

## QUESTIONS FOR THE RECORD RESPONSES FROM JAMES OWENDOFF

### QUESTIONS FROM CHARIMAN FRED UPTON

Q1. DOE is responsible for about \$372 billion in federal environmental liabilities. Now, of DOE's \$5.4 billion annual cleanup request (in FY 2017) about \$4.4 billion was for operational activities-actually doing cleanup. The remaining \$1 billion was for construction projects to support the operational activities.

In March last year, we asked GAO to look at what DOE is doing to monitor the performance of the \$4 billion in operational spending to be sure we are making cost-effective progress on cleanup. That work is underway.

Q1A. Is it possible to measure the how DOE operational spending is reducing environmental liabilities?

A1a. It is possible to measure how the Department of Energy (DOE) spending on operational activities as well as capital projects is reducing environmental liability. The calculation for environmental liability is updated and audited annually. DOE reported \$372 billion in federal environmental liabilities in its Fiscal Year (FY) 2016 Agency Financial Report. Of this amount, the Office of Environmental Management (EM) is responsible for \$257 billion. At the end of each audit period, the amount spent on completed activities in that fiscal year is subtracted from the remaining liability. As part of the liability audit, each project and activity is reviewed and adjustments are made to reflect if a project is behind or ahead of schedule, and to reflect any changes to the estimates of the remaining work scope. For instance, in FY16 the liability was reduced by \$6.4 billion of work accomplished including defense and non-defense spending. However, the liability increased by \$17 billion from FY2015 due to escalation, an updated estimate for treatment of tank waste at Hanford. Regardless of whether the liability increases or decreases from one year to the next, the progress of the activities completed that address the environmental liability is measured.

Q1b. Does DOE issue performance assessments to validate that its operational spending is reducing environmental liabilities?

A1b. EM conducts monthly site reviews that assess performance including contractor progress for cleanup operations compared to an annual performance plan or a 5-year contract

performance plan. Each site provides an assessment by contractor that includes operational accomplishments and status related to mission goals or cleanup performance measures, cleanup/regulatory milestones, and in some cases, earned value. In addition, sites report monthly performance data and narrative assessments for operational activities in the EM corporate database. The EM monthly site performance assessments provide both quantitative and qualitative validation of environmental liability reduction associated with EM operational spending.

Q2. Last September the Government Accountability Office issued a report that addressed long-term planning needs associated with the Waste Isolation Pilot Plant (WIPP). The report noted DOE has not yet initiated certain steps to assess options to expand the size of WIPP or enter into discussions with the State of New Mexico to acquire needed environmental permits. Since the issuance of GAO's report, what steps has DOE started to address these long-term needs?

A2. DOE has initiated a strategic planning effort to define and develop future waste emplacement areas that allow the Waste Isolation Pilot Plant (WIPP) to dispose of waste up to the statutory volume limit of 6.2 million cubic feet. Internal workshops have been held to define key technical aspects to be considered for future waste panels. The Department expects to develop a conceptual design for potential new panels by the end of 2018, and will identify corresponding regulatory actions as the design develops. In January 2018, DOE submitted a WIPP permit modification to revise the method for calculating the volume of waste emplaced in the mine. This change would more efficiently allocate the statutorily-defined waste volume.

Q3. Is the Department considering options to align conflicting definitions of how certain radioactive waste is classified?

A3. Yes, one option under consideration is to focus on key aspects of the Nuclear Waste Policy Act definition of high-level radioactive waste (HLW) that account for relative risk based on the level of radioactivity. This would replace the current approach of managing wastes resulting from the reprocessing of spent nuclear fuel based on its source, regardless of the level of radioactivity.

Q3a. If so, is there a need for statutory clarification?

- A3a. DOE believes it has sufficient authority to adopt such a revised policy without any statutory clarification or legislative action.
- Q4. DOE submitted a required report to Congress with disposal options for material that is known as “Greater Than Class C” (GTCC) waste, pursuant to the Energy Policy Act of 2005. While the expected disposition path at the time was in the Yucca Mountain repository, the previous administration's decision to terminate the Yucca program resulted in a major delay in meeting the 2005 Act. Please briefly describe DOE's recommendations contained in this report and what further authorities the Department needs to move forward.
- A4a. The Report to Congress referenced the preferred alternative for the disposal of greater-than-Class C (GTCC) low-level radioactive waste and GTCC-like waste identified in the final environmental impact statement, which is land disposal at generic commercial facilities and/or disposal in the WIPP geologic repository.

The Report to Congress noted that legislative and regulatory actions would be required for DOE to implement the preferred alternative.