



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
Division of Remediation, Oak Ridge Office
761 Emory Valley Road
Oak Ridge, Tennessee 37830

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COUNTY MAYOR'S OFFICE

April 9, 2024

Mr. Roger Petrie
Federal Facility Agreement Manager
Oak Ridge Office of Environmental Management
U.S. Department of Energy
Post Office Box 2001
Oak Ridge, Tennessee 37831

Dear Mr. Petrie

Request for a DOE Briefing to the Federal Facility Agreement Parties Regarding DOE's Budget Planning Process

Consistent with the Federal Facility Agreement (FFA) of the Oak Ridge Reservation, the Tennessee Department of Environment and Conservation (TDEC), Division of Remediation-Oak Ridge Office (DoR-OR), requests a briefing from the U.S. Department of Energy (DOE) to discuss the Oak Ridge Environmental Management (OREM) office's current remediation plans and priorities across the Oak Ridge Reservation (ORR).

The FFA for the ORR, Section XXXVIII Budgeting, prescribes a process for tri-party coordination and alignment of priorities to inform OREM's annual budget request. In addition, recent DOE guidance (attached) on the same subject, *Guidance on the Dissemination of Budget Information to External Stakeholders for the office of environmental Management's Fiscal Year 2026 Budget Request (dated February 20, 2024)*, specifies additional information to be shared to assist developing a budget request which reflects agreement of all stakeholders. Together, the two encourage the sharing of information to assist alignment among the FFA parties in formulation of the Fiscal Year 2026 (FY26) budget request.

Because of contract negotiations which occurred between DOE and the remediation contractor over the past year, these priority discussions have been limited to the current FFA Appendices E and J without appropriate FFA tri-party planning. However, TDEC understands many of the task orders with the contractor are completed and life-cycle cleanup profiles (e.g., end states and planning activities) can now be discussed. Specifically, TDEC is most interested in discussing the planning, end-states, and priorities of the following projects:

- groundwater remediation across the ORR;
- soil remediation goals at both Y-12 National Security Complex and Oak Ridge National Laboratory (ORNL); and
- transuranic sludges stored at ORNL.

The requested briefing and associated collaboration are expected to assist OREM in development of a FY26 budget request which reflects input from stakeholders. In addition, TDEC suggests the requested briefing to also satisfy budget briefing requirements prescribed in Section 9 of the ORR Site Treatment Plan. The additional communication should assist finalizing both FFA Appendices E and J to ensure planned work is reflected in the FFA milestones and those milestones are representative of tri-party priorities. Questions or comments concerning the contents of this letter should be directed to Randy Young at (865) 310-1157.

Sincerely

Randy Young

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Young
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Randy C. Young
FFA Manager
Division of Remediation – Oak Ridge Office

Enclosure

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COPY



Department of Energy

Washington, DC 20585

February 20, 2024

MEMORANDUM FOR DISTRIBUTION

FROM: WILLIAM I. WHITE 
SENIOR ADVISOR FOR ENVIRONMENTAL MANAGEMENT

SUBJECT: Guidance on the Dissemination of Budget Information to
External Stakeholders for the Office of Environmental
Management's Fiscal Year 2026 Budget Request

The memorandum transmits guidance for the formal, routine, and structured involvement of the public, including but not limited to federal and state regulators, Tribal Governments, local government officials, and stakeholders such as community groups and Environmental Management (EM) Site-Specific Advisory Board (SSAB) members (herein collectively referred to as "stakeholders") in the EM budget request process. This year's guidance has been updated to clarify critical elements of the budget process and confirm restrictions on embargoed content that cannot be shared with stakeholders considering constraints posed by Office of Budget and Management (OMB) Circular A-11.

Prior to release, all stakeholder briefing materials concerning the three-year budget window require review and concurrence from the Department of Energy (DOE) Headquarters (HQ) and OMB. As such, sites need to factor this requirement into their schedules to allow adequate time for both internal and external reviews. At a minimum, sites should build a two-week review period that proceeds planned stakeholder briefings. Budget briefings that will be delivered to federal and state regulators, Tribal Governments, state elected officials, community groups, and the EM SSAB must be shared with EM's Office of External Affairs (EM-2.31) and the Office of Intergovernmental and Stakeholder Programs (EM-2.22). The EM Office of Budget and Planning (EM-5.11) will coordinate OMB review and concurrence upon receipt of budget briefing materials from the requisite EM-HQ office.

