

American Recovery & Reinvestment Act

Office of Environmental Management

Presentation to Regulators

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EM Environmental Management

safety ❖ performance ❖ cleanup ❖ closure

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Topics for Discussion

- The American Recovery and Reinvestment Act (ARRA)
- Transparency and Accountability
- EM ARRA Program
- Implementation Principles
- Need for EM Success in ARRA Execution

American Recovery and Reinvestment Act of 2009

- Signed into law on Feb 17, 2009
- Unprecedented Congressional action
- Priority at highest Federal levels
 - President
 - Congress
 - Secretary of Energy
 - Assistant Secretary for Environmental Management
- **\$6 billion in *additional* funding for EM**



Transparency and Accountability

The President has made it clear:

Every dollar spent under the ARRA must be done with unprecedented transparency and accountability



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The ARRA EM Program

- Extraordinary opportunity for EM to achieve new success—*ARRA funding entrusted to EM because of demonstrated results*
- Funds intended to create near-term environmental cleanup jobs, with lasting economic benefits
- Project office being established in EM to support ARRA success

EM Program Priorities Have Not Changed

- Maintain safe and secure posture
- Radioactive tank waste stabilization, treatment, and disposal
- Spent nuclear fuel storage, receipt, and disposition
- Special nuclear material consolidation, processing, and disposition
- High priority groundwater remediation
- Transuranic and mixed/low-level waste disposition
- Soil and groundwater remediation
- Excess facilities deactivation and decommissioning



ARRA Implementation Principles

To achieve our job creation and footprint reduction goals as quickly as possible, we are evaluating site cleanup plans using five guiding principles:

1. Validated cost and schedule baselines are in place
2. Contracts are in place
3. Regulatory requirements are agreed to and achievable
4. Technologies are proven and readily available
5. Significant accomplishments can be achieved by FY 2011



Implementation Goals

- All funding obligated by end of FY 2009
 - statutory requirement is end of FY 2010
- All funding costed by end of FY 2011
 - statutory requirement is end of FY 2015
- Maximize job creation
- Maximize cleanup progress and footprint reduction
- Maintain acquisition integrity
 - Contract management
 - Project management

