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The Secretary of Energy
Washington, DC 20585

TO: SECRETARIAL FILE COPY
OL WAMGLARTY-ES94-006362

March 3, 1994

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY *Hazel R. O'Leary*

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

Superconducting Super Collider

The Department entered into an Agreement in Principle with the State of Texas Tuesday that details a process to resolve all outstanding issues associated with the orderly termination of the SSC. Included in the agreement is a process to develop proposals for follow-on projects at the SSC site and potential future uses of the site's assets. The Texas National Research Laboratory Commission, in conjunction with Governor Richards' Advisory Committee on the SSC, will submit proposals to the Department that they believe warrant future development. At the request of the State, we will finance further development of these proposals. We will also maintain and support a core of scientists at the site to evaluate and implement these proposals. This element of the Agreement mirrors the recommendations of the Governor's Commission and the National Academy of Sciences. The level of funding and the number of scientists to be supported have not been determined. Also in cooperation with the State, the Department will solicit additional ideas for follow-on projects by publishing an Expression of Interest in The Commerce Business Daily. This will expand the options available for future uses of the assets.

The State has also agreed to enter into a process to determine the value of the physical assets at the site. Evaluation will be performed through a mutually agreeable process agreed to by the State. This process, in addition to other ongoing discussions between the Department and the State, will hopefully lead to a settlement of the State's claims against the Department for its investment in the project. In the Agreement in Principle, both parties committed to settling Texas' claims in a fair and equitable manner. Press coverage of these agreements was very positive in the State.

Congressional opponents of the project reacted negatively to the agreement.

Semiconductor Industry Association Speech and Follow-on Press Conference

Tuesday, March 1, I addressed the Semiconductor Industry Association's Annual Technology Conference and Awards Dinner. The audience included over 300 representatives from the semiconductor and related industries, academia, the National Laboratories and other government science organizations.

My address emphasized that partnerships between the government and the semiconductor industry have flourished during the Clinton Administration and have contributed to the U.S. semiconductor industry's turn-around in world market share. Additionally, I discussed the Administration's efforts to support the industry's R&D agenda, to expand foreign markets for the industry, and to lift export controls where feasible. I also announced the Department's intention to conclude a \$100 million partnership with the industry that will afford the industry with the technological resources of the National Laboratories for research and development.

Representatives of the Washington Post, U.S. News & World Report, Business Week, Reuters News Service and other news organizations covered the dinner.

American Association for the Advancement of Sciences Conference

Monday, I addressed a special meeting of the American Association for the Advancement of Science at Georgetown University. The attendees included the presidents and officers of leading scientific societies. The focus of my remarks was the pressing need for the scientific community to enter into dialogue with policy makers and the public on the value of basic science in providing the building blocks for economic growth and increasing our Nation's economic competitiveness. Without an increased understanding by the public of the value of basic science, the Congress will continue to terminate national investments in science programs such as the Superconducting Super Collider.

Association of Blacks in Energy

Yesterday, I delivered the keynote address at the 17th Annual Conference of the Association of Blacks in Energy. My address to this audience of over 250 energy professionals from industry, academia, and the government focused on the need for the industry to communicate its strategic importance to our national economy in order to build public support for policies that will assist the industry.

Visit to Department's Plasma Physics Laboratory

Today, I visited the Tokamak Fusion Test Reactor at the Department's Princeton University Plasma Physics Laboratory. This reactor produced a world record 6 million watts of controlled fusion power in experiments last year. The work of the scientists at the Princeton Laboratory is the most significant achievement in fusion energy in the

last 20 years and is a crucial step in the development of fusion energy as a clean, safe, and renewable energy source.

Scientists' Institute for Public Information

In New York, I conducted a roundtable discussion with 15 science and environmental reporters of the Scientists' Institute for Public Information. The topics we discussed included the Administration's priorities in furthering declassification efforts, nuclear waste, the cleanup of our weapons production facilities, and the continuing shift in energy priorities.

Pentagon Event

Tomorrow, at the request of Secretary Perry, I will address Department of Defense employees for Women's History Month.

CONGRESS

Outreach

- Monday, I met with Congressman Martin Sabo (D-MN), Chairman of the House Budget Committee, to discuss the Department's budget priorities for fiscal year 1995.
- Tomorrow, I will meet with Congressman Tom Bevill (D-AL), Chairman of the Appropriations Subcommittee on Energy and Water Development, to discuss the Department's fiscal year 1995 budget. This subcommittee provides funding for approximately 90 percent of the Department's programs.
- Friday, March 11, I will meet with Congressman Tim Penny (D-MN) and a constituent to discuss ethanol issues.

Hearings

- Monday, March 7, I will give an overview of the Department's fiscal year 1995 budget request before the Appropriations Subcommittee on Energy and Water Development (Chairman Tom Bevill, D-AL).
- Tuesday, March 8, I will provide another overview of the Department's fiscal year 1995 budget request before the Subcommittee on Energy and Power of the Energy and Commerce Committee (Chairman Phil Sharp, D-IL).
- Wednesday, March 9, I will testify before the House Committee on Armed Services Military Application of Nuclear Energy Panel (Chairman John Spratt, D-SC) to discuss the Defense Programs portion of our budget request.

THE WEEK AHEAD

Visit to New Mexico

Saturday, I will travel to Carlsbad, New Mexico, to visit the Department's Waste Isolation Pilot Project facility. This facility is the world's first waste repository of any kind and is the largest employer in this part of the State. I will tour the facility and speak to community leaders. A number State and local officials will be in attendance including Governor King and Senator Bingaman.

I will then travel to Albuquerque Saturday evening to participate in a fund raiser for the State Democratic Party and to attend a reception for Senator Bingaman.

Meeting with Chairman Shalikashvili

Next week, I will meet with General Shalikashvili, Chairman of the Joint Chiefs of Staff, to discuss the Administration's non-proliferation policy and, specifically, the Department's role in pursuing transparency with other nuclear nations. I will also seek the Chairman's support for the continued declassification of the Department's non-sensitive weapons information in order to establish greater public trust and confidence in the Department and the national security establishment.

MEDIA

Science Magazine

Monday, I conducted an interview with Science Magazine that focused on the Department's role in pursuing follow-on science projects at the SSC and the lessons learned from that project.

British Broadcasting Company

Tuesday, I conducted an interview with the BBC that focused on the Department's Openness Initiative and environmental clean-up strategies.

Fortune Magazine

Yesterday, I conducted an interview in New York with senior editors of Fortune Magazine. The interview focused on the future of the Department's National Laboratories and our initiative to address and eliminate contractor abuses.

New York Times

Today, I conducted an interview with Malcolm Brown, a science reporter for the New York Times. The interview focused on the Department's efforts in high energy

physics, the work of the Princeton Plasma Physics Laboratory in fusion energy, and the role of the National Laboratories in supporting the Administration's technology initiatives .

Texas, U.S. may be near accord on rules for settling SSC claims

By Jennifer Nagorka

Staff Writer of The Dallas Morning News

DA

The state and federal governments may have finally agreed on rules for closing out the Superconducting Super Collider, officials said Monday.

The state's collider commission will hold an emergency meeting Tuesday in Dallas to discuss the U.S.

Energy Department's proposal for settling claims made by Texas, said Shelton Smith, chairman of the Texas National Research Laboratory Commission.

"This is not the final agreement, but it is a major breakthrough," said Mr. Smith, a Houston lawyer.

Texas spent more than \$400 million on the Ellis County-based physics project, which Congress voted in October to cancel. The state and federal governments have been negotiating since the vote about whether Texas would be reimbursed for its investment and whether an alternative use could be found for the project's site and assets.

According to an agreement signed by state and Energy Department officials when the project was launched, Texas can claim any equipment or facility to which it contributed at least 51 percent of the cost.

Tuesday's emergency meeting of the laboratory commission won't reveal specifics of a settlement, Mr. Smith said. It simply gives the commission a chance to set the rules of the game. If the state agrees to the Energy Department's proposal, officials start figuring a repayment plan and deciding on a future use for the site.

Energy Department officials in Washington had no immediate comment on the proposal Monday. Energy Secretary Hazel O'Leary is expected to send written or videotaped remarks to Tuesday's meeting at the Infomart.

A Texas panel that has been considering alternative uses for the site also is expected to announce its formal recommendation Tuesday. Some possibilities for future uses include creating a medical facility or a center for superconductivity research.

Tuesday's meeting could scramble the plans and schedules laid out by the SSC workers trying to shut down the collider.

"Our job is to close out this project," said SSC Deputy Director Tom Kirk, who is also a scientist at Argonne National Laboratory outside Chicago. "If there's going to be a survivor institution, obviously that changes the outlook."

DALLAS MORNING NEWS

MAR 02 1994

Texas to recover some of SSC costs

By Jennifer Nagorka

Staff Writer of The Dallas Morning News

P-11A

Texas will receive some cash for the \$443 million it spent on the canceled Superconducting Super Collider, state and federal officials said Tuesday.

The state and federal governments have not settled on a sum or decided whether the money would come all at once or be spread over a period of years.

Experts will appraise the project's assets to help determine the amount, officials said Tuesday.

The U.S. Department of Energy also said it will bankroll a group of collider scientists

who will develop plans for the SSC's assets.

"We view these developments today as a major breakthrough," said Shelton Smith, chairman of the Texas National Research Laboratory Commission, which oversees state participation in the project. "We have today come to an agreement on the process."

The settlement was announced at an emergency meeting of the commission.

The "agreement in principle" adopted Tuesday states that the Energy Department will consult with Texas officials before sub-

mitting any additional termination reports to Congress.

"The agreement recognizes in a broad and general way that the Department of Energy and this commission are partners in this project," Mr. Smith said.

The Energy Department also agreed to solicit ideas for reusing SSC assets in Ellis County.

The agreement is the first concrete result of months of wrangling between state and federal officials.

It is a victory for Texas, which was never guaranteed cash repayment for its SSC expenditures. State officials, from Gov. Ann Richards on down, had argued that Texas deserved cash compensation.

At the beginning of the project, Texas and the Energy Department signed a memo of understanding that was open to differing interpretations. One clause granted Texas the right to claim any equipment or facility to which the state contributed 51 percent of the cost.

Many of the state's dollars went to tangi-

ble items, such as buildings and road improvements.

But some Texas money was spent on less tangible goods. The state funded scientists around the country who worked on SSC projects, and it helped improve research at historically black colleges and funded other education programs.

After Congress voted in October to cancel the project, the memo of understanding made it nearly impossible for collider managers to divvy up the SSC's assets. The state and federal governments couldn't even agree on a way to determine the worth of the collider's unusual collection of assets.

"Obviously, it was easy to see a 14-mile tunnel, but hard to place a value on it," Mr. Smith said. "You don't just open the Yellow Pages and look up 'Super Collider appraisals.'"

Tuesday's agreement resolved that problem. The Energy Department and the Texas commission will select a group of experts to assess the assets. That group will be selected and start work immediately, Mr. Smith said.

Many issues remain unresolved. The Energy Department agreed to solicit and review in "good faith" proposals for reusing the collider's assets. The department also said it would fund a group of scientists and their support staff to turn ideas into detailed plans.

But Tuesday's agreement doesn't say how many scientists or how much money is available, or what part of the Energy Department's budget would fund the effort.

A state advisory panel, led by Dallas businessman Jess Hay, has already reviewed about 60 such ideas. The panel has suggested that the federal

government allocate about \$44 million to support 125 scientists and support staff for two years to develop detailed proposals.

At Tuesday's meeting, Mr. Hay said his panel endorsed three ideas for further study.

One is to create a center for superconductivity at the site. Another concept would exploit the SSC's sophisticated computing capabilities by creating a regional center for high-performance computing. A third idea is to develop a cancer treatment and radioactive isotope research facility.

"The three proposals are not mutually exclusive," Mr. Hay noted.

He emphasized that the collider management must work hard and fast to retain the scientists needed to develop the proposals.

The SSC's congressional opponents had pressured the Energy Department to lay off staff members quickly.

John Peoples, who is charged with shutting down the collider, acknowledged that Tuesday's developments could complicate his job. Yet it was welcome news that the Energy Department would look at alternatives uses.

"It makes it harder, in a sense, but more enjoyable," Dr. Peoples said.

Ellis County Judge Penny Redington also said she was pleased to hear of the Energy Department's promises.

"They are stating to the people of Texas that they do intend to live up to the congressional mandate that these investments be maximized," Ms. Redington said.

Her county lost 10,000 acres from its tax rolls when the state bought land for the collider.

"It's far better to have heard this today than to have heard nothing at all," she said.

10/24 24

MONDAY, MARCH 07, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:30 AM Prebrief: House Energy & Water Development
Appropriations Subcommittee - FY '95 Budget
Chairman Bevill
(William Taylor, Tara O'Toole, Terri Walters)

10:00 AM - 12:00 PM Testify - House Energy & Water Development
Appropriations Subcommittee- FY '95 Budget
Chairman Bevill
Room 2362 Rayburn House Office Building
(William Taylor)

12:30 PM - 1:30 PM Lunch

2:00 PM - 3:00 PM Joe Gorman, CEO of TRW
(Dan Dreyfus)

3:30 PM - 4:00 PM Health Care Press Calls

4:00 PM - 5:00 PM HOLD

5:15 PM - 6:15 PM Appointment

6:45 PM DEPART DOE FOR BICE'
Met by Reggie Sellers

7:15 PM Dinner - John Rowe, New England Electric
Bice' Restaurant
601 Pennsylvania Avenue

TUESDAY, MARCH 08, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:30 AM - 9:30 AM Prebrief: Energy and Power
Subcommittee
(William Taylor, Betty Smedley)

10:00 AM - 12:00 PM Testify: Energy and Power
Subcommittee, Chairman Phil Sharp
(William Taylor, Betty Smedley)

12:30 PM - 1:30 PM Lunch

2:00 PM - 3:00 PM CFC Awards Ceremony
Forrestal Cafeteria
(Terry Cornwell-Rumsey, Fred Faine)

3:15 PM - 3:45 PM Health Care Press Calls

4:00 PM - 4:30 PM Todd Ruelle, President,
Clean Air Cab Company

4:45 PM - 5:45 PM Interview with Jim Butcher
Global Business Network
(Dirk Forrister)

6:00 PM DEPART DOE FOR BASS CENTER
Met by Reggie Sellers

6:30 PM DROP-BY: Stanford In Washington Dinner
followed by an Informal Presentation and Discussion
2661 Connecticut Avenue, NW
(Dan Reicher)

WEDNESDAY, MARCH 09, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 11:00 AM Prebrief - Armed Services Subcommittee
Hearing - Chairman John Spratt

11:00 AM - 12:00 PM HOLD

12:00 PM - 12:30 PM Bill White and Charlie Curtis

12:30 PM - 1:30 PM Team Lunch
(B. Berls, C. Curtis, H. Davis, B. DeGrasse,
P. Didisheim, D. Dreyfus, A. Durham, C. Ervin,
D. Forrister, M. Gauldin, P. Godley, T. Grumbly,
J. Jakes, J. Keliher, M. Krebs, C. Moody,
B. Nordhaus, T. O'Toole, D. Pearman, D. Reicher,
V. Reis, R. Rosenzweig, T. Cornwell-Rumsey,
K. Simpson, W. Taylor, S. Thomas, S. Tierney,
N. Weidenfeller, B. White)

1:45 PM DEPART DOE FOR CAPITOL HILL
Met by Reggie Sellers

2:00 PM - 4:00 PM TESTIFY - House Armed Services Subcommittee
Hearing - Chairman John Spratt (D-SC)

5:15 PM - 6:15 PM Appointment

6:30 PM DEPART DOE FOR THE RUSSELL SENATE OFFICE
BUILDING
Met by Reggie Sellers

6:40 PM DROP-BY: Reception Honoring The Oklahoma
Congressional Delegation Reception
Room 385 - Russell Senate Office Building
(Start Time 5:30 P.M. - 7:00 P.M.)

7:00 PM DEPART RUSSELL SENATE OFFICE BUILDING FOR
DINNER

7:30 PM

Dinner- Jim and Liz Baily

THURSDAY, MARCH 10, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 9:45 AM Essence Magazine Interview
(Audrey Hoffer)

10:00 AM - 12:00 PM Senior Staff Meeting

12:15 PM DEPART DOE FOR THE PENTAGON
Met by Reggie Sellers

12:30 PM - 1:30 PM Lunch - John Shalikashvili, Chairman,
Joint Chiefs of Staff
Room 2E-878
The Pentagon

1:45 PM DEPART THE PENTAGON FOR DOE
Met by Reggie Sellers

2:00 PM - 2:30 PM Health Care Press Calls

3:00 PM - 4:00 PM U.S. Public Interest Research Group
Gene Karpinski, Executive Director
Anne Aurilio, Staff Scientist
(Dan Reicher)

FRIDAY, MARCH 11, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 11:00 AM Tom Grumbly- Goals & Measures
Room 8E-089 Program Review Center
(Bill White, Ann Lavin, Arch Durham,
Charlie Curtis, Nancy Weidenfeller)

11:00 AM - 12:00 PM Press Conference

12:30 PM - 1:30 PM Lunch

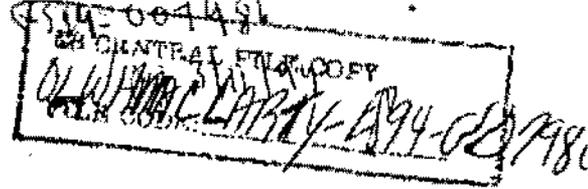
1:45 PM - 2:15 PM Congressman Tim Penny - Presentation
of Shovel from a Ethanol Producer &
Photo-op
Secretary's Office

2:30 PM DEPART DOE FOR NEWPORT NEWS, VA
Met by Reggie Sellers



OLWA MCLARTY -

The Secretary of Energy
Washington, DC 20585



March 10, 1994

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

Trip to New Mexico

Saturday of last week, I visited the Waste Isolation Pilot Plant, located in Carlsbad, New Mexico. This is the world's first repository for nuclear waste. As the Department is the largest employer in this region of the State, our commitment to continued support of the program was warmly received. I toured the facility and spoke to 500 local citizens. The visit attracted extensive regional media coverage.

Following the Carlsbad activities, I participated in a fundraiser for the State Democratic Party and a private reception for Senator Bingaman.

Executive Order on Energy Efficiency at Federal Facilities

Tuesday, Vice President Gore, General Services Administrator Johnson and I announced an Executive Order designed to reduce energy use in Federal buildings by 30 percent by 2005 from 1985 levels. This Executive Order mandates that each Federal agency develop and implement a plan to reduce energy and water consumption. Secondly, the Order calls for Federal industrial facilities to develop and implement a plan to reduce energy and water consumption by 20 percent to 1990 levels by 2005. Thirdly, it encourages Federal agencies to use energy saving performance contracting and establishes a policy to retain savings in the form of utility rebates within the agency. Under this type of contract, a utility would pay a third party, on a performance basis, to provide services that reduce energy use. This order could save taxpayers \$1 billion per year in energy costs.

Meeting with Chairman Shalikashvili

Today, I met with General Shalikashvili, Chairman of the Joint Chiefs of Staff, to discuss the cooperation that is required to further declassify nuclear weapons information to encourage increased openness in other nuclear weapons states. The next phase of the Department's declassification initiative is scheduled for June.

CONGRESS

Outreach

- Friday, March 4, I met with Congressman Tom Beville (D-AL), Chairman of the Energy and Water Appropriations Subcommittee. We discussed the Administration's request of \$180 million for termination of the Superconducting Super Collider. The Chairman does not believe that the House will support this request. This has been communicated to your staff and to White House Congressional Liaison. If we are not successful in securing these funds, we still will have funds to settle the State of Texas' claims in fiscal year 1995.
- Monday, I met with Senators Dorgan and Conrad of North Dakota. They are interested in the potential of moving a clean coal program originally slated for construction in Virginia. In the event that the Virginia facility does not find buyers for its power and cannot be salvaged, I pledged to explore options for moving the project to North Dakota.
- Tomorrow, I will meet with Congressman Tim Penny (D-MN) to discuss ethanol issues.
- Wednesday, March 16, I will attend a reception in honor of Congresswoman Marjorie Margolis-Mezinsky (D-PA).
- Thursday, March 17, I will participate in a fundraiser for Senator Kennedy in Boston.
- Friday, March 18, I will participate in a fundraiser for Congressman Ed Markey (D-MA) in Massachusetts.
- Friday, March 18, I will have breakfast with supporters of the Democratic National Committee instrumental in a successful Presidential fundraiser to be held on March 14.

