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PENDING NOMINATIONS OF SARRI, KIMBALL, KENDALL, WASSMER, MURRAY AND KOTEK

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

ON

THE NOMINATIONS OF KRISTEN JOAN SARRI, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR (POLICY, MANAGEMENT AND BUDGET); DR. SUZETTE M. KIMBALL, TO BE DIRECTOR OF THE UNITED STATES GEOLOGICAL SURVEY; MARY L. KENDALL, TO BE INSPECTOR GENERAL AT THE DEPARTMENT OF THE INTERIOR; VICTORIA MARIE BAECHER WASSMER, TO BE UNDER SECRETARY OF ENERGY; DR. CHERRY ANN MURRAY, TO BE DIRECTOR OF THE OFFICE OF SCIENCE AT THE DEPARTMENT OF ENERGY; AND JOHN FRANCIS KOTEK, TO BE AN ASSISTANT SECRETARY OF ENERGY (NUCLEAR ENERGY)

OCTOBER 20, 2015

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CONTENTS

OPENING STATEMENTS

	Page
Murkowski, Hon. Lisa, Chairman, and a U.S. Senator from Alaska	1
Reed, Hon. Jack, a U.S. Senator from Rhode Island	3
Cantwell, Hon. Maria, Ranking Member, and a U.S. Senator from Washington	4
Capito, Hon. Shelley Moore, a U.S. Senator from West Virginia	5
Manchin III, Hon. Joe, a U.S. Senator from West Virginia	5

WITNESSES

Sarri, Kristen Joan, to be an Assistant Secretary of the Interior (Policy, Management and Budget)	7
Kimball, Dr. Suzette M., to be Director of the United States Geological Survey	13
Kendall, Mary L, to be Inspector General at the Department of the Interior	20
Wassmer, Victoria Marie Baecher, to be Under Secretary of Energy	30
Murray, Dr. Cherry Ann, to be Director of the Office of Science at the Department of Energy	34
Kotek, John Francis, to be an Assistant Secretary of Energy (Nuclear Energy)	39

ALPHABETICAL LISTING AND APPENDIX MATERIAL SUBMITTED

Cantwell, Hon. Maria:	
Opening Statement	4
Capito, Hon. Shelley Moore:	
Opening Statement	5
Kendall, Mary L.:	
Opening Statement	20
Written Testimony	22
Responses to Questions for the Record	150
Kimball, Dr. Suzette M.:	
Opening Statement	13
Written Testimony	15
Responses to Questions for the Record	129
Kotek, John Francis:	
Opening Statement	39
Written Testimony	41
Responses to Questions for the Record	217
Manchin III, Hon. Joe:	
Opening Statement	5
Murkowski, Hon. Lisa:	
Opening Statement	1
Murray, Dr. Cherry Ann:	
Opening Statement	34
Written Testimony	36
Responses to Questions for the Record	205
Reed, Hon. Jack:	
Opening Statement	3
Sarri, Kristen Joan:	
Opening Statement	7
Written Testimony	10
Responses to Questions for the Record	79

Page

Vitter, Hon. David:
Letter for the Record 48
Wassmer, Victoria Marie Baecher:
Opening Statement 30
Written Testimony 32
Responses to Questions for the Record 193
Wyden, Hon. Ron:
Letter for the Record 227

PENDING NOMINATIONS OF SARRI, KIMBALL, KENDALL, WASSMER, MURRAY AND KOTEK

Tuesday, October 20, 2015

U.S. SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
Washington, DC.

The Committee met, pursuant to notice, at 10:08 a.m. in Room SD–366, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

The CHAIRMAN. Good morning. The Committee will come to order.

We are here this morning to consider a total of six nominations before the Committee, three for each of the Departments that are under our jurisdiction.

For the Department of Energy we have Dr. Cherry Murray to be the Director of Office of Science, Ms. Victoria Wassmer to be the Under Secretary of Energy, and Mr. John Kotek to be the Assistant Secretary for Nuclear Energy.

For the Department of the Interior we have Ms. Mary Kendall to be Inspector General (IG), Dr. Suzette Kimball to be Director of the U.S. Geological Survey (USGS), and Ms. Kristen Sarri to be the Assistant Secretary for Policy, Management and Budget.

I have said before this Committee that Secretary Moniz, in my opinion, is doing a good job at the Department of Energy. I do not necessarily agree with everything, but he works with us. He listens to us, and I think that he deserves to have a team in place to support him.

Unfortunately, I am not able to say the same when it comes to the Secretary of the Department of the Interior. Instead, the Interior Department's record has been very frustrating, particularly if you are an Alaskan. We are seeing decisions out of the Department of the Interior that are really destroying our hope to be independent as a state.

Ms. Sarri, the Interior Department describes the position that you have been nominated for as providing overall policy direction, leadership, guidance and assistance on a broad range of management and operational issues. I would say that the Department needs serious help in those areas given the repeated policy disappointments that we are seeing in my state.

We had one bit of good news when the President came to the state in August when he made the decision to rename Mt. McKinley as Denali. We appreciated that.

But Interior has also closed off half of our national petroleum reserve which was specifically designated for oil production. It has stalled projects in the NPRA that would help restore throughput in our TransAlaska pipeline system. It has effectively locked nearly all of ANWR up as permanent wilderness despite opposition from 70 plus percent of Alaskans.

I am certainly not going to forget the heartless decision that Interior made to deny King Cove an 11-mile, life-saving road nearly two years ago or the absolute lack of assistance that Interior has provided since then as we have seen 32 more Medivacs from that community.

We have had more recent examples that get my attention in a very, very strong way. A few weeks ago the deteriorating regulatory environment played a key role in Shell's decision to abandon seven years of work and $7 billion in investment in the offshore Arctic. And just this past Friday, Interior rejected lease extensions and canceled the offshore sales that are scheduled for 2016 and 2017.

If you are an Alaskan and you are reading the headlines, you have to wonder what is going on within Interior. Why do they have it out for us? How can Interior set up a regulatory regime that prevents companies from having commercially viable exploration programs and then claim that it shows a lack of interest somehow in the Arctic?

So Ms. Sarri, this is a long way of saying that you are going to need to convince me that you are part of the solution and not part of the problem for Alaska at the Interior Department.

I have had good discussions with Ms. Kendall, but I am attempting to reconcile two conflicting impulses when it comes to this particular nomination. I strongly believe that Interior needs a permanent IG. I am disappointed the Administration has let the position go unfilled for six and a half years, but I am also committed to ensuring that the individual that we confirm is fully independent, with good judgment in difficult situations and a firm grasp of the responsibilities of an Inspector General, not only to the Secretary but to Congress as well. The law requires an IG to meet her independent obligations to Congress. While we expect that the IG always approach her work with civility, she must never compromise her independence.

Ms. Kendall, I am sure you understand that the bar for an IG is high, especially as your confirmation would be tantamount to a lifetime appointment. The tenure that you have been involved with us for in this position has been marked by controversy, so you will hear legitimate questions raised today as to whether or not you are the right fit for the permanent positions.

For the purposes of the Committee here this morning, we are going to be hearing again from all six of the nominees. Several of our colleagues will also introduce the candidates. There is a vote on the floor scheduled for 11 o'clock.

In terms of the order here this morning we will first hear from Senator Reed. After we hear from Senator Reed, who will introduce

Ms. Sarri, our fellow Committee members Senators Capito and Manchin will introduce Dr. Kimball. After those introductions we will ask the nominees to come forward, and then nominees will be invited to introduce their family members or any guests that are present. After those introductions I will swear in the witnesses, we will have a short statement from each nominee and then when the vote is called we will assess where we are. I would like to keep moving throughout the hearing this morning without taking a break, but we will assess that at the 11 o'clock hour.

With that, I would like to turn to our colleague, Senator Reed, from Rhode Island. Welcome to the Committee. I know you are a busy Senator this morning as well, so we appreciate you coming by to make the introductions.

STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE ISLAND

Senator REED. Thank you very much, Madam Chairman, Senator Cantwell, members of the Committee. I am delighted to be able to introduce Kris Sarri, the President's nominee to the Department of the Interior as Assistant Secretary of Policy, Management and Budget. Kris is joined today by her mother, Rosemary, her sister, Cathy, her niece, Gabriella, and her nephew, Alex, and I extend my warmest welcome to all of them.

Kris is a native of Michigan. She first began service on Capitol Hill in 2001 as the Legislative Director of the bipartisan Northeast Midwest Senate Coalition which I chaired along with Senator Collins, and in that capacity she brought thoughtful, bipartisan, analytical skills to bear on a daily basis.

She was somebody who worked both with Senator Collins and I very well and very effectively, and I think she will do that in the Department of the Interior. She always, indeed, made sure there was a thorough, thoughtful basis for the policies that the coalition proposed.

After her work there, I was so impressed I asked her to join my office. She did. She was a key member of my team with respect to appropriations, natural resources and energy issues. Superbly gifted, talented, intelligent, thoughtful, asks the right questions and with a temperament that really inspired, not only confidence but collaborations. So I cannot think, again, of a worthier nominee that would come before this Committee.

After leaving my office she was so good she was plucked away by the Department of Commerce where she was a Deputy Director of Policy and Strategic Planning and a principle advisor to the Secretary of Commerce. I think, once again, because of her success there, she was identified as someone who could add skill and expertise to the Office of Management and Budget. She served there as the Director of Legislative Affairs. Once again, contact with offices on both sides of the Hill in a bipartisan, thoughtful manner, and she really distinguished herself. She understands how policy works. She understands it is about principle, collaboration and compromise. She is particularly gifted when it comes to the issues in the environment that are so important to the mission of the Department of the Interior.

I know she is going to do a superb job, and I thank you very much, Madam Chairman, for having this hearing.

For my colleagues, she has got the temperament, the collaborative spirit, the tactical skills and the sincere commitment to serve the public interest with the highest standards. With that, I would urge the Committee's support, and once again, thank the Chairwoman for her gracious hospitality.

Thank you, Madam.

The CHAIRMAN. Thank you for joining us, Senator Reed.

Senator Cantwell? I did not mean to skip over you.

Senator CANTWELL. That is okay.

The CHAIRMAN. But felt that we should get our colleague here in and out of the Committee. I apologize, and I defer to you at this time.

STATEMENT OF HON. MARIA CANTWELL, U.S. SENATOR FROM WASHINGTON

Senator CANTWELL. That is quite alright. We appreciate our colleague being here and speaking on behalf of the nominee.

I thank the Chair for scheduling what I consider to be an important hearing and welcome all six of the nominees that are before us today because these are important positions.

We have six nominees whose work really is the underpinning of the missions of two of our departments that this Committee has jurisdiction over. We have before us nominees for the top management positions for the Department of the Interior and the Department of Energy, and I consider these key, essential people to helping our agencies work. We have the leads of both agencies' premier science groups, and they provide very important scientific information and research necessary for the Departments to help carry out their missions.

In addition, we have the head of the Nuclear Energy Office, who is responsible for designing safe nuclear reactors for the future and also finding a path forward for disposing of the waste from our current and past civilian and defense nuclear programs.

Finally, we have the Inspector General for the Department of the Interior, who is responsible for ensuring the integrity of the Department's diverse and important operations.

We are fortunate, I believe, to have six highly qualified, experienced nominees in front of us. Four of the six individuals have actually been performing the functions of these offices to which they are nominated in their current jobs and as the Principal Deputies to those offices—three of them for more than a year, so they have already demonstrated their fitness and ability to serve in the positions to which they have been nominated. Indeed, the Committee approved Dr. Kimball's nomination last year.

I look forward to hearing from all of these nominees this morning, and I know that my colleagues will have great questions for each of them. So thank you for helping us move these important positions.

The CHAIRMAN. Thank you, Senator Cantwell.

At this time I would ask the six nominees to come forward and we will have introductions, again, as I mentioned from Senator Capito and Senator Manchin for Dr. Kimball.

Senator Capito, if you would like to proceed with your introduction?

STATEMENT OF HON. SHELLEY MOORE CAPITO, U.S. SENATOR FROM WEST VIRGINIA

Senator CAPITO. Thank you, Madam Chair.

I apologize in advance for my voice or lack of, so this is probably a good thing I have no voice. I am very pleased to join my colleague, Senator Manchin, in introducing Dr. Suzette Kimball today. I met her in April when she came to visit and talk about her position and her nomination to be Director of the USGS.

I wanted to highlight a little bit about, how I feel the USGS really impacts a small state like West Virginia and how appreciative we are of their efforts.

USGS helps to identify coal and mineral reserves, monitor water quality and provide accurate mapping which has been incredibly important throughout Appalachia. The scientists and researchers at USGS work to help keep our country safe from national disasters by monitoring earthquakes, wind, wildfires, volcanoes and their warning systems provide real-time information in times of crisis. Also, the USGS network of stream gauges throughout West Virginia and the United States are an important resource that helps our kayakers and our whitewater rafters make the most of their trips down river, helps fishermen find the best place to cast, helps engineers design bridges that can withstand floods and helps cities and towns better manage their water supplies.

The USGS played a pivotal role in helping the West Virginia Department of Environmental Protection respond to the January 2014 Elk River chemical spill by collecting water samples and performing rapid analysis.

I know that Dr. Kimball, in her past, has accumulated much valuable expertise and experience that she will bring to this position and that will benefit not just those of us in West Virginia but across the country. And I welcome her here today as a fellow West Virginian.

Thank you.

The CHAIRMAN. Thank you, Senator Capito.

Senator Manchin?

STATEMENT OF HON. JOE MANCHIN III, U.S. SENATOR FROM WEST VIRGINIA

Senator MANCHIN. Let me just say that what my colleague and my friend, Senator Capito, has said is all accurate and very true. I am also pleased to be able to speak on Dr. Kimball's behalf. She has lived in West Virginia for 17 years and has served as a Deputy Director of the U.S. Geological Survey at the Department of the Interior since 2010.

Dr. Kimball and I share a passion for the rich history of our state and dedication to public service. She is an active member of the Eastern Panhandle's farm land and historic preservation communities. In fact, she and her husband, Curt, live in a White House Farm. It is a local landmark built in the 1740's and used during the Revolutionary War to aid the American troops. Their farm was even surveyed by George Washington, so it is pretty special.

Beyond our personal connection Dr. Kimball continues to impress me with her dedication to the scientific mission of the U.S. Geological Survey. The USGS is not a partisan agency. I repeat, not a partisan agency and issuing burdensome regulations, instead they provide crucial, impartial information and added to the Federal agencies and to the public. As Senator Capito just mentioned, she is, they were greatly involved in helping us during the historic effects of a spill in the Elk River that affected 300,000 West Virginians for quite some time. So I really appreciate her and her interest and involvement in that effort.

I think I speak for all West Virginians when I say I am delighted Dr. Kimball has chosen West Virginia as her home, and I am grateful for her service.

I would also like to remind this Committee that in June 2014 we approved her nomination by unanimous voice vote with not one dissention, so she has been at this for a while. I think it is time that we move on, if you will.

She is doing the job. She has not changed one bit. She is the same Suzette Kimball that she was a year ago and she has been for quite some time. She will serve us very ably and capably.

So I appreciate, very much, the opportunity to speak on her behalf and hope that all the Committee would receive her as we know her.

Thank you.

The CHAIRMAN. Thank you, Senator Manchin.

At this time I would invite any of you at the table to introduce any family members that you might like to present before the Committee, and after that we will swear you each in.

If we want to begin at this end, Ms. Sarri.

Ms. SARRI. Thank you very much, Senator.

I am so happy to have my family here with me today. I have my mom, Rosemary, who is sitting right there; my niece, Gabby; my nephew, Alex; and my sister, Cathy, with me.

The CHAIRMAN. Good. Well, welcome to all of you.

Ms. Kimball?

Dr. KIMBALL. Thank you very much, Senator.

I am really honored to be able to introduce my husband, Curt Mason; our daughter, Michelle Muerr; our close family friend, Lisa Herman; and her son, Aaron, who is already an accomplished political analyst. [Laughter.]

The CHAIRMAN. Ahh, very good. We might need his help.

Welcome to all of you.

Ms. Kendall?

Ms. KENDALL. Thank you, Madam Chairman.

I am pleased to introduce my daughter, K.J. Adler, who is also my best friend.

The CHAIRMAN. Great, it is nice to have you here before us as well.

Ms. Wassmer?

Ms. WASSMER. Thank you, Madam Chairman. I would like to introduce my mother, Viola Becker; my husband, Franklin Wassmer; and my son, Christophe Wassmer, who were able to join me today.

The CHAIRMAN. Good to have the family here.

Ms. Murray?

Dr. MURRAY. Thank you, Madam Chairman.

It is my pleasure to introduce my sister, Nancy Murray, and her husband, Brad Curtis, who come here from Tucson, Arizona.

The CHAIRMAN. Great, long way to come, good support.

Mr. Kotek?

Mr. KOTEK. Thank you, Chairman. I am sorry to report my wife and school age children are back home in Boise. [Laughter.]

Where they're attending to their studies, so.

The CHAIRMAN. If they are in school that is a good thing. We appreciate that.

At this time I would ask each of you to rise. The rules of the Committee which apply to all nominees require that you be sworn in connection with your testimony. Please stand and raise your right hand.

Do you solemnly swear that the testimony you are about to give to the Senate Committee on Energy and Natural Resources shall be the truth, the whole truth and nothing but the truth?

[All nominees answer, I do.]

The CHAIRMAN. Before you begin your statement I will ask you three questions addressed to each nominee before this Committee.

Will you be available to appear before the Committee and other congressional Committees to represent departmental positions and respond to issues of concern to the Committee?

[All nominees answer, I will.]

The CHAIRMAN. Are you aware of any personal holdings, investments, or interests that could constitute a conflict or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

[All nominees answer, no.]

Mr. KOTEK. No, Mr. Chairman.

The CHAIRMAN. Is that a no by each of you? I was not sure. [Laughter.]

No.

Are you involved or do you have any assets held in blind trusts?

[All nominees answer, no.]

The CHAIRMAN. Okay.

Go ahead, be seated. Thank you very much.

At this time I would ask that each of you present a short statement to the Committee. Your full written statements will be included as part of the record. After statements from each of you, we will have an opportunity, as members of the Committee, to present our questions to you.

With that, Ms. Sarri, if you would like to proceed?

Thank you.

STATEMENT OF KRISTEN JOAN SARRI, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR (POLICY, MANAGEMENT, AND BUDGET)

Ms. SARRI. Thank you very much and good morning.

Thank you, Chairman Murkowski, Ranking Member Cantwell and members of the Committee for welcoming me to the Committee this morning. It's a privilege to be considered by this Committee as the President's nominee for Assistant Secretary for Policy, Management and Budget (PMB) at the Department of the Interior.

I want to thank Senator Reed for his support of my nomination and throughout my career. It's his dedication to public service, his work to improve the lives of others and his work ethic that really serve as a model for me.

I'm very pleased, also, to introduce my family, my mom, Rosemary; my sister, Cathy; my niece, Gabby; and my nephew, Alex.

My mom is a constant supportive inspiration to me. At the age of 89, she is still an active social worker and she still comes with me to Michigan home football games. So she's an involved member of her community. She, at a very early age, instilled in me the benefits and the need to engage in public service.

I also want to acknowledge my dad, who was a Greek immigrant to this country after World War II. He fell in love with our national parks, and every summer he used to pack up us in the family station wagon and take us on a new adventure out West. It was really these adventures out West that inspired my love of the great outdoors, and it's something that I hope I'd pass along to my niece and to my nephew.

My family has been a constant source of support for me, and I'm always thankful to them for their love.

Finally, I want to thank members of this Committee and their staff for taking time to meet with me. If confirmed, I'm looking forward to continuing the conversations that we had and strengthening the vital relationship between this Committee and the Department.

Throughout my career I've sought out opportunities to promote community development, natural resource stewardship and job creation by building partnerships and working to strengthen the effectiveness of government. Prior to joining the Administration, as Senator Reed mentioned, I have spent about nine years on Capitol Hill working for the bipartisan, Northeast Midwest Senate Coalition, Senator Reed and also the Senate Commerce Committee, where I was fortunate to have Senator Cantwell as my Subcommittee Chair.

In each of these roles I had the opportunity to work with Senators who focus really on how government should work best to serve the American people while bolstering our economy and protecting the environment. I learned from them the value of strong, bipartisan cooperation and the need to gain other perspectives when developing policy. It's these lessons and experiences that I carry with me.

Now as this Committee well knows, the Department of the Interior is a significant contributor to our nation's economy. And Interior has special trust responsibilities to American Indians, Alaska Natives, Native Hawaiians and affiliated Island communities. It's also responsible for conserving and protecting our natural resources and our cultural resources. So I view PMB's role as supporting the Secretary, Deputy Secretary and our bureaus as we work to drive impacts for the American people in our diverse areas of responsibility.

PMB does this in several important ways. First, it works to ensure the sound stewardship of Interior's fiscal resources. Second, it works to increase the efficiency of our programs and reduce costs so we can invest more in mission. And third, through the manage-

ment of the Department wide programs and policies, PMB helps with coordination and cohesion throughout the Department.

For the past year I have served as the Principal Deputy Assistant Secretary for PMB, and I've had the privilege to work with a team of highly skilled and committed staff. If confirmed I hope to continue to strengthen the Department in a few key areas.

First, Interior's work force. It is large, geographically diverse and increasingly eligible to retire. If confirmed I would want to work on efforts to increase our work force diversity in order to deliver mission effectively for the American people.

Second, Interior is committed to improving access to public data with preferred transparency and also to improve resource management. For example, we are working with our partners in industry and academia and across the Federal Government to make public land data more available to help build apps, support tourism and improve customer service. And if confirmed I would like to continue with these open data efforts.

Finally, PMB is responsible for Department-wide programs from wildland fire management to the cleanup of contaminated sites to emergency management. It also plays a key role in coordinating across bureaus and with other agencies on policies from invasive species, to land conservation, to youth engagement. And if confirmed I would welcome the opportunity to work with this Committee and the Congress on these issues.

Again, I want to thank the Committee for considering my nomination, and I look forward to answering your questions.

[The prepared statement of Ms. Sarri follows:]

STATEMENT OF KRISTEN J. SARRI

Nominee to Serve As
Assistant Secretary for Policy, Management, and Budget
United States Department of the Interior

UNITED STATES SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
October 20, 2015

Thank you Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee for welcoming me today. It is a privilege to be considered by this Committee as the President's nominee for Assistant Secretary for Policy, Management and Budget at the Department of the Interior.

I want to thank Senator Reed for his support of my nomination and his support throughout my career. I would not be here today without that support. His dedication to service, his commitment to improving the lives of others, and his work ethic serve as the model for me.

I am pleased that my family could join me today: my mom Rosemary, my sister Cathy, my niece Gabriela, and my nephew Alex. My Mom is an inspiration to me. She is an active social worker in Detroit who, at age 89, is training the next generation of social workers to serve urban communities. At a very early age she instilled in me the value of service to others. I also want to acknowledge my Dad who passed away almost 20 years ago. My Dad was a Greek immigrant who came to the United States after World War II. He fell in love with our national parks and every summer he packed the family station wagon and took us on a new adventure out West. These adventures ignited my interest in the American outdoors, and it is something that I hope I passed along to my niece and nephew. My family is a constant source of support for me, for which I am always thankful.

I am also grateful to President Obama for nominating me to serve as the Assistant Secretary for Policy, Management and Budget (PMB), and to Secretary Jewell for her support and confidence in me.

Finally, I want to thank Members of the Committee and their staff for taking the time to meet with me. If I am confirmed, I look forward to continuing our conversations and strengthening the vital relationship between the Department and this Committee.

Throughout my professional life, I have sought out opportunities to promote community development, natural resources stewardship and job creation by building partnerships and working to strengthen the effectiveness of government. Prior to joining the Administration in 2010, I spent nine years in the Senate working for the bipartisan Northeast-Midwest Senate Coalition, Senator Reed, and the Senate Commerce Committee. In each of these roles I was fortunate to work for Senators who focused on how government should work best to serve the American people and support our economy and environment. I learned from them the value of strong bipartisan cooperation, collaboration, and gaining other perspectives when working to shape policy. It is these lessons and experiences that I carry with me and they shape my work in the Administration.

As this Committee knows, the Department of the Interior is a significant contributor to this Nation's economy through energy and mineral production, recreation, scientific discovery, foraging and grazing, timber production, and the delivery of water in Western states. Interior has special trust responsibilities to American Indians, Alaskan Natives, Native Hawaiians, and affiliated island communities. It is responsible for conserving and protecting America's natural and cultural resources. I view PMB's role as supporting the Secretary, Deputy Secretary, and our bureaus' efforts to accomplish their missions and drive impacts for the American people in our diverse areas of responsibilities.

PMB does this in several important ways. First, through budget formulation and execution and financial management, PMB works to ensure the sound stewardship of Interior's fiscal resources. Second, through management reforms and business initiatives, PMB works to make sure the Department is maximizing resource sharing among the bureaus to increase efficiency and reduce costs in order to invest more in programs and activities. And third, through the management of Department-wide programs and development of cross-cutting policies, PMB provides coordination and cohesion across the Department.

For the past year, I have served as the Principal Deputy Assistant Secretary for PMB and have had the privilege to work with a team of highly skilled and committed staff who make the Department operate more efficiently and work more effectively for the American people. If confirmed, I would want to continue these efforts. This morning, I would like to mention a few key areas where I hope to continue progress to strengthen the Department for the future and support critical policy priorities, if confirmed.

First, the Department's workforce is large and geographically dispersed with over 350 different occupations due to the diversity of our mission. Like most Federal agencies, an increasing number of our employees are eligible to retire: 20 percent are eligible to retire this year, and within five years, the number increases to 40 percent. If confirmed, I would continue to support the Department's efforts to engage in workforce planning and building a diverse workforce that is inclusive. These efforts are critical to being able to deliver our mission in the future, and therefore, to continue our economic contributions to the Nation and meet our trust, cultural, and natural responsibilities.

Second, the Department is fully committed to improving public access to data to support resource conservation and management and to increase collaboration and transparency. For example, DOI has significant data holdings for public lands that are of value to the public, industry, academia, as well as our government partners. PMB is working to make this data more accessible for these partners to leverage it to build apps, support tourism, and improve how we provide customer service to visitors to our public lands. Last year, the Department completed the process of migrating all of our bureaus onto one integrated business management system to facilitate greater transparency and accountability in financial management, acquisition, real property management, and other fields of business. Because of this foresight, the Department is much more agile and bureaus can collaborate on key business management practice which enhances Department-wide efficiencies. Also, last year, the Office of Natural Resources Revenue launched the U.S. Extractive Industries Transparency Initiative (USEITI) Data Portal which provides information to the public on extractive resource management and how we

manage the approximately $10 billion in revenues we collect annually from energy and mineral development. If confirmed, I would like to continue to build on these open data initiatives.

Third, as I mentioned, PMB is responsible for many Department-wide programs from wildfire management to the cleanup of contaminated sites to aviation safety and emergency management. It also plays a key role in coordinating across bureaus on policy issues such as invasive species management, land conservation, youth engagement, and wildland fire resilience. PMB plays an important role in facilitating cooperation across the Department and working with other Federal agencies to leverage resources and knowledge. If confirmed, I would welcome the opportunity to work with this Committee and the Congress on these issues.

Again, I want to thank the Committee for considering my nomination. I look forward to answering your questions.

The CHAIRMAN. Thank you, Ms. Sarri.

Dr. Kimball?

STATEMENT OF DR. SUZETTE M. KIMBALL, TO BE DIRECTOR OF THE UNITED STATES GEOLOGICAL SURVEY

Dr. KIMBALL. Thank you, Chairman Murkowski, Ranking Member Cantwell and members of the Committee. I'm honored to appear before you today as President Obama's nominee to be Director of the USGS.

And I thank you, Senators Manchin and Capito, for your kind introduction. I'm very proud to be a resident of wild and wonderful West Virginia.

I would also like to acknowledge and honor my family, those here today and those watching at home. One cannot accomplish these types of jobs without the full support of one's family.

I was raised to not only value public service, but to also see it as a responsibility. My father and brother had military careers. My mother was a teacher. Most of my cousins have served in the military or civil service and my husband dedicated his career to civil service, so for me, public service is the family business.

Although I did not have a childhood steeped in outdoor experiences that set the stage for my career path, I had the good fortune to take a geology course from a remarkable educator, Dr. Gerry Johnson. His compelling lectures engaged my imagination and passion for understanding the processes that drive Earth systems and the impacts of natural events.

My PhD program in Earth Sciences at the University of Virginia showed me the value of integrated environmental sciences, a context that forces one out of narrow, academic boundaries and requires competence in a spectrum of disciplines. This perspective will serve me well if confirmed as USGS Director as the questions we face today also transcend traditional academic fields and asks us to understand not only the geologic foundation in operative physical processes but also the potential impacts to biological systems and to the human environment.

I've had the good fortune to serve in both academia and the Federal Government. My years in the National Park Service gave me an understanding of the pressures that land managers face and the types of information that can be most useful to them. This experience gives me a unique perspective to support and partner with the entire Department.

Since coming to the USGS in 1998 I've had the opportunity to see the breadth and depth of this outstanding organization from many perspectives. It's noteworthy that we do not issue regulations nor do we manage resources. The scientific nature of the USGS, its national perspective and its non-regulatory role enable us to be both policy relevant and policy neutral.

Since its founding in 1879, the USGS has made enormous contributions to the health and well-being of the country and the world as well. These achievements include the science that has delineated the mineral and energy resource base in the nation, that helps protect lives and livelihoods from the effects of natural hazards, that enable safe public water supplies, that supports restora-

tion of ecosystems and that provides assistance to other nations for resource and hazard issues.

Our society faces pressing issues that science can and must help address, challenges like ensuring sustainable development of natural resources, dealing with climate change, coping with natural disasters and ensuring water and food security.

We live in a global economy. Understanding the worldwide distribution of both resources and risks is essential to the country's security and economic health. The USGS has made progress to address these issues including regional landslide assessments and earthquake early warning system. And we continue to develop nationwide, 3D elevation data, new hyper spectral technologies to map mineral distributions. And we brought new life cycle analyses to critical minerals analysis. We have advanced the national assessment of groundwater availability. We have developed new strategies to contain the Asian Carp and other invasive species. And we've contributed to the science needed to understand critical ecosystems such as the sagebrush steppe. In all of these efforts we appreciate the support of Congress and in particular, this Committee.

Looking to the future the USGS needs to continue these efforts for which we have unique capabilities, but we also need to be responsive to emerging needs. We are increasing the involvement of sociologists and economists in our studies in order to ensure that our science is relevant to the public.

We're providing new technologies to protect public health and safety and new tools for communities to become resilient in the face of challenges such as changing climate or water scarcity. And we are engaging young scientists to be part of our future, a future that will be worthy of our long history of achievement for the nation and the world.

I'm deeply grateful to Secretary Jewell and President Obama that they've chosen to nominate me to lead this outstanding scientific organization. If confirmed, I look forward with working with you to address the challenges that face our nation.

Thank you very much for the opportunity to appear before you. And I'll be happy to respond to questions.

[The prepared statement of Dr. Kimball follows:]

Statement of Suzette Kimball
Nominee for the Position of
Director of the U.S. Geological Survey
United States Department of the Interior
Before the
U.S. Senate Committee on Energy & Natural Resources

October 20, 2015

Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee, I am honored to appear before you today as President Obama's nominee to be the Director of the U.S. Geological Survey. I would not be able to appear before you today without the encouragement of my family and the love and support of my husband, Curt Mason, who rescheduled major surgery so he could be here with me during my first hearing and who is here supporting me today. I am also grateful to my other family: the employees of the USGS. Every day, I am inspired by their dedication of time, talent, energy, and intellect. It has been a privilege to serve as their Acting Director, and it is an honor to be offered the opportunity to lead this outstanding organization.

I was raised to not only value public service but also see it as a responsibility to our country. I am one of those whose hearts beat faster watching the troops passing in review, hearing the Washington Post March, seeing the flag, or riding in a small town 4th of July parade, which is one of the privileges I have enjoyed living in West Virginia. My father and brother both had military careers; my mother was a teacher; both my uncles were in the civil service; and most of my cousins have served in the military or civil service, or are educators. For me, public service is the family business.

Unlike many of the Department of the Interior nominees who have come before this Committee, I cannot point to a childhood steeped in outdoor experiences that set the stage for my career path. With the exception of our family vacations at the beach, I tended to spend my spare time in the library. And despite the focus on science brought by my father, a physicist and engineer with the Army Signal Corps, and my mother, who taught health sciences, I started my academic career in English literature. But as I approached my senior year, I had the singular good fortune to take a geology course from an extraordinary educator, Dr. Gerry Johnson, and my world view changed. His compelling lectures brought to life the extraordinary forces that shaped the earth and engaged my imagination and passion for understanding the processes that drive earth systems and the impacts of natural events.

My Master's degree program focused on field geophysics and impressed upon me two things that have been valuable in my tenure at USGS: I studied the transport of contaminants in ground water which shifted my focus from the purely theoretical sciences to an appreciation for the applications that science can bring to the human environment. Almost all the issues addressed

by USGS science incorporate two fundamental aspects: understanding how physical processes drive both the physical and biological systems; and how that basic knowledge can be applied to management or policy decisions. Second, at the time I received my M.S., very few women were graduating with degrees in geophysics. Having experienced being a minority in my field of study, I am compelled to reach back – to provide opportunities for the next generation of scientists, especially from underserved communities, to create a mentoring culture and an inclusive workplace.

My PhD program at the University of Virginia provided the third transformative experience that will serve me well if confirmed as the USGS Director. UVa's earth science program was presented in an integrated environmental sciences context that forced one out of narrow academic boundaries and required competence in a spectrum of disciplines. My particular research area, coastal beaches and barrier islands, is the poster child for an integrated approach. The questions that are posed of a USGS scientist today also transcend traditional academic fields and ask us to understand not only the geologic foundation and the operative physical processes, but also the potential impacts to the biological systems and to the human environment. My academic training and subsequent professional positions at the Virginia Institute of Marine Science (another integrated program) and back at UVa are particularly suited to understanding and advocating for a comprehensive, multidisciplinary science program.

I have had the good fortune to work in both academia and in the federal government, both of which satisfy my public service ethic. Immediately prior to USGS, I worked for the National Park Service, first as a research scientist and, ultimately, as the Associate Regional Director for Resource Stewardship and Science in the Southeast. This experience, besides having the opportunity to work in some of the most beautiful places in the country, gave me an intrinsic understanding of the pressures that land managers face and the types of information that can be most useful to them considering the types of decisions that need to be made. Given that USGS sits in the Department of the Interior with some of the world's most respected land and resource management agencies, I believe this experience will give me a unique perspective to create a coordinated science framework to support and partner with the entire Department.

I came to the USGS in 1998. Since then I have had the opportunity to see the breadth and depth of this organization from many perspectives. First as Regional Executive for Biology, then as Regional Director, Associate Director for Geology, Deputy Director and Acting Director, I have been able to be engaged with all parts and all mission areas of this organization and to participate in some of the transformative enterprises of this great agency. Recently, I participated in a celebration of the first USGS streamgage, still in operation 125 years later, on the Rio Grande in Embudo, New Mexico. I also joined USGS employees to acknowledge and celebrate 50 years of work at the Northern Prairie Wildlife Science Center and 40 years of operation at the National Wildlife Health Center. One of my most rewarding activities this year was the christening and commissioning of the Research Vessel Arcticus: the culmination of more than 15 years of effort

to revitalize the Great Lakes research fleet to bring it to modern safety standards and state of the art capabilities that support the $7 billion Great Lakes fishery.

While celebrating our history and our iconic monitoring systems, I have also had the opportunity to work with a group of our scientists to design and deliver a Center for Innovation in the Earth Sciences which takes advantage of private sector capabilities and advances in technologies for the 21st century and beyond. I have been able to work with local communities to bring community-driven water sampling projects to fruition as exemplified by the USGS partnership with the Yukon River Intertribal Watershed Council, connecting with Alaskan native communities; and on the international landscape to address critical mineral and rare earth concerns, global mapping and data sharing, and hazards response. I was privileged to watch the flawless launch and deployment of Landsat 8, which continues a 44-year history of earth observations. And I have had the opportunity to apply my own research expertise in coastal systems and catastrophic storms as we responded to such events as Hurricane Katrina and Hurricane Sandy.

The USGS has also made substantial progress to advance issues discussed by this committee during my last hearing: we have begun to undertake a national landslide assessment, beginning in Oregon, California, North Carolina and Colorado; we have made progress to implement a national Earthquake Early Warning System, with initial implementation sites in California and Washington; we have upgraded and repaired volcano monitoring systems; we have collected IFSAR data for more than 63% of the state of Alaska and created almost 2000 new topographic maps; we have brought new hyperspectral technologies on board to map mineral distributions and have implemented new life cycle analyses to critical mineral assessments; we have advanced the national assessment of groundwater availability through regional studies of principal aquifer systems; we have developed new strategies to contain the Asian Carp and other invasive species; and we have contributed to the science needed to understand critical systems, such as the sagebrush steppe and the implications of the California drought. In these efforts, we continue to appreciate the support of Congress and this committee, which has introduced legislation that recognizes the importance of these scientific endeavors.

I have heard some say that Federal workers are not pulling their weight. I see just the opposite at the USGS: in small things, like offering to take extra furlough days in order to save their colleagues from financial hardship, or staying late to collect that last sample -- or big things, like dedicating their careers to providing the information that is used by decision makers and the public to save lives, enhance quality of life, sustain communities, and support the resources everyone needs. Two weeks ago I participated in the annual Partnership for Public Service Samuel J. Heyman awards ceremony, which recognizes extraordinary achievements by federal workers. A remarkable USGS scientist, Dr. Lucile Jones, received the Citizen Services Medal in recognition of her work to make complex seismic risk assessments understandable to the public and to design "Shake-out" exercises to help communities and individuals prepare for earthquake hazards. The most recent Shake-out, conducted on October 15, 2015, had over 23 million

participants nationwide. Lucy is but one of our 8500 dedicated employees working to safeguard public safety and provide decision-makers with the information needed to manage critical resources and sustain community growth and resilience. USGS employees are dedicated: I am honored each year to present record numbers of 40-year service awards – and in past years we have recognized 50 and 60 years of service. Even after they retire, many of our scientists keep working as volunteers, publishing their research and mentoring younger scientists. This has always been a great strength of the USGS: the loyalty and dedication to mission that keeps our employees working productively when they are 70, 80, or 90 years old and the mentoring culture that nurtures the next generation of scientists.

