

# State and Tribal Government Working Group

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Steve Trischman  
Director, Office of Budget and Planning

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- **Primary Phases of Budget**
  - **Planning and Budget Timeline**
  
- **How and When Engagement Can Occur**
  
- **Status of FY 2017 and FY 2018**
  
- **Budget and Planning Integration**
  - **Progress to date**
  - **FY 2019 Schedule**



# Three Primary Phases of Budget Process

## ➤ Formulation

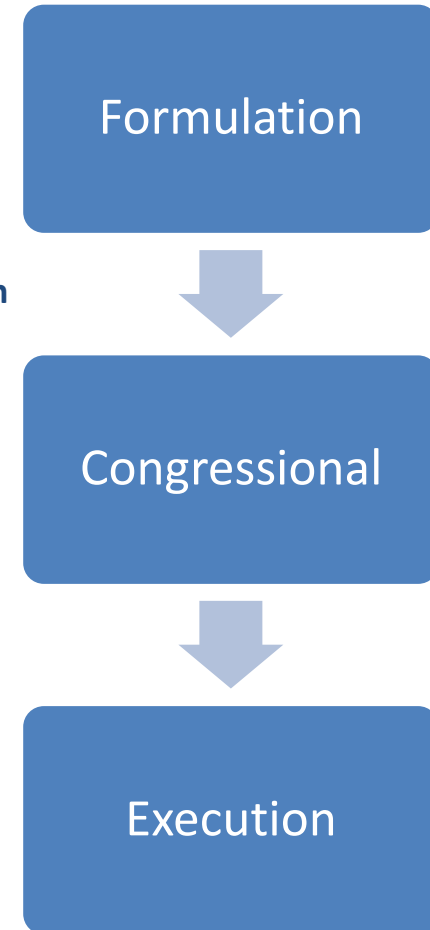
- Executive Branch prepares the President's Budget
- OMB and the Federal agencies begin preparing the next budget almost as soon as the President has sent the last one to the Congress
- OMB officially starts the process by sending planning guidance to Executive Branch agencies in the spring
- The President completes this phase by sending the budget to the Congress on the first Monday in February

## ➤ Congressional

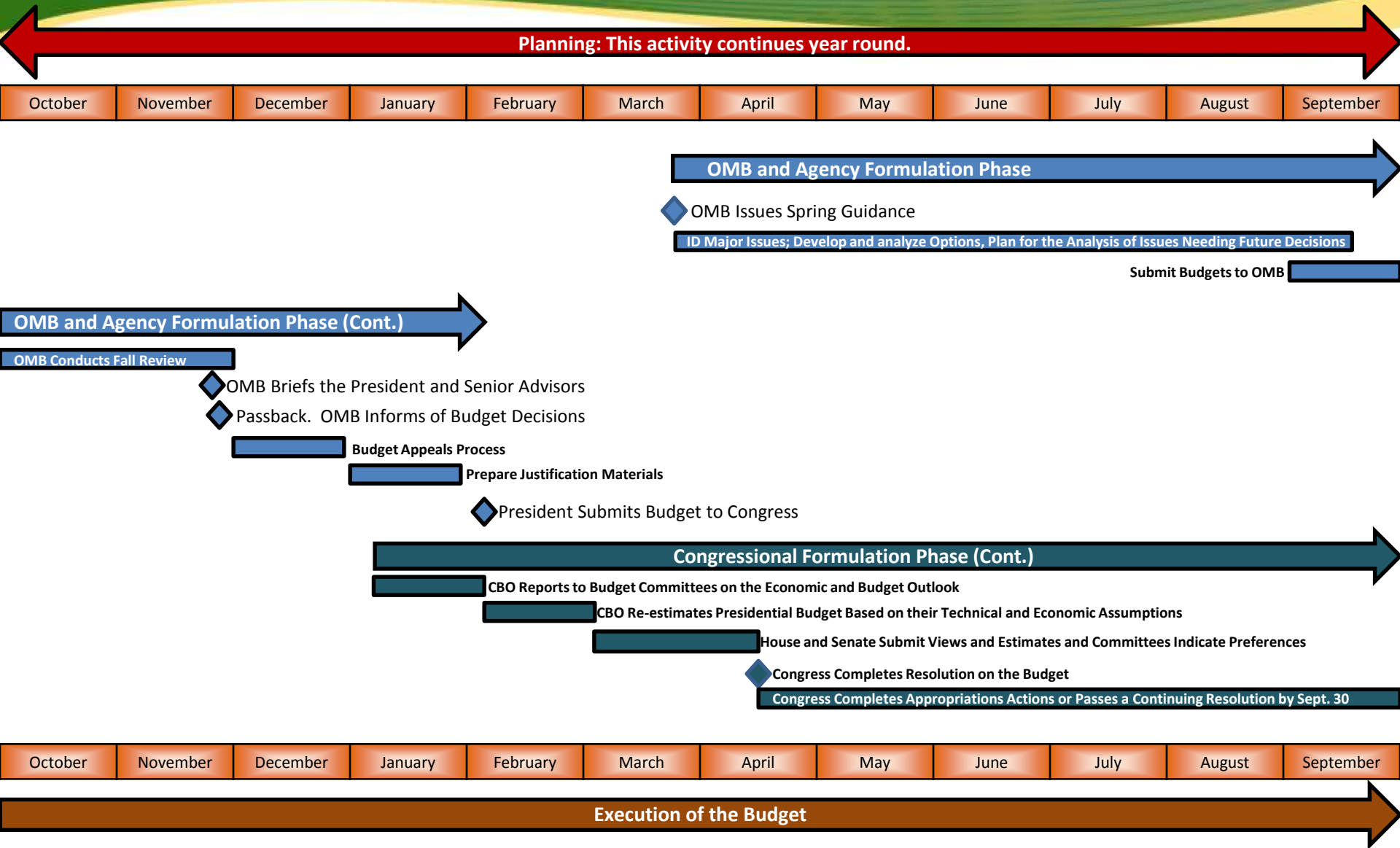
- Begins when the Congress receives the President's Budget
- The Congress does not vote on the President's Budget itself, and it does not enact a budget of its own
- It considers the President's Budget proposals, passes an overall revenue and spending plan called a "budget resolution," and enacts the regular appropriations acts and other laws that control spending and receipts

