

MEETING MINUTES

10/10/95 PM 8:11
10/10/95 PM 8:11

10/10/95 PM 8:11
10/10/95 PM 8:11

Northern New Mexico Citizens' Advisory Board to the
Department of Energy/Los Alamos National Laboratory

Tuesday, October 10, 1995

PARTICIPANTS:

Citizens' Advisory Board Members:

- Bernadette Chavira-Merriman,
Co-Chair
- Orlando Arellano
- Sarah Atencio
- Hank Daneman, PE
- Glenn Lockhart
- Loyda Martinez
- Dolores Salazar
- Corrine Sanchez
- Michael Terrill
- Manuel Trujillo
- Karen Young

Members Not Attending:

- Dr. Antonio Delgado,
Co-Chair
- Robert Castille
- Lorenzo Valdez
- Elmer Torres
- Carl Tsosie
- Nick Salazar
- David Sanchez

Ex-Officio Board Members:

- Herman Le-Doux, Federal Designated Office
- Tom Baca, LANL
- Benito Garcia, NMED

Ex-Officio Members Not Attending:

- Barbara Driscoll, EPA

DOE Staff:

- Larry Kirkman, Area Office Manager, Los Alamos Area Office
- Joe Vozella, Los Alamos Area Office
- Greg Sahd, Los Alamos Area Office

0521
General



12671

Los Alamos National Laboratory Staff:

Carmen Rodriguez, Environmental Restoration

Support Staff:

Lisa Roybal, SCIENTECH, Inc.

Bill Mason, SCIENTECH, Inc.

The Northern New Mexico Citizens' Advisory Board to the Department of Energy/Los Alamos National Laboratory met at the Santa Fe Community College, Jemez Meeting Room 1, Santa Fe, New Mexico on October 10, 1995. The meeting was called to order by Co-Chairman Bernadette Chavira-Merriman at 6:45 p.m. Lisa Roybal took roll call of CAB and ex-officio members. There was a quorum of 11 voting CAB members present. The agenda was approved as amended: Hank Daneman will speak regarding a change to the mission statement under item III Business. The minutes from the September 12, 1995 meeting were approved.

Corrine Sanchez was added to the public participation/education subcommittee and Loyda Martinez was added to the Individual Issues subcommittee.

Bernadette Chavira-Merriman read the mission statement of the CAB to all present at this meeting for discussion under business and approval for submission to DOE. The Operating Procedures and Mission Statement needs to be submitted to DOE/Headquarters within 60 days of the CAB members appointments.

Public Comments:

Due to the great deal of business to be addressed and the time constraint of this meeting, a time limit of 8 to 10 minutes was requested for each citizen stating public comments and making presentations.

K. J. Leibee, 280 Ponderosa Drive, Jemez Springs, 87025 - Upon looking at the different issues that this board will be addressing, Mr. Leibee feels that there are some important issues that were not listed. Just recently, a Reduction in Force (RIF) has occurred at LANL and Mr. Leibee feels that it is the responsibility of this Board to make sure that the LAB is in compliance of its own policies, whether it is the University of California policies or LANL policies. "DOE being the entity that is funding LANL, I feel

that it should be DOE responsibility to make sure LANL is following policy. There will be another RIF of LANL employees on November 13, 1995 and I think that this committee can play a major part in trying to get DOE's attention and maybe it was not prudent for LANL to do what they did. I think there are some issues that need to be addressed and one that I would like to see addressed by this committee is to see how many Hispanics vs. Anglos were dismissed or given RIF notices. Of those people who were RIFed, how many were in the process of grievance or in an administrative review process. And how many of those employees have had past grievances or administrative reviews with LANL and were handed RIF notices because of that. In the Administrative Manual of LANL, AM-11, states that all employees may partake in a grievance or an administrative review without the fear of reprisal, and I would like to see if that was complied with by LANL in this RIF process. I would like to see which policy sets precedence, UC policy or LANL policy.

One thing that affects all RIFees is that the DOE has promised that there would be training money available to the RIFed personnel, and my question, is that subject to availability or are there only going to be a select few people that are going to receive the money, how much money is available for retaining these people, and also how people may apply for this money. Another issues is the age discrimination; there were many people who were RIFed that had 15 to 25 years service at LANL that were still too young to retire. There were many individuals that were brought into LANL in the last three or four years. Was there a seniority system? Why were the age groups selected as they were. There were many people between the ages of 45 to 50 selected for this RIF."

The Chair asked Mr. Leibee as to how he feels that this board can help with this issue when in fact it is a Citizens' Advisory Board regarding environmental restoration at LANL.

Mr. Leibee responded that the key word in the title of this Board is Citizen. "Everybody in this room has a stake in this thing. This committee is only singling out one set of issues and needs to focus further on other areas within LANL and get that to DOE and say that there are not just these environmental problems, there are some other problems with compliance within LANL. This committee needs to expand its mission to include other areas rather than environmental restoration.

DOE stated that part of the reason that this Board came about is the fact that Tom Grumbly is funding the environmental restoration waste management activities. He is funding the different sites so that there can be Citizens' Advisory Boards with the intent of having the public input primarily in these areas. That is where the main focus is. Clearly, one of the things that we must do is try to be content

with what Mr. Grumbly is looking for." Mr. Leibee addressed the area under the Scope of the Mission Statement and Operating Procedures where under "Other" it states that LANL operations and proposed changes in operations and their impact on other existing or proposed laboratory activities will be part of the scope of this committee. "The issue that I am asking this board to address may fall under this category. My request of this Board is to expand the scope and mission of this committee to include the employment RIF issue, personnel policies, and make sure that LANL is in compliance. The DOE is always asking LANL to comply and I think that it is time for this committee to ask DOE to make sure that LANL is complying."

Alice Roos, The Sanctuary Foundation, 227 E Palace Ave, Santa Fe -
"Is this Board empowered to look at classified information if need be and is there going to be a way for this Board to handle or deal with classified information, such as receiving technical expertise to interpret this information."

DOE stated that if there is a need for someone with technical expertise to take a look at classified documents in order to enable the Board to come up with recommendations or advice to DOE, DOE will cooperate in helping the Board get this information. How this process will work, has not yet been worked out. It is possible that other sites, such as Hanford or Rocky Flats, have already done this, and DOE will investigate how best to go about the process of access to classified information for Board members.

Mrs. Roos asked if there was a mechanism set in place to dismiss members of the CAB who misuse information received by DOE or LANL or if there are problems with members' conduct or public accountability.

Bernadette Chavira-Merriman stated that at this time the only mechanism we have for dismissal of Board members is in the Mission Statement and Operating Procedures under "Conflict of Interest", but as a member of the Operating Procedures/By-Laws Sub-Committee, she will work with other members to incorporate a mechanism for dismissal of members who misuse information and are not accountable to the public.

Mrs. Roos also asked if there were a way that the public can find out about these sub-committee meetings.

At the this time this board is still evolving and the Public Participation/Education Sub-Committee is working on a plan to better involve the public. For the mean time, there will be advertisements in newspapers stating that the public can call 1-800-753-8970, for information on sub-committee meetings or just to express concerns.

Mrs. Roos asked what was being done, or in there was any follow up on the issue of the DOE grant that Northern New Mexico Community College applied for and will there be a report on actions taken.

This Board had decided that because we could not, as a Board, react or participate in any kind of decision regarding that grant at Northern, we would study the issue and create policy and a procedure by which we can become reactive to the needs of the public if this same kind of issue comes before this Board again. This particular issue with the DOE grant was to be addressed by the Public Participation/Education Sub-Committee and they will give a report on their findings in Agenda Item III Business - Sub-Committee Reports and Board Action.

Ian Abey, Rt 1, Box 385-A, Española, NM 87532, LANL 2000, RAMA, NNMCC, NCCAW, EPVWWSC, - "There is currently a policy initiative being formulated at DOE/HQ that will direct weapons complex sites engaged in environmental restoration projects to Recycle Radioactive Contaminated Carbon Steel (RRCCS) into one time use containers for other Radioactive Waste Generator Sites. At present, the final disposition of RRCCS at the site, resides with the site managers. In order for this recycling initiative to be effective, it is imperative that the RRCCS is not disposed of before the policy is in place. I would like the CAB to consider a recommendation to DOE to put a moratorium in effect on the way LANL is currently handling RRCCS. LANL could temporarily store, in a safe and environmentally sound manner, all RRCCS generated during decommissioning and decontamination operations, until this DOE/HQ policy is put into effect."

Mr. Abey also suggested that this Board put a strong conflict-of-interest statement in its Operating Procedures/By-Laws.

He stated that announcements for the CAB meetings need to be advertised more. He suggested that flyers and postcards be mailed out to stakeholders.

Bernadette Chavira-Merriman stated that this board will review all of Mr. Abey's requests.

