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Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

MAR 12 2008

08-FMD-0098

Ms. Jane Hedges, Director
State of Washington
Department of Ecology
P.O. Box 47600
Olympia, Washington 98504

Mr. Nicholas Ceto
Regional Administrator
U.S. Environmental Protection Agency
Region 10
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Addressees:

FISCAL YEAR (FY) 2010 HEADQUARTER (HQ) OFFICE OF ENVIRONMENTAL
MANAGEMENT (EM) BUDGET GUIDANCE

Per Tri-Party Agreement (Hanford Federal Facility Agreement and Consent Order),
Paragraph 149 requirements, attached is the guidance for the Office of Environmental
Managements fiscal year (FY) 2010 – FY 2014 budget and planning activities received by the
U.S. Department of Energy, Richland Operations Office (RL) and the U.S. Department of
Energy, Office of River Protection (ORP).

If you have any questions, please contact me, or your staff may contact Mark Coronado, RL
Director of Financial Management Division, on (509) 376-5363, or Lisa Copeland, ORP Director
of Project Administration, on (509) 376-8515.

Sincerely,

Gregory A. Jones, Assistant Manager
for Administration/Chief Financial Officer

FMD:KLAS

Attachments

cc w/attachs:

Admin Record, D.A. Isom, H6-08
Environmental Portal



Department of Energy
Washington, DC 20585

MAR 05 2008

MEMORANDUM FOR DISTRIBUTION

FROM:

INÉS R. TRIAY *Inés Triay*
PRINCIPAL DEPUTY ASSISTANT SECRETARY
FOR ENVIRONMENTAL MANAGEMENT

SUBJECT:

Fiscal Year 2010 – 2014 Budget Formulation and Life-Cycle Planning Guidance

The purpose of this memorandum is to transmit the guidance for the Office of Environmental Management's (EM) fiscal year (FY) 2010 – FY 2014 budget and planning activities. While much of this process is similar to previous years, there are some significant differences in this year's approach.

The most significant difference is that field offices will not be issued five-year budget targets this year. Rather, EM will continue to reference and utilize published FY 2008 Five-Year Plan (FYP) site funding assumptions for our baselines and other planning purposes. These funding profiles will serve as the basis for the FY 2010 budget formulation process and should serve as a reference point in developing your submission for this budget cycle. Please remember that your certified baselines represent cost profiles while the FYP funding assumptions represent budget authority (BA). While there may be differences in the BA request and the cost profile for a specified activity, it is important that they tie back to the baseline as a whole.

EM's objective is to link budget formulation with the certified baselines in order to provide a basis to credibly build the budget and understand the impacts associated with strategic options based on shifting program priorities. It is critical that sites understand and be able to articulate the relationship between our certified baselines and our FY 2010 budget.

The Integrated Priority List (IPL) remains the critical component needed to support the FY 2010 budget formulation process. However, it is important to note here that IPLs must be developed using the agreed-upon Analytical Building Blocks (ABBs) submitted as part of the ongoing out-year planning initiative. Also, there will be no Over Target case presented in any of the IPLs. Rather, the IPL will allow for an Over-Baseline increment, which should reflect the funding necessary to meet Executive Order 12088 requirements.

As was the case last year, the detailed budget justification narratives will be collected later in the formulation process to allow for preliminary management decisions to be made before the budget narratives are written.



Field office managers will present and discuss their FY 2010 – FY 2014 budget request at a summary level to senior EM leadership. These briefings are scheduled for March 27 – 31, 2008. Specific requirements for the briefing slides will be provided under separate cover. Based on the information provided in the briefings and IPL data, EM management will make preliminary funding decisions in early April. This will be followed by a meeting of a Corporate Review Board (CRB) of EM and field management to review and finalize the funding allocations. The results of the CRB will form the basis for EM's budget submission to the Chief Financial Officer in May. Field offices will also enter detailed budget narratives based on the CRB results in the June timeframe.

Aspects of the guidance to which I draw your attention are:

- The EM budget request will be heavily scrutinized within and outside the Department. It is extremely important that we be able to clearly identify and articulate the drivers and requirements underlying the EM budget request. As was the case last year, the IPL data will be of paramount importance in this regard. The IPL data collection module in Integrated Planning, Accountability, and Budgeting System (IPABS) has been modified to support collection of IPL data at the ABB level.
- In order to build the IPL, ABBs may need to be rearranged to reflect alternative prioritization scenarios (e.g., re-sequencing ABBs to perform the activities needed to be in compliance with regulatory agreements, near-term completions, and footprint reduction objectives).

