FRED UPTON, MICHIGAN
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6115
Majority (202) 225–2927
Minority (202) 225–3641

May 1, 2014

The Honorable Ernest J. Moniz
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Secretary Moniz:

Thank you for appearing before the Subcommittee on Energy and Power on Thursday, April 4, 2014, to testify at the hearing entitled "Fiscal Year 2015 Department of Energy Budget."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

Also attached are Member requests made during the hearing. The format of your responses to these requests should follow the same format as your responses to the additional questions for the record.

To facilitate the printing of the hearing record, please respond to these questions and requests with a transmittal letter by the close of business on Thursday, May 15, 2014. Your responses should be mailed to Nick Abraham, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed to Nick.Abraham@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

Ed Whitfield
Chairman
Subcommittee on Energy and Power

cc: The Honorable Bobby L. Rush, Ranking Member,
Subcommittee on Energy and Power

Attachment

Additional Questions for the Record

The Honorable Ed Whitfield

1. You made reference several times during the hearing to the $6 billion this Administration has invested into clean coal, particularly CCS technologies.

   a. Of this funding, please break out the sums already obligated to current, so-called first generation CCS demonstration projects (under the CCPI program, FutureGen 2.0, and the Industrial Carbon Capture and Storage Programs) and the sums obligated for research and development of second generation and transformational CCS technologies, with a specific listing for coal-based power generation.

   b. Please list how much of this obligated funding has actually been expended, and DOE's projected annual spending on these obligations, until all current obligations are expended.

2. Please identify and explain what programs, projects, research, or initiatives are eliminated or reduced by DOE's proposed reduction of $114.8 million in Coal Programs, indicated at page 28 of DOE's budget justification.

3. Please explain the basis and justification for initiating the natural gas CCS demonstration program, and the timeline anticipated for reaching full-scale demonstration for power plants in commercial service.

4. Explain how the reduction in coal-oriented research comports with agency priorities, underscored by your observation at the budget hearing that "we are going to have to keep working to drive costs down" for coal-fired CCS?

5. The Energy Policy Act of 2005 authorized the Clean Coal Power Initiative and certain tax credits to assist development of next generation clean coal technology, including CCS that: "shall advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in commercial service or have been demonstrated on a scale…sufficient to demonstrate that commercial service is viable…"

   a. Is it correct that four coal-based generation demonstration projects under this EPACT authorization for the Clean Coal Power Initiative, and that only one of the four – the Kemper facility – is presently under construction?

   b. Do you believe these projects reflect technology that is already in, <u>or demonstrated</u> as viable for, commercial service in coal power plants? If so, please explain why DOE is funding these. If these technologies are already in commercial service, or demonstrated to be viable for commercial service, then they are <u>not</u> "well beyond" the level that are in commercial service or have been demonstrated for commercial service in coal-based electric generation.

   c. Does DOE continue to stand by its statement in the FY 2014 budget justification that "these demonstrations focus on first generation CCS technologies and seek to demonstrate that CCS can be integrated at commercial scale while maintaining reliable, predictable and safe plant operations. However, in the case of electricity generation, first generation CCS technology cost is not expected to be low enough to achieve widespread deployment in the near term?" If not, what part of the statement does DOE no longer support and why?

6. You reference, in response to a question about EIA projections on coal retirements from Rep. Griffith, that analyses that you have seen suggest that reliability "will certainly be preserved" if the EIA projected retirements occur over the next few years.

   a. Please identify what specific analyses you are referring to, and describe for each analysis the date on which it was prepared and by whom it was prepared.

   b. What is DOE doing to respond in the event reliability is not preserved?

7. Could you please provide for the Committee a detailed response on how the current application process works today for approving LNG export facilities, including answers to the following:

   a. What is the timeline of review for an application beginning with its filing date and ending with its conditional approval or rejection?

   b. Can you explain the application process for short term vs. long term contracts? Does a facility need to receive DOE approvals each time it enters into a new contract?

   c. Is the application for a facility's approval based on the volume of natural gas to be exported, the non-FTA country receiving the gas, or other criteria and if so what is that criteria?

8. According to the Department of Energy's website, it appears as though the LNG export applications are seeking approval to ship LNG to "any country with which the United States does not have a FTA requiring national treatment for trade in natural gas…." Therefore, what criteria does the DOE use to determine whether an LNG export facility is in the "public interest"?

