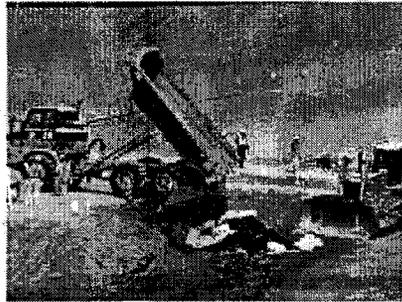


Environmental Management FY 2005 Budget Request



Demonstrated Results:
Accelerating Cleanup

February 2, 2004

33282



Vision is

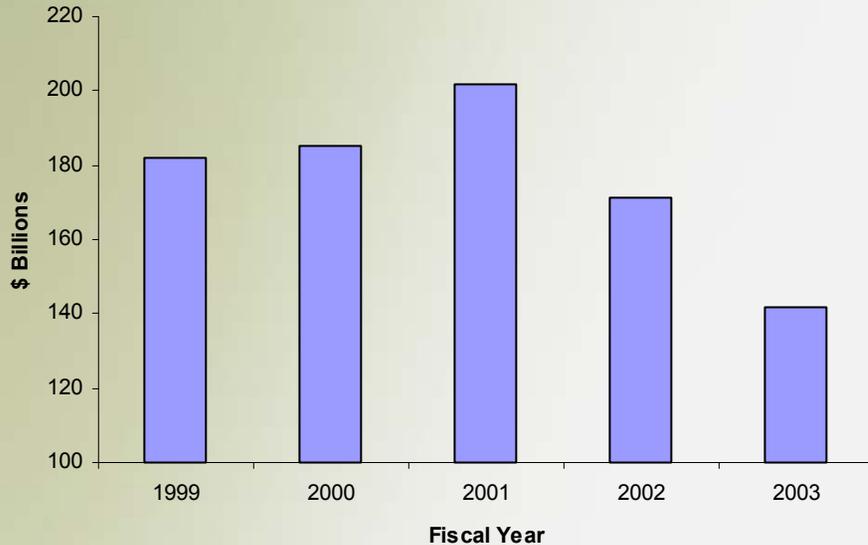
Eliminate significant environmental, health and safety risks as soon as possible allowing use of resources for other national priorities

Accelerate environmental improvements and clean up by 35 years saving the taxpayer in excess of \$50 billion

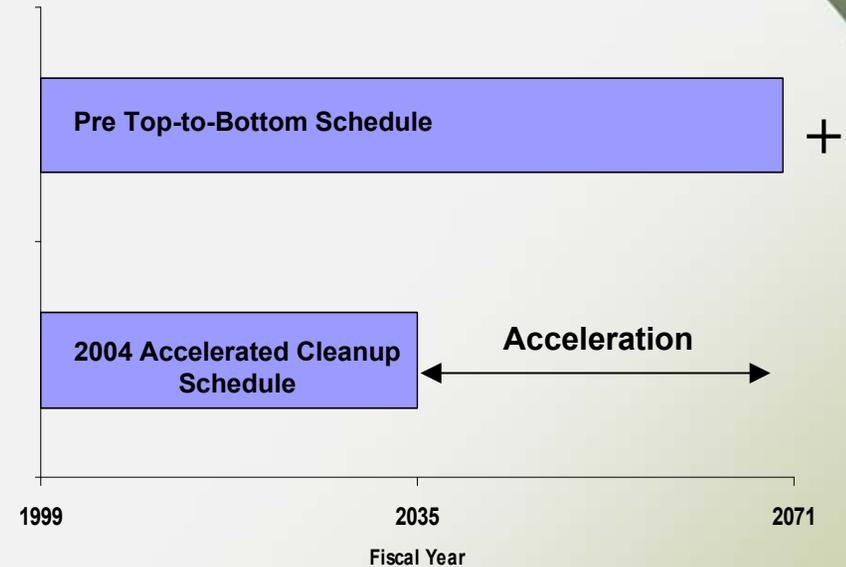


Becoming Reality

Lifecycle Costs (Constant 2003 Dollars)