Hearings

- Monday, I gave an overview of the Department's fiscal year 1995 budget request before the Appropriations Subcommittee on Energy and Water Development (Chairman Tom Beville, D-AL). The Subcommittee's major issue of interest was the Department's characterization of Yucca Mountain as a site for storage of spent nuclear fuel.
- Tuesday, I provided another overview of the Department's fiscal year 1995 budget request before the Subcommittee on Energy and Power of the Energy and Commerce Committee (Chairman Phil Sharp, D-IL).
- Yesterday, I testified before the House Committee on Armed Services Military Application of Nuclear Energy Panel (Chairman John Spratt, D-SC) to discuss the Defense Programs included in our fiscal year 1995 budget request. This Subcommittee oversees our efforts to downsize the weapons complex, maintain the nuclear stockpile, and the dismantlement of 2,000 nuclear weapons per year.

THE WEEK AHEAD

Gore-Chernomyrdin Commission

A delegation of Russian officials, led by MINATOM Minister Mikhailov, will be in Washington next week to participate in meetings of the Gore-Chernomyrdin Commission. The focus of this session of the Commission will be to agree to the terms of reference and a work plan for shutting down the three remaining Russian weapons grade plutonium production reactors. These will be replaced with gas turbine or coal fired power plants that will provide an alternate energy source for these regions. The shutdown of these reactors would be an important step in achieving the Administration's nonproliferation goals.

Trip to Massachusetts

Next Thursday and Friday, I will visit Massachusetts. Thursday, I will address the Massachusetts Energy Efficiency Council Conference sponsored by a group of industry leaders and vendors of energy efficiency services. Following the conference I will attend a fundraiser for Senator Kennedy.

Friday, I will meet supporters of the DNC, and tour an industrial facility with Representative Markey (D-MA) in his district that has made significant investments in energy efficiency resulting in reduced energy costs. I will then participate in a fundraising luncheon for Representative Markey. Finally, I will participate in an announcement that designates Boston as a participant in the Department's Clean Cities program. This program links local, State and Federal efforts to develop an infrastructure for alternative fuel vehicles and coordinates the purchase of these vehicles.

Freedom of Information Event

Wednesday, I will address the Freedom of Information Day Luncheon sponsored by the Radio and Television News Directors Association at the George Washington University. My address to this group of 40-50 local broadcast news directors will focus on the President's commitment to make the Federal Government more open and accessible and the role of the Department's Openness Initiative in meeting this commitment.

James Madison Award

Tuesday, I will accept the James Madison Award. This award sponsored by the Coalition on Government Information and the American Library Association honors individuals who "champion the public's right to know." In my address to 40-50 American Library Association members and representatives of the National Security Archives, I will focus on the Administration's commitment to make the Federal Government more open and the Department's efforts to declassify information on our weapons and environmental programs.

Averell Harriman Award

Tuesday, March 15, I will receive the 1993 W. Averell Harriman Award for significant contributions to world security. This annual award is sponsored by the Lawyers Alliance for World Security, an organization "dedicated to the pursuit of policies leading to effective international weapons management, reduction of destabilizing nuclear weapons systems and prevention of nuclear proliferation."

My remarks to this group will focus on the Administration's initiatives to further democratization in Russia, the maintenance of the moratorium on nuclear weapons testing, our effort to negotiate the Comprehensive Test Ban Treaty extension and the Nuclear Nonproliferation Treaty.

MEDIA

Sustainable Energy Press Conference

Tomorrow, I will participate in a press conference with advocates of energy efficiency and renewable energy, and Members of Congress to build support for the Department's proposed budget increases for renewable energy and energy efficient technologies.

Upscale Magazine

Tuesday, I will conduct an interview with Upscale Magazine.

Chicago Tribune

A reporter from the Chicago Tribune will travel with me during my visit to Massachusetts to gather information for an upcoming article on the Department.

Editorial Boards

In Boston next week, I will meet with editorial boards at the Boston Globe and the Christian Science Monitor. Both editorial boards will focus on the Department's Openness Initiative and our efforts to make public all information regarding radiation experimentation and will afford me an opportunity to advocate the President's Health Care Initiative.

PRESIDENTIAL INITIATIVES

Health Care Media

This week I conducted interviews with radio stations in Minnesota and South Dakota to advocate the President's Health Care Reform package.

Health Care Event in Newport News, VA

Saturday, in Newport News, Virginia, I will participate in a health care event with Senator Robb and Congressman Bobby Scott (D-VA). The event will be held at the Steelworkers Local 8888 Union Hall in Newport News and will focus on the benefits of the President's plan for America's workers and will acknowledge the support of organized labor for this important initiative.

Health Care Event in Boston

We are attempting to develop an event in Boston with a Member of Congress to advocate the President's Health Care Initiative.

Parking Issue

After surveying the monthly parking rates at lots in the area, the Department has derived a value of \$130.00 per month for employee parking. This value is below the IRS standard of \$155.00 per month for taxing parking as a benefit. Thus, the Department's employees are not impacted by this provision in the tax code.

MONDAY, MARCH 14, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

9:00 AM - 10:00 AM Minister Mikhailov
(Bob Berls)

10:00 AM - 11:00 AM Opening Plenary Session
Room 1E-245
(Bob Berls)

11:00 AM - 11:30 AM HOLD

11:30 AM - 12:00 PM IPAA
(Kyle Simpson)

12:30 PM - 1:30 PM Luncheon with the Russian Delegation
Loews L'Enfant Plaza Hotel
The LaSalle Room
(Bob Berls)

2:00 PM - 3:00 PM Planning Meeting
(Rich Rosenzweig, Dan Reicher,
William Taylor, Mike Gaudin, Dirk
Forrister, Johannah Dottori)

3:00 PM - 4:00 PM Congressman Tony Hall, (D-OH),
Mayor Richard Church, Miamisburg, OH
re: Mound Plant

4:00 PM - 4:45 PM Health Care Press Calls

5:15 PM - 6:15 PM Appointment

6:30 PM DEPART DOE FOR MAYFLOWER HOTEL
Met by Reggie Sellers

6:45 PM DROP-BY: The Westinghouse Foundation
and Science Services Annual Science
Talent Search Awards Reception
and Dinner.
Reception Start Time 6:00 P.M.
Dinner Start Time 7:00 P.M.

TUESDAY, MARCH 15, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 10:00 AM Photo-op and Presentation of Check
by Edison Electric Institute
and the Presidents of APPA, NRECA,
NEMA and EPRI

10:00 AM - 11:00 AM HOLD

11:00 AM - 12:00 PM Upscale Magazine Interview
(Audrey Hoffer)

12:30 PM - 1:30 PM Lunch - Corlis Moody, Arch Durham,
Nancy Weidenfeller, Jana Prewitt,
Susan Head

1:45 PM DEPART DOE FOR THE MARTIN LUTHER KING
JR. LIBRARY
Met by Reggie Sellers

2:00 PM - 3:00 PM American Library Association's James Madison
Award (Secretary O'Leary recipient)
Martin Luther King, Jr. Library
901 G Street, N.W.

3:15 PM DEPART THE MARTIN LUTHER KING, JR.
LIBRARY FOR DOE
Met by Reggie Sellers

4:00 PM - 4:30 PM Veronica Biggins, Director, White
House Personnel
(Howlie Davis)

4:45 PM - 6:00 PM Budget Meeting

6:00 PM - 6:30 PM HOLD

6:45 PM DEPART DOE FOR THE STOUFFER-MAYFLOWER HOTEL
Met by Reggie Sellers

7:00 PM

Speak at Averell Harriman Awards Dinner
Stouffer-Mayflower Hotel
7:00 P.M. - Reception (East Room)
7:45 P.M. - Dinner (Grand Ballroom)
(BLACK TIE)

WEDNESDAY, MARCH 16, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 10:00 AM Gilles Menage, Chairman of Electricite
de France

10:30 AM - 11:30 AM Openness Meeting with Head of Labs
Room 8E-089
(Don Pearman, Tara O'Toole)

11:45 AM DEPART DOE FOR GEORGE WASHINGTON UNIVERSITY
MARVIN CENTER
Met by Reggie Sellers

12:00 PM - 2:00 PM Speak at the Radio & TV News Directors
Association - Freedom of Information Day
Luncheon
George Washington University
Marvin Center
21st and H Streets, N.W.

2:15 PM DEPART THE MARVIN CENTER FOR DOE
Met by Reggie Sellers

2:30 PM - 4:00 PM HOLD

4:00 PM - 5:00 PM Gore/Chernomyrdin Commission

5:15 PM - 6:15 PM Appointment

6:30 PM DEPART DOE FOR THE WASHINGTON COURT HOTEL
Met by Reggie Sellers

6:45 PM DROP-BY: Reception for Congresswoman
Marjorie Margolies-Mezvinsky
(To celebrate the publication of her book)
Washington Court Hotel
525 New Jersey Avenue, N.W.
6:00 P.M. - 8:00 P.M.

THURSDAY, MARCH 17, 1994

SCHEDULE FOR HAZEL R. O'LEARY

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HOLD: Travel - Boston, MA

10:00 AM - 12:00 PM Address The Massachusetts Energy Efficiency Council

12:30 PM - 2:00 PM Luncheon for Senator Ted Kennedy

3:00 PM (TBD) Visit DOE Regional Office

FRIDAY, MARCH 18, 1994

SCHEDULE FOR HAZEL R. O'LEARY

12:00 PM	Visit Fernald School
2:00 PM	(TBD) Fundraiser for Congressman Edward Markey
7:00 PM	Dinner in Boston, MA

P. 04

NEWARK STAR LEDGER FRIDAY MARCH 4, 1994

O'Leary tells Princeton lab staff fusion study is top energy priority

P28

The Clinton administration considers fusion research a top priority but believes several energy alternatives must be explored. U.S. Secretary of Energy Hazel O'Leary said yesterday in Plainsboro.

After touring the Princeton University Plasma Physics Laboratory's experimental fusion reactor, O'Leary urged laboratory staff to capitalize on their recent success in record-setting fusion experiments to convince the public and Congress how important pure science research is.

"We need to take advantage of the good news," she said, calling the lab's Dec. 10 world record for the largest controlled fusion reaction "... the best opportunity to provide support for the long term for this project and other big science."

Within 24 hours of beginning the final, nine-month series of fusion experiments before the lab's Tokamak Fusion Test Reactor is shut down this fall, the reactor produced 8.2 million watts of energy, more than triple the previous record.

Fusion, the process that powers the sun, occurs when lightweight atoms such as hydrogen gas are slammed together at very high temperatures and fuse, releasing energy they contained. Fission, on the other hand, involves breaking apart very heavy atoms such as uranium. Fission, which powers commercial nuclear reactors, produces far more dangerous radioactive byproducts than fusion.



Hazel O'Leary
'Committed to this project'

Addressing half the laboratory's 900 workers, O'Leary said scientists and policy-makers must better explain why the government should invest in research that won't bear fruit for decades.

"Good business, good science, good economics, and a reliable energy source. That's the way we sell it," she said.

O'Leary said that job is particularly difficult because Congress thinks in the short term—annual budgets, election campaigns every two or six years, non-stop fund raising. The Tokamak Fusion Test Reactor was designed in the mid-1970s, assembled by 1982 and will operate until September, by which point the project managers hope to achieve its design goal of 100 million watts of energy.

"We have to engage the imagination of the American public over this and other big science and somehow keep them engaged and Congress on point," she said.

In an era of budget cuts and feared layoffs, O'Leary sought to reassure workers at the DOE-funded lab.

"I'm committed to this project," she said. "I'm also committed to big science and I'm committed to ensuring that you have a future here because ultimately the future here is not yours. It's the future of the nation, and it's also the future of the world."

O'Leary told reporters afterward that the Plasma Physics Laboratory is among her department's top three priorities. The others are linear accelerator research aimed at breaking down matter into smaller and smaller subatomic particles, and finding uses for some of the costly computers, measuring and other equipment from the superconducting supercollider now being dismantled because Congress halted funding for the expensive project.

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THURSDAY MARCH 3, 1994

SAN FRANCISCO EXAMINER

Feds pump millions into chip industry

Big semiconductor center planned

By Susan Cornwell
REUTERS

p. 01

WASHINGTON — Vice President Al Gore said Wednesday the federal government would spend tens of millions of dollars to help U.S. firms "develop the computer chips of the 21st century."

Gore spoke at a ceremony at which it was announced that the administration would spend \$50 million over five years to establish a center for the simulation and modeling of semiconductor materials, manufacturing processes and chip design. It has not been decided where the modeling and simulation center will be built.

The \$100 million center will be set up by the Department of Energy and the semiconductor industry, which will pick up the other half of the cost, Energy Secretary Hazel O'Leary said.

Commerce Secretary Ron Brown said the administration would also seek funding for a \$25 million, five-year National Semiconductor Metrology Program to help the industry meet its chal-

[See CHIPS, D-3]

lenges, including developing ever-smaller measuring tools.

With Brown, O'Leary, and representatives of the semiconductor industry standing beside him, Gore said the industry was at the heart of the global electronics revolution and was important to the United States for both economic and national security reasons.

"Computers and information processing equipment are the engines pulling our economic recovery over the last year, accounting for most of the growth, 3 full percentage points of the growth, in

U.S. industrial production," he said.

He said semiconductors would be the "V-8 engines on the information superhighway" the administration is fostering and would continue to give the United States an edge in developing "smart" weapons that minimized casualties while destroying targets.

Gore said the industry had been investing heavily to meet its challenges, plowing more than 25 percent of sales last year into research, development, new plants and equipment.

"This extraordinary high rate of investment is one reason the United States has regained the leadership worldwide of the semiconductor industry that it lost to Japan in the 1980s," Gore said.

He said that the administration initiative built on existing government-computer industry partnerships like Sematech, created in 1987, but that it was bigger.

O'Leary said that while the \$50 million for the modeling and simulation center could come from the existing funds in her department's budget, the administration would have to ask Congress to approve most of the \$25 million for the Commerce Department program.

According to the White House, the semiconductor industry employs 2.3 million Americans and is projected to grow to \$2 trillion by the year 2000.

20F2

CURRENT-ARGUS

CARLSBAD, NM

March 6, 1994

O'Leary: Commitment serious

O'Leary visit 'was needed'

By TONI WALKER CHIRI
Current-Argus staff writer

CARLSBAD — Walking back and forth across the stage, moving comfortably through the crowd and speaking without the aid of written text, Energy Secretary Hazel O'Leary's from-the-heart talk to WIPP employees Saturday morning was just what they needed, said Mayor Bob Forrest.

"THEIR MORALE gets down ... with all the delays and everything. They need a pat on the back," he said.

Greeted with a standing ovation, O'Leary seemed sincerely happy to finally visit the controversial site, which she's known about since it was "just a glimmer" in local leader's eyes, she said. Years ago, O'Leary worked as an attorney for

Related stories

- O'Leary visit well received. **page 4A**
- Research center on cutting edge. **page 5A**

the Energy Department.

She explained the difficulties of pushing such a project through the intricacies of federal government, federal agencies and scientific study groups.

"Big science is very political," she said. "You have to get beyond the challenges."

BUT SHE feels that scientists, policymakers and the public can come together to solve the nation's nuclear waste problems and open the repository near Carlsbad.

WIPP is the Department of Energy's test site for the permanent storage of transuranic waste. The site is located 23 miles east of Carlsbad.

Addressing a section of the audience where U.S. Sens. Pete Domenici, R-N.M., Jeff Bingaman, D-N.M., Rep. Joe Skeen, R-N.M., state attorney general Tom Udall and other state and local officials sat, she commended their tireless efforts to move WIPP closer toward its mission.

"The leadership here said we (DOE) need to focus more on the thing that's working well," she said, especially at a time when the DOE faces problems brought upon itself in the past. That's when she decided to move senior WIPP management

Please see WIPP on 5A

CURRENT-ARGUS

CARLSBAD, NM

WIPP

Continued from page 1A

officials from Albuquerque to Carlsbad.

"YOU REPRESENT the best project, the only project that is likely to proceed on schedule ... and complete its work in a timely fashion," she told the audience.

O'Leary wrapped up her address with another standing ovation before gearing up with a miners hat and light to venture to the underground area destined for waste storage. There, she and her entourage of state and national leaders met and shook hands with WIPP's mine rescue team.

She left the mine with a framed copy of a poem written and read to her by mine rescue team member Richard West. The poem thanked her for her time and described WIPP employees' perception of the work they try to do and the odds they face doing it.



Mayor Bob Fortrat Current-Argus/Scott Ford

O'Leary Energetically Stumps for WIPP

Energy Chief Visits Site, Attends Fund-Raiser in N.M.

By John Fleck
And Phill Canaus

JOURNAL STAFF WRITERS

CARLSBAD — Energy Secretary Hazel O'Leary on Saturday brought the people of Carlsbad an impassioned commitment to get the Waste Isolation Pilot Plant open.

During a morning tour of the proposed nuclear waste dump and a community luncheon, O'Leary added her high-energy personal touch to the complicated political and scientific issues surrounding the government's effort to open its first nuclear waste dump.

"This is about relationships and listening to one another," O'Leary told the audience of more than 300 who filled a civic pavilion along the Pecos River in Carlsbad.

Over a lunch of steak and potatoes, O'Leary committed to push for a 1998 WIPP opening.

O'Leary's trip to New Mexico was half official visit

and half political, with a \$50-a-person Democratic Party fund-raiser later at the Hilton Hotel in Albuquerque.

At the fund-raiser, O'Leary gave a brief and impassioned defense of the Clinton Administration and warned local Democrats to stick together after the primary wars end in June.

Toward that end, Gov. Bruce King and Lt. Gov. Casey Luna — who seem primed for a bitter primary fight for the governorship — escorted O'Leary to the lectern after she was introduced by Sen. Jeff Bingaman, D-N.M. King and Luna shook hands to the cheers of the audience after delivering O'Leary to the microphone.

In a brief interview after her speech, O'Leary spoke about the difficulty DOE has had in identifying subjects of radioactive plutonium experiments during the Cold War. She said she has spoken to the families of four people.

In Carlsbad, O'Leary argued that the opening of WIPP is crucial since the United States' only current option for permanent disposal of dangerous nuclear weapons waste.

"It has to open. It must open," she said.

O'Leary appeared to have won over the hearts of

Carlsbad residents, despite a decision last year to cancel long-awaited underground radioactive waste tests at WIPP. Part of the reason for Carlsbad's enthusiastic support is the economic benefit pouring into the community from the \$185-million-a-year WIPP project.

Besides her previous commitments to move additional Energy Department staff to Carlsbad, O'Leary announced she will seek \$7 million from Congress to expand the work of the Carlsbad Environmental Monitoring and Research Center.

The center is doing baseline studies of local environmental conditions before the arrival of radioactive waste at WIPP.



Department of Energy
Washington, DC 20585

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Date: 3/16/94
To: Christine Varney
From: Sheila O'Searcy

Transmittal consists of 10 pages, excluding this form.

Notes:



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Washington, DC 20585

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Date: 3/10/94
To: Brian Kunkle
From: Gen. O'Searcy

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Transmittal consists of 5 pages, excluding this form.

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Notes:



The Secretary of Energy
Washington, DC 20585

OLW/MCLARTY-1994-008631

March 17, 1994

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

Outcome of Russian Delegation Meeting

A delegation of Russian officials, led by MINATOM Minister Mikhailov, visited Washington this week to discuss the replacement of Russian reactors that produce weapons-grade plutonium. These meetings were held in the context of the Gore-Chernomyrdin Commission.

The purpose of this meeting was to agree on a plan for closing down the three remaining Russian plutonium production reactors. The agreement was reached in December of 1993 in Russia. The Russians have agreed to build alternate power sources for these reactors and have committed to terminating plutonium production as soon as possible after the completion of the replacement energy sources. We agreed on the need for a study to determine both the feasibility of alternate power sources and available financing options. This agreement is a major step forward in achieving the President's nonproliferation goals and will close down three of the world's most dangerous reactors.

Additionally, furthering the agreement reached between President Clinton and President Yeltsin during their January meeting in Moscow to reduce the threat of nuclear weapons proliferation, Minister Mikhailov and I agreed in principle to host reciprocal inspections of facilities containing plutonium resulting from dismantlement of nuclear weapons. In preparation for these inspections, technical experts will meet in the next month to define the procedures for inspecting these materials. These inspections represent an excellent opportunity to account for weapons-grade material and will insure that the Russians are living up to the obligations of various arms control treaties.