It is recognized that each site has unique cleanup commitments that inform how the recommendations of this guidance will be fulfilled. Sites are expected to involve stakeholders in the budget planning process in manner that is consistent with the requirements of their cleanup commitments. This guidance does not supersede those provisions. For National Priority List (NPL) sites, stakeholder briefing materials should reference the joint priorities developed in consultation with the Environmental Protection Agency (EPA) and the applicable state as specified by their Federal Facility Agreements (FFAs). If existing requirements meet the intent of this guidance, no additional actions are necessary. If significant departures from this guidance are anticipated, sites should reach out to EM-5.11 at the earliest feasible time to facilitate planning, coordination, and

concurrences. EM will re-evaluate this guidance and amend as appropriate on an annual basis.

Additional Guidance for Engaging Local Government Officials and Stakeholders on the Fiscal Year (FY) 2026 Budget

Officials from the affected units of local government at each site and stakeholders should be engaged at the early stages of the budget development process to create a budget that meets cleanup needs. Local governments for each EM site and a list of EM SSAB local boards are attached.

Field sites should brief local governments and stakeholders during the following budget stages: (i) following the release of budget requests, (ii) following the receipt of an appropriation, and (iii) during the budget development process. Note that the DOE budget presentations given to stakeholders are not substitutes for direct engagement with local governments.

To strengthen local government engagement for the FY 2026 budget and beyond, the following activities are recommended:

- Field sites should meet annually in spring/early summer with local governments to discuss budget and priorities planning. This timeframe would allow DOE to (i) provide an update on how the current FY budget is being spent, (ii) discuss the outlook for the FY beginning in October, and (iii) gain local government insight that may potentially influence DOE's request to OMB for the following FY.
- Field sites should provide read-ahead materials including priority projects that would be funded each FY. Materials could also include information on longer-term projects that are still several years away, but that remain relevant for local governments.
- Field sites, where applicable, should include budget process discussions in monthly meetings between site managers and city managers. Alternatively, field sites could host a monthly meeting about budget and priorities planning with local governments.

The Budget Planning Process – Site Priorities

The budget planning process covers a three-year window and includes activities for the budget Formulation Year (FY 2026) and two prior FYs (FY 2025 and FY 2024). Sites should begin their FY 2026 budget planning discussions with stakeholders at the start of the calendar year (no later than March). Initial stakeholder discussions should focus on FY 2026 with the goal of developing/updating a site-specific list of priority activities irrespective of funding levels. To confirm, **all stakeholder discussions should be confined to prioritized activities. Sites must refrain from referencing funding levels associated with those activities in discussions with stakeholders.**

Table 1 summarizes permissible discussion items and materials embargoed from stakeholder meetings.

Table 1: Permissible and Embargoed Materials for Stakeholder Briefings

Permissible Discussion Items	Embargoed Materials
<ol style="list-style-type: none"> 1. FY 2026 priority activities & regulatory compliance milestones 2. For NPL sites, joint priorities developed with EPA & site regulators per FFAs 3. FY 2023 enacted funding levels (Analytical Building Block (ABB) level) per the Energy and Water Development Consolidated Appropriations Act (2024) 4. FY 2024 funding levels as printed in the FY 2024 Congressional Justification 5. Work scope tied to existing contracts 6. Risk reduction estimates tied to priority activities 7. Sequence of cleanup activities to achieve planned end-state 8. Schedules for current regulatory compliance milestones and near- and longer-term plans to meet them 9. Life-cycle cleanup profiles (absent funding estimates) 10. FY 2023 carryover amounts and actual versus planned performance metrics (within 30 days of actual appropriations) 	<ol style="list-style-type: none"> 1. Comprehensive life-cycle profiles (inclusive of funding estimates) 2. 10-year alternative investments 3. Five-year investment profiles 4. FY 2026 target funding levels 5. FY 2025 funding level (until release of Congressional Justifications – anticipated spring of 2024) 6. Actual funding targets, previous targets, and over target levels 7. Sites’ budget requests to DOE HQ 8. Specific tradeoffs made during the budget build

In advance of stakeholder briefings, site should update, as necessary, their **life-cycle profiles** (cost, scope, and schedule) using reasonable out-year funding projections while remaining consistent with existing programmatic priorities, agreements, and regulations. Life-cycle profiles provide context for developing sites’ FY 2026 budget during the budget formulation process. Activities prioritized in the FY 2026 budget request should be consistent with the site’s longer-range goals and objectives as outlined in these profiles.