Chris Mechels, Rt. 4 Box 2-B, Santa Fe - Mr. Mechels asked that this Board take up the endorsement of immediate restoration of Full University of California (UC) Employee Rights at LANL. This policy is indeed followed by Lawrence Berkeley Lab/Livermore National Laboratory. LANL is the only campus of the UC system that does not have the UC Employee Rights. Also,

LANL did not follow UC Policy for the RIF, nor did they claim to. Even more so, LANL did not follow their own policy.

Mr. Mechels handed out pages copied from the 1991 Tiger Team Report. He called attention to "Finding MF-15" which is concerned with the performance appraisal system at LANL. In this finding it states that the LANL performance appraisal process is not being uniformly or consistently applied to assist in motivating Environment, Safety, and Health activities at LANL. He also called attention to "Finding MF-16" which directly speaks of the grievance process of LANL, the fear and intimidation that they found during the Tiger Team visit and directly relates this to be a deficiency in employee rights, which again, makes it totally important for this board to take this issue up.

"Given the long term, and increasingly complete, practice of depriving LANL employees of their rights, it seems a reasonable to ask for this Board to recommend the immediate restoration of Full University of California Employee Rights at LANL."

Lorraine Segura, 581 W. San Francisco Street, Santa Fe - Mrs. Segura stated that she is an Environmental, Safety and Health Specialist at LANL and is concerned with the unfair hiring process at LANL and she is in fear of retaliation for saying anything about LANL. Mrs. Segura stated that she has been at LANL for ten years and she believes that the unfair hiring and promotion practices have put inexperienced people in positions, especially in packaging and transportation of hazardous materials, where they are not qualified to be in these type of positions. Again because a lot of people are in fear in of saying anything, they will not come to these meetings.

Next on the agenda was the Business of the CAB. Lisa Roybal, explained briefly to Board members, how to fill out the travel vouchers. All travel vouchers will be sent to either Lisa Roybal in the CAB office for auditing and records management, or can be sent directly to Nancy Romero at US DOE, Los Alamos Area Office, 528 35th Street, Los Alamos, NM 87544. If Board members send travel vouchers directly to Nancy Romero, they must have original signatures and a copy must be sent to the CAB Office.

Next, while there were still members of the public present who may be interested in when this Board is meeting next, a decision was made by the CAB as to where our next four meetings will be held. The meeting sites are as follows:

11/14/95 Los Alamos
12/12/95 Española
1/9/96 Mora
2/13/96 San Ildefonso

All meetings will be held from 6:30 p.m. to 9:30 p.m.

The Mission Statement and Operating Procedures was discussed next. Bernadette Chavira-Merriman stated that urgency for this document is the requirement that it be completed and submitted to DOE.

Hank Daneman stated that he has been reviewing the mission statement of other site specific advisory boards and he finds that the some of them have a rather board outlook on what their missions are. Specifically, Mr. Daneman has looked at Rocky Flats and the Fernald Citizens Task Force and he has come up with a very simple statement that represents what he feels ought to be the overall mission of this Board. This statement is as follows: "To provide recommendations to DOE, NMED, and EPA on the future activities at LANL." Following that simple statement, Mr. Daneman would like the details and explanation not to qualify that mission in any restrictive way. Mr. Daneman stated that he would like to see the mission and scope of this Board not be confining in any way.

Herman Le-Doux stated that both Rocky Flats and Fernald are in a Decommissioning & Decontamination (D&D) process, in other words non-operational. The intent of putting together a CAB is to take a look at environmental management issue out of Thomas Grumbly's Office. He suggested to the Board that they focus on those areas.

Glenn Lockhart stated that the first sentence in the Mission Statement is not different from what Mr. Daneman is proposing. Dolores Salazar stated that there is a problem with restricting the CAB with future activities because current activities are also going to be happening that this Board will have an interest in.

Bill Mason stated that each of these 18 Board members was appointed by the DOE to serve on the national Environmental Management Site Specific Advisory Board, and have the responsibility to work within its charter. We may draft mission statement, operating procedures, and by-

laws, but we are still acting under that charter. Tom Baca agreed, "We're spinning our wheels to go beyond the intent of the charter. The reality is that we have our limitations."

Corrine Sanchez felt that "environment" includes more than land and water. "I'm here for my community and I think the public has a different definition of "environment."

Glenn Lockhart suggested that the Mission Statement Scope, under "Other", included what Hank is proposing: "LANL operations and proposed changes in operations and their impact on other existing or proposed laboratory activities." He added that the primary mission is to consider environmental management, but we should not restrict anything, at this early date.

Juan Montes, P. O. Box 920, Questa, NM 87556 spoke as a member of the Formation Committee, "this language was consciously and purposely included in the draft Mission Statement.

Kathy Sanchez, San Ildefonso Pueblo, NM reminded the Board that they plan to work to consensus, and they must agree on what is acceptable to everybody.

Christine Chandler, 940 Los Pueblos, Los Alamos, NM 87544 reported attending many public meetings with agendas stated as environmental issues related to LANL. "Typically, there is no discussion of environmental management issues: contamination, cleanup, etc., but a lot about weapons programs, and now this board wants to consider employment issues. My question is when is a committee with a charter for environmental issues going to get to discussing environmental issues? My understanding is that Tom Grumbly formed this Board for that purpose."

Hank Daneman advised that the largest item in DOE's budget is for environmental management and suggested the formation of a sub-committee on Environmental Management. The second item is for Environmental Safety and Health, which might also be represented by a sub-committee. He quoted a DOE document which required each DOE site to have a variety of forums to generate future use options. He asked For Board consensus on a addition to the Mission Statement, as

previously requested. Dolores Salazar objected because it precludes consideration of present activities.

The Board concurred that the first sentence in the Draft Mission should address, "past, present, and future" activities at the LANL. Also, the phrase, "concerning the regional effects of health, safety, environmental management, and defense programs, of LANL activities" should be deleted, because it is redundant.

The question of staggered terms, as recommended by the Formation Committee, was raised. Apparently, all Board members were appointed for two-year terms, as stated in the Charter. Bill Mason observed that attrition of members during the first two years, may effectively stagger the actual terms of members, as desired by the Formation Committee. Herman Le-Douz will follow-up and report back to the Board.

Glenn Lockhart noted that the current language is not significantly differently from earlier drafts reviewed by the Board. Bernadette Chavira-Merriman advised of the specific changes which were recommended by the Operating Procedures/By-Laws Sub-Committee at their October 5, 1995 meeting. Glenn Lockhart moved adoption of the Mission Statement and Operating Procedures; there was Board concurrence.

Manuel Trujillo discussed the Work Plan, as drafted by the Work Plan/Budget Sub-Committee. The Board agreed that language should be consistent with that of the Mission Statement and Operating Procedures. Glenn Lockhart observed that this wording was taken from the Environmental Management Site Specific Advisory Board Charter. Benito Garcia reported that the sub-committee concurred that is interim Work Plan was drafted and may be revised. Bernadette Chavira-Merriman asked the Board to study the draft prior to the next Board meeting.

Joe Vozella distributed a list of specific issues, recommended for consideration. Hank Daneman requesting tabling these issues and referring them to the Environmental Management Sub-Committee. Bernadette Chavira-Merriman asked for Board discussion on sub-committees. Several members stated that the four sub-committees were

formed for Board organization and that additional sub-committees should be formed to address specific issues. The co-Chair referred this to the Work Plan/Budget Sub-Committee for action

Herman Le-Doux reported that the budget numbers will be finalized within the next two weeks, and will be presented at the next meeting. Dolores Salazar requested that the budget include funding for community outreach and education.

Sarah Atencio asked for volunteers to man an information booth at the Dixon Arts Fair on Saturday and Sunday, November 4-5, 1995.

Next Meeting: 6:30 PM, Tuesday, November 14, 1995, in Los Alamos:

Certification:

These minutes are an accurate and complete summary of the matters discussed and conclusions reached at the October 10, 1995 meeting of the Northern New Mexico Citizens' Advisory Board to the Department of Energy/Los Alamos National Laboratory which met at the Santa Fe Community College, Jemez Meeting Room 1, Santa Fe, New Mexico.

Certified by:

Bernadette Chavira-Merriman, Co-Chair

Date

**Note to
Northern New Mexico Citizens' Advisory Board to the
Department of Energy/Los Alamos National Laboratory**

Regarding: Revised Draft of "Mission Statement and Operational Procedures", which was discussed at the October 10, 1995 meeting

Revisions are shown in **Bold** and ~~struck through~~; and are attached:

"past, present, and future" has been added in the lead paragraph and the clause **"concerning the regional effects of health, safety, environmental management, and defense programs, of LANL activities."** will be deleted.

Regular and Special Meetings: has been added as a heading under Meetings, as discussed in the October 6, 1995 Sub-Committee meeting.

Also, it may be appropriate to add a paragraph on Sub-Committees--how they are formed, authorities and responsibilities, how meetings are announced, run and reported, etc.

Please advise if other revisions are required.