When building your IPLs, assume 80 percent confidence for all line item construction projects. All operating projects should be funded at the 50 percent confidence level. Over-baseline requests should not include the incremental funding need for operating projects to achieve 80 percent confidence. IPLs should not include any new work scope anticipated from other Program Secretarial Offices. This information is being collected separately as part of the excess facility/unfunded liability initiative and will be factored into the optimization analysis within the out-year planning initiative.

- IPL elements must be consistent with ABBs from the out-year planning exercise. However, IPL elements should be broken into sub-elements as follows:
 - an element for min safe/essential services – compliance and non-compliance related;
 - an element for making progress tied to compliance; and
 - an element for making progress not tied to compliance.
- EM is strongly discouraging the creation of new Project Baseline Summaries (PBSs). New activities should be included within existing PBSs as a

subproject, keeping in mind that the full scope and cost of the PBS must tie to the total of the ABBs associated with that PBS.

- As part of the field's management briefings, you should indicate your preference regarding: (1) combining PBSs 30 and 40 into one project, and (2) creating a "mission support" project to capture all infrastructure costs (both direct and indirect) at each site.

This year's guidance does not contain an explicit Planning section, which is different than guidance issued in previous years. In the past, a large portion of the planning guidance was devoted to the update of life-cycle cost estimates for use in the environmental liability estimate, which is a key component of the Department's financial statement. However, EM's process for updating life-cycle cost and providing the required information for the financial statement has changed. The certified baseline cost estimates have been entered into the IPABS Change Request Tool, have been placed under configuration control and now form the basis for EM's life-cycle cost estimate.

In addition, EM is significantly changing its process for collecting cost and other data required for the environmental liability estimate. These changes include development of a Standard Operating Policy and Procedure and an "Environmental Liability Module" in IPABS. This module will facilitate collection, reporting and documentation of cost and other information needed to develop the environmental liability estimate. It will also provide transparency and traceability of the underlying assumptions and information. The Environmental Liability Module will be deployed in April 2008. Specific guidance on using the module will be issued at that time.

In addition to the EM requirements contained in the attached guidance, there are several other budget requirements contained in the Department's Field Budget Call. To the extent that this information is not collected by IPABS-Integrated System or the off-line attachments contained in the Department's guidance package, please send a copy of your submission to Robin.Osik@em.doe.gov in the Office of Budget, when you submit your response.

We plan to discuss this guidance in the field managers' weekly call. Additionally, staff-level discussions will be occurring through the Thursday 2:00 budget conference calls. Budget questions should be directed to Ms. Cindy Rheaume, Director for the Office of Budget, at (202) 586-8899. Questions about the policy portions of this guidance should be directed to Ms. Merle Sykes, Director for Strategic Planning and Analysis, at (202) 586-6315. Questions about specific sections of the guidance can be directed to the points of contact identified in the guidance.

Attachments

FY 2010 BUDGET GUIDANCE

Overview

EM will continue to reference and utilize published FY 2008 Five Year Plan (FYP) site funding assumptions for our baselines and other planning purposes. These funding profiles will also be the basis for the FY 2010 budget formulation process. Therefore, as part of the FY 2010 budget formulation process, sites should share their certified baselines with their regulators and stakeholders. The baselines, which represent the lifecycle for each site (reflecting both the near-term and out-year work scope), should be the basis for discussions with regulators and stakeholders, leading to a shared vision of priorities for cleanup.

EM will continue to focus its priorities on approaches that maximize risk reduction and cleanup. Because the baselines have been established at a greater level of detail than previously available, they should be used to communicate the total scope of work needed to achieve cleanup at a site. The ability to communicate the total work scope required to complete cleanup should facilitate a more productive discussion regarding a site's currently planned sequence of work balanced against the assumed funding levels in their certified baselines.

EM introduced the concept of "Analytical Building Blocks" (ABBs) within the baselines as part of its out-year planning initiative. ABBs are smaller, discrete packets of work that can be re-sequenced to reflect alternative prioritization scenarios of EM work scope and therefore, can be the basis from which various risk reduction and/or alternative prioritization options are evaluated.

Because ABBs can be re-sequenced to reflect alternative prioritization scenarios of work scope, they will serve as the foundation for the FY 2010-FY 2014 budget formulation process and will be the basis for the development of site specific Integrated Priority Lists (IPLs).

Background

Programmatic funding profiles detailed in the Office of Environmental Management (EM) FY 2008 FYP prompted EM to review all programmatic elements and priorities to support FY 2010 and future funding allocation decisions. Consequently, EM will evaluate alternative prioritization options during the development of its FY 2010 budget request.

Consistent with the last several years, the Integrated Priority list (IPL) will be a critical component in the FY 2010 budget formulation process. This year, IPL elements must be consistent with the ABBs that each field office developed as part of the ongoing out-year planning initiative. The IPL module in IPABS-IS has been modified to capture the ABBs and their associated Program Mission Categories to support development of the IPL. Specific IPL guidance and components are discussed in detail later in this document.