Concurrent with confirming FY 2026 cleanup priorities, sites should work with stakeholders (during the month of February) to discuss plans for achieving near- and longer-term milestones and end-state objectives considering their updated life-cycle profiles. As noted in Table 1, **all stakeholder discussions should be confined to life-cycle cleanup profiles (e.g., end states and planning activities). Sites are not permitted to share funding levels associated with the activities that comprise life-cycle projections.**

Guidance for Engaging on FY 2024 (Formulation Year Minus 2FYs)

The Federal Government is currently operating under a continuing resolution through March 1, 2024, while appropriators continue negotiations and subsequent floor action on a FY 2024 spending bill. Pending the passage of a FY 2024 enacted appropriation, field sites are limited to discussing FY 2024 priorities as justified in the FY 2024 Congressional justification. Field sites cannot discuss previous target or over target levels or discuss specific tradeoffs or other decisions made during the budget build. This information is EMBARGOED indefinitely, per OMB Circular A-11, as it is internal and deliberative. Discussion of these details violates the Administration's privilege for private budget deliberations.

Within 30 days of receipt of an FY 2024 enacted appropriation (including amounts received under a continuing resolution), field sites should begin scheduling briefings with stakeholders on potential site impacts. Appropriations briefings should include a synopsis of the previous year's performance (FY 2023) and include information such as carryover amounts and actual versus planned performance metrics. As noted above, planned stakeholder briefings that cover the FY 2024 appropriation require review and concurrence from EM-HQ and OMB prior to release. Accordingly, sites should build a two-week review period that proceeds planned stakeholder briefings into their schedules.

Please note that validated baselines are subject to change based on annual appropriations. Additionally, this guidance does not supersede any existing legal agreements. Sites will continue to involve stakeholders in accordance with existing agreements and in coordination with EM-2.31 and EM-2.22. No additional actions are required if existing agreements meet the intent of this guidance.

Guidance for Discussing FY 2025 (Formulation Year Minus 1FY)

In a normal year, preparation for Congressional budget hearings begins in February. Currently, the FY 2025 Congressional Budget justification will likely be delayed until the spring of 2024, while Congressional leaders continue to deliberate on FY 2024 floor actions. Given OMB rules on embargoed budget information (OMB Circular A-11), any discussions with stakeholders on FY 2025, must be limited to planning levels at the site level, using the FY 2023 enacted level or the FY 2024 Congressional Justification as the reference point. **In other words, no FY 2025 funding levels are permitted to be officially released prior to clearance of the FY 2025 Congressional Justifications.** If the FY 2025 Budget-in-Brief is released prior to the detailed FY 2025 Congressional Justification, sites may utilize the Top Line funding levels communicated within the Budget-in-Brief document only (pending release of the detailed budget justifications). Once the FY 2025 Congressional Justification is officially released, sites may begin using it as a reference point in stakeholder discussions (for FY 2026).

Upon release of the FY 2025 Congressional Justification, initial communication regarding budget roll out will be overseen by EM-HQ. After the FY 2025 rollout, field sites can openly discuss the President's request, including metrics and milestones,

consistent with approved talking points and budget language. Sites can discuss ABB level details for items in the request level, including work scope and priorities.

With that said, sites **cannot** discuss previous target or over target levels or discuss specific tradeoffs or other decisions made during the budget build. This information is EMBARGOED indefinitely, per OMB Circular A-11, as it is internal and deliberative. Discussion of these details violates the Administration's privilege for private budget deliberations.

Within 30 days after the submission of the President's budget request to Congress, field sites should provide a briefing to their stakeholders outlining planned accomplishments at the President's request level for FY 2025, as well as an assessment of impacts related to activities that will not be performed. **Sites should coordinate all** planned external communications with EM-2.31 and EM-2.22. For meetings scheduled with the EM SSAB, briefings should be shared with the EM-2.22 for EM-HQ concurrence. EM-5.11 will coordinate OMB concurrence upon receipt of budget briefings from the requisite EM-HQ office.

Guidance for Engaging on FY 2026 Budget (Formulation Year)

While EM has made great progress integrating planning and budget activities, constraints posed by OMB Circular A-11 mean comprehensive lifecycle profiles (inclusive of funding levels), 10-year alternative investment scenarios, and five-year investment profiles are embargoed from public release.

For stakeholder discussions on FY 2026 and out-years, sites should focus on planning activities at the site level – using the FY 2023 enacted level as the appropriate reference, pending the passage of a FY 2024 appropriations and the release of the FY 2025 Congressional Justification to Congress. No FY 2025 funding levels should be released prior to clearance of the FY 2025 Congressional Justifications (Spring 2024). Once the FY 2025 Congressional Justification is officially released, sites may use it as a reference for planning purposes. Noting the delay, **sites should engage with their stakeholders now and not wait for transmittal of formal EM FY 2026 budget guidance to initiate these discussions.**

For internal EM use (i.e., development of Integrated Priority Lists (IPL)), sites should use the final out-year planning profile provided to you with the FY 2026 budget guidance (planned for issuance in Spring 2024).

