943	800	800	0	0.0%
Support Services.....	13,512	12,176	12,300	+124	+1.0%
Other Related Expenses.....	1,271	1,301	1,345	+44	+3.4%
Subtotal Program Direction	23,288	22,451	23,064	+613	+2.7%
General Reduction	0	0	0	0	0.0%
Less Use of Prior Year Balances.....	-63	-80	0	+80	+100%
Total, Program Direction	23,225	22,371	23,064	+693	+3.1%
Total, Full Time Equivalents	66	66	66	0	0.0%

Mission

Program Direction provides the Federal Staffing resources and associated costs required to provide overall direction and execution of OA. OA provides accurate and comprehensive information and analysis regarding the effectiveness, vulnerabilities, and trends of the Department's nuclear safeguards and security; cyber security; emergency management; environment, safety and health programs; and other critical functions of interest to the Department Secretary, the Deputy Secretary, the Under Secretary, the Administrator of the National Nuclear Security Administration (NNSA), Congressional committees, and other stakeholders, such as the Defense Nuclear Facilities Safety Board.

As a corporate resource, OA conducts evaluations to verify that the Department's safeguards and security interests are protected, that the Department can effectively respond to emergencies, and that site workers, the public, and the environment are protected from hazardous operations and materials. OA is organizationally independent of the DOE offices that develop and implement policy and programs (i.e., Environment, Safety and Health; and Emergency Management) and, therefore, can objectively observe and report on these policies and programs as they relate to Departmental operations. The assessments conducted by OA complement but do not replace DOE line management's responsibility for security and safety program oversight and self-assessments as required by Integrated Safeguards and Security Management (ISSM) and Integrated Safety Management (ISM) systems implemented throughout the Department. The assessment processes utilized by OA are governed by documented, formal protocols addressing all phases of assessment activities. These processes are also conducive to changing conditions and the needs of the Department. A well trained and experienced Federal staff, complemented by contractor national-level experts, implement OA assessment processes, which emphasizes performance and performance testing. OA personnel observe operations and conduct performance tests to validate the effectiveness of safety and security programs and policies. The end

products of OA efforts are reports documenting the assessment activities conducted, the results of assessments, and opportunities for improvement.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. OA performs critical functions which directly support the mission of the Department. These functions include conducting evaluations to verify that the Department's safeguards and security interests are protected, that the Department can effectively respond to emergencies, and verifying that site workers, the public, and the environment are protected from hazardous operations and materials.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**7,562**	**8,174**	**8,619**

Salaries and benefits for FY 2005 provide for 66 Federal full-time equivalents (FTEs) with the required technical expertise needed to carry out the essential OA mission of providing the Department with independent oversight capability across the DOE complex through evaluations and other reviews, techniques and methodologies. Salaries and benefits include the economic assumptions provided by the Office of Management and Budget. Funds for full-time permanent employees include salaries and other personnel benefits such as: cash incentive awards, lump sum payments, Senior Executive Service and other performance awards, and worker's compensation.

Travel	**943**	**800**	**800**

Travel requirements are necessary for the performance of various field activities; for example, all evaluations across the DOE complex. Travel includes all costs of transportation, subsistence, and incidental travel expenses of OA Federal employees in accordance with Federal Travel Regulations.

(dollars in thousands)

FY 2003	FY 2004	FY 2005

Other Related Expenses **1,271** **1,301** **1,345**

Other related expenses include training for Federal staff, the Working Capital Fund, and the Online Learning Center, the Corporate Human Resources Information System, and other services procured, such as computer equipment. The information technology investments support the Federal staff at Headquarters by providing support and maintenance of hardware, software, hotline, and other desktop maintenance. Other Related Expenses also provides funding for the Working Capital Fund based on guideline estimates issued by the Working Capital Fund Manager. It also covers non-discretionary prorated costs such as space utilization, computer and telephone usage, mail service, supplies, and electronic services. Funding also supports OA office expenditures for printing and reproduction, telecommunications needs and automated data processing maintenance. The Working Capital Fund was established in FY 1997 to allocate the cost of common administrative services to the recipient organizations.

Support Services..... **13,512** **12,176** **12,300**

The evolving short-term needs for national-level expertise in a multitude of disciplines can best be met through the use of contractors who can rapidly respond to the continually changing skills required of independent oversight activities across the DOE complex. Contractor support provides a practical and cost-effective method of providing a surge pool of technical expertise and specific safety and security disciplines for conducting oversight activities at DOE.

- **Nuclear Safeguards and Security Evaluations**. **7,145** **6,033** **6,033**

  The OA Office of Safeguards and Security Evaluations performs regular and special reviews of nuclear safeguards and security programs at DOE, including NNSA sites, that have significant amounts of special nuclear material, classified information, or other security interests. The scope of the reviews includes any or all aspects of nuclear safeguards and security, including physical protection of special nuclear material, accountability of special nuclear material, protection of classified and sensitive information, personnel security, protective forces, foreign visits and assignments, and protection program management.

  The OA nuclear safeguards and security oversight functions directly relate to DOE national security strategic goals. The Department considers the OA program to be a catalyst for improvement. OA has directly contributed to significant reductions in the recurrence of nuclear safeguards and security issues, and effectively supports the maintenance of a safe, secure, and reliable weapons stockpile. As a direct result of the experiences and expertise developed, OA is able to provide tools and share information (handbooks, videotapes, and lessons learned) with numerous organizations within the Department. This important

information sharing effort has resulted in a substantial increase in the effectiveness of field self-assessment and survey programs. OA proactively evaluates events and activities that have an impact on security and continues to revise and refine evaluation methods and procedures that focus on the principal elements of the safeguards and security program.

The OA performs reviews and studies of policies and programs, and their implementation in the field to effect program corrections. These activities often include performance tests using weapons simulation systems to perform realistic tactical security engagements between a specially trained composite adversary force developed by OA and the inspected site protection force to assess overall security performance effectiveness (force-on-force exercises). Findings associated with these programs are maintained in a database to track corrective actions and assist in measuring improvement throughout the Department in these critical areas. Also, these activities provide onsite hardware and software for field evaluations including both classified and unclassified processing.

In FY 2003, evaluations were conducted at: Argonne National Laboratory–West, Los Alamos National Laboratory, Savannah River, Argonne National Laboratory–East, Hanford, Pacific Northwest National Laboratory, and Sandia National Laboratory.

- **Cyber Security Evaluations** **967** **967** **967**

The OA Office of Cyber Security and Special Reviews performs regular evaluations of the effectiveness of classified and unclassified cyber security policies and programs, including network protection, risk management, technical implementation, and configuration management at DOE, including NNSA, sites. OA establishes and maintains a program for assessing Internet security, including offsite scanning and controlled penetration attempts to detect vulnerabilities that could be exploited by hackers. OA evaluates individual sites and networks that connect DOE sites.

Cyber security evaluations are directly related to the Department's national security strategic goal. These evaluations are directly dedicated to multi-faceted reviews of cyber security program performance, including unannounced inspections, offsite monitoring of Internet security, controlled attempts to penetrate security firewalls, and other measures.

The OA conducts performance testing at DOE sites and from remote vulnerability testing networks connected to the Internet. The focus of performance testing includes identification of network vulnerabilities that could be exploited; evaluation of the effectiveness of firewalls, evaluation of intrusion detection and system monitoring capabilities; and evaluation of other aspects of network security. OA maintains state-of-the-art testing capabilities in its remote

cyber security facilities, which can conduct penetration testing, and via a suite of deployable cyber security testing equipment that can be used to support onsite performance testing during assessments of DOE networks. It is essential to have the necessary computer hardware and software for an effective cyber security program. OA plans to perform continuous cyber security inspections, including unannounced inspections, offsite monitoring of Internet security, and penetration tests at major Departmental sites and across DOE networks.

The office conducts performance testing at DOE sites being assessed or from the OA remote vulnerability testing facilities connected to the Internet. The focus of performance testing includes identification of network vulnerabilities that could be exploited; evaluation of the effectiveness of firewalls; evaluation of intrusion detection and system monitoring capabilities; and evaluation of other aspects of network security. To be effective, it is necessary for OA to maintain state-of-the-art testing capabilities, to include hardware and software support, in its remote cyber security laboratories and a suite of deployable cyber security testing equipment that can be used to support onsite performance testing during assessments of DOE networks.

Cyber security performance testing capability is necessary to meet current operational demands and make improvements to the remote vulnerability testing program. The program simulates architectures and evaluates exploitation techniques associated with potential vulnerabilities, including the ability to introduce malicious code. The penetration assessment network is a multi-faceted offensive/defensive computer security network resource with capabilities consistent with both the attack resources employed by the hacker community, and the practices and systems of the computer security industry.

In FY 2003, evaluations were conducted at: Los Alamos National Laboratory, Savannah River, Chicago Operations Office, Argonne National Laboratory – East, Hanford, Pacific Northwest National Laboratory, and Sandia National Laboratories – New Mexico. A special study to identify and evaluate the DOE Internet perimeter, at approximately 50 sites, was initiated in cooperation with the Office of the Chief Information Officer. A special study was conducted to evaluate the security of wireless computer networking within DOE. Additionally, a complex-wide evaluation of classified cyber security; and unannounced penetration testing ("red-teaming") is in progress.

(dollars in thousands)

FY 2003	FY 2004	FY 2005

- **Emergency Management Oversight**..... **800** **800** **800**

The OA Office of Emergency Management Oversight provides independent oversight of all aspects of emergency management programs, including hazards assessment, protective actions, emergency response, emergency public information, and offsite interfaces. OA also evaluates the effectiveness of emergency management programs through table top and full participation exercises conducted at the inspected site.

Emergency Management evaluations are directly related to the Department's national security strategic goal. Emergency management reviews are conducted to ensure that the Secretary of Energy and other senior managers have an accurate picture of the effectiveness of the DOE comprehensive emergency management system. Extensive evaluations conducted by this oversight function have significantly contributed to the enhanced emergency management readiness and response at individual sites, within program and field offices, and across the DOE complex.

The OA performs inspections of critical emergency management operations at DOE Headquarters and DOE field sites having significant amounts of special nuclear material or other hazardous materials and/or operations. Additionally, OA performs reviews of crosscutting emergency management topics of increased concern in the heightened terrorist threat environment.

In FY 2003, evaluations were conducted at: the Nevada Test Site, Pantex Plant, Sandia National Laboratories – New Mexico, Idaho National Engineering and Environmental Laboratory, and East Tennessee Technology Park. OA conducted an independent review and exercise of the DOE Headquarters emergency response plans and procedures and the Headquarters continuity of operations procedures.

- **Environment, Safety and Health Evaluations**.. **4,000** **3,876** **4,000**

The OA Office of Environment, Safety and Health Evaluations focuses on integrated safety management implementation; environment, safety, and health performance; and relevant environment, safety, and health topics such as radiation protection, criticality safety, industrial hygiene, and occupational medicine. These evaluations identify issues and problems that may have complex-wide implications and result in Department-wide corrective actions to promote the protection of workers, the public, and the environment.

As part of the integrated safety management review, OA focuses on management systems such as self-assessments, lessons learned, deficiency tracking, root cause analysis, and

reporting of compliance deficiencies and events. OA promotes improvement in these management systems to reduce recurrences of events and accidents and promote safety. These evaluations provide a significant benefit to the Department by improving safety and assuring more efficient use of Department resources. OA evaluations involve a wide range of functional programs, processes, projects, and activities essential to the protection of workers, the public, and the environment. The assessments promote adherence to applicable Federal and State regulations and DOE and industry standards in such areas as safety and health, radiation protection, waste management, and fire protection.

The OA also performs periodic oversight of environment, safety, and health performance during all phases of major projects, such as construction, recovery and stabilization of hazardous materials, decommissioning, and environmental restoration. Environmental portions of inspections provide independent evaluations of a wide variety of environmental protection and restoration activities, including the effectiveness of environmental programs in accordance with Executive Orders. This activity results in the identification and reporting of environment, safety, and health vulnerabilities. OA also reviews authorization basis documents to determine DOE compliance with the applicable requirements of 10 CFR 803 Subpart B.

In FY 2003, evaluations were conducted at: Nevada Test Site, Pantex Plant, Sandia National Laboratories – New Mexico, Y-12, East Tennessee Technology Park, and Idaho National Engineering and Environmental Laboratory, as well as re-accreditation reviews of the medical programs at Los Alamos, Brookhaven, and Sandia National Laboratories.

- **Special Analysis** **600** **500** **500**

The OA performs special reviews and studies of policies, programs, and their implementation in the field to identify program corrections. These special studies and special reviews are often conducted at the request of the Secretary and other senior Departmental managers to examine issues and problems not normally covered by the more traditional oversight functions (i.e., safeguards and security, cyber security, emergency management, and environment, safety, and health). The results of these reviews have been of particular interest to senior DOE managers and Congress, and their evaluation and analysis by OA has resulted in substantial improvements to programs throughout DOE. As the Secretary's lead agent for independent evaluations of DOE line management and contractor performance, OA has performed this recurring and appropriate function because it is best suited to provide an unbiased evaluation of specific Departmental issues.

Reviews completed or in progress in FY 2003 include a summary-level analysis of management practices and performance at Los Alamos, Lawrence Livermore, and Berkeley National Laboratories; DOE Headquarters continuity of operations program support to the Deputy Secretary; and analysis of Departmental management challenge corrective action plans. A special review of the suspect/counterfeit items program was conducted at both Headquarters and selected sites to evaluate the effectiveness of program implementation and guidance.

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
■ Funding requirements are commensurate with the allocation of Federal staff on OA programs. Increases for salaries and benefits are based on the latest OMB economic assumptions for Federal personnel costs. The increase is for living adjustments, locality pay, within-grade increases, lump sum payments, and awards	+445
Support Services	
■ Funding requirements are commensurate with the priorities associated with necessary level of environment, safety, and health evaluations. This increase provides for a steady state level of evaluations in the area of Integrated Safety Management.	+124
Other Related Expenses	
■ Other related expenses include the Working Capital Fund (WCF), tuition/training of Federal personnel, and other services procured, such as computer equipment. The increase is based on building rental, computer equipment and supply cost increases	+44
Total Funding Change, Program Direction	**+613**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support					
Safeguards and Security	7,145	6,033	6,033	0	0.0%
Cyber Security	967	967	967	0	0.0%
Emergency Management	800	800	800	0	0.0%
Environment, Safety and Health	4,000	3,876	4,000	+124	+3.2%
Special Analyses	600	500	500	0	0.0%
Total, Technical Support	13,512	12,176	12,300	+124	+1.0%
Management Support					
Management Support	0	0	0	0	0.0%
General Reduction	0	0	0	0	0.0%
Less Use of Prior-Year Balances	-63	-80	0	+80	+100.0
Total, Support Services	13,449	12,096	12,300	+204	+1.7%

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Tuition/Training of Federal Staff	65	65	65	0	0.0%
Other Services Procured	725	669	669	0	0.0%
Working Capital Fund	481	567	611	+44	+7.8%
Total, Other Related Expenses	1,271	1,301	1,345	+44	+3.4%

Program Direction

Departmental Representative (DR)

Funding Profile by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change/ Whole FTEs	% Change
Headquarters					
Salaries and Benefits	642	760	790	+30	+3.9%
Travel	25	25	25	+0	0.0%
Support Services	405	521	630	+109	+20.9%
Other Related Expenses	60	160	160	+0	+0.0%
Total Headquarters	1,132	1,466	1,605	+139	+9.5%
Full Time Equivalents	4	5	5	0	0.0%
Total, Program Direction					
Salaries and Benefits	642	760	790	+30	+3.9%
Travel	25	25	25	0	0.0%
Support Services	405	521	630	+109	+20.9%
Other Related Expenses	60	160	160	0	0.0%
Subtotal, Program Direction [a]	1,132	1,466	1,605	+139	+9.5%
General Reduction	0	0	0	0	0.0%
Total Program Direction	1,132	1,466	1,605	+139	+9.5%
Total, Full Time Equivalents	4	5	5	0	0.0%

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of DR. DR reports directly to the Deputy Secretary with administrative support provided by OA.

[a]The FY 2004 House and Senate marks for DR are included in the Office of Environment, Safety and Health's budget.

Mission

The DR is the Department's exclusive focal point for complying with Congressional mandates for the Department to fully cooperate with the Defense Nuclear Facilities Safety Board (DNFSB) and to provide ready access to such facilities, personnel, and information as the DNFSB considers necessary to carry out its responsibilities. DR is also the focal point for positively addressing and resolving safety and management issues raised through DNFSB oversight so that the Department continues to improve its operations so that it can safely achieve mission objectives. Congress established the DNFSB in 1988 [Atomic Energy Act of 1954, Sections 311-321 (42 U.S.C. §2286 – 2286i)] to provide additional assurance that public health and safety are adequately protected at the Department's defense nuclear facilities. Congress gave the DNFSB broad powers and authorities to perform its primary functions: 1) review and evaluation of content and implementation of standards; 2) investigation of events and practices; 3) analysis of design and operational data; 4) review of design of new facilities; and 5) formulation of recommendations to the Secretary of Energy. The DNFSB is constituted with five members who are recognized nuclear safety experts, nominated by the President, and confirmed by Congress. The DNFSB staff is authorized for 150 technical experts, lawyers, and administrative personnel.

The DR represents and advises the Secretary, Deputy Secretary, Under Secretaries, and other Department of Energy officials in all regular and continuing interactions with the DNFSB, with the objective of obtaining useful input from the DNFSB that can lead to improved operations and mission fulfillment. DR provides technical evaluations and analysis of DNFSB safety and management issues and provides direction and advice to line managers on addressing and resolving DNFSB issues. DR monitors Department-wide performance in cooperating with the DNFSB and addressing and resolving DNFSB issues, and takes action to ensure adequacy of Department-wide performance. The DR also provides program direction for Department-wide implementation of the Department's Facility Representative Program. This program includes over 200 qualified DOE Facility Representatives providing operational oversight at hazardous facilities through the DOE complex.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. DR performs critical functions which directly support the mission of the Department. These functions include providing leadership in resolving DNFSB-related technical and management issues necessary to ensure public health and safety.

Detailed Justification

(dollars in thousands)

FY 2003	FY 2004	FY 2005

Salaries and Benefits **642** **760** **790**

Salaries and benefits include the economic assumptions provided by OMB. Funds for full-time permanent employees include salaries and other personnel benefits such as: cash incentive awards, lump sum payments, Senior Executive Service and other performance awards, and worker's compensation.

The Federal personnel represent the Secretary of Energy in over 400 annual DOE briefings to the DNFSB and staff and approximately 150 site visits by the DNFSB and its staff. DR provides direction and advice to responsible line program managers on appropriate strategies for interfacing with the DNFSB and for resolving identified safety issues. DR identifies and supports DOE line managers and technical experts in evaluating identified safety and management issues and determining corrective actions to resolve them. DR also monitors implementation of all statutory reports (responses to DNFSB recommendations, DOE implementation plans, and responses to DNFSB reporting requirements) and identifies where additional management attention is needed. DR provides direction and final review of the adequacy of corrective actions to resolve identified DNFSB safety and management issues. DR provides overall direction and management of the Department-wide Facility Representatives program.

Travel **25** **25** **25**

Travel is necessary for the performance of various field activities. The travel estimate includes costs for airfare, lodging, and other travel related expenses.

Other Related Expenses **60** **160** **160**

Related expenses provide for the Working Capital Fund based on guideline estimates issued by the Working Capital Fund Manager. This funding covers non-discretionary prorated costs such as space utilization (rent costs increased), computer and telephone usage, mail service, supplies, and electronic services. This funding also supports expenditures for printing and reproduction, telecommunications needs, automated data processing, maintenance, and training for Federal staff, (including tuition costs for Federal employees). Related expenses also include support for hardware, software, (information technology investments supports the Federal staff at Headquarters by providing support and maintenance of hardware, software, hotline, and other desktop maintenance – 40K per annum), hotline, and other desktop maintenance for Federal staff at Headquarters.

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Support Services	**405**	**521**	**630**

The DR prepares the statutorily required Annual Report to Congress on DNFSB activities. This report includes statutory notification of any implementation plans requiring more than one year to complete. The DR prepares transmittal packages for all draft DOE rules, directives, and standards that fall within the DNFSB statutory authority for review and approval. DR reviews DNFSB comments on DOE safety directives and resolves these comments with the responsible line managers so that final DOE rules, directives, and standards can be issued. The DR thoroughly reviews incoming DNFSB correspondence and outgoing DOE correspondence to identify safety and management issues that must be addressed by the Department. DR identifies and supports DOE line managers and technical experts in evaluating identified safety and management issues and determining corrective actions to resolve them. DR provides direction and final review of the adequacy of corrective actions to resolve identified DNFSB safety and management issues. The DR maintains and improves the Department's Safety Issues Management Systems (SIMS) for DNFSB-related issues, commitments, and actions. This system currently contains over 500 active Department commitments and actions related to DNFSB recommendations, reporting requirements, and other correspondence. On behalf of the Secretary, DR identifies the existence of DOE commitments to the DNFSB for inclusion in the SIMS and obtains descriptive status of commitments on a monthly basis. DR provides monthly and quarterly analysis reports to senior DOE officials on the status of existing commitments to identify those that require additional management attention or action. The SIMS database is password-protected and Internet-accessible from throughout the Department. The DR maintains and improves public web sites on DOE/DNFSB correspondence and safety issues. The main DR web site includes the Department's central repository of official DNFSB communications and makes this information available to the public and to Department and contractor personnel complex-wide. Annually, 250 to 350 pieces of DNFSB/DOE correspondence are received and made available Department-wide via the Internet. Over 4,000 documents are currently available on the web site in multiple file formats for user convenience. Documents are posted in one to three business days to facilitate prompt, effective responses and corrective action. The main DR web site also provides DNFSB points of contact, DOE interface protocols and direction, and useful information about the DNFSB. The DR provides the Facility Representative web sit with associated technical knowledge base and training aids.

