TESTIMONY OF

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U.S. DEPARTMENT OF ENERGY - SAVANNAH RIVER OPERATIONS OFFICE BEFORE THE

SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT

AND

SUBCOMMITTEE ON ENERGY AND ENVIRONMENT COMMITTEE ON SCIENCE AND TECHNOLOGY U.S. HOUSE OF REPRESENTATIVES AUGUST 1, 2007

Chairman Miller, Chairman Lampson, and Subcommittee Members: Thank you for the opportunity today to convey the Department of Energy's (DOE) Savannah River Site (SRS) priorities and to share my insight into the Department's funding decisions relative to the Savannah River Ecology Laboratory (SREL). In doing so, I am hopeful that I can clarify some misconceptions and misrepresentations.

At the Savannah River Site, our primary mission since the end of the Cold War has been dispositioning nuclear materials and waste. Because of investments in our cleanup, SRS continues to make significant progress in meeting our current mission critical priorities to process and disposition liquid waste to reduce risk; support nuclear materials stabilization and disposition; remediate soil and groundwater; and disposition excess facilities.

Additionally, a critical part of the work that we do at SRS is routine monitoring of our cleanup work to ensure the health and safety of our workers, the public, and the surrounding environment. We work closely with regulators who have oversight of SRS activities. We also fund environmental and ecological studies to take a closer look at potential longer-term effects on soil, water and wildlife. For the past five decades, the Savannah River Ecology Laboratory, or SREL, has performed a number of these studies for the Savannah River Site.

At DOE-Headquarters' (HQ) direction, DOE-Savannah River (SR) allocated \$3M from available funds to SREL for Fiscal Year 2006 and began preparing a new Cooperative Agreement to establish the framework for future SREL activities. The new 5-year agreement prepared by DOE-SR was based on Fiscal Year 2006 funding of \$4M for SREL. The requested funding of \$4M for Fiscal Year 2007 served as a "planning base" until Congress acted and funds were appropriated. Planning assumptions are common to us for establishing future work scope activities until funding is committed and appropriated by Congress. Once appropriated, subsequent adjustments are made to funding and work scope as needed.

In September 2006, SR sent to DOE-HQ the Cooperative Agreement negotiated with SREL. It was at that time that I learned of specific terms of an agreement that had previously been reached by DOE-HQ and the University of Georgia in 2005 and communicated to some members of Congress.

With DOE-HQ input, the Cooperative Agreement was revised based on the terms reached in 2005. The Cooperative Agreement obligated Fiscal Year 2007 funding from DOE's Office of Environmental Management (EM) of \$1 million for SREL infrastructure and potentially up to \$3 million for scientific research projects that met specific criterion. Additional conditions stipulated that beyond FY 2007 there would be no DOE funding commitment for the SREL. For Fiscal Year 2008 and beyond, DOE agreed to fund individual SREL projects based on need, merit of the proposals, and funding availability. The Cooperative Agreement also allows the University of Georgia to continue to operate SREL on the Savannah River Site property and is structured to encourage them to seek research funding for work from DOE and non-DOE entities. These terms and conditions were formalized in the current Cooperative Agreement signed by both parties in November/December 2006.

Since that time, research projects ranging from ecological studies to radiation effect studies have been proposed by SREL. DOE-SR Federal Project Directors reviewed these

projects against the current priority cleanup activities planned for the Savannah River Site to determine if the projects supported accomplishing prioritized work scope. From this review, DOE-SR ultimately chose to fund six of the 27 proposed tasks because those six supported program missions. DOE-HQ supported the field's decision.

As you have heard here today, dating back to 2005, the Department had to make tough funding decisions in light of sound management principles, reduced budgets, and a desire to ensure top-quality science, resulting in DOE's expanded efforts to manage its contracts through competitive solicitation and awards. Savannah River was not exempt. The Department's decision in 2005 to eliminate funding for surficial science did not discount the quality of the scientific research or educational outreach activities conducted by SREL. Rather, that funding decision and many others since have been driven by the need to balance SRS work to meet the mission critical priorities of the Department.

DOE is committed to executing the Cooperative Agreement with the University of Georgia under the specified terms and conditions.

Personally, it is regrettable that a lack of communication and misperceptions resulted in confusing and complicating this matter. DOE recognizes SREL's contributions to environmental research and ecological studies, and we are hopeful that the lab will compete to conduct future work at SRS. Thank you.