Critical Issues Raised by the Independent Petroleum Association of America

Tuesday, I met with representatives of the oil and gas industry. As you know, 108 Members of the House and Senate have written the President requesting a meeting to discuss the current situation in the oil and gas industry. I communicated to the industry representatives that if there was a possibility to assist the industry, they must agree on a limited number of incentives that are not prohibitively expensive. Based upon the number of interested members, and the potential link to Health Care Reform, we need to closely monitor this situation.

Events in Massachusetts

Today in Boston, I addressed the Massachusetts Energy Efficiency Council Conference, sponsored by a group of industry leaders and vendors of energy efficiency services. Following this conference I attended a fundraiser of Senator Kennedy.

Tomorrow, I will meet with local Democratic Party supporters and tour an industrial facility with Representative Markey (D-MA) that has reduced energy costs through investing in energy efficient technologies. I will then participate in a fundraiser for Representative Markey. Finally, I will participate in an announcement that will designate Boston as a participant in the Department's Clean Cities program. The Mayor of Boston will participate in this event. This program links local, state and federal efforts to develop an infrastructure for the purchase of alternative fuel vehicles.

W. Averell Harriman Award

Tuesday evening I received the 1993 W. Averell Harriman Award for significant contributions to world security. This annual award is sponsored by the Lawyers Alliance for World Security, an organization "dedicated to the pursuit of policies leading to effective international weapons management, reduction of destabilizing nuclear weapons systems and prevention of nuclear proliferation."

My remarks to this group focused on the Administration's initiatives to further democratization in Russia, the President's decision to extend the moratorium on nuclear weapons testing, and the agreements between the Department and the Russian Atomic Energy Ministry to close down plutonium reactors and allow for inspection of plutonium storage facilities. Victor Mikhailov, the Russian Minister of Atomic Energy attended the event as the guest of the Department, adding significance to the event and generating media interest.

Controversial Environmental Impact Statement

As a result of a stipulation entered into by Governor Andrus of Idaho, the Navy and the Department regarding the shipment of the Navy's spent nuclear fuel to the Idaho National Engineering Laboratory, the Department is required to prepare a comprehensive Environmental Impact Statement (EIS). This EIS will be used to

determine whether there are alternatives to accepting spent fuel. Savannah River, South Carolina; Hanford, Washington; Idaho; Oak Ridge, Tennessee; and the Nevada Test Site will be evaluated on their ability to accept this waste.

Because of the sensitivity of nuclear waste storage in Nevada, we have discussed the inclusion of the Nevada Test Site in the EIS with Governor Miller. We have also informed the Governor that the Nevada Test Site is not a preferred site.

CONGRESS

Outreach

- Yesterday, the Department held a press conference to announce the agreement signed by Russian Minister of Atomic Energy Mikhailov and myself to halt the production of plutonium in Russia, to provide alternate power and heat sources for the regions now served by these reactors, and to provide for reciprocal inspection of sites that store plutonium removed from nuclear weapons. Senator James Exon (D-NE) and Congressman Edward Markey (D-MA) participated in the press conference.
- Today, I participated in a fundraiser for Senator Kennedy in Boston.
- Tomorrow, I will participate in a fundraiser for Congressman Ed Markey (D-MA) in Massachusetts.
- Monday, I will meet with Congressman Billy Tauzin (D-LA) at his request to discuss initiatives to spur exploration and production in the oil and gas sector.
- Tuesday, I will participate in a fundraiser for Representative Leslie Byrne (D-VA).
- Wednesday, I will meet with Senator Johnston (D-LA) to discuss the Department's fiscal year 1995 budget request, issues affecting the oil and gas industry, and nuclear waste issues.
- Wednesday, I will meet with Congressman Don Johnson (D-GA) to discuss efforts to conduct economic conversion at the Savannah River Site in South Carolina.

Hearings

March 23, I will present before the Senate Committee on Armed Services (Chairman Sam Nunn), the Department's fiscal year 1995 budget request for Atomic Energy Defense Activities. This Committee funds the Department's national security and environmental restoration programs.

THE WEEK AHEAD

National Conference of Lieutenant Governors

Thursday, March 24, I will address the 50 Lieutenant Governors. My remarks will focus on improving partnerships between the Federal Government and the States to deploy energy efficient and renewable energy technologies. I will also discuss the progress of the Department's cleanup of weapons production facilities in 32 States and health care.

Colorado Facilities Tour

Next week, I will tour our Rocky Flats Site, a former weapons production facility. I will hold a stakeholders meeting to determine their priorities for future declassification of information for the site, meet with leaders from the oil and gas industry, and participate in a fundraiser for Governor Romer. We are now planning several health care events in which Senator Campbell and Representative Skaggs will participate.

MEDIA

Media Response to Agreement to Close Nuclear Reactors in Russia

Yesterday, I conducted interviews with the McNeil Lehrer, Newsday, and regional network television affiliates on the agreements reached this week between the Department and the Russian Ministry of Atomic Energy to replace plutonium-producing reactors with natural gas and coal, and to develop inspection protocols for reciprocal inspection of our plutonium facilities, one in the United States and one in the Russian Federation.

Editorial Boards

Today I participated in editorial board meetings with the Boston Globe and the Christian Science Monitor. Both newspapers focused on the Department's Openness Initiative, agreements reached with the Russians this week, and the successful partnerships with industry that the Department's Laboratories have established. I also advocated the President's Health Care Initiative.

Business Week

Monday, I will be interviewed by Business Week. Our key messages will be the role of the National Laboratories in enhancing national competitiveness, National Energy Policy, and contract reform.

PRESIDENTIAL INITIATIVES

Health Care Media

At the request of the White House, I conducted interviews with radio stations to advocate the President's Health Care Initiative.

Health Care Event in Newport News, VA

Saturday, March 12 while in Newport News, Virginia I participated in a Health Care event with Congressman Bobby Scott (D-VA). The event was held at the Steelworkers Local 8888 Union Hall and focused on the benefits of the President's plan for America's workers and highlighted the vital support that organized labor has provided for this important initiative. This was a very successful event that received favorable media attention. Newspaper articles on the event are attached.

President's Council on Sustainable Development

Monday, I will attend a meeting of the Energy and Transportation Task Force of the President's Council on Sustainable Development of which I am a co-chair. The focus of the meeting will be to formulate future energy scenarios and then determine how to achieve visions.

Attachments

Clinton to agencies: Save energy

■ An executive order calls for steps such as installing energy-saving light bulbs.

Associated Press

11A

WASHINGTON — President Clinton has signed an executive order directing federal agencies to install energy-saving light bulbs and alternatively fueled electric systems and to take other measures that would reduce energy consumption 30 percent from 1985 levels by the year 2005.

The executive order directed federal officials to conduct energy- and water-efficiency audits for their buildings and then install the technology needed to ensure significant savings from water and energy use.

"Serious efforts to make federal buildings energy efficient were dropped when the baton was passed

from President Carter to Reagan," Energy Secretary Hazel O'Leary said. "We're trying to get it back on track now," O'Leary joined Vice President Al Gore and other senior administration officials in releasing the 14-page executive order Tuesday.

President Bush had issued a similar order for agencies to cut their energy use by 20 percent but little effort was made to enforce it.

O'Leary outlined a wide range of steps federal authorities can take to fulfill the demands of Clinton's order. They included installing new water pipes and introducing renewable energy sources such as solar- or wind-powered equipment.

Many energy-saving measures already have been introduced at Energy Department buildings, O'Leary said. For example, the traditional fluorescent lighting systems were changed to more energy efficient systems throughout department headquarters.

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CI - historical

State Report Optimistic on Electric Cars

■ **Pollution:** Detroit has asked that 1998 introduction be delayed. But air quality officials say technology is nearly ready.

By MARIA CONI ^{A3}
Times Environmental Writer

Disputing the auto industry's claim that electric cars remain too impractical and expensive to mass-produce, the state Air Resources Board on Wednesday released an analysis portraying the technology as nearly ready for widespread consumer use.

The agency's review concludes that batteries available for electric cars already meet the needs of most commuters, and that operation and maintenance of the cars is comparable in cost to that of gasoline-powered vehicles.

The rosy outlook for exhaust-free automobiles lays the groundwork for a highly anticipated decision by

the air board this spring. In May, the ARB must review whether the technology has advanced enough to meet a state mandate requiring the auto industry to begin selling large numbers of the cars in less than four years. If the regulation goes into effect, car makers that fail to meet the mandates would lose their certification to sell vehicles in California.

Under the standard, 2% of vehicles sold each year in California by major manufacturers—an estimated 20,000 to 25,000 cars—must be emission-free beginning in 1998. The volume increases to 5% in 2001 and 10% in 2003.

The zero-emission mandate, set by the ARB in 1990, has come under fire from Detroit's Big Three auto companies, which are pressuring the Wilson Administration for a delay of two years or more, depending on their success in perfecting high-energy batteries.

Although the auto manufacturers are striving to develop electric car prototypes for California—including General Motors' Impact and Ford's Escort—they say the battery technology lags too far behind to

guarantee consumers cost-efficient and practical cars by 1998.

The ARB's draft report gives the auto industry little technical ground for delaying the standard.

The companies, however, still dispute the findings as overly optimistic, given the high costs and complexities of beginning production of large numbers of cars entirely new from the tires up.

"I have a lot of high hopes too. But it's a difference between saying something is ready and saying it is just a goal," said John Wallace, director of Ford's electric vehicle development program, who also represents a consortium of the Big Three manufacturers and the U.S. Energy Department working to produce advanced batteries.

"The projections you are seeing in this report are absolutely consistent with our goals, too," he said. "But I have literally scores of engineers involved... and all the data piled up doesn't lead me to believe that these projections and goals are in any way achieved. A: Please see CARB, ARB

lot of work needs to be done."

According to the ARB's report, four currently available battery technologies generate enough power to run a car for 80 to 100 miles between recharges, which would accommodate the commutes of nearly 85% of Californians. By 1998, a battery with twice that range is likely and it will have a lifetime of five to eight years, the report says.

The review also concluded that operating and maintaining an electric car eventually could be cheaper than using a traditional car, even when the cost of replacing the expensive, 1,000-pound battery pack is included. "The total operating cost of an electric vehicle can be less than the total operating cost of a conventional Ford Escort," the report concludes.

10P2

Local

Daily Press

B

Energy chief returns home to stump for health plan

Trying to bolster shrinking support

By Tina McCloud
Daily Press

NEWPORT NEWS

U.S. Secretary of Energy Hazel Reid O'Leary came back to her hometown Saturday, stumping for President Clinton's health care proposal and greeting old friends.

Some polls show declining grassroots support for the president's plan, so O'Leary and oth-

ers in the administration are taking his message around the country.

O'Leary shared a headline from Thursday's Wall Street Journal with the nearly 100 people gathered at the United Steel Workers of America Local 8888 headquarters on Huntington Avenue. It read, "Many Don't Realize It's Clinton Plan They Like."

According to the article, 45 percent of respondents in the Wall Street Journal/NBC News poll said they oppose the Clinton

plan, up from 18 percent in September when it was unveiled. But without knowing it is Clinton's plan, 76 percent of those polled said they like its basic provisions, the article said.

O'Leary blamed eroding support on special interest groups spending big advertising dollars to kill the plan. But she said conflicting statements from administration officials and the 1,000-page plus proposal are responsible for some of the con-

Please see Health/B2



Energy Secretary Hazel Reid O'Leary speaks up for President Clinton's health plan at the headquarters of the United Steel Workers of America in downtown Newport News Saturday.
Joe Fudge/Daily Press

CONTINUED

CONTINUED

Health

Continued from B1

fusion.

She said the Clinton plan contains guaranteed health security, competition, choice and reasonable prices.

Employers would offer insurance to every employee, part- or full-time. The government would subsidize some smaller companies and people who could not afford to pay, she said.

O'Leary, who still has family in Newport News, faced a friendly crowd, receiving a standing ovation before she even began speaking. She was invited to speak by Rep. Robert C. Scott, D-Newport News.

Before her talk, she greeted Sarah Whittington, her eighth-grade teacher at the former Huntington High School and now a member of the Newport News School Board.

"I'm really proud of you," Whittington told O'Leary, who has a bachelor's degree from Fisk University and a law degree from Rutgers University.

Whittington was the first of several people to ask about business owners' reaction to the plan.

O'Leary acknowledged that big companies would subsidize smaller companies at first.

In the long term, equal access

to preventive medicine would reduce catastrophic illnesses that cost the system so much money. Everyone would be better off, she said.

Other questions ranged from how the plan would be financed to inclusion of mental health, substance abuse and dental benefits.

One man contended there is no health care crisis, pointing out that even illegal immigrants injured in a recent truck wreck were treated free at a California hospital. But O'Leary said it was unfair that others who use that hospital must subsidize those who cannot pay, while some hospitals just turn indigent people away.

O'Leary spent little time on the platform, where a parade of yellow posters proclaimed "Health Care That's Always There." Instead, she used a portable sound system to walk around the room, talking intently to questioners and asking questions in return.

O'Leary, who is from a family of physicians, held up a sample Health Security card that everyone would carry under Clinton's plan.

"I hope in his lifetime he'll be using this," said O'Leary, handing the card to Kenneth Lewis, 7, of Chesapeake. The boy's father, who works at Newport News Shipbuilding, brought him to hear the speech.

"The nation has been grappling with this issue for nearly five decades," O'Leary said. "Let's move it."

Plutonium cutoff agreed by Russia

2 weapons reactors in phase-out

ASSOCIATED PRESS

Russia has agreed to phase out the production of weapons-grade plutonium from its two remaining operating weapons reactors — the last of the world's major nuclear powers to do so — under a protocol signed yesterday by the United States and Russia.

The Russian government's commitment to work toward closing the Tomsk and Krasnoyarsk reactors was seen by nuclear nonproliferation advocates as a significant development in safeguarding Russia's stockpile of plutonium from misuse.

Steve Dolley of the private Washington-based Nuclear Control Institute called it "a big breakthrough."

"It would be the end of plutonium production for all intents and purposes," he said.

The agreement, however, is contingent on completion of substitute energy plants that would replace the electricity that currently is provided by the military reactors which are located at Tomsk and in Krasnoyarsk, according to a Clinton administration official.

Energy Secretary Hazel O'Leary, who worked out the agreement in two days of discussions with the Russians, said the administration would work with Russia over the next two months to develop a financing package for the alternative energy plants.

The agreement envisions completion of a natural-gas-powered turbine facility at Tomsk in Siberia and a coal-fired power plant at Krasnoyarsk in south central Russia. Completion of both projects could take a year or more even if financing is arranged, those familiar with the issue said.

Although Russia is the last known nuclear power to end producing plutonium for warheads, other nations, such as Israel, India and North Korea, are undeclared but suspected nuclear states.

Daryl Kimball, associate director for Physicians for Social Re-

sponsibility, urged the Clinton administration and Russia "to move immediately to solidify the agreement." But he said it was "vital that the cutoff occur quickly, within a year, rather than several years down the road."

The reactors at Tomsk and Krasnoyarsk are the only remaining dual-purpose reactors in Russia that produce steam for heat and electricity in the regions where they operate and also produce plutonium for the weapons program. The United States already has halted plutonium production since there is enough plutonium available from discarded warheads to meet any future needs.

"Both our governments recognize that ongoing operation of reactors designed for plutonium production makes little sense in this day and age," Mrs. O'Leary said in a statement.

She said the administration's "goal over the next few weeks will be to help the Russians obtain the finances with the options they have chosen to replace the power now produced by the reactors."

Under the protocol signed by Mrs. O'Leary and Viktor Mikhailov, Russia's minister of nuclear energy, the Russians agreed to cease production and separation of weapons-grade plutonium within one year after completion of the alternative coal or natural gas-fired energy plants.

The two officials also formalized an accord tentatively agreed to yesterday on the exchange of technicians to inspect the storage sites of dismantled warheads, including so-called plutonium triggers, or "pits."

Under that agreement, Russian technicians for the first time would visit the U.S. weapons complex at Pantex near Amarillo, Texas, where thousands of warheads are being disassembled under the weapons reduction treaties. U.S. technicians will visit storage facilities at Tomsk.

MONDAY, MARCH 21, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

9:00 AM - 12:00 PM President's Council for Sustainable
Development
(Dirk Forrister, Abe Haspel)

12:30 PM - 1:30 PM Lunch - Congressman Billy Tauzin

1:30 PM - 2:00 PM (Tentative) Harold Ickes
(Rick Rosenzweig)

2:15 PM DEPART DOE FOR BUSINESS WEEK
Met by Reggie Sellers

2:30 PM - 3:30 PM Business Week Interview
1200 G Street, N.W.
(Audrey Hoffer)

3:35 PM DEPART BUSINESS WEEK FOR DOE
Met by Reggie Sellers

4:00 PM - 5:00 PM HOLD

5:15 PM - 6:15 PM Appointment

6:30 PM DEPART DOE FOR THE SUPREME COURT
Met by Reggie Sellers
DROP-BY: Supreme Court Reception
Hosted by the National Association
of Attorneys General
The Supreme Court
Lower Great Hall
(Entrance on First Street, N.W.)
5:30 P.M. - 7:00 P.M.

6:00 PM

Event for Congresswoman Leslie Byrne(D-VA)
Lynn Cutler's Residence
4335 37th Street, NW
(Corner of Yuma & 37th Street)
(Rich Rosenzweig)

WEDNESDAY, MARCH 23, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 12:00 PM HOLD

9:00 AM - 11:00 AM Prebrief: Senate Armed Services
Committee
(William Taylor)

12:00 PM - 1:30 PM EOC Exercise
(Jack Keliher, Rich Rosenzweig, Dan Reicher)

12:30 PM - 1:30 PM Team Lunch
(B. Berls, C. Curtis, H. Davis, B. DeGrasse,
P. Didisheim, D. Dreyfus, A. Durham, C. Ervin,
D. Forrister, M. Gauldin, P. Godley, T. Grumbly,
J. Hughes, J. Jakes, J. Keliher, M. Krebs,
C. Moody, B. Nordhaus, T. O'Toole, D. Pearman,
D. Reicher, V. Reis, R. Rosenzweig,
T. Cornwell-Rumsey, K. Simpson, W. Taylor,
S. Thomas, S. Tierney, N. Weidenfeller, B. White)

1:45 PM DEPART DOE FOR RUSSELL SENATE OFFICE BUILDING
Met by Reggie Sellers

2:00 PM - 4:00 PM Testify - Senate Armed Services Committee
222 Russell Senate Office Building
(William Taylor)

4:15 PM DEPART RUSSELL SENATE OFFICE BUILDING FOR DOE
Met by Reggie Sellers

4:15 PM - 5:15 PM HOLD

5:15 PM - 6:15 PM Appointment

6:30 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

THURSDAY, MARCH 24, 1994

SCHEDULE FOR HAZEL R. O'LEARY

8:00 AM DEPART RESIDENCE FOR THE WASHINGTON
COURT HOTEL
Met by Reggie Sellers

8:30 AM - 9:00 AM Speak to National Conference of
Lt. Governors
Washington Court Hotel
525 New Jersey Avenue, NW

9:30 AM DEPART THE WASHINGTON COURT HOTEL FOR DOE
Met by Reggie Sellers

12:00 PM DEPART FOR DENVER, CO

OLW H MCLARTY - 1994-009248

02/25/94



The Secretary of Energy
Washington, DC 20585

GENERAL FILE COPY
OLW H MCLARTY - 1994-009248
FILE COPY

March 24, 1994

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY *Hazel R. O'Leary*

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

National Conference of Lieutenant Governors

Today, I addressed the annual conference of the 50 Lieutenant Governors. My remarks focused on the importance of partnerships between the Federal Government and the States that promote energy efficiency and renewable energy technology. I also discussed the Department's efforts to clean up the former weapons production facilities and the importance of developing an interim storage strategy for spent nuclear fuel prior to the characterization of Yucca Mountain, Nevada. This is essential because many nuclear reactors will run out of on-site storage for spent commercial waste prior to there being a permanent repository.

Trip to Colorado

Energy Efficiency Press Conference

When I arrive in Denver this afternoon, I will participate in a press conference with the Colorado Public Interest Research Group (CoPIRG), an organization that advocates the development of clean energy sources. This is an important press conference because this is the first time that the Department has worked with and had the support of the sustainable energy community for our budget. The increases in the energy efficiency portion of the Department's budget are vital to the success of the Administration's Climate Change Initiative.

Rocky Flats Meetings

The Rocky Flats site is one of the Department's largest defense nuclear facilities. The mission of this site has been shifted from weapons production to environmental restoration. I will tour the site and meet with some of our employees.

I will also hold a press conference to announce that the Department will provide \$500,000 to fund the first phase of the National Conversion Pilot Project. This project will utilize the highly skilled work force and unique technology and facilities at Rocky Flats in the commercial economy through the recycle of contaminated scrap metal.