Total, Program Direction	**1,132**	**1,466**	**1,605**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
■ Funding requirements are commensurate with the allocation of Federal staff and benefits based on the latest OMB economic assumptions for Federal personnel costs. The increase is for cost of living adjustments, locality pay, within-grade increases, and awards	+30
Support Services	
■ Specific support services funding requirements for DNFSB special analysis related to open compliance issues	+109
Total Funding Change, Program Direction	**+139**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support					
Operating	405	521	630	+109	+20.9%
Total, Technical Support	405	521	630	+109	+20.9%
Management Support					
Management Support	0	0	0	0	0
Total, Support Services	405	521	630	+109	+20.9%

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Tuition/Training of Federal Staff	5	10	10	0	0.0%
Other Services	10	25	25	0	0.0%
Working Capital Fund	45	125	125	0	0.0%
Total, Other Related Expenses	60	160	160	0	0.0%

Other Defense Activities

Office of Civilian Radioactive Waste Management (OCRWM)

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
National Spent Nuclear Fuel Program	6,991	7,989	0	7,989	8,217
Foreign Research Reactor Spent Nuclear Fuel Acceptance Program	440	6,062	0	6,062	4,918
Management of the Chemical Processing Plant-666	7,637	7,797	0	7,797	8,055
Program Direction	979	1,010	0	1,010	1,060
Total, Other Def Activities (OCRWM)	16,047	22,858	0	22,858	22,250

Preface

In FY 2005, the Office of Civilian Radioactive Waste Management will assume responsibility (1) for the management of the National Spent Nuclear Fuel Program (NSNFP) at the Idaho National Environmental and Engineering Laboratory; and (2) the Foreign Research Reactor Spent Nuclear Fuel Acceptance Program and Management of the Chemical Processing Plant-666 from EM.

Within the Other Defense Activities appropriation, OCRWM has only one program: Civilian Radioactive Waste Management.

This Overview will describe Strategic Context, Mission, Benefits, Strategic Goals, and Funding by General Goal. These items together put the appropriation in perspective. The Annual Performance Results and Targets, Means and Strategies, and Validation and Verification sections address how the goals will be achieved and how performance will be measured. Finally, this Overview will address Program Assessment Rating Tool (PART), and Significant Program Shifts.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven

general goals to support the strategic goals. Each appropriation has developed quantifiable goals to support the general goals. Thus, the "goal cascade" is the following:

Department Mission — Strategic Goal (25 yrs) — General Goal (10-15 yrs) — Program Goal (GPRA Unit) (10-15 yrs)

To provide a concrete link between budget, performance, and reporting, the Department developed a "GPRA unit" concept. Within DOE, a GPRA Unit defines a major activity or group of activities that support the core mission and aligns resources with specific goals. Each GPRA Unit has completed or will complete a Program Assessment Rating Tool (PART). A unique program goal was developed for each GPRA unit. A numbering scheme has been established for tracking performance and reporting.

The goal cascade accomplishes two things: First, it ties major activities for each program to successive goals and, ultimately, to DOE's mission. This helps ensure the Department focuses its resources on fulfilling its mission. Second, the cascade allows DOE to track progress against quantifiable goals and to tie resources to each goal at any level in the cascade. Thus, the cascade facilitates the integration of budget and performance information in support of the GPRA and the President's Management Agenda (PMA).

Mission

The current mission of the Office of Civilian Radioactive Waste Management (OCRWM) is to manage and dispose of high-level radioactive waste and spent nuclear fuel in a manner that protects health, safety, and the environment; enhances national and energy security; and merits public confidence. In FY 2005, OCRWM's mission will be expanded to address certain SNF management and transportation responsibilities. The ultimate disposition of all SNF is geologic disposal in a repository.

Benefits

Spent nuclear fuel (SNF) and high-level radioactive waste (HLW) have accumulated in the United States during the last half-century from nuclear weapon production, nuclear-powered naval vessels usage, DOE test reactors, research reactors, and electricity generation. The United States has evaluated methods for the safe storage and disposal of SNF and HLW for more than 40 years. After analyzing a range of options, disposal in mined geologic repositories emerged as the preferred long-term environmental solution for the management of SNF and HLW. Congress assigned responsibility to the DOE to: site, apply for a license, construct, operate, and close a repository for the disposal of SNF and HLW. In addition, the Nuclear Waste Policy Act (NWPA) assigned responsibility to the generators and owners of SNF and HLW to pay the costs of disposal of such radioactive materials.

OCRWM's current mission is to "manage and dispose of high-level radioactive waste and spent nuclear fuel in a manner that protects health, safety, and the environment; enhances national and energy security; and merits public confidence." With site designation, OCRWM has initiated the next phase of repository development; namely, licensing in accordance with applicable U.S. Nuclear Regulatory Commission (NRC) regulations and authority and funding in accordance with DOE and Office of Management and Budget requirements and regulations. OCRWM, with the support of its management

and operating contractor (M&O), is preparing a License Application for submittal to the Nuclear Regulatory Commission (NRC) in December 2004.

Strategic Goals

The Department's Strategic Plan identifies four strategic goals, one each for defense, energy, science, and environmental aspects of the mission, plus seven general goals that tie to the strategic goals. The Other Defense Activities appropriation support the following goal:

Environment Strategic Goal: To protect the environment by providing a responsible resolution to the environmental legacy of the Cold War and by providing for the permanent disposal of the Nation's high-level radioactive waste.

General Goal 7, Nuclear Waste: License and construct a permanent repository for nuclear waste at Yucca Mountain and begin acceptance of waste by 2010.

The program funded within the Other Defense Activities appropriation has one Program Goal that contributes to the General Goal in the "goal cascade". This goal is General Goal 7, Nuclear Waste.

Program Goal 7.25.00.0, Planned Annual Operational Rate: The Yucca Mountain repository is licensed, constructed, and operating; the national and Nevada waste transportation systems are in place; activities required to support receipt and emplacement of spent nuclear fuel (SNF) and high-level radioactive waste (HLW) at the repository are proceeding on schedule.

Contribution to General Goal

Within the Civilian Radioactive Waste Management Program, the Yucca Mountain Sub-Program contributes to General Goal 7 by preparing and submitting the license application to NRC by 2004 for a repository construction authorization by 2008 and subsequently constructing and operating the repository by 2010. The Transportation Sub-Program contributes to General Goal 7 by developing the transportation network, equipment, and facilities that are required for shipment of waste to the repository by 2010.

Funding by General Goal

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
General Goal 7, Other Defense Activities					
Program Goal 7.25.00.0, Planned Annual Operational Rate	16,047	22,858	22,250	-608	-2.7%
Subtotal, General Goal 4	16,047	22,858	22,250	-608	-2.7%
Total, General Goal 7 (Other Defense Activities)	16,047	22,858	22,250	-608	-2.7%

Means and Strategies

During FY 2005, the Civilian Radioactive Waste Management Program will focus its activities on work relating to repository licensing and design, especially repository license defense; and planning and acquisition of the required transportation network, equipment, and facilities to support waste acceptance at the repository. Memoranda of Agreement (MOA) have been negotiated between OCRWM and the Naval Nuclear Propulsion Program and between OCRWM and the Department's Office of Environmental Management. The Program also collaborates with several other nations to address common technical issues associated with radioactive waste management and disposal.

Validation and Verification

The Program's activities are subject to continuing review by the Congress, the General Accounting Office, the Department's Inspector General, the Nuclear Regulatory Commission, the Environmental Protection Agency, the Nuclear Waste Technical Review Board, and the Department's Office of Engineering and Construction Management. The latter performs external independent reviews and independent cost estimates prior to critical decisions. In addition, the Program Director reviews the progress and schedule and cost performance of the Yucca Mountain and Transportation Sub-Programs on a quarterly basis. The Yucca Mountain Sub-Program Manager conducts similar reviews monthly. The quality of the Program's work is subject to a Nuclear Regulatory Commission-approved quality assurance program. The Program's financial statements are audited annually by an independent public accounting firm. The Program has received an unqualified ("clean") auditors' opinion every year since inception. Finally, the Program conducts an annual internal controls review under the Federal Managers' Financial Integrity Act. The Program's performance measures and associated quarterly milestones are reviewed and approved by the OCRWM Director and then entered into and tracked in the Department's performance measurement database. Final performance results are audited and reported both in OCRWM's Annual Report to the Congress and the Department's Performance and Accountability Report.

Program Assessment Rating Tool (PART)

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

The first PART review of OCRWM's Yucca Mountain Project resulted in the assignment of an "adequate" rating by OMB based on an overall score of 50. In many instances, the Yucca Mountain Project isn't at a stage where it can be effectively evaluated as a mature project. After last year's site designation, the project is transitioning from a site recommendation to a design, licensing, and construction project. A score of 100 was awarded in the "Project Purpose and Design" section. "Strategic Planning" and "Program Management" were scored 67 and 75, respectively. The score of 16 in the "Project Results" section reflects OMB's position that the Project lacks an adequate performance baseline, that its "Earned Value Management System" (EVMS) has not been certified, and that its "Capital Asset Management Plan," incorporating an acquisition strategy had not been finalized. The performance baseline and certification of EVMS is required by DOE Order 413.3 at the time of Critical

Decision 2 scheduled for September 2005. There had been consideration for an earlier start, but it was determined there would be a detrimental impact to the confidence in achieving the completion of the License Application submission. The project has a performance measurement baseline in place and performance data is being collected and reported using an earned value management system, which has been in place since 1991. Development of the Capital Asset Management Plan was in process at the time the PART was completed; and an update of a final draft was completed in November 2003.

Significant Program Shifts

In FY 2005, the Office of Civilian Radioactive Waste Management will assume responsibility for the management of the National Spent Nuclear Fuel Program (NSNFP) at the Idaho National Environmental and Engineering Laboratory. The NSNFP provides integration, planning, and technology solutions for Department-owned spent nuclear fuel, and conducts analyses of DOE SNF to support repository licensing and transportation system development. Management of this program will transfer from the Office of Environmental Management to OCRWM.

Also, in FY 2005, OCRWM will assume responsibility for the Foreign Research Reactor Spent Nuclear Fuel Acceptance Program and Management of the Chemical Processing Plant-666 from EM. Assuming these responsibilities ensure resolution of issues regarding the safe interim storage, transportation, and proper resolution of all DOE SNF.

These functions being transferred to OCRWM in FY 2005, will be managed by the newly formed Office of DOE Spent Fuel Management, which will report to the OCRWM Director. This Office has responsibility for the management and integration of DOE spent fuel activities across the DOE complex as well as spent fuels from civilian domestic and foreign research reactors.

Office of Civilian Radioactive Waste Management

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
National Spent Nuclear Fuel Program	6,991	7,989	8,217	+228	+2.9%
Foreign Research Reactor Spent Nuclear Fuel Acceptance Program	440	6,062	4,918	-1,144	-18.9%
Management of the Chemical Processing Plant-666	7,637	7,797	8,055	+258	+3.3%
Total, Other Defense Activities (OCRWM) . . .	15,068	21,848	21,190	-658	-3.0%

Description

The Office of Environmental Management (EM) and OCRWM have agreed to realign the responsibility for the National Spent Nuclear Fuel Program, which provides integration, planning, and technology support for DOE SNF, coordination and transportation of the Foreign Research Reactor Acceptance Program, and management of specific SNF storage facilities at the Idaho National Environmental and Engineering Laboratory.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
National Spent Nuclear Fuel Program	**6,991**	**7,989**	**8,217**

The Office of Environmental Management (EM) and RW have agreed to transfer the responsibility for the national spent nuclear fuel program managed by the Idaho National Engineering and Environmental Laboratory from EM to RW. The National Spent Nuclear Fuel Program ensures resolution of issues regarding the characterization, safe interim storage, transportation, and proper final disposition of all U.S. Department of Energy spent nuclear fuel. This program supports the RW mission by providing criticality and design envelope analyses, technical support, quality assurance, and information technology needed to include all acceptable DOE spent fuel in the repository program license application and support certification of transportation casks for DOE spent fuel. The program also provides technology solutions and guidance for safe, efficient management of DOE spent fuel storage sites. These activities provide opportunities for cost savings resulting from integration and consolidation.

Foreign Research Reactor Spent Nuclear Fuel Acceptance Program	**440**	**6,062**	**4,918**

The Office of Environmental Management (EM) and RW have agreed to consolidate specific functions related to receipt and transportation of foreign research reactor spent nuclear fuel within RW. Responsibility for the coordination and management of Foreign Research Reactor SNF Acceptance Program will be moved from EM to RW. EM will be responsible for receipt and unloading for FRR casks at storage sites at the Idaho National Environmental and Engineering Laboratory and the Savannah River Site.

There are different responsibilities and funding mechanisms, depending on whether the reactor is located in a high-income or "other than high-income" country. High-income nations participating in the Foreign Fuel program pay fees that cover the costs of their spent fuel returns. These fees are managed separate "work for others" and receipts. The receipts from the program will continue to be used to offset the cost of fuel handling and storage at the EM facilities, and the balance will be continue to be funded within EM's appropriations for general SNF interim management activities. Costs of shipments from "other than high income" nations participating in the program are funded by the Department, including program direction for the transportation services contractor. In all cases, OCRWM will be responsible for coordinating international shipments from the host country back to the U.S. and for transportation of SNF to a Department-managed storage site. Funding also supports the base program management activities, negotiations with foreign research reactors, contract development, and emergency preparedness.

(dollars in thousands)

FY 2003	FY 2004	FY 2005

The FRR SNF is targeted for ultimate disposition at a geologic repository. Transferring responsibility – including planning, coordination, receipt and transportation - allows for consistent planning and policy for the transportation of SNF. This change does not affect the storage and future packaging for fuel within EM-managed storage basins.

Management of the Chemical Processing Plant-666 . . . . . **7,637** **7,797** **8,055**

The Office of Environmental Management (EM) and RW have agreed to transfer responsibility for specific spent nuclear fuel (SNF) storage facilities at the Idaho National Engineering and Environmental Laboratory from EM to RW. The facility and the materials are not a legacy of the Cold War and does not directly correspond to the EM mission. Program responsibility includes maintenance and operations of the Chemical Processing Plant-666 Facility (CPP-666) and the interim storage of the SNF presently located there. This transfer does not include costs associated with adding or removing SNF from CPP-666. EM remains responsible for the de-inventory of SNF within the basin.

Total, Other Defense Activities **15,068** **21,848** **21,190**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
National Spent Nuclear Fuel Program	
The increase in funding is due to the Office of Environmental Management (EM) and OCRWM agreeing to realign the responsibility for the national spent nuclear fuel program managed by the Idaho National Engineering and Environmental Laboratory.	+228
Foreign Research Reactor Spent Nuclear Fuel Acceptance Program	-1,144
The decrease in funding is due to the Office of Environmental Management (EM) and OCRWM agreeing to realign the responsibility for the foreign research reactor spent nuclear fuel acceptance program at the Idaho National Engineering and Environmental Laboratory and Savannah River Site.	
Management of the Chemical Processing Plant-666	
The increase in funding is due to the Office of Environmental Management (EM) and OCRWM agreeing to realign the responsibility for the interim storage of specific spent nuclear fuel at the Idaho National Engineering and Environmental Laboratory to ensure resolution of non-legacy spent nuclear fuel.	+258
Total Funding Change, Other Defense Activities	-658

Program Direction

Funding Profile by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Headquarters, SRS, and ID					
Salaries and Benefits	979	1,010	1,060	+50	+5.0%
Total, Program Direction	979	1,010	1,060	+50	+5.0%
Total, Full-time Equivalents	0	0	8	+8	+100.0%

Mission

Program Direction provides overall direction and administrative support for the Office of Civilian Radioactive Waste Program to manage the programs to facilitate management of SNF integration, management and/or transportation programs transferred from the Offices of Environmental Management and Nuclear Energy, Science and Technology to OCRWM.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**979**	**1,010**	**1,060**

Funds salaries, awards, lump sum leave payments, benefits and buyout compensation for full-time permanent and other than full-time permanent employees.

Total, Program Direction	**979**	**1,010**	**1,060**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ The increase in salaries and benefits is due to establishment of a new function within the OCRWM office to address additional SNF management, integration, and/or transportation activities	+50
Total Funding Change, Program Direction	**+50**

Other Defense Activities
Office of Environment, Safety and Health

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities (EH)					
Environment, Safety & Health	90,304	93,351	+8,662[acd]	102,013	99,105
Program Direction	20,077	18,910	-1,057[ad]	17,853	20,414
Subtotal, Other Defense Activities (EH)	110,381	112,261	+7,605	119,866	119,519
Use of Prior Year Balances	-1,287	0	-500	-500	-15,000
Total, Other Defense Activities (EH)	109,094	112,261	+7,105	119,366	104,519
Energy Supply (EH)					
Environment, Safety & Health	6,746	7,000	-133[ab]	6,867	10,000
Program Direction	15,573	16,000	-303[ab]	15,697	20,474
Subtotal, Energy Supply (EH)	22,319	23,000	-436	22,564	30,474
General Reduction	0	-302	+302	0	0
Total, Energy Supply	22,319	22,698	-134	22,564	30,474
Total, Other Defense Activities and Energy Supply (EH)	131,413	134,959	+6,971	141,930	134,993

[a] Distribution of the rescission from the Consolidated (Omnibus) Appropriations Bill for FY 2004.

[b] Spread of the Energy Supply $10 million reduction in the FY 2004 Energy and Water Appropriation Act.

[c] Amount includes a comparability reprogramming of $9,739,886 to the Department's Employee Compensation Program in September 2003 to expedite the processing of applications submitted to DOE under Subtitle D of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA).

[d] Amount includes comparability transfer of $1,475,000 for the transfer of the Defense Nuclear Facilities Safety Board Liaison to the Office of Independent Oversight and Performance Assurance.

Preface

The Office of Environment, Safety and Health (EH) is committed to ensuring that the safety and health of the DOE workforce and members of the public, and the protection of the environment are integrated into all Departmental activities.

Within the Other Defense Activities Appropriation, the Office of Environment, Safety and Health has two programs: Environment, Safety and Health programs (three subprograms) and Program Direction (three subprograms).

This overview will describe Strategic Context, Mission, Benefits and Significant Program Shifts. These items together put this appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Environment, Safety and Health performs critical functions which directly support the mission of the Department. These functions include:

- Environment – Perform work in compliance with environmental regulations; adopt management systems that integrate environmental considerations into work planning.

- Safety – Operate to industry standards where they are relevant and available and provide regulations for those operations that are unique to DOE; perform at a level equal to or better than private industry.

- Health – Provide appropriate assistance for health issues of our former workers; assure current workers and the public are protected.

- Performance Assessment – Provide environment, safety and health performance measures to focus resources and attention of the Department.

- Price Anderson Enforcement – Carry out the statutory mandate of the Price Anderson Amendment Act of 1988 to enforce compliance with nuclear safety requirements.

Mission

The mission of the Office of Environment, Safety, and Health (EH) is to ensure the DOE performs work in a safe and environmentally compliant manner.

Benefits

DOE works to identify health concerns, investigate health effects from similar operations, integrate new occupational health understanding into DOE operations, and aggressively implement the Energy Employees Occupational Illness Compensation Program Act of 2000. EH leverages its resources and personnel to provide DOE's line management programs with essential environment, safety and health performance expectations: environment, safety and health performance measures and analysis; management tools to promote the safe conduct of work; and guidance for the protection of the environment in and around DOE sites. Integral to the Department's success is EH's skill in fostering increased awareness and providing support to line management throughout the Department, using open communications, coordinating with other industry and governmental organizations, and performance feedback on environmental, safety, and health activities, to provide the safety infrastructure that allows for and promotes the safe and environmentally responsible conduct of work.

Significant Program Shifts

The FY 2005 budget request includes funding for two Other Defense Activities programs that were transferred to EH from the Office of Environmental Management (EM) in FY 2004. These are: (1) the Radiological and Environmental Sciences Laboratory (RESL), and (2) the Analytical Services Program at Idaho. These programs help to ensure that analytical laboratory data and worker radiation exposure and environmental samples are of high quality and reliability. These programs support the quality of data used throughout the Department and are more closely aligned with EH's quality assurance function than EM's mission of accelerated risk reduction and site closure.

Other Defense Activities
Office of Environment, Safety and Health
Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Chicago Operations Office					
Brookhaven Nat'l Lab					
Health	120	120	14,268	+14,148	+11,790%
Employee Compensation Program	0	85	192	+107	+125.9%
Total, Chicago Operations Office	120	205	14,460	+14,255	+6,953.7%
Idaho Operations Office					
Employee Compensation Program	157	320	1,412	+1,092	+341.3%
Health	150	150	135	-15	-10.0%
Corporate Safety Program	4,073	4,182	4,182	0	0.0%
Total, Idaho Operations Office	4,380	4,652	5,729	+1,077	+23.2%
Kansas City Site Office					
Kansas City Plant					
Employee Compensation Program	30	30	0	-30	-100.0%
NNSA Service Center					
Lawrence Berkeley Nat'l Lab					
Health	375	375	900	+525	+140.0%
Corporate Safety Program	0	100	100	0	0.0%
Total, NNSA Service Center	375	475	1,000	+525	+110.5%
Livermore Site Office					
Lawrence Livermore Nat'l Laboratory					
Health	2,550	2,550	1,815	-735	-28.8%

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Health	2,698	2,698	1,770	-928	-34.4%
Employee Compensation Program	50	160	460	+300	187.5%
Total, Nevada Site Office	2,748	2,858	2,230	-628	-22.0%
Oak Ridge Operations Office					
Employee Compensation Program	1,006	1,160	4,396	+3,236	+279.0%
Health	0	0	15	+15	>.999%
Oak Ridge Nat'l Laboratory					
Employee Compensation Program	175	175	175	0	0.0%
Health	827	827	6,247	+5,420	+655.4%
Oak Ridge Institute for Science and Education					
Health	6,410	6,410	1,500	-4,910	-76.6%
Y-12 National Security Complex					
Employee Compensation Program	500	500	500	0	0.0%
Health	25	25	0	-25	-100.0%
Corporate Safety Program	0	750	780	+30	+4.0%
Total, Oak Ridge Operations Office	8,943	9,847	13,613	+3,766	+38.2%
Ohio Field Office					
Health	75	75	40	-35	-46.7%
Employee Compensation Program	15	80	160	+80	+100.0%
Total, Ohio Field Office	90	155	200	+45	+29.0%
Pantex Site Office					
Employee Compensation Program	200	150	700	+550	+366.7%
Health	60	60	0	-60	-100.0%
Total, Pantex Site Office	260	210	700	+490	+233.3%

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Richland Operations Office					
Pacific Northwest Nat'l Laboratory					
Employee Compensation Program	740	100	2,240	+2,140	+2,140.0%
Health	751	1,446	1,778	+332	+23.0%
Total, Richland Operations Office	1,491	1,546	4,018	+2,472	+160.0%
Rocky Flats Field Office					
Employee Compensation Program	50	320	1,382	+1,062	+331.9%
Sandia Site Office					
Sandia National Laboratory					
Employee Compensation Program	50	50	550	+500	+1,000.0%
Health	150	150	90	-60	-40.0%
Total, Sandia Site Office	200	200	640	+440	+220.0%
Savannah River Operations Office					
Savannah River Site and Technology Center					
Employee Compensation Program	1,050	1,160	4,100	+2,940	+253.4%
Corporate Safety Program	200	200	200	0	0.0%
Health	110	110	0	-110	-100.0%
Total, Savannah River Operations Office	1,360	1,470	4,300	+2,830	+192.5%
Washington Headquarters					
Employee Compensation Program	11,622	20,656	26,733	+6,077	+29.4%
Health	49,250	52,339	16,664	-35,675	-68.2%
Corporate Safety Program	6,830	3,882	5,621	+1,739	+44.8%
Program Direction	20,077	17,853	20,414	+2,561	+14.3%
Total, Washington Headquarters	87,784	95,348	65,432	-29,916	-31.4%

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Subtotal, Environment, Safety and Health.....	110,381	119,866	119,519	-347	-0.3%
Use of Prior Year Balances	-1,287	-500	-15,000	-14,500	-2,900.0%
Total, Other Defense Activities (EH)..	109,094	119,366	104,519	-14,847	-12.4%

Site Description

Chicago Operations Office

Chicago Operations Office, Chicago, Illinois, is responsible for overseeing the operation of contractor-operated, multi-program laboratories such as Argonne National Laboratory and Brookhaven National Laboratory.