USGS is an unusual Federal agency in many ways. The longevity of careers here is remarkable (my 15 years puts me less than halfway through the average USGS scientist's career) but also noteworthy, unlike many of our sister bureaus at Interior, we do not issue regulations nor do we manage resources. Without a regulatory or management mandate, the USGS provides impartial science that meets the demands of the changing world around us. USGS scientists work to describe and understand the Earth, its processes, and its living resources, providing reliable, timely scientific information that serves the Department of the Interior, the Nation, and the world. Field investigations, direct observations of natural science processes, and monitoring and data collection at scales from local to national and even global are the foundation of USGS research. The scientific nature of the USGS, its national perspective, and its non-regulatory role enable USGS science to be both policy relevant and policy neutral.

Since its founding in 1879, the USGS has made enormous contributions to the health and wellbeing of the country – and the world. Created to understand the resource base of the nation during the excitement of frontier exploration during the 19th century, the USGS continues to evolve as scientific understanding and technology evolves. Achievements include the science that has delineated the mineral and energy resource base of the Nation; that helps protect lives and livelihoods from the effects of earthquakes, wildfires, volcanic eruptions, landslides, and floods; that continues to provide safe public water supplies; that supports restoration of ecosystems throughout the United States; and that provides assistance to other nations for resource and hazard issues. The diversity of scientific expertise within the USGS enables it to carry out large-scale, multi-disciplinary investigations that build our knowledge about the Earth and give decision makers at all levels of government, and citizens in all walks of life, the science information they need.

Our growing and expanding society faces pressing issues that science can and must help address –issues like ensuring sustainable development of energy and mineral resources, dealing with climate change, coping with natural disasters, and ensuring water and food security. We live in a global economy; understanding the worldwide distribution of both resources and risks is essential to the country's security and economic health.

Looking to the future, we need to continue those efforts for which we have unique capabilities and on which the public relies, such as the streamgage network, but we also need to look at ways to be relevant to the public's emerging needs. Consequently, we are engaging our sociologists

and economists to an ever increasing degree in our studies in order to bring our science to the American people; we are providing new tools and technologies to protect public health and safety, whether that is earthquake early warning, or our focus on environmental health including the impacts of extractive resource development; we are providing new tools for communities to become sustainable and resilient in the face of challenges such as changing climates or demands affecting water use and availability; and if we are to also be resilient and sustainable, we need to engage young scientists to be part of our future.

We have a 136-year long and storied history at USGS, and still a lot of work and contributions to make in the next 136 years.

I am deeply grateful that Secretary Jewell and President Obama have chosen to nominate me to lead this outstanding scientific organization. If confirmed, I look forward to working with you to address the challenges facing our Nation.

Thank you for the opportunity to appear before you. I will be happy to respond to your questions.

The CHAIRMAN. Thank you, Dr. Kimball.

Ms. Kendall?

STATEMENT OF MARY L. KENDALL, TO BE INSPECTOR GENERAL AT THE DEPARTMENT OF THE INTERIOR

Ms. KENDALL. Thank you, Madam Chairman, Ranking Member Cantwell and members of the Committee. I'm honored to be considered by you for confirmation as the Inspector General for the Department of the Interior.

I have been privileged to lead the OIG for the past six and a half years during which time the OIG has had 195 convictions, $4.5 billion in criminal fines, penalties and restitution, over $119 million in questioned costs and $55 million in funds put to better use. On average over the past five years the OIG for Interior ranked fifth for return on investment among the 72 OIGs.

My leadership style underpinned by employing dignity and respect has proven effective in motivating the OIG work force to conduct meaningful work, reduce influential reports and affect significant change in the programs and operations of Interior and which put the OIG in the top 15 percent of the best places to work in 2014.

Recently I met with many of you and/or your staff. We've discussed many issues, some important to your constituents, some of which you embrace with enormous passion and some that have made my nomination subject to controversy and criticism. I've tried to address the controversies that have followed me from the House Committee on Natural Resources. Whether I have done so to any of your satisfaction, I do not know, what I do know is that I have been true to myself, my principles, my best judgment and the law.

My personal style to engage in civil discourse, even when addressing difficult issues, has been criticized by some as being too accommodating. Civility, in my experience, however, is not an accommodation but rather a strong and effective tool in communicating with and holding DOI accountable.

Coming to this hearing I have both the benefit and the burden of having a track record as the acting Inspector General. And as such, I have made certain legal, policy and management decisions that have not always been well received by some Members of Congress, of my staff, of the public and even officials of the Department. Although I sometimes joke, I am rather serious when I say, if I am making everyone a little unhappy, I'm probably doing my job.

As with many things in life, having the benefit of 20/20 hindsight, I may have made some of those decisions differently. Yet in the moment I have always acted on my conscience and principle, guided by the best information available at the time with the advice of trusted and tested advisors and with integrity, independence and objectivity as my guides. I have always conducted myself in the best interest of the OIG and of the greater IG community both of which have provided me unflagging support throughout my entire ten years in the IG community.

I do not expect to convince you by my words here alone today of my independence and objectivity, rather I point to some of the most influential work the OIG has done since 2009 which I describe in

my much more detail in my written testimony. The depth and breadth of the programs in DOI are both vast and complex. Under my leadership the OIG has focused its attention and resources on the highest risk and highest priority issues in the Department and to address the areas of greatest vulnerability to fraud, mismanagement and misuse of Federal funds.

Madam Chairman and members of this Committee, I sit before you today as a career civil servant for over 29 years. I sincerely believe that public service is a public trust requiring me to place loyalty to the Constitution, the law and ethical principles above private gain. I have no other ambition than to continue my public service with dignity and respect for our employees and for our stakeholders. I believe in the mission of the Inspectors General. I am committed to the OIG for Interior and if confirmed, I will continue to do the very best job I can to lead this respected organization in its ongoing efforts to prevent and detect fraud, waste, abuse and mismanagement in the Department of the Interior.

Thank you for your attention and consideration. I'd be glad to answer questions.

[The prepared statement of Ms. Kendall follows:]

STATEMENT OF MARY L. KENDALL
BEFORE THE U.S. SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
CONCERNING THE
NOMINATION OF MARY L. KENDALL TO BE INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR
OCTOBER 20, 2015

Madam Chairman, Ranking Member Cantwell, and members of this Committee:

Thank you for the opportunity to be here today. I am honored to be considered by this Committee for confirmation as the Inspector General for the Department of the Interior (DOI).

I have been privileged to be a part of the senior executive corps for the Office of Inspector General (OIG) for 16 years, the last 6 ½ as the leader of this fine organization. During that tenure, the OIG has had 195 convictions, $4.5 billion in criminal fines, penalties, and restitution, over $119 million in questioned costs, and $55 million in funds put to better use. On average over the past five years, the OIG for DOI ranked fifth for Return-on-Investment among the 72 Federal OIGs[1]. My leadership style, underpinned by employing dignity and respect, has proven effective in motivating the OIG workforce to conduct meaningful work, produce influential reports, and effect significant change in the programs and operations of DOI, and which put the OIG in the top 15% of the "Best Places to Work" in 2014[2].

Recently, I have had the pleasure to meet with many of the Committee members, and/or your staff. I appreciate your time and consideration. We have discussed many issues, some dear to the hearts of your constituents, some which you embrace with enormous passion, and some that have made me and my nomination subject to controversy and criticism.

I have addressed the controversies that have followed me from the House Committee on Natural Resources with some of you, directly and candidly, in discussion, and with the information I provided to this Committee. (I incorporate my 8/2/12 and 9/11/14 testimony before the House Committee on Natural Resources for reference.) Whether I have done so to your individual satisfaction, I do not know. What I do know is that throughout, I have been true to myself, my principles, my best judgment, and the law. My personal style, to engage in civil discourse even when addressing difficult issues, has been criticized by some as being too accommodating of the Department of the Interior. Civility, in my experience, however, is not an accommodation, but rather, a strong and effective tool in communicating with and holding DOI accountable.

I have led the OIG to provide constructive critique to effect positive change in the Department programs and operations. One important result of this approach has been that the Department, through the Secretary, her senior staff, and that of the bureaus, routinely turn to the OIG to address management issues of concern, and concerns about potential wrongdoing. In fact, even members of the House Resources Committee (former Chairman Hastings, and present

[1] http://www.brookings.edu/~/media/research/files/papers/2015/04/30-inspectors-general-roi-hudak-wallack/cepmhudakwallackoig.pdf
[2] http://bestplacestowork.org/BPTW/rankings/overall/sub

Chairman Bishop) urged the Secretary in November 2014 to turn an inquiry—one into the use of the Brinkerhoff Lodge in the Grand Teton National Park—over to the OIG, saying the Department did not have "the independence, experience, and tools required to conduct a thorough investigation…" which signals a level of trust in the work of my office.

Coming to this hearing, I have both the benefit and the burden of having a track record as the Acting Inspector General, and as such, I have made certain legal, policy, and management decisions that have not always been well received by some members of Congress, some members of my staff, some members of the public, and some officials of the Department and the Administration. Although I sometimes joke, it is with more than a touch of seriousness, when I say: if I am making everyone a little bit unhappy, I am probably doing my job.

As with many things in life, having the benefit of 20/20 hindsight, I may have made some of those decisions differently. Yet, in the moment, I have always acted on conscience and principle; guided by the best information available at the time; with the advice of trusted and tested advisors; and with integrity, independence, and objectivity as my guides. I have conducted myself not only in the best interest of the OIG for Interior, but also in the best interest of the greater IG community, both of which have provided me unflagging support, not only in my 6 years leading the OIG, but during my entire tenure in the IG community.

I do not expect to convince you by my words here, alone, of my independence and objectivity. Rather, I point to some of the most influential work the OIG has done, totaling well over 500 reports issued since my leadership began in 2009.

This work has spanned from violence prevention at Indian schools to the dangers posed by abandoned mines. It has included numerous investigations of ethical violations and crimes committed by Department officials at all levels, as well as by contract and grant recipients. We have examined health and safety threats against the well-being of millions of visitors to DOI's parks and recreational facilities. We have thoroughly reviewed the status of safety and infrastructure integrity at the nation's dams and bridges for which DOI bureaus are responsible. Our energy teams have performed work resulting in: the recovery of millions of dollars in royalties and revenues; assurance that the Federal government and Indian tribes are receiving their fair share of royalties for the mineral operations on federal and Indian lands; uncovering weaknesses in the Department's renewable energy programs; constructive critique for the improvement of the management of oil and gas leases on federal land and the Outer Continental Shelf; and the record-breaking multi-billion dollar civil and criminal penalties against the companies responsible for the *Deepwater Horizon* explosion and oil spill, the greatest environmental disaster in this nation's history. Earlier this month, the Department of Justice (DOJ) and the 5 Gulf States announced a $20.8 billion civil settlement with BP, the largest settlement with a single entity in DOJ history.

As these examples demonstrate, the depth and breadth of the programs in the Department of the Interior are both vast and complex. Under my leadership, the OIG has focused its attention and resources on the highest risk and highest priority issues in the Department, and to address areas of greatest vulnerability to fraud, mismanagement, and misuse of Federal funds. This means, however, that certain things will necessarily go unaddressed. But with a staff of

approximately 275 employees, a robust Hotline, a dedicated Whistleblower Protection advocate, and an aggressive Fraud Awareness and Outreach program, the OIG has the eyes and ears of the roughly 70,000 DOI employees and another 70,000 DOI contractors and grantees on our side with the objective of preventing and detecting fraud, waste, abuse, and mismanagement.

Madam Chairman and members of this Committee, I sit before you today as a career civil servant for over 29 years. I sincerely believe that public service is a public trust, requiring me, and my fellow public servants, to place loyalty to the Constitution, the law, and ethical principles above private gain. I have no other ambition than to continue my public service with dignity and respect for our employees and our stakeholders. I believe in the mission of the Inspectors General, I am committed to the OIG for Interior, and, if confirmed, I will continue to do the very best job I can to lead this respected organization in its ongoing efforts to prevent and detect fraud, waste, abuse, and mismanagement in the Department of the Interior.

Thank you for your attention and consideration. I am happy to answer any questions you may have.

Attachments (2)
August 2, 2012 Testimony before the House Resources Committee
September 11, 2012 Testimony before the House Resources Committee

TESTIMONY OF MARY L. KENDALL
ACTING INSPECTOR GENERAL
FOR THE DEPARTMENT OF THE INTERIOR
BEFORE THE HOUSE COMMITTEE ON NATURAL RESOURCES
"OVERSIGHT OF THE ACTIONS, INDEPENDENCE AND ACCOUNTABILITY
OF THE ACTING INSPECTOR GENERAL
FOR THE DEPARTMENT OF THE INTERIOR"
AUGUST 2, 2012

Mr. Chairman and members of the Committee, good morning, and thank you for holding this hearing today. As you know, Inspectors General, are appointed or designated "without regard to political affiliation and solely on the basis of integrity and demonstrated ability" in a number of fields, pursuant to Section 3 of the IG Act. Section 2 of the IG Act establishes the independence and objectivity expectation. Although neither appointed nor designated, Acting Inspectors General are expected to conduct themselves with integrity, independence and objectivity in a non-partisan manner.

For the past four months, I have weathered the scrutiny of this Committee which has used a unilateral approach to "investigate" me by requesting select documents from the Office of Inspector General (OIG), drawing conclusions from those documents without all the facts, and presenting those conclusions to the public via press releases, challenging my integrity, independence and objectivity. Therefore, I welcome the opportunity today to testify, respond to questions, and present all the facts, as I know them.

The letter requesting my attendance at this hearing said I should be prepared to answer questions about my role relative to 1) the 6-month drilling moratorium in the Gulf of Mexico following the Deepwater Horizon disaster and subsequent unprecedented oil spill, 2) the OIG investigation into the perceived misrepresentation that the moratorium decision had been peer reviewed, 3) my response to a Committee subpoena for documents, 4) the independence and effectiveness of an Acting Inspector General, and 5) my previous testimony before the Committee.

In short, I can address these issues as follows:

1) I stand behind the OIG investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a six-month moratorium on deepwater drilling, misrepresented that the moratorium was reviewed and supported by the National Academy of Engineering scientists and industry experts. This alleged misrepresentation was contained only in the Executive Summary of a report commonly called the "30-Day Report." Therefore, the Executive Summary was the focus of the OIG investigation. The question of whether there was an intentional misrepresentation came down to a review of emails exchanged between DOI and the White House in the late hours of May 26 and early hours of May 27, 2010 in which the Executive Summary was being edited. These emails revealed no evidence that the Executive Summary was intentionally edited to lead readers to believe that the moratorium recommendation had been peer reviewed.

2) This Committee has posted on its website a number of emails from the case agent who investigated the peer review issue that suggest he was not allowed to conduct every investigative step he wanted to take. None of the agent's complaints was made known to me during the course of the OIG investigation. Had they been brought to my attention, I would have addressed them directly with the case agent. But in the end, based on what the case agent presented to me, I was confident that our investigation was "well done, thorough, and to the point," which is precisely what I expressed to the case agent directly in an email.

3) Until this matter, in my 26 years with the Federal Government, I had never experienced an instance in which Executive Privilege came into play. We have since learned that the process by which such differences of position between the Legislative and Executive branches are resolved is both lengthy and complex. I reiterate my position that the dispute is between this Committee and the Department. The documents are not the OIGs; neither is the privilege the OIG's to assert or waive.

4) As Acting Inspector General, I have exercised all the independence and objectivity necessary to meet the OIG mission. I have elected to exercise this independence and objectivity in a way that maintains a healthy tension between the OIG and the Department we oversee. I believe, however, that independence and objectivity are not compromised by a respectful relationship with both the Department and Congress, the two entities we are charged with "keeping informed" pursuant to the IG Act. As a result, we have effected a great deal of positive change over the past 3 years by working with the Department in a spirit of respect to achieve such change.

5) Although I have testified before this Committee numerous times, I assume that the questions relate to my testimony on June 17, 2010, about which the Committee has said it has "serious questions." I addressed those questions in my letter of June 27, 2012 to the Committee and in my Full Statement today.

Mr. Chairman, I hope we can adjourn today having addressed all the questions the Committee may have about me, my independence and objectivity, and my integrity. Although the questions you have raised about me reflect on the OIG, it has become clear that your questions are really about me, if from nothing else than the title of this hearing.

Mr. Chairman, I have been an attorney and member of the bar, in good standing, approaching 30 years; I have been a public servant for over 26 years, all but three of those years in the law enforcement arena, without blemish on my record; and I was born and raised in the Midwest, where one's honor and word are sacrosanct. The past 17 weeks have been the most painful and difficult of my entire career, not only because of the attacks on my personal integrity, but because this has eclipsed all the outstanding work that the OIG has done and continues to do.

This concludes my remarks. I request that my corrected Formal Statement be accepted into the record, and I am prepared to answer any questions the members of the Committee may have.

TESTIMONY OF MARY L. KENDALL
DEPUTY INSPECTOR GENERAL FOR THE DEPARTMENT OF THE INTERIOR
BEFORE THE HOUSE COMMITTEE ON NATURAL RESOURCES
"THE OFFICE OF INSPECTOR GENERAL'S ONGOING FAILURE TO COMPLY WITH A SUBPOENA FOR DOCUMENTS ABOUT A RECENT INVESTIGATION AND OVERSIGHT OF THE SOLICITOR'S OFFICE ROLE AND RESPONSIBILITIES"
SEPTEMBER 11, 2014

This hearing arises out of a series of letters dated December 23, 2013, March 13, 2014, April 16, 2014, and July 18, 2014, and a subpoena dated March 25, 2014, issued by this Committee to the Office of Inspector General (OIG) for the Department of the Interior (DOI) seeking documents and information concerning an OIG investigation regarding the Stream Protection Rule that is being promulgated by DOI. The OIG has responded in detail to each of these letters and to the subpoena in letters of our own.

To summarize the position of my office, this Committee has subpoenaed information from our Stream Protection Rule report that DOI has claimed is privileged and should not be disclosed. This dispute is between the Committee and DOI, not the OIG, and we have urged the Committee to engage with DOI to resolve this issue. Instead, the Committee has continued to pressure the OIG to release privileged documents and information that, if released, would not only jeopardize the OIG's ability to obtain privileged information from DOI in the future, but would also exacerbate a problem in the IG community regarding timely access to information from their agencies and departments.

We have explained repeatedly that the claim of privilege is DOI's to assert—not the OIG's—and we have repeatedly asked that the Committee attempt to resolve the issue with DOI. We also explained that we have a long-standing understanding with DOI that it would not decline to provide privileged documents to the OIG so long as we gave DOI an opportunity to identify cognizable privileges, as it has here. We have also repeatedly expressed our concern that release of privileged information in this instance by the OIG will seriously impair our access to the same in the future.

Of even greater concern is that to release information against the assertion of privilege by DOI would add to the argument that other Federal agencies and departments would use to withhold information from their respective OIGs. This is not simply my assessment; it is a conviction shared by my colleagues in other IG offices.

It is curious that this committee is pressuring the OIG to do something that would jeopardize access in the future for itself and other OIGs while your colleagues in both the House and Senate, in a bipartisan letter to OMB, have expressed their concern about the difficulties that Inspectors General have encountered in trying to obtain documents from their respective agencies.

The Chairman's letters have contended that a claim of executive privilege has not been asserted as a basis for the continued withholding of the subject information. This contention fails to recognize how the Executive Branch asserts a claim of executive privilege. We have noted

that every President since Lyndon Johnson has asserted executive privilege in shielding documents from Congress. The practice of recent administrations is that only the President can assert executive privilege and will only do so after receiving a recommendation from the Attorney General. The current practice also involves efforts to resolve disputes through a judicially recognized process of accommodation. This process has been described by one Attorney General as: "The accommodation required is not simply an exchange of concessions or a test of political strength. It is an obligation of each branch to make a principled effort to acknowledge, and if possible to meet, the legitimate needs of the other branch" (*Assertion of Executive Privilege,* 5 Op. O.L.C. 27, 31 (1981)).

Whether privilege is properly asserted by DOI in this matter involving ongoing rulemaking can only be resolved by the parties to the dispute—this Committee and the Department—or through litigation in Federal court. The OIG does not take a position in such a dispute; we note, however, that other administrations have claimed the privilege in the context of ongoing rulemaking. In 1981, Attorney General William French Smith recommended and President Reagan asserted executive privilege to subpoenas from a congressional committee for documents concerning ongoing deliberations regarding regulatory action by the Interior Secretary. (See *Assertion of Executive Privilege,* 5 Op. O.L.C. 27.) As we have explained to the Committee and Committee staff multiple times, the OIG cannot usurp the President's power to assert executive privilege if other efforts to resolve the dispute fail.

One of the Chairman's letters asserted that our actions to avoid getting pulled into an ongoing dispute between this Committee and the Department is indicative of our lack of independence. We feel certain that the opposite is true—that our independence and neutrality in a dispute between the Committee and the Department that has constitutional implications can only be advanced by the position we have repeatedly expressed: the information the Committee seeks belongs to the Department, and the Committee should be seeking that information from the Department, not from the OIG. We have also made this position clear to DOI, which concurs that it alone has the responsibility and authority to resolve the issues in dispute.

Our position is also consistent with the position of other IG offices—if documents or information in the possession of the OIG that the agency claims as privileged is sought by a Congressional committee, the OIG would refer the committee to the agency. We are not aware of any other congressional committee issuing subpoenas to an Inspector General to obtain departmental or agency documents or information.

We recognize that the IG Act provides "that each Inspector General, in carrying out the provisions of this Act, is authorized—to have access to all records, reports, audits, reviews, documents, papers, recommendations, or other material available to the applicable establishment which relate to programs and operations with respect to which that Inspector General has responsibilities under this Act."

As a practical matter, however, other OIGs have had significant difficulty in gaining access to documents and employee interviews regardless of this statutory provision, as was addressed in the January 15, 2014 hearing before the House Committee on Oversight and Government Reform, *Strengthening Agency Oversight: Empowering the Inspectors General.* The testimony from this hearing makes clear that the language of the IG Act alone does not assure OIGs access to agency documents and information.

The OIG for DOI is somewhat unique in that we secured a memorandum from every one of the Secretaries of the Interior since Gayle Norton directing DOI employees to provide all requested information to the OIG, including privileged information. The OIG, in order to facilitate such access, has agreed to review such privilege assertions and determine whether such claims have a constitutional basis and are consistent with prior assertions by the Executive Branch.

The OIG's unique situation was even noted in the Staff Report for Chairman Darrell E. Issa, House Committee on Oversight and Government Reform, and Chairman Lamar Smith, House Committee on Science, Space and Technology, entitled *Whistleblower Reprisal and Management Failures at the U.S. Chemical Safety Board*, dated June 19, 2014. The report notes that the disclosure of privileged information to an OIG would not waive privilege because the OIG is technically part of its department or agency. The issue of providing privileged information to the OIG was also recently cited in an August 5, 2014 letter to Congress, signed by 47 IGs, which said: "While valid privilege claims might in certain circumstances appropriately limit the . . . OIG's **subsequent and further release** of documents, a claim of privilege provides no basis to withhold documents from the . . . OIG in the first instance" (emphasis added).

I again urge this Committee to use the procedural tools available to it to pursue access to documents and information from the Department of the Interior, rather than pressure the OIG to take action that would jeopardize our ability to do our job in the future, as well as the abilities of our OIG colleagues to do their jobs. The information that remains at issue is the Department's, not the OIG's; the assertion of privilege is the Department's, not the OIG's; and the waiver of privilege is the Department's, not the OIG's.

The CHAIRMAN. Thank you, Ms. Kendall.

Ms. Wassmer?

STATEMENT OF VICTORIA MARIE BAECHER WASSMER, TO BE UNDER SECRETARY OF ENERGY

Ms. WASSMER. Good morning, Chairman Murkowski, Ranking Member Cantwell and other members of the Committee. It's my honor to appear before you today as President Obama's nominee for the Department of Energy's Under Secretary for Management and Performance.

If confirmed I will work every day to support Secretary Moniz and to advance the Department's critical efforts to ensure America's security and prosperity by addressing its energy, environmental and nuclear legacy issues through strong performance and management practices.

Before I begin I'd like to thank my husband, Franklin, and my two sons, Alexander and Christophe, two of whom are here with me today, along with my mother, Viola Becker. I would not be here without their encouragement and support. My two sons, now both in high school, routinely challenge me to grow in ways I never could have imagined, and they also make sure I laugh. My husband, Franklin, who has worked for the last 20 years in the local public charter school movement, grounds me every day to not only do meaningful work, but to live a meaningful life.

Our commitment to community and public engagement, instilled in us by our parents, has been the cornerstone of our own family. Commitment to public engagement is what propelled me to spend the majority of my 25-year career in public service, including 17 years in management and leadership positions within the Federal Government. Most notably, I currently serve as the Assistant Administrator for Finance and Management at the Federal Aviation Administration. Previously I served as the Chief Financial Officer and Vice President for Administration and Finance at the Millennium Challenge Corporation (MCC).

At the MCC I was responsible for realigning corporate services to better support the agency's mission. Within my first six months I instituted an annual customer satisfaction survey as well as a new performance management system to increase employee engagement. We saw a double digit improvement in 2011 from our 2010 customer survey results as well as a double digit improvement in my team's FedView survey results over that same period. I reconstituted an executive oversight board, tightened our internal controls and improved management practices, all of which helped to optimize budget resources to better support the mission of the MCC which is to reduce poverty through economic growth.

In August 2011 I became the FAA's first ever Assistant Administrator for Finance and Management overseeing the transition of the agency's finance, acquisitions, information technology and regions and center operations into an integrated shared services model.

Today I am responsible for the efficient and effective performance of these critical services and support of the agency's aviation safety mission. I also manage the FAA's $16 billion budget and lead the

agency's efforts to identify cost savings, leverage technology and ensure critical acquisitions remain on cost and schedule.

Over the last four years my team and I employed strategic planning, performance and program oversight to help the agency save more than $360 million through our cost control program. This included nearly $130 million in savings through our strategic sourcing program. We also reduced the agency's administrative footprint and exceeded our environmental goals in fleet and petroleum usage.

In addition to receiving clean audit opinions each year during my tenure, we have led the agency in achieving the CEAR awards for the FAA's annual performance and accountability reports.

We have also implemented an enterprise-wide, integrated IT strategy, decreased IT contract costs by more than $30 million, deployed a new cloud-based email system, implemented a cloud strategy utilizing an innovative brokerage model contract and consolidated our IT help desks from seven to one. We did this all while addressing increased cyber attacks.

I believe my experience and formal education have prepared me well to take on this new role at the Department of Energy. I have a deep understanding of what it takes to be an effective leader in a government agency, to be a responsible steward of the taxpayer's resources and to create and transform an organization to be high performing.

I believe in working collaboratively and accountably as a team creating an environment that brings out the best in everyone as we work together to take programs to new levels.

Growing up my parents instilled in me the belief that public service is a noble calling and it's an honor to be able to serve others. If confirmed as the Under Secretary I will work every day to be worthy of the privilege.

Thank you and I welcome any questions you may have.

[The prepared statement of Ms. Wassmer follows:]

Statement of
Victoria Baecher Wassmer

Nominee to be
Under Secretary for Management and Performance
Department of Energy

Before the Committee on Energy and Natural Resources
United States Senate

October 20, 2015

Good morning, Chairman Murkowski, Ranking Member Cantwell, and other members of the Committee.

I am honored to appear before you today as President Obama's nominee to be the Under Secretary for Management and Performance at the Department of Energy. If confirmed, I will work every day to support Secretary Moniz and to advance the Department's critical efforts to ensure America's security and prosperity by addressing its energy and environmental and nuclear legacy issues through strong performance and management practices.

Before I begin, I would like to thank my husband, Franklin, and my sons, Alexander and Christophe, who are with us today. I would not be here without their support and encouragement. My sons, both now in high school, routinely challenge me to grow in ways I never could have imagined and also make me laugh. And, my husband Franklin, who has worked for the last twenty-years in the local public charter school movement, provides a secure foundation that grounds me every day to not only do meaningful work but to live a meaningful life. Our shared commitment to community and public engagement, instilled in us by our parents, has become a cornerstone of our own family.

Commitment to public engagement is what propelled me to spend the majority of my 25-year career in public service, including 17 years in management and leadership positions within the federal government. Most notably, I currently serve as the Assistant Administrator for Finance and Management at the Federal Aviation Administration (FAA), and I previously served as the Chief Financial Officer and Vice President of Administration and Finance at the Millennium Challenge Corporation (MCC).

At the MCC, I was responsible for realigning corporate services, including finance, human resources, acquisitions, and information technology, to better support the agency's mission. Within my first six months, I instituted an annual internal customer satisfaction survey, as well as identified and implemented a new performance management system to increase employee effectiveness and engagement. We saw a double-digit improvement in 2011 from our 2010 customer survey results, as well as a double-digit improvement in my team's FedView Survey results over that same period. I reconstituted an Executive oversight board, tightened our internal controls, and improved management practices, all

of which helped to optimize budget resources to better support the mission of MCC, to reduce poverty through economic growth.

In August 2011, I became the FAA's first-ever Assistant Administrator for the Office of Finance and Management, overseeing the transition of the agency's finance, acquisition, information technology, and region and center operations services into an integrated shared services model. Today, I am responsible for the efficient and effective performance of these critical services in support of the agency's aviation safety mission. I also manage the FAA's $16-billion-dollar budget and lead the agency's efforts to identify cost savings, increase efficiencies, leverage technology, optimize resources, and ensure critical acquisitions remain on cost and schedule.

Over the last four years, my team and I employed strategic planning, performance, and oversight to help the agency save more than $360 million through our cost control program. This included nearly $130 million in savings through our strategic sourcing program for equipment and supplies. We also reduced the agency's administrative footprint by more than 270,000 square feet and exceeded our environmental sustainability goals in fleet and petroleum usage.

In addition to receiving clean audit opinions each year during my tenure, we have led the agency in achieving the Certificate of Excellence in Accountability and Reporting Award (CEAR) for the FAA's annual Performance and Accountability Reports.

We have also implemented an enterprise-wide integrated IT strategy; decreased IT contract costs by more than $30 million; deployed a new cloud-based email system; implemented a Cloud strategy with an innovative brokerage model contract; and consolidated our IT helpdesks from seven to one. We did this all while addressing increased cyberattacks.

I believe my experience and formal education have prepared me well to take on this new role at the Department of Energy. I have a deep understanding of what it takes to be an effective leader in a government agency, to be a responsible steward of the taxpayers' resources, and to create and transform an organization to be high-performing. I believe in working collaboratively and accountably as a team, creating an environment that brings out the best in everyone as we work together to take programs to new levels.

Growing up, my parents instilled in me the belief that public service is a noble calling and it is an honor to be able to serve others. If given the opportunity to serve as the Department of Energy's Under Secretary for Management and Performance, I will work every day to be worthy of the privilege.

Thank you and I welcome any questions you may have.

The CHAIRMAN. Thank you, Ms. Wassmer.

Dr. Murray, welcome.

STATEMENT OF DR. CHERRY ANN MURRAY, TO BE DIRECTOR OF THE OFFICE OF SCIENCE AT THE DEPARTMENT OF ENERGY

Dr. MURRAY. Chairwoman Murkowski, Ranking Member Cantwell and members of the Committee, thank you for the opportunity to appear before you today as you consider my nomination for the position of Director of the Office of Science at the Department of Energy. It's an honor to be here and to be nominated by President Obama and supported by Secretary Moniz.

The DOE Office of Science manages ten national laboratories, many major scientific user facilities and it's the largest supporter of physical sciences research in the U.S. If confirmed I look forward to working with this Committee to maintain the nation's leadership in science.

I was born in Fort Riley, Kansas. My father was in Officer Training. He was also in civil service all his life. He spent his career as a diplomat and alternately in the Army. Until I was 17 I moved with my family almost yearly. We lived in Japan, Pakistan, South Korea and Indonesia. My parents were both artists, and I assumed I'd also be an artist. I'd spent the first two years of high school in Alexandria, Virginia. In ninth grade I had an inspiring chemistry teacher. I was enthralled by doing lab experiments and by the beauty of math that explained the science. For me, it was like creating order from chaos. I was hooked and I decided right then to be a scientist and to keep art as a hobby.

I attended MIT where I received my Bachelor's degree and Doctorate in Physics. I then spent 27 years at Bell Labs Research which was, at the time, one of the top places to do research in the world. At Bell Labs we focused on everything from basic science to applied engineering and product development and I rose to Senior Vice President managing research and development, inventing and innovating the future of telecommunications. During those years I experienced directly how breakthroughs in fundamental science lead to the most disruptive technologies in the market. I also learned that the transition from basic science to technology development and ultimately to new products is never easy and it is not a linear process. It is more of a spiral.

In 2004, I became Deputy Director for Science and Technology at Lawrence Livermore National Laboratory and experienced how important science is as an underpinning of our national security. In 2009, I became Dean of the School of Engineering and Applied Sciences at Harvard.

Having interacted with spectacular undergraduate and graduate students who eagerly want to solve problems that make a difference in the world, I am optimistic about our nation's continued science leadership.

I was a member of over 20 national academy study committees including the Committee that wrote the Rising about the Gathering Storm report. I also served on the Presidential Commission on the Deepwater Horizon oil spill, and I now serve on the Congressional

Commission to review the effectiveness of the national energy laboratories.

As in all technology advances the major technology revolution that is happening right now in our energy system will be catalyzed by advances in science. In the past, as a nation, we could rely on the great industrial research labs. They could provide leading edge science relevant to technology and did, but industry is no longer doing as much fundamental science now. We must harness the enormous potential of the DOE national laboratories, working with our great research universities in collaboration with industry.

I look forward, should I be confirmed, to leading the DOE Office of Science and the national laboratories it stewards and to be working with this Committee to ensure that the U.S. continues to be a leader in scientific advances and the translation of these advances into new technologies, important for our sustainable energy security, national security and economic growth.

Thank you. I'd be happy to answer any questions.

[The prepared statement of Dr. Murray follows:]

Statement of
Cherry A. Murray

Nominee to be
Director of the Office of Science
Department of Energy

Before the Committee on Energy and Natural Resources
United States Senate

October 20, 2015

Chairman Murkowski, Ranking Member Cantwell and Members of the Committee, thank you for the opportunity to appear before you today as you consider my nomination for the position of Director of the Office of Science at the Department of Energy (DOE). It is an honor to be here and to be nominated by President Obama and supported by Secretary Moniz.

The DOE Office of Science manages ten national laboratories, major scientific user facilities, and is the largest supporter of physical sciences in the U.S. If confirmed, I look forward to working with this Committee to maintain the Nation's leadership in basic science, which is critical to our national security, to our energy security and to our economy.

I was born in Ft. Riley, Kansas, where my father, who had previously served as a army captain in World War II, was in officer training prior to serving in the Korean War. He spent the rest of his career alternately as an intelligence officer in the Army Reserve and a diplomat. Until I was 17, I moved with my family almost yearly; we lived in Japan, Pakistan, South Korea, and Indonesia. My parents valued the arts. I took lessons in painting, dance and music, and I assisted my mother as she taught painting in the countries in which we lived. I thrived on learning new cultures and adapting to constant change. I assumed I'd also be an artist

I lived with my family in the Washington, D.C. area in between my father's international assignments. There, I spent the first two years of high school. In 9th grade, I had an inspiring chemistry teacher, Mr. Morrison, who taught a new, for the time, laboratory-based curriculum. I was enthralled by doing real experiments and by the beauty of the mathematical equations that explained the complex behavior of the chemical reactions we observed in the lab. For me, it was like creating order from chaos. I was hooked, and I decided right then to be a scientist and to keep art as a hobby.

I spent my last two years of high school in Seoul, Korea, and taught myself physics from textbooks I ordered. I then attended MIT, where I received my bachelor's degree and doctorate in physics. I worked as a staff scientist at Bell Labs Research, which was at the time one of the top places to do research in materials physics in the world. At Bell Labs,

I was surrounded by the most brilliant people doing spectacular research for a purpose: from basic science to applied engineering, inventing the future of telecommunications. There was an atmosphere of excellence, intense scientific competition and working towards a mission.

After nine fabulous years of doing basic surface physics, nano-science and studying the physics of soft matter, I was promoted into management. I led both basic physical science research and telecommunications R&D in collaboration with several business units of Lucent Technologies, then the corporate owner of Bell Labs. During my 27 years at Bell Labs, I experienced directly how breakthroughs in basic science lead to the most disruptive technologies and biggest leaps in technical breakthroughs in the market. I also learned that the transition from basic science to technology development and ultimately to new products is never easy, and is not a linear process — it is more of a spiral.

After the telecomm bubble burst, I was recruited in 2004 to Lawrence Livermore National Laboratory, as Deputy Director for Science and Technology. I was impressed with the caliber of scientists and engineers at the Lab and their devotion to national service. I learned how important science and technology are as an underpinning of our national security. I then became Principal Associate Director for Science and Technology, leading the science and engineering efforts in the national security programs and managing the science and technology strategy as well as the 3,500 scientists and engineers at the lab.

In 2009, I was recruited to Harvard University to be the Dean of the School of Engineering and Applied Sciences two years after it became Harvard's newest school in 77 years. The new school dramatically grew the number of students interested in engineering and computer science. Having interacted with spectacular undergraduate and graduate students, who eagerly want to solve problems and to make a difference in the world, I am optimistic about our Nation's continued science leadership.

I have been active in the National Academy of Sciences and the National Academy of Engineering, including serving on the National Research Council Governing Board and chairing the National Research Council Division of Engineering and Physical Sciences. I was a member of over 20 National Academy study committees, including the committee that wrote the "*Rising Above the Gathering Storm*" report. I also served on the Presidential Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, and I now serve on the Congressional Commission to Review the Effectiveness of the National Energy Laboratories.

Two years ago I joined the Secretary of Energy Advisory Board, and from that I have experienced the breadth of work done by the DOE in science, energy, environment, and national security; and the enormous challenges we have as a Nation to maintain our world-class science capabilities, to effectively manage the our energy systems, to safely and efficiently use our natural resources, to responsibly steward our environment and to provide for sustainable national and energy security.

As in all technology advances, the current technology revolution in our energy system will be catalyzed by advances in basic science. In the past, as a Nation, we could rely on the great industrial research labs to provide leading edge science relevant to technology and that could develop advances in technology; but industry is no longer doing as much basic science. We must harness the enormous potential of the DOE national laboratories working with our great research universities in collaboration with industry.

