

1995 White House Weekly Reports

Possible Missing Weeks:

Jan 12, 95

Jul 20, 95

Aug 17, 95

Aug 24, 95

Oct 26, 95

Nov 23, 95

Dec 7, 95

Dec 27, 95



OLWH PANETTA ES95-000206
Electronically transmitted to
Cabinet Affairs at 6:20 pm

The Secretary of Energy
Washington, DC 20585

January 5, 1995

MEMORANDUM FOR LEON PANETTA
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

PRESIDENTIAL INITIATIVES

President's Council on Sustainable Development

I will be in Chattanooga, Tennessee, next Wednesday and Thursday as a member of the President's Council on Sustainable Development. The Energy and Transportation Task Force of the Council will adopt several goals regarding energy efficiency, renewable energy, and transportation. We will also initiate discussions on several important policy issues such as reform of environmental policy.

KEY DEPARTMENT NEWS

Speech to the Martin Luther King Center

The King Center is honoring me with its 1995 Government Social Responsibility Award. I will give the keynote address to the King Center's annual labor, management, government social responsibility seminar Saturday. Over 1,000 guests will attend. The seminar will focus on the global economy and its implications for our Nation.

Climate Change Signing

Next week, I will sign an agreement with 11 electric utilities that are committing to voluntarily reduce their emissions of greenhouse gases. These are the first agreements following the electric industry-wide accord signed between the Department and the electric industry in which it was agreed that each company would voluntarily reduce emissions. This signing, which will be followed by hundreds more, highlights that voluntary market-based environmental initiatives can work. We are currently negotiating agreements with over 700 electric utilities comprising 80 percent of the electricity generated in the country and 35 percent of the CO₂ emitted.

CONGRESSIONAL TESTIMONY

Upcoming hearings in the House of Representatives - Many of the hearings that follow have not yet been officially announced.

- *January 6, 1995* -- The Science Committee on the future of science and technology. The Department will submit a Statement for the Record in lieu of a witness as I am not in town that day.
- *Week of January 9, 1995* -- The Energy and Water Subcommittee of the Appropriations Committee regarding rescissions for the Department of Energy. (Since they have no staff, this should be interesting.)
- *January 19, 1995* -- The Interior Subcommittee of the Appropriations Committee regarding rescissions for the Department of Energy.
- *Week of January 17, 1995* (no date has been set) -- The Commerce Committee is expected to hold a hearing on the energy portions of the Contract With America. The particular subject is denying Low Income Home Energy Assistance Program and weatherization funding to non-citizens.
- *The last week of January or first week of February* -- The Science Committee is expected to hold a hearing on the risk assessment portions of the Contract.
- There is one markup tentatively scheduled for the week of January 17. The Science Committee wants to move a hydrogen research authorization bill similar to the one introduced by Chairman Walker in the 103rd Congress.

Upcoming hearing in the Senate

- *January 19, 1995* -- Senate Energy and Natural Resources on North Korea.

MEDIA

Interview with Time Magazine

I conducted an interview with Time Magazine on the Department's use of quality management to realign the Department of Energy.

Interview with Cable News Network

I am conducting an interview with CNN on environmental issues. They are planning a profile on the Department's role in implementing our Administration's environmental initiative in the near future.



Department of Energy
Washington, DC 20585

OFFICE OF THE EXECUTIVE SECRETARIAT
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Fax Number: FTS 896-4403 Verify (Voice) FTS 896-5081 Verify (Alternate) FTS 896-5078
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Date: 1/5/94
To: T. J. Gauthier
From: Walter R. O'Leary

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Transmittal consists of 2 pages, excluding this form.

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Notes:



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895-001016

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Washington, DC 20585

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MEMORANDUM FOR **LEON PANETTA**

FROM: **HAZEL R. O'LEARY**

SUBJECT: **Weekly Report**

Transmitted via
LotusNotes to
Cabinet Affairs 1/19/95,
6:15 p.m.

PRESIDENTIAL INITIATIVES

Trip to Newport News

Following the President's State of the Union address, I will travel to Southern Virginia to visit a high school and the Department's Continuous Electron Beam Accelerator Facility (CEBAF). I will highlight our Administration's proposals to provide tax incentives for college education and initiatives encouraging investment in science.

KEY DEPARTMENT NEWS

Announcement on Voluntary Climate Change Initiative

With the Nation's largest municipal utilities, we announced agreements to voluntarily reduce their greenhouse gas emissions. There was positive press coverage in major media markets such as Phoenix, Los Angeles, and Seattle. National Public Radio also ran a story on the initiative on its *All Things Considered* program. The message that market-based initiatives can benefit the environment and the economy was widely publicized.

OUTREACH

Congress

Meeting with Representative Regula

I met with Representative Regula, Chairman of the House Appropriations Subcommittee on Interior and Related Agencies this week. This Committee finances our energy efficiency initiatives and fossil energy research and development program. The Committee also has jurisdiction over the Naval Petroleum Reserve and the Strategic Petroleum Reserve. It is important to note that in our initiative to cut \$10.6 billion from the Department's budget, significant revenues are forecast to be derived from selling the Naval Petroleum reserves. The Chairman was extremely skeptical of

Meeting with Senator Craig

I met with Senator Craig on issues affecting the Idaho National Engineering Laboratory. The Department is the second largest employer in the State.

Meeting with Senator Thomas

I met with Senator Craig Thomas of Wyoming on Thursday. We discussed initiatives necessary to benefit the domestic energy industry.

Salute to Congress Diner

I will attend the Washington Press Club's Salute to Congress Dinner.

Meeting with the Mayor of Richland, Washington

I met with Jim Hansen, Mayor of Richland, Washington. He is the mayor of the city where our Hanford nuclear site is located. This is our largest former weapons production facility. The mayor is concerned with our initiative to cut the environmental management program by \$4.4 billion over the next five years. With these cuts, employment will be reduced, and it may be necessary to renegotiate our cleanup agreements with the State and the Environmental Protection Agency.

Testimony Before the House Appropriations Subcommittee on Interior and Related Agencies

I testified before this Committee Thursday. The Committee has not been given the specific amount of rescissions that it will have to make. I communicated the savings the Department has already made in two years and discussed the elements of the \$10.6 billion in cuts that the Committee has jurisdiction over. There was also much discussion of the benefits of the Department's energy efficiency programs.

CONGRESSIONAL HEARINGS

Upcoming hearings

I am not scheduled for any further hearings until early March.

MEETINGS

Meeting with Ambassador to China

I will be meeting with the Ambassador to discuss my upcoming trip to China. I will visit Hong Kong, Shanghai, and Beijing from February 16-25. I will be accompanied by approximately 50 business leaders. During this trip, we will address major energy and environmental matters, in addition to nuclear issues.

Meeting with the Foreign Minister of Kazakstan

I will be meeting with the Foreign Minister this week. We will be discussing followup from our Sapphire Mission and U.S. assistance to enhance Kazakstan energy development.

MEDIA

Interview with the Defense Writers Group

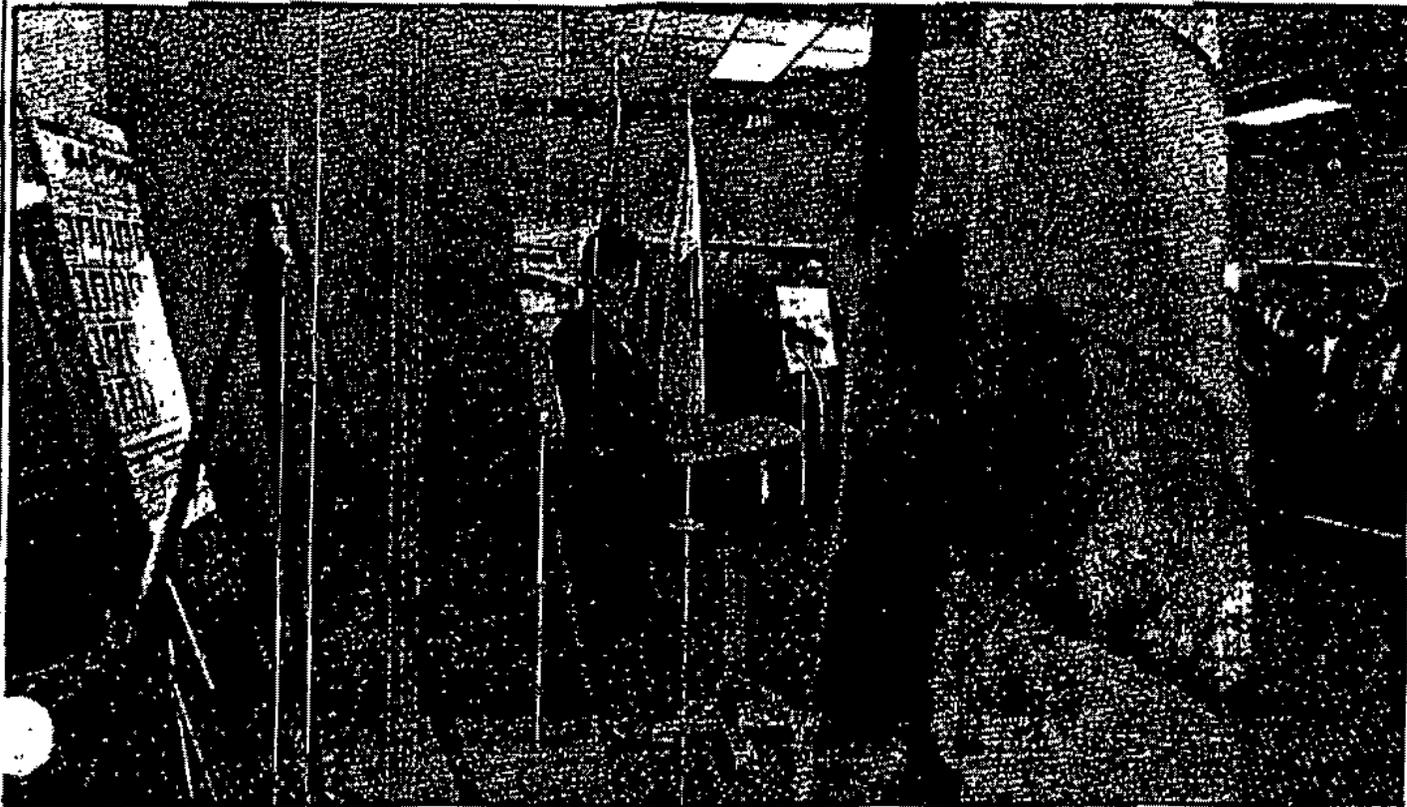
I will be conducting a roundtable meeting with approximately 15 defense writers Tuesday. We will discuss Administration initiatives to maintain the stockpile without nuclear testing and initiatives to combat the proliferation of nuclear materials.

Interview with the Washington Post

I will conduct an interview with the Washington Post to discuss the Administration's non-proliferation initiatives.

The Knoxville News-Sentinel, Friday, January 13, 1995

Energy chief lauds Oak Ridgers



Michael Patrick/Knox-Sentinel staff

U.S. Energy Secretary Hazel O'Leary talks with participants of Project Sapphire at a reception Thursday in Oak Ridge. Project Sapphire was the code name for a secret project that brought 600 kilograms of bomb-grade uranium from Kazakhstan to the Oak Ridge Y-12 Plant last November. Behind O'Leary is a photo of all the project members; Project Sapphire participants and their families stand in front of O'Leary.

Members of Sapphire team are called heroes

By Frank Munger
News-Sentinel Oak Ridge bureau

OAK RIDGE — U.S. Energy Secretary Hazel O'Leary heaped praise on the Oak Ridge participants of Project Sapphire, labeled them heroes and said their hard work helped educate Americans about the "new nuclear danger."

O'Leary arrived in Oak Ridge late Thursday afternoon to fulfill a promise to personally honor the Sapphire team. About 60 people from the Department of Energy,

Martin Marietta Energy Systems and Oak Ridge Associated Universities were involved in the project that brought 600 kilograms of bomb-grade uranium from Kazakhstan — a former Soviet state — to the Oak Ridge Y-12 Plant last November.

"I'm reminded of the many people it took to make this happen and to make this happen very smoothly," O'Leary said at a reception held at the Garden Plaza Hotel.

The once-secret project involved a detailed analysis of special materials at a Kazakhstan nuclear production facility, followed by the packaging of the enriched uranium and air shipment to the United States. The project was touted as critically important in the post-Cold War efforts to stem the possible diversion of bomb materials to terrorists or renegade nations seeking a nuclear capability.

"Through Project Sapphire we

have helped the American public understand the new nuclear danger in ways that we've not often been able to articulate," O'Leary said. "We have caught the attention of the American public now to understand what some of our next challenges are as we move toward non-proliferation."

She told the Sapphire participants, "You are Cold War, Warm War, No War heroes in this room. I also believe there are events

Please see O'LEARY, page A3

O'Leary

Continued from page A1

that define what people are all about. There are events that define the core, the spirit, the very heart of an organization, and so I believe that Project Sapphire now defines who Oak Ridgers are, and you've got to be proud of that. And it is for that reason that

“Through Project Sapphire we have helped the American public understand the new nuclear danger in ways that we've not often been able to articulate.”

I wanted to be with you."

In her brief talk at the reception, O'Leary made a couple of references to a difficult meeting she had last fall with Gov. Ned McWhorter in Nashville. She said McWhorter "was not altogether happy with what was going on," although O'Leary said the Tennessee governor appreciated the national significance of Project Sapphire.

The energy secretary presented a set of declassified photos on the project to Alex Riedy, the team leader for Martin Marietta, and each of the participants received a group photo of the Sapphire team with an inscription

Hazel O'Leary
U.S. energy secretary

from O'Leary. Riedy presented O'Leary with a commemorative plaque signed by the team members, as well as project T-shirts.

If international agreements bring about the urgent need for more shipments of nuclear materials, Riedy said he was ready and willing to help do the job.