## ➤ Execution

- This phase lasts for at least five fiscal years and includes two parts
  - Apportionment – OMB must provide an Apportionment schedule allocating funds to agencies for spending
  - Spending and Reporting



# Budget and Planning Timeline



\*During OMB’s Agency Formulation Phase, Budget Allocations are Embargoed and **NOT** Releasable Outside of the Administration

- **House Energy and Water Development released a proposed FY 2017 Omnibus bill on Monday, May 1**
  - **Includes \$6.420B for the EM Program, \$293M above the FY 2017 Congressional Amended of \$6.218B.**
    - **+\$15M to Defense Environmental Cleanup**
    - **+\$29M to Non-Defense Environmental Cleanup**
    - **+\$94M to Uranium Enrichment Decontamination and Decommissioning**
  - **Anticipate Senate action before expiration of current CR (Friday, May 5<sup>th</sup>)**
  - **Currently evaluating the House proposed bill for potential impacts**



# Status of FY 2017

Site	FY 2016 Enacted	FY 2017 Cong Amended	FY 2017 HEWD Marks	FY 2017 SEWD Marks	FY 2017 House Proposed Omnibus
Carlsbad	304,838	279,400	324,380	279,400	324,720
ETEC	10,459	10,459	10,459	10,459	10,459
Idaho	401,919	370,088	390,088	370,088	390,088
Los Alamos	185,000	189,000	185,000	199,000	194,000
Lawrence Livermore	1,366	1,396	1,396	1,396	1,396
Lawrence Berkeley	17,000	0	0	9,200	9,200
Moab	38,644	34,784	37,629	34,784	37,884
Nevada	62,385	62,176	62,176	62,176	62,176
Oak Ridge	468,407	391,407	418,503	497,664	498,164
Richland	990,653	800,000	828,998	914,000	916,176
River Protection	1,414,000	1,499,965	1,487,456	1,499,965	1,499,965
Paducah	268,402	272,310	272,310	272,310	272,310
Portsmouth	288,970	322,653	339,485	331,388	381,971
Savannah River	1,336,566	1,448,000	1,364,356	1,402,668	1,369,429
SPRU	0	3,685	3,685	3,685	3,685
Sandia	2,500	4,130	4,130	4,130	4,130
West Valley	61,804	63,628	63,628	68,428	69,628
Defense Closure Site Activities	4,889	9,389	9,389	9,389	9,389
Non-Defense Closure Site Activities	9,500	0	5,500	16,600	5,500
Program Direction	281,951	290,050	290,050	290,050	290,050
Mission Support Activities	16,279	14,979	14,979	14,979	14,979
Technology Development	20,000	30,000	20,000	30,000	25,025
Excess Facilities	0	0	0	0	0
Uranium Thorium Reimbursements	32,959	30,000	32,959	30,000	30,000
D&D Fund Deposit	0	155,100	0	717,741	563,000
Subtotal, EM	6,218,491	6,282,599	6,166,556	7,069,500	6,983,324
UED&D Fund Offset:	0	-155,100	0	-717,741	-563,000
Use of PY Unobligated (Defense)	0	0	-5,921	0	0
Use of PY LANL	0	0	-8,400	0	0
Total, EM	6,218,491	6,127,499	6,152,235	6,351,759	6,420,000

