

**Statement of Jessie H. Roberson**  
**Assistant Secretary for Environmental Management**  
**U. S. Department of Energy**  
**before the**  
**Subcommittee on Strategic**  
**Committee on Armed Services**  
**U.S. Senate**

April 10, 2002

Mr. Chairman, and Members of the Subcommittee, I appreciate this opportunity to appear before you to discuss the Department of Energy's Environmental Management (EM) program and its Fiscal Year (FY) 2003 budget request.

We meet today at an historic moment for the Environmental Management program. This is no ordinary year. This budget request does not come at an ordinary time. This Administration has just completed a comprehensive review of EM and has concluded that this program is badly in need of repair. For ten years we have spent tens of billions of dollars but have failed to make commensurate progress towards cleanup and risk reduction. If present trends continue unchecked, we will squander taxpayer money and make only minimal progress towards cleanup and risk reduction. This is unacceptable. This Administration is determined to make changes.

This budget represents the first step towards addressing the fundamental problems facing EM. DOE has analyzed what is wrong and has taken the first steps forward. To go further, we need the help and support of Congress. We need the help and support of states and our state and federal regulators. We need the help and support of stakeholders and communities throughout America. We can turn this program around and produce real progress towards cleanup, but only if we all work together towards our common goals.

The Department is requesting \$6.714 billion for the EM program for FY 2003. This is approximately the same level as Congress appropriated for the program in FY 2002. In a year when demands for Federal dollars are particularly high, this request demonstrates the Administration's commitment to cleaning up the contamination resulting from Cold War nuclear weapons production and to ensuring that our surplus nuclear materials are safe and secure to protect the Homeland.

The budget request before you begins to fundamentally change the way the cleanup is carried out. We have proposed structural changes in our request to enable us to begin these badly needed changes. The request provides "base funding" to ensure safety and security, and to support on-going cleanup activities at the sites. But it also includes a new and separate \$800 million EM Cleanup Reform account. These funds will be made available to those sites that can – in partnership with their regulators, their contractors and their communities – change their way of doing business to provide more tangible progress towards cleanup and risk reduction. If the vast majority of sites agree to the reforms we think are necessary, it is possible that the \$800 million

may become over-subscribed. In this event, the Administration is prepared to support additional resources to complete reforms at remaining sites.

The reforms proposed in the FY 2003 budget request do not fully meet my own – or the Secretary’s – expectations of an effective and revitalized EM program. Rather, it is a transitional budget. It contains some elements of the changes we plan to put in place, but it is really only a first step in the transition toward a more risk-based and efficient cleanup program. Therefore, in my testimony, I would like to take a step back from the details of the request to discuss the current circumstances of the EM program, the conclusions of the recently completed program review, and key elements of my implementation strategy. I will then address the priorities used to formulate the FY 2003 request and provide highlights of the critical work we plan to accomplish in FY 2003.

## LAYING THE GROUNDWORK FOR FUNDAMENTAL CHANGE

### THE CHALLENGE BEFORE US

The EM program is responsible for cleaning up the environmental legacy of the nation's nuclear weapons program and government-sponsored nuclear energy research. The cleanup program is one of the largest and most diverse and technically complex environmental cleanup programs in the world. Responsible for the cleanup of 114 sites across the country, the EM program faces the challenge of:

- safely dispositioning large volumes of nuclear wastes, including over 340,000 cubic meters of high-level waste stored at the Hanford, Idaho, West Valley and Savannah River sites;
- safeguarding materials that could be used in nuclear weapons, including over two thousand tons of intensely radioactive spent nuclear fuel, some of which is corroding, and more than 18 metric tons of weapons-usable plutonium;
- deactivating and decommissioning several thousand contaminated facilities no longer needed to support the Department's mission; and
- remediating extensive surface and groundwater contamination.

The painful truth is that EM has not effectively managed this daunting task. Ironically, EM’s own indicators would say we are doing well. We have met over 90 percent of our regulatory milestones, and our contractors routinely receive over 90 percent of their available fee. In large part, however, we are measuring process, not progress. This must change.