9. In May of last year President Obama was quoted as saying he has to make "an executive decision broadly about whether or not we export liquefied natural gas at all". What discussions have you had with President Obama regarding the issue of LNG exports?

10. Currently 24 LNG export licenses await DOE consideration. At the current rate it will take years to move through the entire list. Generally speaking, the arguments for and against LNG exports are the same in each case. It seems an unnecessary burden for DOE to continually reject the opposition's recycled arguments with each and every Order.

    a. DOE has existing authority to review and respond to applications in batches. If DOE is serious about acting "expeditiously" on LNG exports, why isn't the agency reviewing these applications simultaneously?

    b. It appears that DOE would have no trouble defending the decision to approve all pending permits. Is there anything in law preventing DOE from doing so?

11. The Energy Information Administration (EIA) reported in February that the number of coal-fired power plant retirements will be higher than originally anticipated, and that an estimated 60 gigawatts (GW) of coal-fired capacity will retire by 2020. Notably, EIA expects "90% of the coal-fired capacity retirements [to] occur by 2016, coinciding with the first year of enforcement for the [Environmental Protection Agency's] Mercury and Air Toxics Standards." This means nearly 18% of all coal-fired generation in the United States will retire in the next two years.

a. Is DOE concerned that the loss of these critical generation facilities in such a short timeframe will make it increasingly difficult to meet electricity demands in the next two years, thereby putting reliability at risk and driving up electricity prices for consumers? Why or why not?

b. Has DOE been coordinating with EPA and FERC to ensure that EPA regulations won't cause reliability problems or increase energy prices on consumers?

   i. If yes, which agencies and which DOE officials are consulting with EPA and FERC? In your response, please identify when such consultations have occurred and which EPA and FERC officials have engaged in the consultations.

   ii. If no, will DOE be consulting with those federal agencies? In your response, if consultations are planned please identify when such consultations will occur and which DOE officials will engage in those consultations.

12. In addition to CCS technologies, what is your position on advanced coal technologies, such as chemical looping, ultra-supercritical coal combustion and advanced ultra-supercritical coal combustion technologies? How will DOE be supporting these types of highly efficient, low-emitting technologies in addition to CCS?

13. One of DOE's statutory duties under the DOE Organization Act is to "promote the interests of consumers through the provision of an adequate and reliable supply of energy <u>at the lowest reasonable cost.</u>"

    a. As Secretary of Energy, have you been consulted by EPA about the agency's proposed greenhouse gas regulations for power plants?

       i. If yes, please identify when such consultations have occurred and which DOE and EPA officials have engaged in the consultations.

       ii. If no, will DOE be consulting with EPA on this matter? In your response, if consultations are planned please identify when such consultations will occur and which DOE officials will engage in those consultations.

    b. If you have cost concerns or reliability concerns that may negatively impact consumers, will you raise them with EPA? Have you raised any such concerns?

14. Do you believe renewable energy sources such as solar, wind, and geothermal can completely replace traditional sources of energy like coal, natural gas, nuclear, and hydropower? How would such a transition impact energy prices?

15. Advances in innovative technologies have played a major role in unlocking the vast oil and gas energy resources that have contributed to our new energy renaissance.

    a. Under your leadership, how will DOE support the use of traditional energy resources – such as fossil fuels and nuclear energy – in advanced and innovative ways?

16. Over the past decade, the European Union has pursued a broad range of climate policies, including renewable energy subsidies for wind and solar power. Those climate policies have led to high energy costs that are threating the competitiveness of many of Europe's energy intensive industries. Does the European experience with climate policies and rising energy costs raise any red flags for the U.S.? If not, why not?

17. DOE has one active solicitation under its Title XVII loan guarantee program, announced in December 2013, for $8 billion in loan guarantees for advanced fossil energy projects. Please provide relevant details regarding the response to this solicitation.

18. What level of Title XVII loan guarantee activity does DOE anticipate in the coming year?

    a. What are DOE's plans for remaining authorities and credit subsidy appropriations in energy efficiency and renewable energy?

    b. What are DOE's plans for remaining authorities in nuclear generation ($12.3 billion) and nuclear front-end ($2 billion), as well as its mixed authority ($4 billion)?

