



**Department of Energy**

Carlsbad Area Office  
P.O. Box 3090  
Carlsbad, New Mexico 88221

MAY 25 1994

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*Beards*  
*Handwritten signature*  
*Judy*  
*Handwritten signature*

The Honorable Bruce King  
Governor of New Mexico  
New Mexico State Capitol  
Room 400  
Santa Fe, New Mexico 87503

Dear Governor King:

The enclosed Fact Sheet was prepared in response to a request by Congressman Joe Skeen to assist him in addressing questions raised by his constituents due to the recommendation by the House Armed Services Committee to reduce the Department of Energy's Waste Isolation Pilot Plant budget by ten percent.

We hope this will assist you in answering any questions that may be raised on the Fiscal Year 1995 budget. If we can be of further assistance, please call me at (505) 234-7300.

Sincerely,

*Handwritten signature of George E. Dials*  
For George E. Dials  
Manager

Enclosure



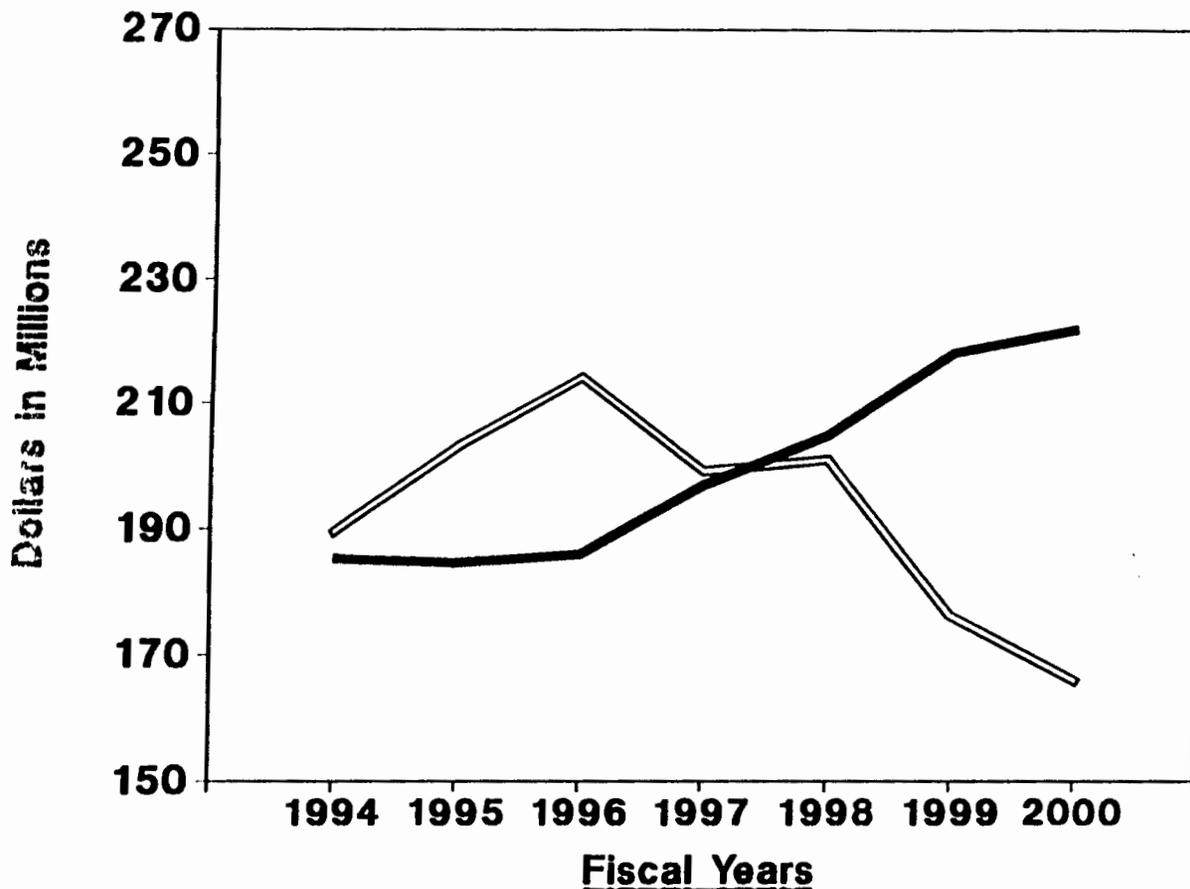
## **CARLSBAD AREA OFFICE FACT SHEET ON FY 1995 BUDGET ISSUES**

- May 1994

- On October 21, 1993, Secretary O'Leary announced a revised WIPP test strategy. This includes:
  - No underground radioactive testing will be performed at WIPP.
  - The enhanced laboratory program will be conducted.
  - The DOE will accelerate the regulatory compliance for waste receipt to mid 1998.
- On December 9, 1993, the Carlsbad Area Office (CAO) was established.
- In the realignment, the CAO became responsible for the National TRU Program (NTP) management. The National TRU Program Office (NTPO) was created to integrate and coordinate generator site waste characterization, certification, packaging, transportation and emergency response programs.
- The CAO reduced the scientific advisor program and as a result of the FY 1994 Transition Plan, reduced the Managing and Operating (M&O) contractor resources to be consistent with the revised test strategy. It is now in the process of realigning the FY 1994 resources to achieve an accelerated Disposal Decision in 1998.
- In February 1994, the CAO initiated monthly interface meetings with the Environmental Protection Agency (EPA) to ensure resolution of regulatory compliance issues. In addition, communication with other regulators (i.e., New Mexico Environmental Department (NMED)) and stakeholders (i.e., Western Governors' Association (WGA), Southern States Energy Board (SSEB), Environmental Evaluation Group (EEG) and the National Academy of Sciences (NAS)) have been enhanced.
- On March 7, 1994, the CAO and headquarters (HQ) initiated a precedent setting joint audit with the Office of the Inspector General (OIG) which will benchmark the operations of the site and identify any potential savings or additional requirements necessary for an effective and efficient organization. Any savings identified as a result of the audit could be applied by the CAO to additional scope which would facilitate the achievement of its mission. The draft audit report is scheduled for mid June with the final report due July 1994.
- On April 5, 1994, the WIPP Disposal Decision Plan was approved, distributed and briefed to the stakeholders.

- The FY 1995 President's budget was developed on preliminary estimates for the revised strategy. As a result of the current multi-year planning effort, the CAO has now resource loaded all the requirements necessary to achieve the approved Disposal Decision objectives. This resource loading while showing increased funding in the early years results in a reduction of \$48.7M from that requested in the President's budget. This reduction is a result of management reviews and validations and productivity enhancement initiatives.