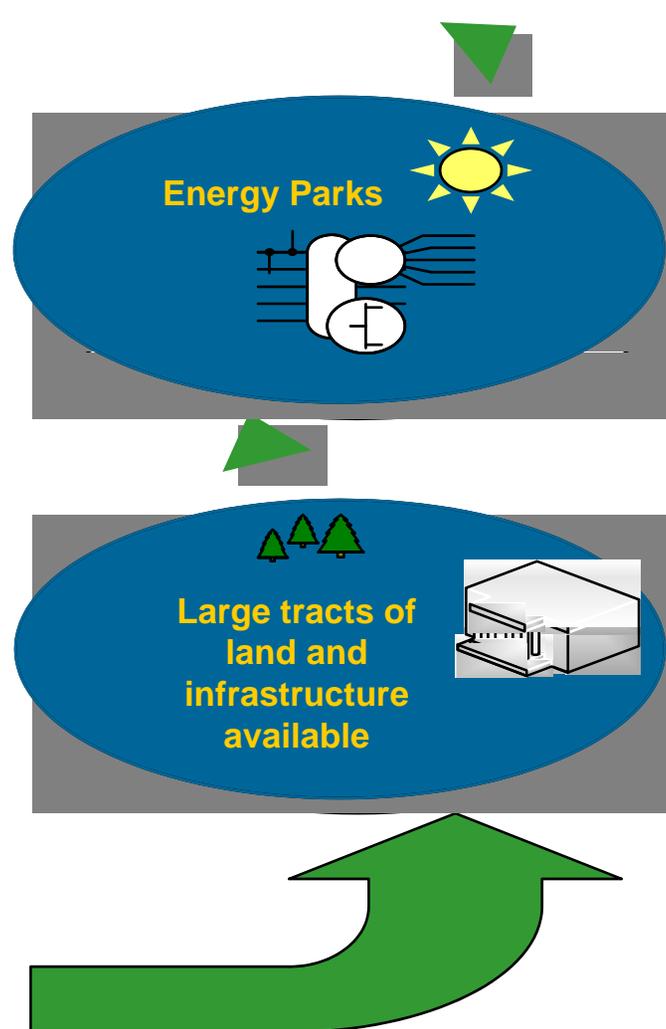
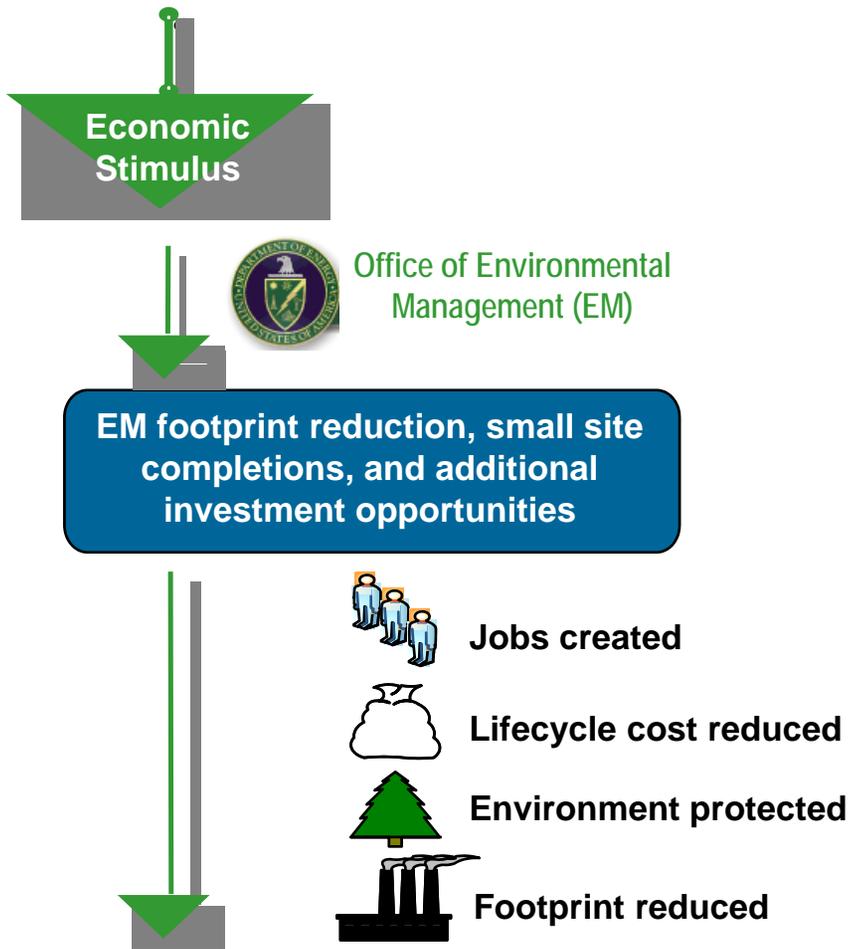


ARRA Project Priorities

- Scope that can most readily be accelerated to take advantage of ARRA funds
 - Soil and water remediation
 - Radioactive waste disposition
 - Facility decommissioning
- Site closure and EM completion
- Reduce the EM footprint
 - Across the country
 - Within a site
- Energy Parks
 - Beneficial reuse of our sites



Footprint Reduction



- Clean, Diverse Energy Sources**
- Energy security
 - Establish long-term site mission
 - Sustainable jobs

Ensuring Implementation Readiness

- Use existing contracts, IDIQ task orders, and other contracting methods
- Maintain rigorous project controls
- Maintain configuration over baselines
- Streamline EM-HQ change control process
- Establishing ARRA accounting codes
- Issue guidance enforcing cost transparency
- Separate ARRA funds from base program funds
- Move funding from non-performing Sites/Projects to high-performing Sites/Projects



Project Oversight

- Rigorous oversight by HQ and EM Field Offices to
 - Ensure funds are spent wisely
 - Avoid delays and cost overruns
 - Prevent fraud, waste, error and abuse
 - Maintain Safety as our top priority in execution of all work
- Contractors and Site Offices working with HQ to establish performance metrics supportive of ARRA objectives
- Continued interaction with regulators to ensure compliance
- HQ oversight representative at each Site to report on
 - Emerging Issues
 - Overall performance
 - Lessons learned and best practices



Status

- Aggressive implementation—ARRA funding within two weeks
- Opportunities identified at 17 sites meeting ARRA principles (totaling \$6B through FY 2011)
 - ARRA proposals developed by sites with site priorities in mind (e.g., RL cleanup of River Corridor)
 - Flexibility in work scope, but first and foremost, ARRA funds are about job creation
- ARRA proposals accelerate work activities that have compliance milestones associated with them



Need for EM Success in ARRA Execution

- EM has been given an unprecedented opportunity to achieve greater progress in cleanup and closure of sites from the former nuclear weapons complex
- We will achieve those results in a cost-effective manner that creates jobs and provides significant environmental benefit to our Nation