



SRS Citizens Advisory Board

Strategic & Long Term Issues Committee

Meeting Summary

January 16, 2001
North Augusta Community Center
North Augusta, SC

The Citizens Advisory Board (CAB) Strategic and Long Term Issues (S<I) Committee met on Tuesday, January 16, 2001 at the North Augusta Community Center, N. Augusta, SC. The topics of discussion were the Savannah River Site (SRS) Prioritization Process, review of public input into the budget planning process, budget review for fiscal year (FY) 2000, 2001 and 2002 and public comment. Those in attendance were:

CAB Members

P.K. Smith*
Bill Vogele*
Carolyn Williams*

Stakeholders

David Janes, EPA
Carrie Butler, DHEC
Chuck Powers, CRESP
Melinda Holland, CRESP
Chuck Keilers, DNFSB
W.R. Greenaway
Lee Poe
Mike French
Joseph Oller, Jr.
John Goodsell

DOE/Contractors

Jim Buice, DOE
Steve Baker, DOE
Shayne Farrell, DOE
George Mishra, DOE
Mary Flora, WSRC
Bill Jones, WSRC
Gary Percival, WSRC
Jim Moore, WSRC

* Members of the S<I Committee

Note: Mel Galin and Bill Adams, members of the S<I Committee, were unable to attend.

Welcome and Introduction:

P. K. Smith, substituting for the Chairman Mel Galin, welcomed those in attendance and asked them to introduce themselves. She reviewed the agenda and then introduced Shayne Farrell, DOE, and Mary Flora, WSRC.

SRS Prioritization Process Status:

Mr. Farrell stated an SRS team had been reviewing the prioritization process for several months and noted that Mary Flora would review the specific recommendations to improve the current process.

Ms. Flora said the purpose of the Prioritization Team was to seek improvements to the process that will enhance Savannah River Sites (SRS) ability to reduce risk and accomplish critical work. She reviewed the history of the process and the stakeholder input into that process. The current process has been in use for over five years, is multi-attribute, is a weighted system and has been recognized as a good process. The strengths of the process are the stakeholder involvement, it's a good communication tool and it promotes "buy-in" within SRS.

There have been some issues raised with the process from the Defense Nuclear Facility Safety Board (DNFSB) and the Consortium for Risk Evaluation with Stakeholder Participation (CRESP) and others. The issues were that changes to the system were not apparent or understandable. It also appears to be just a list of activities versus recognizable problems. The baselines that support it were not apparent. Options analyses are not readily apparent. The process considers risk as it relates to a single year loss of funding. The process also doesn't look at risk reduction. Another area that SRS needed to review was the criteria and the consequences and scoring.

A team was organized to develop recommendations to improve the process. Their purpose was to evaluate the process and determine goals, develop a process, define criteria and consequences, define probability, develop weightings, evaluate it and then implement it.

The team was a cross-functional team included representatives from line and support organizations. They had senior management sponsorship and CRESP (Chuck Powers) an advisory role. A self-assessment of the current system was completed. Other priority systems were reviewed for applicability to SRS. The team determined the new process had to be understandable, flexible, consider risk reduction, be practical, defensible and must be able to be implemented. The current process did not consider risk reduction.

The new process determines how much is risk reduced by performing the work over a six year period. In addition to risk reduction, business considerations are scored as well as stakeholder and strategic missions considered and noted. The elements in these criteria were reviewed.

To define probability, a systems approach was used. Rather than try to determine the probability by years (which is hard to predict), a qualitative evaluation from low/very unlikely to extremely high/extremely likely was used. The quantitative probabilities ranged from 0.1 to 1.0.

A multi-layered weighting system was developed to determine scoring within each risk and business considerations criterion. Each criterion is weighted against itself. This paired comparison is within an analytical hierarchy process using a software package called Expert Choice. This software is proven and used by the Department of Defense (DOD) and other government organizations and commercial companies.

Actual projects have been evaluated to determine if the system works and it appears to work well. The Infrastructure Program is currently using the system. The system would be updated approximately every three to five years although annual updates would be accomplished. SRS plans on using the modified prioritization process to support the next out year budget submittal in the spring.

Reviews of the system are currently underway with the stakeholders: DNFSB, CRESP, regulators, CAB and the public. A workshop is planned in the near future, probably early March, to demonstrate the process. Ms. Flora stated that if anyone wanted to attend the workshop to let us know.

Ms. Flora stated that in implementing these changes, SRS would be able to better prioritize, communicate and accomplish the workscope.

Bill Jones reviewed an example of the priority process used on one of the Infrastructure Program projects. Mr. Jones stated that in some projects, over the six years of the project, sometimes the probability can change and sometimes the consequence. He stated that in infrastructure projects, there usually is no safety risk, the projects rank higher in the business risk. If infrastructure were based purely on safety risk, it might never get funded. The recovery penalty and interdependence makes the infrastructure projects rank higher. Mr. Jones pointed out that the scores between the risk and business criteria can not be added together. Chuck Powers indicated that it was much easier to ask questions with this modified system than with the old system.

The following comments were received during the presentations:

- The Nuclear Regulatory Commission (NRC) used life value scores in determining risk. Does this process use that?

Ms. Flora: No. This process used a numerical scoring and weighting system.

- Does the system evaluate more than a single death?

Ms. Flora: No. There was concern about where to stop, at 20 deaths or 50?

- Concerned that using a systems approach was a step backward since it is less quantitative.

Ms. Flora: While the current system may have appeared to be more quantitative, there was less confidence in the outyears. In addition, there was confusion among the programs when scoring their projects.

- Concern that experts developing the weighting system would be biased. They would not see the political view as an outsider or non-expert would.