Bill Mason/Lisa Roybal
800-753-8970 or 505-881-9139
FAX: 505-883-8013

DRAFT

Mission Statement and Operating Procedures

Northern New Mexico Citizens' Advisory Board to the Department of Energy/ Los Alamos National Laboratory

MISSION STATEMENT:

The Northern New Mexico Citizens' Advisory Board to the Department of Energy/Los Alamos National Laboratory shall be a nonpartisan, advisory group representing the diverse interests of Northern New Mexico, pertaining to the **past, present, and future** activities at the Los Alamos National Laboratory (LANL). The primary mission of this Board will be to provide community comments and informed recommendations to the Department of Energy (DOE), the U. S. Environmental Protection Agency (EPA) and the New Mexico Environment Department (NMED) ~~concerning the regional effects of health, safety, environmental management, and defense programs, of LANL activities.~~ Both direct and indirect outcomes of LANL activities on the history, culture and heritage of the area will also be considered. The goal of the Board will be to provide high quality and timely recommendations for consideration by the DOE.

The Board shall represent the demographics and ethnicity of the area and addresses regional, site-specific interests, rather than national issues. The Citizens' Advisory Board will be composed of residents of northern New Mexico, who are representative of the concerns and interests of the citizens who reside in Los Alamos, Mora, Rio Arriba, Sandoval, San Miguel, Santa Fe, and Taos counties and the Native American communities within those counties.

Scope:

Advice from the Citizens' Advisory Board will be provided on a variety of issues in the areas of health, safety, environmental management and defense programs of LANL activities. The Board may advise on all issues including budgetary, planning, and scheduling of environmental restoration, waste management and other activities which affect the health and safety of the community, including, but not limited to the following:

Environmental Restoration

- Program and budget prioritization
- Cleanup prioritization, based upon risk
- Future land use associated with environmental restoration

Waste Management

- Long term waste management strategic planning
- Transportation of wastes and hazardous materials to and from the laboratory
- Waste minimization opportunities, stressing pollution prevention over pollution control

Defense Programs

- The maintenance, restart, or decommissioning and decontamination of contaminated facilities
- Emergency management planning

Other

- LANL operations and proposed changes in operations and their impact on other existing or proposed laboratory activities
- Protecting worker and local/regional public health and safety
- Environmental monitoring program prioritization
- Technology applications to environmental programs
- Protection and preservation of traditional culture of the area

Purposes:

The Board's purposes shall be to:

1. Review issues and provide constructive comments and recommendations to the DOE, EPA, and NMED on issues within the scope of the Board. These recommendations should be provided in a timely manner for use in DOE decision-making.
2. Act in its own right and be independent of other organizations, both governmental and non-governmental. The Board should be non-partisan and apolitical. Board members may speak as individuals and not for any group or government with which they may be associated; individual Board members will abstain from discussion and decisions on topics which may present a potential, personal conflict of interest.
3. Provide an opportunity for the public to comment on subjects of interest. The Board will identify community concerns and provide a focal point for the public to voice questions and concerns to the appropriate DOE and regulatory offices. This Board will augment (not replace) other public participation programs and groups, and ongoing Inter-Governmental relationships with local and tribal governments.
4. Serve the need for public involvement by recommending that DOE, EPA, and NMED or other appropriate entities conduct public information meetings and/or hearings as the Board deems relevant. The Board will draft a public information and education plan for the affected communities. This plan shall include regular public meetings to solicit input.
5. Provide educational information and resources to the public. This may include newsletters, press releases, public meetings, or another appropriate means.
6. Be responsive to the public and seek to promote community involvement in this advisory process.

OPERATING PROCEDURES:

Membership:

The Board will be composed of 18 members, (including the Co-Chairpersons) who are residents of New Mexico, who represent and can speak for the concerns and interests of the citizens who reside in Los Alamos, Mora, Rio Arriba, Sandoval, San Miguel, Santa Fe, and Taos counties. The members were nominated initially by the Formation Committee for staggered one- or two-year terms, and appointed by the DOE. The Board shall select individuals for replacement of members leaving the Board, maintaining the broad community representation goals established herein. Subsequent terms shall be for two years; continuity and new input shall be realized by replacing no more than half of the Board each year. No individual shall be eligible for more than two consecutive terms on the Board. The Board will establish a membership replacement and adjustment process in its bylaws that fully implements the principle of balanced citizen interest representation, including gender, ethnic and economic diversity.

Conflicts of Interest:

The Board will identify and avoid or mitigate conflicts of interests before considering issues. Each Board member must affirm that he/she is not biased because of past, present, or currently planned interests (financial, contractual, organizational or otherwise) which relate to discussions and recommendations by the Citizens' Advisory Board; and will not gain an unfair competitive advantage over other parties by virtue of performance on the Board. When an issue is discussed, any Board member with a potential conflict of interest, will be excused from the discussion and decision-making by the Board.

Diversity:

It shall be the goal of the Citizens' Advisory Board to remain a broadly diversified group, representing the interests of Northern New Mexico by providing representatives of the stakeholders, who match the demographics and ethnicity of the seven county area. There should be a reasonable gender mix: a minimum of five males and five females. There should be a diversity of personal economic situations represented.

Ex-officio Membership:

All Board meetings will be attended by non-voting, ex-officio members, who assist the Board by providing background information and technical expertise. Ex-officio members shall include responsible senior management representatives of the DOE, LANL, EPA, and NMED, who in their daily work have the authority to carry out their agencies' commitments. Senior representatives of both regulated and regulating agencies will serve as ex-officio members for their organizations. Because the comments and

recommendations of the Board may be directed at their agencies, these ex-officio members shall not take part in decisions of the Board.

The Board's occupational/professional diversity should (desirably) include the following representation:

- Medical/public health professionals
- Elected or appointed government officials
- Local Tribal members
- Business owners or industry representatives
- LANL employees or labor organization representatives
- Regional citizen, environmental or public interest organizations
- Teachers
- Students
- Retirees/Senior citizens
- Agriculture
- Citizens at Large

Other criteria include: age, geographic area, knowledge of issues, and technical background. All Board members must be team players, with skills and attitudes to work together.

Designated Federal Officer:

A DOE employee, who has been appointed to be the Designated Federal Officer (DFO), will work closely with the Board to support attainment of the Board's goals. It will be the DFO's responsibility to ascertain that Federal Advisory Committee Act requirements are met. The DFO shall ensure the timely provision of requested necessary background material to the Board and arranges for the responsible senior DOE and LANL management staff to attend Board meetings to listen to the views of the Board and provide additional information on topics being considered. The DFO will be the liaison between the Board and DOE offices in Los Alamos, Albuquerque, and Washington. Under the Federal Advisory Committee Act, the DFO is required to: call, attend, and adjourn meetings; approve agendas; and maintain required records on cost and membership. The DFO may elect to share or relinquish these responsibilities with the Co-Chairpersons, as well as other responsibilities herein outlined. The DFO will provide for publication of meeting announcements in the Federal Register and in the local media, at least 15 days prior to meetings, and assure compliance with the New Mexico Open Meetings Act.

Board Member Responsibilities:

The Board and each of its members must agree to:

- 1) Devote the time necessary, not expected to exceed 10 hours per month to attend all regular meetings, and be available for work between formal meetings (e.g., special meetings, conference calls, etc.), review materials, receive training and orientation (including team building and consensus decision making) and fully participate in Board matters.
- 2) Respond to concerns and questions raised by the public about Board activities and reflect concerns and questions about federal facility activities to facility representatives, as appropriate.
- 3) Handle in a responsible manner, information and materials provided, particularly early drafts which were developed for in-house reviews and are expected to require significant revision.
- 4) Represent matters of the Board accurately and appropriately, consult with their constituents, and to keep their constituents well informed.
- 5) Work toward consensus decision-making.
- 6) Be responsive to the public and promote community involvement in this advisory process. The principle mechanism for community involvement will be the open meetings and public information process. Everyone interested must be aware of the meetings and their agenda, and be encouraged to contribute their views. While not everyone will agree with all actions of the Board, opportunity will exist for voicing other opinions.

DOE, LANL, EPA, and NMED Responsibilities:

Responsible senior representatives must agree to:

- 1) Devote the time necessary to attend all regular meetings and be available for work between formal meetings (e.g., special meetings, conference calls, etc.), review materials, receive training and fully participate in Board matters.
- 2) Define and clearly communicate to the Board, their respective decision-making processes. Senior technical staff who attend Board meetings shall act as liaisons to upper management, present Board recommendations to decision-making managers and carry out Department and Agency commitments.

- 3) Promote and facilitate access to information pertinent to topics selected for consideration within the scope of the Board.
- 4) Provide all information required by the Board, including unclassified portions of necessary classified documents.
- 5) Inform the Board of processes, projects, and activities pertinent to the Board's mission and purpose.
- 6) Review Board recommendations within 30 days, or other reasonable time period requested by the Board. Explain the basis for respective decisions and how recommendations will be implemented or the basis for rejection of recommendations not accepted.
- 7) In addition to the DFO, designate a DOE employee and one alternate who will serve as a consistent point of contact for providing information and to assist the Board in administering its operations.
- 8) Agree to a mechanism for recourse or conflict resolution if advice or needs of the Board are not met or responded to within 30 days, or other reasonable time as specified by the Board.

