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FOR IMMEDIATE RELEASE

CARLSBAD AREA OFFICE WILL DO MORE WITH LESS MONEY IN FY-1997

CARLSBAD, N.M., March 20 -- The U.S. Department of Energy's (DOE) Carlsbad Area Office will manage the National Transuranic Program and the Waste Isolation Pilot Plant (WIPP) with less money in Fiscal Year (FY) 1997.

In making the DOE's FY-1997 Congressional Budget Request, Energy Secretary Hazel O'Leary is seeking \$165.9 million to fund the Carlsbad Area Office. The request -- \$12 million less than current funding (\$177.7 million) -- will provide funding to administer nationwide programs at several nuclear waste generator/storage sites, and to open and operate the WIPP.

The DOE's proposed FY-1997 budget "invests taxpayer dollars for maximum returns," O'Leary stressed. The budget request enables the department to deliver concrete benefits fulfilling the Clinton administration's commitments to U.S. national security, environmental quality, energy security and science and technology.

George Dials, manager of the Carlsbad Area Office, which is responsible for the National Transuranic and WIPP programs, said additional funding is needed for activities related to addressing waste disposal criteria developed by the U.S. Environmental Protection Agency (EPA).

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"Upon review of the criteria, which the EPA issued in February 1996, it is now our opinion that additional resources are necessary to address requirements included in the criteria pertaining to engineered alternatives, human intrusion scenarios, certification monitoring, peer review, additional computer modeling and others," said Dials upon hearing O'Leary's budget request. "We have determined that an additional \$21.5 million is needed for these purposes. These additional requirements were not in place when the Carlsbad Area Office FY-1997 budget was developed. "

Dials said it is important to note that the DOE is on schedule to open the WIPP no later than April 1998. "We are proceeding in the most cost-effective manner that we can," he said. "The additional requirements are not expected to result in a schedule slip on any of our current milestones. I anticipate meeting the needs of the compliance activities through reallocation of resources from the National Transuranic Program, particularly with waste characterization activities at the generator sites."

"It will be a challenge to address the additional EPA requirements for certification under the current budget proposal," Dials added. "However, I expect that we will obtain the necessary funding. The Carlsbad Area Office's mission to open and operate the WIPP remains a top priority of Secretary Hazel O'Leary and Under Secretary Thomas P. Grumbly."

O'Leary is requesting \$16.3 billion, a significant drop from the FY-1993 level of \$19.3 billion, to fund all DOE activities in FY-1997. Of that amount, \$6.3 billion is proposed for environmental quality programs, which include, but are not limited to, the

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cleanup, treatment and disposal of radioactive wastes left from the research and development of nuclear weapons. The Carlsbad Area Office is funded through the Office of Waste Management, which submitted a budget proposal of \$1.5 billion for FY-1997.

The WIPP is designed to permanently dispose of transuranic waste left from the research and development of nuclear weapons. Located 26 miles east of Carlsbad, project facilities include disposal rooms excavated 2,150 feet (nearly half a mile) underground in an ancient, stable salt formation. Transuranic waste consists of clothing, tools, rags, and other such items contaminated with trace amounts of radioactive elements, mostly plutonium.

The National Transuranic Program administers nationwide generation/storage site programs for packaging, storing, and disposing of transuranic waste.

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