"I would certainly welcome the opportunity to be on a mission like that," he said. "I think many of our team members would. What I don't know is if there are other situations like that."

SEATTLE POST-INTELLIGENCER

JAN 18 1995

Utilities agree to reduce greenhouse gases

The Associated Press *p/b*

WASHINGTON — More than a dozen of the nation's largest public utilities in nine states, including Seattle City Light, signed voluntary agreements to reduce emissions of the so-called greenhouse gases that promote global warming.

The initiative announced yesterday as part of a broader effort to reduce output of the gases to 1990 levels by the end of the decade will cut emissions of carbon dioxide, a key greenhouse gas, by about 2.5 billion metric tons by the end of the decade, according to Energy Secretary

Base Load

G'Leary said the cuts will be achieved through a series of "voluntary, market-based actions" to promote energy conservation, renewable energy sources and new technologies.

The agreements were signed by utilities in Seattle; Austin, Texas; Jacksonville and Orlando, Fla.; Los Angeles and Sacramento, Calif.; Phoenix, Ariz.; New York; Colorado; Georgia; Nebraska; and South Carolina.

Seattle City Light says it will meet any growth in power demands through energy efficiency and conservation programs and a new hydroelectric project

powered by a 30-year-old water supply reservoir operated by the Seattle Water Department.

The utility said its plan would reduce carbon dioxide emissions by more than 1.8 million tons by the year 2000.

According to Philip Pellegrino, an official with the New York Power Authority, the utility's commitment will eliminate 2.5 million tons of carbon dioxide by the year 2000, largely through conservation programs.

"It's already working in New York," said Pellegrino. "We've got \$200 million in approved programs that ran the gamut," he said.

Under the program, the NYPA designs and installs new lighting, air conditioning and other electric systems in publicly owned buildings, such as schools, colleges, police stations and warehouses.

"Very often what we find is the original lighting is still in the building and the building is 20 or 30 years old," he said.

The power authority is repaid over five years from the savings generated by the more efficient lighting, electric motors and other power-consuming devices, he said.

"None of this is a gift or a grant," he said.

5085

Monitor

Circulation : Daily 24,000
Sunday 21,000

Page No. of Article : 7

Date : JAN 12 1995

Early treatment vital for AIDS

By STEPHEN T. SHANKLAND
Monitor Staff Writer

A finding that the human immunodeficiency virus (HIV) reproduces far faster than previously suspected means it's important that HIV-positive people be treated quickly, a Los Alamos National Laboratory researcher said.

"If you want to do any intervention in the AIDS disease process, you have to do it as soon as possible," Avidan Neumann, a post-doctorate researcher at the lab and the Santa Fe Institute, said in a Thursday interview.

Medicines will have a harder time combating HIV as time goes by, he said, because the AIDS virus' rapid replication rate — and therefore its rapid mutation rate — makes it able to adapt to new drugs.

"A treatment has to start really as soon as you're infected," he said.

"A year or two after, the virus is replicating so fast, it ... might be very difficult to find the drug that the virus won't escape from."

After a couple years, the virus has had time "to create a library of mutations," he said. "There's a very good chance that the right mutation will be there to resist the drug."

Neumann and Alan Perelson at LANL performed calculations on how fast HIV replicates as part of a study headed by David Ho of the Aaron Diamond AIDS Research Center in New York City. The findings were published today in the journal *Nature*.

The HIV replication cycle is the fastest Neumann has encountered, he said. In a year, the virus replicates about 300 times.

Neumann also said that the rapid HIV replication also means that, contrary to what some researchers believed, the body's immune system doesn't stand idly by after it's infected.

Rather, a raging battle takes place between HIV and the immune system's T cells, Neumann said.

Measurements show T cell levels don't change much after a person is infected, usually for years, he said. Researchers had assumed — incorrectly it now appears — that the virus was lurking during this "latency period."

However, Neumann said that in fact, billions of HIV particles are being created and destroyed daily in the battle.

"There's a very dynamic process going on," Neumann said. "HIV is replicating very fast, and CD4 cells (a type of T cell) are being killed

and replaced very fast. It looks like the CD4 level is very stable, but in fact, a lot of them are being killed and replaced. The virus, it seems, is responsible for that."

Neumann likened the situation to a sink with a constant water level, in which the water level represents the level of T cells in the body.

In the past, researchers had assumed that during the "latency period" the water level didn't change because HIV was quiescent and the T cells were stable. In other words, the sink was plugged.

Now, Neumann said, it appears that the sink is draining fast at the same time the tap is opened wide: T cells are constantly being destroyed and replaced.

Some researchers say that a slow decline in T cells before AIDS develops is an indicator that the immune system is starting to weaken. This theory is disproved by the HIV replication rate, which shows the T cells are being produced at a furious pace, Neumann said.

What actually tips the balance and causes AIDS to develop isn't yet known, Neumann said.

Some suggest, for example, that AIDS kicks in when the HIV population reaches a threshold of genetic diversity. Neumann, however, said he's more inclined to believe a theory that says people develop AIDS after a critical number of HIV particles exist.

The researchers examined 20 AIDS patients of three types: Those who developed AIDS quickly after HIV infection, those who developed AIDS in the average period, and those who developed it after a longer than average delay.

The patients were all at an equilibrium where T cells and HIV particles were at stable levels, Neumann said. They were given a drug that hinders HIV replication for a few months — until the HIV mutates a way around the drug.

The calculations are based on how fast the virus is cleared from the body after the AIDS patients start receiving the drug, Neumann said.

The researcher's calculation is independent of what mechanisms actually produce and destroy the virus, Neumann said.

Ho already has begun the next phase of the study, which will use fewer patients giving blood samples more often after a drug administration.

SRP joins utilities' fight against global warming

'Greenhouse gas' cuts may also trim monthly bills

By Steve Yozwiak
The Arizona Republic

A1
The Salt River Project and 12 other public utilities around the country plan to cut gases that could lead to global warming, which some scientists call a looming environmental disaster.

Besides helping the environment, SRP General Manager Richard Silverman said Thursday, the move might save ratepayers money.

Though some groups question the theory of global warming, Silverman said he believes there is enough credible evidence of a serious threat to warrant action.

"We at SRP recognize the potential harm from the effect of greenhouse gases," said Silverman, who has been at the center of air-quality debates in Arizona for two decades.

The consequences of rising worldwide temperatures, sometimes called the "greenhouse effect," would be disastrous, including coastal communities flooded by waters from melting ice caps, and the vanishing of endangered species.

The increase in magnitude and frequency of severe storms in the past decade, such as the torrents striking California this month, also could be caused by global warming.

Silverman said the plan to voluntarily reduce such gases will eliminate the need for costly government regulation and the potential for wasteful court fights.

The SRP plans to reduce carbon dioxide primarily by making its coal-fired electric generation plants more efficient, thereby saving natural resources and cutting customer costs, he said.

The SRP is one of 13 utilities, including those in New York and Los Angeles, that plan to voluntarily cut carbon-dioxide emissions that otherwise might lead to global warming.

The utilities, which serve more than 15 million customers, will join the U.S. Department of Energy on Tuesday in the unprecedented signing

-- SRP JOINS, from page A1

A18
of the agreement. It is part of President Clinton's commitment to ideas forged in 1992 at the international Earth Summit.

Several investor-owned utilities are expected to agree to reduce emissions next month. Arizona Public Service Co. recently signed a pact with a New York utility that will lead to the reduction of sulfur dioxide and acid rain on the East Coast.

Under next week's accord, the SRP will promise by the year 2000 to reduce gases by 2.2 million tons, or nearly 10 percent, each year. The goal is to bring emissions down to 1990 levels, when the SRP produced 18 million tons of carbon dioxide each year.

Global warming theorizes that the burning of fossil fuels, deforestation and the use of certain refrigerants contribute to gases in the upper atmosphere that trap more sunlight and heat, raising the Earth's temperature.

In 1991, the National Academy of Sciences estimated that if human-generated greenhouse gases continued to be produced at escalating rates, the global temperature would rise by 2 to 9 degrees in the next century.

Some groups have questioned whether there has been enough study of global warming to warrant any changes in public policy.

Jeffrey Salmon, executive director of the George C. Marshall Institute, a Washington, D.C., think tank, said Thursday that his group's scientists have concluded that fears of global warming are exaggerated.

"They don't support the idea that human action will increase global warming, or will increase global warming in the future," he said.

Salmon said most of the warming happened more than 50 years ago and may be part of the natural cycles of widely fluctuating climate that has spawned ice ages and

-- See SRP JOINS, page A18

LINEUP AGAINST 'WARMING'

The Salt River Project and 12 other public utilities, serving nearly 15 million customers nationwide, plan to reduce "greenhouse" gases. The other utilities are:

New York Power Authority
Municipal Electric Authority of Georgia
Omaha Public Power District
Nebraska Public Power District
Jacksonville Electric Authority
South Carolina Public Service Authority
Seattle City Light
Los Angeles Department of Water and Power
Sacramento Municipal Utility District
City of Austin
Lower Colorado River Authority of Texas
Orlando Utilities Commission.

periods of tropical heat.

But Kate Maracas, manager of environmental affairs for the SRP, said the consequences of global warming are too significant to wait for more studies when there already exists "a good consensus among reputable scientists ... that there is a potential for severe impact."

Maracas said that even if there was no threat of global warming, the actions anticipated by the SRP to make its operations more energy-efficient make good economic sense, both for the utility and its 580,000 customers.

Other actions planned by the SRP to reduce the threat of global warming are based on some everyday, energy-saving moves that many residents could practice.

Those include cutting down on commuting through car pools and flexible work hours, installing motion-sensing light switches and energy-efficient lights, and increasing the use of solar electricity generators.

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NEW MEXICAN

CIRCULATION : DAILY 24,000

SUNDAY 21,000

PAGE NO. ARTICLE APPEARED : A3

DATE : JAN 13 1995

EPA decides method to judge WIPP safety

The Associated Press

southeastern New Mexico repository.

The U.S. Environmental Protection Agency on Thursday released the method it proposes to use in certifying whether the federal government's radioactive waste repository near Carlsbad complies with environmental standards.

The U.S. Department of Energy must prove the Waste Isolation Pilot Plant can meet the standards before it buries plutonium-contaminated waste in the

WIPP is designed to bury radioactive waste from the nation's defense industry 2,150 feet underground in ancient salt beds southeast of Carlsbad. Plans now call for it to open in 1998 pending certification by the EPA.

The EPA in December 1993 issued final waste disposal standards for WIPP. The criteria released Thursday lay out how the DOE will make calculations to see if it meets those standards, said Larry Weinstein, acting director of the criteria and stan-

dards division in the EPA's Office of Radiation and Indoor Air.

The standards require "a reasonable expectation" that for 10,000 years, WIPP will prevent human radiation doses from exceeding the equivalent of about two chest X-rays per year and that any ground water contamination would not exceed levels allowed under the Safe Drinking Water Act.

Weinstein, in a telephone news conference from his Washington, D.C., office Thursday, likened the standards to "bare-bones environmental regulations" and the criteria to putting meat on those bones.

"We certainly think this is a fair standard they (DOE) should be able to live with," he said.

The proposed compliance criteria were signed by EPA Administrator Carol Browner late Wednesday. The criteria should be finalized within a year, Weinstein said.

The EPA plans public hearings on the proposed criteria in Albuquerque, Santa Fe and Carlsbad in the next month or two, but dates and locations haven't been set, he said.

At the height of the Cold War, the Pentagon hogged some 75 percent of all federal spending for research. Though that share has declined, defense continues to receive the major portion of federal research spending — despite the Clinton administration's vows to achieve a 50-50 civilian-military balance in R&D.

The numbers are startling, particularly in comparison to the spending patterns in other industrial nations.

A compilation by the Congressional Research Service shows that in 1993, Washington provided \$40 billion for the Defense Department's research programs and \$28 billion for research in civilian agencies. The politicians proclaim that national security is now based on economic competitiveness rather than military muscle, but the Pentagon still gets nearly 60 percent of the government's research money.

A small part, about \$500 million

a year, is indeed made available by the Pentagon for so-called dual-use research projects, i.e., those can serve both military and civilian markets. But the great bulk of the defense research budget is focused on military requirements remote from commercial needs.

In contrast to the weapons orientation that still pervades the American government's research priorities, the German government spent \$9 billion on civilian research programs and less than \$2 billion on military projects.

The affluent Japanese government put even more emphasis on civilian work and less on the military — spending a mere \$1.4 billion on defense R&D and nearly \$20 billion on civilian projects.

The great strength of American science is in basic research, the quest for fundamental knowledge. Universities, the main sites for this kind of science, are the training

grounds for the scientists and engineers who go into industry and turn knowledge into profitable products.

But in recent years, university science has encountered hard times. Some of the financial difficulties arise from lack of prudent management practices. Others come from the ever-rising costs of sophisticated scientific equipment.

And then there's the inherent insatiability of the scientific enterprise, which can never have enough money. Rising above all these difficulties, however, is the fact that when economists poke into science, they generally conclude that it's a good investment for the country.

The budget-cutting derby under way on Capitol Hill needn't allow any special dispensation to protect that investment in scientific capability and knowledge.

All that's needed is a shift of money from yesterday's priorities to the urgent needs of today.

Daniel S. Greenberg publishes the newsletter Science & Government Report.

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Measurements show T cell levels don't change much after a person is infected, usually for years, he said. Researchers had assumed - incorrectly it now appears - that the virus was lurking during this "latency period."

However, Neumann said that in fact, billions of HIV particles are being created and destroyed daily in the battle.

"There's a very dynamic process going on," Neumann said. "HIV is replicating very fast, and CD4 cells (a type of T cell) are being killed and replaced very fast. It looks like the CD4 level is very stable, but in fact, a lot of them are being killed and replaced. The virus, it seems, is responsible for that."

