

THE NEAR FUTURE OF THE DEPARTMENT OF ENERGY'S ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM

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ABSTRACT

After nearly four years of existence, the Department of Energy's Environmental Restoration and Waste Management program has been presented with both an opportunity and a challenge. With a fiscal year 1994 budget that affirms its growth and progress, the program can conduct Federal facility cleanup activities more effectively. But at a time when many worthy Federal programs find their budgets reduced, the program will be under pressure to prove its merit. The best approach to this combination of support and scrutiny will be to focus on justifiable self-improvement, including better priority setting, increased efficiency, and greater public involvement in decisionmaking.

INTRODUCTION

As a group of Puritans travelled from their native England to the colony of Massachusetts, preparing to begin their social experiment in the New World, John Winthrop delivered a sermon about the group's mission. On board the *Arbella*, Winthrop emphasized to his community the gravity of their undertaking and the consequences of its results, warning them that they would be held up as an example of success or failure.

For we must consider that we shall be a city upon a hill. The eyes of all people are upon us, so that if we shall deal falsely with our God in this work we have undertaken, and so cause Him to withdraw His present help from us, we shall be made a story and a byword through the world.

In the Department of Energy's (DOE's) Environmental Restoration and Waste Management (EM) program, we are not on a religious mission like the Puritans were, but we do feel a similar pressure to succeed at our task. We are not seeking the help of God, but we do need to cooperate with our stakeholders to reach our 30-year goal.

Most importantly, we certainly empathize with the *city on a hill* notion: the world is watching us, preparing to evaluate us, and waiting, depending on our performance, to praise us or reproach us. Visibility means that our achievements will be widely recognized, but it means that our deficiencies will be, too.

At this point, we have been presented with both an opportunity and a challenge. We have a chance to continue our program and to show that we are moving toward the environmental cleanup of DOE's former defense production facilities and sites. That is the opportunity. We also have an invitation to make the absolute best use of our resources. That is the challenge. In this time of conscientious government spending, we can't expect to receive endorsement and approval automatically; we have to earn them.

A recent report by President Clinton's DOE transition team noted that the Department should expect to encounter obstacles when seeking Congressional approval for increases in the EM budget. "The current Environmental Restoration

and Waste Management five-year plan projects substantial increases in cleanup spending over the next five years," the report explained. "Congress's willingness to continue to provide large annual increases is not clear, especially if visible progress is not made and environmental benefit is not clear." Nonetheless, the Administration's proposed budget for fiscal year 1994 provides EM with adequate funding to continue its programs.

The Clinton Administration clearly supports environmental protection and Federal facility cleanup, and, with its new budget, has encouraged DOE's cleanup efforts. We feel some confidence that we are making progress, but we know that after almost four years of existence, we have to demonstrate our improvement. While we have the relief of continued funding, we also have the pressure to prove our program worthy of that funding.

OPPORTUNITIES AND CHALLENGES

With a stable budget, we do, at least, have a window of opportunity. We can continue to work to improve our effectiveness in crucial areas. We can keep developing new technologies for such activities as in situ remediation and mixed waste characterization, treatment, and disposal. We can look for ways to begin remedial actions sooner and to reduce assessment time. And we can identify methods for minimizing generated waste, recycling materials, and reducing risks to workers and communities.

To make the best use of this opportunity, though, we must ask for help from private industry. We have neither the expertise nor all of the resources we will need to make great strides, so we depend on technology integration for many of our solutions. Adapting industry's solutions to our problems saves money and time. Technology integration also gives us the opportunity to help the national economy. It allows us to foster U.S. industrial competitiveness, to secure U.S. leadership in remediation technology, and to bolster U.S. economic strength.

With Secretary O'Leary's management policy in place, we will have more opportunity than ever to demonstrate that we can run a cleanup program successfully. Secretary O'Leary

* "Early Snapshot by Transition Team Reveals Challenges for O'Leary," *Inside Energy/with Federal Lands*, January 25, 1993, p.3.

does not ascribe to the theory that DOE should be micromanaged. Instead, she prefers broad policy management, with individual programs self-sufficient in technical decisionmaking. We will be able to make the tough technical decisions, but once again, we must show that we deserve the independence required for those decisions.

On our hill of visibility, we need to set priorities for our work. Determining the immediacy of our challenges and the extent of our capabilities is essential to using our resources efficiently. We still have regulatory drivers for our activities, but we also have limited funds and time constraints, so we must manage intelligently.

The Federal Facility Compliance Act (FFCA) provides a good example of the regulations and schedules we must consider when setting priorities. Essentially, it amends the Resource Conservation and Recovery Act (RCRA) to allow the Environmental Protection Agency and the States to impose fines and penalties for violations of Federal and State hazardous waste laws. It provides a three-year grace period from fines and penalties for mixed waste storage violations involving the land-disposal restrictions of RCRA, but it also requires DOE to develop site treatment plans and to submit a detailed national report on its mixed waste inventory.

