AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

111th Congress, 1st Session – – – – – – – – – – – – – – House Document 111–65

A REQUEST FOR BUDGET AMENDMENTS FOR FISCAL YEAR 2010

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

FY 2010 BUDGET AMENDMENTS FOR THE DEPARTMENT OF ENERGY



SEPTEMBER 24, 2009.—Referred to the Committee on Appropriations and ordered to be printed

---

U.S. GOVERNMENT PRINTING OFFICE
79–012 WASHINGTON : 2009

THE WHITE HOUSE,
Washington, September 17, 2009.

Hon. NANCY PELOSI,
Speaker of the House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: I am committed to investing in energy technologies that accelerate the transition to a low-carbon economy, create the energy jobs of the future, and continue to promote the development of the domestic production of clean energy. Our efforts to do so will improve the economy, reduce dependence on oil, and decrease greenhouse gas emissions. To that end, as part of the constant assessment of energy policy, I ask the Congress to consider the enclosed FY 2010 Budget amendments for the Department of Energy. This $30 million request would support the development of enrichment technology that could someday serve as a domestic fuel source for nuclear energy and national security. The request also could support the Department's nuclear nonproliferation mission. These amendments would be fully offset through reallocations from within the Department of Energy. These amendments would not increase the overall budget authority level of the FY 2010 request.

Details of these requests are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

BARACK OBAMA.

[Estimate No. 7, 111th Cong. 1st Sess.]

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 17, 2009.

The PRESIDENT,
The White House.

You have stressed the importance of investing in low-carbon energy jobs and securing our energy future. As you are aware, the Secretary of Energy has requested authority to provide $30 million in funding for domestic gas centrifuge enrichment technology demonstration activities during FY 2010. This funding would support efforts to develop domestic gas centrifuge enrichment technology so that it can move to commercial scale uranium enrichment operations and potentially serve as a domestic source of fuel for nuclear power and the enrichment requirements of the Defense community. In support of these efforts, submitted for your consideration are amendments to your FY 2010 Budget for the Department of Energy (DOE).

These amendments would reallocate a total of $30 million within the existing DOE request and would not increase the overall budget authority level of your FY 2010 Budget request. The amendments would realign $15 million from the Defense Nuclear Nonproliferation account to the Nuclear Energy account. The remaining $15 million would be provided from within the Nuclear Energy account. The decrease in funding for Defense Nuclear Nonproliferation would not affect planned programs, as the expectations for the pace of expenditure of these funds has been revised since the Budget was submitted. The reallocation within the Nuclear Energy account would come from a redirection of research and development activities funding within the Generation IV Nuclear Energy Systems program. Programs impacted by these amendments are described below.

DOMESTIC GAS CENTRIFUGE ENRICHMENT TECHNOLOGY

The $30 million total increase requested for this effort would support ongoing development by USEC, Inc. of a domestic gas centrifuge uranium enrichment technology licensed from DOE. The technology was originally developed by DOE and the Department continues to see promise in it. USEC intends to bring the technology into full-scale commercial operation but it is not yet commercially viable. DOE has defined a series of specific milestones that the technology must meet and to help achieve these milestones, DOE supports funding $30 million for these efforts during FY 2010 through a cost-shared cooperative agreement. If the technology succeeds, it is expected to reach an annual production capacity of 3.8 million separative work units of enriched uranium per year. This would be enough enriched uranium to fuel about 38 typ-

ical 1,000 megawatt commercial nuclear reactors for a year. The technology could also support DOE's nuclear nonproliferation mission.

GENERATION IV NUCLEAR ENERGY SYSTEMS PROGRAM

Of the total $30 million request for domestic gas centrifuge enrichment technology, $15 million would be provided through a reallocation from within the Nuclear Energy account. This reallocation would come from amounts originally intended for the Generation IV Nuclear Energy Systems Program.

DEFENSE NUCLEAR NONPROLIFERATION

The remaining $15 million that is needed for the Nuclear Energy account for domestic gas centrifuge enrichment technology would come from a requested decrease to the Defense Nuclear Nonproliferation account from amounts originally requested for denuclearization activities in the Democratic People's Republic of Korea. As a result of a rephasing of expenditures, $15 million of that request can be reallocated from this program without impacting the denuclearization agenda.

RECOMMENDATION

I have carefully reviewed these amendments and am satisifed that they are necessary at this time. Therefore, I join the Secretary of Energy in recommending you transmit these proposals to the Congress.

Sincerely

PETER R. ORSZAG,
Director.

Enclosures.

DEPARTMENT OF ENERGY

NATIONAL NUCLEAR SECURITY ADMINISTRATION

DEFENSE NUCLEAR NONPROLIFERATION

FY 2010 Budget Appendix Page: 407
FY 2010 Pending Request: $2,136,709,000
Proposed Revision: −$15,000,000
Revised Request: $2,121,709,000

(In the appropriations language under the above heading, delete "$2,136,709,000" and substitute *$2,121,709,000*.)

This amendment would reduce the Defense Nuclear Nonproliferation account by $15 million. The reduction will be taken from funding requested for denuclearization activities in the Democratic People's Republic of Korea (DPRK) within the Nonproliferation and International Security program. This reduction will not impact the denuclearization agenda.

The $15 million decrease to this account would be used to offset a proposed increase to the Nuclear Energy account, as described in the accompanying amendment. Taken together, the overall budget authority requested in the FY 2010 Budget would not be increased.

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

NUCLEAR ENERGY

FY 2010 Budget Appendix Page: 417
FY 2010 Pending Request $761,274,000 [1]
Proposed Revision: $15,000,000
Revised Request: $776,274,000

(In the appropriations language under the above heading, delete "$761,634,000" and substitute *$776,274,000*; and add the following after the words "until expended" and just before the deleted proviso:

, of which $30,000,000 is for domestic gas centrifuge enrichment technology.)

This amendment would result in a net increase to the Nuclear Energy account of $15 million. Since a total of $30 million is necessary to establish a program to support domestic gas centrifuge enrichment technology research and development, another $15 million would be provided by reallocating funds from within the Nuclear Energy account. This funding would come from amounts originally intended for research and development activities in the Office of Nuclear Energy's Generation IV Nuclear Energy Systems program.

The proposed $15 million increase to the Nuclear Energy account would be offset by a proposed decrease to the Defense Nuclear Nonproliferation account, as described in the accompanying amendment. Taken together, the overall budget authority requested in the FY 2010 Budget would not be increased.

[1] The total FY 2010 appropriation amount requested for the Nuclear Energy account in the FY 2010 Budget Appendix is incorrectly shown as $761,634,000. The correct FY 2010 pending request is $360,000 less, or $761,274,000, as shown in this amendment and in the FY 2010 Congressional Justification materials provided to the Congress by the Department of Energy.

○