Finally, I will participate in a fundraiser for Governor Romer and attend a meeting with oil and gas industry executives.

Energy Policy

As we discussed, I feel that it is necessary to advocate policies that will benefit the oil and gas industries given the financial condition of the industry and the President's aggressive pursuit of this constituency during the campaign. During my meeting with Congressman Tauzin, I committed to form a small, prominent group of industry experts to develop policy options that would benefit the industry. I have already moved on this front. This group would complete its work within 60 days and provide recommendations. It would then be up to Members of Congress to work with the Administration to determine how to advance this agenda in the context of other congressional initiatives. I will keep you apprised of developments in this area.

CONGRESS

Outreach

- Monday, I met with Congressman Billy Tauzin (D-LA) to discuss ideas to encourage exploration and production in the oil and gas sectors.
- Tuesday, I attended a fund raiser for Representative Leslie Byrne (D-VA).
- Yesterday, I met with Senator Bennett Johnston. Our discussions focused principally on nuclear waste issues and his displeasure that the Department has made significant funding available for the Yucca Mountain Project.

Hearings

Yesterday, I testified before the Senate Committee on Armed Services (Chairman Sam Nunn) on the Department's fiscal year 1995 budget request for Atomic Energy Defense Activities, the cleanup of defense production sites, and the safety programs that exist at the Department's defense nuclear facilities. This Committee authorizes the Department's national security and environmental restoration programs.

MEDIA

Business Week

Monday, I was interviewed by Business Week. The interview focused on the role of the Department's National Laboratories in enhancing national competitiveness through partnerships with industry, the National Energy Policy, and contract reform.

Japan Broadcasting Corporation

Yesterday, I conducted an interview with the Japan Broadcasting Corporation. The interview will appear as part of a documentary on our Nation's post Cold War restructuring efforts. Specific topics included the Department's Openness Initiative, the U.S. Russian agreements on the inspection of nuclear weapons dismantlement facilities and the Administration's broader non-proliferation policy.

PRESIDENTIAL INITIATIVES

Health Care Event in Colorado

Tomorrow in Denver, I will participate in an event to promote the President's Health Care Reform Initiative. The town meeting will be held at a Denver senior citizens' residence with over 250 senior citizens and representatives of the American Association of Retired Persons. Regional media coverage is anticipated.

Media Telephone Calls on Health Care

This week, I advocated the President's Health Care Reform Initiative in interviews with regional radio stations in South Dakota and New Mexico.

Personal Travel

Next week I will be on personal travel .



Department of Energy
Washington, DC 20585

OFFICE OF THE EXECUTIVE SECRETARIAT
FACSIMILE TRANSMITTAL FORM

Fax Number: FTS 896-4403 Verify (Voice) FTS 896-5081 Verify (Alternate) FTS 896-5078
CML 202-586-4403 CML 202-586-5081 CML 202-586-5078

f

Date: 3/24/94
To: Christine Varney
From: Sen. O'Seara

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Transmittal consists of 7 pages, excluding this form.

X

Notes:



Department of Energy
Washington, DC 20585

OFFICE OF THE EXECUTIVE SECRETARIAT
FACSIMILE TRANSMITTAL FORM.

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CML 202-586-4403 CML 202-586-5081 CML 202-586-5078

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Date: 3/24/94
To: William Bush
From: Stan O'Leary

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Transmittal consists of 7 pages, excluding this form.

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Notes:

Tauzin assured of support* for falling-oil-price program

By PAUL KIRBY
Daily News Service

WASHINGTON — U.S. Rep. Billy Tauzin (D-Clackberry) received assurances Monday from Energy Secretary Hazel O'Leary that she will support a broad-based program aimed at dealing with the problem of dropping oil prices.

"She's anxious and prepared and willing to assist us if we can come up with a consensus on a broad-based program, one that gets the job done and is still compatible with administration goals," Tauzin said after the one-on-one session, which lasted more than an hour.

While O'Leary offered no specific solutions, she said the administration realizes the domestic oil industry is hurting and she urged its officials to hammer out a compromise, Tauzin said.

Energy Secretary Hazel O'Leary said the administration realizes the domestic oil industry is hurting.

Since October, 10,500 Americans have lost their jobs because of the declining prices. That comes on top of the 500,000 workers who have lost their jobs in the past 10 years, Tauzin said. Experts estimate that if oil prices remain at \$14 a barrel, 50,000 wells will be abandoned this year.

In a letter sent to President Clinton last month, Tauzin and more than 100 other lawmakers said plunging oil prices

TAUZIN, continues on 2A

TAUZIN *Continued from 1A*

threaten thousands of businesses and workers. The congressman asked Clinton to meet with them and respond to the problem.

Last year, the U.S. oil industry finished with its lowest average production — 6.8 million barrels per day — since 1958, and production this year likely will be lower, according to the industry. The United States imports 49 percent of the oil it uses, which accounts for \$44.7 billion of the trade deficit, the lawmakers say.

Tauzin said major and independent producers — who long have bickered

to protect their interests — are starting to realize they share a common purpose.

Tauzin noted a solution could target prices that producers charge for oil or the costs they face. Prices could be boosted through the establishment of a floor on what can be charged, while changes in regulations or tax policies could impact costs.

"I got a sense that she intends to assist as much as possible and literally to offer us advice and counsel and experts, where possible," Tauzin said of his meeting with O'Leary.

Energy Secretary Eager to Adapt National Labs to Business Needs

Companies turn to government labs for research and development

By Shelley Donald Coolidge

Staff writer of The Christian Science Monitor

BOSTON

ENERGY Secretary Hazel O'Leary says integrating national laboratories more closely with the country's economic needs is an important goal of the Clinton administration. At a meeting with Monitor journalists last week, she noted that several bills in Congress deal with the issue.

"Our administration has been working quite hard to try and focus the capability of the labs to deliver what they can," she said.

The Department of Energy has 27 laboratories in the United States. Research at the labs spans all major scientific and engineering disciplines.

"Big business in the United States has always recognized the department's labs are where you get these multidisciplinary teams," Ms. O'Leary said.

"Where the work now has to be done is to clearly match the initiatives coming out of government to the national labs themselves," she added.

Research and development

Because some private companies no longer have the capability to do all their own research and development, either basic or applied, they "are rushing back" to the labs, she said. "So our challenge is as a government ... to try

and rationalize the labs, and in so doing make some real determinations, not on our own but with the private sector generally, [about] where the real expertise lies."

In light of cancellation of the supercollider atom-smasher project that was being built in Waxahachie, Texas - the government's

BY MORGAN MATHEW - STAFF



O'LEARY: With the cancellation of the supercollider, the energy secretary says Congress needed to change its record of "start-and-stop projects."

biggest science project - O'Leary stressed the importance of Congress changing its track record of "start-and-stop projects."

"So many times we've built an expectation in government ... that we would deliver exactly

what we said on the day, and it has not occurred," she said.

"What the science community is really gonzo about is that the budget in support of the supercollider is now being used to close it down," O'Leary said. Some scientists hold that the money should have been deployed in support of other projects.

"But you don't walk away from a set of obligations and take that money and immediately move it," she said.

Agreement with Russia

On the top of her agenda, O'Leary said, is an agreement that the US Department of Energy recently reached with Russia to provide that country with technology to help close down two of its nuclear reactors, Tomsk and Krasnoyarsk. The Tomsk plant will be converted to natural gas and Krasnoyarsk will be converted to coal, she said.

"I'm recognizing in our administration this real commitment to energy efficiency that ties so carefully to our global climate change initiatives," she said.

"If you had asked me six months ago ... if we would be having a breakthrough this quickly, I would say no."

"[The Russians] continue to tell us that while they're willing to back out of these most dangerous reactors, because the international leadership has demanded it, they continue to plan for a nuclear future into 2010."

O'Leary hopeful on compensation for test victims

By Scott Allen
GLOBE STAFF

Energy secretary cites possibility of legislation

11
US Energy Secretary Hazel O'Leary said yesterday she is hopeful that Congress, possibly with the backing of a special commission from her office, will pass legislation to compensate some victims of government-backed human radiation experiments carried out in the two decades after World War II.

O'Leary also reacted to charges that her agency has lost tens of millions of dollars worth of equipment at defense plants, saying that, like the radiation experiments, she inherited the problem. Yesterday, Sen. John Glenn, Democrat of Ohio, cited one instance where furniture was stored with radioactive material, forcing it to be disposed of as contaminated waste.

"The place has not been run like a business

and I am attempting to run it that way," O'Leary said in an interview at the Globe. She said her staff is revising its contracts with companies that run most Energy Department facilities.

The energy secretary said several members of Congress are considering filing legislation to pay families of the sick, mentally retarded and other people who were used in radiation experiments during the Cold War. O'Leary said she has asked them to hold off until her commission finishes its review of the experiments, expected within a year.

Rep. Edward J. Markey, Democrat of Malden, declined to say yesterday whether he will delay his planned legislation calling for a health study for radiation test subjects and

possibly payments. Markey is scheduled to meet with O'Leary today.

The federal government conducted or financed widespread human experiments using radiation in the decades after World War II, but O'Leary stressed that much of that research had legitimate goals. O'Leary has focused instead on experiments where the victims were exposed to radiation for no medical purpose and without being told what was happening to them.

"The evil, if you're looking at it, is the cloak of secrecy," O'Leary said.

In the past, O'Leary has said that about 800 people were subjects in radiation experiments. But she has received thousands of calls from potential test subjects on an Energy De-

29
CONTINUED

Handwritten signatures and initials, including "HFS" and "JK".

CONTINUED

parliament hot line. A Globe review of government documents and medical literature from 1945 to 1966 found more than 3,500 test subjects who were exposed to small amounts of radiation as part of experiments that did not benefit them personally.

O'Leary said declined to get into the details of who deserves compensation, but she underscored a point several legal scholars have made: Test subjects will have a hard time winning lawsuits against the US government.

Referring to mentally retarded children used in experiments at the Fernald School in Waltham, O'Leary, herself an attorney, said, "One would have trouble making the nexus between the experiments and the harm."



HAZEL O'LEARY
"The evil" is secrecy

CLARK PHOTOS/JOHN BROWN

30

Handwritten signature and initials



OLW H MCLARTY - E 394 - 0100 a
The Secretary of Energy
Washington, DC 20585

OLW H MCLARTY - E 394 - 0100 a

March 31, 1994

MEMORANDUM FOR MACK MCLARTY
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

KEY DEPARTMENT NEWS

Superconducting Super Collider (SSC)

Wednesday, the Department communicated its intention to provide a grant of up to \$6 million to the State of Texas to study future uses of the SSC site. This action is consistent with the intent of the Agreement in Principle recently signed between the Department and the State of Texas to work together to develop follow on uses of the site. We have coordinated this grant announcement with the Office of Cabinet Affairs, your staff, Representatives Frost, Johnson, Chapman, and officials at the site.

Additionally, ABC News is running a story on Friday evening on the termination of the SSC. The story will likely focus on the fact that the Administration has requested \$180 million for termination in its fiscal year 1994 budget request even though we will have significant funds remaining for termination at the end of fiscal year 1994. We have communicated the fact that our termination budget does not include funds for follow on projects at the site and to settle claims with the State of Texas for its investment in the project. Under Secretary Charles Curtis conducted this interview. We have coordinated the interview with the Office of Cabinet Affairs and your staff.

Energy Technology Engineering Center

The Energy Technology Engineering Center (ETEC), a facility 26 miles Northwest of Los Angeles, has been a testing laboratory operated by the Department's Office of Nuclear Energy. Due to budget cuts, the facility was slated for closure this year. However, we have identified a new mission for the facility that will keep it open at least through fiscal year 1995.

The new mission, development and demonstration of the Kalina Cycle is a process that can increase the efficiency of fossil fuel fired power plants by over 20 percent. The mission will be funded by a Cooperative Research and Development Agreement between the General Electric Corporation and the Department. This action will save over 200 jobs in Southern California. We will formally announce this initiative when I am in California next week. We have worked with Representatives Beilenson and

Brown on this issue, and we will ensure that all local Democratic office holders are alerted prior to the announcement, and are invited to participate in it.

Electrical Fire at Brookhaven National Laboratory

Early this morning there was a fire at the Brookhaven National Laboratory's High Flux Beam Reactor facility on Long Island. The fire broke out in a test facility adjacent to the reactor, the fire ignited a small piece of uranium-235 producing smoke containing radioactive particles. Seven individuals including two fire fighters have been found to have slight levels of contamination on their skin and clothes. These individuals are now being tested to ensure that there is no internal contamination. There was also a small release of radiation into the environment. Public exposure is minimal.

The Department notified all relevant Federal, State, and local officials. The laboratory along with other agencies will investigate the accident.

Trip to Colorado

Last Thursday in Denver, I participated in a press conference with the Colorado Public Interest Research Group, an organization that advocates the development of clean energy sources.

Friday, I participated in a declassification stakeholders meeting and met with employees of the Rocky Flats facility to discuss the President's Health Care Reform Initiative. I also held a press conference to announce that the Department will provide \$500,000 to fund the first phase of the National Conversion Pilot Project. This project will seek to maintain the highly skilled work force and unique technology and facilities at Rocky Flats in the commercial economy through the recycle of contaminated scrap metal. I also attended a fundraiser for Governor Romer on Friday.

All of the events in the Colorado trip received positive media coverage on major television network affiliates and in the regional newspapers; news clips are attached.

CONGRESS

Outreach

Due to the congressional recess, I did not conduct any meetings with Members of Congress this week.

THE WEEK AHEAD

Meeting with Deputy White House Chief of Staff

Wednesday, I will meet with Harold Ickes to discuss the status of the Administration's analysis of various Energy Tax proposals and their potential to be included in the Health Care financing mechanism.

Trip to Los Angeles

Thursday, I will address the Eco Expo Forum in Los Angeles. This is the largest meeting in the world of those interested in environmental and energy technologies. I will focus on the Administration's initiatives to commercialize Energy Efficiency and renewable energy technologies. We will also announce the new mission for the ETEC facility at this event. I will also address a town hall forum on the Department's Openness Initiative. Lastly, we are developing an event to promote the President's Health Care Reform Initiative.

MEDIA

Chicago Tribune

Tuesday, I will conduct an interview with the Chicago Tribune. This interview along with one that I conducted with a Chicago Tribune reporter who accompanied me on my trip to Colorado, will appear as part of a profile of the Department on Sunday, April 10.

Wall Street Journal

Also on Tuesday, I will participate in a round table discussion with editors and journalists of the Washington, D.C., bureau of the Wall Street Journal. The discussion will focus on contract reform, national energy policy, and the role of the National Laboratories in creating jobs and enhancing national competitiveness.

PRESIDENTIAL INITIATIVES

Health Care Event in Colorado

Last Friday, I participated in a Health Care Town Meeting in Denver, Colorado. This event was held at a Denver senior center with over 200 senior citizens and local and national representatives of the American Association of Retired Persons in attendance. The event, and the President's Health Reform Initiative were well received by the participants and the local media.

Media Telephone Calls on Health Care

Next week, I will conduct several telephone interviews with radio stations in Oklahoma, Nebraska, Michigan, and Tennessee on the Administration's Health Care Initiative.

Attachments

MONDAY, APRIL 04, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 8:30 AM HOLD

8:30 AM - 9:30 AM Planning Meeting
(Rich Rosenzweig, Dan Reicher, Mike Gauldin,
Johannah Dottori)

9:30 AM - 10:00 AM HOLD

10:00 AM - 12:00 PM Senior Staff Meeting

12:30 PM - 1:30 PM Lunch

2:00 PM - 3:00 PM Prebrief: Worldwide Nuclear
Conference of the Oil, Chemical and
Atomic Workers Speech

3:30 PM - 4:00 PM Health Care Press Calls

4:15 PM - 5:00 PM Helen Cawley, President, C & L Petroleum

5:15 PM - 6:15 PM Appointment

7:00 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

TUESDAY, APRIL 05, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM Commencement Address of Whistleblowers

10:00 AM - 11:00 AM HOLD: Linda Harrington
(Barbara Semedo)

11:05 AM DEPART DOE FOR WALL STREET JOURNAL
Met by Reggie Sellers

11:15 AM - 12:15 PM Interview - Wall Street Journal
1025 Connecticut Avenue, N.W.
(Audrey Hoffer)

12:20 PM DEPART WALL STREET JOURNAL FOR DOE
Met by Reggie Sellers

12:30 PM - 1:30 PM Lunch

1:45 PM - 2:30 PM Dr. J.R. Beyster, Chairman and CEO
Science Applications International
Corporation
(Dan Dreyfus)

3:00 PM - 6:00 PM Regulatory Meeting with Vice President
Gore
Vice President's Ceremonial Office
OEOB Room 274
(Bob Nordhaus)

6:00 PM - 9:00 PM HOLD

WEDNESDAY, APRIL 06, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

9:00 AM - 9:30 AM John Layton

9:30 AM - 10:00 AM HOLD

10:00 AM - 11:00 AM Prebrief - Cabinet Planning Session
Damon Hemmerdinger and Carolyn
Lukensmeyer, Office of The Chief of Staff

12:00 PM - 12:30 PM Bill White and Charlie Curtis

12:30 PM - 1:30 PM Team Lunch
(B. Berls, C. Curtis, H. Davis, B. DeGrasse,
P. Didisheim, D. Dreyfus, A. Durham, C. Ervin,
D. Forrister, M. Gauldin, P. Godley, T. Grumbly,
J. Hughes, J. Jakes, J. Keliher, M. Krebs,
C. Moody, B. Nordhaus, T. O'Toole, D. Pearman,
D. Reicher, V. Reis, R. Rosenzweig,
T. Cornwell-Rumsey, K. Simpson, W. Taylor,
S. Thomas, S. Tierney, N. Weidenfeller, B. White)

2:00 PM - 3:00 PM HOLD

3:00 PM - 3:30 PM Health Care Press Calls

3:45 PM DEPART DOE FOR THE WHITE HOUSE
Met by Reggie Sellers

4:00 PM - 4:45 PM Harold Ickes
The White House
Ground Floor - West Wing
(Rich Rosenzweig)

4:50 PM DEPART THE WHITE HOUSE FOR DOE
Met by Reggie Sellers

5:15 PM - 6:15 PM Appointment

7:00 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

THURSDAY, APRIL 07, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR FT. LESLIE MCNAIR
Met by Reggie Sellers

8:30 AM - 9:30 AM Speak - National Defense University

9:45 AM DEPART FT. LESLIE MCNAIR FOR DOE
Met by Reggie Sellers

10:00 AM - 12:00 PM Senior Staff Meeting

11:30 AM DEPART DOE FOR NATIONAL AIRPORT
Met by Reggie Sellers

12:00 PM DEPART FOR TRAVEL - Los Angeles, CA

FRIDAY, APRIL 08, 1994

SCHEDULE FOR HAZEL R. O'LEARY

TRAVEL - Los Angeles, CA

9:00 AM

Keynote Speech at Eco Expo
Los Angeles Convention Center
Los Angeles, California

11:30 AM - 1:30 PM

Speak at Town Hall Los Angeles
900 Wilshire Blvd
Los Angeles, California
11:30 A.M. - Reception
12:00 P.M. - Luncheon
1:00 P.M. - Meeting with Students

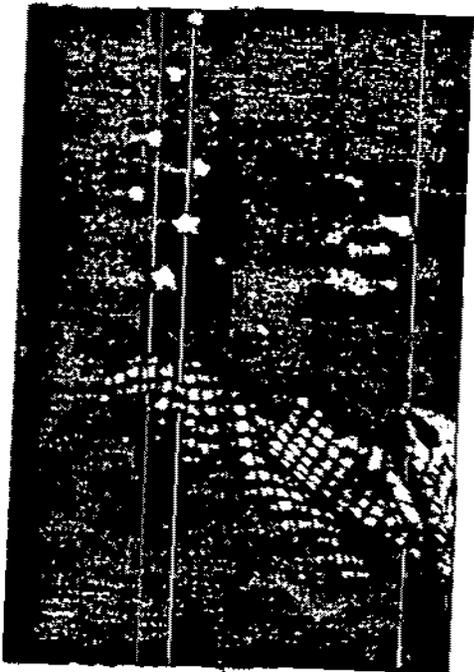
3:00 PM

Health Care

6:00 PM - 7:00 PM

California League of Conservation
Voters

Boulder Camera 3-25-94 1A



JAY QUADRACCI / Daily Camera

TO VISIT ROCKY FLATS TODAY: U.S. Energy Secretary Hazel O'Leary is in the Denver area to talk about such issues as declassifying and decontaminating the Rocky Flats nuclear weapons plant. O'Leary will visit Rocky Flats today; on her agenda is a meeting with employees.