EM's objective is to link budget formulation with the certified baselines in order to provide a basis to credibly build and understand the impacts associated with strategic options based on

shifting program priorities. Using the ABBs as the foundation for development of the IPL does just that. Each ABB is linked to a Project Baseline Summary (PBS) which is linked to a recently certified near-term baseline (NTB) and out-year planning range estimates (OPER) that align with EM's FY 2008-FY 2013 funding profiles. The certified baselines represent a reasonable estimate of the scope, cost, and schedule needed to complete cleanup at each site.

Approach

Each Operations/Field Office (Office) is required to submit an IPL for its proposed FY 2010-FY 2014 budget that demonstrates sound business practices and is consistent with the broad priorities used in developing the certified baselines.

Based on prior year funding, programmatic costs for Min Safe/Essential Service activities (i.e. relatively fixed) represent about 50 percent of EM's annual budget profile. EM is spending about 50 percent of its annual budget to maintain excess and operating facilities, waste and special nuclear material storage, processing, and treatment capabilities limiting, the ability to make substantial cleanup progress at many of its sites.

Therefore, when developing the FY 2010-2014 IPL, each site should consider re-sequencing ABB work scope in a manner that makes the most of mortgage reduction opportunities, ultimately achieving significant risk-reduction by completing cleanup efforts that reduce the legacy footprint of the EM cleanup complex.

If re-sequencing of ABB work scope is necessary to support footprint reduction objectives and/or shared stakeholder priorities and such re-sequencing changes the baseline, the change in sequencing of activities in the baseline must be specifically noted in the ABB impact narrative. This would occur in instances where work is being accelerated or delayed from a site's existing certified baseline to meet the footprint reduction objectives and/or achievement of shared stakeholder priorities. In these instances, where a site is actually accelerating or delaying progress within a given ABB (not just rearranging the sequence of the existing baseline work scope), the identification of the incremental work scope and funding needed for that ABB to meet the footprint reduction objectives and/or achievement of shared stakeholder priorities is required. This should be done by creating an additional sub-element within that ABB and identifying the incremental cost associated with the accelerated and/or delayed work scope. The impact narrative should describe the change in work scope. By identifying the increment of work scope and funding associated with an ABB, EM will be able to maintain the needed linkage to the certified baselines and the data collected as part of the out-year planning initiative.

If there is a proposed change to the ABB work scope and funding profile based upon a mutually agreed upon end state assumption that has been codified as part of ongoing regulatory discussions, it must be noted and highlighted in the ABB impact narrative. EM headquarters does not anticipate many instances where changes in ABB work scope and funding profiles e.g., retrieval of more or less buried waste or a change in the end state assumption for a D&D activity would occur.

In addition, ABB compliance work scope that was pushed out as a result of the assumed funding levels used in developing the certified baselines and/or as a result of reprioritization of ABB work scope to support footprint reduction objectives or shared stakeholder priorities that cannot

be accommodated within the site funding profile used to develop the certified baseline will need to be shown as an over-baseline increments in the IPL and identified as footprint-related. In order to maintain the validity of the certified baselines and allow EM to rearrange ABB work scope to meet annual compliance requirements, the entire ABB compliance work scope and funding profile pushed out should be moved forward as a whole, into the year in which that work scope needs to be accomplished to meet existing compliance requirements. This should result in no change to the overall ABB work scope and funding profiles. Therefore, the ABB data will be consistent with the work scope and funding profiles contained in the certified baselines and collected as part of the out-year planning initiative.

The IPL must be completed in the IPABS-IS IPL module no later than COB April 10, 2008.

Management Briefings

EM Field Management briefings will be held consistent with past practices. The tentative schedule is to conduct the briefings March 27-31, 2008 (See Attachment C). Detailed guidance on briefing requirements will be distributed under separate cover. However, below is some general information that will be required within all briefing packages:

- IPL summary accomplishments
- Impacts associated with reprioritization of ABB work scope to meet footprint reduction objectives, near-term completions, and/or shared stakeholder priorities from the certified baseline.
 - Impact discussion should focus on ABBs that have been reprioritized, and the associated compliance, workforce and site interdependencies impacts
- Significant changes in life-cycle cost and site completion estimates resulting from changes to the certified baseline prioritization
- Carryover (FY 2008 to FY 2009 and FY 2009 to FY 2010)
- Safeguard and security issues
- Over baseline Program Direction funding and FTE requirements needed to meet Best-in-Class and NAPA Human Capital recommendations
- Field Office position on: (1) combining PBSs 30 and 40 and (2) creating a PBS to capture all infrastructure costs (both direct and indirect) at each site (e.g., the Hanford Mission Support project)

Budget and Planning Workshop

EM intends to hold a workshop to go through this year's planning and budget requirements in detail. The workshop is scheduled for March 18-20, 2008. The first day will focus on budget and planning integration and IPL development. Day two will focus on planning activities to include environmental liability estimates, milestone development and reporting, and performance measurement. Day three will be set aside for breakout sessions to address specific questions about the overall FY 2010 budget and planning process, to view the IPL module, and to discuss individual field office IPL development issues/concerns. A detailed agenda will be provided under separate cover.