- **President released the FY 2018 Budget Blueprint on Thursday, March 16, 2017**
  - Included \$6.5 billion to advance the Environmental Management program mission
  - Included funding to address excess facilities to support modernization of the nuclear security enterprise
  - Specific details of FY 2018 budget anticipated to be released the week of May 22<sup>nd</sup>
  
- **Anticipate FY 2019 process will quickly engage once the FY 2018 budget is released**
  - No guidance or timeline information has been released from OMB
  - Sites should have already began discussions with you on priorities and activities
  - Expect official kick-off of process in early June on accelerated schedule



Currently developing life-cycle planning profiles.

- ✓ Establish realistic cost and schedule expectations for each site and document underlying assumptions/basis.
- ✓ Provide improved basis for measuring progress and evaluating alternative cleanup approaches.

Expand HQ-Field EM planning and budget alternatives analysis.

- ✓ Continue planning and budget workshops
- ✓ Update/life-cycle planning profiles
- ✓ Provide essential input for update EM Program long-term strategy
- ✓ Support Administration transition





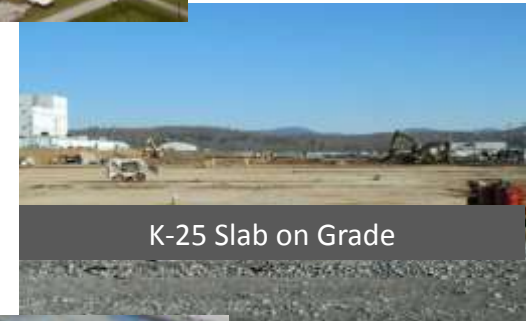
## ➤ When can stakeholders engage and provide input

- EM releases letter of engagement refresher to site offices
  - ✓ Letter outlines how/when site offices can engage with stakeholders for the upcoming fiscal year process
  - ✓ Letter is usually released prior to receiving guidance from OMB or the Department
  - ✓ Typically done in the February timeframe; however due to the delay in FY 2018 budget activities the FY 2019 letter has not been released to date

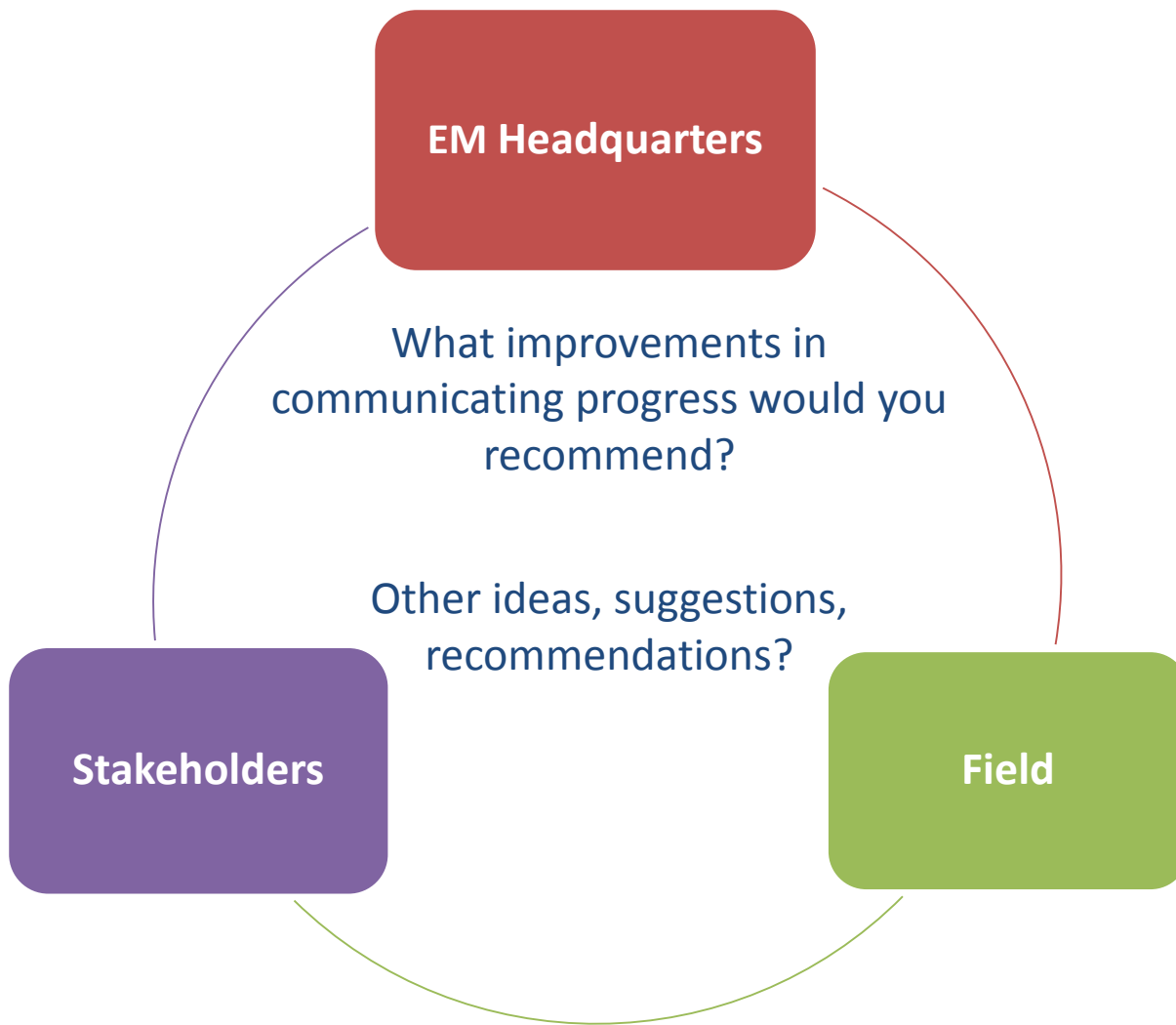
## ➤ How can stakeholders engage and provide input