Brookhaven National Laboratory

Brookhaven National Laboratory (BNL) is located in Upton, New York, on Long Island. As a non-defense research institution, BNL is dedicated to basic and applied investigation in a multitude of scientific disciplines. BNL also provides specialized subject matter technical expertise in conducting reviews of safety analysis and risk assessment documents such as Environmental Assessments (EA), Environmental Impact Statements (EIS) Safety Analysis Reports (SARs), and Basis for Interim Operations (BIO). BNL provides specialized technical expertise input to be used by the Federal staff to develop rules, orders, safety guides, and standards. These documents may include SARs, technical safety requirements, waste disposal standards, fire protection standards, lightning and wind protection standards, and facility operation.

Health

Provides technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Idaho Operations Office

Idaho Operations Office, Idaho Falls, Idaho, executes a multi-program mission, and leverages the Idaho National Laboratory's expertise with emerging technology to meet the Nation's needs. The Radiological and Environmental Sciences Laboratory, which administers the DOE Worker Dosimetry Laboratory Accreditation Program, administratively reports to the Idaho Operations Office.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Health
Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Corporate Safety Program

This site conducts DOE-wide performance evaluation and accreditation programs, provides technical support and measurement quality assurance methodologies to strengthen programs. These programs provide for technically and legally defensible results of such measurements.

Kansas City Site Office

The Kansas City Site Office provides liaison between the National Nuclear Security Administration service center and the site contractor.

Kansas City Plant

This facility produces or procures non-nuclear electronics, electromechanical, mechanical, plastic, and non-fissionable metal components for DOE's National Defense mission.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupation Illness Compensation Act of 2000".

National Nuclear Security Administration Service Center

This site provides liaison between the National Nuclear Security Administration service center and the site contractor.

Lawrence Berkeley Laboratory

Lawrence Berkeley Laboratory, Berkeley, California, pursues basic and applied research that advances the frontiers of science and solves a broad spectrum of national problems. It is a multi-program laboratory that serves the Nation's needs in technologies and environment, safety and health activities.

Health

Provide continuous public access to an organized, well-documented, retrievable collection of DOE health effects information.

Corporate Safety Program

This site ensures that environmental analytical laboratory data is of high quality and reliability and assures that analytical data is technically and defensible. The program conducts a consolidated audit program that includes DOE on-site laboratories to demonstration fair and equitable selection and treatment among laboratories selected for environmental analytical service contracts.

Livermore Site Office

The Livermore Site Office coordinates between the National Nuclear Security Administration service center and the site contractor.

Lawrence Livermore National Laboratory

Lawrence Livermore National Laboratory, (LLNL), located in California's Tri-Valley region east of San Francisco, supports the Marshall Islands program by providing environmental sampling and analysis to determine the radiological conditions at the affected atolls and performs epidemiological site surveillance. LLNL provides software quality assurance expertise support to maintain the code registry that is important for nuclear safety analysis throughout the complex.

Health

Lawrence Livermore participates in the Epidemiologic Surveillance program through the collection and transmission of worker health and demographic data.

Nevada Site Office

The Nevada Test Site implements DOE initiatives in stockpile stewardship, crisis management, waste management, environment, safety, and health management and programs, as well as supporting other DOE programs.

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Employees Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Oak Ridge Operations Office

Oak Ridge Operations Office, Oak Ridge, Tennessee, is responsible for research and development, defense programs, environmental management, and environment, safety, and health activities. There are three major plant complexes on the Oak Ridge Reservation: Oak Ridge National Laboratory; Y-12 Plant; and the East Tennessee Technology Park, as well as the Oak Ridge Institute for Science and Education and the American Museum of Science and Energy.

Employee Compensation Program

The Oak Ridge Operations Office, as well as the contractors operating the DOE facilities there, research and provide employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000."

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Oak Ridge National Laboratory

Oak Ridge National Laboratory (ORNL), Roane County, Tennessee, is a multi-program science and technology laboratory. Scientists and engineers at the laboratory provide specialized technical expertise in environment, safety, and health activities; and restoration and protection of the environment. The laboratory provides specialized technical expertise in the development of risk-based, integrated worker safety programs through the development of input and resource information for various technical standards and guides.

Employee Compensation Program

The Oak Ridge National Laboratory, as well as the contractors operating the DOE facilities there, research and provide employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000."

Health

ORNL provides services and products that support the development, implementation, and maintenance of DOE former worker studies, international health studies, design and development of descriptive epidemiologic review of defined health data, and the development of effective health communications

systems. Activities include the review of DOE epidemiologic data, the preparation of the annual reports to address future epidemiologic needs and priorities, the preparation of the quarterly status reports, and other assistance as necessary to support activities of the Office of Health. Provides support in the administration, training, materials, and follow-up services for the Office of Health activities including conference, workshops, and training materials.

Oak Ridge Associated Universities (ORISE)

Screening and medical examinations for former employees who are at risk for chronic beryllium disease due to their work at DOE and analysis of the data obtained on these individuals; provide technical support to the Office of Health in the areas of data management, quality assurance, analysis, report preparation, and program implementation at sites; Provides support in the administration, training, materials and follow-up services for the Office of Health activities including conferences, workshops, and training materials.

Health

Provide technical support to the Office of Heath through collection and transmission of worker health, exposure, and demographic data.

Y-12 National Security Complex

The Y-12 mission includes weapons component disassembly, Special Nuclear Material storage, maintenance of technical capability for weapons development and production, and non-proliferation and arms control, and technology transfer.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 “Energy Employees Occupational Illness Compensation Program Act of 2000”.

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Corporate Safety Program

This site ensures that environmental analytical laboratory data is of high quality and reliability and assures that analytical data is technically and legally defensible. The program conducts a consolidated audit program that includes DOE on-site laboratories to demonstrate fair and equitable selection and treatment among laboratories selected for environmental analytical services contracts.

Ohio Field Office

The Department of Energy's Ohio Field Office includes five sites, four in Ohio and one in New York. Its primary mission includes overseeing the five project offices responsible for environmental restoration, waste management, and nuclear material and facility stabilization.

Health

The Fernald site participates in the Office of health programs and provides access to site records and information for use in occupational and public health studies being performed by the Department of Health and Human Services under their Memorandum of Understanding with DOE.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000."

Pantex Site Office

The Pantex Site Office coordinates between the National Nuclear Security Administration service center and the site contractor.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Richland Operations Office

Richland Operations Office, Richland, Washington, manages waste products; develops, applies, and commercializes technologies; manages environment, safety, and health activities; and supports cleanup and environmental restoration at the Hanford site.

Pacific Northwest National Laboratory

Pacific Northwest National Laboratory (PNNL), Richland, Washington, develops and delivers new and effective environment, safety, and health technologies. PNNL provides technical support in preparing policies, procedures, and guides, as well as developing materials that address the process and protocols that are used for program implementation, planning, analysis of evaluation results and trends, and compilation of policy issues related to the evaluations. PNNL provides technical support for recurring safety management evaluations, as well as site profile development, accident investigations, and other special studies and reviews. PNNL also assists in tracking and trending corrective actions, developing and disseminating lessons learned, and tracking issues related to the program for follow-up and analysis. PNNL provides support to the international health studies program.

Employee Compensation Program

Richland and contractors operating the Hanford Site research and provide employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000."

Health

Facilitate access to cumulative dosimetry data and information resulting from studies of historical releases of contaminants that traveled off site from DOE facilities (environmental dose reconstructions). Participates in collection and transmission of worker health, exposure, and demographic data.

Rocky Flats Field Office

Rocky Flats is a former nuclear weapons facility located approximately 16 miles northwest of Denver, Colorado. Rocky Flats no longer has a production mission. Its mission now is to clean up its nuclear and chemical contamination while decommissioning the site.

Employee Compensation Program

Researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Sandia Site Office

The Sandia Site Office coordinates between the National Nuclear Security Administration service center and the site contractor.

Sandia National Laboratories

Sandia National Laboratories' main laboratory is located on Kirtland Air Force Base in Albuquerque, New Mexico. Sandia provides specialized technical expertise in the evaluation of long-term dry storage of K-Basin Spent Nuclear Fuel, taking into account the associated physical and chemical changes. Sandia also provides specialized technical expertise in the development of software for radiological hazard analyses at DOE facilities.

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Savannah River Operations Office

Savannah River Operations Office, Aiken, South Carolina, serves national interest by ensuring that programs, operations, and resources at the Savannah River Site are managed in a safe, open, and cost-effective manner to: support current and future national security requirements and conduct mission-supportive research. Savannah River Operations and the contractors operating the Savannah River Site support the Office of Health, provide access to site records and information for use in occupational and public-health related studies being performed by the Department of Health and Human Service under their Memorandum of Understanding with DOE.

Savannah River Site and Technical Center

This facility supports the DOE's National Security mission in the area of SNM production.

Employee Compensation Program

Provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Corporate Safety Program

This site ensures that effective safety policies and procedures guide the operations of DOE facilities.

Health

Provide technical support to the Office of Health through collection and transmission of worker health, exposure, and demographic data.

Washington Headquarters

Employee Compensation Program

This site researches and provides employee employment, medical and exposure records in accordance with Public Law 106-398 "Energy Employees Occupational Illness Compensation Program Act of 2000".

Health

Under a memorandum of Understanding, the Department of Health and Human Services provides support to DOE in health studies of DOE workers and communities around DOE sites. Wire payments are made to various agencies and institutions of the Former Soviet Union.

Corporate Safety Program

This site ensures that effective safety policies and procedures guide the operation of DOE facilities.

Environment, Safety and Health Programs

Funding Profile by Subprogram

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustment	FY 2004 Comparable Appropriation	FY 2005 Request
Environment, Safety and Health Programs					
Corporate Safety Program ...	11,103	9,616	-584	9,032	10,883
Health	50,051	67,735	-400	67,335	45,222
Employee Compensation Program	15,650	16,000	+9,646	25,646	43,000
Subtotal, Environment, Safety and Health	90,304	93,351	+8,662	102,013	99,105
Use of Prior Year Balances	-1,287	0	-500	-500	-15,000
Total, Environment, Safety and Health.....	89,017	93,351	+8,162	101,513	84,105

Public Law Authorizations:
Public Law 83-703, "Atomic Energy Act of 1954", as amended
Public Law 100-408, Price-Anderson Amendments Act of 1995"
Public Law 106-398, Energy Employees Occupational Illness Compensation Program Act of 2000"
Public Law 103-337, National Defense Authorization Act of 1995
Public Law 99-239, Compact of Free Association Act of 1985"
Public Law 95-134, Marshall Islands (Related to Rongelap and Utirik Atolls)
Public Law 96-205, Trust Territory of the Pacific Islands"
Public Law 95-91, "Department of Energy Organization Act"
Public Law 103-62, "Government Performance and Results Act of 1993"
42 U.S.C. Section 7274 "Program to Monitor DOE Workers Exposed to Hazardous and Radioactive Substances"

Mission

The mission of the Office of Environment, Safety and Health (EH) is to provide leadership and Departmental direction through line programs to protect the workers, the public, and the environment.

Benefits

Within the Other Defense Activities appropriation, EH plays a key role in achieving the Departments mission. A commitment to excellence is achieved by continuously striving for improvement through: developing meaningful programs and policies; enforcing a nuclear safety regulatory program; conducting reviews of environment, safety, and health performance; providing technical services, and information sharing; and ensuring quality assurance programs, including policies and standards, are in place and functioning properly across the Department. Open communication, participation, and performance feedback on EH activities from affected parties are integral to EH's success. The hallmark and highest priority of all EH activities is daily excellence in the protection of workers, the public, and the environment. The EH Other Defense Activities are concentrated into the following activities within one decision unit: Corporate Safety Program, Health Studies, Employee Compensation, and a Program Direction decision unit.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Corporate Safety Programs	**11,103**	**9,032**	**10,883**

The Corporate Safety Programs serve a crosscutting safety function for the Department and its stakeholders in assessing, facilitating, achieving and assuring excellence and continuous improvement in safety management and performance in the conduct of its missions and activities. Several individual programs are a part of Corporate Safety Programs.

The Performance Assessment Program provides analysis and certification of DOE's performance in protecting the public, workers, and the environment by synthesizing operational information to support decision-making and continuous ES&H improvement across the DOE complex. This program supports the setting of ES&H performance expectations through contracts and performance measurements and implements a lessons learned program.

Sharing information is an important service provided by EH. The Web-Based Information Management Program provides web-based information technology support for both web pages and web-based database systems. These systems will be re-engineered for efficiency by consolidating existing databases and utilizing the latest technological capabilities to distribute information, including health studies communications management capability and web-based health studies status.

The Quality Assurance Program was created in FY 2003 to provide quality assurance information, corporate policy and guidance, and certification to support DOE accomplishing its mission. This program establishes requirements and policies to support existing activities such as High Efficient Particulate Air (HEPA) filter testing, central registry for safety related computer software, and the DOE Self-Assessment Certification Program.

The Radiological and Environmental Science Laboratory (RESL) is a reference laboratory that conducts performance evaluation and accreditation, provides technical support and measurement, and quality assurance methodologies to programs such as the DOE Laboratory Accreditation Program, the Mixed Analyte Performance Evaluation Program, and other analytical chemistry services. The responsibility to operate RESL, located at the Idaho National Laboratory, was transferred from EM to EH in FY 2004.

The Analytical Services Program ensures that environmental analytical laboratory data is of high quality and reliability and assures that analytical data is technically and legally defensible. The program supports EH's small scale information investments to meet the increasing needs for the Environmental Management Consolidated Audit Program for auditing commercial laboratories.

To address immediate ES&H issues in the Department, the Facility Safety Program performs appraisals including accident investigations, facility authorizations bases, and safety allegations. Special safety reviews are conducted for nuclear hazards, criticality safety, seismic analysis, fire protection, emergency operations, facility design, and the startup and restart of facilities.

The EH Enforcement program carries out the statutory mandate of the Price-Anderson Amendments Act (PAAA) of 1988 to enforce compliance with Code of Federal Regulations nuclear safety requirements at DOE sites and enforcement of the Worker Occupational Safety and Health Rule.

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Health	**63,551**	**67,335**	**45,222**

The Health mission is to establish and enhance the scientific bases for standards that provide levels of protection appropriate to the risk of the hazards present at DOE sites and is comprised of four major areas: Occupational Health (corporate occupational medicine policy); Public Health (community bases health studies); Epidemiologic Studies (analysis and communication of worker injury and illness information); and International Health Studies. There are several programs within the Occupational Health Program. The Worker Surveillance program provides targeted medical screening to former worker of DOE's defense nuclear complex. This surveillance program has three components: 1) the Former Worker Medical Screening Program offers occupation medical screening for former workers at selected DOE sites, 2) the Former Beryllium Worker Surveillance Program offers an opportunity for former workers to participate in the beryllium worker medical surveillance program, and 3) the Rocky Flats former Worker Program provides medical monitoring, on a 3-year repeating cycle, for the cohort of radiation workers at Rocky Flats to help determine the health status of these workers and understand the health consequences of exposure to increased levels of ionizing radiation.

The Integrated DOE Occupational Medicine Program provides DOE with standards, policy, and corporate resources to efficiently delivery quality occupational medical services. In FY 2005, DOE will implement occupational medicine model contract language to ensure adequate and integrated occupation health programs at all DOE sites.

The Radiation Emergency Accident Center/Training Site (REAC/TS) maintains the capability to provide rapid response medical expertise and training to address radiological accidents. In FY 2004, REAC/TS will develop telemedicine capabilities in Oak Ridge for emergency response coordination and expand its training programs. In FY 2005, REAC/TS will investigate its ability to reestablish capability to conduct cytogenetic studies in response to a radiological incident.

The Public Health Programs support independent energy-related epidemiologic studies relevant to DOE workers and neighboring communities by the National Institute for Occupational Safety and Health, the National Center for Environmental Health, and the Agency for Toxic Substances and Disease Registry. These studies inform the DOE and stakeholders of any adverse health impacts that DOE operations may have had on DOE workers and the public.

Epidemiologic Studies collect both medical and exposure data information to expand understanding of health effects of radiation, chemical, and other hazards to current DOE workers and the public. The Epidemiologic Surveillance program assures the conduct of descriptive epidemiologic studies to assess the health implications or worker exposure to hazardous materials within the DOE complex. The U.S. Transuranium Registries assure the accurate determination of worker radiation exposures through the collection and analysis of organs and tissues of deceased workers with internal quantities of transuranic radioactive material. This data increases understanding of the metabolism and deposition or radioactive materials in humans to allow for increased accuracy of worker radiation exposures.

(dollars in thousands)

FY 2003	FY 2004	FY 2005

EH supports the development, operation, and maintenance of the Office of Health Studies Epidemiologic Surveillance Program through the collection and transmission of worker health, exposure, and demographic data.

The International Health Programs support the upgrading and validation of our knowledge of radiation health effects among workers and populations exposed to ionizing radiation as a result of accidents or environmental contamination in the former Soviet Union and Spain.

The DOE and the National Cancer Institute jointly sponsor four international studies to determine if any adverse health effects from exposure to radiological contamination from Chernobyl on the populations of Belarus, Ukraine, and Chernobyl cleanup workers. Epidemiologic studies of Russian workers at the Mayak Production Facility and other facilities in Russia identify the levels of radiation exposures where adverse health effects can be demonstrated for a large worker population exposed to low and moderate levels of radiation over a working lifetime and support the establishment of worker and public international and national radiation protection standards and policy. The DOE and Spain jointly sponsor Project Indalo, which provides support for medical surveillance and environmental monitoring of the spread of plutonium contamination on a few hundred acres of land in southern Spain. Health programs also includes a program to provide special medical care for a limited group of radiation-exposed individuals in the Marshall Island. The RERF epidemiologic studies and medical surveillance program provides for the life span study of the Hiroshima and Nagasaki exposed population. As this study approaches it's conclusion, future U.S. involvement in RERF will be evaluated.

Employee Compensation Program..... **15,650** **25,646** **43,000**

The Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA) established a process to assist employees of DOE contractors and their survivors with their applications for State workers compensation benefits. Around the time that EEOICPA was passed in 2000, and, given the complexity of the process mandated in the authorizing legislation and the expected complexity of the physician panel reviews to be conducted, the Department of Energy was planning on ten years to completely review all applications. However, as the number of applications has more than tripled original expectations, and it has become clear how great the applicants' immediate need for this data is to effectively pursue State workers compensation claims, the Department implemented a three-year program to completely eliminate the backlog of applications.

The budget includes $43.0 million to maintain the accelerated schedule for EEOICPA activities. This together with additional funds reprogrammed in late FY 2003, and additional funds to be reprogrammed in FY 2004, will enable the Department of Energy to significantly expedite the process through FY04, complete in FY05 the processing of all applications currently on file with DOE, up to the point of review by a Physicians Panel, and completely process all of these applications through the Physicians Panels by sometime in FY06. The Department has also implemented reforms that have already improved performance. In August of this year the program processed 30 cases per week. But with process improvements and the final approval of $9.7 million in reprogrammed FY03 funds in September 2003, the rate has more than tripled to over 100 per week, and continues to rise.

The Department is also discussing with Executive agencies and other stakeholders possible legislative and regulatory changes to address impediments to effective program implementation.

Total, Environment, Safety and Health	**90,304**	**102,013**	**99,105**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Corporate Safety Program	
▪ Expanded Quality Assurance program to address DOE-wide emerging issues involving quality assurance policy and standards, software quality assurance, implementation of a suspect/counterfeit items program HEPA filter quality assurance and certification programs; other minor adjustments	+1,851
Health	
▪ Net decrease reflects discontinuation of earmarks (UNLV & gaseous diffusion plants) provided by Congress in FY 2004 not in the FY 2005 request (-$6.1M); the reduction of support for various National and International Health Studies (-$16.0M)	-22,113
Employee Compensation Program	
▪ Funding provided to expedite processing of applications for assistance with state workers compensation	+17,354
Total Funding Change, Environment, Safety and Health	**-2,908**

Program Direction

Funding Profile

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$Change	% Change
Headquarters					
Salaries and Benefits	19,748	17,429	19,990	+2,561	+14.7%
Travel	280	300	300	0	0.0%
Other Related Expenses	49	124	124	0	0.0%
Total, Program Direction	20,077	17,853	20,414	+2,561	+14.3%
Full Time Equivalents	154	152	152	0	0.0%

Mission

Program Direction in the Other Defense Activities account provides overall direction and support for the Office of Environment, Safety, and Health (EH) defense programs to ensure that all operations are conducted in the most efficient and effective manner.

DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program office in the Department but with additional effort from staff offices, which support the programs in carrying out the mission. DOE's staff offices perform critical functions necessary for success in achieving the Department's goals which include, but are not limited to, managing information technology, ensuring sound legal advice and fiscal stewardship, developing and implementing uniform program policy and procedures, maintaining and supporting our workforce, safeguarding our work spaces, and providing Congressional and public liaison.

The Office of Environment, Safety and Health performs critical functions which directly support the mission of the Department. These functions include funding for a Federal staff that have the technical expertise to carry out the essential EH mission. The EH mission requires experts to develop overall environment, safety, and health policy for DOE sites and facility operations; to provide a central and coordinated source of scarce technical expertise to all field elements; provide a central clearing house for information, analysis and feedback regarding new efforts, present activities, and unforeseen occurrences taking place at the multitude of diverse facilities within the DOE complex; provide the Department with the capability, as well as health studies endeavors; and to perform activities relative to environment, safety, and health programs across the DOE complex. Program Direction includes funding to support RESL and the Analytical Services Program staff; all costs of transportation, subsistence, and incidental expenses for EH's Federal employees in accordance with Federal Travel Regulations and training for EH Federal staff.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**19,748**	**17,429**	**19,990**

Salaries and Benefits reflect the FTE split between Energy Supply and Other Defense Activities. This category funds full-time permanent and other than full-time permanent employees' salaries, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service, other performance awards, and payments to the worker's compensation. The increase for Salaries and benefits are based on the latest OMB economic assumptions for civilian pay raises of 1.5%.

Travel	**280**	**300**	**300**

EH travel requirements are in line with the overall EH Federal staff.

Other Related Expenses	**49**	**124**	**124**

Training, which includes tuition costs for EH Federal employees, was previously budgeted in Management and Administration.

There are no support services contracts in Program Direction.

Total, Program Direction	**20,077**	**17,853**	**20,414**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ Funding requirements are commensurate with the allocation on Federal staff among EH programs and staff allocations. Increases for Salaries and Benefits are based on the latest OMB economic assumptions (civilian staff raises are 1.5%). This includes funding for cost of living adjustments, locality pay, within-grade increases, lump sum payments, and awards. The rates are based on EH actual experience	+2,561
Total Funding Change, Program Direction	**+2,561**

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Training	49	124	124	+0	+0.0%
Total, Other Related Expenses	49	124	124	+0	+0.0%

Other Defense Activities
Office of Legacy Management

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Legacy Management……	43,333	38,163	-202	37,961	34,895
Subtotal, Other Defense Activities……..	43,333	38,163	-202	37,961	34,895
Less Use of Prior Year Balances……	-2,369	-1500	0	-1,500	0
Total, Other Defense Activities	40,964	36,663	-202	36,461	34,895
Energy Supply					
Legacy Management……	21,093	29,705	-158	29,547	31,130
Subtotal, Energy Supply……	21,093	29,705	-158	29,547	31,130
Less Use of Prior Year Balances……	0	0	0	0	0
Total, Energy Supply……..	21,093	29,705	-158	29,547	31,130
Total, Other Defense Activities and Energy Supply……	62,057	66,368	-360	66,008	66,025

Preface

During FY 2005, the Department continues its efforts to reduce risk to human health and the environment at its contaminated sites and mitigate the impacts to workers and communities caused by changing Departmental missions. By conducting the long-term surveillance and maintenance of remediated sites and ensuring pension and benefit continuity, the Office of Legacy Management allows Environmental Management to concentrate on further risk reduction and site closure.

Within the Energy and Water, Other Defense Activities appropriation, the Office of Legacy Management (LM) has two subprograms: Legacy Management and Worker and Community Transition.

This Overview will describe Strategic Content, Mission, Benefits, Strategic Goals, and Funding by General Goals. These items together put the appropriation in perspective. The Annual Performance Results and Targets, Means and Strategies, and Validation and Verification sections address how the goals will be achieved and how performance will be measured. Finally, this Overview will address Significant Program Shifts.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. Each appropriation has developed quantifiable goals to support the general goals. Thus, the "goal cascade" is the following:

Department Mission – Strategic Goal (25 yrs) – General Goal (10-15 yrs) – Program Goal (GPRA Unit) (10-15 yrs)

To provide a concrete link between budget, performance, and reporting, the Department developed a "GPRA Unit" concept. Within DOE, a GPRA Unit defines a major activity or group of activities that support the core mission and aligns resources with specific goals. Each GPRA Unit has completed or will complete a Program Assessment Rating Tool (PART). A unique program goal was developed for each GPRA Unit. A numbering scheme has been established for tracking performance and reporting.

The goal cascade accomplishes two things. First, it ties major activities for each program to successive goals and, ultimately, to DOE's mission. This helps ensure the Department focuses its resources on fulfilling its mission. Second, the cascade allows DOE to track progress against quantifiable goals and to tie resources to each goal at any level in the cascade. Thus, the cascade facilitates the integration of budget and performance information in support of the GRPA and the President's Management Agenda (PMA).

Mission

The Office of Legacy Management was created in FY 2004 from existing programs within the Department of Energy. The mission of the Office of Legacy Management is to (1) conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed; (2) oversee the management of pensions and benefits for former contractor employees; (3) facilitate the transfer of surplus personal

and real property that has been remediated and is no longer needed for the Department's missions; (4) administer the Environmental Justice program; (5) provide separation benefits for contractor workers affected by DOE downsizing; and, (6) perform storage, retrieval, and management of all records associated with legacy management.

Benefits

The Office of Legacy Management programs provide benefits to the Department during mission changes or cleanup of sites in preparation for closure, during closure itself, and following mission change or closure. For sites where cleanup is completed, Legacy Management programs ensure that the remediation measures implemented during closure are protecting human health and the environment and that labor commitments for the contractor work force are being satisfied. By managing the real and personal property assets that remain after mission change, cleanup, and closure, Legacy Management helps the Department reduce the magnitude of its physical resource management and the costs associated with such management.

Strategic Goals

The Department's Strategic Plan identifies four strategic goals (one each for defense, energy, science, and environmental aspects of the mission plus seven general goals that tie to the strategic goals. The Legacy Management appropriation (Energy and Water/Other Defense Activities) support the following goal:

Environment Strategic Goal: To protect the environment by providing a responsible resolution to the environmental legacy of the Cold War and by providing for the permanent disposal of high-level radioactive waste.

General Goal 6, Environmental Management: Accelerate cleanup of nuclear weapons manufacturing and testing sites, completing cleanup of 108 contaminated sites by 2025.

The programs funded within the Energy and Water/Other Defense Activities appropriation have one Program Goal that contributes to the General Goal in the "goal cascade". This goal is;

Program Goal 06.26.01.00: Legacy Management – Ensure that the Department's long-term agreements and legal commitments to environmental stewardship and to former contractor employees are satisfied.

Contribution to General Goal 6

Legacy Management programs contribute to this goal by managing the long-term surveillance and maintenance at sites where remediation has been essentially completed, allowing the Environmental Management program to concentrate its efforts on continuing to accelerate cleanup and site closure resulting in reduced risks to human health and the environment and reduced landlord costs.

The Legacy Management program is also now the manager of some existing pension and benefit programs to meet the Department's contractual commitments.

Funding by General Goal

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
General Goal 6, Environmental Management……..	43,333	37,961	34,895	-3,066	-8.1%
Program Goal 06.26.01.00, Legacy Management…….	43,333	37,961	34,895	-3,066	-8.1%
Subtotal, General Goal 6…….	43,333	37,961	34,895	-3,066	-8.1%
Use of Prior Year Balances…...	-2,369	-1,500	0		
Total, General Goal 6 (Other Defense Activities/Legacy Management)……	40,964	36,461	34,895	-1,566	-4.3%

Annual Performance Results and Targets

FY 2000 Results	FY 2001 Results	FY 2002 Results	FY 2003 Results	FY 2004 Target	FY 2005 Proposed Target
Legacy Management Program/Legacy Management Subprogram					
No comparable measures in FY 2000	No comparable measures in FY 2001	No comparable measures in FY 2002	Ensure continued effectiveness of cleanup remedies through surveillance and maintenance activities at 2 sites in accordance with legal agreements	Ensure continued effectiveness of cleanup remedies through surveillance and maintenance activities at 2 sites in accordance with legal agreements	Ensure continued effectiveness of cleanup remedies through surveillance and maintenance activities at 9 sites in accordance with legal agreements

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

Success of the surveillance and maintenance program will depend upon the effectiveness of the remediation system or structure installed by the Environmental Management program. A failure of a functioning remediation system or structure to contain remediation would cause the return of the site to Environmental Management for future remediation.

Success of the asset transfer program will depend upon negotiations with the recipient and other stakeholders with an interest in the future management of the respective assets, especially land. Federal and state regulators would also be involved in the negotiations.

LM's intention is to have no reportable risks at surveillance and maintenance sites and transfer unneeded land resources to other ownership. The long-term surveillance and maintenance goal will be achieved by performing surveillance and maintenance activities as specified in legal agreements. The real property goal will be achieved by negotiating with public and/or private entities for the sale, transfer or lease of the property to them.

Validation and Verification
The Department is operating a performance tracking system to measure performance. The Office of Management, Budget, and Evaluation has developed action plans for the primary functions. Quarterly updates are developed using the Joule system.

For items not tracked by the Joule system, the Office of Legacy Management will obtain quarterly updates to judge progress of the programs.

The Legacy Management program has not performed a Program Assessment Rating Tool (PART) evaluation to date but such a review and the measures resulting from it would also provide verification.

Significant Program Shifts

- Transfer of responsibilities from Office of Environmental Management
  - Records Management for Formerly Utilized Sites Remedial Action Program
  - Specific Economic and Environmental Initiatives including Environmental Justice
  - Cost Liability and Recovery Review

Other Defense Activities
Office of Legacy Management
Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Operations Office					
Legacy Management……..	500	0	0	0	0.0%
Lexington Office					
Legacy Management……..	5,648	0	0	0	0.0%
Los Alamos Site Office					
Legacy Management……....	880	0	0	0	0.0%
Nevada Site Office					
Legacy Management……..	300	0	0	0	0.0%
NNSA Service Center					
Carlsbad Area Office					
Legacy Management……..	380	0	0	0	0.0%
Pinellas Plant					
Legacy Management……..	7,993	7,933	6,550	-1,383	-17.4%
Oak Ridge Operations Office					
Legacy Management……..	80	0	0	0	0.0%
Ohio Field Office					
Mound Plant					
Legacy Management……..	2,222	0	0	0	0.0%
Richland Operations Office					
Legacy Management……..	655	0	0	0	0.0%
Rocky Flats Field Office					
Legacy Management……..	1,800	0	0	0	0.0%
Sandia Site Office					
Legacy Management……..	433	0	0	0	0.0%
Savannah River Operations Office					
Legacy Management……..	550	0	0	0	0.0%
Washington Headquarters					
Legacy Management……..	21892	30,028	28,345	-1,683	-5.6%
Subtotal, Other Defense Activities…….....	43,333	37,961	34,895	-3,066	-8.1%
Less use of prior-year balances……	-2,369	-1,500	0		
Total, Other Defense Activities……	40,964	36,461	34,895	-1,566	-4.3%

Site Description

Idaho Operation Office

Introduction

The Idaho facilities have experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Lexington Office

Introduction

The Lexington Office is the DOE office with management responsibility for the two gaseous diffusion plants at Paducah, KY, and Portsmouth, OH, which passed to private ownership in 1993. The gaseous diffusion plants have experienced work force actions that reduced the work force at both plants with secondary impacts on the economy of the adjacent communities. The community reuse organizations were established as a focal point to stabilize the local economies.

Legacy Management

Under agreements with the United States Enrichment Corporation (USEC), the Department still retains responsibility for separation benefits for part of the USEC work force. Funding for the community reuse organizations has been used to stabilize the economies in the communities adjacent to the plants by creating or retaining jobs.

Los Alamos Site Office

Introduction

The Los Alamos Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Nevada Site Office

Introduction

The Nevada Test Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

NNSA Service Center
Carlsbad Area Office
Introduction
The Carlsbad Area Office has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.
Legacy Management
Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Pinellas Plant
Introduction
The Pinellas Site is a former weapons facility located in Pinellas, FL, which is in the Tampa-St. Petersburg metropolitan area. The facility has been completely closed and the property sold to the local community reuse organization.
Legacy Management
The Legacy Management program provides pension and benefits payments for the former contractor work force as well as assists the community reuse organization as a focal point to stabilize the local economy.

Oak Ridge Operations Office
Introduction
The Oak Ridge facility has experienced work force actions that reduced the work force.
Legacy Management
Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation.

Ohio Field Office
Mound Plant
Introduction
The Mound Plant is one of the facilities targeted by the Office of Environmental Management for closure in FY 2006. This closure will completely eliminate the Department's funding of the contractor work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.
Legacy Management
Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Richland Operation Office
Introduction
The Hanford Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management
Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Rocky Flats Field Office

Introduction
The Rocky Flats facility is one of the facilities targeted by the Office of Environmental Management for closure in FY 2006. This closure will completely eliminate the Department's funding of the contractor work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management
Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Sandia Site Office

Introduction
The Sandia Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management
Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Savannah River Operation Office

Introduction
The Savannah River Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management
Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Washington Headquarters

Introduction
The Office of Legacy Management has been organized as a Headquarters office with personnel located in the Washington, DC area, Grand Junction, CO, Morgantown, WV, and Pittsburgh, PA.

Legacy Management

The legacy management functions of the Office include administration of the long-term surveillance and maintenance activities, including site inspections, oversight for benefit continuity for contractor retirees, records management, asset disposition and assistance to the contractor work force and communities to mitigate the impacts of DOE downsizing.

Legacy Management

Funding Profile by Subprogram

(dollars by thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Legacy Management Program					
Legacy Management…….….	12,552	14,364	-78	14,286	19,194
Worker and Community Transition……..……..	19,061	10,721	-55	10,666	2,500
Program Direction……...…...	11,720	13,078	-69	13,009	13,201
Subtotal, Legacy Management Program……..	43,333	38,163	-202	37,961	34,895
Less Use of Prior Year Balances..	-2369	-1,500	0	-1,500	0
Total, Legacy Management Program.	40,964	36,663	-202	36,461	34,895

Public Law Authorizations:

Public Law 95-91, "Department of Energy Organization Act (1977)
Public Law 95-604, Uranium Mill Tailings Radiation Control Act (1978)
Public Law 100-616, Uranium Mill Tailings Remedial Action Amendments Act of 1988
Public Law 103-62, Government Performance and Results Act of 1993
Public Law 106-377, Energy and Water Development Appropriations Act, 2001
Public Law 106-398, National Defense Authorization Act for Fiscal Year 2001
Public Law 107-66, Energy and Water Development Appropriations Act, 2002

Mission

The mission of the Office of Legacy Management is to (1) conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed; (2) oversee the management of pensions and benefits for former contractor employees; (3) perform storage, retrieval, and management of all records necessary for legacy management activities, (4) administer the Environmental Justice program, (5) provide separation benefits for contractor workers affected by DOE downsizing, and, (6) dispose of assets no longer needed for the Department's missions.

Benefits

The Legacy Management program contains important elements to assist the Office of Environmental Management achieve the strategic goal of providing a resolution to the environmental legacy of the Cold War. The assistance for contractor worker separation benefits contributes to the orderly closure of the sites. As the Office of Environmental Management completes its cleanup activities, there are still certain aspects of the Department's mission, such

as, long-term pump and treat operations, surveillance and maintenance, records management, and long-term retirement pension and benefits for contractor personnel that require long-term commitments to manage resources and activities beyond the completion of active remediation. The activities of the Legacy Management program ensure that these Departmental responsibilities are addressed and the Office of Environmental Management is able to concentrate its efforts on cleanup and risk reduction.

Legacy Management

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Legacy Management					
Long-Term Surveillance and Maintenance……	6,249	7,186	10,574	3,388	47.1%
Pension and Benefit Continuity……	5,733	6,533	8,050	1,517	23.2%
Environmental Justice..	570	567	570	3	0.5%
Total, Legacy Management……..	12,552	14,286	19,194	4,908	34.4%

Mission

The mission of the Legacy Management program is to conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed, oversee the management of pensions and benefits for former contractor employees from the USEC facilities, and perform storage, retrieval, and management of all records necessary for legacy management activities, and administer the environmental justice program.

Benefits

The Legacy Management program contains important elements to assist the Office of Environmental Management achieve the strategic goal of providing a resolution to the environmental legacy of the Cold War. By funding the long-term activities in the Legacy Management program, the Office of Environmental Management is able to concentrate its resources on risk reduction and site closure.

Detailed Justification

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Long-Term Surveillance and Maintenance……	**6,249**	**7,186**	**10,574**

The funding requested for FY 2005 will allow the Department to conduct the necessary activities including monitoring and performing long-term treatment on sites within the programs jurisdiction to ensure that standards contained in legal and regulatory agreements are achieved. Functions include soil, water, and air monitoring, long-term treatment of contaminants, maintenance of contaminant treatment structures, and maintaining security for the sites and other resources associated with the sites.

Pension and Benefit Continuity……	**5,733**	**6,533**	**8,050**
▪ **Pinellas……..…..**	**5,733**	**6,533**	**6,550**

This project provides payments to former contractor employees pursuant to employee reduction-in-force requirements and administration of DOE liabilities associated with contractor employee retirement benefits. These payments will continue for approximately 50 years. The level of funding was estimated from recent cost trends. If funding were not provided, the Department would not be honoring its surveillance and maintenance commitments to these employees.

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

▪ **Planned 2006 Closure Sites……...……**	**0**	**0**	**1,500**

During FY 2005, the Office of Legacy Management will be preparing to oversee the administration of pension and retirement benefits for the former contractor employees at Fernald, Mound, and Rocky Flats, which are scheduled to close in 2006. The administration of these benefits is needed to ensure the former contractor employees receive their retirement pensions and benefits.

Environmental Justice…….…….	**570**	**567**	**570**

This program will assist Historically Black Colleges and Universities and Hispanic Serving Institutions to produce top level graduates in environmental disciplines and to conduct environmental research.

Total, Legacy Management……...…….	**12,552**	**14,286**	**19,194**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Long-Term Surveillance and Maintenance	
▪ Long-term surveillance and maintenance activities will start for sites added during FY 2004	+3,388
Pension and Benefit Continuity	
▪ Costs for medical benefits have increased significantly more than the normal rate of inflation. Preparation for pension and benefit continuity for contractor employees at the post closure site has begun	+1,517
Environmental Justice	
▪ No significant change	3
Total Funding Change, Legacy Management	**+4,908**

Worker and Community Transition

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2003	$ Change	% Change
Worker and Community Transition					
Worker Transition…….	9,322	9,266	2,500	-6,766	-73.0%
Community Transition..	9,739	1,400	0	-1,400	-100.0%
Total, Worker and Community Transition…..	19,061	10,666	2,500	-8,166	-76.6%

Public Law Authorizations:

Public Law 102-484, "National Defense Authorization Act for Fiscal Year 1993, Section 3161

Mission

The mission of the Worker and Community Transition program is to mitigate the impacts on workers and their communities caused by changing Department of Energy missions, consistent with Section 3161 of the Defense Authorization Act of 1993. This is accomplished by work force planning, separation assistance and community transition assistance.

Benefits

Worker and community transition activities are important tools for changing the Department of Energy's work force, especially in the work force reductions that will accompany the closure of Fernald, Mound, and Rocky Flats. By providing separation assistance, the program helps the Department in retaining employees needed to achieve cleanup and closure milestones.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Worker Transition.....…….....	**9,322**	**9,266**	**2,500**

The funding requested provides for approximately 1,250 workers at an average cost for separation assistance, including outplacement support, of about $2000 per worker.

Community Transition……	**9,739**	**1,400**	**0**

There is no planned assistance to the community reuse organization for the Pinellas facility during FY 2005.

Total, Worker and Community Transition...	**19,061**	**10,666**	**2,500**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Worker Transition	
• The need for worker transition assistance has considerably diminished in recent years from historic levels……..…….....	-6,766
Community Transition	
▪ There is no estimated need for community transition assistance during FY 2005……..……...	-1,400
Total Funding Change, Worker and Community Transition.....	**-8,166**

Program Direction

Funding Profile by Category

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Comparable Appropriation	FY 2005 Request	$ Change	% Change
Headquarters					
Salaries and Benefits…..	8,843	9,424	9,557	133	1.4%
Travel.....…….....	475	643	642	-1	-0.2%
Support Services.....	1,222	1,736	1,772	36	2.1%
Other Related Expenses	1,180	1,206	1,230	24	2.0%
Total, Headquarters.....	11,720	13,009	13,201	192	1.5%
Full Time Equivalents.....	85	85	85	0	0%

Mission

During FY 2004, the Office of Legacy Management was created from long-term functions of the Office of Environmental Management not related to cleanup. The Office of Worker and Community Transition has been merged with the new office. The program direction amounts reflect the costs of these merged offices.

Program direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Office of Legacy Management functions. The staff of the Office of Legacy Management will all be Headquarters employees, but will primarily be located in Forrestal/Germantown, Grand Junction, Colorado, Morgantown, West Virginia, and Pittsburgh, Pennsylvania.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. DOE's staff offices perform critical functions necessary for success in achieving the Department's goals which include, but are not limited to, managing information technology, ensuring sound legal advice and fiscal stewardship, developing and implementing uniform program policy and procedures, maintaining and supporting our work force, safeguarding our work spaces, and providing Congressional and public liaison.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits.....….....	**8,843**	**9,424**	**9,557**

Staff is responsible for conducting surveillance and maintenance activities for a variety of DOE sites, many situated in remote locations. Although Legacy Management is a headquarters function, there are personnel stationed in Grand Junction, CO, (16 FTEs) and Morgantown, WV, and Pittsburgh, PA (33 FTEs). A major portion of the workload for the personnel in Grand Junction oversee the surveillance and maintenance of sites where remediation is complete. The personnel at Morgantown/Pittsburgh also assist in the surveillance and maintenance functions and are preparing to be the focal point of records management and pension and benefit continuity for the closure sites.