IPL Guidance

Attachment A provides the initial FY 2010 through FY 2014 funding profiles from the FY 2008 FYP used to develop the certified baselines. FY 2014 funding levels are consistent with FY 2013 funding levels adjusted for inflation. When building your IPL, assume 80 percent confidence for all line item construction projects. All operating projects should be funded at the 50 percent confidence level. Over-baseline requests provided to support Executive Order 12088 compliance requirements should be identified as such and should not include any incremental funding need for operating projects to achieve 80 percent confidence.

In addition, IPLs should not include any new work scope anticipated from other Program Secretarial Offices; this information is being collected separately as part of the excess facility/unfunded liability initiative and will be factored into the optimization analysis within the out-year planning initiative.

In conjunction with the Field Manager Briefings and the Budget and Planning Workshop, each site should begin development of their detailed IPL and prepare impact narratives within the IPL module of IPABS-IS. Detailed instructions on building your IPL in the IPABS-IS IPL module will be distributed via email no later than March 14, 2008. Site specific IPLs will be consolidated into an EM IPL. Additional analyses may be required from a site to support alternative prioritization options. Subsequent meetings will be held with Field Managers to review the EM priorities and develop a final EM IPL for submission to the CFO to support the FY 2010 Corporate Program Review (CPR) process.

IPL components

To further facilitate integration of project planning and budgeting, EM will utilize the ABBs established as part of the out-year planning initiative as the basis for the FY 2010 formulation process. Each ABB will tie to an element on the summary IPL, directly linking the IPL to each field office's Critical Decision (CD) 2/3 Federal Baseline. This will serve as a basis to support more robust and better integrated baseline planning and budget analyses as well as to enable more effective communication of the EM program.

Analytical Building Blocks (ABBs) as IPL Elements

Each field office's IPL will be seeded with the ABBs developed to support the out-year planning initiative. In aggregate, the ABBs for a given field office must capture the entire EM scope and equal the PBS totals in each field office's certified CD-2/3 near-term baseline (FY2010 – FY 2014). Each ABB must be tied to only one existing PBS and roll up into that one PBS.

Each ABB profile will correspond to an IPL summary element. An IPL summary element can be broken into three sub-IPL elements:

- An element for min safe/essential services
- An element for making progress tied to compliance
- An element for making progress tied to compliance

The sum of the three sub-IPL elements of an ABB must equal the IPL summary element (i.e., ABB profile).

Program Driver Categories

Each IPL element must be tied to a single driver category (see Table 1). If an IPL element can be associated with more than one driver category it should be assigned to the driver category that the majority of the IPL element supports. If sub-IPL elements are identified, the program driver designation for the sub-element must be consistent with the primary IPL element. Field offices will also be required to allocate IPL element cost profiles to one of the Program Driver Categories in Table 1. In future years this data will be seeded.

Table 1 – Program Driver Categories

Driver Code	Driver Name	Driver Description
1	Required by a compliance agreement.	This category includes activities required to meet enforceable milestones agreed to in cleanup and compliance agreements, as well as program support/management activities directly required to meet these milestones.
2	Required by a court order, settlement agreement, or consent decree.	This category includes activities performed to comply with consent decrees, settlement agreements, or court orders, as well as program support/management activities that directly support these activities.
3	Required by federal environmental statute or regulation (includes permits).	This category includes activities required to comply with federal environmental statutes, regulation, and permits that are not already captured under categories 1, 2, 4, or 6. Federal environmental statutes include, but are not limited to the Pollution Prevention Act, Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, Safe Drinking Water Act, Comprehensive Environmental Recovery Policy Act, WIPP Land Withdrawal Act. This category also includes program support/management activities that directly support compliance with these federal laws and regulations.
4	Required by state or local statute or regulation (includes permits).	This category includes activities necessary to comply with applicable state or local statutes, regulations, existing permits, draft permits, or proposed agreements not already captured under categories 1, 2, or 3. This category also includes program support/management activities that directly support compliance with these laws and regulations.
5	Required to comply with commitments to the DNFSB (DNFSB).	This category includes activities necessary to comply with Departmental commitments to the DNFSB. This category also includes program support/management activities that directly support compliance with these commitments.
6	Required by DOE Order-Environment, Safety, and Health (DOE ES&H).	This category includes activities required to meet one or more internal DOE ES&H requirement not already captured by drivers 1, 2, 3, 4, or 5. This category includes work driven by the Atomic Energy Act (nuclear safety in particular). This category also includes Executive Order and program support/management activities that directly support compliance with these orders.