Funding:

Funding for the Board will be provided by the DOE for reimbursement of travel and other Board member expenses, meeting facilities, administrative support, and technical assistance, and (if the DOE determines that a particular individual's participation is necessary to ensure a balanced board) individual compensation. For budget purposes, the Board shall develop and submit to the DOE, an annual workplan, which identifies selected consideration topics, and expected resources required.

Board members will be reimbursed for approved travel, including per diem, but generally not be compensated for time devoted to this service. This is consistent with the DOE's general policy of no compensation for advisory board members except on a case-by-case basis, based upon the need to ensure a balanced board.

The Board will have the authority to contract for technical assistance services, including independent scientific review, and independent advisors, as determined by the Board, subject to the annual budget approved in advance by the DOE.

The DFO shall retain the fiscal responsibility for this contract. The Board will not operate as a fiscal agent for any expenditures.

Selection of Topics:

A list of potential consideration topics will be prepared from subjects within the scope of the Board, which are recommended by Board members, the DFO, and other non-voting participants. The criteria for selection and prioritization of topics shall be made by the Board and the DFO based upon: opportunity for timely advice on current and anticipated major projects, public comment needs which are not being met by other public groups, and the interests of the Board members.

Ground Rules:

Background:

This Citizens' Advisory Board will provide a valuable service to the DOE and LANL by timely considering and commenting on critical DOE/LANL topics. Realizing that the Board does not provide the unique role and responsibilities of local governments, it can not usurp or diminish ongoing Inter-Governmental relationships with local and Tribal governments, or the activities of other public groups. In addition to ongoing or projected activities by other public, community, or regulatory entities, this Board provides information to interested citizens.

Information Access:

The Board shall have access to all information relevant to its work, within the bounds of existing law. The Board reserves the right to request information in the form of presentations and/or documents from any members of the staff of DOE, LANL, or other contractors and subcontractors, EPA, or NMED.

Filling Vacancies:

The Board shall continuously attempt to identify stakeholders and views not represented on the Board. The Board shall endeavor to have all local views represented by filling vacancies on the Board with individuals representing these interests.

Consensus:

The Board will consider issues and work toward consensus recommendations; however, when consensus can not be achieved, majority and minority recommendations will be submitted to DOE.

Board Recommendation Process:

All comments and recommendations to the DOE shall be in writing, directed to the DFO and should receive timely and complete consideration. DOE responses shall be prompt (always within 30 days) and should contain a fair

evaluation of the recommendation, scheduling implementation or explaining why the changes can not be made, as recommended. However, it is recognized that the DOE maintains the ultimate responsibility and decision-making authority at the LANL and that the Board shall have no liability for comments and recommendations rendered.

Personal Membership:

While membership on the Board is intended to represent a variety of stakeholders with respect to LANL activities, Board membership is personal and not representative. Members may not vote by proxy, and must be present to vote on Board decisions; substitutes may not replace Board members at meetings.

Meeting Attendance:

Attendance at all meetings (regular and special) is required of Board and Ex-Officio members. Except for emergencies, or other compelling circumstances, a member who misses either three consecutive meetings, or five meetings over a twelve-month period, shall be deemed to have resigned from the Board, and shall be replaced by the Board.

Annual Evaluation:

The Board, in cooperation with the DFO, shall develop a process to annually evaluate the Board's effectiveness and shall publicly discuss the results.

Board Termination:

The Board will be terminated by DOE two years after it is established, unless it is determined by the Secretary of Energy that renewal is essential and in the public interest.

Meetings:

Regular and Special Meetings:

The Board shall make efforts to conduct regular public meetings every month, but minimally, at least every two months. Regular meetings will be limited to 3 hours duration, as a maximum. Meetings should be conducted throughout the target areas of northern New Mexico.

Meeting Agenda:

An agenda which reflects issues and concerns, including but not limited to sub-committee reports and/or actions shall be developed. Each agenda will include a section for public comment. Final agenda development shall be the responsibility of the Co-Chairpersons.

Co-Chairperson Responsibilities:

The two Co-Chairpersons shall run meetings efficiently and consistent with agreed upon ground rules, maintain focus on selected issues, and ensure

Board maintenance through additions, replacements and removal of members. The Co-Chairpersons will act as official spokespersons for the Board. Members present at a meeting where neither Co-Chairperson is present, may elect a temporary Chair for the meeting.

Meeting Notices:

All meetings of the Board must be effectively posted and advertised to the public and will be open to the public; public comments are encouraged. Meetings will be announced to the public by publication in the Federal Register and in local newspapers with significant circulation in the region, in compliance with the New Mexico Open Meetings Act. Meeting announcement in other media (e.g., radio, flyer posting, etc.) will be done in the context of a public information plan necessary to reach the interested public.

Public Participation:

Rigorous efforts will be made to encourage public participation from both formal and informal public groups. All public comments shall be treated in an unbiased, objective manner, without regard to socio-economic status, or special public interest stature.

Quorum:

A quorum for Board business requires the presence of more than half of the members. Board decisions, majority reports and administrative actions require the approval of more than half of the members present. Policy statements and contractual actions shall require the agreement of at least 10 of the voting members present.

Records:

The Board will document its activities, and those of its subcommittees, and ensure that these records are maintained in repositories conveniently available to the public. Said records shall be regularly disseminated to reading rooms or public libraries in Los Alamos, Española, Taos, and Santa Fe, New Mexico.

The following have been sent to
SCIENTECH by Hank Daneman, who
requested that they be copied and
distributed to all Board members.
Comments should be made directly
to Hank.

LANL Should Look Toward Educating

By H.L. Daneman

In the business world, it is well accepted that the most important role of top management is to provide successful, long-range planning. No amount of skilled leadership can compensate for a fundamental error in determining the best direction for an organization. I believe that the present difficulties in perpetuating Los Alamos National Laboratories are due to the failure of its management to establish an effective long-range plan.



Daneman.

During the past two or more decades, it was not difficult to forecast that world efforts to diminish reliance on nuclear weaponry would eventually bring about limits on production, research and development, and testing. Nor was it without warning that New Mexico's dependence on defense dollars would quickly create hardship the moment other budgetary needs became more important. These forecasts were undoubtedly apparent to the top management of LANL as well as our senators who took increasing opportunities to get involved in preserving the status quo at New Mexico's federally funded institutions.

At a LANL meeting on long-range planning, Dr. Sig Hecker recently suggested that "LANL can apply its resources to cleaning radioactive waste at federal sites, plotting the drug war, outwitting terrorists, researching the AIDS virus and examining alternative energy sources." A strong feeling was expressed by the tech transfer division at LANL that a scientific background (and a Ph.D.) is quite

adequate for successful tech transfer. (At least, they don't lack for confidence.)

Based on my experience in practicing and, later, teaching this very subject, I strongly disagree. Prof. Avraham Shama of UNM's School of Management is correct when he says, "Technology transfer is a business function, and using scientists to do it is like asking engineers to perform open-heart surgery."

Dr. Hecker, however, does not believe that new business planning is a business function. In 1988, he suggested that "...local, state and federal governments should identify areas in new technology which would make good industry for the state." Turning business planning over to a technocracy is a proven failure (e.g., Brazil) as is the expectation that a military-based organization accustomed to \$26 hammers and monstrous overruns could ever produce a profit-making product.

The record shows that the only thing LANL was ever geared up to do is nuclear weapons research. They never planned to do anything but nuclear weapons research. When asked "What is your planning about the future of LANL in the context of potential changes in nuclear weapons requirements?" Dr. Hecker responded, "The primary job of the laboratory is to provide the technological foundation for a credible nuclear deterrent. Even if the nuclear stockpile were substantially reduced, the maintenance of a credible deterrent would require a significant research and development effort, including the continuation of nuclear testing and increased initiatives in non-nuclear and conventional weapons."

So the truth is out. The LANL management, job security and cost consciousness are strictly geared to the military — there is no way for

them to wear civilian hats no matter how hard they pretend. In this era of relatively tight budget restrictions, there is no practical way for LANL to change this mission even if they wanted to. Sandia Laboratories at least made an effort when they hired a Berkeley California couple for up to \$2,000 a day each to train their management personnel on coping with change. But the worst of it all is that New Mexico has now become addicted to \$6 billion of annual federal tax monies spent on essentially non-productive labor.

What is to be done? My proposal, expressed to the University of California and in *The Albuquerque Journal* a decade ago, was to turn the LANL facilities into a university such as my alma mater, The Cooper Union for the Advancement of Science and Art. A university could certainly make good use of the buildings, housing, laboratories, apparatus and existing personnel and would be more likely to generate satellite businesses.

One thing which would have to go, however, is an obsolete manage-

ment team — those who, in spite of adequate warnings, failed at their top management job of long-range planning.

It shouldn't come as a surprise if the Board of Regents of the University of California accepted early retirement for LANL's top management in order to hire a more business-oriented and farsighted laboratory administrator. And at the same time, the voters of New Mexico might be inclined to trade their incumbent senators for a pair willing and able to bet that saving tax dollars can be at least as attractive to voters as old fashioned pork barrel politics.