Staff will work to ensure that the required monitoring actions are performed to protect the environment and the public's health and safety. Further, in other program activities, they will: (1) ensure that pension and other post-retirement payments that honor the Department's commitments to former contractor personnel are made; (2) oversee actions to achieve approximately 3,000 to 5,000 prime contractor changes per year; (3) work to streamline the approval of work force restructuring plans and develop and implement policies to integrate contract reform mechanisms; (4) provide oversight of upcoming labor negotiations at four sites; and, (5) perform additional functions, such as maintaining records for FUSRAP considered sites, reviewing Departmental liability for CERCLA claims, and administering the environmental justice program within the Department.

During FY 2004 and FY 2005, the Asset Management Program staff will continue to assist in the transfer of unneeded materials at field sites throughout the complex, especially in the transfer of ozone depleting substances, and will represent the Department on the Market Impact Committee to retain critical and strategic materials needed for national security needs in the National Defense Stockpile.

The FTE's have not changed from prior years even though the Worker and Community Transition program has been significantly reduced. The personnel in the Legacy Management activities formerly utilized support personnel from the Office of Environmental Management for many administrative functions. These support functions are now being performed by personnel who previously were part of the independent Office of Worker and Community Transition, resulting in no change in the FTE's for the cumulative activities of the Office of Legacy Management.

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Travel	**475**	**643**	**642**

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

Support Services	**1,222**	**1,736**	**1,772**

Support services will assist in the surveillance and maintenance activities, the logistics of payments to former contractor personnel, and in the preparation of both routine and extraordinary analyses and reports as needed.

Other Related Expenses	**1,180**	**1,206**	**1,230**

The amount in this category consists mainly of the working capital fund. Space rental, telephones, copiers and printing, computer support, general office supplies, and mailing costs are included in this fund. The working capital fund costs are proportionate to the number of employees. Other expenses are for items not encompassed by the working capital fund, e.g., computer software.

Total, Program Direction	**11,720**	**13,009**	**13,201**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits.....	+133
No significant change above normal cost of living increases for salary expenses.	
Travel.....	-1
No significant change.	
Support Services.....	+36
No significant change above normal inflation rates.	
Other Related Expenses.....	+24
No significant change above normal cost inflation.	
Total Funding Change, Program Direction.....	**+192**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support Services.....	0	0	0	0	0.0%
Management Support Services.....	834	1,285	1,312	27	2.1%
ADP Support.....	308	351	358	7	2.0%
Administrative Support Services.....	80	100	102	2	2.0%
Total, Support Services.....	1,222	1,736	1,772	36	2.1%

Other Related Expenses

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Working Capital Fund.....	1,040	1,055	1,080	25	2.4%
Other.....	140	151	150	-1	-0.7%
Total, Other Related Expenses.....	1,180	1,206	1,230	24	2.0%

Infrastructure

Funding Profile by Subprogram

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Infrastructure					
Radiological Facilities Management	62,928	64,655	-1,224	63,431	69,110
Idaho Facilities Management	62,983	76,560	-1,145	75,415	108,050
Idaho Sitewide Safeguards and Security	52,560	56,654	-311	56,343	58,103
Total, Infrastructure	178,471	197,869	-2,680	195,189[a]	235,263

Funding Profile – Energy Supply

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Infrastructure					
Radiological Facilities Management	62,928	64,655	-1,224	63,431	69,110
Idaho Facilities Management	42,341	55,145	-1,026	54,119	87,164
Total, Infrastructure	105,269	119,800	-2,250	117,550	156,274

Funding Profile – Other Defense Activities

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Infrastructure					
Idaho Facilities Management	20,642	21,415	-119	21,296	20,886
Idaho Sitewide Safeguards and Security	52,560	56,654	-311	56,343	58,103
Total, Infrastructure	73,202	78,069	-430	77,639	78,989

[a] Includes $3.17M identified as use of prior year balances to fund the Environmental Management liability for OVEC in FY 2004.

Mission

The Infrastructure program provides for the stewardship of the vital field infrastructure maintained by the Office of Nuclear Energy, Science and Technology (NE). This infrastructure is required to accomplish the assigned missions in areas such as Generation IV nuclear energy research and development, Advanced Fuel Cycle Initiative, space nuclear power applications, production of isotopes for medicine and industry, and Naval nuclear propulsion research and development.

Benefits

The Infrastructure program keeps unique DOE facilities and supporting infrastructure in a user-ready status. Facilities supported by this program include reactors, hot cells, and other vital infrastructure needed to carry out advanced nuclear energy technology research and development, construct power systems essential for important national security missions and space exploration, produce, package and ship radioisotopes for medical and scientific applications, and test new fuels and core components for the Naval Nuclear Propulsion Program. DOE stimulates great advances in science by making its nuclear facilities available to a large user base. The Department does not subsidize direct operational costs related to users but it does maintain unique radiological facilities and capabilities in a manner that supports their application to missions from various governmental and scientific users.

On May 19, 2003, oversight of and landlord responsibilities for the INEEL transferred from the Office of Environmental Management (EM) to NE. Beginning in the second quarter of FY 2005, the INEEL will be merged with Argonne National Laboratory-West (ANL-W) to create the Idaho National Laboratory (INL). The Secretary of Energy has designated INL as the center for the Department's strategic nuclear energy research and development efforts. The INL will play a lead role in Generation IV nuclear energy systems development, Advanced Fuel Cycle development, testing of naval reactor fuels and reactor core components, and space nuclear power applications. While the laboratory has transitioned its research and development focus to nuclear energy programs, it is also maintaining its multi-program national laboratory status to serve a variety of current and planned Department and national research and development missions.

Two important research reactors currently operating at this site are the Advanced Test Reactor (ATR) and its supporting ATR Critical Facility. ATR is one of the world's largest and most sophisticated test reactors. It will be a crucial facility in the development of the Generations IV reactor, the Advanced Fuel Cycle Initiative, and the Space Nuclear Propulsion development program. In addition, ATR currently conducts virtually all irradiation testing of Navy reactor fuels and core components and is vital to achieving the Department’s goal of providing the U.S. Navy with safe, militarily effective nuclear propulsion plants and ensuring their continued safe and reliable operation. The Navy mission is projected to continue until at least mid-century.

The Idaho Facilities Management program supports *National Energy Policy* goals by maintaining and operating important landlord infrastructure required for the support of facilities dedicated both to advanced nuclear energy technology research and development and multi-program use. The Landlord manages common-use equipment, facilities, land, and support services that are not directly funded by programs. Key activities conducted under these programs include assuring that all landlord facilities meet essential safety and environmental requirements and are maintained at user ready levels. Other key activities include managing all special nuclear materials contained in these facilities and the disposition of DOE legacy waste materials under NE ownership.

In March 2000, the Nuclear Energy Research Advisory Committee (NERAC) led the creation of the *Nuclear Science and Technology Infrastructure Roadmap* for the entire Department. This study examined the capabilities of the DOE's accelerators, reactors, and hot cells. It also evaluated current nuclear technology missions and facility staffing levels. Finally, the Roadmap estimated future mission requirements and compared them to available and planned facility capabilities, highlighting capability gaps. The Department is refining this analysis with a series of more detailed, site-specific assessment that will not only highlight infrastructure gaps, but also identify requirements for maintenance and upgrade of existing facilities. As a first step, a NERAC task force examined the nuclear R&D infrastructure at the INL to identify the maintenance and upgrades required to meet the Department's nuclear R&D activities planned at Idaho. This assessment was completed in November 2003. Building on this assessment, NERAC is creating a Subcommittee on Nuclear Laboratory Requirements to identify what characteristics, capabilities and attributes a world-class nuclear laboratory would possess. This Subcommittee will become familiar with the practices, culture and facilities of other world-class laboratories and will use this knowledge to recommend by the end of FY 2004 what needs to be implemented at Idaho. The objective of this activity is to help make Idaho National Laboratory the leading nuclear energy research laboratory in the world within ten years of its inception.

Strategic and Program Goals

The Department's Strategic Plan identifies four strategic goals (one each for defense, energy, science, and environmental aspects of the mission) plus seven general goals that tie to the strategic goals. The Infrastructure program supports the following goal:

Energy Strategic Goal

General Goal 4, Energy Security: Improve energy security by developing technologies that foster a diverse supply of reliable, affordable and environmentally sound energy by providing for reliable delivery of energy, guarding against energy emergencies, exploring advanced technologies that make a fundamental improvement in our mix of energy options, and improving energy efficiency.

The Infrastructure program has one program goal that contributes to General Goal 4 in the "goal cascade":

Program Goal 04.17.00.00: Maintain and enhance the national nuclear infrastructure to support the requirements of the Department's energy security technology development/demonstration programs, and to meet the Nation's energy, environmental, health care, and national security needs.

Contribution to Program Goal 04.17.00.00 (Energy Security) (Maintain and enhance the national nuclear infrastructure)

The Infrastructure program contributes to this goal by ensuring that the Department's unique facilities, required for advanced nuclear energy technology research and development, are maintained and operated such that they are available to support national priorities. The program manages site equipment, facilities, land, and supporting services that are not directly supported by other programs. Key activities conducted under this program include assuring that all NE facilities meet essential safety and environmental requirements and are maintained at user ready levels. Other key activities include managing all special nuclear materials contained in these facilities and the disposition of DOE legacy materials under NE ownership.

Annual Performance Results and Targets

FY 2000 Results	FY 2001 Results	FY 2002 Results	FY 2003 Results	FY 2004 Targets	FY 2005 Targets
Program Goal 04.17.00.00 (Energy Security)					
Radiological Facilities Management					
		Complete 80 percent of the construction of the Los Alamos Isotope Production Facility, which is needed for the production of short-lived radioisotopes essential for U.S. medical research. (MET GOAL)	Keep cost and schedule milestones for upgrades and construction of key nuclear facilities within 10 percent of approved baselines (MET GOAL)	Keep cost and schedule milestones for upgrades and construction of key nuclear facilities within 10 percent of approved baselines, using the cost-weighted mean percent variance (+/-10 percent) approach.	Keep cost and schedule milestones for upgrades and construction of key nuclear facilities within 10 percent of approved baselines, using the cost-weighted mean percent variance (+/-10 percent) approach.
			Safely operate each key nuclear facility within 10 percent of the approved plan, shutting down reactors if they are not operated within their safety envelope and expediting remedial action. (MET GOAL)	Consistent with safe operations, maintain and operate key nuclear facilities so the unscheduled operational downtime will be kept to less than 10 percent, on average, of total scheduled operating time.	Consistent with safe operations, maintain and operate key nuclear facilities so the unscheduled operational downtime will be kept to less than 10 percent, on average, of total scheduled operating time.
		Demonstrate the operational capability of radioisotope power systems infrastructure by fabricating quality products at each of the major facilities (i.e., at least eight iridium clad vent sets at ORNL and at least eight encapsulated Pu-238 fuel pellets at LANL). (MET GOAL)	Demonstrate the operational capability of radioisotope power systems infrastructure by fabricating flight quality products at each of the major facilities (i.e., at least eight iridium clad vent sets at ORNL and at least eight encapsulated Pu-238 fuel pellets at LANL), and by processing at least 2 kilograms of scrap Pu-238 at LANL. (MET GOAL)	Maintain and operate radioisotope power systems facilities with less than 10 percent unscheduled downtime from approved baseline.	Maintain and operate radioisotope power systems facilities with less than 10 percent unscheduled downtime from approved baseline.

FY 2000 Results	FY 2001 Results	FY 2002 Results	FY 2003 Results	FY 2004 Targets	FY 2005 Targets
		Bring the full-scale scrap recovery line to full operation and begin processing Pu-238 scrap for reuse in ongoing and future missions requiring use of radioisotope power systems. (MIXED RESULTS)			
Idaho Facilities Management					
		Meet the milestones for legacy waste cleanup at Test Reactor Area (TRA) in the Voluntary Consent Order between the State of Idaho and DOE, and efficiently manage resources to limit growth in backlog of maintenance to no more than 10 percent. (MET GOAL)			
Idaho Sitewide Safeguards and Security					
		During FY 2002, no national security incidents occurred within NE Idaho sitewide cyber systems and security areas that caused unacceptable risk or damage to the Department. (MET GOAL)	Complete the Idaho Integrated Safeguards and Security Plan to assure appropriate protective measures are taken commensurate with the risks and consequences for both the laboratories on the Idaho site. (MET GOAL)	Issue the Design Basis Threat Implementation Plan for the Idaho National Engineering and Environmental Laboratory and Argonne National Laboratory-West.	Approve corrective action plans, which indicate an analysis of causal factors, list steps to resolve the findings, and provide a completion schedule with milestones for all cited findings for Category I and II facilities within 60 calendar days of issuance of final reports that resulted from Safeguards and Security inspections performed by the Office of Independent Oversight and Performance Assurance pursuant to DOE Orders 470.1 chg 1 and 470.2B.

Means and Strategies

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

The Department will implement the following means:

- Ensure that mission essential systems, resources, and services are identified to conduct priority missions for the Department and are maintained and operated in compliance with DOE, Federal, and State safety and environmental requirements in a secure and cost-effective manner. For Idaho Facilities Management, this will be accomplished by the implementation of the *INL Ten Year Site Plan* that will be updated annually.

- Maintain isotope production facilities in a ready, safe and environmentally compliant condition and maintain the unique infrastructure and capability to deliver advanced radioisotope power systems for space and national security missions.

The Department will implement the following strategies:

- Idaho Facilities Management mission essential facilities will be identified in the *INL Ten Year Site Plan*. Detailed work planning and funding requests will result from implementation of this Plan that will be updated annually.

- Efficient use of existing facilities and staff, backup supply agreements, upgrade of present facilities, purchase of needed equipment, and investing in new facilities as warranted by demand. The challenges to the program will continue as scientific and medical research result in increased demand for new isotope products.

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

- For Idaho Facilities Management, lack of Congressional and Administration support to accomplish the goals of the *INL Ten Year Site Plan* would impact Idaho's ability to achieve the strategic goals for the site.

- Changing mission requirements from agencies that use radioisotope power systems and the risk associated with technological developments could affect the Department's ability to deliver these systems to customers in a timely manner.

In carrying out the program's mission, NE performs the following collaborative activities:

- Coordinates with national security agencies and NASA to develop radioisotope power systems for their use, to ensure proposed systems and technologies satisfy the necessary technical requirements identified by customers for identified mission scenarios.

- The Department finances all isotope production and distribution expenses through cash collections from both federal and non-federal customers. The program is working to fully address its customers' requirements and to forecast future trends. This is being done through frequent interactions between customers and program staff, data obtained from customer and grantee site visits and attendance at society conferences (*e.g.*, the Society of Nuclear Medicine), and

coordination of isotope activities with stakeholders in the isotope community, including other Federal agencies.

Validation and Verification

To validate and verify program performance, NE will conduct various internal and external reviews and audits. NE's programmatic activities are subject to continuing review by the Congress, the General Accounting Office, the Department's Inspector General, the Nuclear Regulatory Commission, the U.S. Environmental Protection Agency, state environmental and health agencies, the Defense Nuclear Facilities Safety Board, and the Department's Office of Engineering and Construction Management. In addition, NE provides continual management and oversight of its vital field infrastructure programs—the Radiological Facilities Management program, the Idaho Facilities Management program, and the Idaho Sitewide Safeguards and Security program. Periodic internal and external program reviews evaluate progress against established plans. These reviews provide an opportunity to verify and validate performance. Monthly, quarterly, semi-annual and annual reviews, consistent with program management plans, are held to ensure technical progress, cost and schedule adherence, and responsiveness to program requirements. In addition, NE conducts semiannual Operational Program Reviews of the performance of national laboratories on NE programs.

Funding by General and Program Goal

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
General Goal 4, Energy Security					
Program Goal 04.17.00.00: Maintain and enhance the national nuclear infrastructure	178,471	195,189	235,263	+40,074	+20.5%
Total, General Goal 4, Energy Security	178,471	195,189	235,263	+40,074	+20.5%

Idaho Facilities Management

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Facilities Management					
INL Operations	60,691	73,120	106,527	+33,407	+45.7%
INL Construction	2,292	2,295	1,523	-772	-33.6%
Total, Idaho Facilities Management	62,983	75,415	108,050	+32,635	+43.3%

Funding Schedule by Activity – Energy Supply

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Facilities Management – Energy Supply[a]					
INL Operations	40,049	51,824	85,641	+33,817	+65.3%
INL Construction	2,292	2,295	1,523	-772	-33.6%
Total, Idaho Facilities Management – Energy Supply[a]	42,341	54,119	87,164	+33,045	+61.1%

Funding Schedule by Activity – Other Defense Activities

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Facilities Management – Other Defense Activities[b]					
INL Operations	20,642	21,296	20,886	-410	-1.9%
Total, Idaho Facilities Management – Other Defense Activities[b]	20,642	21,296	20,886	-410	-1.9%

[a] Funding for Test Reactor Area (TRA) Landlord and Argonne National Laboratory - West (ANL-W) activities.
[b] Funding for Idaho Landlord activities less TRA and ANL-W (previously funded under Defense EM).

Description

On May 19, 2003, oversight of and Landlord responsibilities for the Idaho National Engineering and Environmental Laboratory (INEEL) transferred from the Office of Environmental Management (EM) to the Office of Nuclear Energy, Science and Technology (NE). Beginning in the second quarter of FY 2005, the laboratory will be merged with Argonne National Laboratory - West (ANL-W) to create the Idaho National Laboratory (INL).

The purpose of the Idaho Facilities Management program is to provide the Idaho National Laboratory (INL) with the site-wide Landlord infrastructure required to support technical efforts such as development of Generation IV nuclear energy systems, the Advanced Fuel Cycle Initiative, the Space Nuclear Propulsion program, and the Navy's nuclear propulsion research and development program. The INL is a multi-program national laboratory that employs its research and development assets to pursue assigned roles in a range of research and national security activities.

Benefits

The Idaho Facilities Management program supports *National Energy Policy* goals by maintaining and operating important Landlord infrastructure required to support facilities dedicated both to advanced nuclear energy technology research and development and multi-program use. The Landlord manages common-use equipment, facilities, land, and support services that are not directly funded by programs. Key activities conducted under these programs include assuring that all Landlord facilities meet essential safety and environmental requirements and are maintained at user ready levels. Other key activities include managing all special nuclear materials contained in these facilities and the disposition of DOE legacy waste materials under NE ownership.

To address the new mission, an *INL Ten-Year Site Plan* has been developed. The plan presents a mission needs analysis of existing facilities and infrastructure and of new facilities needed. It provides recommendations for short- and long-term recapitalization of existing mission essential facilities and infrastructure. It also presents a plan for revitalization of laboratory facilities to support the Generation IV Nuclear Energy Systems Initiative, the Advanced Fuel Cycle Initiative, national security technology programs, and multi-program advanced technology services and support. The plan identifies and prioritizes the projects, activities, and mission resource requirements for real property assets that covers a ten-year planning horizon. It describes how NE could: recapitalize INL; acquire new facilities, infrastructure systems and equipment; and dispose of facilities no longer needed. The plan is the product of the detailed INL planning process and provides performance measures to show how the physical state of the complex is expected to change over time. The FY 2005 budget request has been based on this plan. The plan will be updated annually to reflect new program and infrastructure requirements as they emerge.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
INL Operations	**60,691**	**73,120**	**106,527**
▪ **Laboratory Transition and Restructuring**	**0**	**0**	**43,800**

The current plan for the INEEL is to divide the contract into two new contracts both of which will be in place February 2005, through a competitive selection process. NE will manage the new nuclear power research laboratory contract, which is referred to as the Idaho National Laboratory (INL) contract. EM will manage the Idaho Closure Project contract. The new INL contractor will be responsible for continuity of services and restructuring the site to meet the needs of the new and enduring program missions. These one-time costs do not include the transition costs generally paid to new contractors or any worker severance costs.

▪ **Infrastructure Operations** **46,046** **52,264** **53,011**

Provide landlord facility operations for operating and maintaining common use and user facilities, including nuclear and radiological facilities, and ensuring environmental compliance; infrastructure program management and support for planning, managing, and administering the Idaho Facilities Management Program. This includes: 890 square miles of land use; maintenance of 800 miles of roads; site railroad and grounds inspection and maintenance; inactive facilities surveillance and maintenance; excess facility decommissioning and disposition; disposition of legacy materials at an off-site commercial facility; and general plant project, capital equipment, and line item project funding. It also includes various crosscutting contracts and obligations between the Department of Energy and other entities including the National Oceanic and Atmospheric Administration, the Shoshone and Bannock Indian Tribes, the State of Idaho, and payments in lieu of taxes for the four counties in which the INL is located.

▪ **General Plant Projects** **8,092** **4,800** **6,863**

In FY 2005, funding will provide for projects such as:

- Minimum Safe/Caretaker Operations – GPPs will be used to reduce or eliminate emerging emergency infrastructure-related Environment, Safety, and Health problems.
- Upgrade the high voltage protective relays for the INL main electrical power distribution system.
- Complete construction of a new potable water well and water system for the Test Reactor Area (TRA) to meet new State and Federal drinking water standards.
- Test Reactor Area Retention Basin Isolation to prevent uncontrolled release of contaminated water.

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
▪ **General Purpose Capital Equipment**	**6,553**	**5,395**	**2,853**

Purchase equipment in accordance with the *INL Ten Year Site Plan*. This funding primarily provides upgraded replacements for aged, deteriorated equipment and new equipment to meet emerging requirements. This includes such things as: shop and miscellaneous maintenance equipment; vehicles; and heavy equipment.

▪ **Advanced Test Reactor Research and Development Upgrade Initiative**	**0**	**4,824**	**0**

Initiate upgrades in FY 2004, to the Advanced Test Reactor to support planned advanced nuclear energy research projects.