To comply with the FFCA, we must do more than plan to meet its literal requirements. We must construct an integrated approach to the treatment, storage, and disposal of mixed waste. In December 1992, the DOE sponsored a meeting with affected States and the EPA to discuss the implementation of the FFCA and EM's development of national and site mixed waste treatment plans. It became clear in the course of this meeting that DOE's efforts to integrate its program through complex-wide (i.e., national) planning must proceed in tandem with efforts to develop treatment plans for each site with local regulators. To this end, we must enhance State, EPA, and public involvement in planning for the treatment, storage, and disposal of mixed waste. We need to take a cooperative approach to jurisdictional, technical, and equity issues if we truly want to meet the challenge of FFCA compliance.

At a time when Americans are being asked to make sacrifices for our national financial health, we need to prove that we are not wasteful or sloppy with our funding. To maintain the support of the Administration and the public, we need to keep contractors accountable, show that we are using dollars wisely, and keep our overhead costs low. After negative assessments of EM's spending have appeared in General Accounting Office reports and national news magazines, we cannot afford more accusations of waste, fraud, and abuse of public funds.

We should expect to come under increasing scrutiny from organizations like the Office of Management and Budget, the General Accounting Office, and the Congressional Budget Office. However, we are prepared to withstand scrutiny. With the EM Five-Year Plan and improvements in cost estimating, we are making progress in our scheduling and management effectiveness. With DOE's new accountability rule -- which disallows avoidable contractor costs under certain circumstances -- new EM contracts include contractor liability provisions that will effectively restructure DOE's award fee system and improve contractor performance.

In addition to responding to external criticism of our program, we must be scrupulously self-critical. Both Federal and contractor employees have a responsibility for self-im-

provement, and for our part, we have created a number of avenues for EM's amelioration. We're assessing EM's progress with the Progress Tracking System, which reports program progress, milestone status, and cost and schedule variances. In the future, this system will evaluate program accomplishments against established baselines. We are using the Cost Quality Management Assessment to evaluate the cost-estimating and cost-management practices of Headquarters contractors, Management and Operating contractors at Field Offices and national labs, and Environmental Restoration Management Contractors.

We cannot call ourselves truly successful if we do not forge partnerships with our stakeholders. We must use every opportunity to reinforce the Administration's commitment to public involvement and to give our stakeholders a role in decisionmaking. At this point, we have an EM Public Participation Policy and a Public Participation Guidance that spell out the necessity for involving the public, as well as our strategy for stakeholder participation. We have established the Environmental Restoration and Waste Management Advisory Committee, a Federal advisory committee, in response to comments we received at public scoping meetings for the EM Programmatic Environmental Impact Statement. The advisory committee's members represent Federal and State regulators, Indian nations, labor unions, community groups, academia, and national environmental groups. We have also involved stakeholders in developing the Five-Year Plan. The State and Tribal Government Working Group and the Stakeholders' Forum have both made significant contributions to the planning process.

As part of our public participation efforts, we are working to implement the recommendations of the Federal Facility Environmental Restoration ("Keystone") Dialogue Committee, including recommendations on site-specific advisory boards. We believe that members of the public should not simply advise us on decisions, but should actively participate in decisionmaking. We have established an EM Citizens' Advisory Group Task Force to develop a Report to Congress on advisory groups and to provide advice, recommendations, and assistance for establishing advisory groups at DOE Field Offices.

Finally, I would like to mention our Environmental Restoration Management Contractor, or ERMC, strategy. The ERMC concept is an example of EM's commitment to quality and accountability. We have selected two ERMCs to date. Fluor-Daniel Environmental Restoration Management Corporation is already in place as the ERMC for the Fernald Environmental Management Project in Ohio. Bechtel Hanford, Inc. was initially targeted to begin as the ERMC at the Hanford, Washington, site on March 1, 1993, and to assume full responsibility on July 1, 1993. (The Hanford schedule is likely to change because of a protest by another contract bidder.) We are considering a third ERMC, but have not yet decided which site will be the next candidate.

There are a number of benefits built into the ERMC concept. The ERMCs were selected for their ability to perform environmental restoration work, so they will be more effective for EM than Management and Operating contractors, which had been selected for their ability to operate weapons-production facilities. Also, ERMCs should help reduce EM's costs. First, the ERMCs will not receive up-front funding, and their award fees will include incentives for

reducing costs and meeting milestones. Second, labor costs should decrease under the ERMC system because more work will be done by subcontractors. The ERMC strategy is another example of using industry to achieve more effective environmental management.

CONCLUSION

In our city on the hill, we have already achieved a great deal. We are not starting from scratch, so we can draw on the momentum of our past successes. But we can still make improvements -- and we must make them -- if we want to stand

as a model city. The new budget has given us the resources for those improvements, and it has also given us an invitation to show that we can stand up to scrutiny. With strong management, clear priorities, and stakeholder involvement we can become that model city.

REFERENCES

1. "Early Snapshot by Transition Team Reveals Challenges for O'Leary," *Inside Energy/with Federal Lands* (January 25, 1993), pp. 3-4.