- Site offices enlist specific engagement for next budget cycle from stakeholders usually in the February/March timeframe
- Engagement is typically discussed in terms of priorities and overarching activities to be performed, not in terms of how much is needed for activities
- Engagement can continue to occur year-round, you are not limited to communicating your priorities just in the initial timeframe -- If things change, let us know

- Lifecycle Planning
  - ✓ Evaluate new technical and regulatory approaches to solve the more intractable problems
  - ✓ Consider alternative end states, where appropriate
- Build on past successes
- Strategically focus investments in technology development
- Supplement performance metrics with highlights from each site:
  - ✓ Accomplishments
  - ✓ Challenges
  - ✓ Priorities
  - ✓ Path ahead

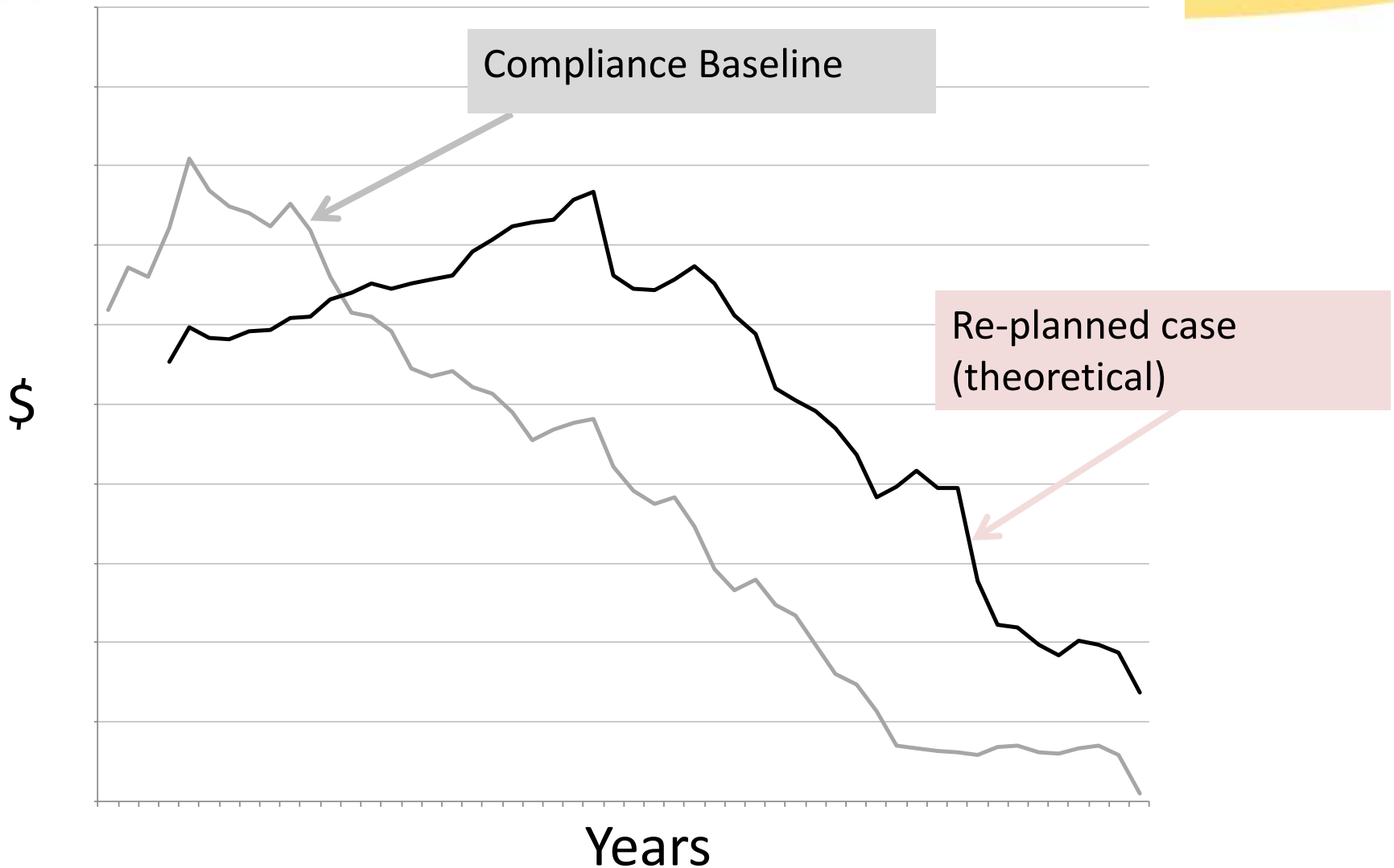


# We Need Your Involvement



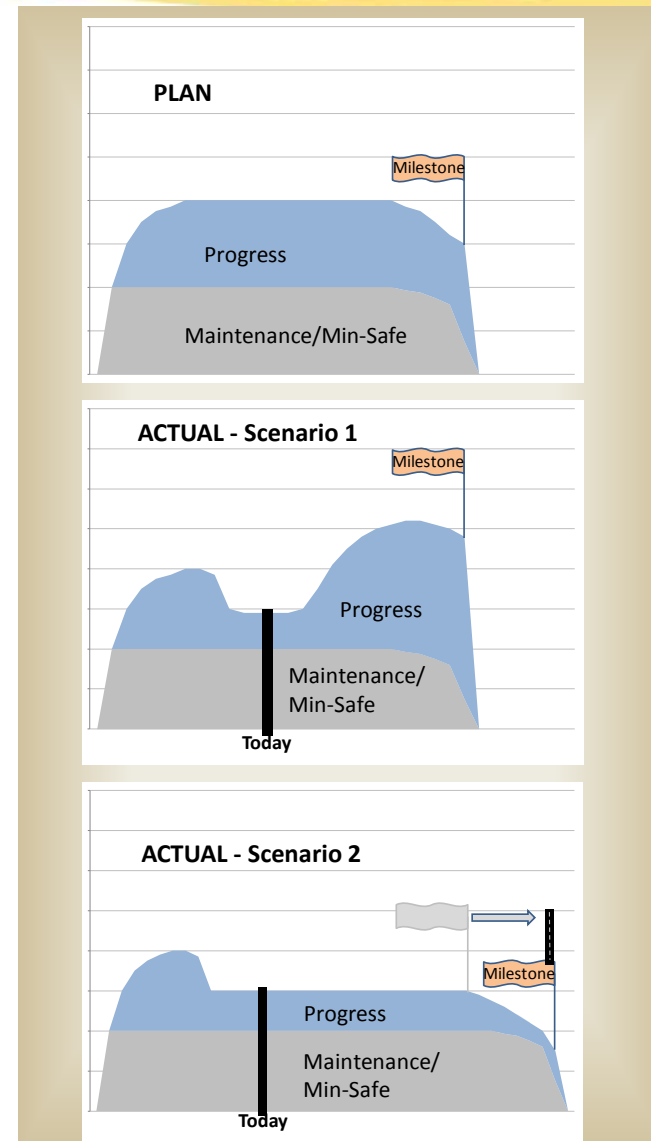