Upon issuance of official EM budget/planning guidance, field sites should:

- Formally provide stakeholders with information on budget formulation such as EM's annual budget guidance. Due to OMB's embargo policy, FY 2026 **target funding levels, including Program Direction targets, cannot be provided to anyone outside of site Federal personnel;**
- Schedule a briefing with stakeholders to discuss **planned accomplishments** for the FY 2026 work scope, cleanup priorities, schedules/ milestones, and compliance

- projections at approved site baseline levels;
- As noted above, all stakeholder briefings require review and concurrence from DOE-HQ and OMB prior to release. In advance of stakeholder meetings, coordinate briefing materials with EM-2.31 and EM-2.22. For briefings scheduled with the EM SSAB, coordinate briefing materials with EM-2.22. EM-5.11 will coordinate OMB concurrence upon receipt of budget briefings from the requisite EM-HQ office.
 - Create an opportunity for their stakeholders to provide input on the sites' prioritized activities for FY 2026 by establishing an agreed-upon timeframe to allow for stakeholder involvement in the proposed budget submission;
 - Advise stakeholders that multiple profiles may be created to achieve the best scope of work; however, only one "Official Profile" will be submitted which prioritizes each IPL element to reflect an optimal/balanced budget request;
 - Submit the stakeholders' recommendations along with sites' own recommended course of action to HQ with the submittal of the IPL. These recommendations should be sent by email to the respective Site Liaison and to EM-2.31, EM-2.22 and EM-5.11;
 - Provide the stakeholders with a copy of the site's recommendation without reference to target funding levels.

To be clear, **all stakeholder discussions should be confined to prioritized activities, not to funding levels** associated with those activities.

NOTE: The sites' budget requests to EM-HQ become EMBARGOED to anyone outside of EM Federal employees. The sites' requests, recommendations, and changes remain EMBARGOED indefinitely. Sites can discuss FY 2026 funding levels only after EM delivers that budget to Congress next year.

If you have questions, please contact Mr. Mohammad Banaei, Director, Office of Budget, at (301) 903-6750; Ms. Joceline Nahigian, Director, Office of Intergovernmental and Stakeholder Programs, at (202) 586-9642; or Mr. Stephen Clutter, Director, Office of External Affairs, at (808) 391-9654.

Attachment

Distribution

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Affected Units of Local Government Around DOE-EM Sites and EM SSAB Local Boards

EM Site	Local Governments
Brookhaven National Laboratory	Town of Brookhaven, NY Suffolk County, NY
EMCBC-New York	Town of Niskayuna, NY Schenectady County, NY
Energy Technology Engineering Center Santa Susana	City of Simi Valley, CA City of Chatsworth, CA City of West Hills, CA City of Woodland Hills, CA Ventura County, CA
Hanford Office of River Protection	City of Richland, WA City of Kennewick, WA City of Pasco, WA City of West Richland, WA Benton County, WA Franklin County, WA Port of Benton, WA
Hanford Richland Operations Office	City of Richland, WA City of Kennewick, WA City of Pasco, WA City of West Richland, WA Benton County, WA Franklin County, WA Port of Benton, WA
Idaho	City of Idaho Falls, ID City of Terreton, ID City of Arco, ID City of Blackfoot, ID Jefferson County, ID Bonneville County, ID Clark County, ID Butte County, ID
Lawrence Livermore National Laboratory	City of Livermore, CA Alameda County, CA
Los Alamos National Laboratory	City of Santa Fe, NM City of Española, NM Santa Fe County, NM Rio Arriba County, NM Los Alamos County, NM
Moab	City of Moab, UT Grand County, UT
Nevada National Security Site	Clark County, NV Nye County, NV Esmerelda County, NV Lincoln County, NV City of Caliente, NV
Oak Ridge	City of Oak Ridge, TN Anderson County, TN Roane County, TN
Paducah	City of Paducah, KY

EM Site	Local Governments
Portsmouth	McCracken County, KY Scioto Township, OH Seal Township, OH Village of Piketon, OH Jackson County, OH Pike County, OH Ross County, OH Scioto County, OH
Sandia National Laboratories Site	City of Albuquerque, NM (Headquarters) Bernalillo County, NM (Headquarters) City of Livermore, CA (Second principal laboratory)
Savannah River Site	Aiken County, SC City of Aiken, SC City of Barnwell, SC Barnwell County, SC Allendale County, SC City of North Augusta, SC Columbia County, GA Richmond County, GA
Waste Isolation Pilot Plant	City of Carlsbad, NM Eddy County, NM Lea County, NM
West Valley Demonstration Project	Town of Ashford, NY Cattaraugus County, NY

EM SSAB Local Boards by Sites
Hanford
Idaho
Nevada
Northern New Mexico
Oak Ridge
Paducah
Portsmouth
Savannah River Site