To illustrate the magnitude of the challenge, EM’s own internal estimates of what it will cost to complete cleanup continue to grow. EM’s most recent life-cycle cost estimate, based on current plans, is \$220 billion, an estimate that could easily increase to more than \$300 billion without breakthrough changes in the program. Additionally, only about one-third of the EM program budget today is going toward actual cleanup and risk reduction work. The remainder is spent on maintenance, fixed costs, and other activities required to support safety and security.

The schedule estimates from just a few years ago have also proven to be overly optimistic. Over just the past few years, the estimated closure or cleanup completion dates have slipped for numerous sites. Moreover, the three largest sites – Savannah River, Idaho National Engineering and Environmental Laboratory, and Hanford – have such long-term completion dates (2038, 2050, and 2070, respectively) that the estimates for cost and schedule are highly uncertain and subject to change.

While most of the risks at these contaminated sites do not pose an imminent threat to public health and the environment, the complacency and inaction of the status quo will eventually have startling consequences. DOE spends billions of dollars each year simply to keep these materials safe and secure. Each year we do not move aggressively to reduce and remove these risks, they become costlier to manage and maintain. On the present course, we face the real possibility that we will never meet our cleanup and closure goals.

While these outcomes are not acceptable, they are also not inevitable. This Administration believes firmly that reform of the complex is possible, as well as urgent. We have seen examples even under the current approach where an accelerated risk-based approach has yielded concrete results that have served the public interest in cleanup and closure. At Rocky Flats in Colorado, risk-based management approach, effective contracting strategies and an overall sense of urgency have produced real progress towards cleanup and closure. This site has worked hard and struggled to be at the point it is today. That same effort is needed throughout the DOE complex.

I believe with appropriate management and with your support, we can replicate these successes throughout the nation.

## CONCLUSIONS OF THE TOP-TO-BOTTOM REVIEW

Last year, the Secretary of Energy told Congress that the status quo in the EM cleanup program was unacceptable. He directed me to conduct a comprehensive review of the cleanup program with the goal of quickly improving performance. The team I formed to conduct the review concluded that there are numerous structural and institutional problems that are driving EM's poor performance. The report also included several specific calls to action to remedy this situation. In the broadest sense, the report urged that the EM program transform its mission from managing risk to reducing and eliminating risk. The report was issued on February 4, 2002. I am moving out aggressively to evaluate and act on the recommendations of this report and work with Congress, the states, and stakeholders to develop mutually acceptable approaches.

The recommendations, and the problems they address, generally fall into four areas:

1. *Improve DOE's Contract Strategy and Management.* The issue here is both our overall contracting strategy and how we manage contracts. The report concludes that EM's contracting approach is not always focused on accelerating risk reduction and applying innovative approaches to doing work. Effective contracting practices are essential to improve program performance.

The EM Review concluded that the processes for contract acquisition, establishment of performance goals, funding allocation, and government oversight are managed as separate, informally related activities rather than as an integrated corporate business process. This results in performance standards that are inconsistently and ineffectively applied. The report recommends that EM:

- Improve the quality of the contract solicitation process to attract broader contractor participation.
- Require clarity in contracts with respect to work scope, regulatory requirements, and end points.
- Clearly identify the nature and extent of uncertainty and risks, and align the type of contract accordingly.
- Increase emphasis on real risk reduction by focusing fees on end points rather than intermediate milestones.
- Eliminate the use of subjective performance measures.

The report recommends that DOE undertake a review of all existing contracts for their alignment with these principles and revise or amend those contracts to improve this alignment. Our point here is not to criticize or penalize contractors. Obviously, they did what DOE asked for. But I do not believe that we asked for the right things, and we did not create contract vehicles that pushed them to perform. We must begin implementing more aggressive contracts - ones that genuinely challenge them to achieve and to shoulder more risk -- while providing significant profit for truly outstanding performance. But, conversely, it means that mediocrity will reap no rewards.

2. *Move EM to an Accelerated, Risk-Based Cleanup Strategy.* EM's cleanup strategy is not based on a comprehensive, coherent, technically-supported risk prioritization. The framework, and in some cases, the interpretation of DOE Orders and requirements, environmental laws, regulations, and agreements have resulted in the diversion of resources to lower-risk activities *and over-emphasis on process*. To move towards a more risk-based approach:

- Cleanup work should be prioritized to achieve the greatest risk reduction at an accelerated rate.
- Realistic approaches to cleanup should be based on technical risk evaluation, anticipated future land uses, points of compliance, and points of evaluation.
- Cleanup agreements should be assessed for their contribution to reducing risk to workers, the public, and the environment.