Driver Code	Driver Name	Driver Description
7	Required by DOE Order-Management and Other.	This category includes all actions taken in response to DOE orders designed to implement best management practices. Program support/management activities (e.g., DOE staff, support contractors, budget planning, and facility operation) are included in this category when the primary activity supported does not fall under drivers 1, 2, 3, 4, 5, or 6 above.
8	Required by Agreements in Principle or Agreements with Tribal Nations.	This category includes activities that are not required by drivers 1, 2, 3, 4, 5, or 6 above, but are essential to meeting requirements of Agreements-In-Principle (AIPs) or Agreements with Tribal Nations.
9	Required to meet a proposed Compliance Agreement.	This category includes proposed or ongoing activities required by the projected provisions of proposed compliance agreements not already captured by categories 1, 2, 3, or 4.
10	Other Essential Management Functions.	This category includes activities not required by environmental laws or internal ES&H requirements, but is considered essential to effective site operations.

Program Mission Categories

Program Mission Categories represent key functional areas and priorities of the EM Program and will replace the summary level categories used in last year's IPL to group similar activities and/or priorities. The Program Mission Categories used in the IPL are the same categorization used to support the out-year planning initiative. Each IPL summary element will be linked (seeded) to the Program Mission Category assigned by each field office as part of the out-year planning ABB data collection effort. These Program Mission Categories will be used in the same manner as last year's summary categories to compile key functions and priorities across the complex, enabling EM to better assess funding requirements needed to meet key functional requirements and priorities. Program Mission Categories are described in Table 2 below.

Program Mission Category data will be seeded for each IPL element. Field offices will be required to provide a change narrative if the Program Mission Category of a seeded IPL element is changed. This narrative must justify why the Program Mission Category was changed from the original ABB data submitted for the out-year planning initiative.

Table 2 – Program Mission Categories

Site Infrastructure/ Support/ Program Management
Safeguards & Security
Stakeholder Support
Headquarters Activities
Tank Waste Management & Disposition
Spent Nuclear Fuel (SNF) Management & Disposition
Buried Waste Retrieval
Remote Handled (RH) TRU Waste Management & Disposition
Contact Handled (CH) TRU Waste Management & Disposition
Excess Nuclear Material Management & Disposition
Mixed Low-Level Waste (MLLW) Management & Disposition
Low-Level Waste (LLW) Management & Disposition
Soil Remediation
Groundwater Remediation
Facility D&D

IPL Sub-elements

As mentioned previously, each IPL element profile can be broken out into the following sub-elements:

1. An element for min safe/essential services – compliance and non-compliance related
 2. An element for making progress tied to compliance
 3. An element for making progress not tied to compliance
-
1. The min safe/essential services sub-element profile would encompass priorities required to control existing material, waste, and facilities in a safe, stable condition; activities required to maintain facilities in their current state of operational readiness; and activities necessary to maintain site infrastructure and the overall current state of the site without advancing the mission. The sub-element is consistent with the definition used to collect ABB cost profiles for Maintenance of Facility Status costs as part of the out-year planning initiative. Note: As in previous years, funding requirements for min safe/essential services must be funded within the existing baseline, no over-baseline request will be accepted for min safe/essential service activities.

If the min/safe essential services sub-element activities are in support of Program Driver Categories 1-4 (noted in Table 1) they are considered compliance; therefore, compliance driver/impact information and associated compliance milestone information is required. In these instances, the compliance category must be identified that dictates the necessity of compliance funding. Additionally, the appropriate compliance milestones must be associated and fine/penalty information must be provided describing the impact of missing the milestone.

2. The “making progress tied to compliance” sub-element profile would encompass activities that advance the Program Mission Categories outlined in Table 2 and are required to support Program Driver Categories 1-4 (noted in Table 1). Compliance driver/impact information and associated compliance milestone information is required for these activities. In these cases, the compliance category must be identified that dictates the necessity of compliance funding. Additionally, the appropriate compliance milestones must be associated and fine/penalty information must be provided describing the impact of missing the milestone.
3. The “making progress not tied to compliance” sub-element profile would encompass activities that advance the Program Mission Categories outlined in Table 2. These activities do not support accomplishment of activities contained in Program Driver Categories 1-4 (noted in Table 1).

