



**Board Finance & Process Committee  
Meeting Minutes  
Thursday, March 21, 2013, 4:30 p.m.  
DOE Information Center**

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**Committee Members Present**

Dave Hemelright  
David Martin  
Tom Valunas, Vice Chair

**Others Present**

Dave Adler, DOE  
Pete Osborne, ORSSAB Support Office  
Alan Stokes, DOE

**Absent**

Lisa Hagy  
Bruce Hicks  
Jennifer Kasten  
Greg Paulus, Chair  
Corkie Staley

**Discussion**

FY 2015 Oak Ridge EM Budget Request - Mr. Valunas asked if it made sense for the board to make a recommendation beyond what's already been said in its budget recommendation from last year (Attachment 1). Mr. Adler said that DOE and the regulators have come more into consensus about prioritization this year, as opposed to last year. So any recommendation the board may make is probably going to be more on the margins, rather than on main, substantive directions.

Mr. Adler presented an overview of the annual budget coordination process, which included Environmental Protection Agency (EPA)/Tennessee Department of Environment and Conservation (TDEC) prioritization comments, new planning case priorities, key changes from the \$420M planning case for FY 2014 budget development, and an overview of the Oak Ridge Reservation (ORR) Environmental Management (EM) baseline (Attachment 2).

Regarding the EPA/TDEC prioritization comments, Mr. Adler said there is broad agreement among DOE, EPA, and TDEC regarding priorities, although a few differences exist. EPA is more focused on getting at groundwater now, while TDEC is more focused on aboveground building demolition. Everyone agrees that getting a mercury treatment project going for Outfall 200 at Y-12 is very important.

There is some disagreement on the Molten Salt Reactor Experiment (MSRE) salt removal project at Oak Ridge National Laboratory (ORNL). Is it a higher priority than cleaning up the central campus at ORNL? The Waste Isolation Pilot Plant (WIPP) is scheduled to close in the 2030s, so there is a time constraint on when MSRE wastes can be disposed there. DOE is betting that WIPP will close later than that.

Regarding groundwater, EPA places priority on multiple groundwater projects interior to the ORR, while TDEC's priority is on offsite groundwater release risks.

Mr. Adler detailed the new planning-case priorities that will be rolled out to the regulators next week:

- Assume \$420 funding for FY 2014–2018, and start escalating in FY 2019
- Complete the K 25/27 Project
- Continue U-233 processing and disposition
- Continue the transuranic (TRU) disposition program
- Outfall 200 Mercury Treatment Facility at Y-12
- Complete East Tennessee Technology Park (ETTP)
- Y-12 mercury use facility decontamination and decommissioning (D&D)

- ORNL facilities tied to the Central Stack
- Remaining ORNL and Y-12 D&D and remedial actions

The key changes from the \$420M planning case for FY 2014 budget development are:

- Addition of Outfall 200 Mercury Treatment Facility
- Increased costs for MSRE salt removal effort
- Inclusion of a new strategy for Disposal Area Remedial Action (DARA) soils
- Inclusion of “Trench 13” remedial action
- Increased cost estimate for TRU waste project

Mr. Adler noted that the Outfall 200 Mercury Treatment Facility is in the plan for the first time. So that’s a big change that the board may want to comment on.

MSRE will cost roughly \$100 million to defuel the reactor. That’s a lot of money for the Oak Ridge EM program, which receives ~\$400M per year. How to prioritize MSRE is a big issue.

DARA is a good news story. Prior assumptions were that the soils would be treated and shipped out west, but now it looks as though the soils can go into the EM Waste Management Facility as fill. Mr. Stokes pointed out that in the “ORNL & Y-12: Remainder of D&D/Remediation” row of the baseline, the DARA soils work is shown occurring in FY 2017–2018.

Trench 13 is not a huge cost deal, but it is important from a regulatory perspective. The state has been very firm with DOE that it wants Trench 13 dealt with because shallow-burial transuranic wastes cannot be left in the ground. This project is now in the FY 2015 plan for the first time. The availability of the TRU Waste Processing Center figures into this because the waste in Trench 13 will have to be processed while the center is available.

Mr. Adler pointed out that the ORR EM baseline is divided into three broad categories of funding (Minimum Safety, Operating, Maintenance Scope; Processing Scope; and D&D and Remediation Scope) that show the sequencing of the projects. This is a key slide for understanding DOE’s priorities. For example, by building the mercury water treatment system and then working on D&D of mercury-use facilities at Y-12, DOE is able to push out the timing of D&D, which allows money in the near-term for K-25/K-27 D&D.

Mr. Adler noted that mercury-use facility D&D at Y-12 and ORNL central campus D&D are the projects being postponed in favor of devoting funds to TRU, U-233, the mercury treatment system, K-25/K-27, and base operations.

Mr. Valunas said that delaying D&D can have dangers, as evidenced by the K-25 building. Mr. Adler said that the Y-12 mercury buildings are heavy, concrete buildings in much better shape than K-25 was.

Mr. Martin asked if the old Y-12 buildings are impacting Y-12 operations. Mr. Adler said they are generally in a different part of the plant. The ORNL central campus buildings are generally more of a problem than the Y-12 buildings. Mr. Stokes added that some of the Y-12 buildings are within the high-security ‘PIDAS’ area, but that area is being restructured to exclude them, which will enable putting off their D&D.

Mr. Adler said the timeline for Oak Ridge EM to submit its FY 2015 budget request to DOE-Headquarters has been extended, so getting SSAB recommendations on the budget in late April or early May would be fine. Mr. Adler asked that the board direct its recommendations to the general priorities rather than ‘getting down into the weeds’.

Mr. Valunas asked if the committee was going to hear directly from EPA on its budget priorities. Mr. Adler said its difficult for EPA representatives to get up to Oak Ridge very often, so the best way to communicate with them and get their input would be by email.

Mr. Martin said he's in general agreement with DOE priorities, and it's perfectly appropriate for the board to generate a recommendation that's in support of DOE's priorities if that's what it wants to do. Mr. Martin asked who on the committee would be willing to work on writing a recommendation. Mr. Valunas volunteered. Mr. Osborne said he would write the background and discussion sections and send them to Mr. Valunas to aid in writing the actual recommendation portion of the document.

January/February/March Expenses - The committee reviewed the current costs table (Attachment 3). Mr. Valunas asked if the board's budget will be affected by sequestration. Mr. Adler said that the money has been set aside for the board, so its budget should not be affected. However, some new travel constraints have been put in place that will affect members' ability to travel. Mr. Martin remarked that he recommended to Headquarters that they consider doing regional SSAB chairs meetings instead of the national meetings being done now.

Annual Planning Meeting - Mr. Osborne reported that the annual meeting planning committee held its first teleconference on February 21. From that teleconference and from discussions with members unable to participate in the call, a determination was made to hold the annual meeting at the Pigeon Forge Holiday Inn again in 2013. Jenny Freeman was asked to be the facilitator again this year, and she accepted. Another planning call will be held in early April.

Work Plan - The committee reviewed its work plan (Attachment 4) and made no changes.

### **Action Items**

#### *Open*

1. Mr. Valunas will write the recommendation on the FY 2015 EM budget request.
2. Staff will write the background and discussion sections and send them to Mr. Valunas.

#### *Closed*

None

### **Next meeting**

Thursday, April 25, DOE Information Center, 5:00 p.m.

Attachments (4). Available upon request from the ORSSAB support office.

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