Plutonium accounting to be given

O'Leary makes pledge during Colorado visit

By C. RUSNOCK HOOVER
Camera Staff Writer

ARVADA — Secretary of Energy Hazel O'Leary on Thursday pledged to declassify information about missing plutonium at the Rocky Flats nuclear weapons plant.

During a visit in Arvada with government and union officials, watchdog groups and others connected with the plant, O'Leary noted that a Department of Energy report about the missing material indicated that DOE will decide if and when to release the classified information.

But O'Leary said the question is not "if" but only "when."

At a news conference earlier Thursday afternoon, O'Leary wouldn't be specific about how long plutonium will remain at Rocky Flats.

"I don't want to keep it parked out there much longer than I have to," she said, adding that she hopes to have an interim storage site picked out by June 1995. She said she believes that the Waste Isolation Pilot Project, near Carlsbad, N.M., will be ready to open in 1998.

O'Leary said a top priority is "safe interim storage of plutonium."

When pressed for a date on when the plutonium would be moved from Rocky Flats, she eyed the reporter and quipped, "You're young enough to follow me around for the rest of my career" and hounded her about any commitment she makes to a definite date.

She did say she hopes to get the plutonium moved within 10 years.

Later, at a "stakeholders' meeting" of people with close ties to the plant, she nixed the idea of just burying the contaminated buildings at Rocky Flats.

"Of course, we will not cover it with dirt," she said.

DOE plant manager Mark Silverman was quoted recently as saying that might be a viable alternative to spending the amount of money required to clean up the site.

"It's our moral obligation (to clean the site) and we're committed to do that," O'Leary said.

(See O'LEARY, Page 3A)

Camera 3A



JAY QUADRACCI / Daily Camera

DISCUSSING HEALTH CARE: Secretary of Energy Hazel O'Leary says that the Clinton health-care plan will solve many problems that displaced Rocky Flats workers have with health care. She launched into an impromptu talk about health care Thursday during a meeting in Arvada and displayed cards similar to the ones given out recently by President Clinton.

O'Leary: DOE to account

Friday, March 25, 1994



for plutonium

(From Page 1A)

Some land will be returned to the public this summer, she said, explaining the most dangerous areas will be worked on first, along with areas that are the easiest to clean.

She also said that some of the buildings at Rocky Flats can't be decontaminated until what went on there is declassified. "We can't do one without the other."

The intent of O'Leary's meeting with stakeholders was to discuss what secret information they were interested in having declassified and released.

While many people talked about declassification, others used the opportunity to talk to the Clinton Cabinet member about their other concerns at the plant — such as jobs and clean-up of the site.

O'Leary took all the questions in stride.

On the topic of jobs, she said she wants to identify opportunities and put planning in the hands of people in the community.

"Will everyone be 100 percent pleased? No. It's a gut-wrenching time," she said, as the plant changes its mission from one of weapons production to environmental restoration.

When Dennis Wise, president of the United Steelworkers Union local at Rocky Flats, asked about declassifying health records to help workers cope with health issues, she launched into a talk about the Clinton health-care plan and how it will help

'95 solar car race to finish in Golden

Sunrayco '95, the solar car race set for 1995, will finish in Golden, at the National Renewable Energy Laboratory.

Wade Buchanan of the Golden office of the energy conservation division made the announcement Thursday during U.S. Energy Secretary Hazel O'Leary's press conference at Stapleton International Airport.

The race will begin at the Indianapolis Motor Speedway on June 20, 1995, and finish nine days later at NREL.

Thirty 30 college and university teams (none of them from Colorado) will receive seed money of \$1,000 each to build cars and participate in the race. A total of 45 schools submitted proposals. The remaining 15 schools will try to earn one of 10 additional slots in the race by competing in qualifying trials.

Following the cross-country race, all Sunrayco entries can take part in a new solar car class of the Pike's Peak Auto Hill Climb in Colorado Springs. Teams will be invited to test their cars the following day on the 12-mile ascent to the top of Pike's Peak.

— RICHARD HEDGECOCK

workers, who may have health problems from the work they have done, keep their health benefits.

"Every time I talk about health care, I get a brownie point," she said.

She also said she was committed to making records on safety issues available.

"I am committed to opening that door and letting the information out," O'Leary said, but added that sometimes it wouldn't be possible — for instance, if DOE is involved in a lawsuit about the issue.

Upon her arrival at Stapleton

International Airport, O'Leary held a brief press conference to announce DOE's support for renewable energy. The National Renewable Energy Lab in Golden is expected to receive about \$221 million if the DOE's proposed budget is approved by Congress. The budget calls for a \$343 million increase for renewable-energy and energy-efficiency programs.

During the press conference, Rich McClintock of Colorado Public Interest Research Group presented her with a solar calculator, which she unwrapped and slipped into her pocket.

Amarillo Daily News

(Circ: 43,321) DAY Thur DATE 3-31-94 PAGE 3A

DOE frees up \$6

The Associated Press

The Energy Department announced Wednesday it is freeing up \$6 million for Texas to study possible future uses of the failed superconducting supercollider project.

The news was swiftly hailed by Gov. Ann Richards, who has been prodding the Clinton administration to ensure that the \$2 billion in federal and state money spent building the giant atom smasher doesn't go to waste.

"I applaud the Department of Energy in making this investment in finding alternative uses for the superconducting supercollider facilities in Texas," Richards said.

But Rep. Joe Barton, who vigorously defended the collider's interests in Congress for years, said the money

is too little — and perhaps too late.

He questioned whether enough scientists and engineers remain at the collider laboratory to study future uses for the collider's resources.

The lab's workforce has shrunk from a high of 2,200 to 950, with another round of pink slips going to 250 workers at the end of April.

"They are really beginning to lose the kind of people they'd have to keep, I think, to implement some of those alternatives," said the Ernie Republican, whose district is home to some of the collider's facilities.

The National Academy of Sciences earlier this year suggested setting aside \$20 million to \$30 million to retain a core cadre of 125 scientists and engineers to plot a future for the collider's resources.

million for study

A task force Richards created to advise her on possible future uses of the collider's assets has recommended a \$44 million allocation to retain some of the project's most important staff.

Barton said the Energy Department is "not allocating nearly enough money to do the kind of analysis and keep the kind of people that are going to be needed to implement whatever is going to be done."

But Rep. Sherwood Boehlert, who

has long opposed collider spending, criticized the Energy Department's decision to spend the \$6 million — saying it is "hunting aimlessly for a new program to keep the site active."

"DOE is engaging in this whole process backwards," the New York Republican said.

When Congress killed the collider last year, it charged the Energy Department with finding ways of maximizing the project's assets. A report is due to Congress by July.



Department of Energy
Washington, DC 20585

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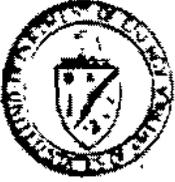
Date: 3/31/94
To: Christine Varnier
From: Sec. O'Leary

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Transmittal consists of 19 pages, excluding this form.

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Notes: 9 pages will follow



Department of Energy
Washington, DC 20585

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Date: 5/31/94
To: Anthony Braker
From: Sean O'Searney

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Notes:



The Secretary of Energy
Washington, DC 20585

March 31, 1994

MEMORANDUM FOR MACK MCLARTY
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

A handwritten signature in black ink, appearing to read "Hazel R. O'Leary", written over the printed name.

KEY DEPARTMENT NEWS

Superconducting Super Collider (SSC)

Wednesday, the Department communicated its intention to provide a grant of up to \$6 million to the State of Texas to study future uses of the SSC site. This action is consistent with the intent of the Agreement in Principle recently signed between the Department and the State of Texas to work together to develop follow on uses of the site. We have coordinated this grant announcement with the Office of Cabinet Affairs, your staff, Representatives Frost, Johnson, Chapman, and officials at the site.

Additionally, ABC News is running a story on Friday evening on the termination of the SSC. The story will likely focus on the fact that the Administration has requested \$180 million for termination in its fiscal year 1994 budget request even though we will have significant funds remaining for termination at the end of fiscal year 1994. We have communicated the fact that our termination budget does not include funds for follow on projects at the site and to settle claims with the State of Texas for its investment in the project. Under Secretary Charles Curtis conducted this interview. We have coordinated the interview with the Office of Cabinet Affairs and your staff.

Energy Technology Engineering Center

The Energy Technology Engineering Center (ETEC), a facility 26 miles Northwest of Los Angeles, has been a testing laboratory operated by the Department's Office of Nuclear Energy. Due to budget cuts, the facility was slated for closure this year. However, we have identified a new mission for the facility that will keep it open at least through fiscal year 1995.

The new mission, development and demonstration of the Kalina Cycle is a process that can increase the efficiency of fossil fuel fired power plants by over 20 percent. The mission will be funded by a Cooperative Research and Development Agreement between the General Electric Corporation and the Department. This action will save over 200 jobs in Southern California. We will formally announce this initiative when I am in California next week. We have worked with Representatives Beilenson and

Brown on this issue, and we will ensure that all local Democratic office holders are alerted prior to the announcement, and are invited to participate in it.

Electrical Fire at Brookhaven National Laboratory

Early this morning there was a fire at the Brookhaven National Laboratory's High Flux Beam Reactor facility on Long Island. The fire broke out in a test facility adjacent to the reactor, the fire ignited a small piece of uranium-235 producing smoke containing radioactive particles. Seven individuals including two fire fighters have been found to have slight levels of contamination on their skin and clothes. These individuals are now being tested to ensure that there is no internal contamination. There was also a small release of radiation into the environment. Public exposure is minimal.

The Department notified all relevant Federal, State, and local officials. The laboratory along with other agencies will investigate the accident.

Trip to Colorado

Last Thursday in Denver, I participated in a press conference with the Colorado Public Interest Research Group, an organization that advocates the development of clean energy sources.

Friday, I participated in a declassification stakeholders meeting and met with employees of the Rocky Flats facility to discuss the President's Health Care Reform Initiative. I also held a press conference to announce that the Department will provide \$500,000 to fund the first phase of the National Conversion Pilot Project. This project will seek to maintain the highly skilled work force and unique technology and facilities at Rocky Flats in the commercial economy through the recycle of contaminated scrap metal. I also attended a fundraiser for Governor Romer on Friday.

All of the events in the Colorado trip received positive media coverage on major television network affiliates and in the regional newspapers; news clips are attached.

CONGRESS

Outreach

Due to the congressional recess, I did not conduct any meetings with Members of Congress this week.

THE WEEK AHEAD

Meeting with Deputy White House Chief of Staff

Wednesday, I will meet with Harold Ickes to discuss the status of the Administration's analysis of various Energy Tax proposals and their potential to be included in the Health Care financing mechanism.

Trip to Los Angeles

Thursday, I will address the Eco Expo Forum in Los Angeles. This is the largest meeting in the world of those interested in environmental and energy technologies. I will focus on the Administration's initiatives to commercialize Energy Efficiency and renewable energy technologies. We will also announce the new mission for the ETEC facility at this event. I will also address a town hall forum on the Department's Openness Initiative. Lastly, we are developing an event to promote the President's Health Care Reform Initiative.

MEDIA

Chicago Tribune

Tuesday, I will conduct an interview with the Chicago Tribune. This interview along with one that I conducted with a Chicago Tribune reporter who accompanied me on my trip to Colorado, will appear as part of a profile of the Department on Sunday, April 10.

Wall Street Journal

Also on Tuesday, I will participate in a round table discussion with editors and journalists of the Washington, D.C., bureau of the Wall Street Journal. The discussion will focus on contract reform, national energy policy, and the role of the National Laboratories in creating jobs and enhancing national competitiveness.

PRESIDENTIAL INITIATIVES

Health Care Event in Colorado

Last Friday, I participated in a Health Care Town Meeting in Denver, Colorado. This event was held at a Denver senior center with over 200 senior citizens and local and national representatives of the American Association of Retired Persons in attendance. The event, and the President's Health Reform Initiative were well received by the participants and the local media.

Media Telephone Calls on Health Care

Next week, I will conduct several telephone interviews with radio stations in Oklahoma, Nebraska, Michigan, and Tennessee on the Administration's Health Care Initiative.

Attachments

MONDAY, APRIL 04, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 8:30 AM HOLD

8:30 AM - 9:30 AM Planning Meeting
(Rich Rosenzweig, Dan Reicher, Mike Gauldin,
Johannah Dottori)

9:30 AM - 10:00 AM HOLD

10:00 AM - 12:00 PM Senior Staff Meeting

12:30 PM - 1:30 PM Lunch

2:00 PM - 3:00 PM Prebrief: Worldwide Nuclear
Conference of the Oil, Chemical and
Atomic Workers Speech

3:30 PM - 4:00 PM Health Care Press Calls

4:15 PM - 5:00 PM Helen Cawley, President, C & L Petroleum

5:15 PM - 6:15 PM Appointment

7:00 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

TUESDAY, APRIL 05, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM Commencement Address or Whistleblowers

10:00 AM - 11:00 AM HOLD: Linda Harrington
(Barbara Semedo)

11:05 AM DEPART DOE FOR WALL STREET JOURNAL
Met by Reggie Sellers

11:15 AM - 12:15 PM Interview - Wall Street Journal
1025 Connecticut Avenue, N.W.
(Audrey Hoffer)

12:20 PM DEPART WALL STREET JOURNAL FOR DOE
Met by Reggie Sellers

12:30 PM - 1:30 PM Lunch

1:45 PM - 2:30 PM Dr. J.R. Beyster, Chairman and CEO
Science Applications International
Corporation
(Dan Dreyfus)

3:00 PM - 6:00 PM Regulatory Meeting with Vice President
Gore
Vice President's Ceremonial Office
OEOB Room 274
(Bob Nordhaus)

6:00 PM - 9:00 PM HOLD

WEDNESDAY, APRIL 06, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

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9:30 AM - 10:00 AM HOLD

10:00 AM - 11:00 AM Prebrief - Cabinet Planning Session
Damon Hemmerdinger and Carolyn
Lukensmeyer, Office of The Chief of Staff

12:00 PM - 12:30 PM Bill White and Charlie Curtis

12:30 PM - 1:30 PM Team Lunch
(B. Berls, C. Curtis, H. Davis, B. DeGrasse,
P. Didisheim, D. Dreyfus, A. Durham, C. Ervin,
D. Forrister, M. Gauldin, P. Godley, T. Grumbly,
J. Hughes, J. Jakes, J. Keliher, M. Krebs,
C. Moody, B. Nordhaus, T. O'Toole, D. Pearman,
D. Reicher, V. Reis, R. Rosenzweig,
T. Cornwell-Rumsey, K. Simpson, W. Taylor,
S. Thomas, S. Tierney, N. Weidenfeller, B. White)

2:00 PM - 3:00 PM HOLD

3:00 PM - 3:30 PM Health Care Press Calls

3:45 PM DEPART DOE FOR THE WHITE HOUSE
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4:00 PM - 4:45 PM Harold Ickes
The White House
Ground Floor - West Wing
(Rich Rosenzweig)

4:50 PM DEPART THE WHITE HOUSE FOR DOE
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5:15 PM - 6:15 PM Appointment

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THURSDAY, APRIL 07, 1994

SCHEDULE FOR HAZEL R. O'LEARY

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Met by Reggie Sellers

8:30 AM - 9:30 AM Speak - National Defense University

9:45 AM DEPART FT. LESLIE MCNAIR FOR DOE
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10:00 AM - 12:00 PM Senior Staff Meeting

11:30 AM DEPART DOE FOR NATIONAL AIRPORT
Met by Reggie Sellers

12:00 PM DEPART FOR TRAVEL - Los Angeles, CA

FRIDAY, APRIL 08, 1994

SCHEDULE FOR HAZEL R. O'LEARY

TRAVEL - Los Angeles, CA

9:00 AM Keynote Speech at Eco Expo
Los Angeles Convention Center
Los Angeles, California

11:30 AM - 1:30 PM Speak at Town Hall Los Angeles
900 Wilshire Blvd
Los Angeles, California
11:30 A.M. - Reception
12:00 P.M. - Luncheon
1:00 P.M. - Meeting with Students

3:00 PM Health Care

6:00 PM - 7:00 PM California League of Conservation
Voters

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C. Moody, B. Nordhaus, T. O'Toole, D. Pearman,
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Energy Secretary Hazel O'Leary addresses a news conference Thursday at Stapleton International Airport, accompanied by Wade Buchanan, left, director of the Governor's Office of Energy Conservation, and Duane Sunderman, director of the National Renewable Energy Laboratory in Golden.



Elmer J. Smith/Rocky Mountain News

O'Leary vows to account for plutonium

Energy secretary promises to open Rocky Flats files

By Joseph B. Verrangle
Rocky Mountain News Science Writer

AS

Energy Secretary Hazel O'Leary vowed Thursday to reveal by year's end whether any plutonium is missing or was ever smuggled from Rocky Flats.

During her first trip as a cabinet member to Colorado, O'Leary said she knows of no stolen plutonium, but promised files will be searched and records declassified.

"We will make the information available and then we will follow up once it's out," she said during an "openness meeting" with about 200

people at the Arvada Center.

Colorado's congressional delegation demanded the information after investigators found millions of dollars worth of equipment missing from the plant. Critics questioned whether plutonium could also be lost.

The former nuclear weapons plant is the temporary repository for 14.2 tons of plutonium.

O'Leary said the federal government has a moral obligation to clean up Rocky Flats, but could not say when the plutonium will be removed.

Cleanup of the plant, 17 miles northwest of downtown Denver, could cost \$10 billion and take 20 years.

O'Leary vowed to open a long-delayed repository for low-level radioactive waste in New Mexico by 1998.

She rejected an idea Flats manager Mark Silverman recently floated to remove plutonium, then entomb leftover production buildings.

"We can't cover the thing up with dirt," O'Leary said.

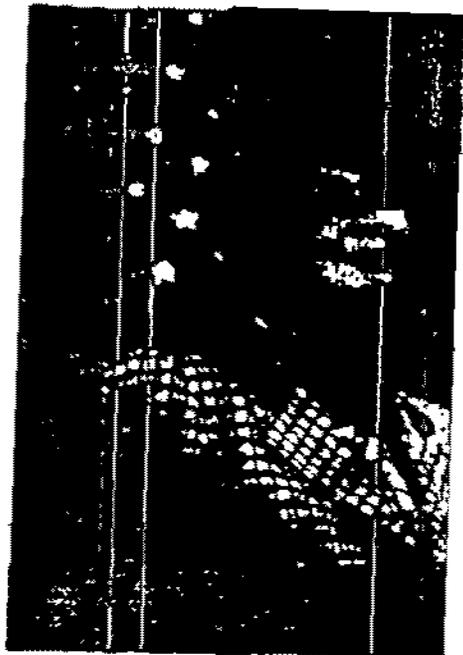
Today, she will visit Rocky Flats and stump for President Clinton's health care plan.

"Every time I talk about health care, I get brownie points," she said.

Charismatic and folksy, the 56-year-old O'Leary worked the room like Oprah, answering questions from workers, politicians, Flats neighbors and environmentalists. She promised to pry the Energy Department open, preserve jobs at the Flats and keep slugging it out with Washington colleagues who want to keep a lid on nuclear secrets.

5 of 7

Boulder Camera 3-25-94 1A



JAY QUADRACCI / Daily Camera

TO VISIT ROCKY FLATS TODAY: U.S. Energy Secretary Hazel O'Leary is in the Denver area to talk about such issues as declassifying and decontaminating the Rocky Flats nuclear weapons plant. O'Leary will visit Rocky Flats today; on her agenda is a meeting with employees.

Plutonium accounting to be given

O'Leary makes pledge during Colorado visit

By C. RUSNOCK HOOVER
Camera Staff Writer

ARVADA — Secretary of Energy Hazel O'Leary on Thursday pledged to declassify information about missing plutonium at the Rocky Flats nuclear weapons plant.

During a visit in Arvada with government and union officials, watchdog groups and others connected with the plant, O'Leary noted that a Department of Energy report about the missing material indicated that DOE will decide if and when to release the classified information.

But O'Leary said the question is not "if" but only "when."

At a news conference earlier Thursday afternoon, O'Leary wouldn't be specific about how long plutonium will remain at Rocky Flats.

"I don't want to keep it parked out there much longer than I have to," she said, adding that she hopes to have an interim storage site picked out by June 1995. She said she believes that the Waste Isolation Pilot Project, near Carlsbad, N.M., will be ready to open in 1998.

O'Leary said a top priority is "safe interim storage of plutonium."