IPL Narratives

For each individual IPL being developed, IPL sub-elements must be accompanied by an impact narrative to address the impact of not funding the sub-element activity. Within the narratives, offices should provide specifics regarding compliance impacts (explicitly identify the year which the anticipated compliance impact will occur), program scope, schedule and completion dates. As part of the impacts narrative, the impact on PBS mission completion dates should be indicated.

Compliance Milestones

Compliance milestones should only include milestones that have a definitive, regulatory or otherwise enforceable due date. Enforceable milestones generally have fines and penalties associated with non-compliance. Any compliance milestone linked to an IPL element should be consistent with milestones identified and reported in Quarterly Performance Reviews, the FY 2008 Five-Year Plan, and milestones entered into IPABS-IS. This includes compliance milestones used to support and defend the FY 2009 Congressional Budget Request.

Program Direction

EM is required to prepare a Program Direction budget request for FY 2010 through FY 2014, in accordance with the FY 2010 Field Budget Call. Each field office should prepare their request in accordance with the EM Full-Time Equivalent (FTE) Allocations provided in Table 3 and the Program Direction Target Funding shown in Table 4. In addition, each field office is requested to submit an Over-Baseline request to support the full FTE requirements of your site. These requirements will be discussed as part of the Field Managements briefings.

Table 3 - EM FTE Allocations

Field Office	FY 2008 Approp	FY 2009 Cong Request	FY2010 Allocation	FY2011 Allocation	FY 2012 Allocation	FY 2013 Allocation	FY 2014 Allocation
Carlsbad	50	52	52	52	52	52	52
Idaho	67	70	70	70	70	70	70
Oak Ridge	83	84	84	84	84	84	84
NNSA Sites	60	53	53	53	53	50	50
Paducah/Portsmouth	47	50	50	50	50	50	50
Richland	244	247	247	247	247	249	249
River Protection	112	115	115	115	115	124	124
Savannah River	339	339	339	339	339	340	340
Small Sites	37	34	34	34	34	22	22
Field Total	1,039	1,044	1,044	1,044	1,044	1,041	1,041
Headquarters	299	299	299	299	299	299	299
Consolidated Business Center	162	162	162	162	162	165	165
Total, EM	1,500	1,505	1,505	1,505	1,505	1,505	1,505

Table 4 - Program Direction Target Funding

Field Office	FY 2008 Approp	FY 2009 Cong	FY 2010 Target
Carlsbad	\$7,132	\$8,204	\$10,288
FTEs	50	52	52
Idaho	\$9,776	\$10,876	\$11,503
FTEs	67	70	70
Oak Ridge	\$14,148	\$15,952	\$16,567
FTEs	83	84	84
NNSA	\$6,469	\$5,963	\$6,491
FTEs	35	30	30
Nevada	\$4,040	\$3,680	\$3,935
FTEs	25	23	23
Lexington	\$9,309	\$10,399	\$10,787
FTEs	47	50	50
Richland	\$45,351	\$42,281	\$43,990
FTEs	244	247	247
River Protection	\$21,663	\$22,565	\$23,438
FTEs	112	115	115
Savannah River	\$48,421	\$49,932	\$52,036
FTEs	339	339	339
Small Sites	\$7,483	\$7,760	\$8,553
FTEs	37	34	34
Consolidated Business Center	\$34,796	\$32,442	\$35,337
FTEs	162	162	162
Headquarters	\$98,353	\$98,711	\$109,874
FTEs	299	299	299
EM TOTAL	\$306,941	\$308,766	\$332,799
FTEs	1,500	1,505	1,505

Each field office is required to provide detailed narratives to describe activities that justify the federal staffing levels and the necessary resources to support these levels. Describe oversight/management activities performed and programmatic impact if these activities are eliminated; describe change in staffing levels, support service contracts, or working capital activities; identify funding of severance and voluntary incentive payments; and include the number of full-time equivalents and estimated cost.

In addition, narratives that explain funding changes in terms of total category levels (salaries and benefits, travel, support services, and other related expenses) for the site as a whole are required. If possible, break out net changes in categories of subordinate activities. Explanations should be provided for changes from the FY 2009 Congressional Budget Request to the FY 2010 Request level. This information will be used to justify and defend the FY 2010 EM Program Direction budget request.

The detailed description of data collection requirements and format will be provided to you via email by March 5, 2008. Field office requests should be submitted via email to Cathy.Fauble@em.doe.gov by April 10, 2008.

Safeguards and Security

EM is required to submit an S&S crosscut exhibit for FY 2010 thru FY 2014 in accordance with the FY 2010 Field Budget Call. By March 3, 2008, individual spreadsheets will be distributed via email to sites with S&S reporting requirements. Final exhibits must be consistent with the S&S funding baseline targets submitted as part of each site's budget request. Final crosscuts should be submitted via email to Laura.Rosencrantz@em.doe.gov by April 15, 2008.