Neumann likened the situation to a sink with a constant water level, in which the water level represents the level of T cells in the body.

In the past, researchers had assumed that during the "latency period" the water level didn't change because HIV was quiescent and the T cells were stable. In other words, the sink was plugged.

Now, Neumann said, it appears that the sink is draining fast at the same time the tap is opened wide: T cells are constantly being destroyed and replaced.

Some researchers say that a slow decline in T cells before AIDS develops is an indicator that the immune system is starting to weaken. This theory is disproved by the HIV replication rate, which shows the T cells are being produced at a furious pace, Neumann said.

What actually tips the balance and causes AIDS to develop isn't yet known, Neumann said.

Some suggest, for example, that AIDS kicks in when the HIV population reaches a threshold of genetic diversity. Neumann, however, said he's more inclined to believe a theory that says people develop AIDS after a critical number of HIV particles exist.

The researchers examined 20 AIDS patients of three types: Those who developed AIDS quickly after HIV infection, those who developed AIDS in the average period, and those who developed it after a longer than average delay.

The patients were all at an equilibrium where T cells and HIV particles were at stable levels, Neumann said. They were given a drug that hinders HIV replication for a few months - until the HIV mutates a way around the drug.

The calculations are based on how fast the virus is cleared from the body after the AIDS patients start receiving the drug, Neumann said.

The researcher's calculation is independent of what mechanisms actually produce and destroy the virus, Neumann said.

Ho already has begun the next phase of the study, which will use fewer patients giving blood samples more often after a drug administration.

At the height of the Cold War, the Pentagon hogged some 75 percent of all federal spending for research. Though that share has declined, defense continues to receive the major portion of federal research spending — despite the Clinton administration's vows to achieve a 50-50 civilian-military balance in R&D.

The numbers are startling, particularly in comparison to the spending patterns in other industrial nations.

A compilation by the Congressional Research Service shows that in 1993, Washington provided \$40 billion for the Defense Department's research programs and \$28 billion for research in civilian agencies. The politicians proclaim that national security is now based on economic competitiveness rather than military muscle, but the Pentagon still gets nearly 60 percent of the government's research money.

A small part, about \$500 million

a year, is indeed made available by the Pentagon for so-called dual-use research projects, i.e., those can serve both military and civilian markets. But the great bulk of the defense research budget is focused on military requirements remote from commercial needs.

In contrast to the weapons orientation that still pervades the American government's research priorities, the German government spent \$9 billion on civilian research programs and less than \$2 billion on military projects.

The affluent Japanese government put even more emphasis on civilian work and less on the military — spending a mere \$1.4 billion on defense R&D and nearly \$20 billion on civilian projects.

The great strength of American science is in basic research, the quest for fundamental knowledge. Universities, the main sites for this kind of science, are the training

grounds for the scientists and engineers who go into industry and turn knowledge into profitable products.

But in recent years, university science has encountered hard times. Some of the financial difficulties arise from lack of prudent management practices. Others come from the ever-rising costs of sophisticated scientific equipment.

And then there's the inherent insatiability of the scientific enterprise, which can never have enough money. Rising above all these difficulties, however, is the fact that when economists poke into science, they generally conclude that it's a good investment for the country.

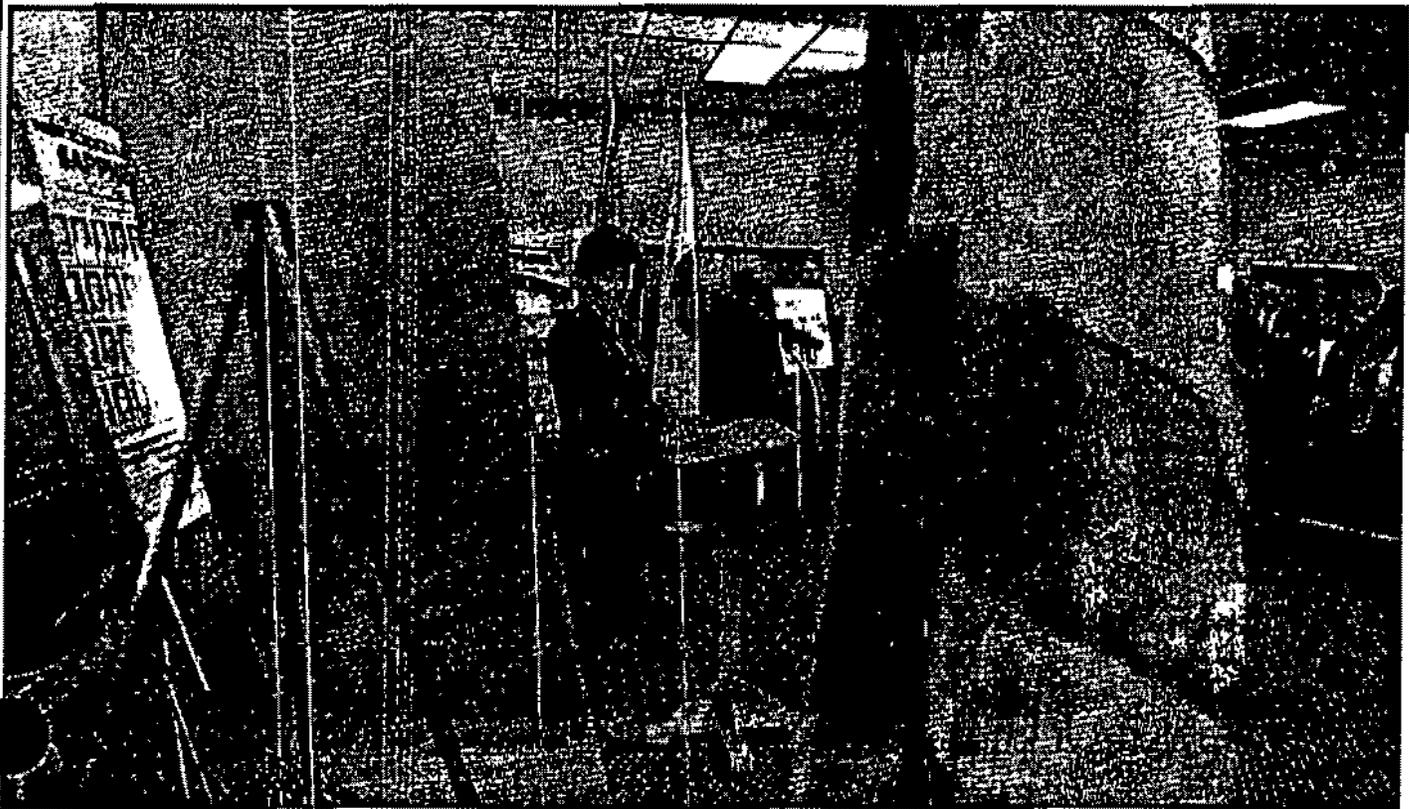
The budget-cutting derby under way on Capitol Hill needn't allow any special dispensation to protect that investment in scientific capability and knowledge.

All that's needed is a shift of money from yesterday's priorities to the urgent needs of today.

Daniel S. Greenberg publishes the newsletter *Science & Government Report*.

The Knoxville News-Sentinel, Friday, January 13, 1995

Energy chief lauds Oak Ridgers



Michael Patrick/News-Sentinel staff

U.S. Energy Secretary Hazel O'Leary talks with participants of Project Sapphire at a reception Thursday in Oak Ridge. Project Sapphire was the code name for a secret project that brought 600 kilograms of bomb-grade uranium from Kazakhstan to the Oak Ridge Y-12 Plant last November. Behind O'Leary is a photo of all the project members; Project Sapphire participants and their families stand in front of O'Leary.

Members of Sapphire team are called heroes

By Frank Munger

News-Sentinel Oak Ridge bureau

OAK RIDGE — U.S. Energy Secretary Hazel O'Leary heaped praise on the Oak Ridge participants of Project Sapphire, labeled them heroes and said their hard work helped educate Americans about the "new nuclear danger."

O'Leary arrived in Oak Ridge late Thursday afternoon to fulfill a promise to personally honor the Sapphire team. About 60 people from the Department of Energy,

Martin Marietta Energy Systems and Oak Ridge Associated Universities were involved in the project that brought 600 kilograms of bomb-grade uranium from Kazakhstan — a former Soviet state — to the Oak Ridge Y-12 Plant last November.

"I'm reminded of the many people it took to make this happen and to make this happen very smoothly," O'Leary said at a reception held at the Garden Plaza Hotel.

The once-secret project involved a detailed analysis of special materials at a Kazakhstan nuclear production facility, followed by the packaging of the enriched uranium and air shipment to the United States. The project was touted as critically important in the post-Cold War efforts to stem the possible diversion of bomb materials to terrorists or renegade nations seeking a nuclear capability.

"Through Project Sapphire we

have helped the American public understand the new nuclear danger in ways that we've not often been able to articulate," O'Leary said. "We have caught the attention of the American public now to understand what some of our next challenges are as we move toward non-proliferation."

She told the Sapphire participants, "You are Cold War, Warm War, No War heroes in this room. I also believe there are events

Please see O'LEARY, page A3

O'Leary

Continued from page A1

that define what people are all about. There are events that define the core, the spirit, the very heart of an organization, and so do I believe that Project Sapphire now defines who Oak Ridgers are, and you've got to be proud of that. And it is for that reason that

“Through Project Sapphire we have helped the American public understand the new nuclear danger in ways that we've not often been able to articulate.”

I wanted to be with you."

In her brief talk at the reception, O'Leary made a couple of references to a difficult meeting she had last fall with Gov. Ned McWhorter in Nashville. She said McWhorter "was not altogether happy with what was going on," although O'Leary said the Tennessee governor appreciated the national significance of Project Sapphire.

The energy secretary presented a set of declassified photos on the project to Alex Riedy, the team leader for Martin Marietta, and each of the participants received a group photo of the Sapphire team with an inscription

Hazel O'Leary
U.S. energy secretary

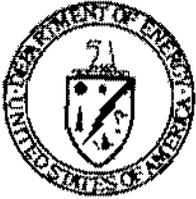
from O'Leary. Riedy presented O'Leary with a commemorative plaque signed by the team members, as well as project T-shirts.

If international agreements bring about the urgent need for more shipments of nuclear materials, Riedy said he was ready and willing to help do the job.

"I would certainly welcome the opportunity to be on a mission like that," he said. "I think many of our team members would. What I don't know is if there are other situations like that."

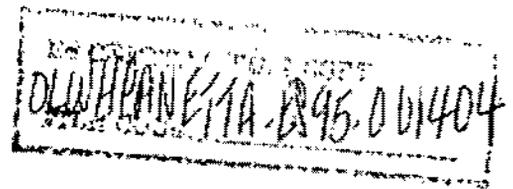
U.S. DEPARTMENT OF ENERGY
OFFICE OF THE EXECUTIVE SECRETARIAT
DISPATCH DOCUMENT TRANSMITTAL FORM

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DEPUTY SECRETARY				HUMAN RESOURCES AND ADMINISTRATION (HR)			
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The Secretary of Energy
Washington, DC 20585

January 26, 1995



Transmitted via LotusNotes, 1/26, 7:05 pm

MEMORANDUM FOR LEON PANETTA
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

PRESIDENTIAL INITIATIVES

Travel following the State of the Union Address

Wednesday, I traveled to Newport News, Virginia, to communicate our Administration's education message. I spoke to large audiences at Christopher Newport University and Norfolk State University. During these addresses, I highlighted the savings that the Administration's education tax credit could provide to them. The audiences were very enthusiastic.

There was media coverage at both events, including: television coverage by WVEC-TV (ABC), WAVY-TV (NBC), and WTKR-TV (CBS); press coverage by *Richmond Times Dispatch*, *The Daily Press* (Newport News), *The Virginian Pilot* (Norfolk), *The Journal and Guide* (Norfolk), *The Captain's Log* (Christopher Newport University), and *The Norfolk State Spartan Echo* (Norfolk State University); and radio coverage by WTAR - News Radio (Norfolk) and WNSB radio (Norfolk State University). I conducted one-on-one interviews with each news organization. I also was interviewed on Minnesota radio stations as a followup to the State of the Union Address.

Continued Communication of the Administration's Agenda

I will continue interviews next week with radio stations outlining and advocating our Administration's 1995 agenda.

KEY DEPARTMENT NEWS

Release of Report on the Department's National Laboratory by Independent Commission

Following the end of the Cold War, there has been much discussion on the appropriate size and missions of the Department's National Laboratories. This has been particularly true of our three national security laboratories. To address this issue, I appointed Robert Galvin, Chairman of the Executive Committee of Motorola, to take an independent look at the Department's laboratory complex and report back on the appropriate size, missions, and governance of the labs.

The Galvin Commission, as it has become known, will provide its report to the Secretary of Energy Advisory Committee on February 1. There will be two weeks for public comment before the report is finalized on February 24, 1995.

The report is likely to contain controversial recommendations regarding one of the national security labs, downsizing, and alternative methods for managing the labs. The report also is expected to provide strong validation for research and development programs within the Department's jurisdiction, including defense, energy, environmental, and fundamental science programs. There will be great interest in this report within the Administration, Congress, media and scientific community. Several legislative proposals have been put forward to downsize the labs. Additionally, the labs are critical to our Administration because the President and Vice President have made several commitments regarding the labs and major Administration science and technology initiatives take place at the labs.

We will coordinate the release of this report with appropriate White House offices and will aggressively communicate to the media the elements of the report that support the President's science and technology policies. Finally, we will brief all appropriate members of the House and Senate as well as their staff on the recommendations of this important report.

Continued Signings of Voluntary Agreements with the Electric Power Industry to Reduce Emissions that Impact Local Health and the Global Environment

Last week, I signed the first agreements with the power industry to voluntarily reduce emissions that adversely impact local health and the global environment. This strategy was the cornerstone of our Administration's Climate Change Action Plan. Next week, I will sign agreements with the Nation's largest investor-owned utilities that have voluntarily committed to reduce emissions. These agreements will continue to attract significant media attention because this is the largest voluntary environmental initiative ever undertaken.

