INTRODUCTION

I am pleased to be invited to meet with the Board today. Just this past week, I completed one year as Director of the program. My last formal meeting with you was shortly after my confirmation and I gave you my appraisal of the problems confronting the program.

My experience, and new developments since that time, have confirmed some of my early impressions and changed others. I will share some of my current views with you today.

I believe that we can continue to pursue the site suitability determination, and the subsequent licensing of a repository, within the general statutory and regulatory parameters that we now have. I am convinced that the effort can be performed in a scientifically and socially defensible manner while meeting rational requirements for cost control and the political requirements to make demonstrable progress and maintain meaningful target dates.

I contend that we have taken the initiatives that are necessary to put the program on that basis. It will, of course, take a while for initiatives to ripen into work in progress.
I do not mean to imply that I am confident of the ultimate outcome. The undertaking is fraught with uncertainties. The physical characteristics of any geologic setting are inherently complex and the technical challenges of very long term predictive modelling are unprecedented. More significantly, perhaps, the ultimate objective is to provide adequate assurance to society that the permanent geologic disposal of high level waste can meet acceptable standards of health, safety and environmental protection. In the final analysis the test of adequacy must be, and will be, a social judgement made in a political setting. We cannot have certainty that the judgement will be favorable, even if the technical attributes of the undertaking meet our scientific notions of acceptability.

Our mission is to do an honest and competent job of collecting sufficient data, doing rational analyses and making the showing necessary for the regulatory and political decisions to proceed.

I think we can do that, and do it within the constraints of time and money that will be allowed us. The alternative, of course, would be to abandon the deep geologic disposal option by default, before a social judgement on the merits can be made.

SITE SUITABILITY EVALUATION

In the face of limited resources, we must concentrate the scientific work first on the essential factors in the site suitability determination and next upon the additional
support required for regulatory determinations. In order to manage the program and demonstrate progress, we must set forth explicit tasks, associate the tasks with target dates and costs and then we must control progress against those measures. I believe we have captured these objectives in the approach we are taking. Steve Brocoum and members of his staff will be describing the approach in detail in their presentations.

I will reiterate that we are not making a choice between continuing the program as it was or moving to some new approach for expedient reasons. The continuation of the program as it was is not any longer a viable option. External criticism of the anticipated delays, and the glaring inconsistency between the project work plan and the available resources could no longer be ignored.

The initial reception of our revised approach has been encouraging. Most participants and reviewers, while rightfully cautious, have taken a constructive attitude toward helping us accomplish our objective. The Congress, acting on the faith that we can and will accomplish it, agreed to the Administration's proposed forty percent increase in funding in FY 1995, despite severe, government-wide budgetary restrictions. I am hopeful that the future year funding profile that was proposed with the FY 1995 budget can be realized in the face of even more restrictive deficit controls in the years ahead.
1995 FISCAL YEAR ACTIVITIES

We continued to operate in a severely constrained funding situation in Fiscal Year 1994. We have found that in Fiscal Year 1995, despite the large increase, the program requires tough priority choices and severe cost control to maintain the targets we have set for accomplishments.

Yucca Mountain Site Characterization

Most of the additional funding we received for FY 1995 will be allocated to the Yucca Mountain Site Characterization Office. Progress will be made on the evaluation of site suitability, National Environmental Policy Act compliance, resolution of licensing issues, and acquisition of the information needed to support these efforts.

In the coming year, we plan to finalize our site suitability evaluation process reflecting stakeholder input. We will prepare technical and compliance documentation to support decisions on five higher-level findings for guideline conditions related to surface processes.

We will begin the formal NEPA process and will initiate scoping activities for the statutory Environmental Impact Statement for the repository. In the licensing area, we will complete the next revision of our Annotated Outline for a repository license.
application and issue it as a DOE document for the first time. We also expect to complete the second in a series of three topical report on seismic hazards for submittal to the Nuclear Regulatory Commission for review.

Data acquisition and analysis activities will support progress in achieving our near-term milestones for suitability and licensing. These activities include both surface-based testing and construction and testing in the exploratory studies facility (ESF). With respect to the ESF, we started test-phase operation of the tunnel-boring machine last month and we will aggressively pursue an optimum schedule for TBM operations within the constraints of the budget. Over the next 12 months, we will continue tunnelling and testing in the north ramp of the ESF to acquire data and support our FY 1995 and FY 1996 milestones related to site suitability. In parallel with ESF construction, we plan to develop geologic maps of the underground excavation, collect and analyze rock and water samples, and conduct hydrologic tests in selected locations.