The report recommends that DOE initiate an effort to review current DOE Orders and requirements as well as regulatory agreements, and commence discussions with states and other regulators with a view to achieving regulatory agreements that accelerate risk reduction based on technical risk evaluation. The issue here is not to avoid compliance with regulatory agreements.

The issue here is that we need to work with states and regulators to ensure that these agreements truly match up with a risk-based approach. We are determined to begin this effort now.

3. Align DOE's Internal Processes to Support an Accelerated, Risk-Based Cleanup Approach.

The review concluded that EM's internal business processes are not structured to support accelerated risk reduction or to address its current challenge of uncontrolled cost and schedule growth. We must instill a sense of urgency in the system. If we are to accelerate the cleanup and reduce risk, we must transform EM's processes and operations to reflect this urgency and time sensitivity. Some specific actions include:

- Improve work planning to increase the up-front understanding and planning of work and apply project management principles to all core work areas.
- Expand the application of Integrated Safety Management (ISM) to higher-level work planning, where decisions are made about what work is appropriate and desirable and breakthrough safety improvements may occur.
- Develop "Lessons Learned" at a corporate level to provide a frank description of significant project issues, with corporate lessons learned required for all EM managers.
- Apply DOE requirements in a manner consistent with the work at hand, clarifying requirements relevant to cleanup and streamlining the process for interpreting DOE Orders and requirements for more complex cleanup projects.
- Accelerate the closure of small sites. With relatively little additional investment, the risks at remaining small sites can be eliminated sooner, and the life-cycle costs reduced.

4. Realign the EM program so its scope is consistent with an accelerated, risk-based cleanup and closure mission. The current scope of the EM program includes activities that are not focused on or supportive of an accelerated, risk-based cleanup and closure mission. EM should redeploy, streamline, or cease activities not appropriate for accelerated cleanup and closure. Specifically, EM should:

- Accelerate the consolidation of activities that require safeguards and security infrastructure to enhance safety and security, reduce threats, reduce risk, and save money.
- Refocus the EM technology program to directly address the specific, near-term applied technology needs for cleanup and closure.
- Eliminate or transfer from EM those activities not directly supporting an accelerated, risk-based cleanup and closure program.

## MAKING CHANGES ON A FAST TRACK

The review identified specific issues and recommendations that will allow us to move aggressively to change the EM program's approach to its cleanup and closure mandate. Similarly, the sites

have contributed their own site-specific strategies and proposals to refocus and accelerate their efforts. All the recommended changes are designed to focus the program on one primary result – reducing risk to public health, workers, and the environment on an accelerated basis.

We have already instituted some changes, and will continue to take action as soon as possible and practicable to bring about the changes that are needed. We have deployed special teams to most of our sites to work with DOE, our contractors, state and federal regulators, and other stakeholders to develop revised cleanup plans. I am very pleased that we signed a letter of intent with the Hanford site in Washington that will enable us to significantly accelerate our work there and achieve more risk reduction. We are engaged in similar discussions at the Savannah River, Oak Ridge, and Brookhaven sites, and I expect to achieve similar results at these sites over the next few months.

Additionally, we are already acting to ensure our contracts align with and support our accelerated cleanup mission. We recently announced that a new contract will be competed and awarded for cleanup of the Mound Site in Ohio. The new contract, streamlined and focused on reducing risk, will emphasize completing cleanup safely and more quickly, with a goal of transferring the site to the community by 2006 or earlier.

Similarly, as the review makes clear, EM needs to get its own house in order to ensure its internal processes and policies support the urgency of its mission. As part of our human capital strategy, we have just completed a reassignment of 40 percent of the program's 70 Senior Executives in order to strengthen, streamline, and remove unnecessary layers from the leadership of the program. Our purpose is to better leverage the unique talents of these executives, force better integration between the field and headquarters on the challenges confronting the program, and to stimulate new thinking and creative solutions to the cleanup.