When pressed for a date on when the plutonium would be moved from Rocky Flats, she eyed the reporter and quipped, "You're young enough to follow me around for the rest of my career" and hound her about any commitment she makes to a definite date.

She did say she hopes to get the plutonium moved within 10 years.

Later, at a "stakeholders' meeting" of people with close ties to the plant, she nixed the idea of just burying the contaminated buildings at Rocky Flats.

"Of course, we will not cover it with dirt," she said.

DOE plant manager Mark Silverman was quoted recently as saying that might be a viable alternative to spending the amount of money required to clean up the site.

"It's our moral obligation (to clean the site) and we're committed to do that," O'Leary said.

(See O'LEARY, Page 3A)

Camera 3A



JAY QUADRACCI / Daily Camera

DISCUSSING HEALTH CARE: Secretary of Energy Hazel O'Leary says that the Clinton health-care plan will solve many problems that displaced Rocky Flats workers have with health care. She launched into an impromptu talk about health care Thursday during a meeting in Arvada and displayed cards similar to the ones given out recently by President Clinton.

O'Leary: DOE to account

Friday, March 25, 1994

for plutonium

(From Page 1A)

Some land will be returned to the public this summer, she said, explaining the most dangerous areas will be worked on first, along with areas that are the easiest to clean.

She also said that some of the buildings at Rocky Flats can't be decontaminated until what went on there is declassified. "We can't do one without the other."

The intent of O'Leary's meeting with stakeholders was to discuss what secret information they were interested in having declassified and released.

While many people talked about declassification, others used the opportunity to talk to the Clinton Cabinet member about their other concerns at the plant — such as jobs and clean-up of the site.

O'Leary took all the questions in stride.

On the topic of jobs, she said she wants to identify opportunities and put planning in the hands of people in the community.

"Will everyone be 100 percent pleased? No. It's a gut-wrenching time," she said, as the plant changes its mission from one of weapons production to environmental restoration.

When Dennis Wise, president of the United Steelworkers Union local at Rocky Flats, asked about declassifying health records to help workers cope with health issues, she launched into a talk about the Clinton health-care plan and how it will help

workers, who may have health problems from the work they have done, keep their health benefits.

"Every time I talk about health care, I get a brownie point," she said.

She also said she was committed to making records on safety issues available.

"I am committed to opening that door and letting the information out," O'Leary said, but added that sometimes it wouldn't be possible — for instance, if DOE is involved in a lawsuit about the issue.

Upon her arrival at Stapleton

'95 solar car race to finish in Golden

Surveys 85, the solar car race, will finish in Golden, at the National Renewable Energy Laboratory. Wade Buchanan of DOE's office on energy conservation made the announcement Thursday, before U.S. Energy Secretary Hazel O'Leary's press conference at Stapleton International Airport.

The race will begin at the Indianapolis Motor Speedway on June 26, 1995, and finish nine days later at NREL.

Thirty 30 college and university teams (none of them from Colorado) will receive seed money of \$5,000 each to build cars and participate in the race. A total of 45 schools submitted proposals. The remaining 15 schools will try to earn one of 10 additional slots in the race by competing in qualifying trials.

Following the cross-country race, all Surveys 85 entries can take part in a new solar-car class of the Pikes Peak Auto Hill Club in Colorado Springs. Teams will be invited to test their cars the following day on the 12-mile course to the top of Pikes Peak.

International Airport, O'Leary held a brief press conference to announce DOE's support for renewable energy. The National Renewable Energy Lab in Golden is expected to receive about \$221 million if the DOE's proposed budget is approved by Congress. The budget calls for a \$543 million increase for renewable-energy and energy-efficiency programs.

During the press conference, Rich McClintock of Colorado Public Interest Research Group presented her with a solar calculator, which she unwrapped and slipped into her pocket.

Texas gets millions to study SSC alternatives

BY RON HUTCHESON

Fort Worth Star-Telegram Washington Bureau

WASHINGTON — The Energy Department has approved a \$6 million grant to Texas to study alternative uses for the canceled Superconducting Super Collider.

The money, which will go to Texas National Research Laboratory Commission, will be used to study the possibility of using the abandoned facility as a computing center, for research into superconductivity, or for proton therapy for cancer patients and other medical applications.

Part of the grant, which was announced yesterday, will also be used to study restoration of the land that was acquired for the Ellis County collider site.

"Obviously, we'd like to have more, and we hope to get more, but it's a positive step," said Rep. Martin Frost, D-Dallas, whose district includes part of Ellis County. "It shows that they're interested in alternative uses."

In a recommendation that state officials endorsed, the National Science Foundation recently urged the federal government to commit at least \$44 million toward finding new uses for the canceled project. Congress had spent about \$1.5 billion on the particle accelerator before voting to cancel it last year.

"It's really not at all what it should be," Rep. Joe Barton, R-Ennis, said of the \$6 million grant. "I don't want to poor-mouth this too much because it is a step in the right direction, but it really is inadequate to the task."

Gov. Ann Richards, who has expressed frustration with the Energy Department's handling of the collider shutdown, also offered a restrained response to the grant announcement.

"I applaud the Department of Energy for making this investment in finding alternative uses for the Superconducting Super Collider," Richards said in a brief statement.

The terms of the grant call for the Texas commission to report its initial findings to the Energy Department on June 15, about two weeks before the department is to report to Congress on alternative uses for the canceled project. The commission's final report is due in September.

To carry out the study, the Texas commission is expected to hire about 65 former SSC employees and about 50 consultants and researchers, primarily from Texas universi-

Amarillo Daily News

(Circ: 43,221) DAY Thur DATE 3-31-94 PAGE 3A

DOE frees up \$6

The Associated Press

The Energy Department announced Wednesday it is freeing up \$6 million for Texas to study possible future uses of the failed superconducting supercollider project.

The news was swiftly hailed by Gov. Ann Richards, who has been prodding the Clinton administration to ensure that the \$2 billion in federal and state money spent building the giant atom smasher doesn't go to waste.

"I applaud the Department of Energy in making this investment in finding alternative uses for the superconducting supercollider facilities in Texas," Richards said.

But Rep. Joe Barton, who vigorously defended the collider's interests in Congress for years, said the money

is too little — and perhaps too late.

He questioned whether enough scientists and engineers remain at the collider laboratory to study future uses for the collider's resources.

The lab's workforce has shrunk from a high of 2,200 to 950, with another round of pink slips going to 250 workers at the end of April.

"They are really beginning to lose the kind of people they'd have to keep, I think, to implement some of those alternatives," said the Ennis Republican, whose district is home to some of the collider's facilities.

The National Academy of Sciences earlier this year suggested setting aside \$20 million to \$30 million to retain a core cadre of 125 scientists and engineers to plot a future for the collider's resources.

million for study

A task force Richards created to advise her on possible future uses of the collider's assets has recommended a \$44 million allocation to retain some of the project's most important staff.

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But Rep. Sherwood Boehlert, who

has long opposed collider spending, criticized the Energy Department's decision to spend the \$6 million — saying it is "hunting aimlessly for a new program to keep the site active."

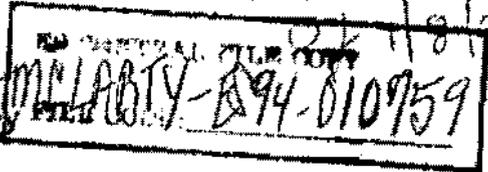
"DOE is engaging in this whole process backwards," the New York Republican said.

When Congress killed the collider last year, it charged the Energy Department with finding ways of maximizing the project's assets. A report is due to Congress by July.

OLWHMCLARTY-6594 010759



The Secretary of Energy
Washington, DC 20585



April 7, 1994,

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY

A handwritten signature in cursive script that reads "Hazel R. O'Leary".

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

- **Dismantlement at Pantex Temporarily Interrupted**

Weapons dismantlement activity and weapons shipments from the Department of Defense to the Department's Pantex Plant have been suspended for approximately one month while officials perform a series of safety-related maintenance actions.

We do not expect this temporary halt to have a major impact on the total number of weapons disassembled this year. All of the facilities would have been shut down at some point this year for procedure implementation and training.

- **200 Jobs Preserved at Southern California Facility**

The Energy Technology Engineering Center, which is located 26 miles northwest of Los Angeles, was established in 1966 to demonstrate nuclear energy technology for the Department. This mission has declined in recent years and the facility was slated for shutdown this year with layoffs to begin last month. During my visit to Los Angeles last month, I committed to employees of the facility to delay layoffs until the Department had carefully reviewed proposals for a new mission for the site.

The new mission identified for the facility will maintain the entire work force of approximately 200. It will develop and demonstrate the Kalina Cycle, a process that can increase the efficiency in power generation by over 20 percent. The project will be maintained at a minimum until the end of fiscal year 1995. The mission will be funded cooperatively by the Department and a private sector partner. I will formally announce this initiative today in Los Angeles with local community representatives. We have worked with Representatives Beilenson and Brown on this issue and have credited them in the media for their support of the project.

Events in California

Today, in Los Angeles I will participate in a press conference with the California Public Interest Research Group, an organization that advocates the development of clean energy sources. This press conference will build momentum in support of the Administration's Fiscal Year 1995 Budget Request for energy efficiency and renewable energy. Acquiring support of the Congress for the budget is critical, as a significant portion of the Administration's climate change goals will be achieved through our energy efficiency and renewable energy budgets.

Tomorrow morning, I will address the Town Hall of Los Angeles, a regularly scheduled speaker forum on public issues. My remarks will focus on the Department's Openness Initiative and the Administration's commitment to increasing openness and public trust in Government, a key to delivering on our agenda.

Tomorrow afternoon, I will deliver the keynote address to the Fourth Annual ECO EXPO Green Business Conference. The theme of this year's conference is expanding environmental markets. The key message of my remarks to this audience of over 800 environmental and energy efficiency industry leaders from around the world will be that investment in and deployment of environmental and energy efficient technology by American industry is good business. Extensive national and regional media coverage is expected.

I will also participate in an event to advocate the President's Health Care Reform Initiative, the details of which are included in the Presidential Initiatives section of this report.

Tomorrow evening, I will address the California League of Conservation Voters in Los Angeles. My address to this audience of about 30 of the major environmental advocates in the State will focus on the Administration's energy and environmental initiatives. This is an important organization whose membership includes many prominent individuals who are important supporters of the Administration.

National Defense University

Today, I addressed over 200 students and faculty at the National Defense University at Fort McNair in Washington. My remarks focused on the Department's defense role in the post Cold War world including nonproliferation, ensuring the reliability of the nuclear stockpile without underground nuclear testing, and safe dismantlement of nuclear weapons.

CONGRESS

- Outreach

- Tuesday, I will meet with Congressman Don Johnson (D-GA) to discuss the Department's efforts to work with the workers and community surrounding the Savannah River Site, in Aiken, South Carolina, which is adjacent to his district.
- Wednesday, I will attend a tribute dinner in honor of Congressman Martin Olav Sabo (D-MN), Chairman of the House Budget Committee.
- Thursday, I will meet with Senator Paul Wellstone (D-MN) to discuss nuclear waste policy. Senator Wellstone has been a strong advocate of stopping characterization of Yucca Mountain.
- I will meet with Congressman George Miller (D-CA) to discuss nuclear waste issues. He is Chairman of the House Committee on Natural Resources that has jurisdiction over nuclear waste.

THE WEEK AHEAD

- Worldwide Nuclear Conference of the Oil, Chemical and Atomic Workers

Tuesday, I will address the Worldwide Nuclear Conference of the Oil, Chemical and Atomic Workers. The key messages of my address will be the Department's commitment to worker safety and environmental protection in the cleanup of our former weapons production facilities and allowing increased access to information by unions to ensure worker safety.

- National Association of Manufacturers

Wednesday, I will address the monthly issues briefing of the National Association of Manufacturers. My address will focus on the Administration's Climate Change Action Plan and the need for manufacturers who require reliable and cheap energy to focus on the health of the domestic oil and gas industry and our Nation's dependence on foreign oil.

MEDIA

- Wall Street Journal

Tuesday, I participated in a round table discussion with editors and journalists of the Washington bureau of the *Wall Street Journal*. The discussion focused on the role of our National Laboratories in transferring technology to the private sector and the Administration's climate change initiatives.

- **Washington Post**

I was interviewed by Gary Lee of the *Washington Post*. He is writing a story on the changed missions of the Department of Energy.

- **Radio and Television Correspondents Dinner**

I will be a guest of CNN at the Annual Radio and Television Correspondents Dinner Tuesday.

PRESIDENTIAL INITIATIVES

- **Health Care Event in California**

Tomorrow, I will participate in an event to highlight the President's Health Care Reform Initiative in Los Angeles. This event will be held at the Los Angeles Department of Power and Water. This is an important event as the Department of Power and Water was the first in the Nation to insure all of its employees.

- **Media Telephone Calls on Health Care**

This week I conducted several telephone interviews with radio stations in Nebraska to advocate the President's Health Care Reform Initiative and will continue to do so next week with radio stations in California, Virginia, Arizona, and Tennessee.

MONDAY, APRIL 11, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

10:00 AM - 12:00 PM Senior Staff Meeting

12:30 PM - 1:30 PM Lunch

2:00 PM - 2:30 PM CFC Eagle Photo Session
(Fred Faine)

3:00 PM - 3:45 PM Bill White

3:45 PM - 4:15 PM Jian Song, Co-Chairman
U.S.- China Science & Technology
Joint Commission
(Sue Tierney, Jack Siegel)

5:15 PM - 6:15 PM Appointment

6:20 PM - 7:00 PM HOLD

7:00 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

TUESDAY, APRIL 12, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:15 AM DEPART DOE FOR WASHINGTON COURT HOTEL
Met by Reggie Sellers

9:30 AM - 10:30 AM Speak at the Worldwide Nuclear Conference
of the Oil, Chemical and Atomic Workers
Washington Court Hotel
525 New Jersey Avenue, N.W.

10:45 AM DEPART WASHINGTON COURT HOTEL FOR DOE
Met by Reggie Sellers

11:30 AM - 12:00 PM Congressman Don Johnson
(William Taylor)

12:30 PM - 1:30 PM Lunch

1:30 PM - 2:30 PM HOLD

2:30 PM - 4:30 PM Tara O'Toole - Goals & Measures
8E-089 Program Review Center
(Bill White, Ann Lavin, Arch Durham,
Charlie Curtis, Nancy Weidenfeller)

4:45 PM - 5:15 PM Admiral Owens

5:20 PM - 6:45 PM HOLD

7:00 PM Radio and TV Correspondent's Dinner
NBC
(Black Tie)
Washington Hilton Hotel
1919 Connecticut Avenue, N.W.
Reception Starts at 7:00 P.M.
Dinner Starts at 8:00 P.M. in the
Grand Ballroom

WEDNESDAY, APRIL 13, 1994

SCHEDULE FOR HAZEL R. O'LEARY

8:00 AM DEPART RESIDENCE FOR THE GRAND HYATT HOTEL
Met by Reggie Sellers

8:30 AM - 9:30 AM Speak at Monthly Issue Briefing of the
National Association of Manufacturers
The Grand Hyatt Hotel
1000 H Street, N.W.

9:45 AM DEPART THE GRAND HYATT HOTEL FOR DOE
Met by Reggie Sellers

10:30 AM - 12:00 PM Vic Reis - Goals & Measures
Room 8E-089 Program Review Center
(Bill White, Ann Lavin, Arch Durham,
Charlie Curtis, Nancy Weidenfeller)

12:00 PM - 1:00 PM Lunch

1:15 PM DEPART DOE FOR THE WHITE HOUSE EAST GATE
Met by Reggie Sellers

1:25 PM Arrive White House East Gate
(Cabinet Affairs Staff Will Escort You
to The Rose Garden)

1:30 PM - 2:30 PM Ceremony to Honor the 1994 Winter Olympic
Team - Hosted by the President and
Mrs. Clinton
The Rose Garden
The White House

2:45 PM DEPART THE WHITE HOUSE FOR DOE
Met by Reggie Sellers

3:30 PM - 4:30 PM Gerald Connolly, Vice President of
SRI International and CEOs of
Independent Research Organizations

5:15 PM - 6:15 PM Appointment

6:20 PM - 6:50 PM HOLD

6:55 PM

DEPART DOE FOR DINNER
Met by Reggie Sellers

7:00 PM

Tribute Dinner in Honor of
Congressman Martin Olav Sabo
Willard Inter-Continental Hotel
1401 Pennsylvania Avenue, N.W.
(Business Attire)
Reception Starts - 6:30 P.M.
Dinner Starts - 7:15 P.M.
(George Scalise)

THURSDAY, APRIL 14, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 9:30 AM Tom Grumbly - Hanford Summit II

9:30 AM - 10:00 AM HOLD

10:30 AM Press Conference
Clean Air Policy

12:15 PM DEPART DOE FOR BICE RESTAURANT
Met by Reggie Sellers

12:30 PM - 2:30 PM Lunch - Sylvia DeLeon
Bice Restaurant
601 Pennsylvania Avenue, N.W.

2:45 PM DEPART BICE RESTAURANT FOR DOE
Met by Reggie Sellers

3:00 PM - 5:00 PM Bob Nordhaus - Goals & Measures
Room 8E-089 Program Review Center
(Bill White, Ann Lavin, Arch Durham,
Charlie Curtis, Nancy Weidenfeller)

5:15 PM DEPART DOE FOR HART SENATE OFFICE BUILDING
Met by Reggie Sellers

5:30 PM - 6:00 PM Senator Paul Wellstone
717 Hart Senate Office Building
(William Taylor)

6:00 PM DEPART HART SENATE BUILDING FOR DOE
Met by Reggie Sellers

6:15 PM - 6:30 PM HOLD

6:30 PM DEPART DOE FOR DINNER
Met by Reggie Sellers



THE FOLLOWING ACTIONS ARE NEEDED FOR THIS PIECE OF CORRESPONDENCE

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- Close
- Charge to ES for Processing to OSE
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- Charge to ES for Return to Program per _____
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- Return to Desk _____

Energy Secretary Hazel O'Leary inspects Building weapons work, backers of a defense conversion p

Energy chief s

But Rocky Flats cleanup d

by John McMillin
Transcript writer

U.S. Energy Secretary Hazel O'Leary visited Colorado last week bearing gifts and good news for researchers at the National Renewable Energy Laboratory in Golden.

Minutes later, the questions began - about the DOE's Rocky Flats site.

A day later, near the close of O'Leary's tour, she was asked if media's focus on the Flats' story of nuclear weapons production and costly cleanup distracting attention from the future - a 33% increase requested in the 1993 budget for conservation and renewable energy.

left her smiling in the project. Flats building their metal-work would be adapted various products specialized containers level nuclear site contaminated sites. Rocky Flats and DOE sites.

A similar operation in place for 10 years DOE's facility in Tenn., said Dennis L. Mayo, vice-president of Manufacturing Sciences Corp., contractor for the first phase of the project.

During a tour of Building 883, which formerly produced

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Notes/Comments: _____

Give to Dispatch Unit to Complete Routine Dispatch. Note Any Special Dispatch Instructions Below:

Thanks,

B. Mackall

Date _____

... the project, ... general terms, saying, "We tried to find a place where the technology existed, and the opportunity could be identified. It's here."

CONTINUED

"The community needs to understand and debate the issue, so there's a level of comfort."

CONTINUED

When, the Transcript asked, would the perceived importance of news from Golden's growing energy lab overshadow news from its mothballed nuclear weapons plant?

O'Leary leaned forward and smiled, responding. "I'm going to live long enough to see that."

While the \$350 million boost for renewables and efficiency research is good news, she said, it may not be as newsworthy as conflict at the Flats, whether with concerned citizens, laid-off workers or the plant's own often-missed cleanup deadlines.

At NREL, said O'Leary, differing factions aren't in conflict. "When the fight goes away," she explained, "the interest goes away."

Next year's DOE budget request, yet to be considered by Congress, includes deep cuts of nearly one-fourth in fossil fuels programs and research in nuclear fission. Rocky Flats may indirectly benefit from a 40% jump in funding for nuclear waste programs.

O'Leary's afternoon at Rocky Flats left her unprepared to assess the performance of plant contractor EG&G Inc., she said, adding, "You don't get a sense of their performance and management style in a day."

But a visit to the site of the National Conversion Pilot Project, which has been given \$1 million for a feasibility study,

Dancing cans, 'odd' plutonium? Rocky Flats mysteries solved

Several months ago, a series of press releases from Rocky Flats announced a safety alarm had been tripped by a can of nuclear materials that seemed to be spontaneously vibrating within its glove box.