I look forward, should I be confirmed, to leading the DOE Office of Science and the national laboratories it stewards to ensure that the U.S. continues to be a leader in scientific advances and translates these advances into new technologies important for our sustainable energy security, national security and economic growth.

Thank you, and I welcome any questions you may have.

The CHAIRMAN. Thank you, Dr. Murray.
Mr. Kotek?

STATEMENT OF JOHN FRANCIS KOTEK, TO BE AN ASSISTANT SECRETARY OF ENERGY (NUCLEAR ENERGY)

Mr. KOTEK. Chairman Murkowski, Ranking Member Cantwell, members of the Committee, thank you for the opportunity to appear today as you consider my nomination to be the Assistant Secretary of Energy for Nuclear Energy at the U.S. Department of Energy.

I'm honored to have been nominated for this post by President Obama. I also deeply appreciate the confidence that Secretary Moniz has expressed by asking me to serve in this capacity. And I'm grateful for the statement of support for my nomination provided by Senator Risch and the Idaho Congressional Delegation.

I'd like to start by thanking from the bottom of my heart, my wife, Denise. She's been extraordinarily supportive of me throughout our 21 years of marriage, and she understands completely the challenge we've been asked to undertake, having herself worked at DOE back in the 1990's.

Now earlier this year I was appointed as Principle Deputy Assistant Secretary in DOE's Office of Nuclear Energy. This is actually my third stint as a DOE employee having started my career at DOE Headquarters in 1989 then rejoining DOE as Deputy Manager of the Idaho Operations Office from 2003 to 2006. Between my first two jobs at DOE I was on the staff at Argonne National Laboratory at the old Argonne West facility in Idaho which is now part of the Idaho National Lab.

While I was born in Hawaii and raised in Massachusetts, I've called Idaho home since 1999. And I should note that during my time with Argonne in 2002 I served as the American Nuclear Society's Congressional Fellow working in the Office of Senator Jeff Bingaman when he chaired this very Committee.

After leaving DOE in 2006 I went into the private sector advising clients on a wide range of energy and natural resource issues with the particular focus on the siting of controversial facilities. I believe that my facility siting experience coupled with my nuclear background served me well in my role as Staff Director for the Blue Ribbon Commission on America's Nuclear Future, a position I served in from 2010 to 2012.

My time as Staff Director was truly one of the highlights of my career and not just because it gave me an opportunity to work for people like Co-Chairman Lee Hamilton and Brent Scowcroft, Senators Pete Domenici and Chuck Hagel, and of course, Dr. Ernest Moniz. The main reason my service was such a highlight was that it gave me an opportunity to help a bipartisan panel, made up of some of the best minds in the country, dig deep into a controversial issue and develop a set of recommendations that were unanimously adopted and widely accepted by individuals and organizations on all sides of the nuclear waste issue. I know that the Commissioners have been heartened by the work this Committee has done to incorporate the BRC recommendations into proposed legislation, and I'm eager to work with you and others to see the nation's nuclear

waste management program advance and set a solid foundation for the program going forward.

Looking at the mandate of the nuclear energy organization more broadly, I've long believed that nuclear energy can and should play an important role in meeting our twin objectives of meeting rising global energy demands while addressing the threat posed by emissions of carbon and other greenhouse gases. To be sure, nuclear energy isn't the only way of tackling this challenge and I believe the President's All of the Above energy strategy gives us the best chance of meeting carbon reduction goals both at home and abroad.

In the nine months since I returned to DOE I've seen great opportunity for DOE to work with industry, universities, our national labs and with international partners, to ensure nuclear energy technologies can continue to meet current energy demands while providing opportunities for new nuclear energy supply in the intermediate and long terms. I'm particularly excited about the opportunities for technologies like small modular reactors and even more novel reactor technologies to provide safe, affordable, low carbon electricity and other energy products, potentially including processed heat, hydrogen production and desalination services.

If I'm fortunate enough to be approved by this Committee and confirmed by the Senate, these are the kinds of areas that will be my focus.

I also look forward to working with this Committee to identify additional opportunities to advance nuclear energy as part of our low carbon energy future. I hope to secure your support so that I might have that opportunity.

Thank you, and I welcome any questions you may have.

[The prepared statement of Mr. Kotek follows:]

Statement of
John F. Kotek

Nominee to be
Assistant Secretary for Nuclear Energy
Department of Energy

Before the Committee on Energy and Natural Resources
United States Senate

October 20, 2015

Chairman Murkowski, Ranking Member Cantwell, Members of the Committee: I am grateful for the opportunity to appear today as you consider my nomination to be the Assistant Secretary of Energy for Nuclear Energy at the Department of Energy (DOE).

I am honored to have been nominated for this post by President Obama. I also deeply appreciate the confidence that Secretary Moniz has expressed by asking me to serve in this capacity. And I am grateful for the statement of support for my nomination provided by Senator Risch and the Idaho Congressional delegation.

I would like to start by thanking, from the bottom of my heart, my wife Denise. She has been extraordinarily supportive of me throughout our 21 years of marriage and she understands completely the challenge we have been asked to undertake, having herself worked at DOE in the 1990s. In fact, we first met at DOE's Argonne National Laboratory in 1991, and we dated "long-distance" through the year she spent working at the Savannah River site in South Carolina before we married in 1994.

Earlier this year, I was appointed as Principal Deputy Assistant Secretary in DOE's Office of Nuclear Energy. In that position I served under Assistant Secretary Pete Lyons, who is well known to this committee, and who retired at the end of June. This is my third stint as a DOE employee, having started my career at DOE headquarters from 1989 to 1998, then rejoining DOE as Deputy Manager of the Idaho Operations Office from 2003 to 2006. Between my first two jobs at DOE I was on the staff of Argonne National Laboratory at the old Argonne-West facility in Idaho, which is now part of the Idaho National Laboratory. While I was born in Hawaii and was raised in Massachusetts, I have called Idaho home since 1999. And I should note that during my time with Argonne, in 2002, I served as the American Nuclear Society's Glenn Seaborg Congressional Fellow through the American Association for the Advancement of Science, working in the office of Senator Jeff Bingaman when he chaired this very committee.

After leaving DOE in 2006 I went into the private sector, advising clients on a wide range of energy and natural resource issues with a particular focus on the siting of controversial facilities. I believe that my facility siting experience, coupled with my nuclear background, prepared me

well for my role as Staff Director to the Blue Ribbon Commission on America's Nuclear Future, a position in which I served from 2010 to 2012. My time as staff director was truly one of the highlights of my career, and not just because it gave me an opportunity to work for people like co-chairmen Lee Hamilton and Brent Scowcroft, Senators Pete Domenici and Chuck Hagel, and of course Dr. Ernest Moniz. The main reason my service was such a highlight was that it gave me an opportunity to help a bi-partisan panel made up of some of the best minds in the country dig deep into a controversial issue and develop a set of recommendations that were unanimously adopted and widely accepted by individuals and organizations on all sides of the nuclear waste issue. I know that the Commissioners have been heartened by the work this committee has done to incorporate the BRC recommendations into proposed legislation and I am eager to work with you and others to see the nation's nuclear waste management program advance and to set a solid foundation for the program going forward.

Looking at the mandate of my organization more broadly, I have long believed than nuclear energy can and should play an important role in meeting our twin objectives of meeting rising global energy demands while addressing the threat posed by emissions of carbon and other greenhouse gases. To be sure, nuclear energy isn't the only way of tackling this challenge, and I believe the President's "all of the above" energy strategy is the right one. For example, in my most recent position as a private energy consultant I played a small role in the construction of three commercial wind farms, so I know the advantages that wind power has to offer in terms of abundance and speed of construction in some parts of the country. But I also know the challenges associated with intermittent power supplies like wind and solar, and I believe that the Administration's strategy of developing a wide range of low-carbon energy technologies gives us the best chance of meeting carbon reduction goals both at home and abroad.

In the nine months since I returned to DOE, I have seen great opportunity for DOE to work with industry, universities, with our national laboratories and with our international partners to ensure nuclear energy technologies can continue to meet current energy demands while providing opportunities for new nuclear energy supply in the intermediate and long-terms. I'm particularly excited about the opportunities for small modular reactors and for even more novel reactor technologies to provide safe, affordable, low-carbon electricity and other energy products — including process heat, hydrogen production and desalination services.

The DOE Office of Nuclear Energy (NE) applies knowledge to advance nuclear power as a resource capable of meeting the Nation's energy, environmental, and national security needs by resolving technical, cost, safety, proliferation resistance, and security barriers through research, development, and demonstration as appropriate. NE's program is guided by the four research objectives detailed in its Nuclear Energy Research and Development Roadmap:

- Develop technologies and other solutions that can improve the reliability, sustain the safety, and extend the life of current reactors.

- Develop improvements in the affordability of new reactors to enable nuclear energy to help meet the Administration's energy security and climate change goals.
- Develop sustainable fuel cycles.
- Understand and minimize the risks of nuclear proliferation and terrorism.

And of course, in addition to advancing DOE's nuclear energy research agenda, NE is responsible for implementing the Administration's strategy for the management of spent nuclear fuel and high-level radioactive wastes.

If I am fortunate enough to be approved by this committee and confirmed by the Senate, these are the kinds of areas that will be my focus. I also look forward to working with this committee to identify additional opportunities to advance nuclear energy as a part of our low-carbon energy future. I hope to secure your support so that I might have that opportunity.

Thank you, and I welcome any questions you may have.

The CHAIRMAN. Thank you, Mr. Kotek.

Thank you, each of you, for your comments this morning, and again, your willingness to serve and your willingness to go through the gauntlet of questions that we will have for you this morning.

Just for the information of members, my intention is to continue the committee process throughout this vote. I would ask that when the vote is called if you just leave and vote and then come back. After Senator Cantwell and I have asked our questions the first up on the Republican side is Senator Cassidy and he will be followed by Senator Franken—just so you know when to pop in and out.

At this time I will proceed with the first round of five minute questions and direct my first one to you, Ms. Sarri.

You have indicated that you have now been the Principal Deputy there at PMB for about a year or so, and that in this role there is a department-wide review coordinating across agencies which, of course, is necessary in this area. I mentioned in my opening remarks, and I think you might hear the frustration in the words, I am a little bit under the weather this morning, otherwise you would have heard a little more animation in my voice as well. So maybe you have been saved by a long airplane flight and a little bit of the flu.

But there is a great deal of frustration in my state right now, not the least of which is coming from the Shell announcement that while they did not see what they were hoping, it was also complicated by the fact that seven years and $7 billion leads them to turn away from a prospect that was not only important to Shell, but very, very important to the State of Alaska. Then on Friday to learn from the Secretary, by voice mail, before a public announcement that the lease extensions were not going to be renewed, not going to be considered, as well as cancellation of the offshore leases for '16 and '17, an incredible blow and a hit to the State of Alaska in regards to our opportunities to explore anything offshore.

This is at a time when again the Secretary and the President know full well that we have got a pipeline that is less than half full and we are looking as a state to be able to move in some of these areas—and we have been hindered at all turns.

The question that I have for you this morning is what was your role in these decisions as they relate to offshore Arctic? What was your role as Principle Deputy at PMB in these decisions?

Ms. SARRI. Senator, thank you for your questions. I have the same cold as you do, so I hope you feel better.

Let me just first start by saying really quickly that Alaska is incredibly important, obviously, to energy production in this country. And the safe and responsible development in the Arctic is an important part of that picture.

The CHAIRMAN. But we are not seeing it coming out of the Administration.

Ms. SARRI. I was not involved in either of the decisions announced on Friday. My role at PMB is really on those cross-cutting policy initiatives. I mentioned a couple just invasive species and youth issues, energy issues that firmly lie with BOEM and BSEE.

The CHAIRMAN. So you had no involvement in terms of the decisions either as it related to the lease extensions or the cancellation of the '16 and '17 offshore leases?

Ms. SARRI. No, Senator, I did not.

The CHAIRMAN. The drilling regulations that are coming up are, again, something that we are very, very keenly looking at. BOEM and BSEE are in the process of developing these regs now to address offshore drilling safety in the Arctic. The concern that many have is that what Interior will lay down will be regs that are so burdensome and so excessive in terms of the regulatory controls that effectively pushes even further off the opportunity for activity in the Arctic.

In this position you are being nominated for, how would you work to bring greater certainty because that is what we are looking for here is certainty to the Federal regulatory environment in the Arctic?

Ms. SARRI. So, Senator, again, that's something that BOEM and BSEE work closely on when they're doing regulatory development. And the important role I think I play in that effort is to make sure that those two Bureaus have sufficient staffing to meet their regulatory mission and to carry out regulations working with industry.

The CHAIRMAN. So when you say that, I mean, your title is Policy, Management and Budget. So you are suggesting to me that on the policy side of it the only thing that you do is make sure you have sufficient staffing available for that?

Ms. SARRI. On this particular issue that you were raising where my nexus is really working on the budget side of the equation and not so much on the regulatory development.

When it comes to the policy issues at PMB, it is really on those that have cross-cutting nexuses with all the different Bureaus where you want to have that cohesion and coordination. As I was mentioning one of the big areas that we play in is invasive species which have an impact across public lands and in communities or wildland fire development.

So when it's very mission specific to a bureau we, the bureau, are responsible for that effort. But with that case coming out, I think one of the important things I need to do is have a responsible role in terms of making sure we're budgeting responsibly for that and also where it's appropriate for me to offer oversight.

The CHAIRMAN. I will have some further questions here.

Senator Cantwell?

Senator CANTWELL. Thank you, Madam Chair.

Like you, I have many questions for our nominees but only five minutes, so I am just going to throw it out there and see if we can get a lot of feedback.

Mr. Kotek, I wanted to ask you about the recommendations to separate defense and commercial waste—whether you will come up with a plan to move forward on that, whether that plan would include impacted communities, and what technical issues do you think need to be addressed so that we can get there?

I am so glad that Dr. Cherry and Ms. Wassmer are sitting next to each other because when it comes to cleaning up Hanford, you represent both ends of this puzzle.

Dr. Cherry, I want to know if you agree—the National Lab Commission that you served on said that science should play a larger role in helping us with some of our major nuclear waste sites and

the remaining issues. Some of the waste, we still do not even have solutions for on the science side.

Ms. Wassmer, how do you plan to complete in a timely fashion both getting the Vitrification plant done and the Waste Treatment plant done? So both of the waste treatment facilities, obviously, have had many challenges. How do we complete that?

Lastly, Dr. Kimball, I do not know if you read the New Yorker article about the Cascadia Fault and the challenges of what is an analysis of a 300-year event that could hit the Pacific Northwest, but my colleague, Senator Murkowski, and I have introduced legislation on better monitoring. What do you think we need to do to actually get that better monitoring in place?

So, as quickly as you can go.

Mr. KOTEK. Certainly, I'll start.

Thank you for the question, Senator. What you've touched on, of course, is the Administration's commitment to a consent based siting process to develop new facilities for the storage and ultimately for the disposal of nuclear waste. The Administration is committed to a consent-based siting process that involves working with states, tribes, local governments, in a way that leads to signing agreements with what we'd call, a willing and informed host, community for those facilities.

As we learned through the Blue Ribbon Commission process, communities, states, tribes are going to need to answer two fundamental questions when it comes to their willingness to host such facilities. One is can we do this in a way that's fully protective of people and the environment? And then second is can our community, state, tribe, feel like they're better off for having taken on this challenge until it becomes incumbent upon us to provide information, technical resources, other assets to them as they work through answering those types of questions.

Senator CANTWELL. So will you come up with an actionable plan on separating defense and civilian waste? That is what I am asking.

Mr. KOTEK. Oh, I'm sorry.

When it comes to the defense waste, yes. We have, the President acted on a recommendation from the Secretary to, in fact, pursue a separate repository for defense waste. That announcement was made back in March, and we're now in the process of developing plans for that.

Senator CANTWELL. Great.

Mr. KOTEK. So yes, and thank you. I'll look forward to working with you on that, if I'm confirmed.

Senator CANTWELL. Okay, great.

Dr. Cherry?

Dr. MURRAY. Thank you for the question, Senator.

Of course, science really is the underpinning of pretty much every technology, and one of the things that the Commission noted is that with the enormous amount of resources that we're spending on environmental cleanup more science is definitely necessary.

So already we've had scientific consensus, workshops and meetings of scientists and environmental managers to try to figure out what are the scientific breakthroughs that we can do. And you will see more on this. I'll be very glad to work with you.

Senator CANTWELL. Thank you.

Ms. WASSMER. Thank you, Senator, for the question related to WTP and the importance of that for the Hanford site.

I've had high level briefings from the Department of Energy. And if confirmed, I would be getting more to speed up with the details. But I do understand the phased approach that the Department is recommending in terms of that facility and do believe that it's very important to ensure that we can both treat, store and then ultimately safely dispose of waste.

Senator CANTWELL. Well, I will look for it. I know you have done good work at the FAA, but part of the issue at Hanford has been somebody proposes some great idea, a new secretary comes along and then they realize later that doesn't work. And then we've spent billions of dollars, and we have to go back.

I just hope that we will move forward on a path of certainty here—we have leaky tanks, and we need to get them cleaned up.

Dr. Kimball, getting our monitoring system?

Dr. KIMBALL. Right. Our priorities are absolutely to provide the kinds of information that are necessary to protect public health and safety, and early warning systems are very important. And that requires monitoring.

We very much appreciate the attention that this Committee has provided and you and Chairman Murkowski in introducing the legislation that would establish the National Volcano Early Warning System. We feel that that's an important step forward and the attention, the national level attention, that this legislation brings to the issue, we feel is very important.

I look forward, if confirmed, to working closely with you to ensure that we do have those kinds of systems in place.

Senator Cantwell [presiding]: Thank you.

Senator Cassidy?

Senator CASSIDY. Ms. Sarri, I think you mentioned your mother is a Michigan football fan just to get the sympathy vote. Did you know, that is just, kind of, my bias? [Laughter.]

Of anyone.

Ms. SARRI. Did it work? [Laughter.]

Senator CASSIDY. Not from the Michigan State people, you know, they are—— [Laughter.]

First I would like unanimous consent to introduce a letter on behalf of my Louisiana colleague, Senator Vitter, regarding Ms. Kendall's nomination.

[The information referred to follows:]

DAVID VITTER
LOUISIANA
DEPUTY WHIP
Small Business and Entrepreneurship
Chairman
Environment and Public Works
Transportation and Infrastructure
Subcommittee Chairman
Judiciary
Immigration, Refugees and
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October 20, 2015

Senator Lisa Murkowski
Chairman
Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

CC: Members of the Senate Energy and Natural Resources Committee

Dear Chairman Murkowski and Members of the Senate Committee on Energy and Natural Resources:

I am writing today to urge you to support transparency within the federal government by opposing the nomination of Mary Kendall to the position of Inspector General (IG) of the Department of Interior (DOI) , which is being considered by your committee. Ms. Kendall is currently the Acting IG of DOI, however, allowing her to officially hold this position will jeopardize the legitimacy of government action in the eyes of the constituencies we represent.

Concerns regarding Ms. Kendall's tenure as Acting IG date back to her assuming the role in 2009. Her involvement in the manipulation of facts in a 2010 report in the wake of the British Petroleum oil spill, which led to a moratorium on deep water drilling and permitting, is of the greatest concern.

At the direction of President Obama, then-Interior Secretary Ken Salazar issued a report (30-day report) on May 27, 2010, assessing the events leading up to and taking place during the spill and made recommendations to prevent tragedies, such as this, from reoccurring. Twelve days after issuing the report, eight of the safety experts that the government consulted for the report wrote to the Louisiana delegation objecting to the report's implication that they supported a blanket, six-month moratorium on deep-water drilling and permitting. In their statement responding to the report, the experts made clear that the draft report from DOI that they reviewed, and which recommended a limited moratorium, had been modified after the fact to recommend a more robust and excessive moratorium. Further, the experts stated that the more extensive moratorium would "not measurably reduce risk further and it will have a lasting impact on the nation's economy which may be greater than that of the oil spill." The administration went along with the full moratorium, despite protests from the safety experts, which as predicted

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resulted in dire economic consequences that are still being felt throughout the Gulf States in 2015.

I believe that in her role as Acting IG, Mary Kendall was at the core of the administration's devastating Gulf drilling moratorium and may have used her authority inappropriately. The moratorium was clearly driven by politics and not based on the scientific and policy recommendations of the experts who objected to it. Since the issuance of the moratorium, and the questioning of the report used to justify it, Ms. Kendall has continually refused to work with the House and Senate to investigate the manipulation of the report's findings. Her participation in the data manipulation and refusal to work with Congress is further highlighted by her involvement with the Outer Continental Shelf Safety Oversight Board; participation in meetings with senior DOI officials leading up to the 30-day report; and employee surveys and emails between high-level career officials at the OIG expressing dwindling confidence in the impartiality of OIG senior officials.

Mary Kendall has a long history of allowing political ideology to influence her decisions, and has made it abundantly clear that she lacks the fortitude to fulfill the duties required of an important position such as this. While I will strenuously object to any consideration of her nomination on the floor of the U.S. Senate, I am urging you to consider her transparency failures and unwillingness to work with Congress when deliberating her nomination at the committee level. Thank you in advance for your consideration of my request.

Sincerely,

David Vitter
United States Senate

Senator CASSIDY. Ms. Kendall, you came by my office. We had a nice visit. Thank you.

Some of the questions will be followup to that or even the same, but it is more for the public record as opposed to our personal conversation.

To set the stage for others when the Macando oil spill occurred there was a report issued by the Department of the Interior suggesting that eight safety experts felt as if the moratorium instituted by the Department was appropriate. As it turns out those eight experts did not agree with it and said that it would not measurably reduce risk and would have a lasting impact upon the nation's economy that my state still suffers from that decision to go forward with the moratorium despite the experts saying not to. And there was an investigation that ensued. So with that stage set, I will proceed.

As you know and as we spoke in the office, there was an issue that you were to investigate who altered the report and yet simultaneously were being involved—took membership on the Safety Oversight Board of the OCS. There was a tension there. On the one hand you were to investigate something of which you were a part of. So would you please address that?

Ms. KENDALL. I will, Senator, thank you.

The details are, sort of, in the weeds, but the distinction is the Safety Oversight Board was charged with putting together long-term solutions or recommendations for safety and oversight in the Outer Continental Shelf. The report that we were being asked to review, the IG was asked to review, was something called the 30 day report. And it was a short-term report requested of the Secretary by the President to make immediate recommendations to solve some of the immediate problems that were being faced in the Gulf because of the Deep Water Horizon disaster. And so the Safety Oversight Board did not have a role in that 30-day report.

Senator CASSIDY. Can I ask? Was there anyone on the Safety Oversight Board who could have potentially, knowing that you could not know then what you know now, who could have potentially been involved with the alteration of the original report in the sense where you are rubbing shoulders, breaking bread, with those whom you might otherwise have to hold accountable for having altered a report?

Ms. KENDALL. I don't believe so. And it was not——

Senator CASSIDY. Could you have known that when you joined the Safety Oversight Board? It does not seem as if it is conceivable that you could have known.

Ms. KENDALL. Undoubtedly, I couldn't have.

Senator CASSIDY. So just intuitively if you are rubbing elbows and breaking bread and coming together on a mutually agreeable basis we have got to figure this out. At the same time you may potentially be holding someone accountable for something which truly was wrongdoing. It seems as if you have set yourself up for a conflict of interest.

Ms. KENDALL. I understand how that perception could be or that conclusion could be drawn. In fact, however, the Safety Oversight Board was not involved in that 30-day report.

Senator CASSIDY. I accept that. But, as we spoke earlier, it would have been hard to know then that there were not people on one board who may have been responsible for a wrongdoing elsewhere.

Ms. KENDALL. Except there were only three people on the Safety Oversight Board, and I knew who was involved in the 30-day report.

Senator CASSIDY. I accept that.

Now I have an email from an Assistant Secretary in which it seems as if some of the Inspector General's staff were uncomfortable with your involvement with the Board. So I will not quote at length, although I could, but just suffice it to say it does seem as if within the organization it was perceived as a conflict of interest by some.

Let me ask as well, and we have spoken about this before but again for the public record, the House has previously or I guess maybe, the Senate, but I am more familiar with the House, has requested information of your staff as regards to this whole episode and the Inspector General's staff did not submit that information.

Now in our conversation you said, well, never before have Inspector Generals been offered this and it was really up to the House to go to the Department to provide the information.

But at some point if there is a set of circumstances in which you would serve on an Oversight Board, because we really have to make things work here and this is a bending of the rules or a potential conflict of interest that maybe could be overlooked in order for the greater good, if Congress is going after a record and Interior will not give it to them, it almost seems like the Office of Inspector General not giving it as well serves the interest of the Department. And we are frustrated because we cannot exercise oversight because both are playing rope-a-dope. What are your thoughts about that?

Ms. KENDALL. Well Senator, in this case we're talking about documents that Executive Privilege came into play.

Senator CASSIDY. As I gather though, that was something that you invoked that the Administration did not invoke prior to you.

Ms. KENDALL. No, we did not invoke it. The OIG did not invoke it.

Senator CASSIDY. Okay.

Ms. KENDALL. The Department led up to invoking it. Only the President can invoke Executive Privilege, and what we were doing was trying to get the House Committee and the Department to talk and resolve that issue as opposed to asking the OIG to play referee.

Senator CASSIDY. Then I will go back to my point. If the Department decides to rope-a-dope and not give information to Congress, we have no place else to go but the OIG. Theoretically your loyalty is to both, to the Department and to Congress. In that case it served the purpose of the Department but not for the purpose of transparency.

Thank you again. I yield back.

The Chairman [presiding]: Thank you, Senator Cassidy.

Senator Franken?

Senator FRANKEN. Thank you, Madam Chair.

Ms. Kendall, welcome. It is always a pleasure having a Minnesotan in front of the Committee.

In your testimony you underlined that some may mistake your civil dealings with the Department of the Interior as being too accommodating. I appreciate that you bring some Minnesota nice to the Federal Government.

However, could you tell me about how you view the role of the Office of the Inspector General as an independent entity?

Ms. KENDALL. Yes, sir. Thank you, Senator.

The OIG plays an important role in terms of holding the Department accountable. We do that through audits and investigations primarily, and our findings come through and then we follow up with recommendations.

I think that the responsibility of the OIG is to call things as it sees them through its audits and investigations and make meaningful recommendations that will help the Department improve its operations and resolve problems.

Now those are not always happy discussions, but I think they can always be civil. And that has been part of my role is to engage in difficult discussions with the Department usually about difficult problems that are not easily solvable but to do it in a productive and a polite manner.

Senator FRANKEN. Thank you.

I know that Senator Cassidy was asking about some of the controversies around the Deep Water Horizon oil spill. In 2008 Congress established an Integrity Committee to investigate allegations of wrong doing that were made against Inspectors General. The Integrity Committee includes a Senior FBI official who serves as the Chairman, the Director of the Office of Government Ethics, the Special Council and Foreign Inspectors General.

You mentioned in your testimony certain controversies which Senator Cassidy mentioned involving your office's handling of matters related to the moratorium, the drilling moratorium, which was exhaustively investigated by the House Natural Resources Committee.

It is my understanding that the three Gulf State senators asked the Integrity Committee to investigate allegations of misconduct involving your handling of this matter as well. I understand that the Integrity Committee appointed an Inspector General from another Department who conducted an independent investigation but could find no evidence to support any of the allegations. The Integrity Committee reviewed the Inspector General's report and adopted its findings and conclusions as its own two years ago, and the matter is now closed. Is that a fair summary of the Integrity Committee's investigation and conclusion?

Ms. KENDALL. I think it is a fair summary, sir, but we also provided that information to the Committee in written form so the Committee has that.

Senator FRANKEN. Thank you.

I would like to move on to Dr. Kimball.

Next month the Administration will fly to Paris for historic negotiations on an International Treaty to curb greenhouse gases. While the state of science is sufficiently matured to act, climate change research is ongoing and remains a priority both for me and for the U.S. Geological Survey.

Dr. Kimball, can you describe how you envision the role of climate change research within the USGS as well as some of the current areas of exploration?

Dr. KIMBALL. Yes, Senator, thank you very much for that question.

Senator FRANKEN. Bad microphone.

Dr. KIMBALL. Thank you.

The USGS has been studying climate effects for several decades, nearly all of our 136 year history. And we are in a unique position because we can examine the geologic record and look for those changes that are associated with natural processes verses changes that are exacerbated by other activities.

So we do intend to continue. We have a missionary dedicated to climate and land use change in which we brought together the work that we've been doing across the bureau to eliminate internal duplication of effort and to ensure efficiencies.

We plan to be working on downscaled models to look at the impacts of climate variability associated with things like drought, reduced snowpack and snow melt, coastal changes, changes associated with different storm regimes, both in terms of tropical storm intensity and tropical storm patterns and to look at how those impact and are connected with decisions about land use change and carbon sequestration and carbon storage to identify climate resilience activities that can be taken at local and community levels to mitigate these impacts.

Senator FRANKEN. Thank you. I am out of time, but Madam Chair, since it is just you and me, can I ask one more question?

The CHAIRMAN. Okay. [Laughter.]

Senator FRANKEN. Thanks.

This is for Dr. Murray. I am pleased that the bipartisan energy bill that we passed out of Committee in July includes additional funding for energy storage research and development. As our grid continues to evolve I believe that new energy storage technologies will be essential for providing enhanced grid stability and enabling variable renewable energy sources to meet continuous electricity demand. I also believe that the Department of Energy has an important role to play in this effort.

Dr. Murray, what role do you see for the Office of Science in developing transformative energy storage technologies including through ongoing activities at the Joint Center for Energy Storage Research?

Dr. MURRAY. Thank you, Senator, for the question.

Of course, science has a lot to do with energy storage. For the first, materials are essential.

The study of catalysis, the study of chemical reactions, the study of new possibilities for materials in the modeling using high performance computing, all of which is going on at JCESR, the Joint Center for Energy Storage and Research which, is an Office of Science hub, is looking at the generation beyond lithium ion batteries. What that has accomplished so far, just in its first three years, has gotten the industry, who have been working on storage, as you know, for hundreds of years, to accelerate their technology.

So the lithium ion industry is decreasing the cost of lithium ion batteries just because we have this storage hub. They're creating

a data base of different types of electrolytes and different types of materials that could be used. You can up, if you can make it work, you can up the storage capacity of a battery by using magnesium which has two charges instead of lithium which has one. And so they're going in that direction.

So this is beyond. It's collaborating with industry but it's beyond what industry would feel comfortable doing because they have no idea of whether it's going to end up anywhere near a product. But that's where, I think, the Office of Science fits. It's between the universities who cannot easily do these big projects which go from science all the way to prototype and industry which looks at the prototypes and says, you know that's a good idea. I think I can actually make that cheaper and I can make a product out of it.

So it's this joint—this hub is working extremely well, and I invite you to visit it.

Senator FRANKEN. I would love to do that. Where is it?

Dr. MURRAY. It's located at Argonne National Lab.

Senator FRANKEN. Okay.

Dr. MURRAY. Near Chicago.

Senator FRANKEN. Okay.

Well, thank you. Thank you, Madam Chair, for indulging me.

The CHAIRMAN. Thank you, Senator Franken.

Senator Portman, you are up.

Senator PORTMAN. Thank you, Madam Chair, I appreciate it.

I was here earlier and had the opportunity to hear some of the testimony and some of the questions, and I appreciate all of you being willing to step up and serve. Many of you have served before or in other capacities.

My questions are to the Department of Energy, to our friends who are here interested in getting confirmed for important positions that are going to affect the livelihood of a lot of people in my state, including at the Piketon Nuclear Enrichment, Uranium Enrichment Plant, in Pike County, Ohio. We have had a tough time there.

As some of you know this is the site where we uniquely enrich U.S. uranium. It is important for our nuclear arsenal. As Mr. Kotek said earlier, it is important for our nuclear energy industry. It is also critical because it provides tritium which is required for the arsenal and our nuclear navy, of course.

So we have recently had 500 employees at the site who received warn notices. This is for the cleanup of the old technology. This is very frustrating for me because for years and years we have received commitments from the Administration, this Administration and others, to clean up the site. And frankly, the commitment has not been honored.

So my questions are going to relate in part to that cleanup. Ms. Wassmer, you are interested in being Under Secretary of Energy, so you are going to have a lot of responsibility for the cleanup side of things.

President Obama said in 2008, the failure to clean up this site quickly will one, delay future economic development opportunities. Very true. I was out there a few weeks ago, and again, they cannot move forward with the economic development of that area, one of the poorest areas of Ohio, unless they get this cleanup done. Of

course, they need to remove the radioactive and other waste that is there.

Second, according to the President, will only add additional mortgage costs. Wow, with the commitments that have not been made, the taxpayer gets stuck with the bill, about $4 billion more over time to the taxpayer already with the slowdown in the cleanup that we have seen in this Administration.

Third, he said, will pose undue environmental risks. Well, yes, part of the reason you cleanup these sites is to ensure that the communities are safer. We are really frustrated because again and again the Administration has made commitments and not kept them.

In 2009, DOE made a secretarial commitment to the community to accelerate the cleanup and complete the work by 2024, and if you are interested in having that in writing I am happy to provide it to you because Secretary Moniz wondered about that. It is true, and we have talked about it many times.

The press release at the time said accelerating the cleanup was an effort to jump start the local economy and create jobs. Now we are being told in that community that it is going to be 2044 at the earliest. Again, 500 people are having their jobs threatened.

So I have a few questions for you, Ms. Wassmer, as you take on this job. Thanks to some language that my colleague, Senator Alexander, got into the Appropriations bill when the House side did in the CR, we were able to keep employment levels at their current level. In other words, not have these warn notices be implemented. Again, Congress seems to have to step in every year and provide this last minute help. That is not the way to run a railroad. It is certainly not the way to run people's lives.

So very quickly if you could just give me a yes or no on this, the Secretary committed to me a couple of weeks ago that he would advocate for additional funding for the cleanup and the long-term spending package. Would you support the Secretary's efforts to secure this additional funding in the Piketon cleanup so that after December 11th, for the longer-term package, that the people at that plant know they are going to have a job?

Yes or no?

Ms. WASSMER. Thank you, Senator, for your question. I do understand the importance of Portsmouth in relation to our national defense, and I do also understand during the CR period that the Department has committed to ensure that there are no involuntary left layoffs.

Senator PORTMAN. I have limited time, so I need a yes or a no on the long-term cleanup.

Ms. WASSMER. Sir, absolutely, we will have the——

Senator PORTMAN. For the long time CR, yes or no.

Ms. WASSMER. I am committed to ensuring if I am confirmed that we would have long-term cleanup at the Portsmouth site.

Senator PORTMAN. And that for the long-term CR, in other words, after December 11th, that you would support the funding in there to keep these people from losing their jobs.

Ms. WASSMER. Sir, I——

Senator PORTMAN. This is what the Secretary told me that he was going to advocate for.

Ms. WASSMER. Sir, if the Secretary has shared that with you, if I am confirmed, I will support, absolutely, his direction and guidance——

Senator PORTMAN. Every year you guys put in your budget inadequate funding for the cleanup. You were $80 million short last time. My question for you is very simple. Are you going to advocate this year to be sure the cleanup levels in the FY'17 budget request are adequate to keep the layoffs from happening and to keep the cleanup on pace at least to the level it is at now? Yes or no?

Ms. WASSMER. Sir, if I am confirmed I would be happy to work with you on this issue.

Senator PORTMAN. Okay.

I would say to that question, you would be happy to work with me, when I supported Secretary Moniz in his confirmation. He made that same commitment. When I supported the Deputy Secretary, Sherwood Randall, I got that commitment. The Assistant Secretary, Regalbuto, I got that commitment, the Head of the Office of Environmental Management. All during their confirmation hearings they made assurances they would work with me. They said those same words, and they have not.

So we need to see that follow through. And you know, frankly, I am not much in the mood to do other confirmations until I get real commitments on this.

Mr. Kotek, you and I have talked about some of these issues before. I am sure and I know you have a great background in the nuclear area and I appreciate what you said about nuclear power and its importance, but I would just ask you one simple question about the new technology which is ACP technology. We had 120 centrifuges that are spinning out there. Suddenly DOE surprises us all, as you know, a few weeks ago and says we are going to pull the plug on this after many indications the opposite would be true, not providing us the report that was due to Congress in April to defend that. We got that report the night before the hearing when Secretary Moniz was here. Do you believe that we do need to have a domestic source of enriched uranium?

Mr. KOTEK. Thank you, Senator, for the question.

Of course, the availability of uranium to meet our nuclear energy needs in the U.S. is very important to my organization of the future of nuclear technology.

The specifics of the ACP project in the uranium enrichment program in DOE actually falls into a different organization, so I am not familiar with the specifics of the report you referred to or other things. But I certainly would be pleased to work with you, if confirmed, to ensure that we have got uranium available to meet present and future needs here in the U.S.

Senator PORTMAN. Your predecessor was very involved in this, so I hope that you will be as well. And to the extent you believe in nuclear power as you said earlier, I would certainly hope you would believe that we ought to have a domestic source of enriched uranium and not be dependent on the Russians and others for our enriched uranium. Can you make that commitment today?

Mr. KOTEK. Yes, sir. Thank you for the statement. I agree that we need to ensure that we have got availability of domestic enriched uranium going forward.

Senator PORTMAN. Thank you, Madam Chairman.

The CHAIRMAN. Senator Heinrich is next on the list.

Senator HEINRICH. Thank you, Madam Chair.

Ms. Wassmer, DOE's Office of Management and Performance is responsible for the very important work of cleanup and disposal of defense nuclear waste including work in New Mexico at Los Alamos National Labs, obviously, and the Waste Isolation Pilot Plant (WIPP) in Carlsbad. WIPP, as you know, is the nation's only deep geological repository for defense transuranic waste.

So first, I would just say that I would invite you to visit WIPP once you are confirmed. I know that reopening that facility remains a very high priority for Secretary Moniz; however, I hope you agree that the safety of the workers and the surrounding community has to be our top priority as that process moves forward. DOE's recent internal assessment of trends in safety showed continuing problems with senior management's attention to the conduct of operation, maintenance and safety culture. The review cited schedule pressure as an underlying causal factor in that report.