- The FY 1995 President's budget outyear funding profile was sufficient to achieve the disposal decision but it was not appropriately phased by year to support the accelerated compliance strategy (see attached chart) nor to realize savings possible by undertaking some activities in a more timely manner.
- A 10% reduction in the FY 1995 budget will impede the momentum which the CAO has achieved in refocusing from a test strategy to an accelerated compliance strategy and achievement of the DDP. Potential impacts could include:
  - Impeding the CAO's ability to satisfy the Land Withdrawal Act (LWA) commitments.
  - Impeding the establishment of a centralized management of the NTP, which is needed to provide guidance to all generator sites. This will adversely impact the outyear funding of the generator sites and their ability to comply with state regulatory requirements.
  - Impedance of the Waste Characterization Programs at the Idaho National Engineering Laboratory (INEL), Argonne National Laboratory - West (ANL-W), Argonne National Laboratory - East (ANL-E), Oak Ridge National Laboratory (ORNL), Los Alamos National Laboratory (LANL) and Rocky Flats Plant (RFP). The waste characterization program is necessary for the CAO to establish the criteria to be used by the generator sites to characterize waste for shipment to the WIPP.
  - Impeding CAO's ability to fulfill commitments with our stakeholders which include the WGA, State of NM, Indian tribes, EEG, NMED and the SSEB.
  - Most importantly, impeding the CAO's ability to perform the experimental program, develop the performance assessment models, demonstrate compliance to the regulators, resolve stakeholder concerns and achieve certification for waste receipt at the WIPP.

# CARLSBAD AREA OFFICE



	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>Total</u>
■ '95 President's Budget	185.3	184.6	186.0	197.0	205.0	218.0	222.0	1397.9
□ CAO DDP Request	189.5	203.2	214.2	199.3	201.1	176.1	165.8	1349.2
Variance	4.2	18.6	28.2	2.3	-3.9	-41.9	-56.2	-48.7
New NTP Scope	4.2	8.9	8.8	9.1	9.4	9.4	9.8	59.6

# WIPP News

MAY 11, 1994

This material is to inform you of news stories that directly and indirectly affect the WIPP project.

Technical Communications  
and Media Relations  
Waste Isolation Pilot Plant  
P.O. Box 2078  
Carlsbad, NM 88221  
505-234-7205

● "House Committee Cuts WIPP Budget by 10 Percent"

The House Armed Services Committee, in a closed meeting last week, slashed the DOE's 1995 budget request for the WIPP by 10 percent, according to a committee report obtained by The New Mexican.

The New Mexican  
Santa Fe, NM  
May 11, 1994

Regional newspapers scanned daily:

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|---|--|--|--|--|
| ● <u>Albuquerque Journal</u><br>(circ. 121,200) | ● <u>Albuquerque Tribune</u><br>(circ. 40,000) | ● <u>Artesia Daily Press</u><br>(circ. 3,600)    | ● <u>Carlsbad Current-Argus</u><br>(circ. 9,500) | ● <u>El Paso Times</u><br>(circ. 62,600)   |
| ● <u>Hobbs Daily News-Sun</u><br>(circ. 12,000) | ● <u>Las Cruces Sun-News</u><br>(circ. 21,700) | ● <u>Lovington Daily Leader</u><br>(circ. 2,400) | ● <u>Roswell Daily Record</u><br>(circ. 14,500)  | ● <u>The New Mexican</u><br>(circ. 18,000) |

A clipping service and project participants provide articles from additional print media outlets.