19. Please detail DOE's 2014 plans for the Advanced Technology Vehicles Manufacturing (ATVM) loan guarantee program.

20. According to DOE's FY 2015 Budget Justification, the "Environmentally Prudent Development" program is supposed to conduct research on hydraulic fracturing and other shale gas production techniques to assist state authorities in crafting regulations.

    a. What states specifically is DOE working with for this program?

    b. What specific research has this program done that has been shared with stakeholders?

21. DOE's FY 2015 budget would fund a new program to target "Emissions Mitigation from Midstream Infrastructure." Industry is already working with environmental groups to address this issue, so please explain why DOE believes this new program is necessary? What stakeholders have been consulted about the need for this program?

22. Part of the stated goal of the recent White House "Strategy to Reduce Methane Emissions" is to stop leaks of methane from natural gas pipelines. The House passed H.R. 1900 to help bring certainty to the natural gas permitting process. Is DOE going to look at federal permitting problems that may delay methane reduction efforts? If yes, please describe any such permitting problems under DOE review or expected to be evaluated.

23. In a recent article relating to this past winter's cold weather, the *New York Times* explained that electricity outages and price increases could be exasperated in the future as "coal-fired power plants that utilities have relied on to meet the surge in demand are shuttered for environmental reasons." Similarly, American Electric Power's CEO stated that during January's cold weather "89% of our coal capacity slated for retirement in mid-2015" was running to provide power.

    a. What steps is DOE taking to ensure the loss of significant amounts of coal-fired power plants over the next few years will not make it put reliability at risk or increase electricity prices for consumers?

24. Please explain how DOE's pursuit of the President's climate change agenda will not conflict with DOE's statutory duty under the DOE Organization Act to "promote the interests of consumers through the provision of an adequate and reliable supply of energy at the lowest reasonable cost."

25. In DOE's analysis of its March 28, 2014 final rule for commercial refrigeration equipment energy conservation standards, the agency admitted that the rulemaking will have an adverse impact on small manufacturers.

a. How can the agency move forward in such a detrimental way, harming U.S. manufacturers and U.S. jobs?

b. Is this rulemaking an example of the agency taking actions to implement the President's Climate Action Plan?

c. What is the justification for moving forward with this standard when the agency itself admits that the rulemaking will have an adverse impact on small manufacturers?

d. What recourse does a small manufacturer have if they are unable to afford compliance with this new regulation?

e. The new rulemaking effectively raises the minimum efficiency level beyond Energy Star to a level that is based on DOE's engineered product identified by DOE as "max tech." How does the agency justify setting the new minimums at the highest level technologically obtainable as determined by computer models and not actual commercial products?

26. The Federal Energy Regulatory Commission has adopted a final environmental assessment (EA) on FERC Project No. 12690-005/Admiralty Inlet Pilot Tidal Project, and DOE is a cooperating Agency with FERC regarding the EA (DOE/EA-1949).

    a. What financial assistance has DOE provided the Admiralty Inlet project and what additional financial assistance does DOE plan to provide this project going forward?

    b. Identify what additional federal regulatory action, environmental assessments, or reviews may be conducted in connection with this project.

27. In light of questions concerning the appropriate separation distance between the Admiralty Inlet project and a submarine telecommunications cable between the United States and Japan, the Federal Communications Commission has asked the Communications Security, Reliability and Interoperability Council (CSRIC) to develop recommendations/guidelines for safe separation distances between submarine fiber optic cables and other sea bed uses, including for projects similar to the Admiralty Inlet project.

    a. Describe any participation DOE will undertake in this CSRIC process.

    b. How might any guidelines or determination from the CSRIC inform or affect DOE's decisions relating to the Admiralty Inlet project and/or any other future marine energy projects?

28. In DOE's proposed budget there is substantially reduced funding for the Mixed Oxide Fuel Fabrication Facility (MOX) currently under construction at Savannah River Site (SRS) in South Carolina. For the options currently under consideration for the disposition of surplus weapons plutonium, please provide the following information:

    a. The benefits and drawbacks of each option;

    b. The lifecycle cost estimate for each option;

    c. The length of time necessary for completion;

d. Whether the option is consistent with the U.S.-Russia Plutonium Disposition Agreement signed in 2000 by the Clinton Administration;

e. Whether the option meets the "spent fuel standard" recommended by the National Academy of Sciences in their 1994 report "Management and Disposition of Excess Weapons Plutonium" chaired by Dr. John Holdren; and

f. If an option was considered in the 1990's but was not chosen as the preferred option, please describe why it was not preferred then and what circumstances have changed in the intervening years that might alter that earlier conclusion.