OUTREACH

Congressional Meetings

Meeting with Congressman Mac Thornberry

I met with Congressman Thornberry on Tuesday. He represents the Texas district in which our Pantex facility is located. This facility disassembles the Nation's nuclear weapons as we downsize the weapons complex. He was interested in the Department's funding plans for the facility's plutonium research activities. No commitments were made.

Meeting with Representative Myers

I met with Representative John Myers. He is the new Chairman of the House Energy and Water Appropriations Subcommittee. This committee funds our defense, basic science, and environmental management programs. He is skeptical of our initiative to reduce that budget by \$4.4 billion over five years. He is interested in fully funding the program to characterize the suitability of Yucca Mountain as a commercial nuclear waste repository. He is also interested in the results of the Galvin Report regarding the future of the National Laboratories.

UPCOMING MEETINGS

Meeting with Representative Floyd Spence

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I will meet with Senator Murkowski next week. We will discuss the Senate Energy Committee's agenda that will include nuclear waste legislation and legislation to refocus the national energy needs.



The Secretary of Energy

Washington, DC 20585

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SUBJECT: **Weekly Report**

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Richmond Times-Dispatch

RICHMOND, VIRGINIA 23293

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THURSDAY, JANUARY 29, 1983

School gets U.S. grant in line with Clinton point

Huntington Middle to receive \$5,000

BY ANDREW PERKOWSKY
Times-Dispatch Staff Writer

NEWPORT NEWS — After a speech that emphasized the importance of investing federal money in education, U.S. Secretary of Energy Hazel P. O'Leary yesterday granted \$5,000 toward a middle school science project.

O'Leary spoke at Christopher Newport and Norfolk State universities as part of a blitz by high administration officials in support of the points raised in President Clinton's State of the Union address Tuesday night.

After her morning appearance at CNN, the Newport News native an-

nounced her department's \$5,000 grant toward a student-generated plan to build a greenhouse for botany, biology and other science programs in the inner-city Huntington Middle School.

Many people write off the pupils in schools like Huntington as "not being valuable," but they're mistaken, O'Leary said after the presentation.

"Let us focus on these youngsters whom we need in our republic," she said. "Let's invest in them."

She explained that pupils from the school had requested money for science programs when she met them in November 1983 while they participated in a weeklong science search program at the Commodore

Electron Beam Accelerator Facility. CERBAR is one of 20 national laboratories supported by DOE.

When she received the request from the Huntington sixth-graders, O'Leary challenged them to make a detailed proposal. Yesterday, 20 of the pupils, now in eighth grade, were present to receive the grant.

Their success was especially poignant because Huntington has been fighting a reputation as a "vervily troubled school."

"No matter where you come from you can always accomplish something," said Dominique Green, a Huntington graduate who now attends high school and has a job as an intern at the electron beam accelerator facility.

Huntington Principal Terry Clise said he and the pupils hope to raise

the balance of the greenhouse's \$20,000 cost from private sources and complete the project by May.

In her speech at CNN, O'Leary said that education will increasingly determine the individual success of Americans and the country's collective success.

For that reason, she said, the educational tax credit proposed by Clinton would do far more for the country than an overall reduction of taxes. Clinton is seeking to give a tax credit of up to \$10,000 for educational expenses beyond high school.

The program could mean a saving of 25 percent or more in the cost of a college degree at CNN, she said, and earning a college degree could increase a high school graduate's earnings "by \$1.5 million in a lifetime."

But O'Leary said the individual benefits of making a college education more affordable will be accounted for by an increase of Americans with the education necessary to help the country be competitive in the global marketplace.

"That's a real tax cut, but it is focused on a vision that says education matters," she said.

O'Leary said the federal government realized it needed to play a role in education financing "because the Russians bloody beat us" when they launched the Sputnik satellite.

The numerous partnerships that developed since then between government agencies, private industry and schools is all worth maintaining, she said, because "that's what has made America powerful."

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Local

THURSDAY, JANUARY 26, 1995

Daily Press

O'Leary urges community to sell science

By William H. McMichael
Daily Press

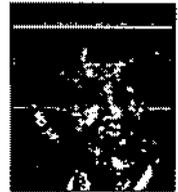
NEWPORT NEWS

If NASA Langley and, especially, CEBAF, are to get through the upcoming federal budget talks unscathed, the nation's energy secretary says scientists, businessmen and the public at large had better start talking to Congress.

"I think that we're going to have to do our job, for the delegations to have the public — and that means citizens right here in Newport News — understand the value of

this laboratory," said Energy Secretary Hazel O'Leary during an interview following her speech at Christopher Newport University on Wednesday.

O'Leary, who oversees the nation's research laboratories, and the rest of President Clinton's cabinet fanned out across the nation



O'LEARY.
On Fight now.

■ Huntington Middle School receives Energy Department grant for greenhouse, CZ.

Wednesday to preach the president's State of the Union gospel following the Tuesday night speech.

During her speech to students who filled a packed auditorium, O'Leary was sounding the education drumbeat, in particular the role education plays in developing

technologies that ultimately benefit the economy.

She also waxed confident when asked about possible budget cuts within the department. "Let me tell you this," she said. "I'm not going to be chopped. At least, our administration is not planning to chop the Department of Energy."

But, she noted, Tuesday night, Clinton had pointed out that another 150,000 federal jobs will disappear "by the time I come

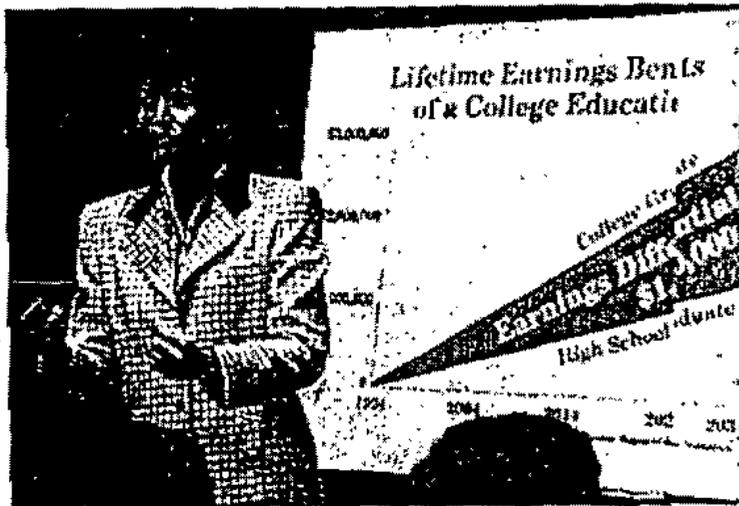
here again next year." And after her remarks, O'Leary admitted that her department will have to wage the same fight other agencies will wage during upcoming budget negotiations — decisions that could affect jobs at area research labs NASA Langley and CEBAF, the Continuous Electron Beam Accelerator Facility.

That noted, O'Leary added, "it doesn't make much sense to worry. You better get on it. So I am working both through visits on the hill and more importantly, with constituents. I mean, the people who will sell CEBAF will be the private sector users.

"It'll be people from this community, working with this Congress to prove that this is a valuable resource."

Much of that value, she said, stems from projects that generate marketable technology that, ultimately, can generate new jobs. She cited CNU professor David Doughty, working at CEBAF on a system that accounts for particles that split off during intense atom-probing experiments, known as high-speed data collection.

Doughty also is working with Pressure Systems Inc., a Hampton firm, to develop a process related to that work. The firm, said sales mar-



Secretary of Energy Hazel O'Leary talks in students and faculty Wednesday morning at Christopher Newport University. Doris Bonessley Press

keting manager Steve Yakshe, hopes to be able to expand as a result.

"The relationships between the department and private sector institutions are worthwhile and valuable as long as there's a place for them to occur," she said.

The governing principle, she said, must be: "Does this make sense for America?"

It does, O'Leary said, if Americans consider the economic consequences.

"Global markets are expanding," said O'Leary. "And we have U.S. products to sell. And if we don't sell U.S. products, resulting from U.S.

brain power and knowle, someone else will sell it."

The key to developing that brain power, said O'Leary, is location. On Tuesday night, Ciba, she said, "focused on a vision that says education matters."

O'Leary said Americans need "to take that knowledge and turn it into something that benefits anyone."

O'Leary also plugged Clinton's proposal to create a tax deduction for all education financing undertaken after high school — which, she said, could be as much as \$10,000.

"It's a real benefit," said. "It's not just a tax giveaway

Daily Press

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EDITORIALS

Huntington revisited

Students now have positive attitude toward learning

After an in-depth report in the Daily Press revealed that many of Huntington Middle School's students were so disruptive that there was no atmosphere for learning in the classrooms, Newport News School Superintendent Eric Smith labeled Huntington a school "in crisis." Because of the steps the school administration has taken in response to the problems, there has been remarkable change at Huntington in the past year.

Now the school has gained the attention of Secretary of the U.S. Department of Energy Hazel O'Leary. The Cabinet officer showered attention on the students Wednesday because of their positive attitude toward learning.

O'Leary promised, and then delivered, financial assistance for a science project designed by the students.

The plan is to build a greenhouse for an ongoing botany lesson. The students plan to grow plants — vegetables to give to homeless people and flowers to be sold to raise money.

Learning, giving and earning. That's a great combination for seventh graders.

There's also a lesson for the community's adults. Some people were ready to give up on many of these young people. But with the right kind of attention and motivation, they are learning to be productive members of society.

Circulation 17,500 Daily
18,000 Sunday

AIKEN STANDARD
Aiken, South Carolina

Sunday - January 22, 1995
Page 1A and 5A
Page 1 of 1

DOE To Offset SRS Job Losses

From Staff Reports

The Department of Energy will announce in February plans to compensate for contractor workforce reductions at former nuclear weapons production facilities like the Savannah River Site, a press release circu-

lated by DOE Friday afternoon stated.

Also to be included in February's announcement are plans to reduce costs and increase productivity in the cleanup of facilities like SRS, the release stated.

Officials at DOE were not available for comment Friday evening.

The statement from DOE comes on the heels of its announcement of a proposal to cut approximately 4,000 contracted employees of SRS — which possesses the largest workforce in the DOE complex — by 1997.

According to the release, each DOE site will develop workforce restructuring plans

consistent with the National Defense Authorization Act for 1993.

Those plans promise to assist displaced employees in the following ways:

- Voluntary separation programs allow

(Please See DOE, Page 5A)

... DOE

(Continued From Page 1A)

employees to receive incentive payments and reduce layoffs.

➤ Medical benefit extensions ensure that displaced workers and their families will not be without medical insurance.

➤ Re-training assistance — Tuition reimbursements to assist displaced employees in preparing for new careers.

➤ Relocation assistance.

➤ Outplacement assistance provides resume preparation and other employment-searching training.

➤ Comprehensive computer data base that matches the skills of displaced employees with job openings related to DOE across the country.

"To ensure that the unique needs of each site are met, employees, community leaders, governmental officials, union representatives and others will be involved in the development of work force restructuring plans," the release stated.

Sunday - January 22, 1995
Page B2
Page 1 of 1

STATE

**Former D.C. official hired
for MUSC environmental post**

CHARLESTON— The Medical University of South Carolina has hired a former executive in Washington Mayor Marlon Barry's administration who was tried and found innocent of charges of bribery and conspiracy to defraud.

David E. Rivers, a Moncks Corner native, has been hired to help communities become informed on environmental issues like what should be done with the stock pile of spent nuclear rods at nuclear power plants, said R. Martin Jones.

Jones is the director of MUSC's \$28 million Environmental Hazards Assessment Program and a \$5 million program to study the storage of radioactive material at nuclear power plants, both funded by the U.S. Department of Energy.

In 1990, Rivers had been tried on a charge of selling a contract to an undercover FBI agent posing as a Georgia businessman. Rivers was the chief executive of the District's Department of Health and Human Services.

Officials did not know of Rivers' 1990 trial but Jones said it would have made no difference.

"This guy is qualified," said W. Marcus Newberry, MUSC provost and vice president for academic affairs.

Rivers will earn \$125,000 a year.

Lawmakers get reassurance on Hanford cleanup

O'Leary says DOE will honor agreements despite pressure to make spending cuts

ASSOCIATED PRESS *B-2 pt*

WASHINGTON — Despite pressure to make big spending cuts at the Energy Department, Secretary Hazel O'Leary assured Northwest lawmakers Thursday that the DOE will not back off its cleanup agreements at the Hanford Nuclear Reservation.

"I can't back off because I'm bound in a legal contract," O'Leary said.

O'Leary told a House subcommittee it may be necessary to review some of the timetables in the cleanup agreement with the Environmental Protection Agency and the states of Washington and Oregon. But she said no changes would be made without the full support of the states.

"I cannot pretend that agreements made may not be at risk," O'Leary said.

But "we are not going to do anything that would put at risk our agreement or relationship with the states. We will move hand in hand with you and the states," she told the House Appropriations subcommittee on the interior.

"I understand we cannot renegotiate," she said. "If we need to do something different, we'll do it to-

gether."

O'Leary was responding to questions from Reps. Norm Dicks, D-Wash.; George Nethercutt, R-Wash.; and Jim Bunn, R-Ore., all members of

the panel.

Nethercutt said recent newspaper reports in his state indicated the DOE wasn't getting its money's worth in nuclear-waste-cleanup programs. He said he wants to be sure the department "does not end up spending thousands of dollars on pizza for employees."

O'Leary responded, "I don't think the problem has been spending money on pizza.

"It has been spent on assessments so we can understand and have the courage to take the steps we need to," she said. "This is tough, dirty, dangerous work."

O'Leary said historically private contractors were given wide latitude to complete DOE projects, with little government oversight.



Hazel O'Leary

"With the greatest respect to the private sector, they, in fact, in years past, were running it. It was being run by the private sector with no direction," she said.