To change LANL into a productive facility is going to require not only a sound and business-like long-range plan, but a change to a management experienced at restructuring this valuable facility into its highest and best use.

H.L. Daneman is a retired professional engineer who for many years managed his own company engaged in the practice of planning scientific laboratories.

H. L. Daneman
Santa Fe, New Mexico 87501

1304 Calle Ramon
fon: (505) 983-5883 fax: (505)983-5261

October 2, 1995

Mr. Bill Mason
Scientech
6121 Indian School Rd. NE
Suite 232
Albuquerque NM 87110

fax:883-8013

Dear Bill,

I've notified the Mayor's office, County Supervisors Office and City Editor of the New Mexican of the forthcoming Board meeting of October 10th. I assume there will be other publicity.

Because of a religious holiday, I will be unable to attend the PP/Ed Subcommittee meeting of October 4th. I am attaching a letter of August 12th to Dolores Salazar which may be shared with other members of the subcommittee. The transition of LANL to peace-time service should include utilizing some of its facilities and scientists for specialized science education. This should serve the entire nation.

If an advanced graduate school were established, the result could be the fallout of high tech industry such as resulted in Palo Alto from Stanford and Route 128 from MIT. It would be short-sighted to create only a local science high school reserved for Northern New Mexico students alone. I visualize a series of Institutes, such as the Santa Fe Institute or Sandia Laboratories, each commissioned to solve a set of science based problems facing our nation. A detailed outline for this structure already exists at the NSF and some elements are already in place.

I mentioned alternative energy development as a goal for LANL of the future. I would like to add this to the agenda for October 10th. My overall recommendation would be for LANL to review the status of outstanding projects (e.g. wind, solar, photovoltaics, bio-energy, etc.) by reference to NSF and the DOE and prepare a prioritized list of projects appropriate for future work at LANL.

I mentioned Hazel O'Leary's comments. A copy will be sent by post. I have been involved in alternative energy research and would like to share information with a subcommittee and the Board.

Sincerely yours,



H. L. Daneman

H. L. Daneman
Santa Fe, NM 87501

1304 Calle Ramon
tel: (505)983-5883 fax: (505)983-5261 cis: 76221,201

August 12, 1995

Ms. Dolores Salazar
P.O. Box 65
Española, NM 87532

Dear Dolores,

I was glad you brought up the subject of *The Role of Education at LANL*. It is a subject in which I have been interested for a decade or more.

I am also interested in greatly improving the scientific education in New Mexico and believe the way to do this is to provide capable and motivated students with the opportunity to study in a school such as the one from which I graduated.

The Cooper Union for the Advancement of Science and Art was entirely free and based on scholarship. Only 100 students each entered the Engineering and Art Schools. Less than 40 graduated from each school. The remainder transferred to easier schools or changed their course of studies.

Prior to competing for entry into the College, most students attended special classes in High School including such courses as Calculus. These graduates attending a variety of schools - not all were interested in The Cooper Union. I see no other way for New Mexico children to compete for jobs at LANL, Sandia, Kirtland, Intel, Sumitomo and the many small companies I hope will start up in Northern New Mexico unless they first compete for admission into advanced classes in High School.

Restoring part of Los Alamos to the boarding school for boys (and girls) which it was before the Manhattan Project, seems fitting to me and may be the means by which the more gifted youth can break away from the less motivating influences surrounding our city schools, today.

I will be suggesting that our Chairmen assign the task of formulating a proposal to integrate Science training into LANL to a committee and hope I can have the opportunity to serve. I spoke to Loyda and she is enthusiastic about serving on such a committee. Thank you for broaching the subject.

Sincerely,



H. L. Daneman



Department of Energy
Washington, DC 20585
September 15, 1995

for distribution to CAB

-2. OCT. 1995

Mr. H.L. Daneman
1304 Calle Ramon
Sante' Fe, New Mexico 87501

Dear Mr. Daneman:

On behalf of Secretary O'Leary, thank you for your letter requesting a copy of her remarks from a recent press interview. I am forwarding a transcript of the Secretary's National Press Club interview on August 18, 1995. I hope the information in this document will be useful to you and the members of your group.

Thanking you for taking the time to express your views. Your support is certainly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Carmen MacDougall".

Carmen MacDougall
Acting Director, Office of Public
and Consumer Affairs

Enclosure



RADIO TV REPORTS

New York: 212-309-1400
Chicago: 312-541-2020
Detroit: 810-344-1177
Boston: 617-536-2232
Philadelphia: 215-567-7600
San Francisco: 415-395-9131
Miami: 305-358-3358
Washington: 301-656-4068
Los Angeles: 213-466-6124

TRANSCRIPT

OR DEPARTMENT OF ENERGY STATION CSPAN-2

PROGRAM National Press Club CITY Washington, D.C.

DATE August 18, 1995 9:30 AM AUDIENCE

SUBJECT Energy Secretary Hazel O'Leary

BROADCAST EXCERPT

MARK NELSON: Good morning, and welcome to the National Press Club and another morning newsmaker. My name is Mark Nelson, and I'm a member of the Morning Newsmaker Committee. Our guest today is Energy Secretary Hazel O'Leary. She is here to discuss her upcoming presidential mission to South Africa which departs later today. The Secretary will make a few brief remarks and then we'll take your questions. Secretary O'Leary.

HAZEL O'LEARY [Energy Secretary]: Thank you very much. Good morning.

For me and any number of people who are leaving today from Dulles Airport going to South Africa, it's a relatively hectic day, but I think this is the right way to begin this extraordinary journey. And I just like to put it in context very quickly for those of you who covered President Mandela's visit here to the United States, his state visit, in the fall of last year. That's really where this mission begins.

On that occasion, President Mandela met with any number of the Clinton cabinet in Blair House, I guess on the second day that he was here, and he said to me in that meeting, "Secretary O'Leary, I would like you to come to South Africa and help me with my reconstruction and development goal involving electrification." I was absolutely floored, having no idea that that request would be put directly to me.

Like all of you who remember President Mandela's visit and the moral fiber with which he has approached freedom for all of South Africans in a unified government, I knew nothing to say but, "Of course, sir. I will."

Later in the week, as President Mandela and President Clinton began to talk, they focused on what might be a number of

opportunities for our two nations to collaborate and came upon the idea that perhaps the best support the economic and human enabling goals of South Africa, perhaps a very long-term and sustained relationship would be necessary. On that same day, the President made the commitment that the Secretary of Energy would come to South Africa, and plans have been afoot to do that since last October.

Why South Africa?, has been the question asked by many in the press. First of all, you have to know that as our administration has looked for opportunities to expand economic empowerment in the United States by creating high-paying, hi-tech jobs, we have looked to where markets are expanding, and quite frankly, that's very dramatically in developing in transition nations, and so we have designated ten nations to be big emerging markets. South Africa is clearly one of those. And you can see the statistics on the market. Its population of 43 million people, its gross domestic product making up 30% of the gross domestic product of the entire sub-Sahara Africa.

Looking at it in another way, gross domestic product per capita is about \$2,085. The economic growth being measured is just a bit under 3%, as there was a rough patch last year. In the RDP, the plan is to have economic growth rates at about 6%, and that is so as to empower economically an under-class of South Africans who had not had the opportunity to participate in the economic gains in the old days of apartheid.

The unemployment rate, as you can see, is a startling 44%. That needs getting addressed to. And perhaps most importantly, for those who are focusing on energy, if you use electricity as the marker, under 40% of the population of South Africa has access to electricity. That provides the challenge, but the challenge goes deeper than that.

The United States involvement and engagement in South Africa many of us feel very personally as the United States is deeply engaged in the efforts to help South Africa relieve itself -- release itself from the change of apartheid.

And so there is, on the part of this administration, a supporting moral obligation that says having been involved in that struggle that we all watched and celebrated so in the past two years, we have some obligation to participate in the economic expansion of that nation.

I want to focus for a bit on what will be accomplished. My counterpart, Pik Botha, the Minister of Mineral & Energy in South Africa, and I have focused for almost a year on the goals of mutual support, and they are articulated here very simply.

First of all, I pointed to the information regarding electricity. What I haven't told you is that ESCOM, the nationally controlled electric utility, both generating and transmission and distribution system, really has excess capacity and so there is an opportunity, I will come to that in just a moment, to look at that excess capacity in two ways.

One, if you look at the map over here of South Africa, you can see that loop that points out that a third of this country is in very remote regional areas, and the grid, the transmission and distribution system, does not reach those areas. That's where the bulk of the people are living in townships and in more rural areas such as villages. So the challenge here is to figure out, is the most economic piece to try and string central station generation to those remote areas to empower people. Or is there a better way?

And what the government of South Africa has been looking at is that better way, which is to apply more appropriate technology to the more distant areas is simply because the cost, the economic cost of stringing lines that far may not dictate that that be done.