29. Under DOE's agreement with the State of South Carolina regarding the MOX facility, what is the amount of the penalty DOE must begin paying the State in 2016? Has this taxpayer liability been considered in conjunction with the decision to cease construction of the MOX plant?

30. Under the MOX program, the ultimate disposition of the excess plutonium would be disposal in a geologic repository as spent fuel. For the options currently under consideration by DOE, please indicate the ultimate disposition path and location for disposal. Please list any modifications to existing authority that would be necessary for such alternative disposal paths.

31. The 1994 NAS report and its successor report in 1995 indicate that time is a crucial security consideration in evaluating plutonium disposition options. Please describe whether any of the options could be brought into operation sooner than completion of the MOX plant.

32. Please provide an estimate of the number of people who will lose their jobs from transitioning the MOX plant from construction to cold-stand-by.

33. Vladimir Rybachenkov, a former official with the Russian plutonium disposition effort, indicated in a recent paper that Russia might be favorably disposed to revising the agreement since there are changes they would also like to make including removal of the prohibition on the reprocessing of the spent fuel and blanket from their fast reactor. Mr. Rybachenkov also notes the capability of their fast reactor for "...producing more plutonium than it consumes and whose quality may even surpass that of the weapons plutonium."

    a. Please explain the ramifications of Russia pursuing such a course of action.

    b. Please describe the extent to which you considered this ramification in your decision to put the MOX plant into cold standby.

    c. Would you accept such a modification to the U.S.-Russia Plutonium Disposition Agreement. If not, why not?

34. Mr. Rybachenkov also indicated that: "It seems that if the US side chooses an alternative plutonium disposition method, preservation of the international monitoring provision in the Agreement will not be a priority for Russia." Please indicate whether you would accept such a modification to the agreement.

35. Following up on my discussion during the hearing about the Paducah DOE site, communication between the state of Kentucky, the City of Paducah and the Department of Energy is vitally important as the Paducah Gaseous Diffusion Plant transitions from operating to full scale decommissioning and decontamination. As such, it is important that there be a full time manager on site. Can you provide a timeline of when a manager will be hired?

The Honorable Ralph M. Hall

I am writing to follow up with a question that I asked during your budget presentation to the Energy and Commerce Committee. It related to DOE's "Order of Precedence" for considering conditional approval applications for LNG exports to non-Free Trade Agreement Counties.

As you know, your predecessor, Secretary Chu, prioritized DOE's consideration queue according to when LNG project developers had pre-filed their applications with the Federal Energy Regulatory Commission (FERC) for construction approval and satisfaction of relevant provisions of the National Environmental Policy Act (NEPA).

While I do not argue with DOE's having to formulate some set of priorities for dealing with 30 or so applications, I believe your predecessor's Order of Precedence discriminates against offshore projects that are not under FERC's jurisdiction. You mentioned the parallel regulatory process at the Department of Transportation's Maritime Administration (MarAd), which seemed to be ignored by DOE when it established its list of priorities based on FERC filings.

Indeed, it wasn't until after Congress had acted in December 2012 to amend the Deepwater Port Act of 1974, that offshore LNG projects were placed under MarAd's jurisdiction for much of the same review that onshore projects are given by FERC. But by then, your predecessor's Order of Precedence had been set according to a FERC-only process in which offshore projects had no place. These projects seem to be left out in the cold, and accorded, therefore, a diminished place in the queue, over which developers had no control.

1. Do you intend that DOE establish a separate and simultaneous system for processing conditional approval applications for offshore LNG export terminals that are under the jurisdiction of MarAd?

    a. If so, when? Timing is a vital consideration in the financing of LNG facilities, and your prompt action could resolve some major uncertainties.

    b. If not, then why not? A decision to not establish a separate and simultaneous process would leave MarAd projects stranded in a FERC-defined template that is inappropriate given the action taken by Congress in December 2012.

The Honorable John Shimkus

1. In a letter to this Committee, dated January 6, 2014, Asst. Secretary Peter Lyons stated DOE would honor NRC's request to complete a groundwater supplement to the Yucca Mountain EIS and indicated steps had been taken to do so including procuring contractors' services and drafting a notice of intent. However, on February 28th, DOE notified NRC that it would **NOT** prepare that EIS supplement. Please describe the basis and rationale for reversing the decision communicated to this Committee in the January 6 letter.