We are taking actions to further augment the nation's security through the consolidation of nuclear material at EM sites, a key recommendation of the Top-to-Bottom report. We are working in partnership with the National Nuclear Security Administration to ensure that our nuclear material is safe and secure. This accelerated effort will lead to more secure protection of our nuclear material inventory while reducing the expensive cost of storage and protection at multiple sites.

This is just a beginning. We will continue to work quickly to implement the recommendations of the Top-to-Bottom report.

## THE FY 2003 BUDGET REQUEST

A key element for implementing the review's recommendations is to ensure that the program's funding is properly aligned to support needed change. The FY 2003 budget request is a first step towards achieving that alignment. It incorporates some new ways of doing business and includes a significant structural change designed to foster agreement on expedited, more risk-based cleanup approaches.

EM's FY 2003 budget request of \$6.7 billion is essentially the same level as appropriated for FY 2002. The budget request is composed of two parts: a base budget request and a new Environmental Management Cleanup Reform appropriation request of \$800 million to implement fundamental changes to the cleanup program.

### CLEANUP REFORM APPROPRIATION

EM is requesting a new Cleanup Reform Appropriation that is critical to beginning implementation of the recommendations of the Top-to-Bottom Review. While the overall size of the request is consistent with past years, DOE is requesting from Congress new discretion in allocating this money among the sites, and for specific projects within sites. We believe that this approach is essential to meeting the common goal of states, taxpayers and DOE – accelerated cleanup and risk reduction. DOE realizes that we are asking a great deal from Congress with this request, and we are eager to work with you to accomplish this goal.

The Cleanup Reform Appropriation would in essence be a performance tool – a pool of funds available to those sites that both demonstrate their ability to realign to a more accelerated risk-based approach, and provide to DOE specific proposals consistent with this new approach that achieve greater risk reduction, faster.

We are now in the midst of reassessing and realigning our activities to enable a more risk-based, accelerated cleanup approach. It is our goal to develop agreements at each site on a specific set of changes and commitments by all parties that will reflect this new approach. I have no doubt that this process may often be difficult. Everyone will have to let go of certain things they favor in the broader public interest of achieving more risk reduction faster. Indeed, the Top-to-Bottom review concluded that every player in the cleanup business needs to make changes to enable a more effective cleanup strategy.

Once these strategic agreements are reached, we will develop specific plans that implement this new approach. These plans should be supported by the state and federal regulators, should align with a revised contract and regulatory strategy, and should reflect a risk-based accelerated approach. These plans might be new projects not previously in the sites' baselines. They might be modified, accelerated versions of existing projects. I am also open to supporting projects that already reflect an accelerated risk-based approach, but where additional funds can achieve even greater risk reduction at a lower life-cycle cost. Each project proposed for the cleanup fund would have a new cost savings and funding profile. Funds from the Cleanup Reform Appropriation would then be made available to fund or supplement existing funding from the base

budget for the project. The appropriate Congressional committees will be informed of the agreement and the commitment of funds from this appropriation. The funds identified with the acceleration will be merged with the funds in the parent appropriation (e.g., Closure, Site/Project Completion, Post-2006) of the old activity.

This new appropriation will provide the stimulus necessary to encourage our sites, our contractors, DOE headquarters and program elements, and state and federal regulators to quickly forge agreements to enable more effective cleanup approaches. An example of the candidate projects identified during the review for alternate strategies that should produce results quicker and with substantial life-cycle savings are high-level waste vitrification projects. The review identified alternative approaches to treating high-level waste that would limit vitrification to the high-risk component and pursue alternative treatment approaches for lower-risk components. These alternative approaches offer the potential of earlier true risk reduction and could save the taxpayers tens of billions of dollars.

In summary, this Cleanup Reform Appropriation provides EM with the tool we need to jump-start our reform agenda. It enables DOE, Congress, communities, regulators, and contractors to work together to achieve our common goal of accelerated cleanup and risk reduction. It also maintains for Congress the necessary oversight and checks and balances to ensure that this fund is managed prudently, and consistently with our common goals.