She said the Cold War mentality dominated work at Hanford.

"For so long at Hanford, the main attitude has been 'get the work done. There's a war. There's one enemy from which we have to protect us,'" she said.

"I think we've done a darn better job over the last two years than we'd done the previous five or six years. ... I cannot in two years improve 47 years of neglect," she said.

O'Leary said the DOE intends to cut \$10.6 billion from its budget over the next five years, a reduction of about 10 percent.

That will include about \$4.4 billion in nuclear-waste cleanup nationwide, she said.

"The area where there will be the most controversy is in environmental restoration and waste management. Our largest reductions will come in that area," she said.

O'Leary also said she is interested in taking bids from private companies to do work on vitrification projects at Hanford, intended to help turn nuclear waste into glass.

"I like the idea," she said.

(Handwritten scribbles)

Clips

JANUARY 21, 1995

Daily Press

O'Leary plans Hampton Roads visit

By Mark Di Vincenzo
Daily Press

U.S. Secretary of Energy Hazel R. O'Leary is scheduled to be in Hampton Roads on Wednesday to, among other things, stump for President Clinton, who will deliver the State of the Union address Tuesday night.

O'Leary, a native of Newport News, is expected to visit Christopher Newport University, the Continuous Electron Beam Accelerator Facility and Norfolk State University. At CNU, O'Leary is to speak Wednesday morning to students, staff and faculty in the Admini-



O'LEARY

about that," said CNU spokesman John Campbell.

After Clinton's State of the Union last year, O'Leary came to Newport News to help sell his health care plan. From CNU, she is scheduled to go to CEBAF, a Department of Energy physics lab,

where she is to meet with Huntington Middle School students who want to show O'Leary a proposal for an energy-efficient greenhouse they designed.

It's our understanding that since the State of the Union address is the night before that she will have something to say

where she is to meet with Huntington Middle School students who want to show O'Leary a proposal for an energy-efficient greenhouse they designed.

Last year, during a visit to CEBAF, O'Leary challenged the students to come up with a project to benefit their school that the Energy Department might fund.

And they came up with the greenhouse idea, said Linda Ware, a CEBAF spokeswoman.

After that, O'Leary is to go to NSU, where she is to meet with reporters and then with students, said Robert Poole, NSU's vice president for development.

Argonne avoids layoffs

Brandon Loomis
Post Register

The Department of Energy has officially pegged Argonne National Laboratory's funding for this fiscal year at \$104 million — enough to avert forced layoffs but not enough to reverse the lab's decision to trim 100 people through early retirement.

Congress approved \$94 million for Argonne last year when it discontinued the Integral Fast Reactor research at the lab's Idaho branch. That was not enough to shut and clean the IFR prototype reactor, so the department requested a redirection of \$39 million from other DOE and military budgets. Congressional committees approved only \$21 million of that, which takes care of the reactor with enough left over for Argonne to experiment with some IFR-spawned processes to prepare nuclear waste for burial.

The fuel-cycling equipment built to recycle the usable uranium from spent IFR fuel also can be used to separate wastes into disposable categories.

On Friday, Idaho's U.S. senators and Rep. Mike Crapo berated the final decision to boost the budget as an important step in dealing with the country's nuclear-waste backlog.

Sen. Dirk Kempthorne added that the cooperation between the delegation and the department, contrasting with the disputes last year surrounding IFR's demise, signals a new relationship.

"We have worked very closely with the Department of Energy, and we are on the verge of a new cooperative relationship with the DOE," he said. "We're now working together to deal with the important issue of spent fuel."

Argonne officials have said they expect about half of the 100 people taking early retirement at the end of this month to come from Idaho and the other half from lab headquarters near Chicago.

Argonne-West at the Idaho National Engineering Laboratory employs nearly 900 people.

Economic growth slowdown spurs Batt to make cuts

Bob Flick
Associated Press

BOISE — Republican Paul Batt promised voters he would check the growth of the government spending because he philosophically believed government had gotten too big.

But the administration's new forecast indicates there are real economic reasons for the new chief executive's heightened approach to doling out Idaho's tax dollars.

For the second straight quarter, Division of Financial Management analysts lowered key projections in its outlook for the Idaho economy through the end of Batt's four-year term.

And questions mark about the future of Mountain Home Air Force Base, the Idaho National Engineering Laboratory, Commerce

ministry-saving corporate downsizing, the uncertain decision of Morton Technology Inc. and the ability of the Federal Reserve to properly manage the national economy only reinforced their restraint.

To be sure, the now-dramatized Idaho economy is expected to grow even under the worst possible conditions, but the rate of growth will be much lower than it has been over the last seven years.

In fact, Batt said after assessing the forecast in preparation for his opening-session address to lawmakers, "We may be entering relatively flat economic times."

Meridian employment, which grew by an average of 5 percent a year for the past three years, will exceed 3 percent annual growth this



East

year and next and average less than 4 percent through 1994. The loss of jobs in mining has finally stopped, but the recovery will be modest at best, and the timber sector is expected to be squeezed by declining demand as housing starts fall off and timber supplies due to reduced harvests on federal lands. And that carries over into construction, where 1994's employment peak of nearly 29,000 plunged below 27,000 this year and will stay there.

Food processing and agricultural chemical production will grow only slowly, and the dramatic growth in the high technology sector that made Idaho one of the top job-creating states in the nation in recent years will slow to half the pace of the recent past.

And, analysts said, "Given the outlook for employment, it is not surprising that wage and salary payments are lower than previously projected."

In fact, total personal income will increase at an annual rate of about 7 percent over the next four years after posting 8 percent year by year since 1991.

The softening of what was one of the nation's most robust state economies begins during

the second half of last year. Although unemployment averaged just over the record low of 6.1 percent, the jobless rate jumped dramatically in the summer and fell to 6.4 percent in December.

Harvest-Parkland is in the midst of cutting its work force by 700 to under 5,000. The INEL is adding more than 1,200 jobs by fall, and Associates, Deputy Energy Secretary. Eugene Schmitt said last week that "there's going to be another round of reductions. We're in the process of scaling that out. The intention is that it be done soon."

And just on Friday, Boise Concrete Corp. announced the permanent closure of its Charcoal mill on March 31 because it can no longer obtain the large diameter logs the mill harvests.

CHICAGO SUN-TIMES

JAN 21 1995

Deal Will Save Some Argonne Jobs

By Basil Talbott

Sun-Times Washington Bureau

WASHINGTON—Enough money has been lined up to preserve the jobs of many of the 450 researchers at Argonne National Laboratory threatened with layoffs, with the hope the rest will take early retirement.

"This is news that could be better and could be worse," lab spokeswoman Catherine Foster said after Sen. Carol Moseley-Braun (D-Ill.) announced Friday that partial funding had been released.

About 150 employees of the lab in Lemont and an additional 100 workers at a sister site

in Idaho were offered early retirement in hopes of avoiding any layoffs. Because no one has signed up so far, it won't be known if layoffs can be avoided until the Feb. 6 deadline for the retirement plan.

The jobs were threatened when the Illinois congressional delegation failed to get \$118.8 million Argonne needed to continue a nuclear reactor research project. Only \$83.8 million was approved last year.

To fill the gap, Moseley-Braun and Sen. Paul Simon (D-Ill.) reached agreement with the Energy Department to seek an extra \$33.2 million to hold employees for work related to shutting down the Integral Fast Reactor pro-

ject at the lab. About \$21 million of their request was approved by relevant committees. But the House Armed Services Committee refused the senators' request to release an additional \$12 million that would have covered all the employees slated to be laid off because the reactor research is being shut down.

Deciding no more was available, the Energy Department moved to distribute the \$21 million for alternative tasks that passed muster in committees. The rescued employees will work on fuel handling and disposal.

Taking an optimistic view, Moseley-Braun asserted in a press release, "With this level of funding, there will be no forced layoffs."

102

More trimming of work force foreseen at INEL

Brandon Loomis
Post Register

Suddenly, it's not fashionable to be an environmental-management lab for the Department of Energy.

Labs like the Idaho National Engineering Laboratory that shifted to a largely environmental mission in the early 1990s enjoyed budgeting preference in Washington. But now that the department must trim \$10 billion over five years and take nearly half of that from environmental programs, the environmental labs are increasingly viewed as excessive, said a DOE official charged with helping former defense labs move on to new missions.

"The general perception in Washington at least, is that we're out of control, that we're just throwing money

INEL

From Page B1

at it, that we've inherited a work force leftover from the weapons program," Eugene Schmitt told about 75 people at a joint dinner Thursday of the American Nuclear and Health Physics societies.

Schmitt is associate deputy secretary for facility transition and management.

"It was a sexy mission when it first started out, so it attracted a big budget," he said. Then DOE failed to show any immediate results — no cleaned up nuclear sites — and the euphoria faded.

Workforce reductions like the 1,250 announced for the INEL are just the start, Schmitt said.

"There's going to be another round of reductions," he said, not indi-

cating how many might land in Idaho. "We're in the process of sorting that out. The intention is that it be done soon."

While slashing the budget, DOE wants to tie the remaining dollars to results, Schmitt said. Whereas environmental project managers in the past could get money just by saying their goals were worthy, now they will have to show how they intend to measure the results.

The redeeming factor for the INEL may be that one of its strengths is research and development of environmental technologies, which remains a priority for the Clinton administration, Schmitt said.

"I think that bodes well for INEL, or at least that part of INEL that works in that area."

Don Vernon, who listened to Schmitt to get an idea how budget cuts might affect his environmental-planning business, said he was troubled by

some of what he heard.

"It's too early in the process to tell," said Vernon, of INEL subcontractor Ecology and Environment Inc. But it seems DOE is being forced to put too much emphasis on cutting environmental projects instead of other things like nuclear energy.

"When's the last time somebody built a nuclear reactor in this country? There's not a large need for nuclear energy."

Getting "leaner and meaner" with the budget is fine, Vernon said, but politics shouldn't penalize worthy environmental cleanups that are showing real results.

"I just want to see the cleanup progress."

Schmitt thinks the belt-tightening, painful as it is, may yield some positive results. By forcing people to justify their expenses, DOE may produce quicker results that regain the confidence of Washington, he said.

The Virginian-Pilot

THURSDAY
JANUARY 26, 1995

50¢ SERVING SOUTHEASTERN VIRGINIA AND NORTHEASTERN NORTH CAROLINA

130th Year, No. 45

Q&A



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DEPARTMENT OF ENERGY SECRETARY

HAZEL O'LEARY

Staff writer James Schultz spoke with the Newport News native about her department's policies and prospects.

Q How would you describe to the average person exactly what the Department of Energy does?

A It has a three- or four-pronged mission. The heart and soul of it is science and technology. The Department of Energy has responsibility for 27 national laboratories, whose science and technology have really powered progress and growth in the United States in the last 40 years.

We're responsible for the super-computing that now makes it possible for us to solve problems. I would then go to our national defense mission, our national security mission, responsible for the civilian side of designing, manufacturing, the material for and building of the nuclear weapons that helped us to win World War II and the Cold War.

We have responsibility for the cleanup of all of the toxic and poisonous material used to produce those weapons that helped us win the cold and the hot wars. Finally, we have the responsibility for setting and implementing the national resources policy of this nation.

It is a department whose reach is awesome and impacts the lives of every American, albeit they don't realize it.

Q One of the local issues in Hampton Roads has been nuclear waste — the fact that the area is a ship-through point for U.S. waste shipped mostly from Europe. What is the DOE doing to change its nuclear-waste disposal policy?

A Several things. First of all, the people here in Tidewater need to understand the United States is trying to move bomb-grade material out of the hands of people who cannot secure it. Twenty years ago, we signed a treaty with our counterparts in Eastern and Western Europe, saying: "If you will stop using weapons-grade nuclear material for your research reactors, those reactors that help us develop the isotopes with which we're treated for thyroid condition, with which we get a CAT scan and the like, we agree to take that material back." We wanted those research reactors to use a much lower-grade nuclear material.

We're taking as much material as we can possibly get back. We don't want it on the market where

Department of Energy Secretary Hazel O'Leary, who spoke at Norfolk State University on Wednesday, has been ranning across the country talking up the Clinton administration agenda

Q&A: Nuclear-waste disposal policy

Continued from Page D1

nuclear nations such as Iran, Israel and Iraq can get it and use it. And we don't want it to fall in the hands of terrorists.

Q. What's the future of nuclear power in this country? What are we going to do when we have to decommission these aging nuclear reactors on which we've come to rely for power?

A. When I came into the job as the secretary of energy, the commitment made in 1981 to have a deep repository for the spent commercial nuclear fuel had not been met and could not have been met. Several people in the Congress this year have introduced legislation to untie my hands so that I can start on an interim facility which would be government-owned or operated, but does not force each utility to store at site.

It's going to be a big debate as we go through the 104th Congress. Some utilities, if the government does not provide this interim storage facility, might have to close

down their generating stations. We cannot as a nation afford to do without that energy.

Q. Are we looking aggressively enough into alternative energy sources, like solar and wind power?

A. Yes, to quote one of my favorite movies and books, "I'm Dancing as Fast as I Can." When we came into this administration, the expenditure and the commitment to alternative energy and energy efficiency were very modest. We've changed that in terms of the way we focus our work and the way we focus our budget.

We presented in the first year, five weeks after we were in office, the first billion-dollar budget in support of alternative energy and renewable energy.

In the time since I last left the Carter administration, I've seen wind power become competitive in the marketplace. Solar, photovoltaics are very promising. There's a firm right here in Newport News that produces thin (photovoltaic) film that can be used for applications on roofs and is very acceptable esthetically.

Q. With all the talk about government downsizing, is the Department of Energy worth keeping? Why shouldn't it be abolished and its various functions folded into other Cabinet-level agencies?

A. We have looked at the constitutionally mandated functions, especially in the national security and the nonproliferation initiatives. We've looked at the science and the technology. And we've looked at the environmental management work.