How do you see your responsibilities in overseeing WIPP's recovery as a site and how would you refocus efforts to restore safe operations and a safety culture at that facility?

Ms. WASSMER. Thank you, Senator, for your question related to the WIPP facility.

I have had background briefings and understand at a high level both the unique role in being the first operating repository there, but also the current stoppage in relation to the incidents that you referred to and the importance in ensuring safely the expeditious return of that facility.

And so, if I am confirmed, I can share with you I would get up to speed with the details, would be very interested in visiting the site and making sure that we have the safe return of services at WIPP.

Senator HEINRICH. I look forward to that.

I will say that we are all eager to see that facility reopened, to see the staff there get back to work, but we need to do it in a way that puts their workplace safety, at the absolute top of the priority list.

Dr. Murray, I want to ask you a question.

The Commission to review the effectiveness of DOE's national laboratories released its draft final report last month, and one of the Commission's recommendations that I was very heartened by is that all DOE programs and laboratories fully embrace technology transition and that mission and continue improving the speed and effectiveness of collaborations with the private sector. I thought that was a fantastic development. It is something a number of us have been trying to move forward for some time.

I just wanted to ask you if you agree that technology transfer is an important, central part of the overall mission of the national laboratories and what do you think DOE can do to address the challenges that small businesses have in finding constructive and straight forward ways to engage with the labs to commercialize those innovative technologies?

Dr. MURRAY. So thank you, Senator, for the question.

I am, myself, from my background at Bell Labs, very, very interested in technology transfer. And if confirmed, I will work with the Department to help a better technology transfer.

One of the things that I learned while I was at Bell Labs is that the best technology transfer is with two feet. It's really people. So one of the things I have been thinking about that would help the national labs work better with small businesses, startups in particular, is to have post docs at the labs transition to the startups.

This works really well in universities. It's not really practiced except by accident at the DOE national labs now, and it gets around a lot of the difficulties in intellectual property and in making the agreements with very small companies and the national labs work well.

The other thing that I will point out that I was very pleased to discover as a member of the Commission and having been away from the national labs for a while was that several of the national labs are starting what I will call a best practice of providing an umbrella agreement for small business in their vicinity. So small business can sign up, they can get a voucher and make use of the lab with very little, three month, negotiation of contracts which has to get better. I absolutely am on it, if I be confirmed.

Senator HEINRICH. I very much appreciate your reference to the voucher approach. I think that is one of the best practices. It is something that I have included in tech transfer legislation.

I know Sandia National Laboratories does something similar to what you were mentioning called entrepreneurial leave that has been very effective.

We need to figure out those places around the country where things are working and standardize them more across the complex. I think one additional place that I would encourage you to look is by simply looking at the concept of creating sort of a front door that is outside the gate, literally, a space with these labs where small business can engage directly with the labs without going through all the steps that it takes to go behind the gate for the first time.

Dr. MURRAY. Yes, thank you, Senator. I completely agree that is a very good practice, and Lawrence Livermore Laboratory has done that.

Senator HEINRICH. Thank you.

The CHAIRMAN. Thank you, Senator.

Senator Flake?

Senator FLAKE. Thank you.

Ms. Sarri, as you know in 2013 we had a shutdown, a government shutdown that affected a lot of states, particularly the parks. Six states provided a combined $2 million to keep some of the national parks open during that time.

When the Federal Government reopened the Park Service, Department of the Interior was reimbursed then made whole, but the states that provided the money have not seen that money reimbursed. I believe that you have stated your opposition to that reimbursement. Is that correct?

Ms. SARRI. Senator, I appreciate that you brought that up when we had a courtesy meeting, and I wanted to make sure I went back and fully understood the Administration's position. And my understanding is if Congress enacts that legislation we would want to

work with this Committee and obviously with the parks and the states to offer that reimbursement.

Senator FLAKE. So your position is different now?

Ms. SARRI. Yes, Senator, it is.

Senator FLAKE. Okay, that is good to know. That was passed here on a bipartisan basis twice by voice vote, and the legislation was sponsored on a bipartisan basis by Senator Heinrich, myself and others, to make sure that the states were reimbursed. I am glad to hear that.

Let me go for one issue. Just last week the Office of Inspector General issued a report finding that the National Park Service (NPS) was improperly using a construction account to fund reimbursable activities performed under interagency agreements. In its report the OIG said that NPS is using the construction account to pay non-construction expenses and treating its account as if it were a revolving fund. The report further states that NPS disagrees, arguing that it has authority to use the construction account as a "convenient method to fund reimbursable expenses."

In your capacity as Principle Deputy Secretary, Assistant Secretary for Policy and Management and Budget, did you provide an analysis of the Park Service's use for its construction account and do you believe that this is a proper use of funds?

Ms. SARRI. Senator, thank you very much for the question.

I'm actually not familiar about this particular issue. I don't think we provided analysis at the departmental level, so I would like to get back to you more on the record on that one.

Senator FLAKE. Okay.

Ms. Kendall, do you have anything to share on that? Is that the issue that we discussed in my office or?

Ms. KENDALL. Simply that we, quite vehemently, disagree with the Park Service's position on that expenditure and hope that we'll be able to resolve it either through the appropriations folks, in this body and the House, or that they will stop utilizing that fund for that purpose.

Senator FLAKE. Okay.

Ms. Sarri, will you commit to getting back to my office on that?

Ms. SARRI. Absolutely.

Senator FLAKE. Thank you, I appreciate that.

One other thing, Ms. Wassmer, we have heard from some in Arizona about the cost containment concerns with WAPA. Can you commit to work with us to address some of these concerns that have been raised in terms of cost containment?

Ms. WASSMER. Thank you, Senator, for the question.

If confirmed, I commit to looking into the details related to WAPA as you have referenced.

Senator FLAKE. Okay, thank you.

Thank you, Madam Chair.

The CHAIRMAN. Senator Manchin?

Senator MANCHIN. Thank you, Madam Chair.

Dr. Kimball, in March 2011 I submitted a letter along with Senators Barrasso and Paul to then Chairman Bingaman and then Ranking Member Murkowski of this Committee seeking an oversight hearing concerning the Office of Surface Mining's proposed stream protection or the stream buffer rule. There was evidence

that the DOI management in 2010 tried to discard a contractor's economic analysis of this rule that suggested up to 29,000 coal jobs could be lost nationwide as a result of these proposed regulations. The Department of the Interior management also threatened to fire the contractor.

Our letter to the Committee stated independent, scientific analysis of proposed regulations must remain objective and free from political pressure.

Five years later the nation's coal industry continues to struggle. We have lost that many jobs, if not more, the serious economic consequences that would be associated with the latest version of this rule. I have also seen general reports that your office has been under immense pressure from this Administration to provide more favorable numbers and ignore the conduct that occurred in 2010.

Can you comment on these claims? Do you have knowledge of these?

Ms. KENDALL. I do, generally, I have knowledge of what we investigated that was relative to the political allegation of political influence.

Senator MANCHIN. They seem to be very upset about the contractor that you all threatened to fire because they put out the facts.

Ms. KENDALL. My recollection and I would ask if I could get back to you.

Senator MANCHIN. Sure.

Ms. KENDALL. With more details.

Senator MANCHIN. I would like that.

Ms. KENDALL. Our investigation determined that the contractor was not improperly terminated, that the appearance looked like——

Senator MANCHIN. Let me followup with one okay?

Ms. KENDALL. Sure.

Senator MANCHIN. Because you can get back to me on the accuracy of that.

Ms. KENDALL. Okay.

Senator MANCHIN. Whether he was fired or not and what but can you comment on the pressures from this Administration has been exerted regarding the thousands of projected job losses?

Ms. KENDALL. I had no involvement in that, sir.

Senator MANCHIN. Okay.

Well, if you can, I really need to know about this because it is really disturbing. Our state is really getting plummeted by this, and it is just ridiculous. If a person is putting out the facts as they see them and if they do them and then you do not like the results and there is someone making those decisions to get rid of these people because they are not giving the answers they want, then we need to know about that.

Ms. KENDALL. Understood.

Senator MANCHIN. Now, Dr. Kimball, can you comment on the extent of and the reasons for the dramatic rising estimates of the U.S. shale gas resources over the last few years? The reason I ask this question is, we are making decisions, we will be, on exporting LNG and different things and also our potential economic vitality from this resurgence, if you will, if we use it for manufacturing.

And do we have the reserves? And why have they not been accurate on their estimates?

Dr. KIMBALL. Well thank you for that question.

There are two reasons that have affected the estimates of our shale gas resources. One is that through the years there are increasing numbers of surveys of subsurface conditions both by USGS, by state geological surveys and by industry. And so that helps us understand the full breadth of resources across the nation. The second is that our analyses and our assessments are directed toward technically recoverable resources at the time that the assessment is done, and technology has been increasingly effective in being able to extract these resources. And as technology evolves more and more of the resource becomes available for extraction.

Senator MANCHIN. Well, my followup question is how do you all manage to stay on top of the estimates of the technically recoverable gas?

If we are wanting to know how much that we can, not what we have, but what we can recover to market?

Dr. KIMBALL. We're fortunate to have very close working relationships with other Federal agencies, Department of Energy for one, in this regard and with industry. And we have developed a good working relationship with industry in terms of protecting proprietary information and yet being able to use that information to improve our assessments.

Senator MANCHIN. So if we are making determinations on our votes on different types of energy topics would you say your estimates are conservative? I mean if we are using your estimates would they be on the conservative side or maybe on the liberal side?

Dr. KIMBALL. I actually don't have an answer for that. I would say that we tend to provide estimates that are conservative, but that doesn't mean that each and every estimate that we do falls in that category.

Senator MANCHIN. This find is very unusual, this Marcellus shale and the Utica shale and now we have Rogersville and all this coming on in our little state of West Virginia. It is so much energy coming on the scene here, and we never saw that coming. You all did not see it coming either, I don't think.

Dr. KIMBALL. No, I don't think that we were, not USGS, but as a nation prepared to fully understand the extent of those resources and the capability of technology to extract them.

Senator MANCHIN. Is there anything else out there we might have under our feet that we do not know about that could really give us another boost?

Dr. KIMBALL. Probably, but I couldn't tell you what it was today.

Senator MANCHIN. Thank you.

The CHAIRMAN. Thank you, Senator Manchin.

Senator Lee?

Senator LEE. Thank you, Madam Chairman.

Thanks to all of you for being here and for all you do for our country.

Ms. Kendall, I have a few questions for you.

It appears based on a review of publicly available records on the OIG website that the OIG under your leadership has not under-

taken a comprehensive review or investigation of the Endangered Species Act program including a review of the circumstances surrounding the 2011 settlement, the so-called mega settlement, between Fish and Wildlife Service and a number of environmental activist organizations. Can you tell me why your office has not looked into the listing and delisting process in general or into the decisions that were made in connection with the 2011 mega settlement?

Ms. KENDALL. The settlement question has come up before, Senator. And quite frankly, we asked, it was in another hearing, if there were specific concerns about issues in that settlement and have not been advised that there are specific concerns.

We did not look at the settlement. We have not been asked to look at the settlement and are not aware of issues, other than the usual issues involved in endangered species decisions which are always controversial.

Senator LEE. Right. Well I would assume even in the absence of a request from Congress or someone else that you would look into something involving periodic review listing decisions just to see how they are made and to see whether they are being made according to the appropriate statutory standards?

Ms. KENDALL. Not necessarily. If we have information to suggest that they are not being properly made we would, of course, look into them. But we have not received any of that sort of allegation for a good number of years.

Senator LEE. Okay, Okay. So generally you would not reach out to do that absent some kind of allegation of mismanagement or malfeasance in connection with a listing or delisting decision?

Ms. KENDALL. Correct.

Senator LEE. And you have not received any of those?

Ms. KENDALL. We have not.

Senator LEE. Okay.

Now concerns have been raised, including in a 2014 congressional investigation, about possible conflicts of interest and lack of transparency in connection with the peer review process that is used to justify ESA listing decisions.

For example, it is my understanding that the Fish and Wildlife Service (FWS) has a policy dating all the way back to 1994 requiring FWS to seek the expert opinions of "independent specialists" for its listing decisions and also for its recovery plans. It is also my understanding that the Fish and Wildlife Service regularly seeks out the same scientists whose work they are relying on to serve as peer reviewers such that, in effect, they are being, in many cases, asked to, kind of, review their own work. It seems to me that might possibly be less than independent. Would you share that concern?

Ms. KENDALL. I'm not familiar with this issue, Senator. I would certainly be glad to learn more from you and your staff and let you know if it's something that we think we should look into.

Senator LEE. Okay, great. We would be happy to share our concerns at a staff level and see if we can get to the bottom of that and see if we can get that question answered.

Do you have any concerns with the FWS using peer reviewers, the very same scientists whose work they rely on to justify their

listing decisions? I mean, assuming that is happening, would that concern you?

Ms. KENDALL. What you're saying may be of concern. It's hard to apply theoretically. It would also be a matter of how many scientists there actually are for a given area of expertise. So, I really can't opine on a theoretical.

Senator LEE. Right, right. So in some instances that might happen if it is a very narrow subspecialty and there are a limited number of scientists?

Ms. KENDALL. I can only surmise that that's a possibility.

Senator LEE. Okay.

One listing I do want to bring to your attention involves the Gierisch Mallow, a small flowering plant that is found in Utah. In its 2013 listing decision for this species the Fish and Wildlife Service said that the peer reviewers generally concurred with their methods and their conclusions. However, to my knowledge the only publicly available comment in the record for this listing is that attributable to a peer reviewer from a Dr. Lee Hughes. That opinion, as I understand it, says that a listing was prompted by the mega settlement lawsuit in 2011 and is not well thought out based on that scientist's 20 years as a BLM scientist. Are you familiar with that?

Ms. KENDALL. I am not.

Senator LEE. Okay. I assume, you would agree that based on that fact pattern if the facts as I understand them are correct, that might warrant further scrutiny?

Ms. KENDALL. Again, I would be very happy to work with your staff for more detail on that.

Senator LEE. Okay, out I would assume you would see a problem with the Fish and Wildlife Service stating that peer reviewers generally agreed with their listing decision on the one hand, but then finding that comments from the only identified peer reviewer found in the record actually contradict that decision.

Ms. KENDALL. Again, theoretically that sounds like a potential problem but I have no knowledge about the issue.

Senator LEE. Okay.

Fish and Wildlife's decisions whether to list a species have, as you can appreciate, an enormous impact on the people who live and work near that species, near where that species is found.

Do you have any concerns with the peer reviewers comment that the listing was done to satisfy a lawsuit and was done, that it was not "well thought out?"

Ms. KENDALL. Again, it sounds potentially problematic but I have no knowledge about the underlying issue.

Senator LEE. Yes, okay. Well I assure you that it is, in fact, problematic. And unless my understanding of the facts is somehow incorrect, unless I am somehow mistaken, I would think that the fact pattern that I have described is not just potentially problematic but very problematic.

Now, I hope I am wrong. I hope you can come back to me and say, look, you have been misinformed and you do not have anything to worry about. But if in fact these facts as I have described them are true, I would assume that you would at least be willing

to look into them and to address the problem that they would create.

Ms. KENDALL. Yes, sir.

Senator LEE. Okay, thank you very much.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Lee.

Senator King?

Senator KING. Thank you, Madam Chair.

I would like to address a brief comment to Ms. Kendall, Ms. Wassmer and Ms. Sarri.

There is an important poll that came out this morning in the Presidential race, and it found that Mr. Trump and Dr. Carson had 49 percent of the support in the Republican Party. The reason I think that is significant is that neither one of them have any experience, whatsoever, in government and a big part of their appeal to the public is a distrust of government.

The fact that outsiders are doing so well this year, it seems to me, is something we should think about in terms of the relationship of government to the American people. That makes the role of the Inspectors General and the management folks doubly important because we have to regain. I am not making a political statement here. I am just saying we need to recognize that in many instances we have lost the trust of the American people as an institution.

You all are in a particularly important role to try to rebuild that trust in terms of investigating and dealing with issues of malfeasance and misfeasance and also in terms of managing the taxpayer's money effectively.

There is not a question here, but I just want to emphasize I consider the positions that you have been nominated to be incredibly important because of the underlying issue of trust of our democratic system and our ability for the government which is quite large to be able to effectively meet the needs of the American people.

I was struck by the fact that the two leading contenders for President in one of our major parties are both outsiders in that sense. I am not saying that is good or bad, but I think it reflects this underlying concern the government is not accountable and is not responsive. So these are very important responsibilities, and I just wanted to emphasize that.

To go from that rather abstract level to some specifics. Ms. Kimball, you mentioned the 3D elevation program that you are doing. I have had some interaction on that program with a company in Maine, Kappa Mapping. I believe it is a very important program that is very useful, and I think will become more useful in the future. I hope that is one that you will continue.

Again, on the science as we deal with these difficult issues, and Senator Manchin was asking you questions about how much gas is there and all of those kinds of things, we can only make good decisions here if we have good science and good data. It is absolutely crucial that you keep, you are one of the leading science people in the government, that you keep providing us with as good, clear, unpoliticized data as you possibly can. I assume that is your commitment.

Dr. KIMBALL. Thank you, Senator.

It's absolutely my commitment. If confirmed I can also guarantee that it is the commitment of all of the men and women of USGS to do just that.

As for the 3D elevation program, it is one of our priorities. We see the good elevation data is absolutely a foundation for understanding a lot of the other scientific issues that we face today whether that's landslides and debris flows or whether that's riparian systems and flood systems. Having that information is essential.

Senator KING. And appropriateness for development.

Dr. KIMBALL. Absolutely.

Senator KING. Crucial information.

Well, thank you.

Dr. KIMBALL. Yes, sir.

Senator KING. Mr. Kotek, by the way, I was impressed that you all brought your families. I think if I had to appear before a Congressional Committee, I would want my family as far away as possible. [Laughter.]

It is wonderful that you did that.

Mr. Kotek, we are sort of turning the page on high level nuclear waste and going to looking at consolidated interim storage with consent.

Number one, I think it is important to realize that we have high level nuclear storage sites in this country today. So it is not a question of whether there will be some, it is a question of where they are. We have one in Maine where the Maine Yankee plant closed about a dozen years ago, and we have a high level nuclear storage site. I think you have been there.

So my question is, as we are looking at this, sort of, new option, what is the timing? Is this another 25 years or are we talking about something that could happen within the reasonably foreseeable future?

Mr. KOTEK. Thank you, Senator, for the question.

Yes indeed, I've been to the site to which you're referring and was struck by the fact that at that beautiful piece of property you've got spent fuel being, you know, guarded, protected, and everything else is gone from the reactor. And that was one of the things that I think really struck the members of the Blue Ribbon Commission when the Commission paid a visit.

With respect to timing the Administration put out a strategy back in 2013 that at the time forecast about eight years to get to what we call the pilot interim storage facility, about 12 years to get to a full scale interim storage facility. And then set a year of 2048 for ultimately a repository.

So, you know, I think in the not too distant future, given the appropriate appropriations and authorizations from the Congress, we'd be in a position to move out with development of the site using the consent-based process to which you refer. And if confirmed I look forward to working with you on that.

Senator KING. I will be 104 in 2048. I wish you could do it a little bit sooner than that. I would love to see that Maine Yankee site eliminated. And, you know, Eisenhower retook Europe in 11 months.

Mr. KOTEK. I should add to that point, sir, that in terms of setting priorities for moving fuel the Administration's strategy places top priority on dealing with fuel at the shut down plant sites such as Maine Yankee to go first to interim storage. So I would think that we would be able to move forward.

Senator KING. Thank you.

Thank you, Madam Chair.

The CHAIRMAN. Senator Hoeven?

Senator HOEVEN. Thank you, Madam Chairman. Thanks to all of our witnesses for being here today.

I would like to start with Dr. Kimball.

In May 2011 I asked then Secretary of Interior, Ken Salazar, to update the U.S. Geological Survey's 2000 estimate of the reserves, recoverable oil reserves in the Williston Basin. The USGS worked for about 19 months to complete that update and revise its findings of the Bakken reserves, recoverable oil reserves in the Williston Basin, and of course, increased their estimate very, very significantly. That was very important both in terms of stimulating drilling activity further or additional drilling activity in the Basin as well as helping us encourage and in fact get the infrastructure development that we needed as part of that energy development, that energy—that oil play.

My first question is do you have plans to, I think now we replace about 1.2 million barrels of oil a day and huge amounts of natural gas as well. So my question is do you have plans to update USGS's estimates of the recoverable oil reserves in the Williston Basin?

Dr. KIMBALL. Well, thank you, Senator. And we thank you because you were instrumental in bringing all the people to the table to help us move forward with that last assessment.

We periodically review and update our assessments. I do not know, right now, what the timeframe is to review that assessment, but I will find that information out and provide it to you.

Senator HOEVEN. Okay, and then would you be willing to work with me? USGS has been very responsive and very good on this, so I would ask that you work with us to plan out the next update because it is very important as we continue to develop the Bakken, particularly now, with some of the competitive pressures that we face.

Dr. KIMBALL. Yes, sir. I would be very happy, if confirmed, to continue working with you to make sure that we have the assessments updated as needed.

Senator HOEVEN. Thank you, Dr. Kimball. I appreciate that.

I would like to turn to Principle Deputy Assistant Secretary Sarri, welcome.

In March 2015 the Bureau of Land Management, which of course falls under the Department of the Interior, issued final regulations for hydraulic fracturing on Federal and Indian land. There are 27 states that produce virtually all of the oil and gas in this country, and those 27 states have regulations that oversee hydraulic fracturing. The BLM rule duplicates those efforts with a second layer of regulation.

U.S. District Judge Skavdahl in Federal District Court in the State of Wyoming has issued a preliminary injunction in regard to that regulation. I am going to read a quote from his decision in

issuing that preliminary injunction, "Congress has not authorized or delegated to the BLM authority to regulate hydraulic fracturing and under our constitutional structure it is only through Congressional action that the BLM can acquire this authority."

So my question to you is both as Principle Deputy Assistant Secretary and now as nominee to be Assistant Secretary, what does that court ruling say about the policies that are being advanced under your tenure?

Ms. SARRI. Senator, thank you very much for the question. I'm aware of the regulations. I wasn't directly involved in those so I maybe have higher level comments and I'm happy to get back to you with more information on the record, if that's helpful.

Ms. SARRI. What I think BLM was attempting to do was provide standardization and a level playing field with a greater regulatory certainty around hydraulic fracturing. Obviously we have to have authority for the work that we're doing when we undertake regulations, and so we look to that as part of our regulatory process.

Senator HOEVEN. Why is it necessary to have duplicate regulations? Why not work with the states that already have those regulations in place? We do that in many other aspects of energy oversight and regulation. That is why we have SIPs, State Implementation Plans, when we work with Federal agencies. We use the practices that you have identified. Why have the duplicate regulation?

Ms. SARRI. I think the effort here was where states had stronger regulations in place that we would look at those. But to actually set, kind of, a baseline or bottom line that would govern fracking across all states was the effort here.

Senator HOEVEN. There is not an industry sector I talked to, we could take energy, we could take agriculture, we could take manufacturing, we could take high tech, we could take financial services—there is not one single industry sector that I talked to that does not come in and they say they are absolutely mired in red tape and regulation and bureaucracy which adds tremendous cost and makes it more difficult to create jobs.

So my question to you is why not work with the states in a primary role? They are already providing this regulation. And then if some state is not or does not want to oversee it properly then you could come in and provide that regulatory structure. Why not take that approach rather than duplicate regulation? And this goes to some of the comments that Senator King just made.

Ms. SARRI. Okay. No, I appreciate that. So let me get back to you more specifics on hydraulic fracking.

But overall let me just say about the regulatory approach. This Administration has been trying to do a regulatory look back across all of the departments of the Executive branch to get rid of duplicative and outdated regulations. It's an important part of our regulatory agenda.

I think you're right. When you're looking at regulations you have to look at what states have and what the state role is and what the state has in play and the also what the Federal role is. And if it is something that crosses off in multiple state boundaries whether you actually need to have, kind of, a consistency that is, what is a baseline for regulations of which then the states can

buildupon more. I actually think that that can create great certainty in the economy as well.

Senator HOEVEN. Earlier you said that the Department was willing to look at working with states that have a regulatory regime in place so that perhaps we could eliminate this double layer of bureaucracy. Are you willing to commit, if confirmed, that you would work with us on that approach?

Ms. SARRI. Senator, if I'm confirmed, I would be willing to work with you and I'd also be willing, obviously, to sit down and talk with BLM on these particular issues.

Senator HOEVEN. Okay. Thank you very much.

The CHAIRMAN. Thank you, Senator Hoeven.

Senator Hirono, you have been very patient.

Senator HIRONO. Finally. [Laughter.]

Save the best for last.

Mr. Kotek, I could not help but note that you were born in Hawaii but that you consider Idaho your home. We in Hawaii like to think that anybody who has experienced Hawaii takes with them the Aloha spirit wherever they consider home. Lucky for you I do not have a question for you. [Laughter.]

Anyway, Dr. Murray, as a supporter of the ability of small businesses to interact with the labs and to enhance the technology transfer aspects of what goes on at the labs, I am glad that your responses to Senator Heinrich's questions in this arena was one of commitment to that proposition. So I encourage you to continue with those efforts.

For Dr. Kimball, thank you very much for USGS and their very important role in tracking the lava flow on the Big Island that was threatening one of our communities. We are very appreciative of what you all do. Thank you also for the opportunity to chat with you recently in my office.

I am aware that the Department of the Interior, through the USGS, serves as the lead agency in the Federal Open Water Data Initiative. And as we know from the unfortunate drought that is plaguing California and the West, awareness of water availability, use, conservation, etcetera will become increasingly important in the future and of course, that also applies to Hawaii.

As USGS works to collect data to supply the Open Water Data Initiatives and other future initiatives such as predictive modeling and comprehensive decision support tools that will help communities be responsible water users, can you highlight some of the ways that Congress can help USGS in completing these kinds of water initiatives?

Dr. KIMBALL. Well thank you very much for that question, and I did appreciate the opportunity to speak with you about these issues as they affect the Hawaii and the Pacific Islands.

I think that issues associated with water resources and water availability are national issues that are important, and I believe that the only way we can effectively address those issues is to bring all sectors of both government, industry and local and community efforts together so that we have the authorizations that allow us to collect the information and that we have the good working relationships with local and community groups that permit that exchange of information and the ability to enhance our surveys.

One of the things that we've been working with that we believe has a great deal of potential is the concept of citizen science and bringing those communities that are dependent on this information into the dialog. And we really welcome the opportunity. And if confirmed, I would very much welcome the opportunity to work with you and the Committee to identify ways to enhance the water data collection, monitoring and dissemination efforts across the country.

Senator HIRONO. Thank you very much because this, as in so many other areas, requires a lot of collaboration at all levels including, as you say, the citizens, citizen scientists. I think that was your reference. That sounds really interesting. If there are things the Committee can do to enhance and support those collaborative efforts I certainly would want to discuss those with you.

For Ms. Sarri, in your testimony you mention PMB's role in coordinating across businesses on policy issues such as invasive species management. I think you are aware that Hawaii is practically, maybe, the invasive species capital of the country because the impact, the negative impacts of invasive species is something that we totally understand.

In March of this year the Department of Navy released a regional biosecurity plan for Micronesia and Hawaii that makes recommendations to the State of Hawaii, Guam, CNMI, Micronesia and the Marshall Islands as well as Palau. So this requires a lot of collaboration among the Departments of Defense, Agriculture, and Interior. The purpose of the report is to be used as a tool in coordinating across agencies to prevent, manage and control invasive species in the Pacific region which is a huge region.

Question. Since the Department of the Interior serves as one of the 13 Federal departments and agency members of the National Invasive Species Council can you speak a bit on how you, as Assistant Secretary for PMB, would work within your Department to implement or help the jurisdictions implement some of the priority recommendations of the Navy's report?

Ms. SARRI. Senator, thank you very much for your question.

If confirmed, I would be definitely working very closely. Interior happens to be one of the leads of the National Invasive Species Council. We've been working very closely with Agriculture and with NOAA to, kind of, reinvigorate, I would say, the Council.

And the issues that you raise and issues particularly on what's taking place in the Pacific are very important to prevent invasive species from coming into areas of the Pacific. But when they do get there, early detection and rapid response is absolutely critical. So at Interior we've been making additional investments in terms of looking at early detection and rapid response issues, prevention and education.

I would anticipate, especially as we lead up to the World Conservation Congress, that the issue around invasive species and biosecurity in the Pacific are going to be a central issue.

Senator HIRONO. Thank you.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Hirono.

Senator Barrasso?

Senator BARRASSO. Thank you, Madam Chairman.

Ms. Kendall, I would like to ask you about a report that your office, the Office of Inspector General, issued on the Office of Surface Mining's ongoing stream buffer zone rulemaking.

For years Members of Congress have expressed grave concerns about this rulemaking. Prior to the issuance of your report the House held a number of hearings which examined the rulemaking including the jobs that would be lost as a result of the rule. A redacted copy of the report indicates that your office completed the report on February 28th of 2013, but your office did not release the report to the public or to Congress until December 20th of 2013, 10 months after your department completed the report. So you completed it, and then we waited 10 months until you released it on December 20th.

Now I would note that December 20th was the Friday right before Christmas. It was also three days after this Committee held a confirmation hearing on Janice Schneider. She was nominated to oversee the very office under investigation, the Office of Surface Mining. So you waited ten months and then you released it the Friday before Christmas, three days after the Committee held the confirmation hearing so we could not ask questions about it.

The question is should it have occurred to you, since you are up front now for a position and confirmation, shouldn't it have occurred to you that the Senate and the public had an interest in seeing your report prior to Ms. Schneider's confirmation hearing and in any case, why did you wait to release the report until three days later?

Ms. KENDALL. Senator, I am almost embarrassed to say it. I don't recall the details of that delay, and I simply can't answer your question because I don't know. But I would be happy to get back to you on that. It sounds wrong. I would hope that there's a meaningful explanation. I'm sorry I don't have it here today.

Senator BARRASSO. Because I think to people that look at this it certainly seems like you are playing games with Congress. So I would love to hear back from you on that.

I understand you did provide a copy of the report to the Principal Deputy Assistant Secretary for Lands and Mineral Management. I am also going to ask that you look into whether prior to December 20th you shared the report or any information related to the report with anyone else outside the Office of the Inspector General and if so, with whom? I will ask that you followup in writing.

Ms. KENDALL. I will do that.

Senator BARRASSO. Thank you.

Senator BARRASSO. Mr. Kotek, before joining the Department of Energy earlier this year you worked as a Strategic Consultant for the Fluor Corporation. Since 2011 the Department has given Fluor about $1 billion worth of publicly-owned uranium from its stockpile of excess uranium. In exchange Fluor has provided decommissioning services at the Department's gaseous diffusion plant in Ohio. The Government Accountability Office has said that these transactions violate Federal law, so I question whether the Department receives full evaluation for the uranium that it gives to this company.

If confirmed, you will be responsible for overseeing the public's stockpile of excess uranium. You will play a significant role in de-

termining the circumstances and conditions under which the Department disposes of excess uranium. Given your past employment by this corporation do you plan to recuse yourself from decisions that would benefit this corporation and if not, why not?

Mr. KOTEK. Thank you, sir, for the question.

Regarding my specific involvement it had to do with a cleanup contract at the State of Idaho, within the State of Idaho.

Regarding a specific recusal those matters are still under discussion within the Department right now and we'd be happy to get back to you when there's some determination made there.

Senator BARRASSO. So it's your position that you do not have a conflict of interest with respect to the decisions affecting the corporation?

Mr. KOTEK. Thank you, sir.

I have been and will continue to be completely forthcoming with the experts in the Department who makes those determinations so they can give me the appropriate guidance.

Senator BARRASSO. Because I question whether the Department actually has received full value for the uranium that it gives to the corporation. The corporation did not consume the uranium that it receives from the Department, instead it sells the uranium, as you know, to another party.

Earlier this year I called on the Department to condition all future transfers of uranium on the requirement that the company publicly disclose the terms under which it sells the uranium. If confirmed would you be willing to do that?

Mr. KOTEK. Thank you, sir, for the question.

My understanding of the process is that, you know, DOE structures its uranium transfers in a manner that results in a fair market value price for the uranium. Of course, as you've referred, the transfers to Fluor B and W are exchanged for services and the value of the services that DOE receives are based on prevailing market prices at that time and that DOE is immediately credited with the value and services by the contractor.

So that's the process, as I understand it. And going forward we'd be happy to continue to work with you and your staff on that matter.

Senator BARRASSO. Do you think it is an unreasonable request, given your past employment by the Fluor Corporation?

Mr. KOTEK. Sir, again, I think, given my particular situation I will work with Ethics Council inside the Department to understand where, you know, those things I should and should not be involved in and will proceed accordingly.

Senator BARRASSO. Thank you, Madam Chairman.

The CHAIRMAN. Thank you, Senator Barrasso.

Ms. Kimball, I want to come to you for a moment. I thank you for joining us in Alaska. It was some time in August, I forget when, but we were actually celebrating the fact that over half of the State of Alaska had been mapped through the IfSAR data. I your written testimony you state more than 63 percent of the state has been mapped appropriately. I think at that time we were celebrating 53 or 57 percent. I do not know exactly, but I commented at the time that there are very few places in the country where we would be celebrating getting half way there. I think it speaks to the issue

that we face in Alaska as it relates to the adequacy of our mapping and the need to get going yesterday.

Thank you for your efforts to work with us. I know we have many in the state that appreciate that, but we also recognize that we have a ways to go, so I want to work with you to do that.

Last year USGS announced that Afghanistan was the first country to be almost completely mapped using hyper spectral imaging data. Of course that gets your attention when we here in this country are trying to get ourselves mapped and we see that our government is supporting the full mapping of Afghanistan—almost completely mapped.

Can you tell me what the status of collecting the hyperspectral data is here in this country and where we are with the status of LIDAR or Landsat eight and nine data in the United States and in Alaska, specifically?

Dr. KIMBALL. Well, thank you for that question. It was quite an honor to participate in the sky breaking ceremony in Alaska last month.

As far as the hyperspectral data goes we were able to map Afghanistan because we had received support from USAID and the Department of Defense to do so as part of the reconstruction efforts, and that allowed us to develop the software and the analytical tools to enable hyperspectral to be used to look at mineral deposits on the surface, within the soil surface, where we don't have surface expression for minerals.

So we have now brought that technology home, and we are using it initially in Alaska to map certain areas in order to test that system in the kinds of conditions that we have and to address assessments of mineral resources in Alaska which has quite an enormous potential in that regard.

The CHAIRMAN. So is that underway now?

Dr. KIMBALL. Pardon me?

The CHAIRMAN. Is that underway now?

Dr. KIMBALL. I believe it has started. I will confirm that. I believe that it has been started.

Dr. KIMBALL. And as we are able to refine those techniques then we will pull that technology out across the country.

In terms of LIDAR and Landsat, we now have two Landsat satellites operational, Landsat 7 and Landsat 8. We're working very closely with NASA to move forward in the planning and the execution of the next Landsat mission which will be Landsat 9 that we anticipate having launched somewhere between 2021 and 2023.

We are working diligently between the two agencies to ensure that we do not have a data gap. With two satellites in the air we get that information on an eight-day repeat cycle which is very important for many uses especially in the agricultural sector.

As far as LIDAR, it continues to be a high priority for us. And you will see that in the Administration proposals to enhance and continue acquisition of LIDAR data to support the 3D elevation program.

The CHAIRMAN. Thank you, we appreciate your work in that regard.

Ms. Sarri, I want to go back to you and followup on your earlier comments.

I understand what you said about your not being involved in the decisions that were made by Interior either as it related to Shell or as it related to the announcement about not moving forward on the Shell extensions or also the 2016 and 2017 lease sales. I am perplexed though, and I do not follow why you would not be, I guess.

In the Interior's press release they cite to specific items in light of current market conditions, low interest, low industry interest, DOI today announces. We were informed by the Under Secretary that it did not make sense for budgetary and resource reasons to prepare the lease sales. That was what we were told.

Given that your position that you have been acting in for Policy, Management and Budget is specific to budgetary and resource purposes, I guess the real question that I have if you have said that you were not involved in these decisions is why were you not involved in these decisions if they were, in fact, related to budgetary and resource reasons? Further, if you will, did your office conduct any form of analysis of the economic impacts that these decisions would have on the State of Alaska whether it be future oil production, whether it be the jobs that would not be created or something else?

Ms. SARRI. Well, Senator, as to the Assistant Secretary's remarks I would want to go back and ask her for some clarification. My understanding about the reason the decision was made was the lack of interest in the leases during this time period and then also market forces and the low energy prices. So my understanding is those were the drivers of it.

The CHAIRMAN. I hope that you understand that lack of industry interest is not lack of interest in the resource. It is lack of interest in dealing with an Administration that has simply made it impossible for them to move forward. That is where the lack of interest is. I think that that needs to be reported back, because the interest is clearly there. But if you cannot meet the terms and conditions that have been set by the Administration for operating, what are you supposed to do?

Ms. SARRI. Got it, understand, Senator. But I will get back to you. I think maybe what Secretary Schneider meant in her——

The CHAIRMAN. It was, I am sorry, it was not Secretary Schneider. I do not want to get confused here.

Ms. SARRI. Okay. I'm sorry.

The CHAIRMAN. It was Mr. Beaudreau, who——

Ms. SARRI. Oh, Okay, I'm sorry. I must have misunderstood there. I'll go back and take a look at it. I'm assuming what they meant was, you know, where we have shown we're working under a constrained budget. And if the market wasn't at this time necessarily supporting it. And I understand you have a different perspective in terms of that, that issue, then you would look to move some of your budgetary resources to other places.

But I will make sure I get clarification and get back to you on the record on that particular question.

The CHAIRMAN. Are you aware as to whether or not there was any assessment or analysis as to the potential impact?

Ms. SARRI. I will also get back to you. There was not any assessment done by my office on this particular issue, but I will ask if there was an assessment done by BOEM or BSEE.

The CHAIRMAN. Thank you.

Senator Cantwell?

Senator CANTWELL. Thank you, Madam Chair.

I wanted to go back to Dr. Murray and ask about DOE's role in advanced materials. Obviously these are very important materials for lightweight manufacturing, whether used in trucks or airplanes. Can you speak to what we need to do to continue U.S. leadership on this issue and what do we need to do in the area of recycling of these materials as well?

Dr. MURRAY. Thank you for the question.