2. In its FY 2015 budget proposal, DOE requests $24 million derived from the Nuclear Waste Fund. Please provide and itemized list of the specific activities DOE proposes to undertake with those funds including a detailed description of the need for each activity, the work product each activity is expected to yield and the section of the Nuclear Waste Policy Act authorizing the activity.

3. Please provide DOE's current projection for the Government's liability in FY 2015 for its failure to accept spent fuel under the standard contracts with utilities and whether this liability is accounted for within DOE's budget.

4. Please provide projections of the Federal Government's cumulative liability in the years 2015, 2020, 2025, 2030, 2040, 2045 and 2050 assuming no spent fuel acceptance by DOE until 2048.

5. Please provide the Committee with a detailed schedule and budget for restarting the Yucca Mountain Repository program and commencing spent fuel acceptance following construction authorization by the Nuclear Regulatory Commission.

6. Please describe any plans under consideration by DOE for reversing the policy of disposing defense waste and spent nuclear fuel in the same repository.

7. Please provide the Committee with a detailed schedule and cost estimate for disposal of defense waste in a defense-only repository.

8. To date, what is the total amount paid into to the Nuclear Waste Fund for defense waste disposal and what portion of the total contribution to the total cost of the repository does that amount represent?

The Honorable Lee Terry

1. Looking at the overall budget for Applied Energy Programs, I find it interesting that batteries and electric vehicles are funded at a much higher level than cyber-security. It seems to me that cyber-security is urgent where as other items should be less urgent. Can you explain the discrepancy?

The Honorable Michael C. Burgess

1. Model building energy codes are developed by industry groups, and originally DOE was authorized to serve as a technical advisor during the development of these codes. DOE's role, however, has expanded over time and now, in my view includes advocacy. DOE representatives even pursue very aggressive energy goals that increase the cost of housing. Do you think this is an appropriate role for the agency?

2. Some of my constituents have advocated for energy neutral tradeoffs in the code. These would maintain the same energy use, but would give builders and homeowners more flexibility in reaching these energy goals at a lower construction cost. DOE has not supported such reasonable code changes in the past. Can you please explain why?

3. GAO recently submitted to your agency for comment the first of two reports it is issuing at Senator Markey's and my request detailing the issues surrounding DOE's actions taken to assist USEC's American Centrifuge Project, many of which have had serious, negative impacts on the domestic uranium industry. GAO's draft report details a number of areas where DOE has taken action where GAO found DOE to lack authority to have taken such action. After reviewing GAO's findings in the first report, has DOE made any changes to the way it makes its Secretarial Determination, pursuant to Section 3112(d) of the USEC Privatization Act?

4. Has this first GAO report resulted in DOE making changes to any other procedures, operations, or agency actions pertaining to USEC, DOE's support for any of USEC's current or former operations, or the transfer of uranium or direct payments to USEC or any other entities?

5. Please provide the following documents:

a. The recently completed, official use only, report required under Section 321 of the Omnibus Appropriations Act for Fiscal Year 2014 that includes a cost-benefit analysis of available and prospective domestic enrichment technologies for national security needs and the scope, schedule, and cost of the preferred option. This report was required to be submitted to the House and Senate Appropriations Committees in order for the Secretary of Energy to transfer up to $56.65 million of NNSA funds to further the research, development, and demonstration of national nuclear security-related enrichment technologies.

b. A complete inventory of DOE's uranium that is not included in its Excess Uranium Inventory Management Plan (i.e., uranium that has not been deemed "excess").

The Honorable Bill Cassidy

1. As the U.S. Department of Energy finalizes locations for its Quadrennial Energy Review Task Force, I ask that you not only include Louisiana as one of the destinations for the public regional meetings (I understand location logistics are currently being finalized), but I ask that you also work with the Louisiana Oil and Gas Association during the development and review of petroleum product transmission & distribution policy. Over 88 percent of U.S. oil rigs are located on the state's outer continental shelf, Louisiana is the 2nd largest crude oil producer (including offshore production) and the 3rd largest natural gas producer in the nation. Louisiana has significant intellectual capital and assets that should be leveraged for the discussion of both upstream and downstream operations for energy distribution and transmission.