Ms. Flora: In evaluating a non-experts view, it was found that if 'nuclear' was referred to, the non-expert placed it in a high risk category. An expert was able to differentiate between accountability of nuclear material and a specific nuclear event.

- Will there be an effort to get consistency among the DOE Complex sites on a prioritization process?

Chuck Powers: DOE needs to find a common process first. This SRS process could be the process that is eventually used. The benefit of the workshop will be to get stakeholder input into the process.

- How do you address negatives or absolute values?

Ms. Flora: There was concern about that initially, but there were very few of them. We are looking into how to handle those at this time.

- What is the highest score an item can receive?

Bill Jones: 10,000 points.

- Are fines from Environmental Protection Agency (EPA) considered in the risk?

Bill Jones: Yes, as well as violation of Executive Orders.

Ms. Flora requested that those attending the meeting review four questions and send in their comments on them. The four questions were:

1. Do you want to participate in the workshop?
2. Do you think segregating Risk score from Business Considerations and from Stakeholder and Strategic Missions Considerations is a good approach?
3. Is the multi-year evaluation worthwhile?

4. Is looking at risk reduction voter multiple years worthwhile?

Review of Public Input into the Budget and Planning Process:

Jim Buice, DOE, stated that public input is important to the budget process as the site formulates and executes the budget. Mr. Buice reviewed the budget timetable. He stated that the site is currently working on the 2003 budget. Previously, the site worked on one year at a time, now they develop life-cycle estimates. In January, DOE Headquarters (HQ) gives the site budget guidance that includes schedules. The draft Integrated Priority List (IPL) is developed in late January/February. In mid-March, there is a detail review of the IPL. The IPL is finalized in late March, early April with the submittal to DOE-HQ in mid-April. A Corporate Forum is held at DOE-HQ every May to review how the various budgets fit into the complex wide decisions. The budget is submitted to the Office of Management and Budgets (OMB) in September.

DOE-HQ briefs the OMB on impacts in September through mid-November. The site receives a passback in mid-November. The site can appeal the budget. The budget is finalized in December/January. The budget goes to Congress in February. Congress is currently working on the 2002 budget. A formal rollout of the budget takes place in early February. Mr. Buice stated that this year because of the change in administration, the budget might be several months late in being approved. Congress deliberates and approves the budget by September. The site follows the budget through Congress to be aware of any changes that may take place.

Mr. Buice said that the site tries to keep the stakeholders up to date on every step of the process. Input from the public is welcome at anytime.

The site is currently executing the 2001 budget against the work plan. The site reviews and questions the over-runs and under-runs on a monthly basis. An integrated Management Control System keeps up with all the data. DOE-HQ receives all the performance data monthly. If a project plans a spending change greater or less than 25% of the total original cost projection, Congress must be told.

Budget Review:

Mr. Buice stated that the budget for fiscal year (FY) 2000 is \$1,255 million, for FY2001 \$1,209 million and for FY2002 \$1,269 million. To compare FY2000 funding with FY2001 and FY2002, you would need to add approximately \$90 million to FY2001 and FY2002. The \$90 million reflects the transfer of Safeguards and Security (S&S) funding from the Environmental Management (EM) program to the Security Operations program. The FY2002 number excludes an over-target request of \$80 million and an additional over-target requirement for \$17 million.

Budget Review – 2000 Budget/Cost – End of Year Results:

Mr. Buice reviewed the major accomplishments and highlights by program for FY2000. It was noted that funding for the Mixed Oxide Fuel (MOX) program is not included in the EM program. In answer to a question Mr. Buice stated that for 2001 the funding for all plutonium disposition activities totaled \$50 million including MOX.

Budget Review – 2001 Budget – Appropriations Bill Update:

Mr. Buice stated that the appropriation bill passed Congress and that it was \$25.4 million less than expected. Issues will include meeting efficiency challenges as well as operating under a new type contract. DOE-SR has proposed to DOE-HQ a strategy to deal with this shortfall, key elements of this proposal are listed as follows:

- Safely manage Site work
- Minimize work scope impact
- Maintain focus on DNFSB commitments
- Utilize available prior year uncosted balances from Transfer and Storage Facility project and other construction projects
- Reprogram \$5 million from Waste Removal Line Item (when needed)
- Use \$3 million of revenues from foreign research reactor operators related to the spent fuel disposition program
- Reduce work scope by \$3 million in Alternate Technology Development for spent fuel (This proposal has not been accepted by DOE-HQ yet.)
 - Reduce L-Area Experimental Facility construction activities by \$1.3 million
 - Reduce fuel form qualification activities by \$1.7 million
- Reduce PUREX studies by \$1 million
- Close down operations of the C-Area Decontamination Facility for balance of FY2001
- Reduce some small equipment and general plant projects work by \$1.3 million

Budget Review – 2002 Budget Status/Update:

Mr. Buice stated that the original budget target for FY2002 was \$1,174 million and the current target is \$1,191 million, an increase of \$17 million. There is DOE-HQ support for the over target request of an additional \$80 million. There still remains an additional \$17 million over target requested need. Mr. Buice reviewed the FY2002 budget by program.

The over target request of \$80 million is designated for the following programs:

High Level Waste System	\$28 million
Infrastructure	\$52 million

The additional \$17 million over target request is designated for the following programs:

Environmental Restoration	\$13 million
Security System Restoration	\$4 million

Mr. Buice reviewed the planned accomplishments for FY2002.

Mr. Buice stated that in February a day will be devoted to reviewing the total budget. First he would give an overview and then the program managers would explain what they are doing in their program. Once again, Mr. Buice said that if the committee or an individual wants to know something about the budget, all they had to do is call.

Public Comment:

Since there was no public comment, Ms. Smith adjourned the meeting.

Meeting handouts may be obtained by calling 1-800-249-8155.