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NUCLEAR WASTE

Better Performance Reporting Needed to Assess DOE's Ability to Achieve the Goals of the Accelerated Cleanup Program

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Highlights

Highlights of GAO-05-764, a report to Chairman Hobson and Ranking Minority Member Visclosky, Subcommittee on Energy and Water Development, Committee on Appropriations, House of Representatives

Why GAO Did This Study

In February 2002, following years of rising costs to its nuclear waste cleanup program, the Department of Energy (DOE) announced a new initiative—the accelerated cleanup plan—and committed to reduce costs of cleanup by $50 billion, shorten the cleanup schedule by 35 years, and reduce risks to human health and the environment.

GAO reviewed (1) the progress DOE has made under its accelerated cleanup plan, (2) the likelihood DOE will achieve its estimated $50 billion in cost reductions, and (3) whether DOE's performance reporting allows for a full understanding of progress toward achieving the accelerated plan goals.

What GAO Recommends

GAO recommends that DOE (1) improve the linkage between performance measures so that there is a clearer, discernable relationship between how much cleanup has been accomplished and costs incurred in doing the work and (2) identify and highlight in its progress reports to the Congress and others those performance measures that are the most critical to assessing overall progress toward meeting accelerated cleanup plan goals. In commenting on the report, DOE agreed with our recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-05-764.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Gene Aloise at (202) 512-3841 or aloiseg@gao.gov.

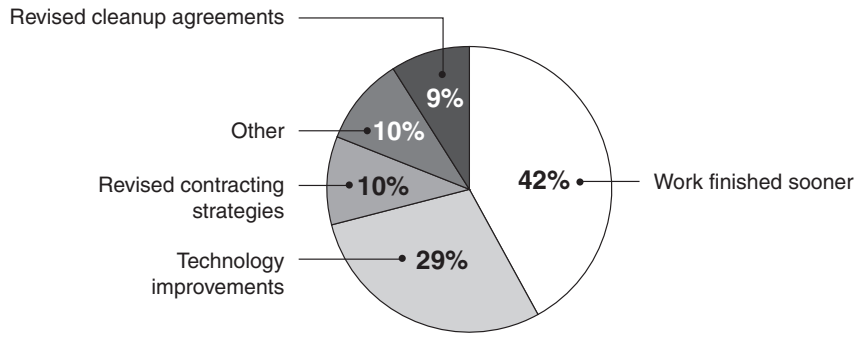
What GAO Found

Since implementing its accelerated cleanup plan, DOE's progress in reducing environmental risks has been mixed. By March 2005, DOE was on track or ahead of schedule for many of the 16 cleanup activities it measures, including packaging nuclear materials for disposition, disposing of low-level waste, and removing buildings. In contrast, DOE was behind its accelerated schedule for 3 challenging and costly activities--disposing of transuranic and radioactive tank wastes and closing tanks that had contained radioactive wastes. These three cleanup activities had technical problems, such as developing waste separation technology, or regulatory issues, such as determining when a storage tank is clean enough to close. Furthermore, DOE has had problems with other treatment and disposal activities not reflected in its performance measures, such as delays in shipping plutonium from sites, resulting in additional costs to secure and store the material.

DOE is not likely to achieve the full $50 billion estimated cost reduction, a key goal of the accelerated cleanup plan. First, DOE's method of calculating its $50 billion cost reduction likely overstated the potential reductions. Second, DOE based estimated cost reductions on assumed improvements that are highly uncertain, such as technology development, revised contracting strategies, and regulatory requirements. Third, while DOE expected cost reductions to come from most of its sites, key sites are already experiencing delays and, by the end of fiscal year 2004, had incurred cost increases. Recognizing these problems, DOE no longer cites its $50 billion estimate but still expects to achieve some cost reductions.

DOE performance reporting does not allow for an adequate understanding of its progress toward achieving overall cleanup goals because of limitations in how DOE uses its performance measures. First, in its performance reporting, DOE does not clearly link accomplishments with the incurred costs. Second, DOE does not clearly highlight critical activities, such as preparing radioactive tank waste for disposal, that have the greatest impact on progress toward meeting overarching cleanup goals.

Key Assumptions Contributing to DOE's $50 Billion Estimated Cost Reduction



Source: GAO analysis of DOE data.