▪ **ANL-W General Site Upgrades**	**0**	**5,837**	**0**

Provide for infrastructure projects and upgrades in FY 2004 such as the Industrial Waste Pond Remediation, and various urgent General Plant Projects needed to restore the site's aging infrastructure.

INL Construction	**2,292**	**2,295**	**1,523**
▪ **TRA Fire & Life Safety Improvements**	**481**	**490**	**0**

The highest priority remaining work scope will be completed in FY 2004 and the project closed out in FY 2005 using prior year funds.

▪ **TRA Electrical Utility Upgrade**	**1,811**	**1,805**	**1,523**

Complete the TRA Electrical Utility Upgrade Line Item Capital Project, which replaces most of the obsolete TRA high voltage electrical distribution system that had become inadequate for current tenant needs and unreliable due to age and dwindling availability of spare parts.

Total, Idaho Facilities Management	**62,983**	**75,415**	**108,050**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
INL Operations	
▪ **Laboratory Transition and Restructuring**	
The increase of $43,800,000 reflects one-time costs associated with restructuring the Idaho laboratory complex and supporting site infrastructure services until the new contractors are in place	+43,800
▪ **Infrastructure Operations**	
The increase of $747,000 reflects the goal of baselining routine maintenance and repair in FY 2005 and increasing funding to achieve and maintain an expenditure rate of 2-4 percent of Replacement Plant Value, a level recommended by the National Academy of Science and generally applied in industry	+747
▪ **General Plant Projects**	
The increase of $2,063,000 will be used to support necessary maintenance projects at INL	+2,063
▪ **General Purpose Capital Equipment**	
The decrease of $2,542,000 reflects deferring equipment purchases to future years due to higher priority activities	-2,542
▪ **Advanced Test Reactor Research and Development Upgrade Initiative**	
The decrease of $4,824,000 reflects the FY 2004 Appropriation language to initiate upgrades to the Advanced Test Reactor to support advanced nuclear energy research projects	-4,824
▪ **ANL-W General Site Upgrades**	
The decrease of $5,837,000 reflects the final FY 2004 Appropriation to provide funding for necessary infrastructure projects and upgrades that could no longer be deferred.	-5,837
Total, INL Operations	**+33,407**
INL Construction	
▪ **TRA Fire & Life Safety Improvements Project**	
The decrease of $490,000 reflects completion of the project in FY 2004	-490
▪ **TRA Electrical Utility Upgrade**	
The decrease of $282,000 reflects completion of the project in FY 2005 in accordance with the project plan.	-282

	FY 2005 vs. FY 2004 ($000)
Total, INL Construction	**-772**
Total Funding Change, Idaho Facilities Management	**+32,635**

Capital Operating Expenses

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Capital Equipment	6,553	5,395	2,853	-2,542	-47.1%
General Plant Projects	8,092	10,637	6,863	-3,774	-35.5%
Total, Capital Operating Expenses	14,645	16,032	9,716	-6,316	-39.4%

Construction Projects

(dollars in thousands)

	Total Estimated Cost (TEC)	Prior-Year Approp.	FY 2003	FY 2004	FY 2005	Unapprop. Balance
95-E-201, TRA Fire & Life Safety Improvements Project (LICP)	14,768	13,797	481	490	0	0
99-E-200, TRA Electrical Utility Upgrade (LICP)	7,732	2,593	1,811	1,805	1,523	0
Total, Construction	22,500	16,390	2,292	2,295	1,523	0

Idaho Sitewide Safeguards and Security
Other Defense Activities

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Sitewide Safeguards and Security					
Idaho Operations Office [a]	52,560	56,343	58,103	+1,760	+3.1%
Less: Security Charge for Reimbursable Work	-3,003	-3,003	-3,003	+0	+0.0%
Total, Idaho Sitewide Safeguards and Security	49,557	53,340	55,100	+1,760	+3.3%

Funding Schedule by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Idaho Operations Office					
Protective Forces	29,440	31,325	33,216	+1,891	+6.0%
Security Systems	9,504	11,398	10,756	-642	-5.6%
Transportation	52	55	57	+2	+3.6%
Information Security	1,686	1,794	1,855	+61	+3.4%
Personnel Security	1,695	1,691	1,735	+44	+2.6%
Material Control & Accountability	2,941	2,926	3,040	+114	+3.9%
Program Management	1,660	1,960	2,021	+61	+3.1%
Cyber Security	5,582	5,194	5,423	+229	+4.4%
Total, Idaho Operations Office	52,560	56,343	58,103	+1,760	+3.1%

[a] Program levels reflect Work for Others (WFO) before the bottom line reduction to the NE appropriation for a "Security Charge for Reimbursable Work." This offset is displayed above by fiscal year. The new budget authority, as well as the offsetting collections (such as when other agencies are using the facility), for the WFO portion of the S&S budget is included in Departmental Administration's Cost of Work for Others program, which is managed by the Department's Office of Management, Budget and Evaluation. The Department's FY 2005 request assumes that DOE sites could be on a SECON 2 alert status for at least 60 days.

Description

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

Benefits

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

Beginning in the second quarter of FY 2005, the Idaho National Engineering and Environmental Laboratory (INEEL) and the Argonne National Laboratory-West site will merge under a single new contract. The resulting laboratory will be called the Idaho National Laboratory (INL). This integration will continue in FY 2005 with additional changes anticipated to increase efficiency and contain costs. In anticipation of this merger, the Department expects that the two existing safeguards and security programs at the Idaho site will be merged into a single program. Initiation of the new Departmental Design Basis Threat (DBT) requirements will begin in FY 2005. Costs associated with implementation of the new DBT are not included in the funding levels shown in the Funding Schedule by Activity. DOE will implement the new DBT requirements using a risk informed approach to physical upgrades and by seeking efficiencies associated with combining the two contracts.

The following is a brief description of the type of activities performed under the Idaho Sitewide Safeguards and Security program:

Protective Forces

The Physical Protection Protective Forces activity provides for security guards or other specialized personnel and equipment, training, and management needed to effectively carry out the protection tasks during normal and security emergency conditions.

Security Systems

The Physical Security Protection Systems activity provides for equipment to protect vital security interests and government property per the local threat. Equipment and hardware includes performance testing, intrusion detection and assessment, fences, barriers, secure storage, lighting, sensors, entry/access control devices, locks, explosives detection, and vital components and tamper-safe monitoring.

Transportation

The Transportation activity provides for all security-related transportation for intra-site transfers of special nuclear materials (including safe havens), weapons, and other classified material that is not funded through NNSA=s Office of Transportation Safeguards (OTS). The safeguards and security program pays for cost of protection and secure movement.

Information Security
This activity ensures that classified and sensitive unclassified matter is adequately protected. The scope of this activity includes export controls, classified matter protection and control, technical surveillance countermeasures, and operations security.

Personnel Security
The Personnel Security activity includes clearance program, adjudication, security awareness and education, visit control, Personnel Security Assurance Program, psychological/medical assessments, and administrative review costs. Security Investigations (SI) activities performed by the Federal Bureau of Investigation (FBI) and the Office of Personnel Management (OPM) associated access authorizations are funded by the Office of Security and is not requested/displayed in NE's budget.

Material Control and Accountability
The Material Control and Accountability (MC&A) activity provides for the protection of special nuclear materials (SNM), nuclear weapons, test devices, and weapons components and parts. The cost of activities such as MC&A training, proper measurement of materials, and performing a physical inventory are included in the budgets of those programs responsible for processing or storing SNM, and nuclear weapons components and parts, and are not included here.

Program Management
The Program Management activity includes policy oversight and development and updating of security plans, assessments, and approvals to determine if assets are at risk. Also encompassed are contractor management and administration, planning and integration of security activities into facility operations.

Cyber Security
The Cyber Security activity includes security-related unclassified computer security and classified computer security, protecting the transmission of cyber infrastructure.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Idaho Sitewide Safeguards and Security	**52,560**	**56,343**	**58,103**

Program activities include security systems, material control and accountability, information and cyber security, and personnel security. In addition, a protective force is maintained. These activities ensure that the site, personnel, and assets remain safe from potential threats.

Subtotal, Idaho Sitewide Safeguards & Security	**52,560**	**56,343**	**58,103**
Less: Security Charge for Reimbursable Work	-3,003	-3,003	-3,003
Total, Idaho Sitewide Safeguards & Security	**49,557**	**53,340**	**55,100**

Explanation of Funding Changes

	FY 05 vs. FY 04 ($000)
Idaho Sitewide Safeguards and Security	
▪ An increase of $1,760,000 in security is partially due to expectations to operate at a heightened security posture and other related safeguards and security activities costs...	+1,760
Total Funding Change, Idaho Sitewide Safeguards and Security	**+1,760**

Capital Operating Expenses

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
General Plant Project	907	3,150	700
Capital Equipment	2,547	1,736	4,681
Total, Capital Operating Expenses	3,454	4,886	5,381

Program Direction

Funding Schedule

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Program Direction					
Salaries and Benefits	44,997	47,151	47,356	+205	+0.4%
Travel	1,511	1,732	1,732	+0	+0.0%
Support Services	3,460	2,430	2,430	+0	+0.0%
Other Related Expenses	7,941	8,474	8,767	+293	+3.5%
Total Program Direction	57,909	59,787	60,285	+498	+0.8%
Headquarters FTEs	137	142	144	+2	+1.4%
Field FTEs	259	259	251	-8	-3.1%

Funding Schedule- Energy Supply

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Program Direction – Energy Supply					
Salaries and Benefits	17,474	19,741	20,140	+399	+2.0%
Travel	757	951	951	+0	+0.0%
Support Services	2,710	1,627	1,627	+0	+0.0%
Other Related Expenses	3,033	3,423	3,709	+286	+8.4%
Total Program Direction – Energy Supply	23,974	25,742	26,427	+685	+2.7%
Headquarters FTEs	128	133	141	+8	+6.0%
Field FTEs	23	23	14	-9	-39.1%

Funding Schedule- Other Defense

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Program Direction – Other Defense					
Salaries and Benefits	27,523	27,410	27,216	-194	-0.7%
Travel	754	781	781	+0	+0.0%
Support Services	750	803	803	+0	+0.0%
Other Related Expenses	4,908	5,051	5,058	+7	+0.1%
Total Program Direction – Other Defense	33,935	34,045	33,858	-187	-0.5%
Headquarters FTEs	9	9	3	-6	-66.7%
Field FTEs	236	236	237	+1	+0.4%

Program Direction
Funding Profile by Category

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Chicago					
Salaries and Benefits	1,044	1,063	0	-1,063	-100.0%
Travel	71	80	0	-80	-100.0%
Support Services	52	78	0	-78	-100.0%
Other Related Expenses	67	75	0	-75	-100.0%
Total, Chicago	1,234	1,296	0	-1,296	-100.0%
Full Time Equivalents	8	8	0	-8	-100.0%
Idaho					
Salaries and Benefits	26,279	25,778	26,108	+330	+1.3%
Travel	695	714	794	+80	+11.2%
Support Services	712	764	842	+78	+10.2%
Other Related Expenses	4,622	4,755	4,830	+75	+1.6%
Total, Idaho	32,308	32,011	32,574	+563	+1.8%
Full Time Equivalents	236	236	237	+1	+0.4%
Oak Ridge					
Salaries and Benefits	1,705	1,759	1,819	+60	+3.4%
Travel	37	39	39	+0	+0.0%
Support Services	22	23	23	+0	+0.0%
Other Related Expenses	42	75	76	+1	+1.3%
Total, Oak Ridge	1,806	1,896	1,957	+61	+3.2%
Full Time Equivalents	14	14	14	+0	+0.0%
Livermore Site Office					
Salaries and Benefits	110	116	0	-116	-100.0%
Travel	5	6	0	-6	-100.0%
Support Services	0	0	0	+0	-100.0%
Other Related Expenses	12	12	0	-12	-100.0%
Total, Livermore Site Office	127	134	0	-134	-100.0%
Full Time Equivalents	1	1	0	-1	-100.0%

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Headquarters					
Salaries and Benefits	15,859	18,435	19,429	+994	+5.4%
Travel	703	893	899	+6	+0.7%
Support Services	2,674	1,565	1,565	+0	+0.0%
Other Related Expenses	3,198	3,557	3,861	+304	+8.5%
Total, Headquarters	22,434	24,450	25,754	+1,304	+5.3%
Full Time Equivalents	137	142	144	+2	+1.4%
Total Program Direction					
Salaries and Benefits	44,997	47,151	47,356	+205	+0.4%
Travel	1,511	1,732	1,732	+0	+0.0%
Support Services	3,460	2,430	2,430	+0	+0.0%
Other Related Expenses	7,941	8,474	8,767	+293	+3.5%
Total, Program Direction	57,909	59,787	60,285	+498	+0.8%
Full Time Equivalents	396	401	395	-6	-1.5%

Mission

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of the Office of Nuclear Energy, Science and Technology (NE). NE promotes secure, competitive, and environmentally responsible nuclear technologies to serve the present and future energy needs of the country. NE carries out this mission in several ways. As the central organization with the Federal Government's core expertise in nuclear technology, NE directs the Nation's investment in nuclear science and technology by sponsoring research at the national laboratories, U.S. universities, and private industry. Through its support of innovative, higher risk science and by helping to preserve the national research and development infrastructure, NE works to advance the responsible use of nuclear technology. NE also manages the safe operation and maintenance of critical nuclear infrastructure and provides nuclear technology goods and services to industry and government.

On May 19, 2003, oversight of and Landlord responsibilities for the Idaho National Engineering and Environmental Laboratory (INEEL) transferred from the Office of Environmental Management (EM) to the Office of Nuclear Energy, Science and Technology (NE). Beginning in the second quarter of FY 2005, the INEEL will be merged with Argonne National Laboratory-West (ANL-W) to create the Idaho National Laboratory (INL). The Secretary of Energy has designated INL as the center for the Department's strategic nuclear energy research and development efforts. The INL will play a lead role in Generation IV nuclear energy systems development, Advanced Fuel Cycle development, testing of

naval reactor fuels and reactor core components, and space nuclear power applications. While the laboratory has transitioned its research and development focus to nuclear energy programs, it is also maintaining its multi-program national laboratory status to serve a variety of current and planned Department and national research and development missions.

The Office of Nuclear Energy, Science and Technology and the DOE Idaho Operations Office (NE-ID) are being integrated into a single functional organization to optimize the efficiency and effectiveness of the Department's oversight of the INL. NE is committed to eliminating the barriers associated with the traditional headquarters/field relationship. This new structure will carry out all of the programmatic, project, and landlord responsibilities assigned to NE now and in the future, both as Lead Program Secretarial Officer (PSO) and Contracting Officer for DOE's operations in Idaho, and as responsible PSO for programs, projects, facilities and operations at other DOE sites.

NE is one of the most programmatically diverse organizations in the Department and is faced with critical human capital challenges to pursuing its mission. Extensive downsizing several years ago resulted in numerous skill imbalances, and particularly affected NE's retention of technical and scientific specialists. Wherever possible, employees were redeployed from lower priority programs to higher priority programs to meet mission needs. At this point, with expanding programs, limited resources, and skill imbalances, NE faces a variety of staffing challenges as it works to meet the requirements set for it by the President and the Secretary of Energy.

NE's human capital vision is to develop, recruit, and maintain a diverse organization of highly skilled professionals with the competency and motivation to contribute to the development and implementation of national energy policies and programs, and help lead the Nation in achieving its nuclear technology goals for the twenty-first century.

NE is aggressively addressing the mismatch between the growth in its national responsibilities and the decline in its skilled personnel. The *Office of Nuclear Energy, Science and Technology Workforce Plan* was updated in December 2003 to reflect the transfer of Lead Program Secretarial Office (LPSO) responsibilities to NE from the Office of Environmental Management and other mission changes. Like the rest of the Federal Government, NE is planning for workforce changes that are engendered by an aging workforce. The average age of the NE workforce is 49.5 years, just slightly higher than the 47.5 year average age of the Federal workforce overall. Out of the current workforce, thirty six percent will be eligible to retire within 5 years. Over the past several years, NE has been trying to address the issue of an aging workforce through the recruitment of entry-level engineering, scientific, and administrative positions. Continuation of this effort is essential. The *Plan* indicates that, especially in the area of project management, NE has a skills mix problem that must be addressed in the near term, as well as a need to increase staffing. In accordance with the *Plan*, NE plans a moderate increase in the Headquarters workforce over the next five years. The required staffing level is restrained because NE expects to continue its successful practice of aggressive matrix management and assuring the fullest possible utilization of staff resources. The proposed actions from the *Plan* plus NE's evolving mission, create small, additional requirements for Program Direction funds. However, as in the past, NE's Program Direction budget is developed to cover special programs and circumstances such as A-76/competitive outsourcing; to retain special skills through special incentive programs; succession planning; to train/retrain; and participate in special employment programs.

NE's expanding responsibilities are reflected in the transfer of staff from other organizations to assist in a range of vital missions. In FY 2004, NE will complete its absorption of twenty experienced staff from the Office of Environmental Management to assist in the oversight of the Idaho Laboratory Complex and guide its reformation into a world-class nuclear energy research center. NE has also assumed oversight responsibility for the Department's interaction with the Organization for Economic Cooperation and Development's (OECD), reflecting its expanding role in guiding U.S. policy related the OECD Nuclear Energy Agency. With that responsibility, beginning in FY 2005, NE will assume full responsibility for one FTE transferred from NNSA, including all associated expenses and International Cooperative Administrative Support Services (ICASS). Finally, several staff at the Oak Ridge Operations Office (OR) are supporting EM and NE headquarters in managing a range of activities associated with the management of uranium resources and related functions, overseeing the Department's lease agreement with USEC Inc, and assisting in various management activities associated with the DOE enrichment sites. With a recent decision to release the Office of Science from its LPSO responsibilities for the Portsmouth and Paducah sites, seven staff at the Oak Ridge Operations Office will be transferred from Office of Science oversight to NE beginning in FY 2005.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Nuclear Energy, Science and Technology performs critical functions which directly support the mission of the Department.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits	**44,997**	**47,151**	**47,356**

NE Headquarters has retrained and redeployed staff to reduce dependence on contractors; and continuously redirected and realigned staff to accomplish program goals efficiently and effectively. However, NE's expanding role in the Department to support the *National Energy Policy* and to improve the proliferation-resistance of civilian nuclear energy systems will require additional staff. In addition, staff will be needed to assure the safe operation of the Department's various reactor facilities and provide adequate Federal oversight of essential programs. NE believes that it is essential to hire not only senior engineers and project managers for new and changing programs, but also to recruit junior staff for succession planning purposes; efforts to hire additional junior staff are continuing. NE Headquarters currently has a staff of 132. As nearly forty percent of the staff will be eligible to retire within 5 years, it is essential that program direction resources are available to compete for needed skills. In addition to the Headquarters staff, NE also funds one oversees FTE located in Paris to support international collaboration activities. In FY 2005, NE field employees include: Idaho Operations Office (237), and Oak Ridge Operations Office (14).

Travel	**1,511**	**1,732**	**1,732**

Travel includes funding for transportation of Headquarters and operations office personnel associated with NE programs, their per diem allowances while in authorized travel status, and other expenses incidental to travel.

Support Services	**3,460**	**2,430**	**2,430**

Support Services includes funding for technical and management support services provided to NE Headquarters and Operations office employees. NE requires its senior technical managers to be Federal employees with significant experience necessary to accomplish program objectives. NE does not rely on support service contractors to manage NE programs in place of Federal staff. To reduce support services costs, NE has retrained and redeployed staff to reduce dependence on contractors while meeting growing needs in programs such as Generation IV Nuclear Energy Systems Initiative and Nuclear Hydrogen Initiative.

Other Related Expenses	**7,941**	**8,474**	**8,767**

The major expenditure in the other related expenses category ($2,334,000 million in FY 2005, up from $2,068,000 million in FY 2004) is earmarked for the Headquarters Working Capital Fund (WFC). The Department's Office of Management, Budget, and Evaluation (ME) established a WCF to provide funding for mandatory administrative costs, such as office space and telephone services. The FY 2005 estimate was provided by ME and requires an increase in the cost of building occupancy rates based on current General Services Administration (GSA) rates and an increase in telephone services.

(dollars in thousands)

FY 2003	FY 2004	FY 2005

Also included in other expenses are costs associated with the Paris Office such as housing, training, office communications, supplies, miscellaneous expenses and International Cooperative Administrative Support Services (ICASS).

Total, Program Direction	**57,909**	**59,787**	**60,285**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ The increase of $205,000 is the net of an additional $330,000 for new hires at Headquarters to manage expanding research and development programs, such as the Nuclear Hydrogen Initiative and Generation IV Nuclear Energy Systems Initiative to support the Department's nuclear non-proliferation objectives, while simultaneously preparing for a significant number of retirements over the coming five years; an additional $742,000 for a 2.5 percent escalation in accordance with established guidelines and funds for promotions and within-grade salary increases; and a decrease of $867,000 for a reduction of 1 field FTE at Livermore Site Office Oakland, 2 field FTEs at Chicago and 5 field FTEs at Idaho	+205
Other Related Expenses	
▪ The increase of $293,000 in other related expenses is primarily due to an increase for the WCF for the cost of building occupancy rates based on current GSA rates, and an increase in telephone services.	+293
Total Funding Change, Program Direction.....	**+498**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support Services	2,597	1,418	1,418	+0	+0.0%
Management Support Services	863	1,012	1,012	+0	+0.0%
Total, Support Services	3,460	2,430	2,430	+0	+0.0%

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Other Related Expenses					
Working Capital Fund	1,930	2,068	2,334	+266	+12.9%
Nuclear Energy Research Advisory Committee	300	400	400	0	+0.0%
ADP/TeleVideo Hardware and Software	428	588	591	+3	+0.5%
Subscriptions/Publications	20	28	28	0	+0.0%
Training	133	108	108	0	+0.0%
Other Miscellaneous	5,130	5,282	5,306	+24	+0.5%
Total, Other Related Expenses	7,941	8,474	8,767	+293	+3.5%

Defense Related Administrative Support

Funding Schedule by Activity

	(dollars in thousands)				
	FY 2003	FY 2004	FY 2005	Change	Change
Defense Related Administrative Support…….	86,913	86,168	92,440	6,272	7.3%

Description

From FY 1999 through 2004, funding has been provided within the Other Defense Activities appropriation to offset funding within the Departmental Administration appropriation. This offset addresses the significant amount of administrative support activities performed within the Departmental Administration appropriation that are of direct benefit to the Department's defense related programs.

