To Jerry ED Terri O

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Department of Energy
Albuquerque Operations Office
P. O. Box 5400
Albuquerque, New Mexico 87185-5400

12/17/96

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NM ENVIRONMENT DEPARTMENT
OFFICE OF THE SECRETARY

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Mr. Ed Kelley
Director, Water and Waste Mgmt.
New Mexico Environment Dept.
P. O. Box 26110
Santa Fe, NM 87502

Dear Mr. Kelley:

The Department of Energy (DOE), Albuquerque Operations Office (AL), Office of Environmental Management has been notified that it will receive $381,497 million to conduct environmental management (EM) activities in Fiscal Year 1997. This funding is 11 percent less than Fiscal Year 1996 funding level. These funds will be used to conduct waste management, environmental restoration, technology development, facility stabilization and support federal and support contractors salary, training and travel at the following locations: DOE/AL, Sandia National Laboratories, New Mexico and California; Los Alamos National Laboratory, New Mexico; Pantex Plant, Amarillo, Texas; Kansas City Plant, Kansas City, Missouri; Pinellas Plant, Pinellas, Florida; Grand Junction Office, Grand Junction, Colorado; and the Uranium Mill Tailings Remedial Action Project which is headquartered in Albuquerque, New Mexico.

The enclosed documents provide background information on how the $381,497 funding level was determined and how this funding will be divided among the various offices. Distribution of the funds was based on DOE/AL priorities which are to (1) ensure all environmental management operations are accomplished in a safe and environmentally sound manner, (2) continue critical waste management activities to support mission operations at AL sites, (3) complete closure of Pinellas, Florida Plant in FY 1997 and complete UMTRA Surface cleanup by FY 1998, (4) ensure balanced legacy waste workoff, environmental restoration, technology and national programs, and (5) other program initiatives. Even though it is likely that adjustments to certain project completion dates will occur, we are confident that overall competition of our AL EM programs are attainable within the 10 year timeframe.

As you review this information, please feel free to contact me at (505) 845-6210 or your local DOE Area Office.

Sincerely,

W. John Arthur, III
Assistant Manager for Office
of Environment/Project Management

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Enclosure

cc:
Mr. Mark Weidler, NMED

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DEPARTMENT OF ENERGY
ALBUQUERQUE OPERATIONS OFFICE
ENVIRONMENTAL MANAGEMENT
FY-97 BUDGET

In Fiscal Year 1997 (FY-97) the Department of Energy-Headquarters (DOE-HQ), Office of Environmental Management (EM) was provided $6 billion to conduct environmental clean up and waste management activities across DOE complex. The funding was then divided among the various DOE-EM programs at Headquarters and the field. DOE-Albuquerque Operations Office (AL) portion of the funding is $412,407.

Before the $412,407 is divided among the DOE-AL environmental management programs two deductions are made. The first reduction, $19.8 million is a result of "FY-96 uncosted obligations" . Uncosted obligations are those activities in FY-96 which the department committed funding to but which did not get billed for in FY-96. DOE made a commitment to congress to decrease its uncosted obligations by $150 million in FY-97. The $19.8 million reduction from the DOE-AL environmental management budget is DOE-AL's portion of the $150 million reduction commitment to congress.

1)	$ 412,407	(DOE-AL EM budget)
	$ -19,859	(DOE-AL EM uncosted obligation penalty)
	$ 392,548	Subtotal DOE-AL EM budget

The second reduction is for "unfunded programs". In FY-98 10 programs (Attachment 1) which were previously funded at Headquarters were allocated to DOE-AL. Sixty-five percent of the funding for these programs was provided to DOE-AL so the remaining 35 percent (or $30.3 million) will be absorbed from the DOE-AL allotment.

2)	$ 392,548	(DOE-AL EM budget)
	$ -11,051	(DOE-AL EM unfunded programs reduction
	$ 381,497	Total DOE-AL EM budget

The $381,497 budgeted to the DOE-AL environmental management program will fund the following programs for FY-97: waste management; environmental restoration, technology development, nuclear materials & facility stabilization/site operations (closure of Pinellas facility, etc.), policy and management (Pueblo Cooperative Agreements), program direction (federal expenses such as salary, travel and training, and support contracts) the Uranium Mill Tailings and Remedial Action Project (UMTRA) and the Grand Junction Office.

The following tables indicate the distribution of the $381,497 million among DOE-AL and its Area Offices. Below each table is a list of the impacts caused by the budget reduction.

ALBUQUERQUE OPERATION OFFICE
FY 1997 ENVIRONMENTAL MANAGEMENT PROGRAM
FY 1997 PROGRAM BREAKDOWN

($'s in thousands)

	Environmental Restoration	Waste Management	Nuclear Materials & Facilities Stabiliz.	Site Ops.	Trans. Mgmt.	Emerg. Mgmt.	Tech. Devel.	Program Direction	Policy and Mgmt.	Total
BASE PROGRAM										
AL	5,701	5,151	0	3,664	4,643	380	8,806	15,132	310	43,787
Sandia	18,277	15,746	0	0	0		12,686	0	0	46,709
Los Alamos	48,428	50,390	14,000	0	0	0	8,552	0	0	121,370
Pantex	8,761	11,267	0	0	0	0	0	0	0	20,028
Kansas City	3,887	8,087	0	0	0	0	0	0	0	11,974
Pinellas	0	0	0	65,404	0	0	0	0	0	65,404
ITRI	322	596	0	40	0	0	0	0	0	958
GJPO	41,277	0	0	0	0	0	0	0	0	41,277
UMTRA	41,041	0	0	0	0	0	0	0	0	41,041
Sub-Total Base Program	167,694	91,237	14,000	69,108	4,643	380	30,044	15,132	310	392,548
Defense	81,054	90,641	14,000	69,068	4,643	380	30,044	15,132	310	309,272
Non-Defense	86,640	596	0	40	0	0	0	0	0	83,276
Grand Total	167,694	91,237	14,000	69,108	4,643	380	30,044	15,132	310	392,548

1/ Included in these targets are $11,051K of EM unfunded programs.