On the other hand, up north where central population already exists and sophisticated lines to bring in power, there's the opportunity for South Africa to sell electricity to other nations who require it, thereby bringing in hard currency to meet some of the other goals of the nation.

Minister Botha and I have talked about that, and that is one of the goals we've established for this partnership, and we will be working on both urban and rural electrification with the goal of looking for opportunities to support the sale of power outside of South Africa, thereby helping the entire sub-Saharan region.

Another area is in energy efficiency and help for the environment. As economic expansion takes place in South Africa, it has traditionally depended upon coal to provide 60% of its power. The projection is that the coal and the need for coal will grow, perhaps by as much as once again or by two times. That implies that we better be looking at energy efficiency in large -- in the large industrial sector, which is the largest user and consumer of energy, and an opportunity to reduce cost and thereby improve the environment.

I might add that South Africa has a long history in clean coal technology, having partnered with the United States before sanctions, in the area of synthetic fuels, and so there's an opportunity to bring science and technology there.

I'll skip energy policy and go down to science and technology because what South Africa looks for, with its own fine history of developing good technology in coal, as I've indicated, and also in

nuclear power, where they have had to go it alone since sanctions, there's an obvious opportunity for us to mutually support each other in the area of science and technology both for coal, for extraction of coal as well as for generation of coal, and for helping the mining area as well where issues involving mine safety and equipment are very important, also in energy efficiency.

I want to come back to the issue of energy policy because you all know that the government of South Africa now begins its hard look at what policies they might use to support free market, or if you will, private capital to support this development that is required. And so we have been asked to bring to them our experience, both good and bad, in opening up our markets to retail, both at the generation and now certainly the distribution area, and also to bring our experience in working with other countries.

And the last item which is equally as important as any is training and empowerment. The real goal of President Mandela and President Clinton is that as we go into South Africa we look at ways to empower and enable the majority black population who have been kept from participation in economic expansion, and that has to occur through training. And so we'll be announcing there any number of agreements between the private sector and government to government that provides training for young people still at the college level, for professors and teachers and focuses on science and technology to enable them in this area of energy.

These items have been now transferred, if you can stick with me, to the Gore and Becky Bi-National Commission which is the mechanism that both President Mandela and President Clinton have assigned to do a long-term support for both of our nations. The areas to be covered, you will notice we have listed energy first, are energy, business, human resources, again the training and education of individuals, science and technology, and a hard focus on conservation and the environment.

I want to focus on opportunities before I close for Q's and A's. I first talked about the remote regions that require electrification. My colleague, Bud Allen is going to help me because I'm stuck behind this microphone. But this provides an opportunity for U.S. businesses to meet the goal already established in the RDP to electrify 2.5 million homes by the year 2000.

The marketplace in photovoltaics alone, where the United States has perhaps the edge on the technology and the know how, amounts to over \$200 million per year. The goal remaining of a goal outlined by President Mandela is still approximately 2 million homes to be electrified. I don't want to make that sound like a daunting task because we need to focus back and recognize that already 1/2 million homes have been electrified.

Schools. About 9,000 schools, mostly in townships, require electrification. And finally, clinics where people get treated and have their health needs taken care of. That's the opportunity for photovoltaics.

While we're in South Africa near Johannesburg, I'll have the honor of cutting the ribbon at a factory where photovoltaic panels are now being produced in a joint venture with a United States firm called Spire Company and a consortia of majority black owners in South Africa who are part of a group called a Renaissance Group. This new company is called the Sun Company. It will produce, this year, 500 mega watts of photovoltaic power.

I'll also have the honor of being on the ground and doing a real thing, and that is taking some of these solar panels from the factory, which has now been up and running for some three weeks, almost four, I believe, to provide jobs for 300 South Africans.

I'll take these photovoltaic panels to, first of all, school in a township where they will be installed to provide lighting. We'll cover one school while I'm there. We will take it to one clinic. And perhaps most importantly, we will use these same photovoltaic cells to light a street light in a township where 5,000 people in that township come to get their water. It provides an opportunity for all of us to focus on how needs can be met.

Other areas for U.S. development are in oil and gas exploration where sealed bids for leases for some 15 of 19 tracts identified offshore are shortly to be opened. Also, there's an opportunity for coal exports, which I've mentioned before, with about 35% of the coal out of South Africa going to export markets. The doubling of that market for South Africa alone requires port expansion as well as help in mining, which I've indicated.

The import of gas. One of the things I'll do while in the continent itself is make a quick trip to Mozambique to participate in a wrap-up of a negotiation between Enron (?) and the government of Mozambique and its natural gas exploration unit which will be tapping into a \$700 million project to bring natural gas by pipeline into South Africa. This provides the opportunity for the growth of gas infrastructure.

And finally and my last. Sixty percent of folks have no access with a focus toward transmission and distribution. We'll be bringing with us on this trip electric utilities with experience both in independent power production, but most importantly, on refinement of and building of transmission and distribution lines both looking for meeting those needs in the highly populated areas and meeting those needs for expansion outside of the government of South Africa.

I don't think I've left out anything. I've probably left out many other groups of people, but I would suspect you would like now to place your own questions, so I'm going to shut up for a minute and take a glass of water while I listen to a questions. Thank you for being here this morning. Yes, sir.

AKHMED SAIB: Akhmed Saib, Egyptian correspondent here in Washington.

Regarding the latest Iranian-South African oil deal, are you going to discuss this deal with South Africa? And at the same time, do you think that you can review their situation with this deal with Iran? Your own expectation. Thank you.

SEC. O'LEARY: Thank you.

I suspected that someone would ask that question. I've already been quoted to saying, so I will try to re-quote my statement of earlier this week.

In the business of nations, we can collaborate on many things. I have not seen or known a nation with whom we have dealt in the United States on which we agree on all score. This is the case with South Africa. It is a sovereign nation.

Of course, our desire with all of the nations with whom we have strong and mutual ties would be that they would agree with us on scores. That just is not the case. My suspicion is that in South Africa we'll likely discuss this much more with the press than I will with my counterparts in the government generally. I think our position is well know. Likely, it will be discussed, but as I have indicated, I think I'll be talking about it more to the press.

My experience has been that you begin to build a more mutual view of global issues as you begin to work together. And we're about to begin, in a very deep way in oil and minerals, a deep engagement that has not existed since the sanctions. So my expectation is that, over times, we will begin, as nations, to see things much, much more in the same way. But I'm not fooled to believe that on every score we will be agreeing. And it was not my experience when I was in the private sector with companies, and it certainly is not my experience in dealing with personal relationships.

Yeah, yes, sir.

UNIDENTIFIED MAN: [Unintelligible] of India.

There has been some criticism that you go to different countries and sign agreements, but a lot of [unintelligible.] In

this connection, India has been cited. I was wondering whether [unintelligible] an overall view now of what you accomplished in India and how much of that is in danger, or anything is in danger at all, and that what you did accomplish was really massive (?) accomplishment.

SEC. O'LEARY: I'll probably ask you to reflect on that in your last question.

I want to step back and put myself back in the private sector, because what we know from private business deals is you do a lot of negotiating, you do a lot of signing and then you do a lot of scrambling around for the entitlements and the licensing to get large infrastructure bills. And every project begun is not completed. That is a fact of life and that can be occasioned by any number of decisions that have to be made along the way.

So my expectation in each nation, the United States certainly more than any other, I can tell you about projects of my own former company started and stalled and finally stopped for any number of reasons, that you move forward. And the value of the long-term relationship that I know exists between the United States of America and India, and the government of India, certainly exists between the Energy Minister, Salve (?), and the Energy Secretary, O'Leary, is one that endures through the longer term, recognizing that these projects take years from conception, from thought process and idea to construction and finally producing power.

And, you know, we could focus on failed projects, and I think we need to do that by examining what the failure was and what caused it so as to ensure that we can correct in the next steps. But the minister has -- Minister Salve has been to the United States three times since my first visit. I have been to India on two occasions, and we worked over the long term on the same set of issues that we began to address in South Africa, mostly being how do you ensure that the policy in the infrastructure is laid in so you can have more certainty about project completion? But I'm recognizing from my experience in the United States that you never hit 100%.

Yes, sir.

SECOND MAN: Do you plan any discussions on a nuke -- on South Africa's nuclear program? And are you convinced that any nuclear weapons program in South Africa has been halted?

SEC. O'LEARY: Well, our relationship with the government of South Africa on issues involving the security of nuclear material and fissile material generally, has been a very strong and a very vigorous relationship.

You will recall that the government of South Africa took extraordinary leadership at the U.N. and the prior conferences on the unconditional extension of the non-proliferation treaty. South Africa stands as really a banner and a leader in the international world -- in the international community for having foresworn its nuclear weapons. That is to be celebrated.