# Background

# Site Cleanup Baselines Require Replanning to Accommodate Different Annual Funding, Scope Changes, Technical Issues



# Accumulation of Technical Challenges and Funding Shortfalls Results in Unworkable Baseline

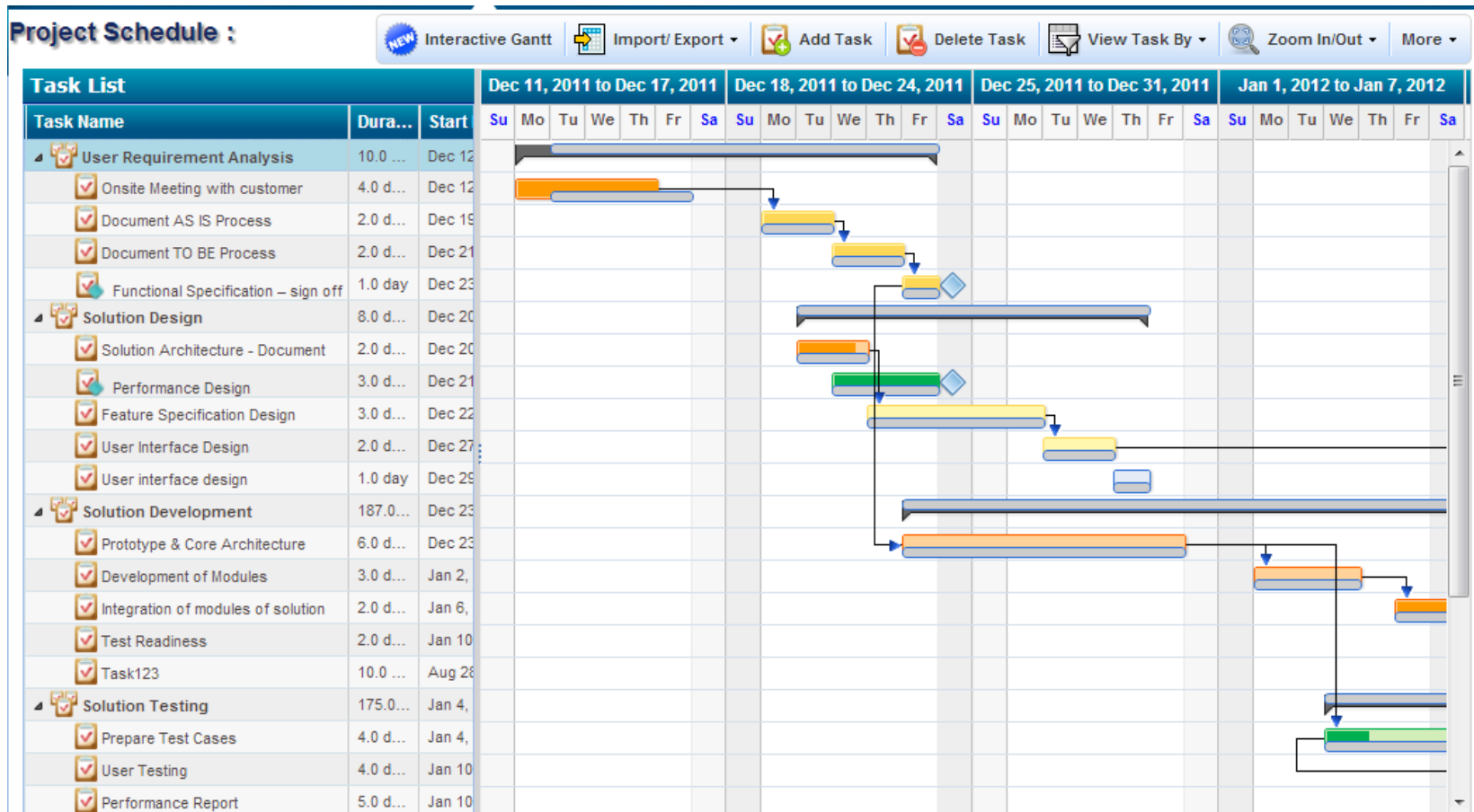
- **Baselines reflect compliance requirements**
- **Baselines are ambitious in an effort to make progress at all sites**
- **Constrained funding in a given year delays progress**
- **Technical issues can cause delay and increase cost**