We expect to continue our surface-based testing work with a funding increase over FY 1994. We will emphasize testing and monitoring in existing drillholes. As part of this approach, we will be reexamining every investigation in our technical program to assess if the program is meeting the needs of suitability and licensing.
A major priority for FY 1995 will be to assemble, analyze, and qualify our existing data. The focus of this will be to provide information for the technical analyses that we need as input which is required to demonstrate compliance with the siting guidelines. Performance assessment modelling will play an important role in our evaluation of the significance of site conditions and processes to the performance of the repository. Our principle objective for FY 1995 activities is to demonstrate measurable progress toward a decision about the suitability of the Yucca Mountain site.

**Waste Acceptance and Near-Term Storage**

Waste acceptance and near term storage activity in FY 1995 will concentrate on the multi-purpose canister (MPC) and compliance with NEPA. In support of this initiative, we plan to conduct scoping meetings in advance of preparing an Environmental Impact Statement for the decision on deployment of these canisters.

We will finalize a topical report on burn-up credit for storage and transportation and submit it to NRC staff for review. I expect to address this issue with the NRC Commissioners when I give them a semi-annual briefing in December.

We will be evaluating the technical and cost proposals for MPC design and certification that were called for in June. We would expect to complete the review of
the proposals in FY 1995 and award one or more contracts. We will then meet with NRC staff and the awardees to discuss certification plans for the MPCs and development of Safety Analyses Reports.

**Management Improvements**

In FY 1995, we have placed a high priority on several aspects of program management. These include clarifying organizational roles, making changes to enable federal leadership to exercise appropriate control, and making participants more responsible and accountable for their work. We expect to achieve major benefits with the consolidation of our major participants under the technical direction of the Management and Operating (M&O) contract. Effective last week, Science Applications International Corporation joined the M&O team. We will be pursuing further integration and rationalization of the contractor arrangements. When we fully coordinate both the Yucca Mountain Site Characterization Office and our Headquarters elements of the program, the program will be integrated across organizational and geographic lines.

**THE POLICY SETTING**

Beyond the immediate programmatic activities, I expect that during the next Congressional session we, and probably you, will also be involved with a significant public debate concerning national radioactive waste management policy. Judging
from the existing lawsuits on waste acceptance, public expressions of key members of Congress, and the extensive lobbying efforts already under way, there is little doubt that Congress will address radioactive waste policy next year. It is much less certain what the result may be.

The dimensions of the debate are taking form. There is a need to relieve the constraints imposed upon the use of the Nuclear Waste Fund due to caps on discretionary appropriations. I expect the Administration to propose again an approach to remove the constraints. There is broad consensus that some solution should be found. Deficit control, however, is a strong political imperative and the way out of the current impasse remains elusive.

The nuclear utilities and many reactor States have made clear their intention to seek an aggressive interim storage initiative. They have proposed that the Congress instruct and authorize the Department to take possession of spent fuel at the earliest possible time. The physical facilities to accomplish this goal, and especially the siting of those facilities, are somewhat less specific in the proposals.

It is certainly timely for the Congress to address this issue. The program needs guidance, and probably new authority, to define its role in the near term management of commercial spent fuel.
A related issue is that the national policy does not now include a contingency plan should the Yucca Mountain site prove to be unacceptable. If the site is rejected, we will confront at least a period of several decades while another site is chosen and explored. In some circumstances, a negative decision about Yucca Mountain might imply suspension or even total rejection of the geologic disposal strategy. The national policy ought to include a Congressionally authorized and mandated contingency approach to address those possibilities. Reliance upon extended at-reactor storage for many decades would, in my view, be a serious public policy failure. In any event, it should not become our national waste management strategy by default.

I expect these issues to be discussed in the next Congress. I hope that the OCRWM will make a substantive contribution to the debate, especially by providing sound advice on the practicality of proposed concepts. Meanwhile, we have to establish confidence that the mission we now have is being pursued in an effective and efficient way.

We will try to build your confidence during the meeting today. We believe that many of your earlier comments have been incorporated in the approach we have taken and we need your help in refining it.