Yes, DOE has a major role in materials in the new manufacturing initiative as well as manufacturing for recycle. And if you look at things like 3D printing and what's called materials genomics which is basically looking at the properties of materials and making a data base and then searching the data base in multidimensions to figure out which material would actually work better than the one that we have all been using because it just happened to work when we tried it the first time.

That is making materials, I will call it science, and materials engineering more into a science than it has been before. It has been very Edisonian so a company will use a material because it knows it works and it just doesn't want to bother because it takes about seven years to move a new material into manufacture.

We're trying to shrink that down to, let's just say, three years and to look at the space of materials. And this is being done in the storage hubs that I was talking about earlier which is an Office of Science hub on novel energy storage and batteries.

So they're looking at there's an anode. There's a cathode, and there's an electrolyte. And all of these can be, instead of picking one and then trying out others, look at the whole space of what you could do and pick out computationally what might be interesting projects. And then go and study them in the lab.

And this is turning out to be quite fruitful. It's only fruitful because we have enough computational power and enough experimental expertise to be able to get the properties of the materials measured accurately enough.

Senator CANTWELL. Is that where the exascale computing comes in?

Dr. MURRAY. Absolutely, that's exactly right.

Senator CANTWELL. So we need to do both.

Dr. MURRAY. We need exascale for that reason in particular. And it will be the wonderful thing about exascale, if we can get to the power density, the low power density of new chips for the exascale computing, we will have very small exascale computing will fill this room, of course. We will have very small pedascale computers because you can just carve out a part of it and then you can have one in every hospital or every, for precision medicine or you can have one in R and D plants to do this materials genomics. It really is a revolution.

Senator CANTWELL. I like that word.

How important do you think it is that we fund this research and development in these areas for DOE?

Dr. MURRAY. Well it's spectacularly important.

Senator CANTWELL. Okay, thank you.

And Graphene? Where would you put that?

Dr. MURRAY. Graphene is really a very interesting material. Back when I was doing research at Bell Labs in the 1990's, nobody thought you could get a single layer of carbon. That was totally impossible.

When, some years later, people realized that you could put scotch tape on graphite which is well known in battery materials and just pull off a single layer of carbon. And that is the strongest material known to man when you try to pull on it. And that—it's a very interesting conductor. It's not quite a semiconductor, but you can make it into a semiconductor.

And it has very interesting physics properties. And it's a little bit hard to deal with. And it's not yet in manufacturing but it has started a new thought process about putting other two dimensional materials together. And this is where coming back into batteries you can create these new two dimensional materials by putting layers together. So it was actually a very important part of material science.

Senator CANTWELL. Well this shows how important material science is to energy solutions; that has people interested in the Northwest.

Dr. MURRAY. Yes, absolutely.

Materials is important to absolutely everything including, I will say, software because you have to run software on something. And that something turns out to be your exascale computer which you can't make unless you can understand the materials properties.

Senator CANTWELL. Thank you.

Thank you, Madam Chair.

Dr. MURRAY. Thank you.

The CHAIRMAN. Thank you.

I have one final question, and this is directed to you, Ms. Kendall.

I will have other questions that I will submit for the record to you and others who have appeared before us today, but in the interest of time I will just ask my final one.

You have heard comments from colleagues here regarding issues during your tenure, the stream protection rule or stream buffer rule has been mentioned a couple different times.

This dispute between your office and the House Committee on Natural Resources persisted through 2014. It included your decision not to respond to a subpoena from the House, and to my knowledge that is still at a stalemate that has not been resolved.

Have you taken any steps since formally referring the matter? What have you done in terms of referring this to the Secretary and then, not only what have you done in advancing this to the Secretary's level, but what have you done to assist the House Committee to receive a satisfactory response to this subpoena?

Ms. KENDALL. Well, as you know, Madam Chairman, last November I sent a memo to the Secretary referring the issue formally to her. Having found really nothing happening a couple weeks ago

my counsel reached out to the Office of the Solicitor, with whom we've been working on this issue, urged them to, again, sort of, activate the issue and reconsider their decision to lay claim to privilege, although the word has not been used, as you know.

As recently as yesterday I spoke to the Chief of Staff for the Secretary and urged him to ask someone from the Department to actively engage the House Committee on Natural Resources. They had said they had no outstanding request, but I am told that they did reach out, as of yesterday and——

The CHAIRMAN. To the House Committee?

Ms. KENDALL. To the House Committee and we'll be engaging in the process of accommodation which is the precise process that I've been asking both sides to engage in.

The CHAIRMAN. Thank you for that update.

This goes to a series of questions that you and I had discussed when we were visiting in my office in terms of the role, what the law requires of the IG with respect to reports to Congress and whether there is an independent reporting obligation and then again, this independent duty to assist Congress.

So again know that these are very important. I was interested in the direction Senator King was taking with his comment there about the polling data on Presidential nominees at this point in time, but I do think he does make a point about the imperative of the various IGs throughout the government that they maintain that level of independence, that they maintain that level of true impartiality here and ensuring that there is a commitment made to the process. That is what we are seeking to, kind of, call out here.

You mentioned in your opening statement that hindsight is 20/20 and that there may have been some situations where you may have done something differently or taken a different approach. Can you give me any indication as to which decisions, if any, you would have made differently and why?

Ms. KENDALL. Yes, I can, Madam Chairman.

The one decision that I think has followed me the closest and the hardest was the decision to be willing to be a part of the Safety Oversight Board, in retrospect with the benefit of 20/20 hindsight.

Going forward I would do that differently. I think my office could have conducted the very same work that it did conduct without my participation on something like that Board, although it was in extraordinary circumstances and extraordinary times given a national crisis. But that is one, certainly, that I have rethought many times over and think that, although the ends may or may not justify the means, in the end our office did the work that needed to be done to review the entirety of Outer Continental Shelf oil and gas production.

And I think my team did a fabulous job, a very comprehensive job and did it very quickly, but we could have done it without my participation in that Board, I believe, going forward.

At the time, as I said in my testimony too, I was operating under the best information I had at the time and utilized in my best judgment. But we can always second guess decisions we've made.

The CHAIRMAN. I appreciate that.

Senator Cantwell, any followup?

Well, thank you all. I appreciate the time that you have given us, and to the families that have been very patient as you have provided support to the six men and women in front of us, we thank you for being here today.

With that, the Committee stands adjourned.

Thank you.

[Whereupon, at 12:40 p.m. the hearing was adjourned.]

APPENDIX MATERIAL SUBMITTED

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 1: On Friday, October 16, Interior denied lease extensions for Shell and Statoil, while canceling offshore lease sales that were planned for the Arctic in 2016 and 2017.

a. **Please provide a log of all documents, including any economic or national security analyses that Interior carried out prior to these decisions and any communications Interior had with environmental groups about them.**

b. **The press release from Interior cited "low industry interest" in the region. Please provide specific evidence of "low interest" based on actual comments from industry.**

c. **Without a final and stable regulatory regime, interested companies have been unable to initiate any exploration program in the Arctic. In contrast to Shell, these companies have not announced a suspension of their interest. Why is Interior not working with them to ensure a fair pathway – especially lease extensions – that will facilitate commercial exploration?**

d. **The only federal production on Alaska's North Slope has been from Northstar, in the federal area of the Beaufort. The State has annual lease sales for waters within three miles of shore, and two of the three recent fields that have been developed in Alaska are in that offshore area. Did Interior consider this when canceling the 2017 sale planned for the Beaufort? And, if not, why?**

e. **Why didn't Interior consider the language in S. 2011, which would establish an annual near-shore Beaufort area lease sale, and consider working with the State of Alaska to leverage state and federal resources to develop these shallow-water areas?**

f. **Interior's press release also cited "current market conditions" as a reason for the denials and cancelations. What is the approximate timeline for the development of an Arctic lease, from the day the lease is won at auction until the first day of commercial production from it? Does Interior believe that "current market conditions" will prevail for the duration of the timeline for the development of Arctic leases? Please provide copies of any analyses that Interior conducted to corroborate this statement.**

Response: I understand from the Bureau of Ocean Energy Management (BOEM) that the bureau considered a variety of factors when making the determination, including U.S. Energy Information Administration short and long oil and gas price projections, and the National Assessment of Undiscovered Technically Recoverable Oil and Gas Resources of the Nation's Outer Continental Shelf. I also understand from BOEM that the Department received a number

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 1 continued:

of letters and comments from various environmental groups through its Calls for Information regarding leasing in the Arctic, and that over time there have been many communications with industry in connection with these Calls for Information and industry interest in offshore leasing.

I understand from BOEM that the bureau did not receive any nominations from industry in response to its September 2013 Call for Information and Nominations regarding the Chukchi Sea. Additionally, according to BOEM, in the Chukchi, the majority of the most promising prospects - those that would generate the greatest industry interest - are currently under leases not scheduled to expire until 2020. For the Beaufort Sea, BOEM received only one nomination in response to its July 2014 Call for Information and Nominations, which raised concerns about the competitive nature of the lease sale.

According to the Bureau of Safety and Environmental Enforcement (BSEE), it has authority to grant suspension requests in certain specified circumstances; however, a necessary part of any request is a company's submission of a reasonable schedule of work to undertake on the leases. For a number of months, BSEE engaged Shell in discussions about its reasonable schedule of work under its Arctic leases. Shell's announcement that it would cease OCS operations in the Arctic for the foreseeable future removed the foundation for its suspension request. Similarly, I understand from BSEE that Statoil declined to provide a reasonable schedule of work to support its request. Because neither company satisfied this or other regulatory requirements for a suspension, BSEE denied the requests. Both Shell and Statoil may appeal this decision or reapply for a suspension once they develop a reasonable schedule of work. I understand that BSEE remains in negotiations with Conoco-Phillips regarding their appeal of an earlier suspension request denial.

I understand that BOEM considered a number of factors before canceling the sale planned for the Beaufort Sea. BOEM received only one nomination in response to its July 2014 Call for Information and Nomination, which demonstrated minimal industry interest in a sale and raising concerns about the competitive nature of the lease sale.

My understanding is that current law, which includes the Outer Continental Shelf Lands Act and the 2012-2017 Five Year Program, does not include annual sales in the Arctic. The Department is required to operate under existing law.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 1 continued:

BOEM indicates that while long-term investment potential is generally more relevant to activity projection in the Arctic, current market conditions can affect lease sales. First, they can reduce the capital budget available to companies, which decreases the amount of competition in a lease sale. Second, the considerable uncertainty as to when and to what level oil prices will recover can also adversely affect both interest in a lease sale and the amount a company is willing to bid. In consideration of these and other factors, BOEM determined that industry interest in acquiring additional Arctic leases in the immediate term over the next year-and-a-half likely be low. With regard to approximated timelines for Arctic lease development, the timing of exploration investments is unique to each company operating in that environment.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 2: Given that the State of Alaska has overseen more than 17 billion barrels of production on the North Slope, and that BLM has limited resources, why has Interior not partnered with Alaska to ensure a consistent commercial environment?

Response: The Department works with multiple State of Alaska agencies and commissions to foster cooperative working relationships in a number of different program areas, including oil and gas permitting. For example, I understand that the Bureau of Land Management (BLM) regularly invites the State to be a cooperating agency in authorizing large scale energy development projects, such as the Liquid Natural Gas Project, the TransAlaska Pipeline, and the Alaska Stand Alone Pipeline. If confirmed, I would work to foster cooperative working relationships between the Department and states.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 3: Why has Interior demanded a dedicated separator unit at GMT-1, as opposed to a multi-phase meter?

Response: I understand from Bureau of Land Management (BLM) that use of multi-phase metering does not meet the minimum requirements for assuring that fluid volumes produced from federal wells are measured with sufficient accuracy and can be independently verified. A BLM technical team worked closely with ConocoPhillips staff to evaluate options and resolve outstanding issues with metering and commingling. BLM resolved those issues and recently approved the permit to drill and right-of-way.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 4: This summer, Interior undertook field work to advance the completion of land conveyances owed to the State of Alaska under its original Statehood entitlement from 1959 and to Alaska Natives as a result of the Alaska Native Claims Settlement Act of 1971 and the Alaska Native Allotment program. But, to my knowledge, the Department still has 1.9 million acres to convey by interim conveyance and more than 40 million acres left to convey by patent.

There is disagreement between BLM and the State over the documentation that should be provided by the federal government to complete patenting of lands. The Department wants to amend a 1973 agreement with the State to reduce the number of physical property boundaries required in the patenting process – a reduction to which the State objects given concerns about the underlying accuracy of GPS ground data calibration stations in Alaska.

a. **What do you anticipate to be the outcome of this dispute?**

b. **How will BLM proceed in the future if the State does not agree to a GPS-based patenting process?**

c. **How long is the Department predicting it will take to complete all currently pending conveyances by patent to the State and to Alaska Natives?**

Response: I understand that the Bureau of Land Management (BLM) presented the State of Alaska with the opportunity to jointly adopt this new approach through an update to a 1973 Memorandum of Understanding on surveying and monumenting. Further, I understand that bureau staff is working with the State to determine a common path forward and would like to partner with the State in this new method to convey the remaining lands out of federal ownership to the State. Reflecting the importance of completing these conveyance activities, the President's Budget request for 2016 includes $22.2 million, the full 2015 enacted amount with adjustments for fixed costs.

I understand that BLM's current focus is working with the State to find a common path forward. BLM engaged the State to jointly adopt this new approach through an update to a 1973 Memorandum of Understanding on surveying and monumenting. BLM worked at both the technical and executive levels to address existing concerns with the viability and applicability of this new method. Further, I understand from BLM that using this approach should shorten survey and conveyance times, provide the State with higher quality data, and reduce costs.

BLM indicates that it patented approximately 76 percent of the Alaska Native Claims Settlement Act (ANCSA) entitlements. In the next 5 to 10 years, BLM expects to complete at least 80

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 4 continued:

percent of the remaining ANCSA patent workload, but this timeline could be affected by identification of additional survey needs or new survey obligations.

According to BLM, using the new survey methodology would allow the agency to patent all State selected lands in tentative approval status within the next 10 to 15 years. Under the 1973 survey method, it would likely take at least 30 years to complete all of the outstanding State land transfers. Once the confirmatory patents are issued, the State would need to request conveyance of additional parcels to allow BLM to convey the 5.3 million acres remaining in the State entitlement. However, there is no timeframe for the State to have final irrevocable priorities or request conveyance of title to this remaining entitlement acreage.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 5: BLM is currently in the process of updating a number of regional land plans in Alaska. The plans all appear to propose a significant expansion in the number and acreage of Areas of Critical Environmental Concern (ACECs) compared to the existing area land plans.

a. **What is prompting the significant increase in proposed ACECs?**

b. **What assurances can you give Alaskans that they will continue to be able to utilize BLM lands for economic activities and development? Please provide specific examples to support your answer.**

Response: According to the Bureau of Land Management (BLM), the Federal Land Policy and Management Act directs the bureau to give priority to designation and protection of Areas of Critical Environmental Concern (ACECs) in the development and revision of land use plans. The BLM identifies ACECs through the land use planning process which requires special management to protect and prevent irreparable damage to important historic, cultural, or scenic values, fish and wildlife resources or other natural systems or processes, or to protect life and safety from natural hazards.

Public lands are a key economic driver in Alaska. I understand that the BLM land use planning process provides Alaskans access to their public lands for responsible development, recreation, and subsistence use under the mandate of multiple use and sustained yield and under statute. Further, both the Department and BLM seek continued engagement with State agencies, stakeholders, Alaska Natives, and other interested parties to determine the best path forward to continue economic activities and development on public land while ensuring the sound stewardship of the resources.

While mission-specific decisions about BLM lands would be made by the bureau, not Policy, Management and Budget (PMB), throughout my career I have worked to achieve bipartisan cooperation for policies and programs that could be supported by both Republican and Democratic members. I have worked with a variety of stakeholders to build strong coalitions on topics that balanced business, environmental, state, and tribal interests, and it would be through this approach that I would address my role as Assistant Secretary, if confirmed.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 6: The federal government owns roughly 640 million acres, or about 28 percent of the land in the United States. Three Interior agencies manage large amounts of this total: BLM, with 247 million acres; FWS, with 89 million acres, and NPS, with 80 million acres. Federal land ownership is concentrated in the West, and more than 60 percent of Alaska is federal land. A number of states, especially in the West, are seeking more state and local control over land and resources and are requesting transfers of land to the states.

a. **What is the Interior Department's position on the transfer of federal lands to states?**

b. **Does the Interior Department believe there should be a limit on the maximum amount of federal land within a state? Please provide a percentage limit, if Interior believes such a limit should exist.**

c. **Are there other ways in which Interior could provide states with more control over federal land within their borders?**

Response: Congress recognizes the national interest in federal ownership of lands managed for the benefit of present and future generations of Americans whether for recreation, conservation, or the development of our natural resources. The Department and its bureaus work diligently to support multiple uses and values in federal lands. The Department also works diligently to execute state-federal land exchanges that benefit states and the users of the public lands. For example, Bureau of Land Management (BLM) and the State of California agreed to move forward with such an exchange to resolve state inholdings in federal conservation areas in the California desert and help the State of California to meet its renewable energy production goals. The Department also supports efforts to provide greater flexibility for state and federal cooperation on managing public lands, and strongly supports reauthorization of Federal Land Transaction Facilitation Act (FLTFA). FLTFA provides an expedited process for the strategic sale of appropriate public lands designated for disposal through the planning process.

The Department manages federal lands under our jurisdiction for recreation, resource extraction, foraging, grazing, timber, and conservation of natural and cultural resources. The Department recognizes and works to support the multiple uses and interests in federal lands, and to execute state-federal land exchanges that benefit states and the users of the public lands. The Department does not support placing a percentage limit on the amount of federal land within a state for these reasons.

Land use plans form the basis for every action and approved use on federal lands managed by the Department. Through the land use planning process, local, state, and tribal governments, the public, user groups, and industry have opportunities to provide input to the plan that will guide

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 6 continued:

the management of federal lands. State and local governments also have the opportunity to participate as cooperating agencies throughout the planning process and in project-level decision making. In addition to their formal role as cooperating agencies, states also receive grants and assistance from Interior bureaus, participate in cooperative agreements to accomplish shared land management goals, and derive revenues from various uses of public lands.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 7: I understand Interior is almost finished developing a database of all lands in Alaska conveyed to Alaska Native Corporations as a part of ANILCA that contained known contamination caused by the federal government prior to conveyance.

a. **How does Interior plan to speed up and coordinate the clean-up of contamination caused by federal agencies on these lands?**

b. **Would BLM be willing to serve as the coordinating agency to speed up the clean-up of environmental contamination on lands conveyed to Native corporations in Alaska?**

Response: In recent years, the Bureau of Land Management (BLM) undertook an effort to gather, consolidate, and collate data on contaminated lands conveyed to Native corporations through a collaborative process involving numerous stakeholders, including State and federal agencies and native corporations. The resulting database provides Alaska Native entities and State and federal regulators with a tool to address the issue, allowing these groups to become aware of potential contamination of sites and move toward coordinating cleanup of those sites.

The Department of Defense and the Environmental Protection Agency (EPA) are the only federal agencies authorized to clean up contaminated lands that are not under federal ownership. For the vast majority of parcels, the BLM was not managing the lands when they became contaminated, and the Alaska Department of Environmental Conservation (DEC) identified other agencies as the responsible parties. Once the Federal Government documents the responsible parties for the sites identified in the completed inventory, the appropriate regulatory agency will direct the final phase of cleanup work. Within Alaska, this authority lies with the DEC and EPA for sites not on federally-managed lands.

I understand that during the process of developing the database, BLM formed a working group that included the Alaska Native corporation landowners, the Alaska Native Village CEO Association, federal agencies, tribal entities, the State, and local agencies. The working group served as a forum to exchange information, discuss issues, and refine the inventory. While BLM acted in a coordinating capacity in developing this lands database, BLM indicates that there is likely an agency with more appropriate expertise and stronger authorities that would be a more appropriate choice to lead the effort during the clean-up phase.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 8: Through September of this year, 50,000 wildland fires have burned 9.1 million acres. More acres have burned in the first nine months of 2015 than in all of 2013 and 2014 combined. More than half of that acreage burned on lands managed by Interior agencies (5.1 million acres). Federal spending on wildland fire management has more than doubled over the past two decades (in terms of 2014 dollars), and the cost to suppress wildfires continues to escalate. Several GAO reports have identified potential issues with Interior's wildland fire responsiveness and stewardship of appropriated funds.

a. **What measures has Interior implemented, or will Interior implement in the future, to ensure that Interior is responsibly managing its lands to reduce the risk of catastrophic wildfires?**

Response: Through September of this year, there were approximately 6,000 wildland fires on lands managed by the Department that burned 5.1 million acres. Of those wildfires, there were approximately 2,000 in Alaska that burned4.6 million acres. . Most of the fires burned in fire adapted landscapes where wildland fire is an essential component in the stewardship and management of these lands. The Department continues to adapt land management practices to reflect recreational and commercial use of these lands.

A significant challenge the Department faces is the rapid development of adjoining lands over the past three decades. In short, the Department employs a number of strategies to reduce the risk of wildland fires moving off our lands and threatening life and property. Each fire season, the Department's bureaus pre-deploy firefighting assets (personnel and equipment) based on both historical fire activity and seasonal outlooks of weather and fuels conditions. The Department is also committed to the collaborative framework of the National Wildland Fire Cohesive Strategy to maintain and improve fire resilient landscapes, develop fire-adapted communities, and conduct safe and efficient operations. A key component is partnerships with local, state, tribal and other agency fire management programs to identify and mitigate the risk of catastrophic wildfires, which is accomplished through investments in fuels treatments that reduce the risk of atypical fire growth and intensity, reduce risks to adjacent communities, and risks to firefighters.

I appreciate Congress' support for the Department's Wildland Fire Management budget from preparedness and fuels management to suppression. The Wildland Fire Resilient Landscapes program leverages funding across multiple program areas to increase fire resiliency on landscapes. Also, the President's budget proposed a wildland fire budget framework that would assure stability to the funding for suppress and avoid the need for transfers from other programs, many of which contribute to wildfire prevention, to cover the unpredictable suppression costs.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 9: Currently, there is a considerable difference of opinion among the American public about the role of Interior in managing lands and resources. Differences center on whether land should be used to produce local or national benefits; the extent, type, and location of development versus protection; and the role of states and the public in deciding how federal lands and resources should be managed.

a. **How will you resolve differing views of the role of Interior in managing natural resources? And what facts in your background can you identify that show that you are unbiased?**

b. **Should Interior's management of lands and resources prioritize national or local benefits?**

c. **Under your leadership, what balance would Interior seek to strike in managing lands for protection and development?**

Response: The Department has a broad mission that covers a spectrum of programs – from conserving natural and cultural resources to responsible development of our Nation's offshore and onshore energy and mineral resources to supporting the productivity of our public lands for the use and benefit of present and future generations. The Department, through its bureaus, works to meet this mission in an environmentally sound and economically responsible way. To resolve differing views on the Department's role in managing natural resources, if confirmed, I would seek out perspectives from a variety of stakeholders, both at the national, regional, and local levels. I believe it is important to understand the interests and concerns of stakeholders in order to make sound and durable policy, budget, and management decisions.

It is my experience that the Department's bureaus work hard to balance national priorities and benefits with local priorities and benefits, and to incorporate local priorities into management decisions when possible and not in conflict with law or regulations. I believe that communities understand the benefits of sound stewardship of our lands and natural resources, especially when communities rely on these resources for economic vitality and a strong quality of life. When making land and resource decisions, I think it is important to engage impacted communities in management decisions and work to maximize joint benefits for the nation and communities.

Throughout my career, both in the Senate and within the Administration, I have worked to achieve bipartisan cooperation and consensus. For example, as Legislative Director for the bipartisan Northeast-Midwest Senate Coalition, I was responsible for developing policies that both Republican and Democratic Senators could support; otherwise the Coalition did not pursue action on the topic. I worked with a wide variety of Members and stakeholders to build

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 9 continued:

strong coalitions on topics that included strengthening U.S. manufacturing, electricity restructuring, and water infrastructure. This work often required that I balance business, environmental, and state interests. Another example is my work on New England fisheries management issues, which required understanding and addressing the interests of fishermen who rely on stocks for their livelihoods and of non-governmental organizations that want to end overfishing and build sustainable fisheries.

I understand the benefits of the Department's work to both national and local economies. The revenue collected by the Department is a significant source of funding to the U.S. Government. If confirmed, I would continue my efforts to seek the perspective of a broad spectrum of stakeholders in order to evaluate policy decisions and make recommendations.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 10: Interior, along with other federal departments, will likely have flat or declining budgets for the foreseeable future. This heightens the need for Interior to manage fiscal resources efficiently and become more effective in delivering services. It also raises a number of broad fiscal and management issues.

a. **What is the process within and the role of PMB regarding the development of the budget?**

b. **Does PMB review bureau budgets before they are proposed to the Secretary, and what role do you personally play in reviewing agency budgets?**

c. **Do you meet with bureau directors and assistant secretaries?**

d. **What do you see as your role in ensuring presidential priorities are reflected in bureau budgets?**

e. **How do you advise the Secretary on budget decisions?**

f. **What actions can Interior take to restructure agencies and programs, particularly to minimize duplication and fragmentation? What role do you play in such an effort? Have you begun any such effort at this point? Do you plan to?**

g. **How do you believe the Department and its bureaus should prioritize its many functions and activities to focus on the most critical services and aspects of its mission? Do you believe your office will play a lead role in the effort? What do you believe are the most critical services and aspects of the Department's mission?**

Response: Policy, Management, and Budget (PMB) is responsible for formulating the Secretary's annual budget submission to the Office of Management and Budget and developing the Department's request within the President's budget. As part of the budget formulation and execution processes, in my role as Principal Deputy Assistant Secretary I meet with bureau directors and assistant secretaries to discuss operational needs and priorities. PMB is responsible for reviewing bureau budgets before presenting them to the Secretary. I review bureau budget requests and recommend resource allocations and policy choices to the Secretary as well as lead efforts to identify efficiencies and improve program delivery. I advise the Secretary on a number of different budget issues, which include: operational and mission needs of the bureaus; program effectiveness and performance; means to reduce duplication among programs and strengthen accountability; and, priorities of the Administration and Congress.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 10 continued:

For budget execution, I advise on Congressional direction included in annual appropriations bills. In my current role, and if confirmed as Assistant Secretary, I believe it is my role to assist in formulating a budget that meets the operating needs and mission functions of the Department's bureaus as well as reflects the priorities of the Congress, the Secretary and the President. I believe this is the appropriate way to prioritize the critical services and aspects of the Department's mission.

As part of the Administration's Management Agenda, the Department continues to work to maximize efficiency by reducing duplication and fragmentation and increasing effectiveness of programs. As Principal Deputy Assistant Secretary, I am actively working on issues to strengthen management and avoid operating costs. These efforts include IT Transformation, consolidation of data centers, deployment of a Department-wide financial business system known as FBMS, and consolidation of Departmental office and warehouse space. If confirmed as Assistant Secretary, I would play a principal role in efforts to increase the Department's effectiveness and efficiency to invest resources in mission delivery.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 11: Interior is currently considering a number of applications for geological and geophysical (G&G) permits to perform seismic surveys in the Atlantic Ocean. Interior issued a record of decision broadly approving G&G activities in the Atlantic in summer 2014, but many of the individual permit applications are still undergoing review.

a. **What priority would you place on expediting the review of the seismic permits?**

Response: The Department recognizes the significant industry interest in obtaining geological and geophysical (G&G) permits in the Atlantic, and the Bureau of Ocean Energy Management (BOEM) is working diligently on those permit applications. According to BOEM, the bureau issued a G&G permit to ArcX Limited in June 2015, and the remaining seven applications are for permits to perform seismic data collections. These applicants must also obtain Incidental Harassment Authorization (IHA) permits from the National Marine Fisheries Service (NMFS). I understand that NMFS is currently analyzing public comments it received on these applications and has stated that it will begin deliberation on permits in late October. BOEM will make a decision on the G&G permits once NMFS acts on the IHAs.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 12: The Energy Policy Act of 2005 (EPAct) included a provision to initiate and fund a pilot program at seven BLM field offices in an effort to streamline the permitting process for oil and gas leases on federal lands. Initial results from the pilot project were published by Interior according to the timetable required by EPAct (within three years after enactment). The conclusion was that the pilot program improved the processing times for applications for permits to drill at the pilot offices overall and increased the number of environmental inspections.

a. **What is your assessment of the pilot program today to streamline oil and gas permits?**

b. **Has Interior considered a similar program to expedite permitting for offshore leases?**

Response: The bureaus involved in the oil and gas pilot project made significant progress in a number of areas. Additional resources, such as personnel devoted to processing oil and gas drilling permits and other authorizations, enabled the various bureaus and agencies to increase the pace of permitting and completing environmental reviews in those offices, particularly given the complexity of the resource issues faced. The additional resources reduced the time taken for interagency consultations and improved communication through programmatic streamlining efforts. The increased staffing in the pilot project offices also allowed the Bureau of Land Management to help new industry permitting specialists understand the its requirements for obtaining an oil and gas use authorization.

While the Department is not currently considering a similar pilot program for offshore leases, the Bureau of Safety and Environmental Enforcement is taking steps towards improving its permitting process, including developing an electronic permit application system and hiring more engineering and technical staff to conduct permit application reviews.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 13: Interior has taken many steps since 2010 to effectively enhance offshore operations. This includes drilling safety regulations, safety and environmental management systems regulations, and various notices to lessees with additional requirements.

> **a. Do the new regulations that have already been finalized over the past six years include new and heightened standards for well control and blowout preventer equipment?**

Response: The regulations include certain provisions from the recommendations that arose immediately after the Deepwater Horizon incident; however, they do not include the nearly 160 discrete recommendations that arose specific to offshore safety. I understand that it took several years for the studies and investigations to be concluded.

> **b. Have regulations addressing questions that arose out of the Macondo incident been finalized? If so, for how long?**

Response: Following Deepwater Horizon, the Department developed and finalized the Drilling Safety Rule and Workplace Safety Rule, but this rule did not include the nearly 160 discrete recommendations that arose that are specific to offshore safety.

> **c. Did Interior undertake an assessment of the regulatory requirements already set in place to identify any gaps that may exist, focus on those areas for regulatory updates, and use those as the basis for the items included in the BSEE-proposed Well Control Rule?**

Response: I understand that Bureau of Safety and Environmental Enforcement (BSEE) analyzed the existing regulations in place and reviewed the recommendations that the Bureau received from the studies and investigations arising from the Deepwater Horizon blowout to identify gaps between the recommendations and existing regulations.

> b. **When Interior is promulgating new rules and regulations, should it utilize the experience and on the ground expertise of the regional staff, whether BSEE or BLM personnel?**

Response: I believe that it is appropriate for the Department's bureaus to utilize the experience of subject matter experts for new rules or regulations that are being developed and finalized.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 13 continued:

c. **How extensive was Interior's Headquarters outreach to the Gulf of Mexico BSEE regional staff in the development and now the updating of the proposed Well Control rule? Are Headquarters staff the best experts to develop such a technical rule for offshore operations?**

Response: BSEE indicated that subject matter experts throughout the Bureau assisted in the development of the proposed rule. I understand that the bureau utilizes the collective expertise of a range of experts to develop regulations.

d. **There is great concern that the proposed Well Control Rule may actually increase risk and decrease safety, and that a number of operational technical issues must be fixed for the proposed rule to enhance safety rather than decrease it.**

i. **How many meetings has BSEE held with technical experts from companies operating offshore? Have the meetings been time-constrained?**

Response: I understand that BSEE does not agree that the proposal decreases safety, and will be reviewing any comments submitted in detail. BSEE had numerous meetings with external stakeholders and technical experts, beginning as early as 2012 with the blowout preventer public workshop. BSEE held additional work sessions following that workshop with members of the regulated community. Since then, engagement continued with numerous meetings with industry and academic technical experts prior to publishing the rule. More recently, BSEE held additional meetings with companies that provided comments during the public comment period of the rule to clarify their comments as BSEE works to finalize the rule. With a number of meetings and a public workshop held in the past four years, BSEE does not believe stakeholder engagement has been time constrained.

ii. **Would you agree that a number of key safety concerns have yet to be fully discussed and vetted?**

Response: I understand that BSEE does not agree with this statement and believes that the provisions in the rule have been fully discussed and vetted.

iii. **Do you believe that Interior should undertake additional technical engagement so that the complex issues and concerns associated with the rule are addressed?**

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 13 continued:

Response: BSEE staff is working to finalize the rule based on comments submitted during the comment period. The bureau worked to ensure broad stakeholder engagement throughout the drafting process. Based on the information received in the drafting process and during the public comment period, BSEE does not believe additional technical engagement is required at this time.

iv. Will you commit to ensuring that safety concerns are addressed and offshore personnel and the environment are protected before the Well Control rule goes final?

Response: I discussed this issue with BSEE, and the bureau commits to addressing these concerns.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 14: Over the last several years Interior has proposed or finalized a number of offshore and onshore rules and regulations, including the BLM hydraulic fracturing rule; updates to BLM Onshore Order 3, 4, and 5; controversial BLM Land Use Plan Amendments that limit areas where oil and natural gas development can take place; changes to ONRR's civil penalty regulations; additional regulations for Arctic OCS operations; the Well Control Rule; potential changes to onshore royalties and bonus bids; and more. Interior is also expected to propose increased regulation of onshore venting and flaring soon, and there are also a number of additional items included in the Unified Agenda that have not been proposed.

All of this regulatory activity is taking place at a time when private investment on federal land for oil and natural gas production continues to fall. Each of these items on their own may have a chilling effect on future investment and interest in federal production of oil and gas. Taken together, the cumulative impacts could alter not only production on federal lands, but also government revenues that result from such production.

a. Is anyone (whether an office or individual) at Interior responsible for analyzing and considering the cumulative effect of each regulation on an individual basis, as well as in conjunction with the entire suite of regulations issued by Interior? And, if so, please identify the Office or individual responsible.

b. Is anyone (whether an office or individual) at Interior responsible for analyzing and considering the effects that rules from other agencies – for example, EPA – will have, on an individual and cumulative basis, on energy production on federal lands and revenues resulting from it? And, if so, please identify the Office or individual responsible.

c. Are the responsibilities listed in questions (a) and (b) above suitable for the Assistant Secretary for Policy, Management and Budget? And, if not, why not?

d. If confirmed, what will you do to ensure that Interior adheres to its multiple use mandate, and continues to place great value on the oil and gas production on federal lands and the important revenues that come to the Treasury as a result of it?

e. If confirmed, will you undertake an assessment of the cumulative impacts that Interior's decisions and regulations are having on energy production on federal land, including in Alaska, and the revenues that flow to the Treasury as a result?

Response: Regulations promote the health, safety, and welfare of the American public and the environment as well as reduce long-run costs to the American economy. I do, however, recognize that they can also impose burdens and costs on industry and the economy. Therefore, I

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 14 continued:

believe that we should not impose unjustified regulatory requirements. The President, through two Executive Orders, directed Departments to identify and reduce regulatory burdens. Through the use of retrospective analysis of existing rules, federal agencies are examining whether regulations remain justified and whether they should be modified or streamlined in light of changed circumstances. There is not a single office or individual within the Department that is responsible for analyzing the cumulative effects of regulations issued by the Department or by other federal agencies.

As part of the Administration's efforts to strengthen the regulatory process, the Department, through its bureaus, engages in a process of retrospective review of existing significant regulations. Through this process, the Department is updating rules to remove requirements deemed outdated and to streamline regulatory processes. I support the Administration's efforts to update and improve the regulatory process, including the regulatory review framework put in place in response to Executive Order 13563 and Executive Order 13610. As I mentioned at my confirmation hearing, one of the key roles of the Assistant Secretary for Policy, Management and Budget is the management of Department-wide programs and development of policies that cut across the bureaus. PMB would be one office that is suitable for this review. If confirmed, I commit to engaging with Departmental and bureau leadership, the Office of Management and Budget, and other appropriate entities to discuss the feasibility of undertaking such an assessment.

If confirmed, to the best of my abilities and as appropriate to my role, I will continue to ensure that the multiple use mandate guides land use decisions where appropriate. I would work to support the Departmental bureaus, through budget formulation and execution and management reforms, as they carry out their statutorily mandated responsibilities. I understand the importance of oil and gas revenues to states, tribes, local communities, and the Federal Government and will ensure that, to the extent possible and feasible, I will work within the Department to maximize these revenues.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 15: Because ESA is such a powerful statute, a handful of special interest groups and even elements within the listing services have begun using it not for conservation, but as a means to impose controls on management of federal and even private lands. It appears the purpose of the ESA is being shifted away from pursuing the recovery of species to listing as many species as possible. The effect is that more and more of the USFWS's resources are being diverted away from programs and actions that would assist in recovery of species, and instead to the task of deciding whether to list them under the ESA.

a. Do you agree with these assertions? And, if not, why?

b. How effective is the significant regulatory framework that has grown from it?

c. How do you believe that expertise within the USFWS, coupled with expertise in the state, academic, and private sectors, can be harnessed together to pursue recovery of species, as opposed to endless battles over listings?

d. To what extent do funding programs that incentivize partnerships to meet the requirements of the ESA, guide your thinking when reviewing the USFWS' budget? Should this be a priority?

Response: For many decades the Endangered Species Act (ESA) has prevented the extinction of hundreds of species. I believe that the ESA maintains its focus on species recovery. The Act's achievements include restoring to the wild species that once survived only in captivity; increasing the abundance of many highly imperiled species to their highest levels in decades; catalyzing efforts that have kept scores of species from becoming endangered or threatened, most notably the range-wide land management planning by Bureau of Land Management (BLM), Forest Service, and leading states that avoided the listing of the greater sage-grouse; and helping to bring about the recovery and delisting or proposed delisting of the nation's symbol, the bald eagle, as well as the American alligator, the American and Arctic peregrine falcons, and many other once-imperiled plant and wildlife species.

The ESA is an adaptable and flexible law, capable of creatively solving potential conflicts and of enlisting the voluntary conservation efforts of private landowners through the use of habitat conservation plans, safe harbor agreements, conservation banking, and other vehicles for successfully partnering with conservation-minded landowners. The Fish and Wildlife Service (FWS) is continuing to search for opportunities to make the ESA even more responsive, like creating new incentives for voluntary conservation efforts and better integrating states into ESA processes.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 15 continued

I strongly believe that cooperative work among stakeholders is critical to conserving species. FWS staff has decades of experience implementing the ESA, and this experience shows that species have the best chance when all stakeholders are involved in the planning and implementation of conservation actions. It is also important to be responsive to the need to develop flexible, innovative mechanisms in cooperation with states, private landowners, and others, both to preclude the need to list species where possible, and to speed the recovery of those species that are listed.