Accelerated Cleanup Schedule



- **Our “Mantra”**

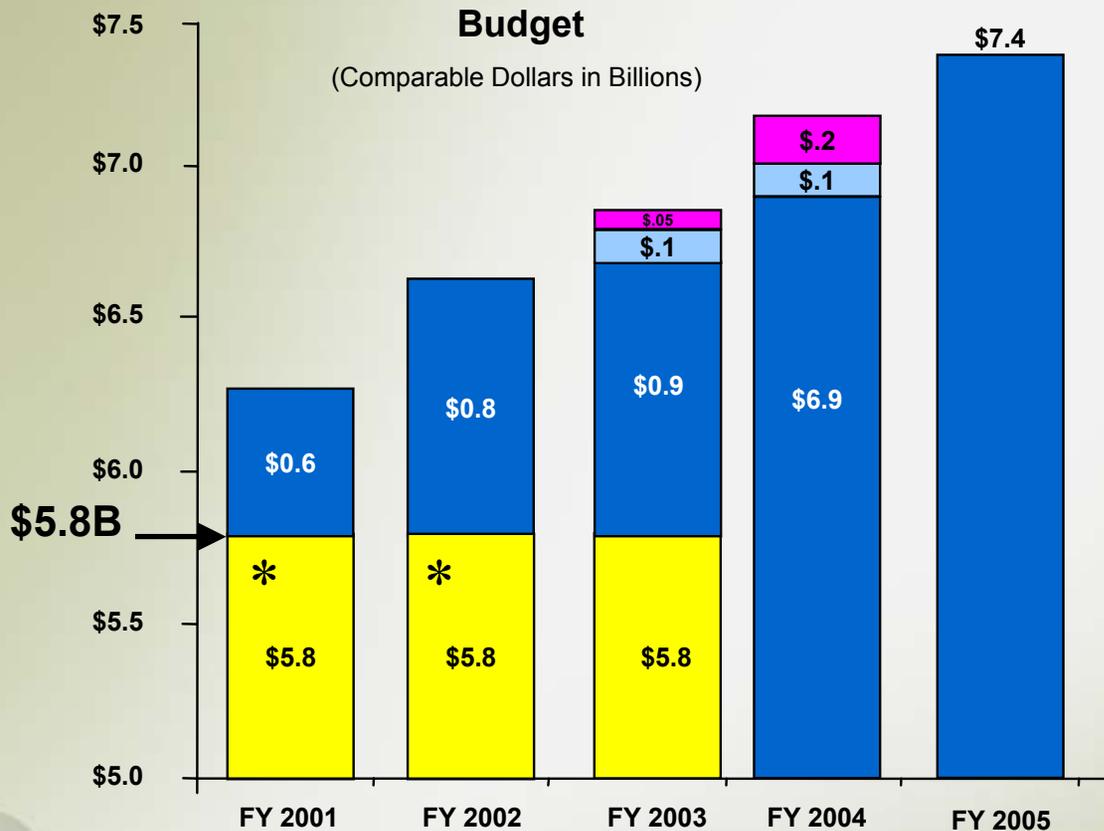
- Improve safety performance
- Accelerate risk reduction and cleanup mission
- Innovation a necessity
- Drive performance through appropriate acquisition strategy
- Control the program and projects
- Align mission, budget, outcomes, and organization
- Partner with regulators

Making Accelerated Cleanup a Reality....

Office of Environmental Management

To Keep Momentum---FY 2005 is Pivotal

Without the President's request ---Accelerated Risk Reduction is stifled

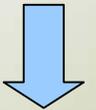


* Congressional reductions not shown

Congressional Reductions from Request



Congressionally Directed Activities



REAL RISK REDUCTION



\$5.8B

versus



Risk Management

Making Accelerated Cleanup a Reality....

Office of Environmental Management

The Reforms Resulting in Success

- **Acquisitions**

- Three business models

- Improving incumbent contractor's performance
 - Increased competition with more small business participation
 - Establishment of national Indefinite Delivery/Indefinite Quantity contracts

- **Team Successes**

- 10 Project Teams focused on removing obstacles to innovation and results

- **Business Processes**

- Linking leadership and accountability to desired outcomes

- Human Capital
 - Resources Loaded Baselines
 - Performance Assessment
 - Configuration Control

Demonstrated Results

- **Spent Nuclear Fuel:** **Risk Reduction**
 - Six Spent Nuclear Fuel Basins have been de-inventoried (3 at INL, 2 at Savannah River Site, and 1 at Hanford)
 - 70% of the Spent Nuclear Fuel has been removed from the K-Basins at Hanford and all spent nuclear fuel has been removed from West Valley.
- **Plutonium Metals, Oxides, and Residues:** **Risk Reduction**
 - Reduce/Eliminated EM SNM at Oak Ridge, Idaho, and Mound
 - Rocky Flats has shipped all plutonium off site and closed the last remaining material access area.
- **Radioactive Liquid Waste:** **Risk Elimination**
 - Savannah River Site reduced liquid waste volume by 1,000,000 gallons in 2003 and completely emptied 2 tanks ready for closure.
 - Office of River Protection completed pumping over 1,500,000 gallons of liquid out of single shell tanks.
 - Idaho emptied 5 pillar and panel tanks, completed cleaning 2 high-level waste tanks and reduced tank volume by over 1,000,000 gallons
 - All legacy fissile material solutions have been stabilized across EM (Hanford, SRS, and Rocky Flats)

Demonstrated Results

- **High Level Waste:**

Cost Savings

- At Savannah River Site, canisters are filled with 30% more waste than they were a year ago with a new glass frit and more efficient waste loading

- **Uranium and Depleted Uranium:**

Risk Reduction

- Savannah River Site repackaged and disposed 10% of their inventory

- **Low Level and TRU Waste:**

Accelerated Schedule

- Disposed of 40% of the Life Cycle Total of LLW/LLMW
 - In FY03, over 75,000 cubic meters of LL/LLMW and over 4,500 cubic meters of TRU/TRUM

- **Closure Sites:**

Meeting Commitments

- Major closure sites remain on track to complete cleanup by 2006, including Mound, Fernald, and Rocky Flats.

We Must Stay on the Path

Continue to Sharpen Focus

- Transferring non-cleanup activities to improve alignment within DOE
- Driving accountability and performance
- Encouraging innovation

There will be turns in the road

- Reduced funding and operational flexibility---Slows results and delays real risk reduction
- Waste Incidental to Reprocessing litigation (potential \$350M impact)
- Competing National Priorities