2. A **report** by the non-partisan Congressional Research Service shows that the 15 lease sales in U.S. waters that are included in President Obama's five-year plan represent the lowest number of lease sales ever proposed in a plan since the process began in 1980.

   a. I realize offshore energy production is regulated by the Department of Interior and not Energy, but shouldn't offshore energy production be a part of a national energy strategy?

   b. Since the President took office, oil and gas production has decreased in federal offshore waters. This means fewer jobs for working Americans, fewer opportunities in the energy service industry, why wouldn't the Administration want all Americans to have these opportunities? What can you do in your role as Energy Secretary to advance offshore energy production?

3. At what point did you learn that Mr. Chu's FERC-based "Order of Precedence" ignored – and discriminated against – MarAd-jurisdictional offshore projects that legally couldn't fit any kind of DOE queue that was based on developers' pre-filings at FERC?

4. When were you first made aware that non-FERC projects even existed?

5. When were you first made aware of Congressional requests – going back to April 2013 – that a "separate and simultaneous" conditional approval process be established by DOE for MarAd projects that were made "homeless" by Mr. Chu's original FERC-based queue?

6. Why have you ignored several Congressional requests for a "separate and simultaneous process" for MarAd-jurisdictional projects, and why has your senior staff seemingly dismissed the same request from DOE's sister agency?

7. On October 18, 2013, Acting MarAd administrator Paul Jaenichen wrote to your Deputy Chief of Staff, Jonathan Levy, asking for the same "separate and simultaneous" review process that many members of Congress had already requested for offshore LNG terminals.

8. Why has Deputy Chief of Staff Jonathan Levy never respond to Acting MarAd Administrator Jaenichen's written request? Will either Mr. Levy or you finally respond to MarAd now – six months later?

9. Will you now recognize that then-Secretary Chu's original FERC-based queue is flawed for its having ignored non-FERC jurisdictional projects, and will you now finally establish a separate and simultaneous conditional approval queue for MarAd-jurisdictional LNG export terminals?

10. In the Consolidated Appropriations Act of 2014, we provided some $343 million for MOX construction activity this year. We did not provide for or permit any expenditure of appropriated funds for any "cold standby" or "mothballing" of the MOX facility.

11. By what authority does DOE decide, on its own, to effectively cancel a major construction project, which Congress – during periods of both Republican and Democrat control – has decided over the years (as recently as January) to continue? Please provide us your view of our appropriations authority and your freedom to circumvent it.

12. The MOX project is debated every year in Congress based on construction cost estimates provided us by DOE. What's new this year is your introduction of a vague and unsubstantiated estimate of $30 billion in "life cycle" costs.

13. Please provide the Committee a full accounting to substantiate your $30 billion estimate. Please explain all methodologies and assumptions used to arrive at a figure that is, again, new to the discussion.

14. Given that DOE's application of a "life cycle" cost estimate seems unique to its treatment of MOX, then accounting consistency across all major DOE construction programs would demand the same. This would include, for instance, the Waste Treatment and Immobilization (WTP) project at Hanford in Washington State, and the Uranium Processing Facility (UPF) at the Y-12 National Security Complex at Oak Ridge in Tennessee.

    a. Please provide the Committee with DOE's most recent "life cycle" cost estimate for the WTP at Hanford. Please specify how your methodologies and assumptions track with, or differ from, those that DOE has applied to MOX.

    b. Please also provide the Committee with DOE's most recent "life cycle" cost estimate for the UPF at Oak Ridge. Again, please specify how your and assumptions track with, or differ from, those that DOE has applied to MOX.

<u>The Honorable Cory Gardner</u>

1. The University of Colorado estimates that 68,000 jobs could be lost in Colorado if hydraulic fracturing is prohibited. As you may know, there is the potential for a statewide fracking ban on the ballot this November in Colorado. I oppose any attempt to ban hydraulic fracturing, which would greatly harm our state and local economies and eliminate Colorado jobs. Where do you stand on hydraulic fracturing and what is your position regarding a potential ban on fracking in Colorado?

2. Title X of the Energy Policy Act of 1992 requires the Department to reimburse, at least annually, licensees of active uranium and thorium processing sites for costs incurred to remediate Federal-related byproduct material. These sites were commercially operated mills which provided uranium and thorium concentrate in support of U.S. defense programs. Today, many of these sites are located in or near minority and economically distressed communities.