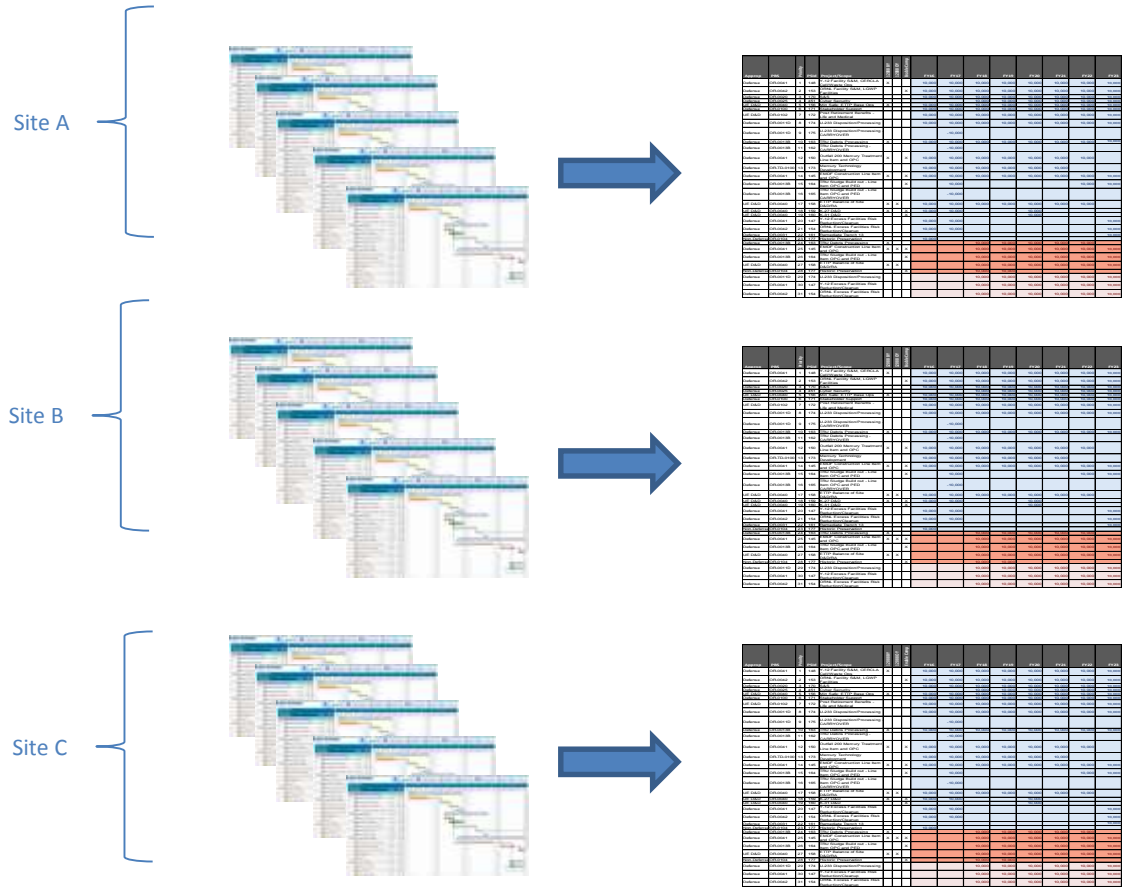
# Site Cleanup Baselines are Comprised of Thousands of Activities Linked in a Resource-Loaded Schedule

## Example Project Baseline

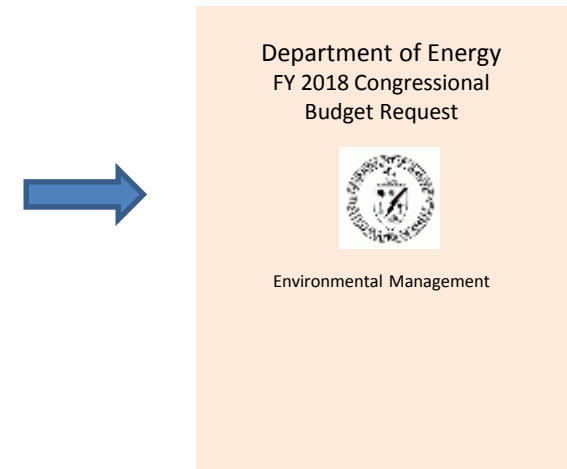


# Planning Informs the Budget Process

## Site Prioritization



## Program Prioritization



## ➤ What drives the budget requirements?

- The Budget and Accounting Act requires the President to submit a budget
- Agencies have internal process that ultimately lead to the President formally transmitting budget proposals to Congress
- The Congress considers the recommendations and uses the information included in the budget as it drafts and passes laws that affect spending
- Neither branch of Government can unilaterally decide how budgets are distributed/executed, it is through the budget process the Government decides how much money to spend, what to spend it on, and how to raise the money it has decided to spend