FY 2010 Proposed Transfers

EM will collect budget and planning data for proposed transfers to the Office of Legacy Management, other Program Secretarial Offices, and/or private entities. EM is collecting this data to support the transfer process and to ensure that the Department has adequate data to support the FY 2010 budget formulation process, the FY 2008 life-cycle cost estimate, the Departmental environmental liability estimate, and other Departmental needs. Funding and programmatic issues regarding these proposed transfers will be resolved during the Department's budget process this summer.

The following site transfers are currently being proposed for the FY 2010 budget process:

- Ashtabula – Private entity
- Mound – Office of Legacy Management
- Inhalation Toxicology Lab – National Nuclear Security Administration
- Sandia – National Nuclear Security Administration
- Argonne National Laboratory–East – Office of Science
- Stanford Linear Accelerator Center – Office of Science

Additional Budget Requirements

Once the final EM IPL has been completed and submitted to the CFO for the FY 2010 CPR process, separate guidance will be provided to each office to provide additional budget data to include the collection of budget narratives, CPDS reporting requirements, non-line item controlled (expense funded) reporting requirements, Exhibit 300 reporting requirements, and Information Technology Investment reporting requirements. Please refer to the FY 2010 EM/CFO Consolidated Budget Calendar (Attachment B) for a full listing of requirements.

FY 2010 through FY 2014 funding profiles from the FY 2008 Five Year Plan

Site/Program	FY 2010 Target	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target
Closure Sites¹					
Ashtabula	0	0	0	0	0
Columbus	1,000	1,000	1,000	1,023	1,047
Fernald	1,200	1,200	0	0	0
Miamisburg	31,734	27,079	24,024	24,577	25,142
Rocky Flats	6,462	6,623	0	0	0
Major Sites					
Carlsbad	218,179	220,091	220,161	225,225	230,405
Idaho	455,758	470,394	477,823	488,813	500,056
Oak Ridge	488,473	493,131	493,525	504,876	516,488
Paducah Gaseous Diffusion Plant	144,729	136,592	137,544	140,708	143,944
Portsmouth Gaseous Diffusion Plant	284,963	253,970	261,766	267,787	273,946
Richland	1,084,938	1,095,000	1,100,000	1,125,300	1,151,182
River Protection	1,042,836	1,090,000	1,183,308	1,210,524	1,238,366
Savannah River	1,400,000	1,517,706	1,457,706	1,491,233	1,525,532
Lawrence Livermore National Laboratory	0	0	0	0	0
Los Alamos National Laboratory	165,593	172,604	181,467	185,641	189,910
Nevada Test Site	83,428	84,067	83,865	85,794	87,767
NNSA Service Center	1,206	1,206	1,206	1,234	1,262
Pantex	0	0	0	0	0
Separations Process Research Unit	32,756	32,756	23,861	24,410	24,971
Site Support ²	238	238	238	243	249
All Other Sites					
Argonne National Laboratory	0	0	0	0	0
Brookhaven National Laboratory	7,614	7,468	7,572	7,746	7,924
Energy Technology Engineering Center	0	0	0	0	0
Inhalation Toxicology Laboratory	100	100	0	0	0
Moab	31,307	32,121	32,956	33,714	34,489
Site Support ³	71	72	71	73	74
Stanford Linear Accelerator Center	4,541	381	0	0	0
West Valley Demonstration Project	75,000	74,750	74,750	76,469	78,228
Headquarters Support					
Technology Development & Deployment	46,344	46,344	46,343	47,409	48,499
Program Direction	332,799	344,557	356,517	364,717	373,105
Headquarters Operation ⁴	54,731	55,550	56,297	57,592	58,916
D&D Fund Deposit	25,000	0	0	0	0
D&D Fund Deposit Offset	-25,000	0	0	0	0
EM Total	5,996,000	6,165,000	6,222,000	6,365,106	6,511,503

Key:

¹ Fernald includes PBS CBC-0100-FN, OH-FN-0020, PBS OH-FN-0030, and PBS OH-FN-0101. Miamisburg includes PBS CBC-0100-MD, PBS OH-MN-0030, and PBS OH-MB-0100. Rocky Flats includes PBS CBC-0100-RF and PBS RF-0030.

² Includes PBS VL-FOO-0013B-D and PBS VL-FOO-0100-D.

³ Includes PBS CBC-CA-0013B-N and PBS CBC-CA-0100-N.

⁴ Includes PBS HQ-MS-0100 and PBS HQ-UR-0100.