And we've asked ourselves two questions. One: How does it get run best? It gets run best if it's effective and it's cohesive and it has a mission. We're cohesive, we have a mission and, more importantly, we've shown we can run the department as a business proposition.

I've already saved \$5 billion in two years, before anybody told me to, because as a good businessperson I knew I could. I have now committed to save \$10 billion over five years.

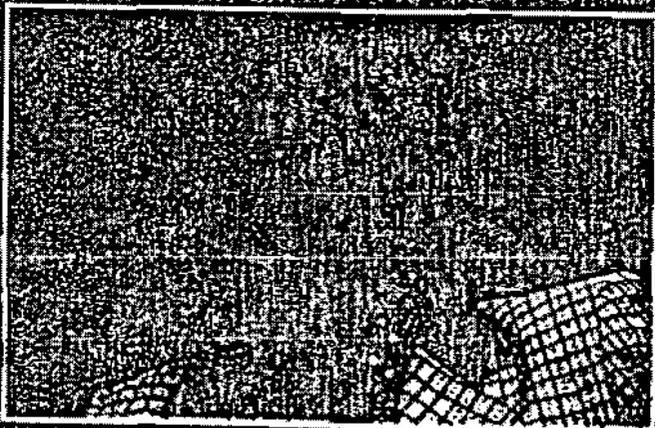
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Continued from Page D1

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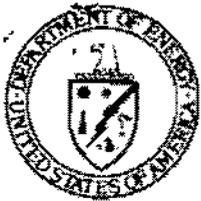
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The Secretary of Energy
Washington, DC 20585

OLIVIA PANETTA
ES 95-001928

February 2, 1995

MEMORANDUM FOR LEON PANETTA

FROM: HAZEL R. O'LEARY

Transmitted via LotusNotes
to Cabinet Affairs

SUBJECT: Weekly Report

PRESIDENTIAL INITIATIVES

Upcoming Visits to India and Leading a Presidential Delegation to China

I will leave next Thursday for a short visit to India followed by a lengthy trip to China. In China, I will be accompanied by 60 U.S. business leaders representing the power development, financial, energy efficiency, renewable energy, oil and gas, and coal sectors. Leaders from several environmental groups and other Administration officials will also participate.

In India, I will be making several speeches including one to a trade show in which leading U.S. businesses are participating. I will meet with India's Finance Minister in an attempt to advance U.S. power projects. I will also meet with the Minister of Nuclear Energy to build on the progress we have made on nuclear safety matters. Finally, I will meet with Prime Minister Rao to review the progress made since my last visit which resulted in \$3 billion in private sector energy agreements and the initiation of bilateral discussions on energy matters.

Following India, we will visit Hong Kong, Shanghai and Beijing. Our goal is to engage the Chinese on policy matters necessary to continue to encourage foreign investment, especially investment in China's energy sector. We will also be advocating on behalf of several U.S. power, oil and gas, energy efficiency, and renewable energy projects. We will sign several government-to-government agreements designed to broaden our energy relationship and provide regular mechanisms to continue our policy discussions. Meetings are scheduled with several of the nation's most prominent political leaders. We are closely coordinating with relevant agencies on matters such as intellectual property and human rights issues.

KEY DEPARTMENT NEWS

Release of Bob Galvin's Report on the Future of the Department's Laboratory Complex

Bob Galvin, the Chairman of Motorola's Executive Committee, released his Committee's report on the future of the Department's National Laboratories this week.

The report was commissioned exactly one year ago. The Department expects that it will be able to embrace and implement a large percentage of the report's recommendations. A full Department response and action plan will be completed by March 7. The report provides a strong validation for the work of the National Labs in fundamental science, energy, and environment. The statements in these areas all strongly support Administration priorities.

The report provides strong validation to the Administration's approach to maintaining a reliable nuclear deterrent. One of the report's more controversial recommendations is that some of Lawrence Livermore National Laboratory's nuclear design activities be transferred to Los Alamos National Laboratory over the next five years. The report also includes a controversial proposal regarding "corporatization" of the laboratories. Initial political reactions are that such a proposal is unrealistic. All appropriate congressional committees and Administration officials were briefed on the contents of the report prior to its release. Due to the great interest in these matters, there has been extensive media coverage of the report. Congressional hearings are expected during February and March.

Controversies Associated with the Release of the Department's Fiscal Year 1996 Budget Request

There will be significant attention paid to the Department's fiscal year 1996 budget request. This is due to the \$14.1 billion in spending cuts and asset sales that are included in the request. Two items warrant attention.

The largest single proposed reduction is \$4.4 billion over five years in our weapons site cleanup program. The cuts will lead many States to question whether the Department has adequate resources to fulfill the commitments included in 92 compliance agreements, signed between the Department, States, and the Environmental Protection Agency to remediate these sites. Additionally, the cuts will necessitate reducing the contractor work force by 15,000 employees. The initiative will receive significant attention in States where we have large facilities (Colorado, Washington, Idaho, Tennessee). We have designed a program to mitigate the job losses in these States and a communication strategy to publicize our message.

The plans to sell four of the Nation's power marketing administrations will also receive much attention. This is particularly true of the initiative to sell the Western Area Power Administration because it serves millions of customers in several States.

OUTREACH

Meeting with Governor Beasley

I met with the Governor of South Carolina on issues affecting our Savannah River site. These issues included downsizing of the weapons complex, nuclear waste disposal, and whether the Department plans to site a new tritium production facility at Savannah River.

Testimony

I will testify before the Energy and Power Subcommittee of the House Commerce Committee next Wednesday on the Department's Fiscal Year 1996 Budget Request.

I will testify before the Senate Committee on Energy and Natural Resources on the Department's Fiscal Year 1996 Budget Request next Thursday.

MEDIA

Interview with the *Christian Science Monitor*

The *Christian Science Monitor* interviewed me on my upcoming trip to China and the Administration's strategies and efforts to open foreign markets.

Interview with National Public Radio

I conducted an interview with National Public Radio on similar issues for NPR's *All Things Considered* program.

Newsmaker Breakfast at the Press Club

Next week I will speak at a National Press Club Newsmakers Breakfast about my upcoming trip to China.

Press Surrounding the Release of the Galvin Report on the Future of the Lab

I held a briefing with the *New York Times*, *Washington Post*, *Los Angeles Times*, and several regional media on the findings of the Galvin Report.

U.S. DEPARTMENT OF ENERGY
OFFICE OF THE EXECUTIVE SECRETARIAT
DISPATCH DOCUMENT TRANSMITTAL FORM

CONTROL NO. ES: 95-001928		ACCRYS NO.		DATE SENT 02/03/95		DATE DUE					
TYPE OF DOCUMENT/ADDRESSEE MEMO SIGNED BY THE SECRETARY				SUBJECT WEEKLY REPORT							
FROM EXECUTIVE SECRETARIAT											
TO		ACTION COPY TO	INFO COPY TO	TO		ACTION COPY TO	INFO COPY TO				
THE SECRETARY				HEARINGS AND APPEALS (HG)							
DEPUTY SECRETARY				HUMAN RESOURCES AND ADMINISTRATION (HR)							
UNDER SECRETARY				INTELLIGENCE AND NATIONAL SECURITY (IS)							
BONNEVILLE POWER ADMINISTRATION (BPA)				INSPECTOR GENERAL (IG)							
CONGRESSIONAL 1, 19, 29, 39, 49 AND 59				LABORATORY MANAGEMENT (LM)							
CHIEF FINANCIAL OFFICER (CF)				NUCLEAR ENERGY (NE)							
DEFENSE PROGRAMS (DP)				PUBLIC AND CONSUMER AFFAIRS (PA)							
ECONOMIC IMPACT AND DIVERSITY (ED)				POWER MARKETING LIAISON OFFICE (PMA)							
ENERGY EFFICIENCY AND RENEWABLE ENERGY (EE)				POLICY, PLANNING AND PROGRAM EVALUATION (PP)							
ENERGY INFORMATION ADMINISTRATION (EI)				CIVILIAN RADIOACTIVE WASTE MANAGEMENT (RW)							
ENERGY RESEARCH (ER)				SCIENCE, EDUCATION AND TECHNICAL INFORMATION (ET)							
ENVIRONMENT, SAFETY AND HEALTH (EH)				MIS DIVISION							
ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT (ERW)											
FIELD MANAGEMENT (FM)											
FOSSIL ENERGY (FE)											
GENERAL COUNSEL (GC)											
OS/O'LEARY (ES CENTRAL FILES)		X									
ACTION REQUIRED (ES USE ONLY)				STAFF ACTION SUMMARY							
SIGNATURE				OFFICE	NAME/INITIALS	DATE					
APPROVAL				1							
INFORMATION				2							
CONCURRENCE				3							
COMMENTS AND/OR REMARKS				4							
X OTHER (SEE REMARKS)				5							
REMARKS: THE ATTACHED MEMO WAS SIGNED BY THE SECRETARY ON FEBRUARY 2, 1995, AND RETURNED TO THE OFFICE OF THE EXECUTIVE SECRETARIAT FOR DISTRIBUTION.				6							
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ES CONTACT: ARLENE MITCHELL 6X8924 LE											



The Secretary of Energy
Washington, DC 20585

February 9, 1995

OLWHPANETTA

ES95-002410

CENTRAL FILE COPY
OLWHPANETTA
ES-95-002410

MEMORANDUM FOR LEON PANETTA

FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

Transmitted to White House
via Lotus notes 2/9/95, 8:30 p.m.

PRESIDENTIAL INITIATIVES

Upcoming Visit to India and Leading a Presidential
Delegation to China

I will leave today for India followed by a lengthy trip to China. I will be meeting with Prime Minister Rao and Finance Minister Singh to advance U.S. power projects, and with the Minister of Nuclear Energy to continue the cooperation and progress we have made on nuclear safety matters. In these meetings we will review the progress made since last July when I led a Presidential Mission during which \$3 billion in private sector energy agreements were reached and bilateral discussions on energy matters were initiated. On this visit, I will open the U.S. exhibition of cutting-edge energy technologies at India's largest trade fair. Over 200,000 business executives from around the globe are expected to attend.

In China, I will be accompanied by 85 business and government leaders from the U.S. representing the power development, financial, energy efficiency, renewable energy, oil and gas, and coal sectors. Leaders from several environmental groups and others from our Administration will also participate.

We will visit Hong Kong, Shanghai and Beijing. The delegation will promote trade and investment transactions that will deliver clean, affordable energy to fuel China's economic growth with U.S. technology, capital and expertise. We will emphasize the importance of establishing a proper policy framework to ensure that proposed deals reach financial closure. Finally, the mission will establish a government-to-government structure to facilitate regular energy policy talks aimed at resolving problems and advancing sustainable development. I will also be meeting with several of the nation's most prominent political leaders to advance this agenda.

Agreements Signed Advancing President's Climate Change Action Plan

On the backdrop of international climate change negotiations, we signed agreements this week with five electric utilities to reduce their greenhouse gas emissions in 2000 to levels at or below 1990. Two other utilities, Texas Utilities and the Tennessee Valley Authority, are also making large commitments to reduce emissions from what they would have been. These initiatives will also reduce emissions of local pollutants that adversely impact health and the environment. The signings occur as international negotiations are about to resume in New York on implementation of the climate change provisions of the 1992 Rio Accord.

KEY DEPARTMENT NEWS

Release of the Department's Fiscal Year 1996 Budget Request

Significant attention was paid to the Department's fiscal year 1996 budget request, particularly regarding the \$14.1 billion in spending cuts and asset sales that are included and the requested budget increase for fiscal year 1996. The \$300 million increase in the fiscal year 1996 budget versus fiscal year 1995 reflects several new initiatives, particularly in the national security and science areas. It also reflects the costs of downsizing, particularly in environmental management where up to \$200 million will be required in fiscal year 1996 for major work force reductions.

The budget announcement received significant attention nationally and in States where we have large facilities (Colorado, Washington, Idaho, Tennessee). We have designed a program to mitigate the job losses in these States and a communication strategy to publicize our message.

The plans to sell four power marketing administrations also received much attention. This is particularly true of the initiative to sell the Western Area Power Administration which serves millions of customers in several States.

OUTREACH

Testimony

Wednesday, February 8, 1995, I presented an overview of the Department's fiscal year 1996 budget to the House Energy and Power Subcommittee of the House Committee on Commerce. In opening comments both Commerce Committee Chairman Bliley and Subcommittee Chairman Schaefer stated their support for the

continuation of the Department as a Cabinet-level agency and the Department's current work to produce savings and create a more efficient agency. The members expressed concern about, and in some cases opposition to, the Administration's proposal to privatize and ultimately sell the power marketing administrations. On the issue of risk assessment, I stated that the risk-assessment provisions of H.R. 9 would impede the Department's ability to clean up the nuclear waste complex. Members also expressed great interest in the Department's plans to store and dispose of nuclear and hazardous waste, including commercial, Naval, and foreign research reactor spent fuel. I stated that Congress must provide the Department with the authority to provide interim storage for commercial spent fuel and pass off-budget legislation for the Nuclear Waste Fund.

The Committee requested that the Department provide spending priorities for the budget because the Subcommittee will make cuts to the fiscal year 1996 budget. The Chairman did not indicate the size of the proposed cuts.

February 9, I presented an overview of the Department's fiscal year 1996 budget to the Senate Committee on Energy and Natural Resources. The Senators raised all of the issues raised at the House hearing described above. However, the Senators were more pointed in their questions about the Department's and Administration's activities. There was almost unanimous bipartisan opposition to the Administration's plan to privatize of the power marketing administrations. Several Senators expressed strong dissatisfaction with the Administration's lack of support for initiatives that would support the oil and gas industry, particularly after the President and DOE Deputy Secretary White met with 60 members of Congress last fall.