#### BASE BUDGET REQUEST

The base budget request would protect our workers, the public and the environment while continuing cleanup progress across the DOE complex. As I said earlier, this FY 2003 budget is a transitional budget. It does not fully reflect the changes we have proposed and will be implementing throughout the DOE complex over the next several months. The progress towards cleanup and risk reduction reflected in this request does not meet either my, or the Secretary's, expectations for this program. But it does provide us with the set of tools we need to begin the process of improving EM's performance. In building the request, the Department applied the following principles and priorities:

*Protect human health and the environment:* The budget request continues to place the highest priority on protecting the health and safety of workers and the public at all DOE sites. We expect outstanding safety performance as a matter of course. We demand this from our contractors and ourselves, and we will accept nothing less.

*Surveillance and maintenance:* Surveillance, maintenance, and support activities needed to maintain waste, materials, facilities, and sites in a safe and stable condition are fully funded in the base budget. This funding maintains the sites in an operating and safe condition. Examples of these types of activities in the request include:



- Safe storage, configuration, and accountability of nuclear materials and spent nuclear fuel at sites such as the Idaho National Engineering and Environmental Laboratory (INEEL), the Savannah River Site in South Carolina, and the Hanford Site in Washington;
- Safe storage of high-level, mixed, and low-level waste, as well as management and disposal of hazardous and sanitary waste, across the DOE complex, including tank safety activities at the Hanford, INEEL, and Savannah River high level waste tank farms;
- Long-term stewardship at more than 35 sites where cleanup has been completed but where some contaminants still remain. In FY 2003, this will include Weldon Spring in Missouri, which is expected to complete cleanup and transition to long-term stewardship by the end of FY 2002;
- Maintaining the Portsmouth Gaseous Diffusion Plant in Ohio in cold standby, including uranium deposit removal;
- Surveillance and maintenance of more than 62,000 depleted uranium hexafluoride and other uranium cylinders located at gaseous diffusion plants in Kentucky, Ohio, and Tennessee;
- Surveillance and maintenance of facilities, including excess contaminated facilities pending deactivation and decontamination;
- Groundwater monitoring and continued operation of treatment systems;
- Essential landlord functions.

*Safeguards and security:* This is first EM budget request since the events of September 11. Our nation is more aware than ever before of the critical need to maintain vigilance in our domestic security and to protect against terrorism. The EM program is responsible for many tons of surplus nuclear material. The budget request provides funding at approximately the FY 2002 appropriation, reflecting both increased and decreased safeguards and security needs. In particular, reduced requirements in Environmental Management Defense Facilities Closure Projects are commensurate with the planned removal of special nuclear materials from Fernald and Rocky Flats sites, and reflect completion of security upgrades in Miamisburg this year.

*Accelerated cleanup and closure of Rocky Flats, Fernald, and Mound:* The request supports the work necessary to continue accelerated cleanup and closure of the Rocky Flats Environmental Technology Site in Colorado. The request maintains a focus on closure of the Fernald Environmental Management Project and the Mound Site in Ohio. Closing these sites will eliminate significant risk and financial liabilities that EM cannot afford to maintain. Our base budget request also funds supporting activities at sites such as the Savannah River Site and Oak Ridge in Tennessee that are critical to achieving closure of these three major sites.

At Rocky Flats, the FY 2003 request keeps the site on track for closing in 2006. In FY 2003, it supports:

- Eliminating the Security Protected Area. In FY 2001, special nuclear material was consolidated into a single building, significantly reducing the size of the Protected Area. This both reduced security costs for the buildings being dismantled and improved productivity by reducing the time it takes work crews to gain access to these facilities. In FY 2003, based on the current estimates for shipping nuclear material off-site, we will be

able to eliminate the Protected Area entirely. Cost savings can then be shifted to active cleanup, rather than maintaining costly safeguards and security measures.

- Shipping 3,700 cubic meters of transuranic waste to WIPP, and 35,000 cubic meters of low-level waste and 3,600 cubic meters of low-level mixed waste for disposal, subject to receiver site availability;
- Completing shipments of plutonium metals and oxides off-site; and
- Continuing deactivation and decontamination (D&D) activities for Buildings 371, 707, 771, and 776/7, and associated remediation work.