A good example of success is the recent cooperative, science-based approach leading to the decision not to list the greater sage-grouse. This was the largest effort of its kind in history, and it resulted from an unprecedented, landscape-scale conservation effort across the western United States that significantly reduced threats to the greater sage-grouse. The effort involved collaboration among 11 states, BLM, the U.S. Forest Service, private landowners and ranchers, and other partners to conserve greater sage grouse habitat, an action that will also benefit many other kinds of wildlife.

I believe that partnerships are critical to conserving species and are a priority. Partnerships help promote conservation on our treasured landscapes, preserve natural and cultural resources, bring innovative approaches to resource management, and engage diverse communities, including our Nation's youth. Through partnerships, the Department achieves community- and landscape-level conservation results across America, tapping into the knowledge and innovation of local communities and organizations.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 16: The Obama Administration routinely calls for higher taxes on domestic oil and gas producers in its annual budget requests and other proposals.

> **a. Has the Office of Policy, Management, and Budget conducted any analysis of the impact that these tax increases would have on domestic oil and gas production levels, particularly in the current low-price environment? And, if not, why not?**
>
> **b. What level of decreased domestic oil and gas production would the Administration be willing to accept as a result of higher taxes on oil and gas producers?**

Response: Policy, Management, and Budget (PMB) does not conduct analysis of the potential impacts of tax proposals on energy production. The Department considers known factors such as planned leases and base assumptions regarding resource price, in developing annual estimates of receipts. The Administration supports a balanced national energy portfolio and oil and gas production from public lands and offshore resources remain a key part of the Nation's energy supply. The Department plays a pivotal role in helping to secure America's energy future and implement the Administration's energy policy. There are many factors which impact domestic energy production just as there are many considerations in balancing federal budget requirements and revenues in developing the President's budget each year.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 17: Oil and gas production in Alaska's federal areas would produce significant revenues for the Treasury through bonus bids, rents, royalties, corporate and individual income taxes, and more.

a. Has the Office of Policy, Management, and Budget conducted any analysis of the revenues that the federal government could accrue if the resources in the National Petroleum Reserve-Alaska, the non-wilderness portion of ANWR, and the Beaufort and Chukchi Seas are fully explored and produced? And, if not, why?

b. Has the Office of Policy, Management, and Budget conducted any analysis of the revenues that will be lost to the federal government as a result of Interior's decisions to block and delay development in the areas listed in (a)? And if not, why?

Response: Policy, Management, and Budget (PMB) has not independently conducted this analysis; however, the Bureau of Ocean Energy Management (BOEM) and Bureau of Land (BLM) do undertake this type of analysis. Revenue estimates depend critically on assumptions regarding the timing of development and current and future prices in world oil markets. The analysis of economic impacts, including federal revenues, of Outer Continental Shelf leasing is carried out by BOEM as part of their preparations for lease sales. Also, as part of the Five Year Program development process, BOEM calculates the net benefits that would be associated with the acreage available for lease in upcoming programs. The Draft Proposed Program for the 2017-2022 Five Year Program includes information on the net economic value of all of the unleased portions of all of the OCS planning areas, based on the full amount of unleased undiscovered economically recoverable resources available in the full planning areas. The analysis of economic aspects of leasing in the National Petroleum Reserve - Alaska is carried out by BLM as part of the preparation for lease sales. Since 1999, a total of about 40 million acres have been offered in NPR-A. A total of about 5 million acres received bids, with a total bid amount of about $261 million.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 18: Although not located on Interior-managed lands, the Gold King Mine incident in Colorado involving a surge of acid mine drainage illustrates the potential hazards at abandoned hardrock mining sites. Interior is conducting a technical review of this incident at the request of EPA.

a. **What is the status of Interior's technical review of the Gold King Mine incident?**

b. **What is Interior doing to ensure the independence of this review?**

Response: On October 22, 2015, the Bureau of Reclamation (Reclamation) delivered its completed, independent, technical report on the Gold King Mine incident to the Environmental Protection Agency and made the report public. Reclamation's Technical Service Center performed the technical review. The Technical Service Center provides Reclamation and the Department with scientific, applied research and engineering services related to water resource management and technical support across a wide array of disciplines including civil engineering, environmental engineering, and ecosystem and environmental sciences. The report was produced in accordance with the Department's scientific integrity policy and peer reviewed by both the U.S. Geological Survey and U.S. Army Corps of Engineers.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 19: The Bureau of Reclamation manages hundreds of dams, reservoirs and related water supply and delivery facilities which are in need of costly maintenance and upgrades.

a. **How might you address Reclamation's aging infrastructure challenges?**
b. **Should there be a Department-level approach to address not only Reclamation's aging infrastructure challenges, but also the maintenance backlog and capital needs of other DOI bureaus (e.g., NPS, FWS, etc.)? And, if not, why not?**
c. **Do you favor the use of public-private partnerships to help fund improvements for aging infrastructure? And, if not, why not?**
d. **Should the federal government divest itself of some of Reclamation's assets? If so, has the Bureau or the Department determined the assets that are candidates for divestment?**

Response: The Bureau of Reclamation is aware of the challenges of an aging infrastructure and works to address these challenges. The average age of the federally owned facilities operated and maintained by Reclamation and its partners exceeds 50 years. Effective preventive maintenance lengthens the service lives of many facilities; however, facilities continue to require Major Rehabilitation and Replacement (MR&R) work.

In June of 2015, Reclamation issued a two-phase Infrastructure Investment Strategy that presents 14 action items to improve the Bureau's understanding and reporting of MR&R needs. The Strategy builds upon Reclamation's ongoing asset management planning and budget processes, including the existing major rehabilitation and replacements database. Much of the initial focus of the Strategy is centered on "reserved works," which are facilities constructed, owned, and operated by Reclamation. The second phase will focus on continued outreach to external stakeholders and engagement with partners on "transferred works," facilities that were built and are owned by Reclamation, but which are operated and maintained by water and power customers pursuant to contracts.

I believe in public-private partnerships to help fund improvements to aging infrastructure. The Department has a strong track record of partnerships with private organizations. I believe that government agencies work best when they work in partnerships with each other and with private partners. The Department takes a collaborative approach to maintenance and capital needs, not just among the bureaus, but also with tribal, state, and local governments, and stakeholders. I am aware that the Department supported several pieces of title transfer legislation for select projects, and that title transfer of some federal water infrastructure can be a useful tool for improving the efficiency of water management, helping local operating partners, and dealing with an aging federal infrastructure portfolio.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 20: USGS is considered the scientific arm of Interior, yet several Interior agencies contain scientific expertise and scientific programs. This could lead to questions about the roles of the respective agencies, their coordination and cooperation, and their partnerships with nonfederal entities.

a. **How would you ensure that scientific activities within Interior are complementary and not duplicative among agencies?**

b. **How would you expand or enhance cooperative scientific partnerships with other federal agencies? Would you enhance public-private partnerships related to science with nonfederal agencies, and if so, how?**

Response: If confirmed as Assistant Secretary, I would be involved in the management of Department-wide science programs and the development of cross-cutting policies in this area. I would also have responsibility for budget formulation and execution for these programs. The programmatic and other information received from bureaus and offices across the Department as part of the budget formulation process helps the Department minimize duplication and fragmentation across programs. In addition, the Department's Science Advisors Council plays an important role in this effort. This group, made up of senior science advisors from each of the bureaus, provides Policy, Management and Budget (PMB) with a summary of high-priority needs and cross-cutting efforts for use in developing the Department's budget request. It is tasked with identifying scientific priorities and ensuring communication, continuity, and collaboration to avoid duplication and address the highest priority scientific needs.

The use of partnerships is key to accomplishing the work carried out by the Department. Budgeting for priorities also makes the idea of cooperative scientific partnerships attractive. If confirmed I am committed to working with the bureau directors and staff, including the U.S. Geological Survey, to ensure that targeted scientific needs and appropriate partnership opportunities are identified to address priority projects.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 21: The Administration is seeking $900 million per year for the Land and Water Conservation Fund, in perpetuity, yet many Americans wonder why the Federal Government is buying more land when it cannot afford to properly maintain and safeguard what it currently owns.

a. What is the current maintenance backlog for the agencies within the Department of the Interior? Please provide a total estimated number and a breakdown of the backlog between individual agencies.

b. Do you agree that the Department or any of its constituent elements should address the maintenance backlog before we acquire additional federal lands? If not, can you please explain why, with such an enormous maintenance backlog, Interior would focus such a large amount of money on acquiring more federal land?

c. More generally, how do you reconcile additional federal land acquisition, adding to the federal burden at this time of staggering national debt and maintenance backlogs?

Response: The Department estimates the Deferred Maintenance backlog as a range. Although the full analysis for FY 2015 is not yet complete, the consensus point estimate for FY 2015 is approximately $16 billion. National Park Service assets comprise two-thirds of the Department's total backlog, and about half of the total backlog is transportation-related assets. The estimates for types of assets and bureaus are below. In addition, the Bureau of Reclamation has repair needs currently estimated at more than $2.5 billion.

FY 2014 Deferred Maintenance and Repairs as of September 30, 2014 ($000)*

Type of Asset	Low End of Range**	High End of Range**
Roads, Bridges and Trails	$ 6,638,290	$ 9,635,365
Irrigation, Dams, and Other Water Structures	1,902,707	2,864,180
Buildings	2,573,434	3,772,669
Other Structures (e.g. Recreation Sites, Hatcheries, etc.)	2,089,913	3,063,366
Department of Interior Total	**$ 13,204,344**	**$ 19,335,580**

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 21 continued:

Bureau		
Bureau of Indian Affairs	$ 1,913,876	$ 2,814,523
Bureau of Land Management	662,752	810,031
Bureau of Reclamation	10,632	97,668
US Fish and Wildlife Service	1,238,857	1,821,850
National Park Service	9,313,078	13,695,701
United States Geological Survey	65,149	95,807
Department of Interior Total	**$ 13,204,344**	**$ 19,335,580**

**FY 2015 estimates will be available with the release of the Agency Financial Report*
***DOI reports the estimate as a range per Federal Accounting Standards Advisory Board guidance*

The effective accomplishment of the Department's mission requires a combination of investment in critical conservation areas, protection and maintenance of our assets, and public access and enjoyment of our natural and cultural resources. Our bureaus use acquisition of inholdings or easements as a land management tool. Eliminating checkerboard ownership within federal units simplifies nearly every aspect of land management. For example, wildland fire managers can better apply appropriate fuels reduction, planned burns, and fire suppression treatments across an unfragmented landscape. Law enforcement and public safety personnel can more easily patrol and respond to emergencies when public ownership is consolidated. And recreation managers can better provide access for the public to enjoy the public lands. Some acquisitions are part of a broader conservation strategy; many acquisitions can protect currently designated areas from encroaching development or are needed to improve contiguous management of Departmental lands. Acquisitions often do not require significant additional operating costs as no new staff or equipment is required to manage new lands within existing boundaries.

With regard to addressing the maintenance backlog, it is important to consider that two-thirds of the Department's deferred maintenance backlog is attributed to transportation-related assets and roads maintenance. For this reason, a big part of our strategy to address deferred maintenance continues to include enactment of a strong Transportation bill. Within the Department, the President's Budget for FY 2016 proposes discretionary funding increases particularly for the National Park Service Centennial, and proposes Public Lands Centennial legislation to address maintenance needs across all of Interior's public lands agencies.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 22: The National Park Service has closed a number of preserves in Alaska to certain methods of bear and wolf hunting or shortened the hunting seasons as defined by the Alaska Board of Game. When instituting the closures, the NPS has cited "Park Values" in those closures.

a. Do you believe that Alaskans should be able to conduct their traditional and customary hunting techniques in Alaska?

b. Please provide a definition of "Park Values."

c. Do you believe that the State of Alaska has the right to manage wildlife within the borders of the State? Under what circumstances and subject to what limits is it proper for the federal government to reverse State Board of Game decisions?

Response: Yes, I believe that Alaskans should be able to conduct their traditional and customary hunting in Alaska. I understand from the National Park Service (NPS) that hunting takes place over the vast majority of national parks in Alaska, and that the federal subsistence management program places a strong emphasis on customary and traditional uses.

According to the NPS, Section 101 of the Alaska National Interest Lands Conservation Act (ANILCA) cites as the purposes of the Act the preservation for present and future generations of "nationally significant natural, scenic, historic, archeological, geological, scientific, wilderness, cultural, recreational and wildlife values," and states it was the intent of Congress to "preserve unrivaled scenic and geological values." Section 1313 of the Act authorizes the NPS to designate where and when to close or restrict hunting in preserves for reasons of public safety, administration, floral and faunal protection, or public use and enjoyment. Additional definitions of park resources and values are found at Section 1.4.6 of the 2006 NPS Management Policies.

I believe that the State of Alaska has the right to manage wildlife within the State. I understand that the NPS adopts non-conflicting State general hunting and trapping regulations are adopted on lands in the National Park System. ANILCA Section 1313 allows that the taking of fish and wildlife for sport purposes and trapping in preserves is subject to applicable state and federal law. My understanding is that in instances where State regulations are not consistent with relevant federal statutes and policy that the Federal Government can act to ensure that such State measures do not compromise wildlife conservation and management actions mandated by federal law.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 23: The Department of the Interior controls more than 60 percent of the land in Alaska, which amounts to well over 200 million acres. If confirmed, Alaska-related issues would likely make up a large percentage of your policy portfolio, so I want to ensure that you have appropriate knowledge and expertise before you are confirmed.

> **a. Have you ever been to Alaska? If so, please elaborate on your experience in the State.**
>
> **b. What do you understand to be Alaskans' main concerns with the Department of the Interior?**

Response: Yes, I visited Alaska twice. My first trip was when I worked for the Senate Committee on Commerce, Science, and Transportation. I visited the State to learn about the National Oceanic and Atmospheric Administration's efforts on ocean observation and weather and to discuss the impacts of climate on infrastructure in Alaska. My second trip was this August when I joined the Senate Interior Appropriations Subcommittee to learn about the Department's land management operations and announce the selection of Anchorage as one of 50 Cities supporting youth engagement in the outdoors. Given the importance of the State to the Department, and the U.S. Chairmanship of the Arctic Council, I hope to visit more frequently in the future. During my visit this summer, I particularly wanted to learn about the interest in an electrical intertie between Glacier Bay National Park and the community of Gustavus/Falls Creek Hydroelectric Project. The potential of an intertie would lower power costs for both the Park and the community as well as reduce costs for maintaining energy infrastructure at the Park.

Alaska's economy and the welfare of many communities depend on resource use and development. This includes resource extraction, tourism and subsistence use in rural Alaska. Because the Department is the largest land owner in the state, it has an important responsibility for sustainable management that considers local, state and national interests and benefits. In your opening statement and questions to me, you clearly expressed a concern that is very important to Alaskans, which was that Alaskans feel that decisions out of the Department are harming their hope to be an independent State. If confirmed, I hope to work with you as Assistant Secretary of Policy, Management and Budget to address issues important to Alaskans that are within my role at the Department.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 23 continued:

> **c. Are you aware of the percentage of Alaskans who support offshore drilling in the Arctic, as well as drilling in the non-wilderness portion of ANWR? Do you dispute the figures I offered in my opening statement at the hearing?**
>
> **d. Please explain, in detail, your knowledge of and experience in working with ANILCA and ANCSA. If you do not have knowledge of those laws, how do you plan to fill in the gaps of your experience?**

Response: Based on polls that I reviewed, I understand that it is more than a majority of Alaskans indicate support for drilling. The polls I reviewed showed support of over 70 percent for both offshore drilling and drilling in the 1002 Area of the Arctic National Wildlife Refuge.

I am aware of both the Alaska National Interest Lands Conservation Act (ANILCA) and the Alaska Native Claims Settlement Act (ANCSA) and that the two Acts are significant pieces of legislation that govern the federal relationship with Alaska. I do not have deep knowledge of either Act; however, I hope to learn more about both and their execution. To gain additional knowledge, I would work with Department bureaus, the Solicitor's Office, and Congressional committees responsible for oversight. I believe that one of the best ways to gain knowledge is by talking with the individuals who are responsible for implementing the Acts and individuals impacted by those actions in order to gain the broadest knowledge of the legislation.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 24: I mentioned in my opening statement that I am not about to forget the isolated community of King Cove, Alaska – or how the Department of the Interior has left its nearly 1,000 residents without reliable access to emergency medical transportation.

a. Whether from within the Department or from another agency in the Administration, were you involved in Secretary Jewell's decision to reject the land exchange that would have facilitated a life-saving road for King Cove? If so, please describe your involvement.

b. Have you been involved in any effort of the Department related to King Cove since you have been with the Department? If so, please describe your involvement.

c. How many medevacs have been carried out from King Cove since Secretary Jewell rejected a life-saving road for the community on December 23, 2013?

d. How many of those medevacs have been carried out by the Coast Guard?

e. What is the average cost of a Coast Guard medevac from King Cove?

f. Do you believe that the Department of the Interior has adequately fulfilled its Trust Responsibility to the Aleut Native people of King Cove?

g. Who, specifically, at the Department is working to identify and evaluate options that would improve access to affordable transportation and health care for the residents of King Cove, as Secretary Jewell pledged would happen?

Response: I understand from your opening statement that there were 32 medevacs over the last two years. I do not have specific information on the U.S. Coast Guard's budget and medevacs from King Cove, and I do not have access to information at this time; however, the Department has made an inquiry to the Coast Guard to get this information.

I was not involved in the Department's decision regarding King Cove. As Principal Deputy Assistant Secretary, however, I was responsible for identifying the funding necessary for the Interagency Agreement, signed in February 2015, between the Department and the U.S. Army Corps of Engineers to assess non-road alternatives for medical evacuation from King Cove. With regard to the Department's trust responsibility to the Aleut Native people of King Cove, the Assistant Secretary for Indian Affairs stated that the Department met its consultation duties under its trust responsibility. If confirmed, I would welcome the opportunity to work with you, Departmental and other agencies' staff, and the community of King Cove to evaluate non-road

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski
Response to Question 24 continued:

alternatives described in the Army Corps of Engineers' study and any potential sources of federal funding for any alternatives.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Chairman Murkowski

Question 25: The King Cove road decision by Secretary Jewell has highlighted a very real reason why I am deeply concerned about any new proposals to designate wilderness in Alaska, or anywhere, for that matter.

> **a. Do you believe there is ever a time when it is appropriate to adjust a boundary of a wilderness area?**
>
> **b. Do you believe it would be appropriate for the President to designate more land in Alaska as wilderness? If so, please identify such lands and state the legal basis under which those lands could be designated as wilderness.**

Response: I understand that while the President can propose wilderness, he cannot designate land as Wilderness in Alaska, or anywhere in the United States, nor can the President adjust the boundary of a designated Wilderness Area without authority from Congress. Under the Wilderness Act, Congress has responsibility for wilderness designations and releases.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Response to Question asked by Chairman Murkowski at the hearing:

Question 26: Regarding the Shell extensions or the 2016 and 2017 lease sales:

We were informed by the undersecretary that it did not make sense for budgetary and resource reasons to prepare the lease sales. Given that your position in PMB is specific to budgetary and resource purposes...why then were you not involved in the decisions if they were related to budgetary and resource reasons? Did your office conduct any form of analysis of the economic impacts that these decisions would have on the state of Alaska, whether it be future oil production or jobs that would not be created or something else? Are you aware of any analysis or assessment done on the impacts of this?

Response: The Department is committed to directing its budgetary resources to those areas where industry has shown interest. There was no analysis by Policy, Management, and Budget (PMB) of this particular issue. I understand from Bureau of Ocean Energy Management (BOEM) that the bureau considered a variety of factors when making the determination, including U.S. Energy Information Administration short and long oil and gas price projections, and the National Assessment of Undiscovered Technically Recoverable Oil and Gas Resources of the Nation's Outer Continental Shelf. I understand from BOEM that the bureau did not receive any nominations from industry in response to its September 2013 Call for Information and Nominations regarding the Chukchi Sea. Additionally, according to BOEM, in the Chukchi, the majority of the most promising prospects - those that would generate the greatest industry interest - are currently under leases not scheduled to expire until 2020. For the Beaufort Sea, BOEM received only one nomination in response to its July 2014 Call for Information and Nominations, which raised concerns about the competitive nature of the lease sale. For these reasons, BOEM is directing its limited resources to those areas where industry has shown interest.

There are other oil and gas development efforts underway that the Department believes will benefit the State of Alaska, including approval of the permit to drill and right-of-way for the Greater Mooses Tooth Unit project in the NPR-A, and the Department's recent approval of ConocoPhillips Alaska's Application for Permit to Drill and right-of-way offer. The next lease sale in the National Petroleum Reserve - Alaska is scheduled to take place on November 18, 2015, and will include 143 tracts encompassing approximately 1.5 million acres, which will pave the way for more oil flowing through the Trans-Alaska Pipeline from Federal lands. The Department also supports and is committed to a coordinated environmental review and permitting process, in consultation with the Federal Energy Regulatory Commission, of the Alaska LNG proposal.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Barrasso

Question 27: Earlier this year, the Department of the Interior (DOI) announced a series of listening sessions on the federal coal program. According to DOI, the purpose of these listening sessions was to "seek information from the public about how the BLM can best carry out its responsibility to ensure that American taxpayers receive a fair return on the coal resources managed by the federal government on their behalf."

Please explain in detail why you believe now is an appropriate time for DOI to consider raising royalty rates and other costs on the production of federal coal.

Response: In recent years, the U.S. Government Accountability Office, the Department of the Interior's Office of Inspector General, Members of Congress from both sides of the aisle, and non-governmental organizations raised concerns about the federal coal program. These included questions about the estimates of fair market value for the sale of coal, the appropriate royalty rates, and whether the public is receiving a fair return for its coal resources.

In response, the Bureau of Land Management (BLM) hosted a series of five listening sessions across the country to discuss how the BLM can best carry out its responsibilities regarding the coal resources it manages. BLM heard directly from nearly 300 stakeholders representing a wide range of views on the subject. In addition to comments received at the sessions, BLM received about 94,000 written comments that addressed the structure, requirements, timing, and valuation methods used by the coal program, as well as the appropriate royalty rates to apply to coal resources.

This level of public interest highlights the importance of conducting outreach to hear directly from stakeholders so their concerns and recommendations can be heard and carefully and thoroughly evaluated by the Department.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Barrasso

Question 28: Would exports of federal coal from ports in the states of Oregon and Washington raise additional revenue for the federal government? Please answer "yes" or "no". If no, please explain your answer.

Response: The response to this question requires explanation. According to the Energy Information Administration, less than 1.6 percent of the federal coal produced from the Powder River Basin, which produced 90 percent of federal coal in 2013, is exported. Because of this, exporting coal from ports in these states as opposed to using it domestically would probably not raise significant additional revenue. However, if the infrastructure allowing ports to export coal in Oregon and Washington created an incentive for companies to increase the volume of coal produced from federal lands, a resulting increase in federal coal production could generate additional revenues whether or not the coal is exported or used domestically.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Barrasso

Question 29: What specific steps, if any, have you taken to assist other federal agencies, such as the Army Corps of Engineers, in addressing permit applications for coal export terminals in the states of Oregon and Washington?

Response: My understanding is that permitting of these types of projects, including for example the Gateway Pacific Terminal, is largely under the authority of the U.S. Army Corps of Engineers and any role the Department or its bureaus would play would be limited.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Question from Senator Stabenow

Question 30: The Great Lakes ecosystem has been severely damaged by more than 180 invasive and non-native species. A study found the total economic impact of invasive species in the Great Lakes region to be as high as $5.7 billion per year. Great Lakes' sport and commercial fishing are the most impacted industries, with losses estimated at $4.5 billion annually.

One of my top priorities is to make sure measures are taken to prevent Asian Carp from becoming another invasive to wreak havoc on the Great Lakes. The Fish and Wildlife Service and the US Geological Service are important partners in this effort, and I applaud both for their valuable contributions. However, this work can only continue with sufficient resources.

Can you assure me that the Interior Department will request the necessary funding and provide sufficient direction in FY2017 to enable the Fish and Wildlife Service and the U.S. Geological Service to continue providing vital assistance to efforts to combat Asian Carp in the Great Lakes basin?

Response: I assure you that the Department remains concerned with the spread of Asian Carp, and is committed to preventing its spread working in cooperation with our state and federal partners. The Department continues to support funding for these activities and the 2016 President's Budget includes $13.7 million for Asian Carp, which includes an increase of $2.4 million for Fish and Wildlife Service efforts to prevent the influx of Asian carp into the Great Lakes and to address populations in the Mississippi River and its tributaries. This increase allows the FWS to assume a more central role in steering Asian carp interagency efforts. The Department also maintains a strong program within the U.S. Geological Survey, of which $4.2 million is dedicated to efforts in the Great Lakes and $1.2 million to the Upper Mississippi River.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Question from Senator Flake

Question 31: On October 13, 2015, the Office of Inspector General (OIG) released a report titled, "Reimbursable Activities Funded Through the National Park Service's Construction Account." Among its findings, the OIG concluded that the National Park Service (NPS or Park Service) improperly used its construction account to fund reimbursable activities performed under interagency agreements. It further states, "NPS is using the construction account to pay nonconstruction expenses and treating its account as if it were a revolving fund." According to the OIG, the Park Service believes this is "a convenient method to fund reimbursable agreements...." Do you agree with the OIG's conclusions in the report? If confirmed, what if anything would you do to address the OIG's concerns?

Response: The National Park Service (NPS) is looking closely at this report and the Office of the Inspector General's (OIG) findings and recommendations in order to provide a written response within the 30-day timeline. I share Secretary Jewell's commitment to implement the most effective management practices across the Department and to make sure the Department is complying with statutes. I will review the NPS response to the findings and recommendations and ensure the NPS response is shared with you once it is available.

If confirmed, I would make sure that Policy, Management, and Budget (PMB), working with our bureaus, closely reviews findings and recommendations included in OIG and Government Accountability Office reports to ensure the Department continues to strengthen its management practices and performance as well as take corrective actions where necessary.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Daines

Background: Montana is home to twelve federally recognized Indian Tribes, seven Indian reservations and the state-recognized Little Shell Tribe. Many decisions by federal agencies impact these tribes' sovereignty and their livelihoods—whether it's the Department of Interior agencies, or others like the Department of Defense (U.S. Air Force and U.S. Army Corps of Engineers) or the EPA. However, too often these federal agencies fail to meaningfully consult with Indian Tribes, even after President Obama has reinforced the importance of the federal government's tribal trust relationship through his Executive Order 13175. In Montana specifically, the Crow Tribe has been very disappointed in the lack of consultation regarding the Gateway Pacific Terminal project in Washington State by the Corps of Engineers. Moreover, the EPA's tribal consultation on the Clean Power Plan was also disappointing to the Crow Tribe and other Indian Tribes like the Navajo Nation. The Crow Tribe relies on coal production for most of its nonfederal revenue and good-paying jobs for tribal members. It is the duty of the Department of Interior, especially, to uphold the tribal trust responsibility.

Question 32: What is your view on the duty of Department of Interior to ensure it undergoes meaningful consultation in regards to federal decisions impacting Indian Tribes; and, intervene in other decisions by other federal agencies in consultation if and when necessary?

Response: I support the intent of the President's Memorandum on consultation dated November 5, 2009, Executive Order 13175, and the Department's resulting tribal consultation policy. I know that the Administration has made consultation and collaboration with Indian tribes a priority. I am committed to ensuring that the Department fulfills its obligations to carry out meaningful consultation on actions that have tribal implications, both across the Department's bureaus and, where appropriate, with other federal departments and agencies.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Daines

Question 33: What will you do differently, if confirmed, to ensure tribes like the Crow Tribe have the opportunity for meaningful consultation with agencies within the Department of Interior and within other Departments' agencies like the U.S. Army Corps of Engineers and the Environmental Protection Agency regarding federal decisions?

Response: If confirmed, I would work with my counterparts in the Assistant Secretary – Indian Affairs office to ensure that the Department is meeting its responsibilities under Executive Order 13175 and our consultation policy. Through the role that the Assistant Secretary for Policy, Management and Budget plays with regard to cross-cutting policies, I would, if confirmed, be in a position to ensure that the Department's staff – across bureaus – understands the importance of meaningful consultation and when and how that consultation should take place.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Alexander

Question 34: Earlier this year, I introduced the James K. Polk Presidential Home Study Act to direct the Park Service to conduct a special resource study for the James K. Polk home in Columbia, Tennessee. In July, the Senate Energy and Natural Resources Committee approved the legislation. During a legislative hearing this summer, the National Park Service expressed support for my legislation and requested a few minor changes, which have been made. If confirmed, will you recommend that the Department of the Interior support my legislation to determine if the James K. Polk Home meets the criteria for inclusion in the National Park System?

Response: I understand that the National Park Service appreciates the Committee making the recommended changes to the bill. If confirmed, I will recommend that the Department continue to support legislation authorizing a special resource study of the James K. Polk Home.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Alexander

Question 35: This summer, the Department of Interior announced that site managers for the new Manhattan Project National Historical Park will be located in three communities – Oak Ridge, Hanford, and Los Alamos. How does the Department anticipate the relationship between the site managers and the superintendent will work? If regular appropriations are provided for the park, how long does the Department anticipate it will take before the park is open to the public?

Response: Oak Ridge, Los Alamos, and Hanford each represent a different and critical part of the Manhattan Project story. The National Park Service (NPS) site manager for each location will coordinate with the local Department of Energy (DOE) staff, local tribes, community members and partners in each of the respective areas to highlight their part of the story in the context of the larger story. I understand that site managers will report to the Manhattan Project National Historical Park superintendent, who will be duty-stationed in Denver. The superintendent will be responsible for overall national leadership of the park and for coordination between the sites and with DOE leadership.

I understand that some of the facilities that will become part of the Manhattan Project National Historical Park are already open to the public. At Hanford, seasonal interpretive tours are offered of the B Reactor and of pre-Manhattan Project historic facilities. At Oak Ridge, seasonal tours are offered to the X-10 Graphite Reactor, the East Tennessee Technology Park (former home to the K-25 gaseous diffusion building), and the Y-12's New Hope Center. The NPS is committed to working with DOE to expand the access that visitors currently have but does not yet have a timeline for providing additional openings or tours.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions from Senator Alexander

Question 36: Last year, Secretary Jewell said she would not "resist" legislation to reimburse states for keeping the parks open during the government shutdown. Do you agree that states should be reimbursed for keeping the parks open during the government shutdown if this bill becomes law?

Response: Yes, if Congress enacts legislation, then the Department would work with the appropriate parties to make that reimbursement to the states.

Committee on Energy and Natural Resources
October 20, 2015 Hearing
on the Nomination of Kristen Sarri
Questions for the Record

Questions asked at the hearing, cont.:

Question from Senator Hoeven

Question 37: In March 2015, BLM issued final regulations for hydraulic fracturing on federal and Indian lands. A U.S. District Judge has issued a temporary injunction on that rule stating "Congress has not authorized or delegated to the BLM authority to regulate hydraulic fracturing, and under our constitutional structure, [it would require congressional action to do so]." What does that court ruling say about the policies that are being advanced under your tenure?

Response: I was not involved in the development of these regulations, which address the practice of hydraulic fracturing on public and Indian lands managed by the Bureau of Land Management (BLM). However, my understanding is that BLM's goal was to update 30-year old regulations to ensure the best use of modern technology, implement best practices to increase safety, ensure environmentally sound management, and facilitate coordination with states and tribes while also providing flexibility to recognize state standards where appropriate. I am told by the Solicitor's Office that the court's decision in this matter was on a motion for a preliminary injunction and does not bind the judge in issuing a final decision on the merits. The Department's goal is to advance policies that promote balanced energy development on public lands that are consistent with its statutory mandates.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 1: Each year, USGS issues its Mineral Commodities Summary report, highlighting the United States' significant and growing dependence on foreign minerals. In 2014, USGS reports that the U.S. imported 50 percent of its supply for 43 mineral commodities, and 100 percent of its supply for 19 of them.

a. Are you concerned by our nation's foreign mineral dependence?

b. What steps is USGS taking to reduce our nation's vulnerability to interruptions in the supply of critical and strategic minerals?

c. Will you commit to working with me on policies that will reduce our nation's foreign mineral dependence?

Answer: I am acutely aware that the United States imports many mineral commodities, including rare-earth elements, from other countries. For 19 commodities such as indium, niobium, and tantalum, we are 100% reliant on foreign sources. Our nation's reliance on foreign minerals is a concern for policy makers, and the USGS is at the forefront of providing the scientific understanding essential for decision makers to support the goal of facilitating the development of critical minerals in an environmentally responsible manner. Specifically, the USGS is conducting research to understand the geologic processes that have concentrated known mineral resources at specific localities in the Earth's crust and to estimate (or assess) quantities, qualities, and areas of undiscovered mineral resources, or potential future supply. In addition, the USGS is working with other Federal agencies to produce the first national study of criticality that will identify critical mineral resources of concern. If confirmed, I commit to work with you on continuing to provide scientific information to address the growing concern of foreign mineral dependence.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 2: USGS is considered the scientific arm of Interior, yet several agencies contain scientific expertise and scientific programs. This could lead to questions about the roles of the respective agencies, their coordination and cooperation, and their partnerships with non-federal entities.

a. How does the USGS interact with other Interior agencies? What makes the USGS uniquely capable within DOI to conduct science?

Answer: Scientists and Department of the Interior land and resource managers in the field routinely work collaboratively to identify issues of importance to the Department and the appropriate scientific questions needed to address them. With USGS scientists stationed in nearly 400 locations around the country, they are uniquely positioned to interact at the local and regional levels to address science needs. At the Departmental level, the USGS Director chairs the DOI Science Advisors Council, comprising the senior science advisors from each of the DOI bureaus. This Council identifies science priorities and ensures communication, continuity and collaboration among bureaus so that duplication of effort is avoided and the highest priority needs are addressed. The Council identifies high priority needs and potential cross-cutting efforts Department-wide. Because the USGS is a non-advocacy organization with no regulatory or management authorities and given the wide range of expertise in both the physical and biological sciences, the USGS is uniquely positioned to provide the integrated science that is relevant to important management and policy decisions, but is also unbiased, objective, and policy neutral.

b. How would you ensure that scientific activities in USGS are complementary and not duplicative among agencies?

Answer: The USGS Director sits on a number of national scientific coordinating bodies that are fora for communication and collaboration to ensure that high-priority national research and development needs are being met in a way that leverages unique capabilities within the Federal science community. These include the National Science and Technology Council Committee on Science, the US National Committee for Geoscience, the U.S. Group on Earth Observations Senior Steering Committee and multiple National Academy of Sciences roundtables and boards. In addition, the Senior Science Advisors for each Department meet together throughout the year to coordinate efforts. If confirmed, I am committed to continue our engagement in each of these venues that enable an understanding of science priorities and activities across all Federal science agencies so that taxpayer dollars are used to enhance, not duplicate, the Federal science enterprise.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 3: The Pacific Northwest, including Alaska, Hawaii, and California, are at risk for a tsunami disaster if the Cascadia Subduction zone ruptures, or the fault that caused the 1964 earthquake in Alaska ruptures again.

a. What is the USGS doing to provide an early-warning network that could give communities from Alaska down to southern California enough lead time to escape a tsunami triggered by one of these possibly massive earthquakes?

    i. What are the challenges to implementing an effective system over the next few years?

    ii. Japan is implementing an early-warning system for tsunamis. What are you doing and what would you do that is similar or different to the Japanese approach?

Answer: The USGS conducts numerous activities to enhance our earthquake early warning capabilities. The USGS has been operating a demonstration earthquake early warning system in California, called ShakeAlert, since January 2012, and the USGS has proposed to implement a limited public earthquake early warning system by 2018. This system is now expanding to Oregon and Washington, with the ultimate goal of implementing an earthquake early warning system along the U.S. west coast, similar to the one that has been operating successfully in Japan since 2008, and performed successfully in the 2011 M9 Tohoku earthquake. The USGS system will eventually extend to incorporate real-time deformation data from existing Global Positioning System (GPS) networks. As to tsunami early warning, it is worth noting that the National Weather Service operates Tsunami Warning Centers to monitor and predict the development and onset of tsunamis along the Nation's coasts.

Earthquakes are a national challenge, with about 142 million people living in moderate- to high-hazard areas stretched across 42 States. Recent earthquakes in Colorado, Oklahoma, and Virginia have underscored the national nature of earthquake risk. One of the challenges USGS faces is expanding our network beyond the western United States, to areas that have recently experienced earthquakes, such as the eastern United States, the Midwest and Texas and Oklahoma. In the eastern United States, potential locations of large earthquakes are not well known and few active faults are defined; however, broad areas are judged to have the potential for producing damaging earthquake shaking. Before making that investment, it makes sense to expand research on earthquake sources and ground motions in the east, so that any future investments in improved monitoring are well targeted.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 4: It seems to many of us that the mission of the USGS has expanded beyond the scope of its Organic Act and that less funding is devoted to traditional USGS endeavors, such as geological surveying of our nation's mineral resources.

a. What do you believe is the core mission of the USGS?

b. How do you intend to prioritize funding for the traditional mission of the USGS while also addressing the needs of newer programs?

Answer: The USGS was established by the Organic Act of March 3, 1879, which provided for "the classification of the public lands and examination of the geological structure, mineral resources, and products of the national domain." The Act of September 5, 1962, expanded this authorization to include such examinations outside the national domain. While remaining true to our Organic Act, the USGS has evolved over the course of its 136-year history and is well-positioned to meet the challenges of the 21st Century. The core mission of USGS is to provide reliable scientific information to describe and understand the Earth, minimize loss of life and property from natural disasters, support the sustainable stewardship of land and water, and the management of biological, energy and mineral resources. In my view, the USGS mission, current activities and budget priorities are consistent with the Organic Act's authority for the study of the Earth for the benefit of the American people, and all people around the world.