## ➤ All Government agencies are required to follow the governing steps laid out in the Office of Management and Budget (OMB) Circular No. A-11 “Preparation, Submission, and Execution of the Budget”

- Provides an overview of the budget process
- Indicates what/when agencies can communicate externally

## ➤ **Defense Environmental Cleanup**

- Often referred to as 050 funds
- Funds legacy cleanup activities associated with Defense funded legacy waste
- Subject to Defense fund caps

## ➤ **Non-Defense Environmental Cleanup**

- Often referred to as non-050 funds
- Funds legacy cleanup activities associated with non-defense funded legacy waste
- Subject to non-defense fund caps

## ➤ **Uranium Enrichment Decontamination and Decommissioning (UE D&D)**

- Often referred to as non-050 funds
- Funds legacy cleanup activities under statutory requirements from the Energy Policy Act of 1992 for the sole purpose of uranium enrichment facility decontamination
- Subject to non-defense fund caps

<p>\$5,289,742 Defense Environmental Cleanup (050)</p>	<p>\$255,000 Non-Defense Environmental Cleanup (non-050)</p>	<p>\$673,749 Uranium Enrichment Decontamination and Decommissioning (UE D&amp;D) (non-050)</p>
<ol style="list-style-type: none"> <li>1. Closure Sites</li> <li>2. Hanford Site: Central Plateau Remediation</li> <li>3. Hanford Site: Richland Community and Regulatory Support</li> <li>4. Hanford Site: River Corridor and Other Cleanup Operations</li> <li>5. Hanford Site: 15-D-401 Containerized Sludge Removal Project</li> <li>6. Idaho National Laboratory: Idaho Cleanup and Waste Disposition</li> <li>7. Idaho National Laboratory: Idaho Community and Regulatory Support</li> <li>8. NNSA Sites: Los Alamos</li> <li>9. NNSA Sites: Lawrence Livermore National Laboratory</li> <li>10. NNSA Sites: Nevada</li> <li>11. NNSA Sites: Sandia National Laboratories</li> <li>12. Oak Ridge: OR Cleanup and Disposition</li> <li>13. Oak Ridge: OR Nuclear Facility D&amp;D</li> <li>14. Oak Ridge: OR Reservation Community and Regulatory Support</li> <li>15. Oak Ridge: OR Technology Development and Deployment</li> <li>16. Oak Ridge: U233 Disposition Program</li> <li>17. Oak Ridge: 14-D-403 Outfall 200 Mercury Treatment Facility</li> <li>18. Office of River Protection: Tank Farm Activities</li> <li>19. Office of River Protection: 15-D-409 Low Activity Waste Pretreatment System</li> <li>20. Office of River Protection: 01-D-16A-D WTP Subprojects A-D</li> <li>21. Office of River Protection: 01-D-16E Pretreatment Facility</li> <li>22. Program Direction</li> <li>23. Program Support</li> <li>24. Safeguards and Security</li> <li>25. Savannah River Site: Savannah River Site Risk Management Operations</li> <li>26. Savannah River Site: Radioactive Liquid Tank Waste Stabilization and Disposition</li> <li>27. Savannah River Site: SR Community and Regulatory Support</li> <li>28. Savannah River Site: 05-D-405 Salt Waste Processing Facility</li> <li>29. Savannah River Site: 15-D-402 Saltstone Disposal Unit #6</li> <li>30. Technology Development and Deployment</li> <li>31. Waste Isolation Pilot Plant: Waste Isolation Pilot Plant</li> <li>32. Waste Isolation Pilot Plant: 15-D-411 Safety Significant Confinement Ventilation System</li> <li>33. Waste Isolation Pilot Plant: 15-D-412 Exhaust Shaft</li> </ol>	<ol style="list-style-type: none"> <li>1. Fast Flux Test Reactor Facility</li> <li>2. Gaseous Diffusion Plants</li> <li>3. Small Sites</li> <li>4. West Valley Demonstration Project</li> <li>5. Mercury Storage Facility</li> </ol>	<ol style="list-style-type: none"> <li>1. Oak Ridge</li> <li>2. Paducah Nuclear Facility D&amp;D</li> <li>3. Paducah: 16-U-401 Solid Waste Management Units 5&amp;6</li> <li>4. Portsmouth Nuclear Facility D&amp;D</li> <li>5. Portsmouth: 15-U-408 On-Site Waste Disposal Facility</li> <li>6. Pension and Community and Regulatory Support</li> <li>7. Title X Uranium/Thorium Reimbursement Program</li> </ol>