Per direction provided in the FY 2004 Energy Water and Development conference report, the FY 2005 budget request reflects a proportional contribution from Other Defense Activities for Departmental Administration costs. This budget offsets Departmental Administration administrative work that supports the following appropriations: Defense Site Acceleration Completion, Defense Environmental Services, Defense Nuclear Waste Disposal, and Other Defense Activities. These functions do not duplicate services provided within the Office of the Administrator for the National Nuclear Security Administrative program.

Benefits

The services provided by the offices within Departmental Administration are done so without distinction between defense and non-defense related activities and benefit all headquarters organizations proportionally. These activities include processing personnel actions, building maintenance and operation, payroll and general accounting services, budgeting and funds execution, procurement, project management, information management, legal services, life-cycle asset management, workforce diversity, minority economic impact, policy, international affairs, Congressional and intergovernmental liaison, public affairs, and management of the Working Capital Fund.

Detailed Justification

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Defense Related Administrative Support	86,913	86,168	92,440

The funding request offsets the following expenses within the Departmental Administration Appropriation Account:

- Salaries and benefits include wages, overtime pay, cash incentive awards, lump sum leave payments and other performance awards for about 300 FTEs in areas such as human resources, budget, financial accounting, logistics, national and international energy policy analysis, environmental policy, project management, information management, legal, contract management, property management, congressional and intergovernmental liaison and public and media outreach.

- Other Related Expenses includes funding for employee training and development and funding to support the Working Capital Fund for rental space, telecommunications, utilities and miscellaneous charges, printing and reproduction, other services, operating and maintenance of equipment, purchase of goods and services through government accounts supplies and materials and equipment.

- Support Services finances technical and management support services. The areas of support include information technology support, project control and performance, facilities and infrastructure, strategic planning, independent financial auditing, automated data processing, project management evaluations, delivery of training, operation of the Headquarters technical and law libraries, database maintenance, financial system operations and minimal technical financial support.

- Program Support funding includes a proportionate share of the I-MANAGE system to design and implement a new, integrated and user-friendly financial management system for the Department. The system will help the Department fulfill its fiduciary responsibilities and meet both internal management and external reporting requirements. The new system will replace and extend the functionality of the current legacy systems.

- Program support also supports the Department's cyber security program which provides consistent principles and requirements for Cyber Security that the Departmental organizations can implement for the protection of classified and unclassified information, as required by National laws and policies.

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Defense Related Administrative Support	
The FY 2004 Energy Water and Development conference report directed the Department to submit a budget request for fiscal year 2005 that reflects a proportional contribution from Other Defense Activities for Departmental Administration costs. The FY 2005 funding represents 32.7% of the Departmental Administration appropriation administrative costs…….	+6,272
**Total Funding Change, Defense Related Administrative Support…….……	**+6,272**

Other Defense Activities
Office of Hearings and Appeals

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Hearings and Appeals.....	2,914	3,797	-22[a]	3,775	4,318
Subtotal, Other Defense Activities, Hearings and Appeals.....	2,914	3,797	-22	3,775	4,318
Total, Other Defense Activities, Hearings and Appeals.....	2,914	3,797	-22	3,775	4,318

Preface

The Department of Energy operates and supervises a great number of programs to further its National Defense and the Environmental Strategic Goals. Many of these programs seek to balance the interests of different and sometimes competing stakeholders. The Office of Hearings and Appeals provides legal adjudicatory services for the Department's programs so that these conflicting interests may be decided in a fair, impartial and efficient manner.

Within the Other Defense Activities Appropriation, the Office of Hearings and Appeals operates with three principal legal staffs – the Office of Legal Analysis, the Office of Financial Analysis and the Office of Economic Analysis.

This Overview will describe Strategic Context, Mission, and Benefits. These items together put this Appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines the mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying

[a] Distribution of the rescission from the Consolidated Omnibus Appropriation Bill in FY 2004.

out the mission. The Office of Hearings and Appeals performs critical functions which directly support the mission. These functions include ensuring, through its role in conducting hearings in Personnel Security cases, that only trustworthy employees are allowed access to classified information or controlled nuclear materials. Likewise, in its supervision of Whistleblower hearings, the Office insures that the Department has a workplace where employee concerns about health and safety, fraud, waste, abuse or mismanagement may be freely expressed to DOE or contractor management without fear of retaliation. The Office also plays a significant role in insuring that contractor employees have an opportunity to receive assistance from the Department in claiming compensation benefits for injuries caused by exposure to toxic materials. The Office's role in deciding Appeals and Applications for Exceptions supports the Department in ensuring that relevant regulations and statutes are applied properly and without undue disruption to the private sector. This directly benefits the public and reduces the Department's litigation costs in Federal courts.

Mission

The Office of Hearings and Appeals (OHA) mission is to conduct fair and efficient hearings and to issue decisions of the Department with respect to any adjudicative proceedings that the Secretary may delegate. OHA's jurisdiction includes, for example, security clearance hearings, hearings of complaints filed under the DOE Contractor Employee Protection Program as well as appeals requesting review of any determination reached by any official within the Department under OHA's jurisdiction.

Benefits

In its adjudicatory mission for the Department, OHA offers a fair, impartial and customer-friendly process in which firms and individuals may seek review of agency actions. OHA is also charged with conducting hearings in Personnel Security cases. OHA issues timely, high quality decisions in cases involving DOE personnel security clearance adjudications that ensure that only trustworthy personnel are allowed access to classified information and special nuclear materials. Thus, OHA directly supports the Department's Defense Strategic Goal of helping ensure the security of the nuclear weapons stockpile.

OHA also conducts investigations and hearings concerning whistleblower complaints filed by DOE contractor employees and for issuing final agency decisions resolving them. In these cases, OHA strives to balance the public interest in promoting a workplace where concerns may be freely expressed without retaliation against the need of DOE contractors to manage their resources efficiently. This is especially important with regard to the Department's Environmental Strategic Goal to ensure that cleanup of the environmental legacy of the Cold War is effectively performed.

OHA is also designated as the appellate authority under Subtitle D of the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA). Pursuant to this jurisdiction, OHA considers appeals related to DOE's physician panel process to assist contractor employees in filing for workers' compensation benefits based on illness or death caused by exposure to a toxic substance while employed at a DOE facility.

The Office also analyzes and decides appeals requesting review of any determination reached by any other official within the Department under the jurisdiction of the Secretary, including initial determinations under the Freedom of Information Act, the Privacy Act, the payments-equal-to-taxes (PETT) provisions of the Nuclear Waste Policy Act of 1982, the special assessment provisions for the Uranium Enrichment Decontamination and Decommissioning Fund under the Energy Policy Act of 1992, and the reimbursement of costs of remedial actions at active uranium or thorium processing sites under the Energy Policy Act of 1992. OHA is responsible for deciding Applications for Exception from the generally applicable requirements of a rule, regulation or order of the Department. The Office also analyzes Petitions for Special Redress seeking "extraordinary relief" apart from or in addition to any other remedy provided in the Department's enabling statutes. By ensuring that the Department properly applies relevant regulations and statutes to affected parties, OHA directly benefits the public and saves the Department litigation expenses in federal courts.

Under proposed regulations, pursuant to the Bob Stump National Defense Authorization Act for FY2003, the Office of Hearings and Appeals has been designated as the appeal authority for contractors who have been found to violate the contractor's DOE-approved worker safety and health program. If enacted, OHA will further contribute to the Department's Environmental Strategic Goal.

Program Direction

Funding Profile by Category

(dollars in thousands/whole FTEs)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Headquarters					
Salaries and Benefits	2,300	3,020	3,193	+173	+5.7%
Travel	80	80	90	+10	+12.5%
Support Services	20	20	100	+80	+400.0%
Other Related Expenses	514	655	935	+280	+42.7%
Total, Program Direction	2,914	3,775	4,318	+543	+14.4%
Total, Full Time Equivalents	17	21	23	+2	+9.5%

Mission

The Office of Hearings and Appeals (OHA) mission is to conduct fair and efficient hearings and to issue decisions of the Department with respect to any adjudicative proceedings which the Secretary may delegate. OHA's jurisdiction includes, for example, security clearance hearings, hearings of complaints filed under the DOE Contractor Employee Protection Program as well as appeals requesting review of any determination reached by any other official within the Department under OHA's jurisdiction.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Hearings and Appeals performs critical functions which directly support the mission of the Department. These functions include ensuring, through its role in conducting hearings in Personnel Security cases, that only trustworthy employees are allowed access to classified information or controlled nuclear materials. Likewise, in its supervision of Whistleblower hearings, the Office insures that the Department has a workplace where employee concerns about health and safety, fraud, waste, abuse or mismanagement may be freely expressed to DOE or contractor management with out fear of retaliation. The Office also plays a significant role in insuring that contractor employees have an opportunity to receive assistance from the Department in claiming compensation benefits for injuries caused by exposure to toxic materials. The Office's role in deciding Appeals and Applications for Exceptions supports the Department in ensuring that relevant regulations and statutes are applied properly and without undue disruption to the private sector. This directly benefits the public and reduces the Department's litigation costs in Federal courts.

Detailed Justification

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Salaries and Benefits …….....	**2,300**	**3,020**	**3,193**

Funding supports 23 FTEs in FY 2005 including costs for pay raises and promotions. The Office of Hearings and Appeals staff provides hearing officers and decisions in a wide variety of matters, such as security clearance and whistleblower cases.

Travel …....	**80**	**80**	**90**

For transportation to DOE field sites to conduct hearings on cases and on whistleblower investigations. The FY 2005 estimate reflects a higher amount due to expected increases in the cost of airfare.

Support Services …….....	**20**	**20**	**100**

Funding for support of OHA's computer information system and maintaining OHA's internet presence, including costs charged through the Working Capital Fund. OHA utilizes computer information systems to improve management and promote efficient use of resources, and it promptly (within 24 hours) publishes OHA decisions and findings on its publicly accessible, customer-friendly and increasingly visited website.

Other Related Expenses ….....	**514**	**655**	**935**

This category includes funding for employee training and charges by the Working Capital Fund for base services: rent, utilities, telephone, supplies, postage, building operations, photocopies, telecommunications, printing (including publication of federal register notices, and printing of decisions). OHA also pays for certain services directly, including timesharing (Westlaw) and purchases of computer equipment and software.

Total, Program Direction….…….....	**2,914**	**3,775**	**4,318**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits	
▪ FY 2005 funding change increase includes pay raises, promotions and to support an increase of 2 FTEs for a total of 23 FTEs ……...	+173
Travel	
▪ Increased funding for FY 2005 is needed to cover greater costs for travel to conduct hearings in security clearance and whistleblower adjudications …	+10
Support Services	
▪ Increase in funding for FY 2005 is needed to cover greater costs for contractor support for the Office's Information Technology systems …….	+80
Other Related Expenses	
▪ Increase in FY 2005 funding is needed to cover increased costs for items such as rent, utilities, telephone, supplies, postage, building operations, photocopies and telecommunications……	+280
Total Funding Change, Program Direction……	**+543**

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Technical Support.....	20	20	100	+80	+400.0%
Total, Support Services.....	20	20	100	+80	+400.0%

Other Related Expenses by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Working Capital Fund.....	502	636	915	+280	+44.1%
Other Services	12	20	20	0	0.0%
Total, Other Related Expenses...	514	655	935	+280	+42.7%

Other Defense Activities
Office of Future Liabilities

Overview

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities (Future Liabilities)					
Future Liabilities	0	0	0	0	5,000
Total, Other Defense Activities (Future Liabilities)	0	0	0	0	5,000
Energy Supply(Future Liabilities)					
Future Liabilities	0	0	0	0	3,000
Total, Energy Supply (Future Liabilities)	0	0	0	0	3,000
Total, Other Defense Activities and Energy Supply (Future Liabilities)	0	0	0	0	8,000

Preface

The Department of Energy will establish a new organizational element, the Office of Future Liabilities, to fund and manage environmental liabilities not assigned to the Office of Environmental Management or other organizations within the Department. These needs are expected to grow substantially due to the backlog of environmental liabilities at active DOE sites. It will also assume responsibility for long-term disposal of civilian-used radioactive sealed sources, or "Greater-Than-Class-C" wastes.

Within the Other Defense Activities appropriation, the Future Liabilities program has two programs: Facility Decommissioning and Decontamination, and Program Direction. The other portion of the Office, management of long-term disposal of civilian-used radioactive sealed sources, or "Greater-Than-Class-C" wastes, is proposed for funding from the Energy Supply appropriation.

This Overview will describe Strategic Context, Mission, Benefits, and Significant Program Shifts. These items together put this appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. The Office of Future Liabilities will perform critical functions which directly support the mission of the Department. These functions include the cleanup at active sites of facilities and materials which are excess to the current program missions, enabling the Environmental Management program to complete its current cleanup scope and other Departmental programs to focus on their primary missions; and planning and providing for disposition of civilian-used radioactive sealed sources.

The Office of Environmental Management is responsible for the cleanup of the legacy created by over 50 years of nuclear weapons production and energy research, and is aggressively pursuing accelerated risk reduction and closure strategies. The costs to complete the current EM scope are on the order of $130 billion (in constant 2003 dollars). The majority of the EM scope is for the cleanup at sites where the primary mission of the site has been terminated. The cleanup is focused on the legacy materials such as: the stabilization of high-level radioactive waste, the drying of spent nuclear fuel, the processing and disposal of transuranic waste, and the treatment and disposal of low-level waste, as well as the decontamination and decommissioning of weapons production facilities. Beginning with the FY 2003 Congressional Budget Request, the Department has embarked on a commitment to accelerate the EM cleanup and reduce the overall cost. With this commitment, it was necessary to "freeze" the scope of work and put in-place contracts to incentivize contractors to complete the EM scope on an accelerated basis and at a lower cost. However, additional environmental liabilities including decommissioning and decontamination of excess facilities, cleanup of contaminated media, and disposition of excess nuclear and hazardous materials, continue to be generated by sites with active DOE missions. For example, DOE estimates there are over 2,000 active, contaminated facilities that have or will become excess to program needs by FY 2025. Approximately 290 facilities are currently excess or will become excess during the period FY 2005-2009.

The proposed Office of Future Liabilities, the Office of Environmental Management and the recently created Office of Legacy Management (LM) will coordinate and cooperate in accomplishing their missions. The Office of Environmental Management's primary focus is on the cleanup of the large weapons production facilities, which have been shutdown. The Office of Legacy Management, established in FY 2004, serves as the landlord for inactive sites where EM has completed the cleanup and there is no continuing Departmental mission. Legacy Management will fulfill the long-term stewardship requirements resulting from the cleanup of the inactive sites and will work with local communities and property developers to transfer sites to permit effective local and commercial use. There are also a number of DOE and private sites being cleaned up by parties outside of the Department, or sites that have accepted waste/excess materials from the Department in the past, which may be transferred to Legacy Management for long-term stewardship. The Office of Future Liabilities' primary focus will be at active sites, with responsibility for the cleanup of facilities and materials that are excess to the program missions and other environmental responsibilities.

Mission

The mission of the Office of Future Liabilities is to address environmental liabilities at sites with continuing missions, which may include: the decontamination and decommissioning of facilities, cleanup of contaminated media, disposition of excess nuclear and hazardous materials and management of waste treatment and disposal facilities.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. Future Liabilities performs critical functions which directly support the mission of the Department. These functions include the cleanup at active sites of facilities and materials which are excess to the current missions, enabling the Environmental Management program to complete its current cleanup scope and other Departmental programs to focus on their primary missions; and planning and providing for disposition of civilian-used radioactive sealed sources.

Benefits

With the establishment of the new Future Liabilities organization, the Environmental Management program will remain focused on completing their current scope. In addition, with this new organization completing the cleanup of future environmental liabilities, the sites with current programs will retain a strong focus on their missions of national nuclear security and science and energy technology. The creation of a new Office of Future Liabilities is expected to produce a number of significant benefits, including the following:

- allow reuse of "built" capabilities in active areas of a site by the decontamination and decommissioning of contaminated facilities, thereby minimizing the current DOE footprint;
- maintain functional capabilities of waste disposal, and treatment and nuclear material stabilization after Environmental Management completes its mission at sites; optimize use of existing, possibly one-of-a-kind facilities and assure that future waste disposal and treatment approaches make corporate DOE sense;
- provide incentives to disposition excess nuclear and hazardous materials, which will result in reduced risk to the worker, the public and the environment;
- establish organizational responsibility to deal with newly identified contaminated media as well as future contamination."

Significant Program Shifts

The activities proposed for the Office of Future Liabilities in FY 2005 will address liabilities that were previously unassigned or are not being addressed because they are not aligned with the core mission of other Department programs and, as such, represent new Departmental activities.

Other Defense Activities
Office of Future Liabilities

Funding by Site

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Chicago Operations Office					
Brookhaven National Laboratory					
Future Liabilities	0	0	1,500	+1,500	100%
National Nuclear Security Administration					
Y-12 Site Office					
Future Liabilities	0	0	2,500	+2,500	100%
Washington Headquarters					
Future Liabilities	0	0	1,000	+1,00	100%
Total, Other Defense Activities (Future Liabilities)	0	0	5,000	+5,000	

Site Descriptions

Chicago Operations Office
Brookhaven National Laboratory

Introduction

The Brookhaven National Laboratory is an Office of Science multi-purpose research and development laboratory encompassing over 5,000 acres located in central Suffolk County on Long Island, about 60 miles east of New York City. Brookhaven National Laboratory conducts research in physics, biomedical and environmental sciences, as well as in energy technologies.

Decontamination and Decommissioning will focus on facilities that are currently contaminated and excess--Building 650 (Reclamation Facility and Hot Laundry) and Building 650A (storage building to support Building 650).

Y-12 Site Office

Introduction

The Y-12 Plant is approximately 811 acres and is located about two miles southwest of Oak Ridge, Tennessee. The Y-12 site originally was a uranium processing facility and now dismantles nuclear weapons components and serves as one of the Nation's storehouses for special nuclear materials.

Excess production facilities at Y-12 will be decontaminated and decommissioned. Demolition of the facilities will also be assessed.

Washington Headquarters

The Federal workforce will be based in Headquarters and will provide leadership, establish policy and provide overall direction and administrative support for the Future Liabilities program. Contractor assistance will also provide support and technical expertise to Federal staff in carrying out organizational and program planning, as well as other tasks as the office is being established.

Future Liabilities

Funding Profile by Subprogram

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Future Liabilities					
Facility Decontamination and Decommissioning	0	0	0	0	4,000
Program Direction.....	0	0	0	0	1,000
Total, Other Defense Activities (Future Liabilities).....	0	0	0	0	5,000

Mission

The mission of the Office of Future Liabilities is to address environmental liabilities at sites with continuing missions, which may include: the decontamination and decommissioning of facilities, cleanup of contaminated media, disposition of excess nuclear and hazardous materials and management of waste treatment and disposal facilities.

The mission also includes policy management and funding responsibility for the Department "Greater-Than-Class-C" program to address civilian-used radioactive sealed sources currently stored by the Department and other wastes that have radioactive properties for which there is currently not a facility to dispose of them. These activities are funded within the Energy Supply portion of the program.

This new office will aggregate requirements, support budget formulation, establish performance metrics, develop acquisition strategies, negotiate execution commitments and distribute funding to support remediation/cleanup and waste management requirements, except those managed by the Office of Environmental Management or the Office of Legacy Management. The approach to managing and executing the particular requirement will be established by the Office of Future Liabilities, in conjunction with the Program Secretarial Officers as appropriate. The Office of Future Liabilities will also work with the Lead Program Secretarial Offices, who are responsible for designated sites, and the site managers who provide the site landlord functions. The Office of Future Liabilities may execute requirements by: 1) working directly with the Program Secretarial Officer who in turn, will be responsible for completing the work through the Lead Program Secretarial Officer and the site manager; and 2) work through the Lead Program Secretarial Officer with the site manager.

Activity Description

In FY 2005, in addition to program planning and other work necessary to set up the new office, Future Liabilities will initially focus on work in one area: decontamination and decommissioning of excess contaminated facilities. The following provides the description of the activities to be addressed in this program in FY 2005 and other activities that may be included in the future:

- Facility Decontamination and Decommissioning: Facilities excess to Program Secretarial Office requirements and that have nuclear, hazardous and/or toxic material contamination. Facilities may be cleaned up or demolished depending on the extent of contamination and the future owner and use.

- Contaminated Media (Soil and Water Remediation): Soil under and around facilities, in process areas and/or in disposal areas, which are above regulatory compliance or agreement levels. Water, either surface or subsurface, which has been contaminated by process activities, material leaks or disposal practices. Soils may be remediated in-place or removed or the contamination allowed to naturally attenuate or degrade. Water may be actively remediated through pump-and-treat system or a more passive approach.

- Stored Legacy Waste: Waste stored for a number of years and generated by past Defense and Science mission activity. Waste will be treated as necessary and disposed.

- Excess Nuclear Materials Disposal: Nuclear materials will be stabilized and treated as necessary and disposed.

- Active Sites Long-term Stewardship: Continued support for remediation systems (typically for soil and water cleanups) to monitor effectiveness, take samples and provide necessary operation, maintenance and repair. This includes maintenance of institutional controls and maintenance of remedies put in place for facilities that have been decontaminated and decommissioned.

- Active Sites External Environmental Requirements: The continued support for post cleanup operations and systems such as permits, and local stakeholder interactions, that had been initiated as part of the EM cleanup activities.

Acquisition Strategy

Scope, cost and schedule baselines will be established for the work in each category at each site and a change control process will provide a tracking mechanism for the scope, cost and schedule for the entire program. The Office of Future Liabilities will work with the site manager to put in place performance-based contracts, which will continually incentivize the contractor to reduce costs and accelerate schedules. These contracts will be competed to stimulate competition for: management talent, technical expertise, key personnel experience, corporate proven track record, best value, enhanced schedules and risk acceptance. Putting these contracts in place will provide the Office of Future Liabilities with a high confidence the requirement will be completed within the cost, schedule, and performance goals.

