

DECEMBER 1, 1986  
(Dictation as of November 26)

MEMORANDUM



TO: THE FILES

FROM: MARGARET GRAY

RE: VIC BERNIKLAU AND MARY WILSON  
DEPARTMENT OF ENERGY

Today I had lunch with these two who came up from Albuquerque. Vic is Assistant Manager for Administration in the Albuquerque Operations Office and Mary is a lawyer there.

Vic agreed to send us the resumes of the three people mentioned in the November 14 memo concerning the executive loan program and he will check with his boss Ray Romantowski concerning other possibilities. He feels they can offer financial people in particular but I also asked him to see if he could find some good personnel people. He felt it would be inappropriate to place Federal people at a Cabinet level, but fine for Division or Deputy level. I gave him a copy of the DFA listings to consider.

Mary Wilson was particularly concerned about the WIPP site in Carlsbad. Apparently there is a conflict resolution protocol, established in 1981 and updated in 1983, which specifies the steps for negotiating clear differences concerning policy or actions by DOE with the state. In essence the court of last resort is the Governor and his authority is non-delegatable. The flap concerns action Denise Fort has taken, allegedly without grounds, to institute the conflict resolution process. If it goes far enough it could make the governor look poorly no matter how it is resolved. If he stops the action, it may make him look "pro-nuclear," if he doesn't, he will be on very shaky legal ground.

Apparently the Carlsbad site has been designated an "R & D" facility, as opposed to a "permanent repository" site. As such, there are certain EPA reports and processes which must be observed. The reports for an "R & D" facility are different from that of a "permanent repository" facility. While all the proper steps had been taken for an "R & D" designee, Denise Fort fought that by taking it for a decision to EPA. EPA ruled in favor of DOE and said they had fulfilled their obligations properly. Similarly, the legislative committee charged to oversee nuclear and hazardous waste in the state, cross-examined Denise heavily on her actions and believe that DOE is in full compliance. Nevertheless, she is involving the conflict resolution protocols, which will leave Garrey in the middle of that process when he is sworn in to office. Mary will be in touch with Larry Gordon of the HED Transition Team to alert him to the situation.

cc: Governor  
Budke  
HED Transition Team

861201



TO: MARALYN BUDKE  
MARGARET GRAY

FROM: Barbara

SUBJECT: DOE specialists desiring to serve the state of New Mexico  
on the Executive Loan Program

DATE: November 14

The late three-star General E. C. (Moose) Hardin discussed with candidate Garrey Carruthers the possibility of four or five top scientists/analysts with the DOE Office of Strategic Planning (ALB office) transferring to the state of New Mexico on the Executive Loan Program for a specified term of service.

Gen. Hardin passed away unexpectedly recently. The four or five people who had expressed an interest to the General in participating in the program want to follow through. They are not permitted to seek the transfer or to lobby for it, but the Governor may seek their services.

They are:

PORTER GRACE - identified as an internationally known health physicist.

HARRY HILL - cost analyst expert in the field of management of Rockwell, Martin Marietta, and Monsanto nuclear weapons contracts.

GARY GRUYERE - manages Los Alamos laboratories finances, cost analyst and management expert.

HILL and GRUYERE prepare budgets three years before they are presented to Congress and they are the lobbyists with Office of Strategic Planning who see the budgets through Congress.

They have requested that the Governor speak with the director of management and administration of the Office of Strategic Planning to discuss the possibility of utilizing talent through the Executive Loan Program:

<sup>K</sup>  
VIC BERNI~~E~~LAU  
846-4659

Ellen Weckler, military weapons analyst, worked with General Hardin on the Executive Loan Program and will be available to assist as liaison. Her number is: 846-3324 (ALB).