I will be meeting with my counterpart, Dr. Stumpf (?), right? Yes, I got it right. At the South African Atomic Energy Agency. We have high expectation that we might be able to complete the details of an agreement on the cooperation of matters involving nuclear safety and training, and I very much look forward to renewing a very strong relationship with my colleagues, and I've had the opportunity to renew each year when I have represented the United States government at the International Atomic Energy Agency. So I see opportunity for deep and extensive work, and I need to leave you with the strong impression that the world owes South Africa a great debt for the leadership position it took at the Non-Proliferation Treaty Convention.

Yes.

THIRD MAN: You spoke earlier about using appropriate technology in some of the remote locations where it's uneconomical to extend the electric power grid, and then you talked later on about photovoltaics. I'm not sure if that's what you had in mind for these remote locations or if there's something else you're talking about.

SEC. O'LEARY: Well actually, photovoltaics among them. Anybody who's been to or knows Cape Town will tell you that there's an opportunity for wind there. And focusing on technologies, I mean the Department of Energy, working with the business community, has managed to, you know, really saw down the price per kilowatt hour for wind so it's deployable in places like Minnesota where I used to live.

That is an opportunity, and I know that there's a marketplace there, the Zound Company, wind turbine producers, will be on the strip. And we're also looking at bio-mass and other forms of appropriate technology, all of which can be used for pumping, bio-mass for pumping water, for small generation within a community or a township, and certainly bio-gas for cook stoves which will save the lives of the women in communities who generally spend four hours a day in search of wood, which we would not like to be used, nor does the government of South Africa, for heating and cooking because its deforestation impacts are well known to all of us.

So all of those technologies can and are appropriate for application. It will simply be up to the leadership in those communities to determine what they want and would like.

THIRD MAN: These aren't the sorts of technologies that I think most people connect with the Department of Education -- Department of Energy, I'm sorry. I think most people would think of large, mega projects rather than a little, small cook stove.

SEC. O'LEARY: We got it covered at both ends. Yes, we do, yeah.

I will use this as an opportunity to talk about our National Renewable Energy Laboratory in Golden, Colorado, and we'll be bringing people from our National Renewable Energy Laboratory as well as our colleague from Oak Ridge, and I'm leaving out one, Lawrence Berkeley Lab. Those three Department of Energy national laboratories have had a long and enduring track record and very successful track record in the area of energy efficiency and appropriate technology. So now you will think about the Department of Energy in that way. Yeah, maybe.

Anybody else? Yes.

FOURTH MAN: On solar energy, we find 500,000 users in South Africa, and you're taking some experts along. Will there be any lesson that you bring back to the United States to encourage the use of solar energy where it's not now widely accepted?

SEC. O'LEARY: If this trip replicates the experiences that we have had in other developing or transitional nations, yes, we will. And what we're learning, and you know, I could almost take this example from Moscow -- now I've got to remember the name of the firm in Moscow that's producing photovoltaic cells but something light. But another name, Lose, Loon. Lose? I can't remember the name of a venture capital firm in Moscow that's producing photovoltaic cells as well.

What we're seeing is a marriage of folks in the United States with entrepreneurs in developing countries, and we're learning a lot about what it takes to get a business seeded. The challenge in the United States and in big emerging markets is to find the financial wherewithal to lay in this power, easily done with central station grids, because one can count on saving energy, cutting costs, and you simply pay the cost of the new technology in that way.

A major challenge is to find more creative ways to finance installation and start-up, and we're learning a great deal. And I suspect we'll learn a great deal in South Africa as well.

THIRD MAN: Do you think that domestic deregulation of the utilities markets will encourage financial backing?

SEC. O'LEARY: It much depends upon the criteria established

for deregulation at the retail level. And I have watched with a great deal of interest, and the department has participated in many of the hearings where these issues have been raised. The department is firmly on record, as is the Clinton Administration, to ensure that as we go forward, the gains that we have made in alternative to energy are retained, and that very much depends upon the reasonable cost of alternative energy.

We've seen what happens when you push on the technology with wind, we've seen what happens when you push on the technology with photovoltaics. I should have added that about 18 months ago, a firm opened in my own hometown of Newport News, Virginia producing a sense of film photovoltaics.

And the other thing that's encouraging is when you see entrepreneurs now having to compete with spinoffs from larger traditional energy companies in this business, gives me the sense that the price is getting to be just about right. So we also have an obligation to ensure that those who had pioneered continue to keep their place in the market, and that's why I'm very happy Zound is going with us. Thank you.

Anybody else? Yes, hi.

FOURTH MAN: Now that the Senate and House have both held hearings on restructuring and or continuation of DOE to do, describe what your expectations are for maintaining DOE in this present form or in the form in which you wish to take it.

SEC. O'LEARY: Oh God. I get up every morning with great expectations, and all of my friends on both sides of the aisle tell me that the department has done an excellent job in providing its own leadership in cost cutting. And I might now plug the \$14.1 billion worth of savings that we've identified, and more importantly, the way we have stayed focused on delivering our mission.

I don't count a thing done in the Congress until the last vote it taken, so I get up every morning presuming that we have to continue to deliver on commitments made to the American public and to the Congress to earn our way to exist as the Department of Energy. And I would point out to you that this trip to South Africa, in my mind, is one of the ways that we earn our way.

Yes, sir.

FIFTH MAN: Yesterday the Energy Department announced the final tally on the amount of people that were involved in radiation experiments, and it was twice the earlier number the Energy Department had put out. How surprised were you by the increased number?

SEC. O'LEARY: Well, I have -- I have actually what we thought was eight to -- six to eight hundred and we ended up with 16 thousand, so it was quite a bit more than we had imagined.

I'm in the position not to be shocked because, you know, I was getting daily information, or certainly weekly. I was being supplied information by a staff of people who were working almost like detectives or sleuths to find the answers to these questions. So not surprised, nor did I think when we began the examination of the department's widely flung records all over the United States and in hospitals and other institutions that, you know, with which we have no formal relationships, I suspected there was a lot more out there.

I think the more important thing to focus on is what we discovered, and that is, of all of those now individuals involved in some 450 experiments, 10% of them involved what Dr. O'Toole is calling questionable, either on the issue of consent or on the issue of benefit to the patient balanced against benefit to society generally.

And more importantly, what we found is a trail of almost a very, we don't want to say, dramatic and courageous advance of medicine, using nuclear energy or isotopic elements to cure things like thyroid disease, brain cancer, breast cancer, and more importantly, to understand how the body functions and to keep us healthy. And that was a very positive side of this examination to actually watch the evolution of understanding and the treatments that flowed out of it.

I'm reminded by this group of people that today 35,000, I think that's the number, treatment or diagnostic procedures are performed in the United States of America using nuclear medicine. And much of that came out of the work that we had discovered.

FIFTH MAN: I'd like to follow up. On the negative side of that, where are you on the issue of compensation for those that were not consulted and were not well informed?

SEC. O'LEARY: Well, the President of the United States, with a great deal of good sense and a feeling for openness that's been the hallmark of our administration, named an advisory committee to look at these issues, he believing, and I certainly do as well, that we needed to step away from the facts and have someone else interpret them. His presidentially commissioned advisory committee will finish its work at the end of September. At that time they will be presenting a number of recommendations to the President, and I expect we will have their recommendations at that time. My sense is that will occur at probably in the last week of September.

Yes, sir.

SIXTH MAN: Finding a solution to storage of low-level and high-level radioactive waste remains an unresolved problem. How close are we to resolving it?

SEC. O'LEARY: Well, on the low-level waste, every day I see reason to have more confidence. Those are issues that the Congress wisely left to the states to determine on their own with no involvement of the federal, you know, federal agency, like the Department of Energy. And in this instance, the storage of low-level waste, quite frankly, has to do with community acceptance.

And you may know from watching your own colleagues in the press and the wires that Barnwell in South Carolina, which was about to be closed to all other commercial storage, has been reopened by the governor in what I think was a good sense decision.

I'm now remiss to name the state, but another state in the heartland, I want to say Illinois, I may be wrong on this, but I remember we used to use this facility as well when I was in the private sector, has also announced that it will go forward with its plan for a low-level waste dump facility. And I will have to check the state. I may not be correct on that.

The issue of high-level waste at the national level falls, as you well know, right within my bailiwick. When -- it annoys people that I say this but it's important to say it -- when I came to the Department of Energy, it was clear that the milestone for opening a long-term repository for high-level nuclear waste could not and had not been met, and the date set in the legislation was 1998.

Since I had been at the department, it's been part of my commitment to the Congress and the American people to come up with a date certain that we thought we could open a facility. We set that date for 2010. The issue that has to now be settled is when we do finish all of the technical and scientific work that allows us to determine whether or not the site established or named by the Congress, Yucca mountain, Nevada, is appropriate for a 10,000-year repository for high-level nuclear waste from commercial facilities mostly for the majority. That characterization work, again, dictated by the Congress will not be finished until 1998. At that point it will be a go or no go for Yucca.

I also came in the job clear that no one would be assigned a project of the size of a high-level repository for nuclear waste nor as expensive as this capital facility without having an alternative. But Congress did not provide for the Department of Energy any alternative other than Yucca, so we've just been working Yucca. We've asked the Congress to give us some alternatives, one of which ought to be the capability to begin some interim storage facility before 2010.