As a result of the Energy Policy Act legislation, thirteen active uranium licensees and one active thorium licensee (located in seven states: Colorado, Illinois, New Mexico, South Dakota, Utah, Washington, and Wyoming) were identified by DOE as qualifying for reimbursement under Title X. From FY 1994 until FY 2008 the Department provided ample resources within its annual budget request to reimburse these licensees for the work they executed toward bringing these sites to substantial closure.

Unfortunately, the Department has shirked its obligations under Title X since FY 2009 by including no funding in its annual budget request to Congress. As a result, the program has accumulated over $54 million in unpaid claim balances as of December 2013.

It is my understanding that at least one of these sites is facing a demobilization because it continues to wait for over $15 million in reimbursements from the Title X program for work already completed. The sad irony is that a demobilization will significantly increase the cost to complete this project at a time when this site is within 2 years of achieving completion. It is unacceptable for the federal government to abandon communities with unfinished radioactive waste remediation projects that at best will have no restart date in sight and at worst will remain a hazard to peoples' health forever without further intervention.

3. Why has the Department failed to include sufficient resources within its annual budget submission to reimburse the Title X licensees for their efforts to bring these sites to closure, despite a legal obligation to do so?

4. Absent fulfilling this legal obligation, what plan does the Department have to remediate these sites?

The Honorable Bobby L. Rush

1. Of the DOE's $27.9 billion budget request, what is the amount allocated to the Office of Impact and Diversity (OEID), the department primarily responsible for enacting the Minorities in Energy Initiative (MIE), both in terms of dollars and in terms of percentage?

2. Does this budget adequately reflect the priority of reaching out and engaging minorities in the energy sector for both you and President Obama, and if it does not, what additional funding can be added to show its importance to the Administration?

3. What was the budget for OEID before the MIE was established and has this budget increased in order to account for the added duties and responsibilities?

4. Does OEID have the budget, staff, resources, and authority to fully and effectively make the MIE successful by engaging minority communities and helping them gain access to the enormous opportunities available within all of the different aspects of the energy sector?

5. How will the MIE initiative be supported by other departments within the agency?

6. How does the entire agency reflect the mission of the MIE through its own hiring and promotion of diverse candidates into leadership positions to ensure that the interests and concerns of minority communities are proactively addressed?

7. Of the 17 publicly-funded national research labs, how many are operated and/or managed by minority firms outright or in partnerships with other firms?

8. Do minorities make up a significant part of the leadership teams for any of the 17 labs and what steps are needed to increase the number of minorities in these leadership positions?

9. What are the levels of engagement with minority contractors/subcontractors doing business at Argonne and Fermi labs in Illinois and what are the levels of minority contractors/subcontractors doing business with all of the labs nationally?

10. What steps are needed in order to increase the levels of minority contractors/subcontractors doing business with all of the national labs and what steps has the agency taken under your leadership?

11. How well are the Management and Operations (M&O) Contractors adhering to the diversity clauses in their contracts and what steps are needed to improve this record?

12. What are the levels of participation for minority businesses and minority-serving institutions in research and development and technology transfer at the national labs and what steps are needed to increase these types of partnerships?

The Honorable John Barrow

1. As you know, the Strategic Petroleum Reserve ("SPR") was established pursuant to the Energy Policy and Conservation Act to store crude oil that could be deployed in an emergency to minimize the impact of petroleum supply disruptions. In 2000, a separate Northeast Heating Oil Reserve was established solely to address disruptions for that product, and the Reserve was placed strategically in the region of the country most dependent on that fuel. What do you think about establishing a reserve of refined products like gasoline?

Attachment 2—Member Requests for the Record

During the hearing, Members asked you to provide information for the record, and you indicated that you would provide that information. For your convenience, descriptions of the requested information are provided below.

The Honorable Adam Kinzinger

1. Has your Agency, through its federal energy management program or any other program, ever evaluated the potential energy savings available to federal agencies through the greater utilization or upgrading to mechanical insulation in federal facilities?

The Honorable Bill Johnson

1. Please provide the Committee a precise timeline on when the Department's cost benefit report on all the options for securing the low enriched uranium fuel needed for national security purposes and reprogramming request might be sent to Congress.