Benefits

The Department of Energy will establish a new organizational element, the Office of Future Liabilities, to fund and manage environmental liabilities not assigned to the Office of Environmental Management. These needs are expected to grow substantially due to the backlog of environmental liabilities at active DOE sites. It will also assume responsibility for long-term disposal of civilian-used radioactive sealed sources, or "Greater-Than-Class-C" wastes.

With the establishment of the new Future Liabilities organization, the Environmental Management program will remain focused on completing their current scope. In addition, with this new organization

completing the cleanup of future environmental liabilities, the sites with current programs will retain a strong focus on their missions of national nuclear security and science and energy technology.

The creation of a new Office of Future Liabilities is expected to produce a number of significant benefits, including the following:

- allow reuse of "built" capabilities in active areas of a site by the decontamination and decommissioning of contaminated facilities, thereby minimizing the current DOE footprint;
- maintain functional capabilities of waste disposal, and treatment and nuclear material stabilization after Environmental Management completes its mission at sites; optimize use of existing, possibly one-of-a-kind facilities and assure that future waste disposal and treatment approaches make corporate DOE sense;
- provide incentives to disposition excess nuclear and hazardous materials, which will result in reduced risk to the worker, the public and the environment; and
- establish organizational responsibility to deal with newly identified contaminated media as well as future contamination.

Facility Decontamination and Decommissioning

Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2003	$ Change	% Change
Facility Decontamination and Decommissioning					
Brookhaven National Laboratory	0	0	1,500	+ 1,500	+100%
Y-12 Plant	0	0	2,500	+2,500	+100%
Total, Facility Decontamination and Decommissioning	0	0	4,000	+4,000	+ 100%

Description

Facilities that are excess to Program Secretarial Officer requirements and have radiological and/or hazardous material contamination will be addressed within this program. Decommissioning of facilities within this program is not being addressed by other Departmental programs. The facilities may be cleaned up or demolished depending on the extent of contamination, risk-based end-state and the future owner and use.

Benefits

The creation of a new Office of Future Liabilities will undertake the decontamination and decommissioning of contaminated excess facilities at sites with ongoing missions. These facilities are no longer needed, and are now being maintained in a minimum safe condition. Decontamination, decommissioning and, in most cases, demolition of excess facilities will eliminate potential safety and contamination risk arising from aging and eroding buildings and structures, as well as any costs needed to maintain the facilities. It will also allow reuse of "built" capabilities in active areas of a site, thereby minimizing the current DOE footprint.

Detailed Program Justification

	FY 2003	FY 2004	FY 2005
Brookhaven National Laboratory	**0**	**0**	**1,500**

For Building 650 and 650A, the funding will be used to prepare the cleanup performance specification, put the contract in-place for the entire cleanup and begin the cleanup. Expected contaminants for these radiological facilities are Cesium 137 and Cobalt 60. Approximate sizes of the facilities are 12,800 square feet for Building 650, and 1,200 square feet for Building 650A. Building 650A will be completed (building demolished and debris disposed offsite, and Phase 1 of Building 650 will be initiated (characterization completed, demolition planned, and removal well underway of remaining wastes and equipment). Completion of the Building 650 Phase 2 scope, through building demolition and disposal, would occur in subsequent years. Total estimated costs for the entire 650/650A project are $6.8 million, excluding contingency.

Y-12 Plant	**0**	**0**	**2,500**

The will be used to prepare the cleanup performance specification, put the contract in-place for the entire cleanup, and begin the cleanup of facilities. Completion of this project would occur in subsequent years. Total estimated costs for the entire project are $11.5 million, excluding contingency.

Total, Facility Decontamination and Decommissioning	**4,000**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Brookhaven	
Supports new cleanup activities at Brookhaven.	+1,500
Y-12	
Supports new cleanup activities at Y-12.	+2,500
Total Funding Change, Facility Decontamination and Decommissioning	**+4,000**

Program Direction

Funding Profile by Category

dollars in thousands/whole FTEs

	FY 2003	FY 2004	FY2005	$ Change	% Change
Headquarters					
Salaries and Benefits	0	0	450	+450	100%
Travel	0	0	10	+10	100%
Support Services	0	0	530	+530	100%
Other Related Expenses	0	0	10	+10	100%
Total, Headquarters			1,000	+1,000	
Full-Time Equivalents	0	0	4	+4	100%

Mission

Program Direction provides for the Federal workforce responsible for the overall direction and administrative support of the Future Liabilities program. Federal personnel develop policy, conduct analyses and integrate activities across sites, develop priorities and budget requests, and track expenditures. The program direction funds for FY 2005 will support personnel at Headquarters.

Detailed Justification

(dollars in thousands)

FY 2003	FY 2004	FY 2005
Salaries and Benefits	**0**	**0**	**450**

Provides for 4 full-time equivalents with the responsibility for the overall direction and administrative support of the Future Liabilities program. The federal workforce performs a variety of functions that are inherently governmental, such as policy direction, program management, and contract administration.

Travel	**0**	**0**	**10**

Includes all the costs of transportation of persons, subsistence of travelers, incidental travel expenses.

Support Services	**0**	**0**	**530**

Provides for technical and administrative support for cost-effective, short-term expertise and assistance not available from within the federal workforce. Will provide support in preparation of the out-year estimates and prioritization of requirements as the office is being established.

	(dollars in thousands)		
	FY 2003	FY 2004	FY 2005
Other Related Expenses	**0**	**0**	**10**
Provides for the physical and administrative support to the Federal workforce. Examples include rent, supplies, printing, and training.			
Total, Program Direction	**0**	**0**	**1,000**

Explanation of Funding Changes

	FY 2005 vs. FY 2004 ($000)
Salaries and Benefits Supports the establishment of a new office.	+450
Travel Supports the establishment of a new office.	+10
Support Services Supports the establishment of a new office.	+530
Other Related Expenses Supports the establishment of a new office.	+10
Total Funding Change, Program Direction	**+1,000**

Safeguards and Security Crosscut

Safeguards and Security Crosscut

Safeguards and Security

Mission

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

This section of the budget provides summary budget estimates of the Department's S&S programs. Details of the individual S&S programs and their budgets are found in the following program budget justifications:

- National Nuclear Security Administration
- Environmental Management
- Security
- Information Management
- Science
- Nuclear Energy

Overview

The budget for the Department's direct funded S&S programs is organized to ensure consistency in program and budget execution and ensure adequate management, direction, tracking and monitoring of security costs throughout the Department. Each S&S program budget provides high visibility for S&S issues and helps the Department prioritize functions for effective and efficient S&S program implementation. Furthermore, the structure of the S&S budgets ensures consistency in budget execution across diverse programs, principally the National Nuclear Security Administration, Environmental Management, Science, and Nuclear Energy. For these Field Security programs, the budget structure takes the form of the following seven program elements:

Protective Forces
Provides for the protection of Special Nuclear Materials, information, employees, and government property from theft, diversion, sabotage, and malicious destruction.

Security Systems
Addresses access control and interior/exterior intrusion detection systems.

Information Security
Ensures that individuals protect classified matter and sensitive unclassified matter, and establishes protection systems that require degrees of protection for each classification level.

Cyber Security
Assures effective and efficient protection of computer and technical resources.

Personnel Security

Supports activities associated with the clearance program.

Material Control and Accountability
Provides assurance that the nuclear materials used and/or stored at DOE facilities are properly controlled and accounted for at all times.

Program Management
Assures a framework for efficient and effective security operations.

Changes in the Composition of the Safeguards and Security Crosscut

The composition of the S&S crosscut is modified as security-related DOE organizations are changed to more effectively address the security concerns that confront the Department.

Funding by Site

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Field Security					
Science	66,877	62,328	73,315	+10,987	+17.6%
National Nuclear Security Administration	558,161	574,470	698,991	+124,521	+21.7%
Environmental Management	254,747	291,094	265,059	-26,035	-8.9%
Nuclear Energy	52,560	56,343	58,103	+1,760	+3.1%
Subtotal, Field Security	932,345	984,235	1,095,468	+111,233	+11.3%
Information Management (CIO Cyber)	28,340	26,315	24,932	-1,383	-5.3%
Physical Security (NNSA)	0	8,000	8,000	0	0%
Headquarters Security					
Nuclear Safeguards and Security	144,512	150,668	143,197	-7,471	-5.0%
Security Investigations	45,579	54,554	53,554	-1,000	-1.8%
Program Direction	51,742	52,490	58,350	+5,860	+11.2%
Subtotal, Headquarters Security	241,833	257,712	255,101	-2,611	-1.0%
Subtotal, Safeguards and Security	1,202,518	1,276,262	1,383,501	+107,239	+8.4%
Security charge against reimbursable work	-38,427	-38,419	-38,751	-332	-0.9%
Total, Safeguards and Security	1,164,091	1,237,843	1,344,750	+106,907	+8.6%

Funding Profile

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	$ Change	% Change
Field Security					
Protective Forces/Transportation	517,573	513,826	568,638	+54,812	+10.7%
Security Systems	95,864	117,995	142,784	+24,789	+21.0%
Information Security	31,739	35,110	34,824	-286	-0.8%
Cyber Security	96,182	108,181	109,152	+971	+0.9%
Personnel Security	33,282	38,865	37,550	-1,315	-3.4%
Material Control and Accountability	41,873	53,166	43,567	-9,599	-18.1%
Program Management	107,191	113,431	121,953	-8,522	-7.5%
Construction (NNSA)	8,641	3,661	37,000	+33,339	910.7%
Subtotal, Field Security	932,345	984,235	1,095,468	+111,233	+11.3%
Charge for Reimbursable Work	-37,715	-37,707	-38,751	-1,044	-2.8%
Subtotal, Field Security	894,630	946,528	1,056,717	+110,189	+11.6%
Headquarters Security					
Nuclear Safeguards and Security	144,512	150,668	143,197	-7,471	-5.0%
Security Investigations	45,579	54,554	53,554	-1,000	-1.8%
Program Direction	51,742	52,490	58,350	+7,295	+14.3%
Subtotal, Headquarters Security	241,833	257,713	255,101	+2,611	-1.0%
Charge for Reimbursable Work	-712	-712	0	+712	+100%
Subtotal, Headquarters Security	241,121	257,000	255,101	-1,899	-0.7%
Information Management (CIO Cyber)	28,340	26,315	24,932	-1,383	-5.3%
Physical Security (NNSA)	0	8,000	8,000	0	0%
Subtotal, Headquarters	269,461	291,315	288,033	-3,282	-1.1%
Total Safeguards and Security	1,164,091	1,237,843	1,344,750	+106,907	+8.6%

Protective Forces

Mission

The mission of Protective Forces is to protect the Department's critical assets which include nuclear weapons in DOE custody, nuclear weapons components, special nuclear materials, classified information and DOE facilities against a spectrum of threats, including terrorist activity, sabotage, espionage, theft, diversion, loss or unauthorized use. To accomplish this mission:

- Protective Force programs throughout the complex provide the salaries, wages and benefits for personnel; have proper management and supervision; sufficient quantities of well maintained and logically deployed equipment and facilities to ensure effective performance of their assigned functions and tasks under normal and emergency conditions.

- Protective Forces programs perform critical functions including the conduct of access control and security response operations; the physical protection of special nuclear material, classified matter and information, and government property; emergency response forces and tactical assistance during events as well as an on-scene security commander; random patrols; coordination with local law enforcement and protective force elements aimed at providing effective response to emergency situations; random prohibited article inspections; security alarm monitoring and dispatch services; the collection and destruction of classified matter; and constant testing of the protective force to respond to myriad event scenarios.

- Protective Forces Programs maintain a Special Response Team capability to provide resolution of incidents that require effective and timely response with force options that exceed the capability of front line protective force personnel. This includes recapture and recovery operations involving the use of special weapons, systems and tactics to effect recovery of special nuclear material under authorized control.

Funding Schedule

(dollars in thousands)

Protective Forces	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science……	27,951	27,003	32,353	+5,350	+19.8%
National Nuclear Security Administration..	305,298	303,990	358,251	+54,261	+17.9%
Environmental Management……....	154,832	151,453	144,761	-6,692	-4.4%
Nuclear Energy……....	29,492	31,380	33,273	+1,893	+6.0%
Total, Protective Forces …….	517,573	513,826	568,638	+54,812	+10.7%

Security Systems

Mission

The mission of Security Systems is the physical protection of Special Nuclear Material and vital equipment, sensitive information, Departmental property and unclassified facilities. Included are buildings, fences, barriers, lighting, sensors, surveillance devices, entry control devices, access control systems, explosive detection systems, power systems and other real property and hardware designed for, or affecting security. This hardware and equipment is operated and used to support the protection of DOE property and other interests of national security.

The Security Systems programs support DOE-wide efforts required to conduct performance assurance testing. The programs also ensure that security alarm systems are operational and functioning in accordance with applicable DOE Orders. Security System programs are also responsible for two essential subprograms: (1) a barriers/secure storage/lock program to restrict, limit, delay or deny entry into a designated area; and (2), an entry control/access program that provides positive identification of personnel requiring access to facilities and initial access to facilities in general, ensuring that persons entering/leaving facilities are authorized, and do not introduce prohibited articles into or remove Government property from Departmental facilities.

Estimates are provided for all access control administrative activity involving production, accountability and destruction of badges and firearms credentials. Estimates are also provided for vital systems components and tamper-safe oversight is provided by monitoring and responding to alarms, determining access and securing all alarmed structures on site. In addition, this element provides for handling all radio communications for the protection of the facilities.

Funding Schedule

(dollars in thousands)

Security Systems	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science…….……	9,319	5,473	7,836	+2,363	+43.2%
National Nuclear Security Administration...	56,557	56,195	81,032	+24,837	+44.2%
Environmental Management…….....	20,484	44,929	43,160	-1,769	-3.9%
Nuclear Energy……..……	9,504	11,398	10,756	-642	-5.6%
Total, Security Systems …….	95,864	117,995	142,784	+24,789	+21.0%

Information Security

Mission

The mission of Information Security is to ensure that material and documents that may contain sensitive and classified information are accurately and consistently identified, properly reviewed for content, appropriately marked and protected from unauthorized disclosure, and ultimately destroyed in an approved manner.

Information Security programs put in place plans, policies, and procedures training to ensure that all employees are aware of the requirements for the identification, review, classification, declassification, marking, protection and proper disposal of sensitive information and classified material. In addition, operational security considerations are used to preclude inadvertent compromise.

Funding Schedule

(dollars in thousands)

Information Security	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science …….……..	5,266	2,641	2,794	+153	+5.8%
National Nuclear Security Administration...	17,760	21,335	22,415	+1,080	+5.1%
Environmental Management…….....	7,027	9,340	7,760	-1,580	-16.9%
Nuclear Energy……..……	1,686	1,794	1,855	+61	+3.4%
Total, Information Security……..	31,739	35,110	34,824	-286	-0.8%

Cyber Security

Mission

The mission of Cyber Security is to ensure that sensitive and classified information that is electronically processed, transmitted, or stored, is properly identified and protected. Cyber Security programs ensure that electronic systems are appropriately marked and protected. The programs plan, document, and test classified automated information systems (AIS), communications security (COMSEC), TEMPEST; and maintain an appropriate level of infrastructure reliability and integrity, as well as an unclassified AIS program. Included are appropriate plans, policies and procedures, assessments, tests, monitoring and self-assessments, certifications, and user and administrator training/awareness.

Funding Schedule

(dollars in thousands)

Cyber Security	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science…….…….……..	13,593	13,617	15,823	+2,206	+16.2%
National Nuclear Security Administration.	69,200	79,740	80,500	+760	+1.0%
Environmental Management……..…	7,807	9,630	7,406	-2,224	-23.1%
Nuclear Energy…….……..	5,582	5,194	5,423	+229	+4.4%
Total, Cyber Security……	96,182	108,181	109,152	+971	+0.9%

Personnel Security

Mission

The mission of Personnel Security is to support the clearance program (excluding Security Investigations), and ensure security sensitivity through security briefings such as the initial refresher and termination briefings, re-orientations, computer based training, special workshops and classes, publications, closed circuit television programs, signs, posters and special event days. Support for the clearance program includes: (1) Personnel Security Assurance Program, adjudications, screening and analysis of personnel security cases for determining eligibility for access authorizations, administrative reviews, and handling of Freedom of Information and Privacy Act requests related to security clearances. (2) Provides security awareness and education. (3) Determines operating and maintenance estimates associated with classified/unclassified visits and assignments by foreign nationals.

Funding Schedule

(dollars in thousands)

Personnel Security	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science…….	4,397	4,984	5,439	+455	+9.1%
National Nuclear Security Administration...	18,590	22,124	21,822	-302	-1.4%
Environmental Management……..	8,600	10,066	8,554	-1,512	-15.0%
Nuclear Energy……..……...	1,695	1,691	1,735	+44	-2.6%
Total, Personnel Security …….	33,282	38,865	37,550	-1,315	-3.4%

Material Control and Accountability

Mission

The mission of Material Control and Accountability (MC&A) is to provide assurance that nuclear materials are properly controlled and accounted for at all times. MC&A provides evidence that all nuclear materials are accounted for appropriately and that theft, diversion, or operational loss has not occurred. MC&A also supports weapons production, nuclear nonproliferation, nuclear materials operations, facility closure, and nuclear critical safety by determining and documenting the amounts of nuclear materials in weapons and packaged items. MC&A administration includes the following: (1) Assess the levels of protection, control and accounting required for the types and quantities of materials at each facility. (2) Documenting facility plans for nuclear materials control and accounting. (3) Assigning authorities and responsibilities for MC&A functions. (4) Ensuring that facility MC&A personnel are trained and qualified to perform their responsibilities. (5) Establishing programs to report occurrences such as nuclear material theft, the loss of control or inability to account for nuclear materials, or evidence of malevolent acts. (6) Performance testing required program elements; and (7) Establishing facility programs to conduct and document internal assessments of their operations and MC&A programs.

Funding Schedule

(dollars in thousands)

Material Control and Accountability	FY 2003	FY 2004	FY 2005	$ Change	%Change
Science	2,076	2,538	2,521	-17	-0.7%
National Nuclear Security Administration	22,565	25,875	26,017	+142	+0.5%
Environmental Management	14,291	21,827	11,989	-9,838	-45.1%
Nuclear Energy	2,941	2,926	3,040	+114	+3.9%
Total, Material Control and Accountability	41,873	53,166	43,567	-9,599	-18.1%

Program Management

Mission

The mission of Program Management is to develop a framework for efficient and effective security operations. This includes the development and updating of S&S Plans, conducting vulnerability assessments to determine if assets are at risk, modeling to ensure the plans and operations meet mission objectives, identifying assets that need protection, developing local threat assessments and participating in the S&S Quality panel process and security education. In addition, the programs ensure that plans are developed and revised accurately in accordance with DOE Orders, professional and technical training is administered, and goals and objectives of the Office of Security are implemented complex wide.

The programs develop S&S Plans or other applicable security plans, understand and implement S&S requirements, conduct surveys to determine whether S&S requirements have been implemented, understand national and local threats and perform a vulnerability analysis that indicates whether or not the S&S assets are at risk or not. Program Management includes participation in the Quality Panel process which raise issues from the field to the headquarters managers and ensures that the staff are properly educated with respect to security matters.

Funding Schedule

(dollars in thousands)

Program Management	FY 2003	FY 2004	FY 2005	$ Change	% Change
Science	4,275	6,072	6,549	+477	+7.9%
National Nuclear Security Administration.....	59,550	61,550	71,954	+10,404	-16.9%
Environmental Management.....	41,706	43,849	41,429	-2,420	-5.5%
Nuclear Energy	1,660	1,960	2,021	+61	+3.1%
Total, Program Management.....	107,191	113,431	121,953	+8,522	+7.5%

General Provisions

Proposed Appropriation Language

SEC. 301. (a) None of the funds appropriated by this Act may be used to award a management and operating contract, or award a significant extension or expansion to an existing management and operating contract, unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.
(b) At least 60 days before a contract award for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the Subcommittees of the waiver and setting forth, in specificity, the substantive reasons why the Secretary believes the requirement for competition should be waived for this particular award.

SEC. 302. None of the funds appropriated by this Act may be used to—
(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or
(2) provide enhanced severance payments or other benefits for employees of the Department of Energy, under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 42 U.S.C. 7274h).

SEC. 303. None of the funds appropriated by this Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

(Transfers of Unexpended Balances)

SEC. 304. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 305. None of the funds in this or any other Act for the Administrator of the Bonneville Power Administration may be used to enter into any agreement to perform energy efficiency services outside the legally defined Bonneville service territory, with the exception of services provided internationally, including services provided on a reimbursable basis, unless the Administrator certifies in advance that such services are not available from private sector businesses.

SEC. 306. When the Department of Energy makes a user facility available to universities and other potential users, or seeks input from universities and other potential users regarding significant

characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users.

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

SEC. 307. The Administrator of the National Nuclear Security Administration may authorize the plant manager of a covered nuclear weapons production plant to engage in research, development, and demonstration activities with respect to the engineering and manufacturing capabilities at such plant in order to maintain and enhance such capabilities at such plant: Provided, That of the amount allocated to a covered nuclear weapons production plant each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs, not more than an amount equal to 2 percent of such amount may be used for these activities: Provided further, That for purposes of this section, the term ''covered nuclear weapons production plant'' means the following:
(1) the Kansas City Plant, Kansas City, Missouri;
(2) the Y–12 Plant, Oak Ridge, Tennessee;
(3) the Pantex Plant, Amarillo, Texas;
(4) the Savannah River Plant, South Carolina; and
(5) the Nevada Test Site.

SEC. 308. Section 310 of the Energy and Water Development Appropriations Act, 2000 (Public Law 106–60), is hereby repealed.

SEC. 309. Funds appropriated by this or any other Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2004 until the enactment of the Intelligence Authorization Act for fiscal year 2004.

Explanation of Change

Same language as in the FY 2004 Congressional Budget.