The Committee stated that it will cut at least \$500 million dollars from the Department's fiscal year 1996 request. Chairman Murkowski requested that the Department provide its spending priorities.

MEDIA

National Press Club Briefing

I briefed international press on my upcoming trip to China and the Administration's strategies and efforts to open foreign markets. There was great interest in the recent U.S. trade embargo and its relationship to our mission.

Women's Media Club

I gave the keynote address at the Women's Media Club in New York on our openness initiative.

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U.S. DEPARTMENT OF ENERGY
OFFICE OF THE EXECUTIVE SECRETARIAT
DISPATCH DOCUMENT TRANSMITTAL FORM

CONTROL NO. EE- 95-002410		ACCRYS NO.		DATE SENT 2/10/95		DATE DUE	
TYPE OF DOCUMENT/ADDRESSEE MEMORANDUM FOR LEON PANETTA FROM THE SECRETARY				SUBJECT WEEKLY REPORT			
FROM EXECUTIVE SECRETARIAT							
TO		ACTION COPY TO	INFO COPY TO	TO		ACTION COPY TO	INFO COPY TO
THE SECRETARY				HEARINGS AND APPEALS (HG)			
DEPUTY SECRETARY				HUMAN RESOURCES AND ADMINISTRATION (HR)			
UNDER SECRETARY				INTELLIGENCE AND NATIONAL SECURITY (IS)			
BONNEVILLE POWER ADMINISTRATION (SPA)				INSPECTOR GENERAL (IG)			
CONGRESSIONAL 1, 1B, 2B, 3B, 4B AND 5B				LABORATORY MANAGEMENT (LM)			
CHIEF FINANCIAL OFFICER (CF)				NUCLEAR ENERGY (NE)			
DEFENSE PROGRAMS (DP)				PUBLIC AND CONSUMER AFFAIRS (PA)			
ECONOMIC IMPACT AND DIVERSITY (ED)				POWER MARKETING LIAISON OFFICE (PMA)			
ENERGY EFFICIENCY AND RENEWABLE ENERGY (EE)				POLICY, PLANNING AND PROGRAM EVALUATION (PP)			
ENERGY INFORMATION ADMINISTRATION (EI)				CIVILIAN RADIOACTIVE WASTE MANAGEMENT (RW)			
ENERGY RESEARCH (ER)				SCIENCE, EDUCATION AND TECHNICAL INFORMATION (ET)			
ENVIRONMENT, SAFETY AND HEALTH (EH)				MIS DIVISION			
ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT (EM)							
FIELD MANAGEMENT (FM)							
FOSSIL ENERGY (FE)							
GENERAL COUNSEL (GC)							
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ACTION REQUIRED (ES USE ONLY)				STAFF ACTION SUMMARY			
	SIGNATURE			OFFICE	NAME/INITIALS	DATE	
	APPROVAL			1			
	INFORMATION			2			
	CONCURRENCE			3			
	COMMENTS AND/OR REMARKS			4			
X	OTHER (SEE REMARKS)			5			
REMARKS: THE ATTACHED MEMO WAS SENT TO THE WHITE HOUSE VIA LOTUS NOTES ON FEBRUARY 9, 1995. THIS COPY IS BEING FORWARDED TO YOUR OFFICE FOR YOUR FILES.				6			
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				REMARKS:			
ES CONTACT: ARLENE MITCHELL 6X8924				ML			



The Secretary of Energy
Washington, DC 20585

February 16, 1995



MEMORANDUM FOR LEON PANETTA
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

Sent to Cabinet Affairs via
LotusNotes 2/16/95, 5:50 pm

KEY DEPARTMENT NEWS

- Presidential Delegation to China

I will lead a Presidential Mission on Sustainable Energy and Trade to China February 19-24. The goals of this mission are to: 1) promote trade and investment partnerships; 2) facilitate cooperation on sustainable development policies; and 3) establish a structure for bilateral problem-solving on energy, environment and science. Seventy energy leaders will accompany me from business, environmental organizations, and government. This mission, which coincides with difficulties in the U.S.-China intellectual property rights negotiations, exemplifies our Administration's comprehensive engagement strategy.

AGENCY WORK ON PRESIDENTIAL INITIATIVES

- 11th International Negotiating Committee Meeting on Climate Change

The International Negotiating Committee on Climate Change met in its 11th and final session in New York, February 6-16. Two major issues dominated the discussion: the "adequacy of commitments" under the present convention and the establishment of an international joint implementation program. The discussion was highly contentious on both issues. While the final session is still underway, it appears that these two issues will result in documents forwarded to the First Conference of the Parties containing general language that fail to resolve these issues prior to the first Conference of the Parties, to be held in Berlin in March 1995. Industry is concerned that these issues have not been resolved.

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- Testimony

612005
March 2, 1995, I will speak before the Senate Energy and Natural Resources Committee focusing on the Nuclear Waste Policy Act of 1995 (S. 167).

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REGULATORY ACTION

- **External Requests**

Proposed Regulatory Moratorium. The Department has responded to a letter from Congressman Dingell requesting information relating to the proposed regulatory moratorium (H.R. 450), including final rules issued since November 9, 1994, and upcoming rulemaking actions through December 31, 1995.

Risk Assessment Legislation. In response to a request from the Congressional Budget Office, the Department has estimated that the cost impact of risk assessment legislation (H.R. 9, Title III) on its environment, safety and health programs would be \$265 million annually and require an additional 190 staff positions. We are currently working to estimate the cost impact on DOE's environmental management program, which we believe would be significant and delay cleanup efforts. Senate Energy Committee has scheduled a hearing on risk assessment, focusing on environmental management issues, for March 6, 1995 at 2:00 p.m.

- **Upcoming Rules**

Energy Savings Performance Contracts. The Department is proposing to issue a final rule to establish a five-year pilot program of energy savings performance contracts designed to accelerate investment in cost effective energy conservation measures in existing Federal buildings and thereby save taxpayer dollars. Such contracts typically provide for installation of energy conservation measures financed with private sector funds which are repaid out of the resulting energy costs savings over time.

- **Point-of-Contact for Regulatory-Related Issues**

I've designated the Department's General Counsel, Robert Nordhaus, as the principal point-of-contact for all regulatory-related issues.

PRESS INQUIRIES

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The *Los Angeles Times* has requested and received records concerning all of my travel since February 1993. A story is expected this weekend.

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WEEK IN REVIEW

Mission to India

I had a very successful return visit to India where I met with Prime Minister Rao, Finance Minister Singh, Minister of Power Salve, and Atomic Energy Commission Chairman Chidambaram.

Our mission coincided with ENCON '95, a biannual energy-related trade fair sponsored by the Confederation of Indian Industries. Over twenty U.S. energy firms participated in a DOE-organized presentation at this year's conference.

The mission produced 23 new projects between U.S. and Indian firms. These projects, amounting to \$1.4 billion, raise the total amount to approximately \$10 billion in sustainable energy investments by U.S. and Indian companies since my first trip to India in July 1994. (*See Attachment A*)

The projects are diverse -- utilizing sustainable development technologies, demand-side management programs, and renewable energy to meet the energy requirements of India. They employ a broad range of technologies, including hydro, solar, wind, and other renewables, as well as energy efficiency programs. This impressive increase in preference for American firms will have economic payoff in the U.S. for years to come. Exports in new high technology equipment will expand, new jobs will be created, and new manufacturing economies will result in accelerated market growth. It is also estimated that these projects will result in the creation of 20,000 jobs in India.

I conducted press briefings with *USA Today*, *the Washington Post*, National Public Radio's *Marketplace*, *the Asian Wall Street Journal*, *the Los Angeles Times*, *the Associated Press*, *the Far Eastern Economic Review* and *Time Magazine*.

- **Advisory Committee Examines Options for Improving Nuclear Safety Oversight**

Today, I announced the formation of a Federal Advisory Committee on External Regulation of Department of Energy (DOE) Nuclear Safety. The panel will recommend, by the end of this year, how existing and new DOE facilities and operations should best be overseen to protect environment, safety and health, eliminate unnecessary oversight, and reduce costs.

The Committee's charter responds to a growing sentiment within the Department, at DOE facilities, and by external observers that DOE self-regulation is cumbersome and inefficient, and that external regulation could improve safety and cut costs. Work of the Committee follows on the recently released Galvin Task Force Report on the DOE Laboratories, which concluded that the Department should shift laboratory oversight and inspection functions to other Federal agencies.

- **Response to Republican Call for DOE Dismantlement**

Deputy Secretary William White and Under Secretary Charles Curtis responded in a press availability to a Republican proposal on Tuesday to dismantle the Department. They stressed that when the same idea surfaced in the Reagan Administration, it was dismissed by the Congressional Budget Office, General Accounting Office, and Senator James McClure (R-ID), then-Chairman of the Senate Energy Committee.

They argued that dismantlement did not make sense then and does not make sense now. Cost savings are limited, and disruptions to national security and cleanup efforts are certain. Instead of seeking cost savings through dismantlement, the Department has committed to \$14.1 billion in savings over five years and a strategic alignment of the agency.

- **Support for Study on U.S. Oil Dependence**

The Department today announced its strong support for Commerce Department recommendations that the Administration continue its aggressive policies to improve

national energy and economic security and decrease the growing U.S. dependence on imported oil. In addition to the actions described in the Commerce Department report, the Administration is continuing its efforts to develop additional cost-effective policies to enhance domestic energy production.

Last March, in a petition filed under Section 232 of the Trade Expansion Act, the Independent Petroleum Association of America asked the Department of Commerce to investigate what impact imported oil and refined petroleum products has on national security. That study was released today.

The Commerce Department study concludes that the Nation's growing reliance on low-priced crude from unstable foreign sources threatens national security by increasing U.S. economic vulnerability to oil supply interruptions. The study recommends that the most beneficial action the Administration could take is to aggressively pursue efforts to improve U.S. energy security. In a press statement, Deputy Secretary Bill White stressed that the most prudent way to deal with any security threat posed by U.S. dependence on foreign oil is to reduce consumption at home and increase domestic energy production. He added that if our nation had not utilized new technologies to increase energy efficiency, we would consume almost 3 million barrels per day more of imported oil than we do today.

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The Secretary of Energy

Washington, DC 20585

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BHEL**Donaldson**

Donaldson Company, Inc. of Minnesota has formed a joint venture with Munradtech Services Private Ltd. to manufacture U.S. technology-based air filtration subsystems for gas turbine electricity generating units. This project will create about 50 new jobs in the manufacturing sector. The joint venture (D.I. Filter Systems Private Ltd.) has already obtained start-up funding (\$500,000, in the form of a low-interest loan) from the U.S. Agency for International Development (USAID) that will enable construction of its manufacturing facility in India. This sales contract with BHEL (worth \$115,000) represents the joint venture's first sales transaction in India.

Delhi Community Development Project**Mokul International Private Ltd.****EFH Coal Co.**

EFH Coal Company of Pennsylvania signed a Memorandum of Understanding with Mokul International Private Ltd. to form a joint venture for developing an integrated energy production/community development project involving solar thermal energy, a coal preparation facility, and a fluidized bed coal combustion power generating unit, with associated coal ash processing facility to make fertilizer and building materials, and a wastewater treatment facility. The project will also include construction of greenhouses and a fish farm to efficiently utilize what would otherwise be waste heat from the project. The power production portion of the project will generate a total of about 100 megawatts, serving a population of about 100,000 (including industry). Benefits include the generation of much-needed electrical power and an integrated, sustainable approach to power generation and community development. The total investment is estimated at about \$750 million. Funding will come from outside investors, with both EFH and Mokul retaining significant equity interest. Once this agreement is signed, the joint venture entity will be in place, and project activities can be initiated.

Electricity Transmission/Dispatch Technologies Evaluation**Bombay Suburban Electric Supply Ltd.****EPRI**

The Electric Power Research Institute, based in California, signed a Memorandum of Understanding with the Bombay Suburban Electric Supply Ltd. to establish a partnership to evaluate the applicability of EPRI's electricity transmission & distribution (T&D) technologies in India. Potential benefits include improved electricity transmission, which cuts transmission losses and lowers power costs. Cooperative activities will begin once this agreement is signed.

Photovoltaics Demonstration Project**Renewable Energy Systems Ltd.****EPRI**

The Electric Power Research Institute, based in California, signed a Memorandum of Understanding with Renewable Energy Systems Ltd. to establish a partnership for design, installation, and evaluation of a 2 megawatt photovoltaic power project. Benefits will include development of a cost-effective renewable energy production technology for use in isolated areas of India. Once this agreement is signed, the next step will be conceptual design and a joint search for additional sources of project funding.

Renewable Energy Cooperative Activities

Ministry of Nonconventional Energy Sources

EPRI

The Electric Power Research Institute, based in California, signed a Memorandum of Understanding with the Government of India's Ministry of Nonconventional Energy Sources to establish a partnership for evaluating renewable energy sources within India, including wind energy, photovoltaics, biomass energy, and hydroelectric power. The potential benefits to India include the identification of new and efficient sources of energy, and institutional training. Cooperative activities will begin once this agreement is signed.

Electrotechnologies for Industrial Applications

Thermax, Ltd.

EPRI

The Electric Power Research Institute, based in California, signed a Memorandum of Understanding with Thermax Ltd. to establish a partnership for development within India of electricity-utilizing applications such as water purification, medical waste sterilization, and food processing. This project will contribute to more efficient use of electricity. Cooperative activities will begin once this agreement is signed.

State-of-the-Art Power Plant Services

L&T—Sargent & Lundy, Ltd.

EPRI

The Electric Power Research Institute (through its SEPRIL Inc. U.S.A. joint venture with Sargent & Lundy, Inc.) signed a Memorandum of Agreement with India-based L&T—Sargent & Lundy Ltd. This agreement will set out the basis for a joint marketing / working arrangement providing technical and financial evaluation services in support of the "State-of-the-Art Power Plant" (a.k.a. "SOAPP") computer program and related products developed by Sargent & Lundy/SEPRIL and sponsored by EPRI. Potential benefits to India include the introduction of advanced software to facilitate design and retrofit of power plants, resulting in savings to consumers. This agreement represents the first commercial use of an EPRI-developed technology within India.