At Fernald, the FY 2003 request supports:

- Continuing remediation of the Silos;
- Shipping about 93,500 cubic meters of waste to a permitted off-site commercial disposal facility; continuing packaging and on- or off-site disposition of mixed and low-level wastes; and placing 43,000 cubic meters of remediation waste in the on-site disposal facility; and
- Continuing D&D of the Pilot Plant Complex and Multicomplex, and initiating D&D of the Liquid Storage Complex.

At Miamisburg (Mound), we will continue efforts to cleanup contamination and transfer land to the community for economic development. We have already transferred 121 acres, or about 40 percent of the site, for this purpose. The FY 2003 request supports:

- Continuing acceleration of site cleanup and transfer of site properties by completing "critical path" deactivation and decontamination activities in the Main Hill Tritium facilities (i.e., R, SW, and T Buildings);
- Completing site preparations and beginning excavation of thorium- and polonium-contaminated soil (i.e., Release Site 66), the largest contaminated soil excavation project at Mound; and
- Shipping over 19,000 cubic meters of contaminated soil and debris for off-site disposal.

*Increased Shipments to the Waste Isolation Pilot Plant (WIPP):* The request maintains support for a significantly increased rate of shipments of transuranic waste to WIPP. The WIPP facility in New Mexico is critical to EM closure and completion goals at other sites. For example, WIPP is critical to the Department's commitment to the State of Idaho to ship 3,100 cubic meters of transuranic waste out of the state by December 2002, and to meeting the schedule for closure of Rocky Flats. In FY 2002, the Department provided an additional \$12 million to WIPP to increase by almost 50 percent the rate of shipments. The FY 2003 request supports:

- Continued increased shipments of contact-handled transuranic waste; and
- Continued progress toward beginning shipments of remote-handled waste, including submission of regulatory documentation to the New Mexico and EPA regulators and facility upgrades and modifications needed for remote-handled disposal operations.

*Continuing Progress:* EM will continue to make progress in completing cleanup projects in accordance with existing approaches and under existing agreements. The Department will

continue efforts to clean up release sites; to treat, store and dispose of hazardous and radioactive waste; and to decontaminate and decommission facilities at many sites. However, we expect to accelerate the pace of progress of many of these projects as we begin to implement the top-to-bottom review recommendations. For example, the request provides funding to:

- At the Hanford site, continue construction of the Waste Treatment Plant to vitrify high-level waste. By the end of FY 2002, we will have begun construction of two of three major facilities, and completed 50 percent of the engineering and design for all three. Work in FY 2003 will focus on continuing construction of the vitrification facility, starting construction of the pretreatment facility, and purchasing major equipment, as well as designing the feed delivery system.
- At INEEL, begin operation of the Advanced Mixed Waste Treatment Facility, treat about 1,625 cubic meters of transuranic waste, and complete construction and begin operation of the CERCLA disposal facility for remediation waste, as well as continue operations to move spent nuclear fuel to safer storage.
- At the Savannah River Site, continue stabilization of high-risk nuclear material solutions in the canyons; continue activities to suspend and deactivate F-canyon; complete construction work to stabilize and package plutonium for long-term storage, and the transfer of americium/curium solutions to the high level waste tanks for eventual vitrification.
- At the Oak Ridge Reservation, complete major risk reduction remediation projects, including excavation, treatment, and off-site disposal of highly contaminated sediments from ORNL surface impoundments, and excavation of uranium contaminated soils from the Y-12 Boneyard/Burial site and disposal in the new on-site disposal cell. The request also continues D&D work at East Tennessee Technology Park, including completing the dismantlement of two of the three remaining cascade units in Building K-31.
- At the Paducah Gaseous Diffusion Plant in Kentucky, complete high priority remedial actions, including cleanup of the North/South diversion ditch and continue scrap metal removal and groundwater actions, as well as characterization of high priority DOE Material Storage Areas.
- At the Portsmouth Gaseous Diffusion Plant, complete high priority remediation projects, and continue groundwater remediation, storage yard removal, and disposal of mixed low level waste.
- At West Valley in New York, continue decontamination of spent fuel processing and storage facilities, and continue construction of the Remote-Handled Waste Facility that will be used to prepare transuranic and other high-activity waste for shipment and disposal. We will complete all vitrification processing operations and deactivation of vitrification facilities, including shutdown of the melter, by the end of FY 2002.
- At the Nevada Test Site, continue low-level waste operations in support of the DOE complex and priority remediation work, including modeling activities at the Underground Testing Area, and remediation of 13 industrial sites.
- At Brookhaven National Laboratory in New York, continue high priority groundwater monitoring and remediation, and finalize and begin implementing the cleanup plan for the Peconic River.