The mysterious case of the dancing can is now solved with reasonable certainty, said MOK Silverman, manager of the U.S. Department of Energy Weapons plant.

"It was probably an electrical short in a thermocouple," said Silverman, explaining that these heat-sensing devices, which are placed under the cans, are "very old and brittle."

Over four decades of nuclear weapons work at the plant, he said, "The money went into production, not the infrastructure. You build up a mortgage for the future."

Silverman was asked about a recent statement by the chairman of the Defense Nuclear Facilities Safety Board that plutonium is stored at the plant in "odd, very temporary forms" that "concern us very much."

Silverman replied that when production ceased in 1989, "a number of solutions and liquids were just left in the containers and bottles they were in. We wanted get them out of the glove boxes and into more stable forms."

"It's not an urgent safety issue," he said. "But just moving the material around, we have the potential for problems."

nuclear trigger components from uranium, beryllium and other exotic metals, O'Leary and her entourage were suited up in orange coveralls and plastic booties.

Her momentary stumble with an oversized bootie prompted a scramble by the press and the most photographed moment of the day.

The energy secretary pledged to pursue more effective cleanup at the massive plant. "I have a fierce determination to get on with it, step by bloody step."

O'Leary told the Transcript that no decision has been made on the ultimate fate of the tons of stored plutonium at DOE facilities, including Rocky Flats. An environmental impact statement now in preparation will help answer that question, she said.

Meanwhile, she offered "a personal opinion."

"We should dispose of it, permanently. The world is awash in plutonium. There's a glut. It should be encapsulated, vitrified or buried, but there will be no plutonium exchange, if that's what you're asking."

"My sense is that most Americans want us to dispose of plutonium."

In meetings with plant workers, the secretary promised not to turn her back on "veterans of the Cold War." She endorsed President Bill Clinton's national health care proposals as a way to

enable workers to find other jobs, since their future ability to obtain private health insurance has been questioned.

O'Leary toured the plant dressed in a blouse decorated with penguins, topped by a tie of ice cubes. Was it a statement?

"These are such serious subjects," she replied. "It's my amusing piece for the day."

ARVADA SENTINEL

Jefferson

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3-ROCKY FLA
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VOLUME 29, NUMBER 26

WEEK OF MARCH 30 - APRIL 5, 1994

50 CENTS

Flats cleanup tied to declassification

By KEVIN DUGGAN

Secretary of Energy Hazel O'Leary said last week that the speedy declassification of some DOE documents will help efforts to clean up the Rocky Flats nuclear weapons plant.

But O'Leary said she does not know when the cleanup will be completed. O'Leary also said she does not know when the 14.2 tons of plutonium stored at the Jefferson County facility will be removed, but she said it will happen.

"I understand that is one of my biggest jobs, and I have to get it done," O'Leary said.

O'Leary attended an Arvada Center meeting with Rocky Flats' "stakeholders" — government officials, union representatives, environmentalists and others who have an interest in what happens at the facility as it moves away from weapons production to environmental restoration.

The focus of the meeting was on DOE's efforts to declassify more than 32 million pages of documents related to the nation's nuclear weapons program and what impact declassification would have on Rocky Flats.

Lifting the shroud of secrecy that has covered Rocky Flats and other components of the country's nuclear weapons complex will take time, but it will happen, O'Leary said.

She said much of the respon-

sibility for opening the plant's records lies with DOE plant manager Mark Silverman.

"I am fully committed to openness and getting information to the public," she said. "And I know Mark is, too."

Included in the bits of information that O'Leary said would be made public is how much, if any, plutonium is missing from Rocky Flats' inventory.

Some documents pertaining to weapons production would have to be declassified before the buildings in which the production was done could be decontaminated, O'Leary said.

Other documents containing environmental information also contain details about weapons design, O'Leary said. The process of declassifying such documents is slowed because at least part of their information must remain secret.

Bryan Siebert, director of DOE's Office of Declassification, said that even with the end of the Cold War, some technical documents on weapons design and production must not be allowed to fall into the hands of an unfriendly country.

But he said DOE is determined to open up its records and gain the citizens' trust.

"You can't accomplish what the secretary wants without trust," Siebert said.

He said DOE has shown its



Photo by TOM COOPER

Energy Secretary Hazel O'Leary speaks at a March 24 meeting of Rocky Flats Plant "stakeholders" at the Arvada Center.

willingness to be open in recent months by revealing the size of its plutonium stockpile and the number of secret nuclear weapons tests that were conducted over the years.

Many at the afternoon meeting seemed less concerned about document declassification than about the immediate future of the facility.

Several asked O'Leary about the direction DOE might be headed in converting the plant to other uses and keeping the

plant's 7,000 workers employed.

Arvada Mayor Bob Frie said the city's biggest concern about Rocky Flats is "jobs, jobs, jobs." With more than 4,000 city residents employed at the facility, Frie said the loss of those jobs would be disastrous.

O'Leary offered no commitments on how many jobs might be retained, although she said current workers deserved "a piece of the pie" that would come with the plant's cleanup, which could take up to 10 years.

O'Leary announces NREL budget hike

U.S. Energy Secretary Hazel O'Leary brought good news to Jefferson County last week when she announced that the National Renewable Energy Laboratory in Golden would receive a federal budget increase.

During a whirlwind tour of Department of Energy facilities in Jeffco last Thursday and Friday, O'Leary said she and President Clinton have proposed a 33 percent funding increase for renewable energy programs in the fiscal year 1995 budget.

The proposed '95 DOE budget calls for a \$343 million increase in renewable energy programs, which brings that area's total budget to \$1.39 billion, compared with \$1.05 billion in '94.

"Our new budget priorities are right for the economy, right for the consumer and, after years of neglect, it's about time," O'Leary said.

NREL annual funding has increased from about \$58 million in 1989 to \$215 million in '94 and an expected \$221 million in '95.

The number of jobs at NREL has grown from 525 in 1989 to its current staff of 1,017. Projections for job growth indicate the staff will total 1,130 by the end of this budget year.

Spin-off companies are also

benefitting from renewed interest in alternative energy sources.

Since 1977, NREL-developed technologies have been used to

create 11 new Colorado companies, including Industrial Solar Technology Inc. in Wheat Ridge and TDA Research in Arvada.

In 1993, NREL was awarded \$66.7 million in subcontracts, \$13.5 million of which went to Jeffco companies.

50 CENTS

Mark
Falla

DOE chief scheduled to visit OR

by Paul Bloca
Oak Ridge staff

Energy Secretary Hazel O'Leary is scheduled to visit Oak Ridge on Friday, April 29, Department of Energy officials confirmed this morning.

O'Leary, whom local officials have been courting about a visit for several months, is expected to be in Oak Ridge that morning to talk with DOE employees.

"It is indeed on the schedule," said Rick Oborn, a DOE spokesman in Washington, D.C. "She's expected to be at the site in the late morning, and normally she talks to employees and takes a look at what's there."

The rest of her schedule has not been finalized.

There seems to be no specific reason for the visit except that O'Leary apparently wants to meet with federal employees in Oak Ridge and is to be in Tennessee the following day, according to Jim Alexander, a DOE spokesman in Oak Ridge.

The DOE facilities here are the Oak Ridge Y-12 Plant, Oak Ridge National Laboratory and the Oak Ridge K-25 Site, all managed by Martin Marietta Energy Systems.

Oborn said O'Leary will attend a conference at DOE's Hanford Site in Washington state the day before she is scheduled to arrive in Oak Ridge.

It is unclear whether she will fly to Oak Ridge directly from Hanford

for an overnight stay.

O'Leary is scheduled to deliver the commencement address at Fisk University in Nashville on April 30. She holds a bachelor of arts degree from Fisk.

Prior to becoming secretary of energy, O'Leary visited Oak Ridge in 1977 when she was Hazel Rollins. She toured ORNL and attended several briefings as a presidential appointee to the Energy Research and Development Administration, a DOE predecessor agency.

Frank Juan, another DOE spokesman in Oak Ridge, confirmed that some preparations for O'Leary's scheduled visit are under way.

"At this point, there have been a few things we've been asked to do," Juan said. "We're getting some equipment together. The only thing we have on the schedule is that she'll be talking to federal employees."

Juan noted that O'Leary has been known to cancel appearances as little as 48 hours in advance.

J.W. Arnold, a spokesman for U.S. Rep. Marilyn Lloyd, D-3rd District, said today he wasn't sure if Lloyd would be on hand for O'Leary's visit because of possible conflicts with scheduled votes in the House.

The offices of U.S. Sens. Jim Sasser and Harlan Mathews, both

See O'LEARY, Page 5A

CONTINUED

LANL considers AIDS education in workplace

BY MINKHYA CANTO
JOURNAL STAFF WRITER

LOS ALAMOS — For starters, supervisors at Los Alamos National Laboratory should have their workers see the movie "Philadelphia."

This was the advice of Kristine Gebbie, the national AIDS policy coordinator, who said the movie is a good tool to introduce people to the issue of AIDS in the work force.

Gebbie visited the laboratory Friday morning as part of the federal government's initiative to make AIDS less of a taboo in the work force.

"The decision was made by the president that the federal government would be a model employer. Yet, we as an employer were not doing very well ourselves," Gebbie said. "There is no way that the U.S. government can ignore it."

Calling AIDS "an equal opportunity virus," Gebbie said that there are roughly 1 million Americans infected with it. Because the incubation period can span years, only about 400,000 have actually been diagnosed. More than half of these have died.

Energy Secretary Hazel O'Leary was one of the first to volunteer that Department of Energy agencies begin the effort to educate employees, Gebbie said.

As an arm of the federal government, the Los Alamos laboratory should make sure that it is at the forefront of dealing effectively with the issue of AIDS in the work force, Gebbie told lab supervisors.

"Just as we expect supervisors to get updates on affirmative action, we expect them to get updates on AIDS education," Gebbie said.

Anyone who has not had a lifetime, monogamous sexual relationship is at risk, Gebbie said.

"Probably somewhere in the Los Alamos lab there is someone who has not been involved in only one long-term, monogamous relationship since virginity," Gebbie said jokingly.

The workplace is the most obvious and convenient place that people can get information about Acquired Immune Deficiency Syndrome, Gebbie said. Because AIDS is preventable, education plays a large part in prevention.

The first component of AIDS education deals with how to respond if a co-worker announces he or she has AIDS.

"We want them to know that they can come forward and seek help. They've seen the news. They've heard the jokes. They're not sure how they will be responded to," Gebbie said. "We want to make it clear that we want to be open."

Employers should remember that AIDS is not transmissible through casual contact, Gebbie said, reminding lab supervisors that AIDS is primarily transmitted

through blood, semen and vaginal secretions.

Also, employers should be willing to accommodate workers who might need to take time off for doctor appointments.

Gebbie explained how her office accommodated one worker who is infected with the HIV virus. The worker occasionally works longer shifts in case he needs to take time off. When he needs to stay at the hospital for a few days, he sometimes takes a computer to the hospital and works from there.

Gebbie said Los Alamos National Laboratory plays an important role in helping determine what the virus looks like genetically.

The laboratory is one of a handful of Department of Energy agencies conducting research in AIDS-related areas. The laboratory maintains an international AIDS data base which contains information about all HIV-genetic sequencing used by all research laboratories worldwide.

Gebbie, who attended high school in Albuquerque, also met with several leaders during sessions arranged by the Albuquerque-based New Mexico AIDS Service throughout her stay in New Mexico. She also made a presentation at the two-day conference in Albuquerque which ended Friday, "Juntas en la Lucha: Together in the Struggle: Education, Prevention and Treatment of HIV/AIDS in Women."

The post of national AIDS policy coordinator was created by President Clinton last year and Gebbie was appointed in August.

Under Clinton's administration, funding for AIDS research has increased about 20 percent in the 1994 fiscal year, Gebbie said. A drug development task force was also formed to aid in developing new drugs to treat the virus.

CONTINUED

O'LEARY: Plans to make her first visit as Secretary to city

Continued from Page 1A

D-Tenn., said schedules have not been finalized and it is too early to tell if either will be in Oak Ridge

for O'Leary's visit:

While DOE officials were reluctant last week to talk in detail about O'Leary's scheduled visit, the East Tennessee Economic Council, formerly the Roane-Anderson Economic Council, confirmed the scheduled visit in its April newsletter.

ETEC has invited O'Leary to the annual Oak Ridge Chamber of Commerce Chairman's Celebration and the ground-breaking for the new Technology 2020 Center. The center, to be built in Commerce Park, is a multi-million-dollar telecommunications project sponsored by DOE and a host of other

organizations.

"We've invited her to do several things in the city," said ETEC Co-Chairman Joe Lenhard.

President Bill Clinton announced

O'Leary, 56, as secretary of energy in December 1992, and following Senate confirmation she was sworn in as the seventh energy secretary in February 1993. She was formerly an executive with Northern States Power Co. based in Minneapolis, Minn.

In recent months O'Leary has introduced a series of major changes for DOE, including a sweeping proposal for contract reform and the declassification of thousands of pages of DOE documents, many of them related to experiments on humans that the government conducted from the 1940s through the 1970s.

The Near Side

Mitchell
Gibbs

The good, the bad and the gooey

Dr. Walter Hill is a resident expert on slime at the Oak Ridge National Laboratory, where he has been conducting research with the gooey green stuff since 1988.

Dr. Hill would like to improve the reputation of stream slime, or periphyton (pair-uh-fie-ten), as researchers know it. Periphyton is made up mostly of algae and bacteria.

"Slime's good stuff," he says. "It is important because it forms the base of the food web in streams. Several kinds of snails, insect larvae and even fish feed on the slime. Larger fish, like bass and red-breast sunfish, and some birds feed on these slime-eaters.

Eventually, mammals, such as mink, feed on the stream fish. "Fish food doesn't come from outer space," Dr. Hill emphasizes.

One animal in which Dr. Hill is particularly interested is a hard-shelled snail named *Elimia* (uh-lim-ee-uh). "It's a very effective grazer." In the same way that sheep graze in a pasture, this snail grazes on slime-covered rocks. "Because it has such a hard shell, it doesn't seem to have any predators, so it can multiply to large numbers." As a result, *Elimia* grazes the slime down to a thin layer.

Research conducted by Dr. Hill and others has turned up major differences between natural, minimally impacted streams around Oak Ridge and streams disturbed by human activities, such as East Fork Poplar Creek, which flows by the Y-12 Plant and through Oak Ridge. The slime and the snails play an important role in these differences.

Periphyton is sticky," he says. "It absorbs contaminants from stream water. We find PCBs and pesticides, as well as heavy metals such as mercury, cadmium, nickel and zinc."

Since it contains more than one kind of organism, periphyton adapts well to contaminants. *Elimia* is not as resilient. The contaminants can harm the snails directly and, as a result, *Elimia* is not found in most disturbed streams around Oak Ridge. Without the voracious snails, contaminant-laden slime is more available to insect larvae and other creatures that stream fish like to eat. The lack of snails may result in stream wildlife with higher levels of contaminants.

"We hypothesize that *Elimia* keeps the slime in check, so it absorbs less contaminants and, instead of these contaminants moving up the food web, they are diluted to lower levels downstream."

In Oak Ridge, where fish are rarely found with mercury levels above the Food and Drug Administration limit, *Elimia* could be an important factor affecting these levels. Dr. Hill hopes that conditions in East Fork Poplar Creek will improve as Y-12 continues to clean up its discharge, perhaps allowing slime and snail to be reunited, and allowing Dr. Hill to find out more about slime.

Mitchell Gibbs is a research assistant in the Environmental Sciences Division at Oak Ridge National Laboratory.

OLWHMCLARTY ES 94-011371 of 4/15/94



The Secretary of Energy
Washington, DC 20585

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April 14, 1994

MEMORANDUM FOR

MACK MCLARTY

FROM:

HAZEL R. O'LEARY

SUBJECT:

Weekly Report

KEY DEPARTMENT NEWS

• International Global Warming Project to Reduce Greenhouse Gas Emissions

Today, I hosted a press conference with the Mayor of Decin of the Czech Republic and the chief executives of three utilities to sign an Agreement-in-Principle that will lead to the cleanup of that heavily polluted city.

Wisconsin Electric Power Co., Commonwealth Edison and Northern Illinois Public Service Co., have invested funds that will lead to a district heating source switching from brown coal to natural gas. This project will lead to a 65 percent reduction in the facilities' emissions of carbon dioxide while eliminating nearly all of the facilities' sulfur dioxide emissions and materials requiring waste disposal.

This is the first project of its kind designed to facilitate U.S. private investment in foreign countries to reduce emissions of air pollutants. The concept, known as Joint Implementation, was included in the President's Climate Change Action Plan and recognizes the opportunity for U.S. firms to achieve reductions of greenhouse gas emissions overseas in a cost-effective action. There will be media coverage of this announcement.

• U.S. - Ukraine Agreement

A U.S. delegation led by Deputy Secretary Bill White secured a commitment-in-principle from the Ukrainian government to shut down the two remaining operating reactors at the Chernobyl power plant. Ukraine Vice Prime Minister Shmarov and Deputy Secretary White agreed that a task force would be established to develop energy options that will replace the 1,700 megawatts of power produced by the facility.

The analysis will assess alternative power options including clean coal technology and conservation measures that would fulfill Ukraine's energy demands when the plant is closed. As this plant provides *seven percent* of Ukraine's electricity, the country must be assured that there are options available to meet its energy requirements. The close down of Chernobyl, combined with the potential shutdown of plutonium producing reactors in Russia allows the Administration to take credit for the shutdown of some of the world's most dangerous reactors.

• National Association of Manufacturers

Yesterday, I addressed the monthly issues briefing of the National Association of Manufacturers. My address focused on the Administration's Climate Change Action Plan and the need for manufacturers to be concerned with our Nation's dependence on foreign oil and its impact on the health of the domestic oil and gas industry.

CONGRESS

• Outreach

- Today, I met with Senator Paul Wellstone (D-MN) to discuss nuclear waste policy. Senator Wellstone is concerned that Minnesota will be selected as a repository site for nuclear waste if the Yucca Mountain site proves unsuitable.
- Next Wednesday, I will meet with Congressman George Miller (D-CA) to discuss nuclear waste issues. He is Chairman of the House Committee on Natural Resources and shares jurisdiction with the Energy and Commerce Committee over nuclear waste.
- Next Wednesday, I will deliver remarks at the Democratic Senatorial Campaign Committee's Agenda for 95' meeting. The Democratic Senatorial Campaign Committee is interested in the Department's Openness Initiative and its importance in building public trust in Government.

THE WEEK AHEAD

• Earth Day Events

Next Wednesday, Thursday and Friday, the Administration will celebrate Earth Day. The Department has a wide range of activities planned. Wednesday evening, I will sign an industry-wide Memorandum of Understanding with the electric utility industry that demonstrates their commitment to voluntarily reduce greenhouse gas emissions. To participate in our program, each company will sign a reduction agreement with the Department and report annually on progress. This is a significant accomplishment and has been negotiated in the six months since the President released our Administration's Climate Change Action Plan. This Memorandum of Understanding begins a process that will lead to agreements between the Department and over 650 electric utilities to limit greenhouse gas emissions.

The achievement is significant for several reasons. The agreement commits the sector responsible for 35 percent of the Nation's greenhouse gas emissions to voluntary reductions. The Agreement signifies that the President's voluntary initiative can work without imposing costly mandates on the private sector. It also represents a new method of environmental policymaking wherein the Government establishes broad goals and provides accounting to ensure reductions while the private sector determines the cheapest way to achieve reductions. Various elements of the coal and oil industries are contemplating signing similar agreements. The Vice President and Members of Congress may attend the signing. There is significant media interest in this story that is highlighted in the media section of this report. Chief executives from the industry will participate in the press activity.

Thursday, I will deliver remarks at the White House Conference on Climate Change.

- Business Executives for National Security

Next Friday, I will address the annual conference of Business Executives for National Security in New York. My remarks will focus on the need to maintain the competencies of the National Laboratories to provide for national security while using these assets to boost economic growth. I will also focus on the role of a committee, chaired by Bob Galvin, Chairman of Motorola's Executive Committee, that is charged with determining the future mission of the National Laboratories.

MEDIA

- Radio and Television Correspondent's Dinner

Tuesday, I attended the Radio and Television Correspondent's Fiftieth Annual Dinner and Reception at the invitation of the Cable News Network.

- Interview with Gary Lee, Washington Post

Yesterday, I conducted an interview along with the mayor of Decin in the Czech Republic and Richard Abdeo, the Chief Executive of Wisconsin Power, with Gary Lee of the Washington Post to discuss three U.S. firms' investments in pollution reduction projects.