While the current budget climate requires the USGS to undertake a hard look at all of our programs and activities, we are confident that we can meet the needs of our core mission. USGS's FY16 budget reflects our funding priorities, where we have prioritized several areas that provide significant public benefits and allows the USGS to build on collaborative relationships with other Federal agencies. These include earthquake early warning, enhanced elevation data through the 3DEP program, energy development, the Landsat ground system, and supporting community resilience in the face of a changing climate.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 5: Approximately every 10 years the USGS creates a Science Strategy to guide its scientific efforts and align its budget with the strategy. The latest strategy was created in 2007 and extends through 2017.

a. Would you aspire to change the current Science Strategy? Are there any pertinent issues that are not covered under the Science Strategy that you would like to add? Are there issues that should be deleted?

Answer: The current Science Strategy was developed by a team of scientists tasked to look out 20-30 years and identify compelling science issues. The document is intended to be a living document. Since its inception, the framework and key questions have retained their relevance. If confirmed, I would not seek to change the current Science Strategy. However, it is important that we augment the fundamental issues in the Strategy with mission-focused near term tactical documents that apply the Strategy to today's pressing issues, such as drought or induced seismicity. These near-term documents were crafted with broad external as well as internal input that identified societally relevant actions for which strong, unbiased science is necessary.

b. What are some new and emerging issues for the USGS?

Answer: Emerging issues for the USGS are strongly focused on the human dimension: most important are those focused on public health and safety, as well as those that contribute to community resilience and sustainable economies. These issues include enhanced monitoring and assessments of hazards and community-based tools such as earthquake early warning; creating the foundation for multiple emerging community needs through the 3-D Elevation program; assessing the distribution and life cycle of critical minerals that are increasing in importance with the emergence of new technologies; understanding the factors affecting some of most vulnerable landscapes, such as the Arctic, insular areas, and coasts; providing the tools for communities to plan for increased pressures on available water supplies, including drought; providing tools for early detection and control of invasive species; and, most important for our future, engaging the next generation to build a 21st century workforce. I have challenged the USGS to become more innovative in our approaches to science and to engage in non-traditional partnerships with the private sector to develop the next generation of tools, technologies and analytic approaches. If confirmed, I will continue to look for more efficient and effective ways to put our science into the hands of communities and individuals.

c. What are some key issues under hazards that USGS can contribute to? How does USGS respond to natural hazards such as flooding and hurricanes?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Answer: The USGS brings science to bear on a wide variety of natural hazards. We deliver assessments of hazard and risk to support all levels of government enabling reduction of losses through better-informed building codes and land-use decisions. When disaster strikes, the USGS provides situational awareness for emergency responders and the public. We are able to bring an array of capabilities to bear in support of preparedness and response -- long-term monitoring, world-class expertise, geospatial data products and decision support tools.

In the historic flooding that struck South Carolina last month, the National Weather Service relied on the USGS's network of about 170 real-time streamgages to provide flood warnings, and USGS sent dozens of teams out in the field to repair damaged streamgages and verify information on streamflow at the sites. Throughout the entire event, the USGS deployed nearly 100 people in South Carolina, North Carolina, and Georgia; deployed and recovered storm-tide sensors and Rapid-Deployment Gauges; and flagged and determined the elevation of close to 600 high-water marks in support of response and recovery missions for Federal Emergency Management Agency(FEMA).

When hurricanes threaten our coasts, the USGS combines interdisciplinary science with state-of-the-art technologies to provide data and analysis to assess coastal impacts and deliver real-time situational awareness for coastal communities at risk. The National Weather Service, FEMA, US Army Corps of Engineers, and a wide variety of State and local coastal stakeholders rely on USGS science such as: high-resolution geospatial data; storm-surge monitoring; rapidly deployable streamgages; coastal impact assessments for beaches and barrier islands; and rapid characterization of environmental contaminants and ecosystem effects. We bring capabilities to bear across multiple mission areas, delivering a comprehensive USGS effort to make science available to help inform an effective response.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 6: Landsat 8 is providing land remote-sensing data and continuing the long record of Earth observations from space. Additionally, the USGS adopted the policy of providing Landsat data and imagery essentially free of charge.

a. What is the schedule for Landsat 9 and do you anticipate any possibility of a gap in coverage if Landsat 9's schedule is delayed?

Answer: The FY 2016 President's Budget requested a Landsat 9 launch date in 2023. However, that date was predicated on the building and launching of a thermal imaging small satellite in 2019 to ensure the continuation of thermal imaging data in the event Landsat 8's thermal imager failed. Since that budget submittal, two things have changed. One: Landsat 7 fuel projections now indicate it will operate into 2020, and perhaps into 2021, provided the 16-year old satellite, operating on some backup systems, doesn't experience a mission-ending component failure in the interim. Two: Congress did not fund the thermal imaging small satellite, and provided language to that effect to NASA and USGS. As a result, NASA and the USGS are currently working toward a schedule that could launch Landsat 9 as early as 2021, if additional funding is provided. Tens of thousands of Landsat users across the country have indicated they do not want a break in weekly Landsat coverage, so we're doing our best to ensure Landsat 9 goes up before Landsat 7 fails. Should this schedule be delayed, there is a high likelihood of a gap in current coverage. By 2021, Landsat 8, which was designed to operate for 5 years, but launched with a 10-year fuel supply, will have been operating for 8 years and have a steadily increasing risk of failure.

b. What are our contingency plans for continuing coverage if Landsat 9 is delayed?

Answer: There are no current or proposed satellite systems that match Landsat's image-data characteristics. For example, no other system is currently projected to provide thermal data acquisitions, which are used operationally in 22 States for monitoring water consumption in agricultural crop irrigation. However, the European Sentinel-2 satellite will soon be providing optical data and wide-area coverage compatible with Landsat. The USGS, in partnership with the European Space Agency, is planning to make full use of Sentinel-2, and requested additional funding in the 2016 President's Budget to develop and operate a ground system to collect, archive, process and disseminate Sentinel-2 data in a manner consistent with our Landsat ground system, to enable our U.S. users to maximally leverage this new data. Sentinel-2 data will augment the current Landsat data stream, and serve as a partial contingency data source should Landsat 7 or 8 fail or should Landsat 9 be delayed.

c. Have you conducted any studies to assess whether that policy has helped foster new businesses and other private sector enterprises that take advantage of free imagery to create value-added products?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Answer: The explosive growth since 2008 in Landsat data downloads includes high volumes going to U.S. businesses. The USGS has been conducting and publishing case studies on the use of free Landsat data by new businesses and other private sector enterprises wherein free Landsat imagery is used either to improve the efficiency of internal company operations or to derive and sell new geospatial products and services. Examples from a broad range of Landsat data use by private companies include: monitoring internal agricultural-irrigation operations, using Landsat imagery to improve commercial satellite data operations, conducting timber inventories, deriving and selling new map and other geospatial products, providing cloud-based Landsat processing services, and providing land surface change-detection maps for Federal agencies. U.S. companies that use Landsat data, some of which have been profiled in USGS Landsat Case Studies, include: Google, E&J Gallo, Amazon Web Services, MapBox, Esri, Silvia Terra, Digital Globe, and Planet Labs.

d. If so, have you estimated how much these private sector enterprises have contributed to the U.S. Treasury through additional tax revenue?

Answer: While the USGS regularly asks private sector enterprises about how they use Landsat data to improve operations or to derive and sell new products and services, we do not request or collect information pertaining to tax revenues these entities pay to the U.S. Treasury.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 7: Landslides:

a. In the year and a half since the Oso landslide in Washington, what has the USGS learned about the slide and particularly how to identify regions in Washington, or any other state, that may also be susceptible to such life-threatening and destructive landslides?

Answer: Based on landslide modeling and seismic information, USGS research indicates the average speed of the landslide was about 40 miles per hour, with maximum speeds likely higher. The landslide likely involved a complex sequence of movement that occurred in two stages over the course of about one minute. During the second stage of movement the landslide accelerated, crossed the North Fork of the Stillaguamish River and impacted the Steelhead Haven community. Work is ongoing to identify the specific geologic factors that led to the rapid speed and high mobility of the Oso landslide so other locations where similar landslides are possible can be recognized.

b. Does the USGS have any early-warning capability for these large landslides? What are the challenges and obstacles to creating an early-warning system for communities at risk in the Pacific Northwest?

Answer: Early warning is generally not an effective risk reduction strategy for landslides like the one near Oso. The link between such slides and triggering factors such as heavy rainfall is not clear. For instance, the Oso slide occurred on a sunny Saturday morning. Site-specific monitoring of landslides is generally not practical given the abundance of slides in mountainous and hilly areas of Pacific Northwest. For slides such as Oso, avoidance is probably the best risk reduction strategy. This strategy requires identification of landslide areas and assessment of their frequency and magnitude. These efforts require high-resolution topographic data (lidar) to map landslides and landslide-prone areas and geologic study to assess the potential for catastrophic behavior.

Early warning can be an effective loss reduction strategy where landslide occurrence is closely linked in time with triggering factors such as heavy rainfall. Since 2005, the USGS and the National Weather Service (NWS) have operated a debris-flow early warning system in southern California for areas recently burned by wildfire. Wildfire removes vegetation and changes soil properties such that garden-variety storms may generate debris flows. Expansion of this system to areas burned by wildfire in the Pacific Northwest requires additional data collection and work to develop criteria the NWS uses to issue alerts and warnings. Expansion of the partnership with the NWS to provide warning for debris flows in non-burned areas of the Pacific Northwest requires distributed monitoring of soil moisture conditions and research to develop, improve, and deploy predictive criteria and tools.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 8: The USGS has been operating streamgages, many in cooperation with the states and other nonfederal entities, for over 100 years.

a. How does the USGS decide where to install and maintain streamgage stations? Or, given that the number of streamgage stations has declined since the 1980s, how does the USGS decide which stations to keep and which to abandon?

Answer: Streamgage locations are determined a number of different ways. The cooperators gaging needs generally determine if the gage is funded jointly with a cooperator, and the location is selected.

For the Federal gages, the following criteria are used:

- Has a clear Federal interest – analysis that is appropriately and efficiently done for larger regions (multiple States or the Nation as a whole) and contributes to general understanding of hydrologic processes and trends in a region.
- Contributes to more informed decision-making.
- Includes recently available data.
- Leverages other work being conducted for programs such as the Water Census, the National Water Quality Assessment (NAWQA) Program, or other USGS programs.

Water Science Centers work with cooperators and Federal partners to determine which stations to keep and which to close when funding is no longer available. The goal is to minimize the impact if gages must close.

b. What is the value of maintaining streamgages? Are there other ways to collect the same or similar data?

Answer: The USGS provides a continuous source of streamflow information that is used in countless ways by governmental organizations, private industry, and the general public. Serving as one of the largest data holders in the world, the USGS provides information that provides the scientific basis for decision-making related to protection of life and property from water-related hazards, such as floods, and management of freshwater that is safe and available for drinking, irrigation, energy, industry, recreation, and ecosystem health.

To provide reliable streamflow information across the country— information that's available to every citizen—the USGS works in partnership with more than 850 Federal, regional, State, Tribal, and local agencies. The latest streamflow information is available in the "now" (real-time) – on our phones and computers – as the USGS continues its mission to continuously measure streamflow at more than 8,400 streamgages nationwide.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

The USGS streamgaging network's highest priority is to meet strategic long-term Federal needs and USGS water mission goals related to:

- Flood forecasts;
- Interstate agreements, compacts, and court decrees (legal obligations);
- Tracking streamflow in major river basins and borders;
- Assessing/forecasting changes in streamflow over time due to land use, water use, and climate change (in unregulated, sentinel watersheds); and,
- Water quality (sources, transport, and fate of contaminants and loads) in major rivers and key estuaries.

The streamgage network also strongly supports hydrologic research and decisions, operations, and responsibilities of States, regional commissions, Tribes, localities, USGS, and other Federal agencies related to:

- Regional streamflow characterizations and hydrologic analysis, including extrapolation and forecasts in ungaged watersheds;
- Water resource appraisal and allocations (water supply/water use/water budgeting);
- Planning and design of water related infrastructure such as reservoirs, bridges, roads, culverts, and treatment plants;
- Operation of reservoirs, power plants, and navigation locks and dams;
- Management of instream flow requirements and habitat conditions;
- Flood plain mapping and planning; and,
- Recreation safety and enjoyment

There is currently no reliable way to collect this data other than gaging activities.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 9: USGS is charged with understanding the geological structure of the national domain, providing vital information on our mineral, energy, and water resources, natural hazards, and all aspects of the subsurface. What are your plans for developing the unique and essential geological functions at USGS, including geological mapping?

Answer: USGS continues to invest in numerous mapping activities, including the National Cooperative Geological Mapping Program, which advances the understanding of earth-surface processes, groundwater availability and quality, and energy and mineral resources. This program produces geologic maps and subsurface three-dimensional (3D) frameworks that support mineral and energy exploration, and aquifer characterization which are used to mitigate against natural hazards (e.g. landslides). The USGS continues to invest in the growing need for high-quality topographic data and the need for a wide range of other 3D representations of the Nation's natural and constructed features. To this end, the 3D Elevation Program (3DEP) is systematically collecting enhanced elevation data using lidar and other technologies across the United States. If confirmed, I look forward to continuing USGS' efforts toward advancing the mapping of geophysical features in the United States.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 10: How does USGS plan to leverage the data and maps produced by the 3D Elevation Program across all USGS program areas?

Answer: The 3D Elevation Program provides nationally consistent, high-resolution 3D elevation data that inform decisions and advance the scientific understanding of our planet. 3DEP data are critical to projects that span the breadth of the USGS mission. 3DEP data provide an accurate baseline against which changes in our landscape and climate can be measured. They improve water resource decisions impacting agriculture, recreation, human health, and environmental quality by improving our understanding of the Nation's hydrographic network. 3DEP data improve geologic mapping activities by identifying faults and revealing terrain characteristics that aid in the discovery and exploration of mineral deposits. As was witnessed in the Oso, WA landslide in 2014, lidar plays a key role in disaster response and can also be used to identify areas vulnerable to landslides. As the 3DEP program continues to map our Nation's landscape, its value to the bureau and the scientific community will grow exponentially.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski

Question 11: Given the importance of mineral information to the economy and the value of the information to industry, the financial sector, and national defense, does USGS have a mechanism in place to assess the effectiveness of its mineral science and information products?

Answer: As with all USGS publications, our mineral science and information products are peer-reviewed under our Fundamental Science Practices and, of course, publicly available. This ensures that what we publish is as accurate as it can be, but also permits us to update publications if new information becomes available. In fact, our annual Mineral Commodity Summary, which is an authoritative source for many policymakers and researchers, uses data that are sometimes of limited availability or reliability. Therefore, each edition may be updated several times after its first release.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Chairman Lisa Murkowski [In-Hearing Follow-up Question]

Question 12: Last year USGS announced that Afghanistan was the first country to be almost completely mapped using hyperspectral imaging data. Can you tell me what the status of collecting the hyperspectral data is in this country and where we are with the status of LIDAR or LANDSAT data in the United States and in Alaska specifically?

Answer: We have now brought that technology home, and we are using it initially in Alaska to map certain areas and to test that system. In summer 2014, we initiated the first hyperspectral surveys in Alaska related to mineral resource investigations. To date, these are the only such USGS-supported surveys. We have no specific plans for future domestic hyperspectral surveys.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator Debbie Stabenow

Question 13: The scientists at the U.S. Geological Survey conduct critically important research in the Great Lakes basin: from research into toxic algae blooms that pose public health and environmental threats to residents of Ohio and Michigan that live near Lake Erie and the Saginaw Bay, to ongoing monitoring of the Lakes' fisheries.

I understand much of this work is funded through the Great Lakes Restoration Initiative. While I am glad GLRI resources are available, the U.S. Geological Survey should explore requesting funding for these efforts through its base budget. This would further demonstrate the Geological Survey's commitment to these research efforts and free up GLRI funding for other important efforts.

If you are confirmed to head the U.S. Geological Survey, are you committed to dedicating resources to this critically important research that helps protect the Great Lakes?

Answer: I recognize that the Great Lakes area is a key strategic resource and driver of economic vitality that is threatened by multiple stressors that include invasions of exotic mussels and fishes, habitat degradation, and harmful algal blooms. Through the President's Great Lakes Restoration Initiative, the USGS is conducting science and monitoring to aid in the protection and restoration of the largest system of fresh surface water in the world. In our FY16 budget, the USGS requests additional funding for the Great Lakes Fisheries Program, which aims to utilize and build upon the rapid advancement of 21st century tools, technologies, and science to gather information to meet the needs of our regional management partners. Last week I met in a special session with the Great Lakes Council of Lake Committees to discuss ways to work together to identify, secure and leverage resources to stabilize and enhance Great Lakes scientific research and development. For the past 15 years, I have worked closely with the Great Lakes Fishery Commission and individual committees to establish an effective partnership that delivers world-class science to help inform the management of these important resources. If confirmed, I look forward to working with you to ensure adequate resources are dedicated to this important endeavor.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator Rob Portman

Question 14: I am very interested in your 3D Elevation Program (3DEP) fact sheet for Ohio. The President's budget provides increases for foundational data and tools needed to support landscape-level understanding. Whether for agriculture and precision farming or flood map risk and a variety of other issues, my state stands to benefit from the President's focus on acquiring elevation and topographic data. Can you tell me the last time Ohio was mapped via USGS using LIDAR technology, and how much of my state still needs to be mapped using LIDAR as part of 3DEP?

Answer: Ohio was an early adopter of lidar technology and statewide coverage was obtained in 2006 - 2007 by the State with funding contributed by the USGS and other Federal agencies. The goal of 3DEP is to provide nationwide coverage of data at a higher quality in eight years. There are currently no publicly available lidar data in the State that meet 3DEP standards. 3DEP is built on partnerships, and the USGS stands ready to refresh Ohio's existing data coverage with current, higher-quality 3DEP data in collaboration with the State.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator Rob Portman

Question 15: I am very much interested in creating jobs in my state. It's my understanding that 3DEP is a great example of USGS contracting with the private sector for LIDAR data collection. 3DEP presents a unique opportunity to collaborate between all levels of government, leverage the services and expertise of private sector mapping firms that acquire the data, and create jobs as new data availability spurs innovation and analysis for years to come. What is your vision on how 3DEP will help to create jobs in my state?

Answer: The 3D Elevation Program (3DEP) is designed to provide high-quality 3D elevation data for the Nation. Yet, today just 10% of the Nation has been mapped to 3DEP standards. The significant effort to complete national coverage depends on private mapping firms to acquire and process the unprecedented volume of data, and enables a diverse and vibrant geospatial industry to break new ground with novel and innovative applications of 3DEP data. In addition to increasing science, technology, engineering and math opportunities in the geospatial industry, the availability of national coverage of 3D data will create tremendous economic and employment opportunities in a diverse range of sectors, such as precision agriculture, infrastructure construction and management, automated vehicle navigation, the entertainment industry, and many more.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator Rob Portman

Question 16: If confirmed, will you commit to ensuring that the data and methodologies used in USGS studies and research are made public?

Answer: All USGS publications are in the public domain and accessible online. This is fundamental to our mission. The USGS is also implementing goals laid out by the Administration, such as the Open Data initiative, which aims to increase public access to government data, as well as the Office of Science and Technology Policy's memorandum *Increasing Access to the Results of Federally Funded Scientific Research,* which requires agencies to ensure that the public can read, download and analyze publications in digital form. Two other examples of USGS's commitment to making data publicly available include the Big Earth Data Initiative, which aims to make scientific data collected by the Federal government easier to find and use, and the Open Water Data Initiative, aimed at integrating fragmented water information that is already being collected by different agencies at several levels of government into a connected, national water data framework.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator Rob Portman

Question 17: If confirmed, will you commit to ensuring USGS studies and research are peer reviewed by independent experts?

Answer: Independent peer review is an underlying precept for the delivery of scientific products across all sectors of the scientific community, including at USGS. USGS has adopted a policy, codified in our "Fundamental Science Practices" guidelines, that requires all science products to undergo a two-tiered review process. The first tier is independent scientific/technical peer review. Although there are circumstances where USGS scientists may be called on to perform scientific peer reviews for USGS products, safeguards are built into the system to ensure that there is no conflict of interest and that the reviewer can provide an unbiased review. The second review is undertaken by a bureau approving official (BAO), who is part of an independent team reporting to the USGS Office of Scientific Quality and Integrity. The BAO team reviews all scientific products to ensure that an independent peer review was conducted according to accepted scientific standards; that the author adequately addressed peer review comments; that the conclusions are supported by the body of the document; and that product is unbiased, not politically influenced, and is policy neutral. If confirmed, I am committed to ensuring that independent peer review remains a fundamental aspect of USGS scientific products.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Suzette Kimball

Senator John Hoeven [In-Hearing Follow-up Question

Question 18: Do you have plans to update USGS's estimates of the recoverable oil reserves in the Williston basin?

Answer: The USGS does not have a set time frame in which to update assessments that we perform. The USGS typically initiates an assessment update if there has been a substantial change in the understanding of the petroleum geology of a region, or a dramatic change in the technology used to develop resources (such as happened with the introduction of high-volume hydraulic fracturing), or a significant change in the productivity of new wells. Having sufficient access to recent industry data is essential when evaluating whether to update an assessment and was a key factor in facilitating the last USGS update of the Bakken Formation in 2013. Similar access would be needed to help USGS scientists with a future assessment of the Williston Basin.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Questions from Senator Murkowski

Question 1: Congressional Oversight:

a. What does the law require of the IG of the Department of the Interior with respect to reports to Congress? Do you have an independent reporting obligation?

Answer: An Inspector General has a dual reporting role: to the Secretary and to Congress. I take very seriously our statutory obligation to keep both Congress and the Secretary fully and currently informed about serious deficiencies we identify within the Department. We are required under Section 4(a)(5) of the Inspector General Act "to keep the head of such establishment and the Congress fully and currently informed, by means of the reports required by section 5 and otherwise, concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or financed by such establishment…."

The other reporting provisions of the IG Act are found in Section 5. It requires each IG to prepare semiannual reports that must include, among other things:

1. a description of and recommendations relating to significant problems, abuses, and deficiencies relating to the administration of programs and operations;
2. a summary of matters referred for prosecution;
3. a listing of each audit, inspection, and evaluation report issued; and
4. a summary of particularly significant reports.

The semiannual report is to be transmitted to the head of the agency by April 30 and October 31 of each year and by the agency head to Congress within 30 days of receipt of the IG's report. Section 5 of the Act also requires an IG to report "particularly serious or flagrant problems, abuses, or deficiencies relating to the administration of programs and operations." This latter category of matters are to be transmitted to Congress by the head of the agency within 7 days.

b. What is the IG's independent duty to assist Congress when the IG's Department is unresponsive?

Answer: While I am not aware of any statutory duty for an IG to assist Congress when an agency or department is unresponsive, I seek to work on matters of concern to Congress and take seriously the OIG's obligation to keep Congress "fully and currently informed" of serious problems and deficiencies in the Department as required by the

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Inspector General Act. The information sought by the House Committee on Natural Resources that implicated potential claim for executive privilege did not, however, reveal serious problems and deficiencies. Nonetheless, I made every effort to persuade the Department to engage in the accommodation process with the House Committee on Natural Resources. I did this through my direct contacts with the Office of the Secretary as well as frequent efforts by my General Counsel with Department attorneys. As a result of these efforts, the Secretary has committed the Department to engage in greater accommodation of that Committee's requests for information regarding the Stream Protection Rule now that the draft proposed rule has been published.

c. In general, what types of information, if any, must or may an IG properly withhold from a congressional committee? Please include in your answer the legal authorities under which such information must or may be withheld.

I cannot speak for the entire IG community on this subject as some of my colleagues may obtain uniquely sensitive information that they determine cannot be provided to Congress. From my own perspective, other than classified information that has its own processes for sharing with Congress, and grand jury information, I am not aware of any information that must be withheld from a committee. Most or all IGs do not share information about ongoing investigations and prosecutions, based upon guidance from the Department of Justice's Office of Legal Counsel (OLC). See, e.g., *Assertion of Executive Privilege in Response to Congressional Demands for Law Enforcement Files*, 6 Op. O.L.C. 31, 32 (1982) (opinion of Attorney General William French Smith): "[I]t has been the policy of the Executive Branch throughout the is nation's history to decline to provide committees of Congress with access to or copies of law enforcement files except in the most extraordinary circumstances."

The other area where most IGs will withhold information, based upon my conversations with my colleagues, is when the agency or department indicates a potential assertion of executive privilege. Because only the President can formally assert executive privilege, an agency expresses this intent by asserting "The information demanded relates to important Executive Branch confidentiality interests and is deliberative and pre-decisional," or similar words. This is the exact statement provided to us by the Department's Deputy Solicitor in response to the House subpoena in 2014. The Congressional Research Service comprehensively discusses the legal principles and provides the history of the assertion of executive privilege dating back to President Kennedy. See *Presidential Claims of Executive Privilege: History, Law, Practice, and Recent Developments*, August 21, 2012.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Based upon our reading of the IG Act, a claim of executive privilege would not prevent us from turning documents over to Congress in situations where we have uncovered "fraud and other serious problems, abuses, and deficiencies" (quoting IG Act Section 4(a)(5)). As we explained repeatedly to the House Committee, had we made such a finding, our analysis of its request may have been different.

During our dispute with the House Committee, my office did not withhold any documents that were wholly within the realm of control of the OIG. In response to 21 of the Chairman's request, we turned over extensive internal information including deliberative and pre-decisional drafts, Privacy Act protected information, staff emails, agents' notes, and attorney-client deliberative material.

Question 2: Concerning your decisions during the "protracted disagreement" with the House Committee described in your testimony:

a. Of which decisions do you remain most confident?

The issue about which I remain steadfastly confident is that of the separation of powers, and the process by which the Legislative Branch and Executive Branch resolve their differences over information that is deemed potentially privileged by the Executive Branch. The accommodation process is well established, and has been employed by both parties holding power in both the Legislative and Executive Branches over many administrations. I believed then, as I do now, that the proper resolution of such differences lies between the two branches of government. The Office of Inspector General had no interest at stake or authority to resolve such differences.

b. Which show your independence from the Department?

My independence from the Department is reflected in the over 500 published reports issued since I became acting IG in 2009, but specifically, I would point to the 2010 Report of Investigation into the Gulf of Mexico Moratorium Recommendation, and the Evaluation, "New Horizon: Looking at the Future of BOEM Inspection and Enforcement", both of which were borne out of the Deepwater Horizon disaster, each of which were highly criticized by the House Committee on Natural Resources, yet both of which I still consider as some of our most timely, thorough, influential, and independent work. I would also point to our Audit Report on BLM's Helium Program which was highlighted in a hearing before the House Committee on Natural Resources and upon which new legislation was, in part, based. The OIG investigative report on the improper recognition of the Tejon Indians was highly critical of the Assistant Secretary for Indian

Affairs' decision; our report on U.S. Park Police Weapons Accountability was highly embarrassing to the National Park Service, and also the subject of a House hearing; our audits on U.S. Fish and Wildlife's management of the Coastal Impact Assistance Programs in Mississippi and Louisiana led to five convictions of Mississippi officials for fraud and $27.7 million in questioned costs; our investigation into allegations of misconduct by the Assistant Secretary of Insular Affairs brought about his resignation even prior to our report being issued. Most recently, we issued a report about the National Park Service's (NPS) use of its construction account to pay for Economy Act services provided to other agencies. In that report, we could not resolve our fundamental disagreement with NPS about its use of the construction account, and recently briefed staff for the House Committee on Oversight and Government Reform, as well as bipartisan and bicameral staff for Appropriations. These are but a few examples that highlight our independence from the Department.

c. Which show that you are NOT too closely aligned with the work of Interior to serve in the IG "watchdog" role effectively?

Again, I would point to the "New Horizon: Looking at the Future of BOEM Inspection and Enforcement", about which I was criticized for being too closely aligned with the work of the Department to conduct effective and independent oversight. Yet today, nearly five years since its issuance, the Department continues to implement our recommendations from this report, to change and improve its management, regulatory, and oversight responsibilities over oil and gas production in the Gulf of Mexico. The continuing impact of the New Horizons report reflects both my independence and effectiveness as an Inspector General. More recently, our report about the National Park Service's (NPS) use of its construction account to pay for Economy Act services provided to other agencies was highly critical of this practice. The OIG could not resolve our fundamental disagreement with NPS about its use of the construction account, recommended that NPS either seek congressional approval of this use, or discontinue the practice. We recently briefed staff for the House Committee on Oversight and Government Reform, as well as bipartisan and bicameral staff for Appropriations.

Question 3: A report prepared by the majority staff of the House Committee on Natural Resources, *Holding Interior Watchdog Accountable* (February 21, 2013) (House Committee Report) detailed a number of facts that, from the perspective of the report, show that you and the OIG under your leadership were insufficiently independent from the Department.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

a. Please tell the Committee the *facts* that should lead us to conclude that the report is mistaken, that you are independent of the Department, and that you are responsive to Congress.

b. What *facts* support the conclusion that you didn't, as the Report asserted, "blur the line between being an independent watchdog and serving as an informal advisor and collaborator on [Interior] policy initiatives"?

Answer: The Report by the Majority Staff, Office of Oversight and Investigations, Committee on Natural Resources, dated February 21, 2013, was written in four parts:

1. Help Wanted: Independence Required for an Inspector General

Acting IG has sought Accommodation and Collaboration

My personal style, to engage in civil discourse even when addressing difficult issues, has been criticized by some as being too accommodating of the Department of the Interior. Civility, in my experience, however, is not an accommodation, but rather, a strong and effective tool in communicating with and holding DOI accountable.

Taking a purely adversarial approach to oversight, as some propose, is inconsistent with the Inspector General's mandate, which is to strengthen as well as criticize the agency. I have led the OIG to provide constructive critique to effect positive change in the Department programs and operations. We seek voluntary cooperation from Department staff to complete our work, which is gained through a practice of engaging in professional relationships while understanding the distinction between one another's mission and responsibilities.

One important result of this approach has been that the Department, through the Secretary, her senior staff, and that of the bureaus, routinely turn to the OIG to address management issues of concern, and concerns about potential wrongdoing. The Department has not always been so forthcoming about asking the OIG to review or investigate such issues.

IG Employee Concerns about Independence

The Majority Staff Report cites data and comments from the OIG Employee Satisfaction Survey that compiled responses, reporting that for 2012, "only 59 percent of IG employees agreed or strongly agreed that 'the OIG conducts its work in a manner that is

independent … from the Department.'" The Majority Staff Report did not include the additional 26 percent of respondents that "neither agree nor disagree."

In our 2015 survey, 73 percent of employees said the OIG conducted its work in a manner that was independent from the Department. Another 12 percent were neutral in their answer and 10 percent did not know.

In 2015, in response to the question, "Over the past year, the OIG conducted its work in a manner that was independent … from Congress," 66 percent answered positively, while 15 percent were neutral and 16 percent did not know.

As a point of reference, survey scores above 65 percent positive are considered to be a "strength" in the Federal Employee Viewpoint Survey.

Here are some comments taken from the 2015 survey:

> "The Deputy IG's focus is on the thoroughness of reviews and not the outcome."
>
> "I haven't read every product or report, but I feel that objectivity is a high priority within our organization and is naturally part of our culture."
>
> "I have been part of discussions that stress the objectivity of projects, so I know that there is an effort being made to be objective."
>
> "In my personal experience, OIG conducts its [sic] investigations with integrity and objectivity."
>
> "We are documenting our independence and objectivity more completely and consistently on every job."
>
> "I have never seen any evidence of our investigations/reports being biased. As far as I know, they are always impartial and unbiased."
>
> "I have seen the efforts that go into ensuring objectivity, including referencing, multiple reviews, various check-in meetings, etc. All of those are opportunities to raise concerns, as well as a general open-door policy."
>
> "We are cognizant of independence, are well-trained in recognizing and identifying threats to independence, and are given ample reminders."

Comment from those who answered neutrally are enlightening, as well. In an organization with a culture that emphasizes sufficiency of evidence, it is telling that some employees who responded neutrally or don't know clarified, for example:

> "I can only speak for my region, which I believe was independent."
>
> "The agents are free from improper influence."
>
> "I don't know the content of discussions at that level, but I believe that our executives seek to achieve our mission in independent manners, whether or not the Department attempts to improperly influence."

Interest in the Permanent IG Position

I repeat what I said in my testimony:

I have been a career civil servant for over 29 years. I sincerely believe that public service is a public trust, requiring me, and my fellow public servants, to place loyalty to the Constitution, the law, and ethical principles above private gain. I have no other ambition than to continue my public service with dignity and respect for our employees and our stakeholders. I believe in the mission of the Inspectors General, I am committed to the OIG for Interior, and, if confirmed, I will continue to do the very best job I can to lead this respected organization in its ongoing efforts to prevent and detect fraud, waste, abuse, and mismanagement in the Department of the Interior.

2. Moratorium Investigation: IG's Report Dogged by Questions

The Integrity Committee for the Council of Inspectors General for Integrity and Efficiency investigated the allegation that I had an actual or apparent conflict of interest in regard to this OIG investigation, and found the allegation to be unsubstantiated.

Additional facts regarding this matter are found in my response to Chairman Murkowski's Questions 5, 7, and 10, below.

3. Renewable Energy Study Dropped: IG Never Finalized Critical Report

The facts regarding this matter are found in my response to Chairman Murkowski's Question 4, below.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

4. A Pattern Emerges: Embarrassing Investigations Not Pursued

a. Klamath/Dr. Hauser

The facts regarding this matter are found in my response to Chairman Murkowski's Question 8, below.

b. Steve Black

When the Los Angeles Times reported on the alleged conflict of interest of Steve Black, the OIG had been notified by the Department that Black had issued a recusal in regard to his dealings with NextEra. At the time, we had no information to suggest Black's recusal was anything but proper. When the OIG received additional information from U.S. Fish and Wildlife agents that Black may have acted in violation of his recusal, the OIG promptly opened an investigation. Ultimately, we issued a Report of Investigation that was highly critical of Black, who served as Counselor to the Secretary. Steve Black resigned from DOI in May 2013.

c. JIT Report

The facts regarding this matter are found in my response to Chairman Murkowski's Question 9, below.

Question 4: The House Committee Report also considered work the OIG performed during your tenure to evaluate certain DOI renewable energy programs. It appears that the IG's office compiled a draft report on renewable energy programs in 2010, but that further work was suspended some time later. The Committee Report asserts that the decision was made following meetings with Interior officials outside the IG office, and outlines a number of proposed edits to the draft report that, according to the Committee Report, softened some of the criticism levied at Interior's renewable energy programs.

a. Is it true, as asserted by the House Committee Report that, prior to the decision not to issue the OIG's final report, some of the proposed edits and concerns expressed by Interior officials sought to soften criticism of the renewable energy programs found in the draft report? If not, please identify *the facts* that will set the record straight.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Answer: No, the conclusion drawn in the Majority Staff Report is not accurate.

We had endeavored to conduct a comprehensive review of all of the Department's renewable/alternative energy efforts across bureaus. After conducting some follow up work subsequent to our meeting with the Department, we concluded that we could not verify all the information provided to us by the Department on such a comprehensive level without undertaking considerably more field work. Since our data was already dated at the time we met with the Department to discuss the draft, we chose, instead, to focus our attention on more manageable size efforts in which we could be confident of the timeliness and accuracy of our findings, and make more meaningful recommendations. We did this beginning with the Climate Friendly Parks, Program Startup, and BLM Renewable Energy Evaluations. In conducting these more focused individual efforts, we are likely to find cross-cutting programmatic weaknesses, overlap, or opportunities for improving management efficiencies.

The decision to not issue the Alternative Energy report in a final form was because I felt the work performed was not complete and the recommendations put forward were not written in a manner where closure would be possible.

Many of the proposed edits identified weaknesses in the OIG audit work. OIG audits and evaluations follow the reporting standards set by the Comptroller General of the United States which require the views of responsible officials in the Department to be obtained. This standard was put into place by the Comptroller General to assure that the reports are presented in a complete and objective manner. In this instance, all recommendations put forward in the draft report were agreed to by the Department. It would have been easy to issue the report and consider all recommendation closed. This would not have been appropriate, however, as the Departmental response identified Secretarial Orders, initiatives, performance goals, and Departmental projects that we had not identified, as well as factual errors or omissions in our draft report. At a minimum this information needed to be evaluated, according to standards.

The Comptroller General standards require that sufficient and appropriate evidence be obtained in providing support for the findings and conclusions. Once I was presented with information suggesting the evaluation team had not gathered all the appropriate evidence, it would have been a violation of standards to issue the report in its current state. The OIG has a rigorous quality assurance process which requires the information presented in each audit and evaluation report to be cross indexed back to supporting documentation obtained during the review. This report was written more like a

discussion paper exploring management challenges rather than an OIG report offering sound, program improvement recommendations.

b. Who decided to not proceed with the final report on Interior renewable energy programs? What role did you play concerning the report or its issuance?

Answer: I made the decision with the input and agreement of the Assistant Inspector General for Audits, Inspections, and Evaluations.

i. If you decided to not release the report, why did you decide not to proceed? And, if not, what was the reasoning that drove the decision? Do you agree with that reasoning?

Answer: I decided not to issue the report because it was incomplete and did not offer recommendations that would help the Department improve its programs. As I explained to the evaluation team, a comprehensive view of a multi-faceted program as large as alternative energy was the wrong approach from the beginning. By attempting an all-encompassing report on renewable energy, we learned important information about the Department's efforts that have better informed our more manageable evaluations and reports on the individual renewable programs. But I still accept full responsibility for initially suggesting that comprehensive approach, and the resulting failure to craft a report that captured such a massive scope and meaningful recommendations.

The draft report contained four recommendations which were written as statements of opinion rather than recommendations for improvement. For example, Recommendation 1 stated, "In this current economic environment, Interior and its bureaus do not have the luxury of operating without concrete goals, measures, and a cohesive/holistic vision. These must include short term and long term goals and measures for each program as well as for the Department as a whole. A cohesive and holistic vision must convey what is hoped to be achieved in five, ten, twenty, fifty years and beyond; how Interior plans on getting there; and what roles the bureaus and individual programs have in those plans." OIG reports should be fact driven and offer concrete solutions for program improvement. I continue to believe that the draft report, as written, should not have been issued in a final form. Subsequently, under my direction I asked my staff to take a focused approach to reviewing the department's efforts in alternative energy and made it focus area in the following fiscal year audit cycles.