*Focusing on Cleanup:* This budget request is the first reflection of a key tenet that success for the EM program requires a laser-like focus on its core mission of cleanup and closure. If activities do not support that mission, then EM should not be doing them. This budget request begins to implement this tenet by shedding several activities traditionally funded by EM, but which are not essential to achieving the Department's cleanup goals. For example:

- The request reflects a significant reduction in funding in headquarters-controlled and -managed accounts. Overall, funding for such headquarters-based programs and support services will be reduced to almost 50 percent of the FY 2002 levels. While our request significantly reduces support services for headquarters-directed activities related to such programs as pollution prevention, hazardous worker training, and long-term stewardship, these functions will continue at some level as appropriate, but will be carried out by Federal employees rather than contractors.
- The budget request also reflects major shifts in the structure of the EM technology program to focus efforts on specific, short-term applied technology needs for cleanup and closure. These changes are discussed below.

#### REFOCUSING SCIENCE AND TECHNOLOGY

EM's FY 2003 request of \$92 million for science and technology is significantly less than the \$204.7 million appropriated in FY 2002. This is the result of a dramatic shift in the program structure to ensure it is clearly focused on meeting cleanup and closure needs.

In parallel with the broader review of the EM program, we have also undertaken an in-house evaluation of EM's Science and Technology (S&T) Program. As a result of this review, we concluded that an integrated technology program is an essential element for successful completion of the EM cleanup effort and for post-closure requirements. However, for the program to have maximum impact, it must be streamlined and highly focused on a limited number of critical, high-payback activities where real, measurable improvements can be gained versus a larger number of activities that offer only marginal improvement. It must be end-point and risk-driven to provide the necessary technical basis for future decision making.

Toward this end, we are reorienting the S&T program to focus on two primary areas: 1) direct technical assistance to closure sites to ensure they have the necessary technology and technical support to meet closure schedules, and 2) alternative approaches and step improvements to high-risk, high-cost baselines to ensure all possible alternatives have been evaluated and that workable alternatives are available and used as the cleanup progresses. EM will execute this new approach using streamlined management structures and processes.

As the first step, we are thoroughly reviewing ongoing activities to determine their applicability to the new areas. By June 30, 2002, we expect to have decisions on these activities and an operational plan for transitioning and managing S&T activities in FY 2003 and beyond. We believe this realigned S&T program will better suit the Department's needs.

## CONCLUSION

The changes that I envision are not changes on the margin. The reforms undertaken thus far are but a beginning, and must permeate the entirety of the scope and management of this program to create and sustain meaningful measurable success. They are a complete overhaul of the Department's environmental cleanup program that cannot afford to wait.

I believe we face an historic opportunity to refocus, reshape and transform this program. All of us, and all of our regulators and stakeholders throughout the country want the same things from this program: accelerated cleanup and risk reduction. Making the changes we propose will not be easy. It will involve painful changes in the way all of us do business. I believe we have no alternative. The status quo is not an option. Muddling through and hoping for something different later is not an option. We cannot wait for a future time in the hope that making these changes might be easier.

This is our moment. If we do not start to do what is needed now, we will have failed the taxpayers of today and the future generations of tomorrow.

This is a marathon, not a sprint. This is not a process that will be completed overnight, but neither can we afford to delay. Delay only leads to increased cost and lack of real risk reduction. Eventually, delay will turn festering high cost problems into immediate public health risks.

If we are ultimately to be successful, we need your help. I ask your support for the budget request before you. It is a critical first step to achieving our mutual goal of completing the cleanup of the nuclear weapons sites. I look forward to working with the Congress and others to achieve this goal.