- C-NBC

I conducted an interview with C-NBC on the U.S. private sector investment in pollution reduction in the Czech Republic.

- NBC News

Today, I conducted an interview with Ed Rabel of NBC that focused on the Department's nuclear weapons disassembly program at the Pantex facility in Amarillo, Texas. In the interview, I discussed the agreement we reached with the local citizens that allows the Department to continue to disassemble weapons while we conduct an environmental impact statement, the role of the Pantex facility in plutonium research, and the temporary interruption of disassembly activity while a series of safety-related maintenance activities are undertaken. This interview will air on *NBC Nightly News* next week.

- Financial Times

Next Tuesday, I will be interviewed by the Financial Times. The focus of the interview will be on international oil markets and other international energy issues such as energy taxation.

- Earth Day Media

-- Washington Post and Wall Street Journal. I will conduct interviews with the Washington Post and Wall Street Journal on the substance of the voluntary greenhouse gas emission reduction agreement concluded with electric utility industry. Chief executives from the industry will participate in these interviews.

- Business Week and Fortune. These two business magazines will also interview me on the Department's voluntary agreements with the utility industry, and are interested in the story as an example of successful public-private sector cooperation.

PRESIDENTIAL INITIATIVES

- Media Telephone Calls on Health Care

This week I conducted telephone interviews with radio stations in Virginia to advocate the President's Health Care Reform Initiative.

- President's Council on Sustainable Development

Monday, I will co-chair a working meeting of the Energy and Transportation Task Force of the President's Council on Sustainable Development.

- First Meeting of the President's Advisory Committee on Human Radiation Experiments

Next Thursday, I will participate in the first meeting of this Presidential Advisory Committee on Human Radiation Experiments.

Rocketdyne's ETEC saved by DOE

New funding obtained; 200 jobs are spared

By Steve Salzen Staff Writer

The Energy Technology Experimenting Center at Rocketdyne's Santa Susana Field Laboratory was saved from closure Wednesday through new funding and Department of Energy management.

Energy Secretary Hazel O'Leary announced in a Los Angeles press conference that the DOE's field services division would replace the Office of Nuclear Energy as the site's landlord.

ETEC was also awarded \$11.8 million in new funding from seven different DOE sectors, \$3.1 million from fossils, \$2 million from environmental management and \$1.5 from energy efficiency, O'Leary said.

The new funding keeps ETEC in operations through 1986, after that, the facility will have to start the funding process again, but will have a better chance of obtaining it, said Lemmy Matheson, a Valley Industry and Commerce Association official.

The new money more than 100 jobs that would have been cut if ETEC had been closed as scheduled in September, O'Leary said.

"We're of course very pleased with the secretary's decision on this subject," said Clark Gibbs, ETEC's general manager. "We think this made a good news

both for the Department of Energy and the state of California. We think that both parties will benefit."

Rocketdyne, a division of Rockwell International, has been running ETEC at the Field Lab in the hills above Shasta Valley for three decades, testing energy systems and their components. The center stands amid the picturesque vine formations of the Shasta Hills on a 20-acre slice of the 2,700-acre SSPFL. The rest of the Field Lab is used mostly for Rocketdyne's rocket engine program.

Under budget cuts, the Department of Energy's nuclear division announced last year that it was bowing out of ETEC. Rocketdyne, which operates the facility for the DOE, planned to

ROCKETDYNE: Facility spared by DOE

Continued from A1

former new contracts and seek a new DOE division to fill the "landlord" role of maintaining the center's infrastructure, which is seen as a \$200 million employer investment in technology by the Valley Industry and Commerce Association.

Last December, the DOE took out an advertisement in the Commerce Business Daily, seeking tenants for use of the site.

"What that was doing was to explore economic development prospects for the site," said Rocketdyne spokeswoman Leri Cirio, "and over 50 responses were received, requesting testing support in a variety of areas."

The Community House Organization, a division of VICA, will work with the DOE and Rocketdyne to try to establish three to four regional alliances to group the contracts, said Matheson, chairwoman of the CRU.

The potential projects include research on fuel cell development, natural gas. Also proposed is an advanced robotic technology test center and advanced gas turbine testing.

Other areas that have elicited interest are ETEC's work in unique design evaluation and environmental technologies, Cirio said.

Matheson met with O'Leary earlier this year and lobbied for the center's survival. O'Leary, who had also received a "very strong letter" in support

of ETEC from Rep. George Brown, D-Calif., then secured the backing of the health energy division.

"They were going to shut this thing down and begin layoffs," Matheson said. "It's like being on death row and getting a stay."

She said ETEC now has a better chance of both short-term and long-term survival.

"What this does is give ETEC and DOE an opportunity to market this to the private sector, to find partners to develop technologies in a number of areas."

Matheson said the CRU will be launching marketing with DOE and Rocketdyne's technical expertise "to try to find private partners to forge some regional alliances."

"We want to pull together people from specific scientific communities to deal with more research," she said.

"Hopefully we'll find enough private entities that want to go into contracts with their contracts bring in the money and help subsidize the facility, until eventually this thing is self-sustaining on its own, and we will have a successful conversion."

She said that conversion would result in ETEC depending less on government funds in the future.

The CRU was designed for the exploration of alternative energies at ETEC, according to the group's mission statement. VICA is a non-profit business group with 250 corporate mem-

bers and affiliates, employing 200,000 in the greater San Francisco Valley and surrounding communities. Including Shasta Valley and other Ventura County sites.

VICA was formed in 1949 to voice business interests to officials and the public in an effort to retain the economic vitality of the region, a spokeswoman said.

ETEC's mission is engineering and development of emerging technologies related to solar, geothermal, fossil fuel, fusion and fusion energies as well as conservation programs.

Rocketdyne officials have been proposing turning ETEC into the National Test Center in order to expand it into a base for research and development of not only energy projects, but robotics, liquid metals, a computer-managed highway system and other new technologies.

LOS ANGELES TIMES

FRIDAY, APRIL 8, 1994

B5

VENTURA COUNTY NEWS

New Research to Spare Simi Lab

Science: The Department of Energy, which had planned to shut down the site, will study a new technology for electrical generation.

By CARLOS V. LOZANO
and MICHAEL PARRISH
TIMES STAFF WRITERS

The Department of Energy announced Thursday that it will keep open its Energy Technology Engineering Center near Simi Valley to do research on a promising new technology for electrical power generation, known as the Kalina Cycle.

The center had been scheduled for closure in September, with a loss of 200 high-tech jobs. It is operated by the Rocketdyne division of Rockwell International, which for decades tested components for nuclear power plants at the site.

"The issue in my mind was that we cannot lose this resource," Energy Secretary Hazel O'Leary said Thursday at a news conference in Los Angeles.

The center, part of the Department of Energy's Santa Susana Field Laboratory, is now assured funding through 1995 and will get a budget hike of \$11.6 million, most of it to test the new technology, a prototype of which is already in place.

Community groups and proponents of an advanced transportation industry in Southern Califor-

nia have been lobbying hard to keep the site open. In December, DOE successfully sought out industrial partners to help support the center's continued operation.

"The future of ET&EC really gives us something positive to look forward to," said Bonny Matheson, president of Valley Industry and Commerce Assn., which represents more than 350 businesses in Ventura and Los Angeles counties. Matheson also spoke at Thursday's news conference.

The energy technology center's mission to develop cleaner and more efficient energy systems could also help create more jobs and give local businesses a much-needed boost, said Matheson, who met with O'Leary in February to talk about saving the \$1-billion lab.

"Businesses have been as battered after years of tragedy and disaster that this is just a wonderful ray of light," Matheson said.

Rep. Anthony Beilenson (D-Woodland Hills) helped arrange the meeting between O'Leary and business leaders. "We hope we can look back in a couple of years and see that this not only saved jobs but created other jobs," Beilenson said.

O'Leary said Thursday that future funding will depend on how successful the center is in attracting private businesses interested in working with the facility. Southern California Gas Co. has already expressed interest in working with the center to develop new uses for natural gas, and Caltrans is also interested in using the lab.

"We still think that a focus on transportation technologies is a premiere use of the site, and we

will be working to get DOE's additional support," said John Slight, special assistant for technology policy to Rep. Howard L. Berman (D-Panorama City).

But so far, plans focus on development of the new electricity-generation process, Robert LeChevalier, DOE site manager, said Thursday.

"This is a really significant event," LeChevalier said. "It's the first new thermodynamic cycle that's been invented since 1895."

The new concept was devised by Alexander Kalina, an engineer from the former Soviet Union now living in Northern California. Potentially, it could use almost any heat source—fueled by natural gas, coal or geothermal or solar energy—to produce electricity 20% more efficiently than current turbine technology.

An improvement of this magnitude could mean billions of dollars in energy savings in this country and internationally. The technology center has the world's sole operating model of the device.

"We've demonstrated the principles of the cycle," LeChevalier said, "and a number of large utility suppliers are very interested . . . one is General Electric."

The center also has ongoing projects in renewable technologies, energy conservation and earthquake-effects testing. Researchers there can test the effects of seismic events on components used to isolate buildings and bridges from earthquake impacts, or such utility structures as pipe systems in power plants.

San Anselmo

DAILY NEWS / FRIDAY, APRIL 8, 1994

Research facility is saved

Study of steam energy planned at Rockwell site

By Gregory J. Wilcox and Rick Orlov
Daily News Staff Writers

Research into steam energy will be conducted at Rockwell International Corp.'s former nuclear research facility in the Santa Susana Mountains, federal Energy Secretary Hazel O'Leary said Thursday.

The \$11.6 million project will save 200 jobs at the federal Energy Technology Engineering Center, which was scheduled to close this year.

"This project provides an exciting opportunity to utilize the talents of ETEC's skilled work force to contribute to the economic viability of the Southern California region," O'Leary said.

The center will do research into the new energy technology on about 90 acres owned by Rockwell in the hills between Simi Valley and Chatsworth.

Rockwell will be the prime contractor, retaining its 195 employees now working at the center. The balance will be energy department workers.

The announcement cheered a San Fernando Valley group, Community Rouse Organization, which had been trying to find a private company to take over the facility.

"This is fantastic," said Bonny Matheson, chairwoman of that group and the Valley Industry and Commerce Association. "We're excited about it and we hope it grows. The long range dream is for it to be a national test center."

The energy department was also looking for industrial partners to undertake a new mission at the facility and about 50 responses were received, officials said.

It was decided to develop Kalina Cycle technology, an advanced method of steam generation that could improve energy efficiency by about 20 percent, O'Leary said. The technology center has the world's only Kalina Cycle system, which was installed in 1991.

Invented by Russian scientist Alexander Kalina, the technology uses heated ammonia and water to drive a generator that produces electricity.

The research should indicate whether the technology has commercial applications.

"We have a process of generating electric power which consumes less fuel and produces less emissions which (could) eventually result in a lower cost of electrical power," said Clark Gibbs, the center's general manager.

O'Leary said the project is part of her goal of emphasizing renewable energy sources.

Date: APR 08 1994

Power Turbine Project Saves Tech Center From Closing

■ **Engineering:** The thermodynamics testing program will keep the facility working and save 200 jobs.

By MICHAEL PARRISH
TIMES STAFF WRITER Dz

The Department of Energy announced Thursday that it will keep open its Energy Technology Engineering Center near Simi Valley for research in a promising new technology for electrical power generation, known as the Kallina Cycle.

The center had been scheduled to be closed in September, with a loss of 200 high-tech jobs. It is operated by the Rocketdyne division of Rockwell International, which for decades tested components for nuclear power plants at the site.

"The issue in my mind was that we cannot lose this resource," Energy Secretary Hazel O'Leary said Thursday at a news conference in Los Angeles.

The center, part of DOE's Santa Susana Field Laboratory, is now assured of support through 1995, and will get a budget hike of \$11.6 million, most of it to test the new technology, a prototype of which is already in place.

Community groups and proponents of an advanced transportation industry in Southern California have been lobbying hard to keep the site open. In December, DOE successfully sought out industrial partners to help support the center's continued operation.

"We're happy to hear this announcement, because there was concern that time was running out," said John Slifko, special assistant for technology policy to Rep. Howard L. Berman (D-Panorama City). "We still think that a focus on transportation technologies is a premiere use of the site, and we will be working to get DOE's additional support."

But so far plans focus on development of the new electricity-generation process, Robert LeChevalier, DOE site manager, said Thursday.

"This is a really significant event," LeChevalier said. "It's the first new thermodynamic cycle that's been invented since 1896."

The new concept was devised by Alexander Kallina, an engineer from the former Soviet Union now living in Northern California. Potentially it could use almost any heat source—fueled by natural gas, coal or geothermal or solar energy—to produce electricity 20% more efficiently than current turbine technology.

An improvement of this magnitude could mean billions of dollars in energy savings in this country and internationally. The technology center has the world's sole operating model of the device.

"We've demonstrated the principles of the cycle," LeChevalier said, "and a number of large utility suppliers are very interested . . . one is General Electric."

The center also has projects in renewable technologies, energy conservation and earthquake-effects testing. Researchers there can test the effects of seismic events on the parts used to buffer buildings against earthquake, or utility structures such as pipe systems in power plants.

DOE Won't Close Southern California Research Lab at Rocketdyne
dahjsal

LOS ANGELES (AP) - The Department of Energy has announced it will not close a Southern California engineering center, thereby saving 200 high-tech jobs that will be used on electrical power research.

"The issue in my mind was that we cannot lose this resource," DOE Secretary Hazel O'Leary said Thursday.

The Energy Technology Engineering Center will work on a promising new technology for electrical power generation, known as the Kalina Cycle.

The center had been scheduled for closure in September. It is operated by the Rocketdyne division of Rockwell International. For decades, the site had been used to test nuclear power plant components.

The center also is part of the DOE's Santa Susana Field Laboratory, is now assured funding through 1995 and will get a budget hike of \$11.6 million, most of it to test the new technology.

Community groups lobbied hard to keep the site open. In December, the Energy Department found industrial partners to help support the center's continued operation.

"The future of ETEC really gives us something positive to look forward to," said Bonny Matheson, president of Valley Industry and Commerce Assn., which represents more than 350 businesses in Ventura and Los Angeles counties.

Rep. Anthony Beilenson, D-Woodland Hills, said, "We hope we can look back in a couple of years and see that this not only saved jobs but created other jobs."

Southern California Gas Co. has already expressed interest in working with the center to develop new uses for natural gas, and the California Department of Transportation is interested in using the lab.

The new energy concept was devised by Alexander Kalina, an engineer from the former Soviet Union now living in Northern California.

Potentially, it could use almost any heat source - natural gas, coal or geothermal or solar energy - to produce electricity 20 percent more efficiently than current turbine technology.

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MONDAY, APRIL 18, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:30 AM - 9:30 AM Interview - Fortune and Business Week
(Audrey Hoffer)

10:00 AM - 5:00 PM HOLD: President's Council on Sustainable
Development

5:15 PM - 6:15 PM Appointment

6:20 PM - 7:00 PM HOLD

7:00 PM DEPART DOE FOR RESIDENCE
Met by Reggie Sellers

TUESDAY, APRIL 19, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:00 AM - 9:00 AM HOLD

9:00 AM - 10:00 AM Prebrief: Commencement Speeches
(Jana Prewitt, Tara O'Toole,
Rich Stephens)

10:20 AM DEPART DOE FOR DEPARTMENT OF TREASURY
Met by Reggie Sellers

10:30 AM - 11:30 AM Secretary Lloyd Bentsen
Department of Treasury
Room 3330
1500 Pennsylvania Avenue, N.W.
(Rich Rosenzweig)

11:35 AM DEPART DEPARTMENT OF TREASURY FOR DOE
Met by Reggie Sellers

11:45 AM - 12:30 PM HOLD

12:30 PM - 1:30 PM Lunch
(Ann Lavin, Woody Hall)

2:00 PM - 3:00 PM Dr. William Barnard, U.S. Nuclear
Waste Technical Board,
Dr. John Cantlon, Chairman and
Warner North
(Rich Rosenzweig, Dan Dreyfus)

3:00 PM - 4:00 PM Sandia Labs and Martin Marietta
Officials
(Corlis Moody)

4:15 PM - 4:45 PM Financial Times Interview
Robert Corzine, Reporter

5:00 PM - 5:30 PM Tara O'Toole

5:45 PM

DEPART DOE FOR CANNON HOUSE OFFICE BUILDING
Met by Reggie Sellers

6:00 PM

Opening Reception of the Exhibit
"Lest We Forget"
210 Cannon House Office Building
(Enter at Independence Avenue & 1
New Jersey Avenue)
(William Taylor)
Starts at 5:45 P.M.

8:00 PM

Dance Theatre of Harlem
25th Anniversary Gala
The Kennedy Center - Opera House
(Black Tie)(Guest)

WEDNESDAY, APRIL 20, 1994

SCHEDULE FOR HAZEL R. O'LEARY

- 8:00 AM DEPART RESIDENCE FOR MAYFLOWER HOTEL
Met by Reggie Sellers
- 8:30 AM - 9:15 AM Speak at the Democratic Senatorial
Campaign Committee's Agenda for '94
Mayflower Hotel - Colonial Room
1127 Connecticut Avenue, NW
- 9:30 AM DEPART MAYFLOWER HOTEL FOR DOE
Met by Reggie Sellers
- 10:00 AM - 11:00 AM Essence Magazine Interview
Vanessa Gallman, Reporter
(Audrey Hoffer)
- 11:00 AM - 12:00 PM HOLD - (Tentative) Roundtables
- 12:00 PM - 12:30 PM Bill White and Charlie Curtis
- 12:30 PM - 1:30 PM Team Lunch
(B. Berls, C. Curtis, H. Davis, B. DeGrasse,
P. Didisheim, D. Dreyfus, A. Durham, C. Ervin,
D. Forrister, M. Gauldin, P. Godley, T. Grumbly,
J. Hughes, J. Jakes, J. Keliher, M. Krebs,
C. Moody, B. Nordhaus, T. O'Toole, D. Pearman,
D. Reicher, V. Reis, R. Rosenzweig,
T. Cornwell-Rumsey, K. Simpson, W. Taylor,
S. Thomas, S. Tierney, N. Weidenfeller, B. White)
- 1:45 PM DEPART DOE FOR RAYBURN HOUSE OFFICE BUILDING
Met by Reggie Sellers
- 2:00 PM - 2:30 PM Congressman George Miller
2205 Rayburn House Office Building
(William Taylor, Dan Dreyfus, Rich Rosenzweig)
- 2:45 PM DEPART RAYBURN HOUSE OFFICE BUILDING FOR DOE
Met by Reggie Sellers
- 3:00 PM - 3:30 PM -----Start Staff Time-----

THURSDAY, APRIL 21, 1994

SCHEDULE FOR HAZEL R. O'LEARY

7:30 AM DEPART RESIDENCE FOR DOE
Met by Reggie Sellers

8:45 AM START OF EARTH DAY EVENTS
White House Conference on Climate Action
George Washington University
(Dirk Forrister)

9:00 AM - 9:30 AM Remarks by the Vice President

9:30 AM - 10:30 AM Remarks by Secretary O'Leary
and Secretary Browner

11:00 AM - 12:00 PM President's Earth Day Address
Meridian Park

12:30 PM - 2:00 PM Lunch

2:00 PM HOLD - DROP-BY: Galvin Task Force
Meeting
DEPART (TBD) FOR UNION STATION
Met by Reggie Sellers

4:00 PM Depart Union State via Amtrak

6:59 PM Arrive New York, NY

3:30 PM - 4:30 PM Tom Grumbly and Vic Reis
re: Congresswoman Pat Schroeder Meeting

4:30 PM -----End Staff time-----

4:30 PM - 5:15 PM HOLD

5:15 PM - 6:15 PM Appointment

6:20 PM - 7:00 PM HOLD

7:00 PM DEPART DOE FOR THE MALL
Met by Reggie Sellers

7:05 PM Reception for Climate Challenge Partners
on the Mall and MOU Signing
(Dirk Forrister)
Reception Starts at 6:30 P.M.

8:00 PM DEPART RECEPTION FOR DINNER
Met by Reggie Sellers

8:30 PM Galvin Dinner

FRIDAY, APRIL 22, 1994

SCHEDULE FOR HAZEL R. O'LEARY

- 9:00 AM - 10:00 AM Speak at the Conference of the
Business Executives for National
Security
New York University Stern School of
Business
44 West 4th Street
Room 170
- 12:00 PM Depart Pennsylvania Station, New York, NY
for Washington, DC
- 2:55 PM Arrive Washington, D.C. Union Station
Met by Reggie Sellers
- 6:00 PM Cabinet Planning Session Dinner