FY 2010 EM/CFO Consolidated Budget Calendar

Activity	Time Frame
CFO Issues Field Budget Call	Jan 22
EM Guidance Issued to Field	March 7
S&S Crosscut requirements provided to field	March 7
Update of Validated Near Term Baselines and Out Year estimates (Change Request Tool)	February 29
Briefing templates distributed to field offices; Program Direction requirements and format provided to field	March 7
IPABS-IS IPL module instructions provided to field	March 14
Integrated Priority List (IPL) module open in IPABS-IS	March 17
Budget and Planning Workshop	March 18 – 20
Field Offices to develop detailed IPLs in IPABS-IS IPL Module (due April 10)	March 17 – April 10
EM Field Management Briefings (Budget Request) per EM Guidance to EM HQ Management	March 27 – 31
S&S exhibits due to HQ	April 15
Preliminary EM Summary IPL's with site-level Baseline/Over Baseline allocations based on field presentations prepared by EM-30	April 14 – April 18
Field budget schedules for Agency IT Investment Portfolio – Exhibit 53 submitted to HQ PSO and IM-20	April 6
EM-1 and EM-2 complete review of preliminary EM Summary IPL and site funding allocations; EM issues preliminary decisions with IPL to field in preparation for EM Corporate Review Board	April 21
Field budgets due to HQ PSO's (primary budget materials, supplemental justification materials, crosscuts, and other miscellaneous budget schedules as outlined in January 22, 2008 Field Budget call).	April 15
EM Convenes Corporate Review Board with Field Management to discuss preliminary EM-Wide IPL; Summary IPL finalized; Detailed IPL developed based on briefings / decisions	Late April
EM Submission of Corporate Program Review Documents (IPL) to CFO CFO issues OMB Budget Call and Formats	Early May
CFO Initiates Review and Decisions Process; CFO A-Team provides recommendations to EM; EM Briefs S-1 & S-2; EM IPABS open for Field Budget Narrative Updates to Match EM Corporate IPL submission	Early May – Mid June
Budget Narrative Updates completed in IPABS-IS	June
Draft S-1 Decisions and Appeal Process	June
CFO Issues final Program Decision Memorandum (PDM)	June
OMB Budget Developed based on PDM Decisions	July
EM submits Draft OMB Submission to CFO for review	August
CFO Review / Resolve Outstanding Issues / CFO comments back to PSOs	August
Final Budget Submitted to OMB	September

Site FY 2010 Budget Briefings

Thursday March 27:

(Note: These sessions will be conducted "in person" in FORS.)

1:00- 2:30 NNSA

4:00-5:30 Carlsbad

Friday March 28:

(Note: These sessions will be conducted "in person" in FORS.)

8:45 – 10:30 Oak Ridge

10:45 – 12:30 Pad/Ports

2:00 – 2:45 West Valley

3:00– 5:00 Ohio/CBC

(Includes Moab and other small sites.)

Monday March 31:

(Note: These sessions will be handled via VTC.)

8:45 – 10:45 Savannah River

11:00 – 12:30 ORP

2:00 – 3:30 Richland

3:30 – 5:00 Idaho

Distribution

David A. Brockman, Manager, Richland Operations Office (RL)
Shirley Olinger, Manager, Office of River Protection (ORP)
Jeffrey M. Allison, Manager, Savannah River Operations Office (SR)
David C. Moody, Manager, Carlsbad Field Office (CBFO)
William E. Murphie, Manager, Portsmouth/Paducah Project Office (PPPO)
Jack Craig, Manager, Consolidated Business Center Ohio (CBC)
Cynthia Anderson, Deputy Chief Operations Officer
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Richard Schassburger, Director, California Sites Project Office
John Rampe, Director, Separations Process Research Unit (SPRU)
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John Lopez, CBC
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Patricia Berry, ETEC/SLAC
John Wood, ETEC/SLAC
Steve Feinberg, SPRU
Susan Heston, ANL
Lloyd Nelson, Brookhaven
John Sattler, Brookhaven
Terri Kneitel, Brookhaven
Don Metzler, Moab
Gail Majors, Moab
Lisa Maul, Ashtabula
Bill Taylor, Fernald
Johnny Reising, Fernald
Wayne Pasko, Fernald
Don Pfister, Miamisburg
Bryan Bower, West Valley
Dan Sullivan, West Valley
Matt McCormick, Richland
Leif Erickson, Richland
Stacy Charboneau, Richland
Paul Pak, Richland
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Teresa Sanford, River Protection
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Terry Spears, Savannah River
Allen Gunter, Savannah River
Pat McGuire, Savannah River
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Guy Girard, Savannah River
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Claire Holtzapple, Lawrence Livermore
Debbie Harkness, Lawrence Livermore