The current law forbids the secretary of energy from starting an interim facility until construction on the permanent facility is completed. That strikes me as very commonsensical. Not even my grandmother would make such a decision.

The Congress now has before it some maybe 20 pieces of legislation establishing that interim authority in the secretary of energy to go forward. I encourage the passage of that legislation. I have a few doubts about the major legislation that's being moved, one of which is to pinpoint Yucca mountain exclusively as the site for an interim facility. But my sense in the 104th Congress, there will be legislation that will give us an interim facility that will allow this secretary of energy or some secretary of energy to open an interim site well before 2010.

SIXTH MAN: Could your remarks cover both commercial and military?

SEC. O'LEARY: Absolutely. And I now must go back to that.

The challenge with the military material is two-fold. First of all, that that is spent fuel and of commercial grade can and had always been planned to be received by the Yucca mountain facility. The numbers of metric tons of waste fissile material generally are too large to be contained in one facility at Yucca mountain so that, you know, people who know this business have always understood that there must be certainly a second at a minimum facility. The other challenge with fissile material other than spent nuclear fuel is to downgrade it to commercial grade so that it may be stored using the same criteria that we use for commercial nuclear power.

I now must take a deep step and -- deep breath and bore those of you who don't follow these details. But the issue there is to transmute or to download, degrade that bomb-grade material so that it can be stored in the same fashion. We are working on three technologies to do that. One is to vitrify this waste, and that simply means to put it into glass logs so that it might be stored and actually mix it with some material so it could go in a Yucca mountain-like facility. The other is to do what people like to call transmute, I like to call it downgrade, the material in a nuclear reactor. And there are several reactors in the United States that could be used for that. There's a can-do reactor in Canada which also may be used.

And the other methodology we're now looking at is one that I will probably get in trouble for saying that does not -- it does not attract me as a matter of not too much intellect but almost intuitively, and that's deep bore hole burying of the material.

But those are the three areas that we have been told to

examine by the National Academy of Science. And I'll go further to tell you that we'll be completing an environmental impact statement in the late summer of 1996 which will begin that process. So we'll be at this for another 20 years, or someone will be at it. I'm sure you didn't want all of that.

Yes, sir.

SEVENTH MAN: Would you give us your view of the fact that some of the human radiation experiments involved the use of very young children, prisoners and mental patients?

SEC. O'LEARY: Now, you know, I have spoken on this issue and did quite dramatically back in the winter of 1993. The issues that disturb me are matters of ethics that I think have disturbed anyone looking at are those isolated cases. What I have learned is it matters not what I feel, it matters, really, what the American public feels, and so we look -- I look with great hope to the work being done by Dr. Ruth Faden, who's an eminent ethicist, who taught me just about all I know in this area. And interestingly enough, I was her student well before that fateful day in late December that I uttered those words.

So I continue to have the same concern, but I think we now look to Dr. Faden and that committee of eminent scientists, lawyers one or two real life people as well, to reflect upon what they have found, and more importantly, to examine the standards we now apply in all of our medical experimentation and help us be certain that those things never happen again.

Yes, ma'am.

UNIDENTIFIED WOMAN: Going back to your trip, you said you were taking a quick trip to Mozambique...

SEC. O'LEARY: That's correct.

WOMAN: ...to participate in a -- is that the signing of a deal with Iran?

SEC. O'LEARY: That's correct.

WOMAN: And the government of Mozambique?

SEC. O'LEARY: Um-hum, um-hum.

WOMAN: Do you know how much natural gas they'll supplying to South Africa?

SEC. O'LEARY: Oh God, I'll have to provide you the fact. I've been so focused on all of the size of the deal. But someone

in my staff will give that to you before we leave this room.

WOMAN: And will that also supply natural gas to Mozambique?

SEC. O'LEARY: Well, the market here is south to South Africa, and that has been the focus. And all I've read about the project leads me to believe that certainly there will be some availability for Mozambique itself. But I believe that they are in the business of looking for hard currency themselves.

WOMAN: And one more question. Because this is a, I understand, a presidential mission, are you going to be conveying any specific thoughts from President Clinton? You've already said you're not going to go into detail about this issue with Iran. But what about...

SEC. O'LEARY: No, I didn't say that. Let me be very clear about that. I said what you hear me say about that publicly to my counterparts will be little, and mostly you will hear me speak to the press on this thing.

What I have learned in the work that I've done representing the United States of America, which is the case with me when others come to visit me in the United States, there's not much business I can cut by speaking about issues that are to be privately discussed in a closed room. I learned that the hard way but I've also learned it by experience. And, of course, I do bring formal messages from the President of the United States. And the issues in which I will address are those that I have outlined, and I also bring with me outline of the work to be done by the Gore-Mbeki Commission, which has been very well thought out.

The purpose of this mission is to focus on opportunities for business in the United States through developing issues and projects of mutual interest to the United States and South Africa. But in no way do I want to you leave here thinking that I'm a mini-secretary of state and secretary of energy.

Yes.

EIGHTH MAN: Secretary O'Leary, now that Charles Prince has been sworn in as deputy secretary, are you going to be selecting and naming a new under-secretary?

SEC. O'LEARY: Well, the way that thing works is the President selects and the President nominates.

EIGHTH MAN: Will you recommend him for it?

SEC. O'LEARY: Yes, I will.

EIGHTH MAN: Soon?

SEC. O'LEARY: Likely very soon.

Yes, sir.

NINTH MAN: Beyond your trip, and I saw your field coffers Wednesday, so I would congratulate you in just listening to it.

SEC. O'LEARY: Thank you.

NINTH MAN: I thought it was the most excellent one hour that I've seen trying to tell them what you did in the dance in the other room a year ago. But there's something else coming up after this. Are you going to Beijing?

SEC. O'LEARY: No, I'm not. No, I'm not going to Beijing. I was in China, gee whiz, it seems like I wasn't very sick in China in February. And I -- my colleague, Madeline Albright, Donna Shalala and Carol Browner will be representing our administration. It occurs to me that through the summer months, I have a lot of other knitting, so I'll be here doing my knitting.

NINTH MAN: I would suggest on your flight over that you try to get a hold of the little book that's written on Mitchell and his beginning electric utility industry and the companion book on the history of Pacific (?) Power & Light, because in that, it's fun reading, and you see -- you will see...

SEC. O'LEARY: You know, I have 24 hours in the air.

NINTH MAN: But this is not the -- this is not the first mission. It's in the transcripts for the Policy Act that the 1882 U.S. Navy world visit with whatever we had for a transport ship that Mitchell was the captain on, the Naval Academy, that led him to Edison to Pearl Street and then led him to sell generators and create a utility industry. It's an excellent thought process of what happens in two years, five years.

SEC. O'LEARY: Thank you. I know of my own personal experience about that same odyssey with another utility on the east coast in the Philippines, and that's a very exciting history. I'll look forward to understanding this one. Thank you.

Are we finished, ladies and gentlemen?

TENTH MAN: One more question.

SEC. O'LEARY: Yes.

TENTH MAN: On the whole, having gone through this whole

process now of trying to expose what happened in the radiation experiments, on the whole, what is your view of what has been found in the main, overall?

SEC. O'LEARY: You know, I'm trying so desperately not to do that because it's not my job anymore to do that. It's the job of Ruth Faden to do that. And as much as you would like me today to do that, I'm going to wait and let Ruth Faden do it. I do. And we had the good common sense to understand in the Department of Energy that we needed to provide the data and we needed someone to step away from us and interpret that data. I think it's important to let Dr. Faden do that.

Yes, sir.

ELEVENTH MAN: Secretary O'Leary, from your experience and your success in China, what do you see as a remedy for the free fall relations? And can you -- to your energy contacts in China, have you got good offices? And are you currently working on improving relations with them?

SEC. O'LEARY: I'd like to think I have good offices wherever I've been, and you could probably tell me in the press whether that's true or not.

You know, the comment I made with respect to the rough patch in India over this one contract holds true for our relationship with China as well. You know, I could, and having never stepped into Japan on behalf of this administration, almost make the same comment. You know, there are ebbs and tides in relationships and we endure because now, more than ever as, you know, we focus on the comprehensive test ban treaty, am I aware of the fact that major nations, in the end, have got to identify mutual goals of prosperity, peace, national security and enabling a class that, you know, that is a lower class in many of our countries. And I cannot see that we let these rough patches along the way ever get in our way.

And, of course, I continue my relationships. I prize them and they are very necessary for the long term. And the business I am in is a very long-term business.

ELEVENTH MAN: Are you getting -- are you getting feedbacks through your good offices with the Chinese? That was the second part of my question.

SEC. O'LEARY: Yeah, I understood what you were saying, and I was trying to dodge that question.

[Laughter]

SEC. O'LEARY: I hear from lots of our colleagues in China. I think I'm outta here. Thank you very much. Thank you. Thank you very much.

EX LIBRIS
H. L. DANEMAN
1304 CALLE RAMON
SANTA FE, NM 87501