Renewable Energy Collaborative Activities

Indian Renewable Energy Development Agency

EPRI

The Electric Power Research Institute, headquartered in California, signed a Memorandum of Understanding with the Indian Renewable Energy Development Agency (IREDA) to establish a partnership for evaluation and technology transfer in the area of renewable energy. The potential benefits accrue from the widespread introduction of new technologies, and the establishment of a renewable energy training center in India. Cooperative activities will begin once this agreement is signed.

Photovoltaic Energy Power Plant**Solaris Systems, Ltd.****Intech Global Resources, Inc.**

Intech Global Resources, Inc. of Texas signed a Memorandum of Understanding with Solaris Systems, Ltd. to develop a 2 megawatt photovoltaic energy power plant in Kerala state. The overall value of the project is \$10 million.

Udhaya Semiconductors Pvt. Ltd.**Intech Global Resources, Inc.**

Intech Global Resources, Inc. of Texas signed a Memorandum of Understanding with Udhaya Semiconductors Pvt. Ltd. to develop inverters and allied hardware for grid interaction of non-renewable energy schemes with the conventional grid.

Commercial Sales Transaction**ABAN Lloyd Chiles Offshore, Ltd.****Kenotech**

Kenotech Windpower Inc. of California signed a sales contract with ABAN Lloyd Chiles Offshore Ltd. for delivery of 600 advanced technology wind turbines valued at \$150 million that will be used to generate 200 megawatts of electrical energy. This project offers a substantial increase in the generating capacity available in India of clean, sustainable windpower.

Biomass-fueled Cogeneration Projects**TER/OPIC****Lockheed Environmental Services**

Lockheed Environmental Systems and Technologies (LESAT) of Texas, along with partner Econergy International Corporation (EIC) of Colorado have formed a partnership with Tata Energy Research Institute (TERI) to develop two 50 megawatt bagasse-fueled power plants in Uttar Pradesh state valued at \$50 million each. This consortium signed a financial assistance contract with the United States Overseas Private Investment Corporation (OPIC). Potential benefits include increased power generation using inexpensive, widely-available bagasse. OPIC has agreed to provide \$120,000 in financial assistance that will fund a necessary feasibility study for these projects.

Advanced Power and Energy Efficiency Center Project**Energy Management Centre****J. Makowski Company****Apollo Hospital Group**

Bechtel and the Apollo Hospital Group of India signed a Memorandum with the Energy Management Centre of the Government of India's Ministry of Power to develop an advanced technology 200 megawatt power generating facility in Delhi state. 50 megawatts of this capacity will be derived from a renewable energy source, and the facility will also have an exhibit area that will showcase different energy efficiency technologies that are appropriate for India. The overall value of the project is \$300 million.

Energy Efficiency Cooperative Activities**Energy Management Centre****Oak Ridge National Laboratory**

The Oak Ridge National Laboratory (ORNL), located in Tennessee, signed a Memorandum of Understanding with the Energy Management Centre of the Government of

India's Ministry of Power to promote scientific and technological cooperation between India and the U.S. in the area of energy efficiency. Projected cooperative activities include exchanges of personnel and non-proprietary technical information, joint testing of equipment, and co-sponsorship of seminars and conferences in the area of energy efficiency. Funding for these activities will be the joint responsibility of ORNL and India's Ministry of Power. Cooperative activities will begin once this agreement is signed.

Photovoltaic Power Development

NEPC Micron, Ltd.

Omnion Power Engineering Company

Omnion Power Engineering Corporation of Wisconsin signed a contract with NEPC Micron Ltd. for the supply and installation of a 100 kilowatt grid-interactive photovoltaic power plant in Tamil Nadu state, on the site of one of NEPC's existing wind farms. It is anticipated that the innovative combination of photovoltaics and wind power, when proved successful, will lead to widespread adoption of this approach on existing wind farm sites across India.

Industrial and Commercial Energy Efficiency Program

First Custodian Fund (India), Ltd.

Oxford Consultants

Oxford Consultants International Inc. of Maryland signed a Memorandum of Understanding with First Custodian Fund (India) Ltd. to establish a joint venture (First Oxford Technologies India Ltd.) aimed at improving industrial and commercial energy efficiency in India. This project will accelerate the introduction of energy saving technologies in India, by means of identification and implementation of appropriate cogeneration and energy conservation projects. Once this agreement is signed, the next step will be to initiate energy efficiency audits in the industrial and commercial sectors that will result in significant energy savings.

Efficiency in Energy Production and Use

Energy Consultants Private, Ltd.

TENSA

TENSA Inc. of Texas signed a Memorandum of Understanding with Energy Consultants Private Ltd. (ENCON) to establish a joint venture (TENSA-ENCON Private Ltd.) aimed at improving efficiency in the areas of energy production and use within India. Fields of expertise include energy conservation, process integration, cogeneration, and renewable energy. This joint venture will speed the introduction of energy saving technologies in India. Once this agreement is signed, the next step will be to initiate energy efficiency audits in the industrial and commercial sectors that will identify windows of investment opportunity for energy efficient projects.

Specialty Power Plant Services

Thermax, Ltd.

Tennessee Valley Authority

The Tennessee Valley Authority (TVA) signed a Memorandum of Understanding with Thermax Ltd. to establish a joint venture that will provide specialty welding services based on technology not previously utilized in India. Benefits will include improved plant performance and lower operating costs for power plants. Additional benefits are employment

and training for a significant number of skilled craftspeople. The joint venture is also planning to offer these special services in other emerging world markets.

Wind Energy Development Project

Pentafour Solec Technology, Ltd.

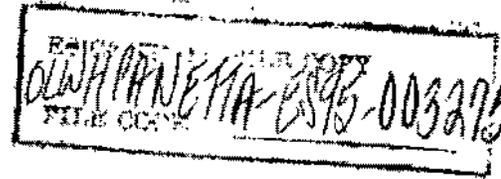
Zond International Devel. Corp.

Zond International Development Corporation of California, along with partner Blue Chip Technologies, signed a Memorandum of Understanding with Pentafour Solec Technology Ltd. to establish a joint venture specializing in wind energy. The first identified project will be a wind energy farm in Tamil Nadu state. A total of 60 megawatts will be developed, with a total investment of about \$15 million. Once this agreement is signed, the partners will initiate project design activities, and develop the business plan for the project's financial management.

vn



The Secretary of Energy
Washington, DC 20585



February 23, 1995

MEMORANDUM FOR LEON PANETTA
FROM: HAZEL R. O'LEARY
SUBJECT: Weekly Report

Hazel R. O'Leary

KEY DEPARTMENT NEWS

- Presidential Delegation to China

I concluded the first phase of a Presidential trade mission to China by overseeing the signing of eight private sector agreements representing more than \$1 billion. The agreements cover a wide range of energy-related sectors including energy efficiency, clean coal technology, natural gas development, and electric power generation. The signing of these agreements represents a tremendous amount of coordination and cooperation on the part of many people. It will bring significant economic, environmental, and employment benefits to China and the United States.

More than 75 American business executives and environmental leaders, representing every segment of the energy industry, are included in the delegation. The group encompasses small, medium, and large companies, as well as women and minority entrepreneurs. U.S. Government officials include representatives from the Export-Import Bank, the Environmental Protection Agency, and the Departments of Commerce and Energy.

CONGRESS

- Testimony

- *February 28, 1995*, I will testify before the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources jointly with the Subcommittee on Energy and Water Development of the Committee on Appropriations regarding the Task Force on Alternative Futures for the Department of Energy National Laboratories. Mr. Robert Galvin, former CEO of Motorola and chairman of the Task Force, will also testify.
- *March 2, 1995*, I will testify before the Senate Energy and Natural Resources Committee on the Nuclear Waste Policy Act of 1995 (S. 167).

- *March 7, 1994*, I will testify before the House Appropriations Energy and Water Development Subcommittee to give a budget overview of all Department of Energy programs under the Committee's jurisdiction.
- *March 14, 1994*, I will testify before the House Appropriations Interior and Related Agencies Subcommittee.

REGULATORY ACTION

External Requests

The Senate Committee on Energy and Natural Resources plans a hearing on risk/cost-benefit issues on March 6. Although no invitation letters have been transmitted, we understand that the intention is for two panels to provide testimony.

- Panel 1: Alice Rivlin, OMB; Thomas Grumbly, Assistant Secretary for Environmental Management, Department of Energy; and Victor Rezendez, General Accounting Office.
- Panel 2: Gary Powers, Carnegie Commission; Steven Milloy, Regulatory Impact Analysis Project, Inc.; John Applegate, Cincinnati College of Law; and Ernie Davenport, Chief Executive Officer, Eastman Chemical.

Upcoming Rules

Alternative Fuel Vehicle Acquisition Requirements. In accordance with the Energy Policy Act, next week the Department will issue a notice of proposed rulemaking setting out requirements for the acquisition of alternative fuel vehicles by State governments and certain fuel providers.

Detroit automakers have expanded the availability of alternative fuel vehicles in the past two years and are expected to bring numerous models to the market in model year 1996. The goal is for fleets to lead the way to a greater use of alternative fuels. The Federal fleet has helped blaze the trail by acquiring almost 17,000 alternative fuel vehicles since 1992. Many State governments already have aggressive alternative fuel programs that will be complemented and reinforced by this action. Benefits to the Nation include reducing reliance on imported oil, economic development and job creation through domestic alternative fuel production, and cleaner air in our cities.

Acquisition Regulation. Also next week, the Department will issue a notice of proposed rulemaking to amend the Department of Energy Acquisition Regulation to replace detailed requirements for management and operating contractor acquisition systems with "guiding principles" necessary for contractor purchasing systems to meet commercial standards.

PRESS INQUIRIES

• **Positive Coverage of China Trade Mission**

The Presidential Trade Mission to China received a great deal of positive media attention including coverage by the *Washington Post*, the *New York Times*, the Associated Press, and Reuters. A *USA Today* reporter is travelling with the delegation.

• ***America's Defense Monitor***

Under Secretary Charles Curtis will appear on *America's Defense Monitor* to discuss the Department's defense and cleanup budgets as well as the future of the Department. The program, which will air in March, is produced by the Center for Defense Information.

FOIA REQUESTS

In addition to the Freedom of Information Act requests included in the report last week, the Department has received an additional request from the *Los Angeles Times* requesting travel records for me and anyone who accompanied me on a number of domestic and international trips.

WEEK IN REVIEW

• **Response to Proposed Rescissions to the Fiscal Year 1995 Budget**

We reacted strongly in the press and on Capitol Hill to recent actions by the House Appropriations subcommittees that threaten the funding of key programs in the Department of Energy's current 1995 budget. These cuts strike at the heart of programs critical to the Nation, including:

- Protecting the health and safety of workers involved in nuclear waste cleanup throughout the country,
- Reducing the country's dependence on foreign oil, and
- Maintaining the Nation's scientific and technological leadership in the global marketplace.

The proposed cuts total more than \$200 million.

DOE, Energy Service Companies Launch Joint Effort to Cut Energy Use, Save Money

This week, we launched partnership between the Department of Energy and the National Association of Energy Service Companies (NAESCO) that could save building owners as much as \$700 million annually in energy costs by year 2000. NAESCO members are responsible for installing and managing energy systems. Under the new joint effort, DOE and the energy service companies will encourage building owners to reduce their energy use and save money by investing in energy-efficient equipment. DOE and NAESCO will also educate building owners about the benefits of energy efficient technologies available in new space conditioning, lighting, water heating, and refrigeration equipment.

SECRETARY'S SCHEDULE

Calendars have been transmitted through the Office of Cabinet Affairs LotusNotes calendar system.

SUB-CABINET SCHEDULE

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The Secretary of Energy
Washington, DC 20585

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DEPARTMENT OF ENERGY SUB-CABINET TRAVEL

1995

February

1995

SUNDAY	MONDAY	TUESDAY	WEDNESD	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7	8	9	10	11
12	13	14 DS White - Orlando, FL	15 Dreyfus - Las Vegas, NV Hakes - Orlando, FL	16 US Curtis - Keystone, CO	17 US Curtis - Keystone, CO	18
19 Nordhaus - China Tierney - China	20 Nordhaus - China Tierney - China	21 Nordhaus - China Tierney - China	22 Nordhaus - China Tierney - China	23 Nordhaus - China Tierney - China	24	25
26	27	28 DS White - Arlington, TX Ervin - Salem, OR				

March

1995

1995

SUNDAY	MONDAY	TUESDAY	WEDNESD	THURSDAY	FRIDAY	SATURDAY
			1 US Curtis - Amarillo, TX	2 US Curtis - Amarillo, TX	3 US Curtis - Amarillo, TX	4
5	6	7 US Curtis - Las Vegas, NV Tierney - Houston, TX	8 US Curtis - Las Vegas, NV Tierney - Houston, TX	9 US Curtis - Las Vegas, NV	10	11
12	13	14	15	16	17	18
19	20	21	22 Taylor - Chicago, IL	23 Taylor - Chicago, IL	24 Taylor - Chicago, IL	25
26	27	28	29	30	31	

DEPARTMENT OF ENERGY SUB-CABINET TRAVEL

1995

April

1995

SUNDAY	MONDAY	TUESDAY	WEDNESD	THURSDAY	FRIDAY	SATURDAY
						1
2 DS White - Mexico (T)	3 DS White - Mexico (T)	4 DS White - Mexico (T)	5 DS White - Mexico (T)	6 DS White - Mexico (T)	7	8
9	10	11	12	13	14	15
16	17	18 US Curtis - Boston	19 US Curtis - Chicago	20 US Curtis - Chicago	21	22
23	24	25	26	27	28	29
30						