In June 2012, we issued a report on BLM's renewable energy program. We were able to discuss specific weaknesses in the management of the projects. For example, we found

that BLM lost rental revenues of $1.2 million on 22 wind projects because it did not implement increased rental rates. We offered nine recommendations which have helped improve the program.

In August 2012, we issued a report on the Guam Power Authority. Guam Public Law requires a renewable energy portfolio which will support 5 percent of electricity sales by 2015 and 25 percent of electricity sales by 2013. We found the progress to achieve these renewable energy goals to be lacking. We recommended Guam Power work with their partners to install renewable energy sources in order to meet their goals. Our report made 5 recommendations to the Governor of Guam for improvement.

In March 2013, we issued a report on BLM's Geothermal Resources Management. We found that BLM's Geothermal Resources Operations Orders were 30 years old. The orders were so outdated that they did not cite correct regulations and failed to account for technological advancements. Additionally, we found that BLM did not have a standardized inspection and enforcement program. We found problems in recruiting, retaining, and training inspectors; and inconsistencies in reporting data into the geothermal database. We made four recommendations for program improvement.

In September 2013, we issued a report on the Department's Offshore Renewable Energy Program. We found problems with policy and standard operating procedures. BOEM's regulations were written when little was known about offshore renewable energy, which led to gaps and inconsistencies in the regulations. ONRR did not have policies in place for the processing of rental payments and operating fees. We offered four recommendations for improvement.

These reports offered sound, implementable recommendations to the Department. Of the 17 recommendations made to the Department 10 have been implemented by the bureaus bringing improvement to the Department's Alternative Energy Program. We forwarded our 5 recommendations made to the Governor of Guam to the Office of Insular Affairs for their use in the awarding of new grants and the monitoring of issued grants.

Question 5: After the Deepwater Horizon accident, you agreed to serve on the newly established OCS Safety Oversight Board, which was tasked with overseeing the Joint Investigation Team and providing recommendations on interim safety measures and policy recommendations.

a. In your testimony before the House Natural Resources Committee on August 2, 2012, you indicated that in your role in working with the OCS

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Safety Oversight Board, you did not think you needed to recuse yourself from the investigation of the moratorium or editing of the report.

Answer: The OIG did not investigate the moratorium, itself, or the writing or editing of the 30-Day Report. Rather, we investigated only the circumstance by which the three page Executive Summary to the 30-Day Report was edited to suggest that the Secretary's recommendation to institute a moratorium on drilling in the Gulf of Mexico had been peer reviewed. **Therefore, the editing of the three page Executive Summary–not the substance of the 30-Day Report–was the focus of the OIG investigation.**

i. What was the basis for that judgment?

Answer: Given the very narrow scope of the OIG investigation, and the fact that I had no role in the development, writing, or editing of the 30-Day Report, in my judgment, there was no need to recuse myself from the investigation into the editing of the Executive Summary of the 30-Day Report.

ii. What would have been the appropriate role for IG staff to provide assistance to the OCS Safety Oversight Board?

I believe the OIG staff provided the appropriate assistance to the OCS Safety Oversight Board by independently reviewing the major aspects of the Department's management, regulation, and oversight of oil and gas production in the Gulf of Mexico. In hindsight, I would have executed this work differently; I would, going forward, decline the request to become a member of such a Board, but rather offer the assistance of the OIG to conduct its independent review, and report our findings directly to the Secretary.

This said, the OCS Safety Oversight Board was a unique response to an emergency situation. The Board's initial identification of the major issue areas, the scrutiny of the Board, and its programmatic insights positioned the OIG to focus its review of the OCS operations much more quickly and efficiently, something that would typically take the OIG several months to survey and scope. Once the initial scope was determined, however, the Board gave no direction and had no influence on the independent work conducted by the OIG team.

b. Why didn't you focus your efforts and those of OIG on seeking to learn what you could about the Department's performance in the crucial periods before the event?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Answer: Our OCS review team conducted its independent review of major aspects of the Department's management, regulation, and oversight of oil and gas production in the Gulf of Mexico; OIG also committed significant investigative and other support personnel to the Deepwater Horizon criminal and civil investigation teams which have spent over five years determining the roles that BP, Halliburton, Transocean, their employees, and the Department played in the crucial periods before the event. In addition, the Bureau of Ocean Management and Regulatory Enforcement (the successor agency to Minerals Management Service), together with the Coast Guard, had a regulatory mandate to determine the "root cause" of the disaster.

Our work helped lead to the largest civil-settlement with a single entity in the Department of Justice (DOJ) history. David Uhlmann, a law professor at the University of Michigan and former chief of DOJ's environmental crimes section, said of BP's total price tag: "No company will ever conduct deep-water drilling in the way that BP did prior to the Gulf oil spill." We also followed up on recommendations made to the Department in 2010, and upon discovering five that were reported as implemented, but were not in fact implemented, we notified the Department that the recommendations needed to be reopened. To ensure accountability, the affected bureau (BSEE) will report to us on a quarterly basis their progress in implementing the remaining recommendations.

c. Please clarify the extent to which you and other members of the OCS Safety Oversight Board participated in the preparation and review of the 30-Day Safety Report.

Answer: I cannot speak for the other two individual members of the OCS Safety Oversight Board, but we, as a board, and I, individually, did not participate in the preparation or review of the 30-Day Safety Report.

i. Do you think such participation, if any, presents conflicts of interest or the appearance of a conflict of interest?

Answer: I did not participate in the preparation or review of the 30-Day Safety Report.

ii. What steps did you take to address those concerns? Please explain in the context of the subsequent IG investigation into the preparation and editing of that report.

Answer: The context of the investigation into the circumstance by which the Executive Summary to the 30-Day Report was edited to suggest that the Secretary's

recommendation to institute a moratorium on drilling in the Gulf of Mexico had been peer reviewed are as follows:

Background

On April 20, 2010, an explosion on the *Deepwater Horizon* oil drilling rig resulted in the tragic deaths of 11 rig workers and injuries to 17 others. After burning for two days, the *Deepwater Horizon* plunged to the bottom of the Gulf of Mexico, causing the drill pipe to rupture, resulting in the largest marine oil spill in the history of the United States and an immediate environmental disaster in the Gulf, spilling 4.9 million barrels of oil over a nearly three-month period.

In the wake of this disaster, the President directed the Secretary of the Interior, Ken Salazar, to conduct a thorough review of this event and report within 30 days on what short-term "precautions and technologies should be required to improve the safety of oil and gas exploration and production operations on the outer continental shelf." This was officially titled, *Increased Safety Measures for Energy Development on the Outer Continental Shelf*, but became commonly known as the "30-Day Report."

Nearly contemporaneously with the President's directive, Secretary Salazar created, by Secretarial Order, the Outer Continental Shelf (OCS) Safety Oversight Board (OCS Board). The OCS Board consisted of the Assistant Secretary for Lands and Minerals; the Assistant Secretary for Policy, Management and Budget; and the Acting Inspector General. The Deputy Secretary, on behalf of the Secretary, appealed to me personally to participate on the board as an independent and objective member. I agreed to do so, but made clear that I would conduct myself independently and objectively, and that I would not be a part of any policy decisions.

The OCS Board was charged to:

1) provide oversight, support, and resources to the then-Minerals Management
2) Service regarding its responsibilities in the Joint Investigation into the *Deepwater Horizon* disaster;
3) provide the Secretary with periodic progress reports regarding the Joint
4) Investigation;
3) make recommendations on measures that may enhance OCS safety; and
4) make recommendations to improve and strengthen the Department's overall management, regulation and oversight of OCS operations.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Informational Meetings in the Wake of the *Deepwater Horizon* Disaster

When the President directed Secretary Salazar to recommend short-term actions to improve industry practices and standards for deepwater oil drilling, Steve Black, Counselor to Secretary Salazar, was placed in charge of a team responsible for producing the 30-Day Report that contained these short-term recommendations. I was not a member of that team.

In order to fulfill my role on the OCS Board, however, I needed to gain a basic understanding of deepwater drilling. Therefore, I attended a number of information-gathering meetings, organized by Steve Black, with representatives from industry, government, and the engineering and scientific community. I viewed these meetings as both educational, in terms of learning about myriad aspects of deepwater drilling, and helpful, in terms of navigating the role of the OCS Board. In none of these information-gathering meetings that I attended was the substance of the 30-Day Report discussed.

On May 25, 2010, two days before DOI issued the 30-Day Report, I was invited, as a member of the OCS Board, to attend a conference call intended to provide the National Academy of Engineers (NAE) Peer Reviewers an opportunity to comment on the draft 30-Day Report. I was invited to this conference call for informational purposes only. A copy of the already-written draft 30-Day Report was attached to the email invitation. Neither the OCS Board collectively nor I individually commented on the 30-Day Report.

The 30-Day Report, containing 22 recommendations, was issued on May 27, 2010, together with an Executive Summary, the latter of which was still being drafted by Steve Black between 11:38 p.m. on May 26 and 2:13 a.m. on May 27. The Executive Summary also included the Secretary's recommendation for a drilling moratorium in the Gulf of Mexico. This moratorium recommendation was not contained in the 30-Day Report itself. Upon reading the published report and the Executive Summary, the scientists and industry experts who peer reviewed the safety recommendations contained in the 30-Day Report expressed concern that the Executive Summary was worded in a manner that implied that the experts had also peer reviewed and supported this policy decision, when, in fact, they had not and did not.

The allegation that certain emails suggest that I played a significant role in developing what the Majority Staff Report calls "the Drilling Moratorium Report" (but which should be called the 30-Day Report) is not borne out. The subject emails indicated my attendance at informational meetings organized by Steve Black leading up to the 30-Day Report. **I did not, however, participate in the drafting of the 30-Day Report.**

Regardless, the OIG did not investigate the 30-Day Report. Rather, the OIG investigated the editing of the Executive Summary to the 30-Day Report, drafted and edited by Steve Black and White House personnel in the late hours of May 26 and early hours of May 27, 2010, in which the moratorium recommendation was made. **Therefore, the OIG investigation into the manner in which the Executive Summary was edited to suggest that the moratorium was peer reviewed, did not present a conflict of interest for me, and my testimony on June 17, 2010 was accurate.**

OIG Investigation

At the request of multiple members of Congress, including the Chair of the House Committee on Natural Resources, the OIG launched an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a six-month moratorium on deepwater drilling, misrepresented that the moratorium was reviewed and supported by the National Academy of Engineering scientists and industry experts. The requests asked that the OIG "identify when and how the modification of the report occurred" (see Attachment 6) and clarified the scope: "*To be clear, we are not asking you to investigate the moratorium. We are asking you to investigate the changes made to the 30-Day Safety Report by political appointees that were presented to the public as peer-reviewed scientific paper.*" **Therefore, edits made to the three page Executive Summary–not the 30-Day Report–were the focus of the OIG investigation.**

When the OIG opened its investigation, I emphasized to investigative staff that the scope of the investigation needed to stay focused on the Executive Summary to the 30-Day Report, where the moratorium recommendation was made—not the moratorium itself, which was, at the time, still the subject of litigation, and not the 30-Day Report. We assigned a senior special agent to this investigation. He was assisted by, and reported to, then-Director of our Program Integrity office, who was a seasoned manager and senior special agent. I did not have significant personal involvement in the direction of the investigation during its course, as I was focused on the efforts of my staff in Denver, Colorado who were conducting a massive evaluation of OCS operations on behalf of the Board. (This evaluation served as the basis for the OCS Safety Oversight Board Report of September 1, 2010. The OIG continued its analysis on several other issues the team had identified, and in December 2010, the OIG issued its own, independent report.)

After conducting interviews of the DOI officials involved in drafting the Executive Summary to the 30-Day Report, the OIG investigating agents reviewed the final email exchange regarding the Executive Summary between DOI and the White House which

took place between 11:38 p.m. on May 26, and 2:13 a.m. on May 27, 2010. The email sequencing was such that investigators were confident that nothing was missing or deleted in the exchange. In the version that DOI sent to the White House, the Secretary's recommendation for a six month moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30-Day Report. The version that the White House returned to DOI had revised and re-ordered the language in the Executive Summary, placing the peer review language immediately following the moratorium recommendation. This caused the distinction between the Secretary's moratorium recommendation –which had not been peer reviewed–and the safety recommendations contained in the 30-Day Report–which had been peer reviewed–to become effectively lost, as detailed in our Report of Investigation (ROI). Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010, with the peer review language immediately following the moratorium recommendation, resulting in the implication that the moratorium recommendation had been peer reviewed.

All DOI officials interviewed stated that it was never their intention to imply that the moratorium had been peer reviewed by the experts, but rather rushed editing of the Executive Summary by DOI and the White House resulted in this implication. Since the jurisdiction of the OIG does not extend to the White House, we could not compel an interview with the White House personnel involved in the editing of the Executive Summary. The emails exchanged between DOI and the White House did not reveal evidence that the Executive Summary was intentionally edited to lead readers to believe that the moratorium recommendation had been peer reviewed.

Although I was not significantly involved during the course of the investigation, I was personally briefed by the case agent and the Director of Program Integrity on their findings at the end of the investigation. At no time during the briefing did either of the agents express any concern or disagreement about the way in which the investigation had been conducted, or about the conclusion that, while the edits made by the White House to the Executive Summary caused the perception that the moratorium recommendation had been peer reviewed, we did not have evidence that this was done intentionally. At the end of this briefing, I asked the case agent to draft an outline for approval before he embarked on writing the ROI. Instead, he provided both an outline and a draft of the ROI contemporaneously within days of the briefing. Initially, I was quietly annoyed, until I read the draft ROI, and found that it was very well written by the case agent. This is to simply say that I had no hand in the initial drafting of the ROI.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

I was, however, very much involved in reviewing and editing the ROI, as I am in all significant reports that issue from our office. As is my practice, whenever I make changes to a report (be it an investigation, audit, or evaluation), I always check with the report's author to ensure that I have not made changes that cannot be supported by the evidence or workpapers (which support audits and evaluations). I did the same in this case, as is evidenced in a series of emails between the case agent and me. Again, these emails suggest no disagreement with the way in which the investigation was conducted or the way the report was written or edited. In fact, the case agent, in one email to me, said:

> *Mary,*
> *Thank you for your comments on the ROI and investigation.*
> *Your email language [about the exchange between DOI and the White House] was far simpler than my own, yet I believe it still clearly captured our finding that DOI's draft Executive Summary had made the distinction between the safety recommendations that were peer reviewed by the experts, and the 6-month moratorium recommendation, whereas that distinction was lost in the Executive Summary as a result of the edits made by the White House. Obviously, whether that loss of distinction was intentional on the part of an over-zealous White House staffer/editor, or simply an honest oversight, the jury will always remain out. The reader of the ROI will have to make their own speculations on that topic.*

In another, the case agent wrote to me, "*Hope the overall ROI/investigation was up to par,*" to which I replied, "*Other than a few editing tweaks and trying to simplify the discussion about the e-mails, I thought it very well done, thorough, and to the point.*"

I was, therefore, taken by complete surprise when we discovered emails authored by the case agent criticizing how the investigation was conducted, and expressing his opinion that the edits made by the White House were, indeed, intentionally made to suggest that the moratorium recommendation had been peer reviewed. For example, in an email to an OIG colleague, the case agent said:

> *Salazar's statement that our ROI concludes it was a mistake and unintentional is a clear attempt to spin our report – I truly believe the editing WAS intentional – by an overzealous staffer at the WH. And if asked, I – as the Case Agent – would be happy to state that opinion to anyone interested. We simply were not allowed to pursue the matter to the WH. But of course that was not mentioned in our report.*

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

To the extent that this claim is intended to suggest that I took action to limit the investigation, it is inaccurate. As demonstrated by my emails to the case agent's supervisor, I was awaiting an answer to my inquiry of whether the White House official involved in the editing process would be available for an interview or not. I did not receive a positive response. The jurisdiction of the OIG for DOI to compel an interview does not extend to the White House.

If an OIG investigator (or auditor or evaluator) feels that an OIG report fails to accurately describe the facts uncovered, I expect that employee to bring such concerns to my attention. The case agent in this instance had multiple opportunities to do so, when he briefed me, personally, on his findings at the end of the investigation, as well as during the email exchanges transmitting edits to the ROI. Since I had also engaged this case agent in such discussions about previous reports, in which he had made his position very clear to me, I am simply bewildered by his silence in this case if he had legitimate concerns about the investigation or the ROI.

For example, in an email string between the case agent and me, as the final edits to the report were being made, the case agent expressed no concerns whatsoever:

> From me: (to Case Agent and supervisor) *I am attaching language that I propose to replace the narrative on pp. 8-9 of the draft report [discussing the email exchange]. I hope it simplifies the comparison of the draft Executive Summary that was sent by DOI against the drafts that came back from the White House, but if I have somehow changed the meaning of anything, please let me know.*
>
> From me: (to Case Agent) *Did you have any problems with [my edits to] the e-mail language?*
>
> To me: (from Case Agent) *Your email language was far simpler than my own, yet I believe it still clearly captured our finding that DOI's draft Executive Summary had made the distinction between the safety recommendations that were peer reviewed by the experts, and the 6-month moratorium recommendation, whereas that distinction was lost in the Executive Summary as a result of the edits made by the White House.*

Not only do the edits, on their face, made the ROI more objective and easier to read and understand, but I made sure the case agent had ample opportunity to challenge, object to,

or change any edit I proposed before it was incorporated into the ROI. The case agent did not challenge, object to, or change any edit.

iii. Are you aware of any inconsistency between your testimony or other statements to the House Committee concerning the 30-day safety Report or any other aspect of your work on the OCS Safety Oversight Board and documentary evidence? If so, what was the inconsistency and how do you explain it?

Answer: I am not aware of any inconsistency between my testimony and other statement to the House Committee on Natural Resources concerning the 30-Day Safety Report or any other aspect of my work on the OCS Safety Oversight Board or other documentary evidence. The emails of the investigating agent were nothing more than his opinion at the time. Neither was the selective accounting of the February 21, 2013 Majority Staff Report of the House Committee on Natural Resources documentary evidence.

Question 6: One of the central purposes of the Inspector General Act was to create effective and independent investigators. These dual characteristics are essential to the IG's conduct of a thorough and unbiased audit or investigation. Recently, however, interactions between some IGs and their agencies have been perceived as potentially threatening both the IG's ability to obtain information from its parent agency, and the IG's ability to remain free from agency influence.

a. With respect to IG authority, what is your view of the recent Office of Legal Counsel opinion that concludes that an agency may withhold information from an IG if that information is protected by certain statutory nondisclosure provisions?

Answer: I believe that the Office of Legal Counsel opinion that concludes that an agency may withhold information from an IG if that information is protected by certain statutory nondisclosure provisions to be both torturous and flawed.

i. Is there information that you believe an agency may withhold from its IG? Please explain your response.

Answer: I believe that an IG should be able to access, independently and without delay, all information and data in an agency's possession that the Inspector General deems necessary to conduct its oversight functions.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

I do not believe that Departmental officials may withhold information from an Inspector General. Section 6(a) of the Inspector General Act provides clear access to "all records . . . or other material." In response to the recent OLC opinion restricting IG access to certain types of information, I have signed Council of Inspectors General for Integrity and Efficiency (CIGIE) letter to Congress and support CIGIE's efforts to reaffirm or further clarify the Act's meaning.

By placing Inspectors General within the executive branch, Congress avoided both the separation of powers and the waiver of privilege issues when it comes to providing an OIG access to Department records and information.

As the head of my office, I have disclosed to Congress all the information on the serious problems and deficiencies within the Department. The past disputes over claims of potential executive privilege have not reflected any barriers to my access, nor any substantive barrier to my disclosures to Congress. I remain confident that I have fully disclosed all serious problems and deficiencies within the Department and will continue to do so.

ii. With respect to IG independence, how should an IG balance the necessity that the IG's office retains an efficient working relationship with agency officials with the need for IG independence from agency influence during an investigation?

Answer: An OIG operates more effectively and efficiently when it has a professional working relationship with agency officials to conduct an objective and independent investigation (or audit or evaluation). OIG work is often conducted, however, in an adversarial environment, whether overt or oblique.

My overarching goal is that my office have the greatest impact possible on the programs and operations of the Department. To achieve this goal, I have found that we are most effective when we engender respect for our work products. This respect is earned over a period of time, as new Departmental leadership comes and goes, and is the result of a professional working relationship with those Department officials who are committed to improving the organization. As long as Department officials are forthcoming and our recommendations for change and improvement are adopted, the tone of our reports will be constructive. When we are not satisfied with the response of the Department, we have clearly noted the same in our reports, and have followed up with discussions with Congressional staff. But professionalism and civility should not be confused for ceding my responsibility to provide independent and objective oversight.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

iii. Is it appropriate for agency officials to participate in an IG investigation? Please explain your response.

Answer: We have had agency officials participate in OIG investigations or reviews as subject matter experts (SME) when it involves a complex or highly specialized program area. Although it is done infrequently, it is only done with the clear understanding that the SME becomes responsive and responsible to the OIG, and not Department management, while serving as an SME to the OIG. I believe that this is standard practice in the IG community.

iv. To what degree should an IG comply with agency requests to alter a report at the request of the agency?

Answer: OIG reports should only be altered if what we have said is inaccurate or misleading.

IG reports communicate the results of the work performed. The purpose of an IG report is to communicate the results of the review through findings and recommendations to the appropriate management officials to take corrective or administrative action. Standards issued by the Comptroller General state when an audited entity's comments are inconsistent or in conflict with the findings, conclusions or recommendations in the draft report, or when planned corrective actions do not adequately address the auditors' recommendations, the auditors should evaluate the validity of the audited entity's comments. If the auditors find the comments valid they should modify their report.

OIG Reports of Investigation (ROI) are not provided to the Department in draft for comment. Rather, ROIs are provided in final form, usually with a request that the Department provide a reply about administrative or other action taken in response to the ROI.

Question 7: On May 27, 2010, Interior issued a report entitled "*Increased Safety Measures for Energy Development on the Outer Continental Shelf*" (30-Day Safety Report)[1] which contained a number of recommended preliminary steps to be taken to increase offshore drilling safety. Among these was a recommendation to temporarily halt certain permitting and drilling activities,[2] including a moratorium

[1] Report available at http://loe.org/images/content/100528/Increased-Safety-Measures-Report-2.pdf.
[2] 2013 Committee Report, at 13, citing 30 Day Safety Report. Report available at http://naturalresources.house.gov/uploadedfiles/oversightreportdepartmentofinterior.pdf.

on drilling of new wells using floating rigs and a halt to drilling operations on floating rig wells in the Gulf of Mexico.[3] The executive summary of the report claimed that this and other recommendations had been "peer-reviewed by seven experts identified by the National Academy of Engineering."[4] These recommendations were put into place by the Secretary of the Interior. Subsequently a number of technical experts objected to the implication in the executive summary of the 30-Day Safety Report that they had supported the moratorium proposed in the report.[5] A November 2010 IG report concluded that the mischaracterization of the positions of the experts on the moratoria was a result of "rushed editing" by the White House.[6]

> **a. Please state the facts that support the conclusion that misleading language in its executive summary was the result of "rushed editing" by the White House of the Interior draft? Please identify the source of each fact.**

Answer: Our November 2010 Report, entitled "Federal Moratorium on Deepwater Drilling" did not draw the conclusion stated above. Rather we *reported* that the DOI officials we interviewed stated it was "rushed editing" that resulted in the implication that the moratorium decision by the Secretary had been peer reviewed. To the extent that there was any *conclusion* in our report, it is captured in the last sentence of the report's synopsis: "After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, the OIG determined that the White House edit of the original DOI draft Executive Summary led to the implication that the moratorium recommendation had been peered reviewed by the experts." In other words, we were unable to corroborate the claim of "rushed editing" nor were we able to negate it. As detailed more fully in our report, we were able to determine from the email traffic we reviewed that the misleading edits were drafted sometime between 11:38 p.m. on May 26 and 2:13 a.m. on May 27, 2010 by White House staff. Additional details are provided in my answer to Question 5 and 10.

> **b. The 2013 Committee Report states that, in a May 11, 2011 letter to the House Committee on Natural Resources, you said that you had been "unable to independently conclude whether the implications contained in the 30-Day Safety Report were intentional or not."**

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[3] *Id.*
[4] *Id.*
[5] 2013 Committee Report at 14.
[6] 2013 Committee Report at 16, citing November 2010 IG Report.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

i. What efforts did you undertake to attempt to resolve this uncertainty?

Answer: In an effort to determine whether the misleading edits were done with the intent to improperly suggest that the Secretary's moratorium decision had been peer reviewed, we interviewed the two Department officials who were involved in discussions with White House staff about the Executive Summary. Both of these individuals were questioned extensively about the editing process and both said that they had an opportunity to review the final White House edits to the Executive Summary before the 30-day Safety Report was issued. Both of these officials also told our investigators that it did not occur to them that based upon the final text of the Executive Summary, an objective reader would conclude that the peer reviewers had supported the 6-month moratorium on certain drilling. Our investigators also obtained the email communications between these Department officials and the White House that confirmed the misleading language originated in the White House. These emails did not disclose the intent behind the edits. After we determined the source of the misleading language, I inquired through the Department's Deputy Secretary whether the White House official involved in the editing process would be available for an interview. I did not receive a positive response and the jurisdiction of the OIG for DOI to compel an interview does not extend to White House personnel. Therefore, we were ultimately unable to come to a conclusion about the intent of the person who made the final edits to the Executive Summary.

Question 8: It is my understanding that in February 2012, Bureau of Reclamation Science Advisor and Scientific Integrity Officer, Dr. Paul R. Houser, was told by his supervisor that Mr. Houser would be terminated if he did not resign from his position. Is this correct?

Answer: Yes, Dr. Houser was informed by his supervisor on February 8, 2011 that his probationary position was going to be terminated and his last day in the office was to be February 10, 2011, at which time he would be placed on 2 weeks administrative leave pending his termination. Dr. Houser was given the opportunity to resign in lieu of termination and told that he had until February 10th to submit his resignation.

a. Mr. Houser apparently felt that this action was in retaliation for his actions related to Interior's proposal to remove four dams in the Klamath River Basin. Mr. Houser filed a complaint with the IG's Office of Whistleblower Protection. In an email, the investigator told a supervisor that "there is a chance he is being terminated because she/they disagree with his scientific opinion on the elimination

of the Klamath River Dams, but it's not conclusive. He has been reprimanded for some other apparently minor incidents." After a brief review by IG investigators, IG management became involved in the case, with Chief of Staff Steve Hardgrove ultimately deciding that "Dr. Houser's proposed termination was not a matter for the OIG to investigate." Is this correct?

Answer: Prior to answering the question, I note that the Majority Staff for the House Committee on Natural Resources chose NOT to speak to Chief of Staff Steve Hardgrove to gain any understanding of his decisions in this matter, despite Hardgrove making himself available to Staff.

The answer to the question posed is: this is partially correct. The investigating agent's email was premature and contained assumptions that proved to be inaccurate. Dr. Houser did not claim reprisal because he disagreed with the science behind the elimination of the Klamath River dams. Rather, he claimed reprisal for his comments on a press release about the removal of the dams. Houser had no involvement in the Klamath decision, and was not familiar with the science, other than what he had learned from his own internet searches.

Chief of Staff Hardgrove became involved in the matter prior to any investigative involvement and actually directed the preliminary investigation to occur on February 9th. Hardgrove was notified of a potential whistleblower complaint by Associate Inspector General for Whistleblower Protection, Laurie Larson-Jackson. As Larson-Jackson's supervisor, Hardgrove was routinely involved in providing guidance and input for incoming whistleblower complaints. Once he learned of the complaint, Hargrove directed Larson-Jackson to provide the information to our Office of Investigations, Program Integrity Division for immediate follow-up, since Houser reported he was to be terminated on Friday, February 10.

After several preliminary interviews and document reviews, the assigned Program Integrity investigators briefed Hardgrove, Assistant Inspector General for Investigations (AIGI) John Dupuy, and Deputy Assistant Inspector General for Investigations (DAIGI) Scott Culver, and Laurie Larson-Jackson. Based upon the information relayed by the investigators, to include information that the termination was not to occur as reported on February 10, Hardgrove opined that Houser did not appear to have made a "protected disclosure" under the Whistleblower Protection statute, and that in Hardgrove's judgment, the OIG should not open an investigation, but should instead provide support for Dr. Houser to pursue other administrative remedies or higher level review. Hardgrove believed that Dr. Houser would be best served appealing the proposed termination to the

next level official and/or consulting with the Office of Special Counsel which has the authority to take immediate action to stay the termination decision.

b. Did you discuss this matter with Mr. Hardgrove before he made the determination that is attributed to him above? Do you agree with Mr. Hardgrove's conclusion in Mr. Houser's case? Please explain the basis for your agreement in your response.

Answer: No, I had no discussion with Hardgrove, or anyone else involved in this matter, before he made the determination to have Larson-Jackson pursue the matter with Dr. Houser, and not the Office of Investigations.

Based on the facts as I now know them, and the facts as known to Hardgrove at the time of his determination to not open and IG investigation and, rather, provide Dr. Houser support through our Whistleblower Protections official, I believe his decision was appropriate. Hardgrove has extensive law enforcement and investigative experience that he used to make a judgment call not to open a full OIG investigation. In discussions with Hardgrove, well after his decision, I was told the reasons for his decision included:

- Dr. Houser was a probationary employee.
- His supervisor provided examples of poor judgment and performance that Dr. Houser confirmed happened.
- Standards to terminate a probationary employee are such that any reason, other than an unlawful reason, can be used to discontinue probationary employment.
- No protected disclosure was made. Dr. Houser voiced his concern over a press release and made several edits - with all but a few being incorporated into the final release.
- Dr. Houser had due process rights that would result in faster resolution of his situation than an IG investigation.
- Dr. Houser had not made a report of the alleged scientific interference to the Scientific Integrity Office in which he participated in numerous meetings after the incident occurred, to include discussions with the OIG. His concerns were not expressed until he was notified of his termination - even when he received a less than favorable mid-year appraisal.

In addition to making a determination that no investigation should be conducted, Hardgrove directed Larson-Jackson to continue to assist Dr. Houser in resolving his issues. This included Larson-Jackson doing the following:

- Advising Dr. Houser on his rights under the law, administrative process and procedures, and possible formal and informal venues for resolution of his complaint.
- Working with Dr. Houser to fully protect his rights at the Office of Special Counsel and MSPB.
- Advising Dr. Houser that she would provide any information or support necessary to the OSC attorney or investigator assigned, which she did.

In addition, Hardgrove contacted the DOI Chief of Staff to the Secretary to alert her to the potential termination of a senior level advisor and suggested that she review the matter to ensure that the proposal was known to senior DOI officials, and that it was based on proper personnel practices.

c. The Committee Report suggests that these sorts of matters are usually handled by an Interior regional special agent in charge rather than by management of the Office of the Inspector General. Is that true? If so, why was that procedure not followed in this case?

Answer: The suggestion in the Majority Staff Report that these sorts of matters are usually handled by an [OIG] regional special agent in charge rather than by management of the Office of Inspector General is not correct. Rather, complaints by, or against, senior level officials are handled by the OIG Program Integrity Division which is based at the OIG headquarters. Program Integrity reports directly to the Assistant Inspector General for Investigations. More importantly, Dr. Houser's complaint came through the Associate Inspector General for Whistleblower Protection who conducts the initial assessment of the complaint and then discusses the complaint with the Office of Investigations and her supervisor (Hardgrove). Hardgrove previously served as the Director of Program Integrity and the Assistant Inspector General for Investigations for the OIG prior to becoming Chief of Staff. He is routinely consulted on senior level and other high profile cases for his expertise and judgment. His initial decision was to conduct a preliminary investigation to determine if the facts warranted a full investigations. To this end, agents were sent to interview Dr. Houser and his supervisor less than 24 hours after receiving the complaint.

In the end, Dr. Houser expressed his satisfaction with the assistance he received from the Associate Inspector General for Whistleblower Protection, and the result obtained through the Office of Special Counsel.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Question 9: According to the 2013 Committee Report, a confidential source claimed that then Director of the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), Michael Bromwich, directed members of the team investigating the Deepwater Horizon accident to draft a report on the accident, which was to be published on the one year anniversary of the accident, that focused on failure of equipment (namely, blowout preventers) and downplayed discussions of subsequent inspections not identifying problems with blowout preventers. This was done despite the fact that the agency had retained a firm to conduct an independent outside forensic investigation into the causes of the incident. Ultimately BOEMRE decided against issuing their separate report, leaving the matter to the outside firm contracted to do the forensic investigation. The IG assigned the matter a case number, but according to the Committee Report there was no evidence of further investigative work or follow up on the matter.

a. The Committee Report characterizes the decision not to investigate this matter as "a low key accommodating approach" that "is an example of the IG falling short of its obligations under the IG Act to report to Congress about problems with the Department's operations and activities.

i. Please explain this decision and explain with supporting facts why the Report's assessment is not accurate.

Answer: The characterization in the Majority Staff Report that this was a "low key accommodating approach" is not accurate. The Inspector General Act provides that an OIG "prevent and detect fraud and abuse" in programs and operations. In this matter, we were able to alert the Department to a situation in which members of an investigative team were concerned about the involvement by new officials in preparing a report. The officials wanted to ensure that a technical report was written in a manner that a lay person could understand. The investigative team was more concerned with the report being technically precise. By alerting the Department of this concern, it was resolved before it became a serious problem.

The OIG initiated the investigation after a confidential source alleged that Director Michael Bromwich, BOEMRE, and members of BOEMRE's Investigations and Review Unit (IRU), requested a separate report on the Deep Water Horizon Blowout Preventer (BOP) by the Joint Investigative Team (JIT), which included members from BOEMRE and the Coast Guard. The JIT was primarily charged with producing an overall report on the root causes of Deepwater Horizon incident. The source said that the JIT disagreed with Bromwich and the IRU about producing the separate report because the JIT's root

cause investigation was not complete, all witnesses had not been deposed, and at the time, a forensic report from a third-party investigator was not complete. According to the source, the JIT told the IRU that releasing a report on just the BOP without the forensic examination was premature. Notwithstanding these objections, the JIT was allegedly ordered to complete the draft report. The source said a draft was produced to the IRU, but it was returned with significant edits which the source claimed jeopardized the safety of BOEMRE employees and was factually and scientifically inaccurate. Over the course of several weeks, the source said that members of the JIT attempted to convince Bromwich and the IRU that the edits were incorrect, but all efforts were unsuccessful. Only after a final draft version of the report which contained track changes was obtained by the OIG, and shared with senior members of the Department was a decision made not to issue the report.

Because the report was not issued, the complainant was satisfied, and the OIG closed its investigation.

Question 10: The House Committee Report asserts that during your investigation of the moratorium on oil and gas drilling in the Gulf of Mexico, you and your Chief of Staff, Stephen Hardgrove, directed your staff to collect testimony and documents only from certain witnesses rather than from all relevant witnesses.

a. Is this true? If so, why? If it is false, please state the facts that support your view.

Answer: The Majority Staff Report is not accurate. Neither Chief of Staff Hardgrove nor I directed the investigative staff to collect testimony and documents only from certain witnesses rather than from all relevant witnesses.

Discussions with AIGI John Dupuy, DAIGI Scott Culver, Program Integrity Director Harry Humbert, and the case agent primarily focused on collection of emails and the case agent's request to interview a White House staff member to determine motive behind the edits of the Executive Summary.

Discussions involving collection of emails in this investigation were complicated by the email retention system and the case agent's misunderstanding of the former email retention system known as Zantaz. The case agent and his immediate supervisor believed that all emails for the Office of Secretary could be recovered using Zantaz. Chief of Staff Hardgrove advised them that it was not possible to obtain all emails from the Office of Secretary using Zantaz, and suggested asking the officials for the specific emails in

question while in their presence. This suggestion was supported by a comment the case agent made when he advised that at least one official (Black) had already volunteered his emails and documents. The case agent reported, however, that he did not collect these documents at the time.

Ultimately, the OIG obtained copies of the draft Executive Summary to the 30-Day Report, emails between DOI and the White House with attached revisions of the Executive Summary, and did not find any apparent missing Executive Summary drafts or out of sequence emails. There was no reasonable basis to suspect that additional emails related to the sequence of the Executive Summary editing either existed or were being withheld.

The request to interview the White House staffer to determine "motive" behind the edits was discussed. There was disagreement among participants as to the investigative value of such an interview and the likelihood that the staffer would agree to be interviewed. Ultimately, I asked the Deputy Secretary to try to facilitate the interview, but without success.

The House Committee on Natural Resources investigative staff chose NOT to interview Hardgrove regarding his participation in the case discussions, or about the guidance or suggestions he made to the investigators. Hardgrove is the former Director of Program Integrity and the former AIGI. He had led multiple high profile investigations for the OIG and was the person most familiar with previous OIG cases, investigative approaches and tactics used (and why), and his input and judgement have always been valued and respected by OIG investigators.

b. It is my understanding that the lead investigator said that you and Mr. Hardgrove directed OIG staff not to obtain documents from Counselor Steve Black. Is that correct? If not, what are the facts?

Answer: If the lead investigator said this, it is not correct. When the investigating agent met with Steve Black, Black offered his emails and the drafts of the Executive Summary. Inexplicably, the agent chose not to accept these documents at the time. They did not do so, however, at the direction of either Mr. Hardgrove or me. Ultimately, the agent obtained all the documents necessary to conduct a thorough investigation.

Question 11: In testimony before the House Natural Resources Committee on August 2, 2012, you stated that you "have an interest in being nominated and confirmed" as Inspector General.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

a. You also acknowledged that there is "potential for a conflict of interest" between your role as an investigator of the Administration and your stated desire to be nominated for the position of IG. What concrete steps did you take to avoid that conflict or the appearance of a conflict?

Answer: I have made clear to the Secretary and both political and career leadership at the Department that I am not a part of the DOI management or policy team. Even when I agreed to serve on the OCS Safety Oversight Board, I made clear that I would not participate in any policy decisions. The OIG does not share testimony or press releases with the Department prior to their issuance. We have exercised our authority to disagree with the Department on the adequacy of our budget. I have not shied away from advancing hard-hitting findings and making meaningful recommendations for improvement, even in instances when the Department or its bureaus disagrees with the recommendations. I have not withheld information that might embarrass the Department or its bureaus, but provide it respectfully and professionally, with a view toward solutions. I have earned the respect of both political and career leaders in the Department, who view the OIG as an independent, objective broker that will provide them with straight answers, and offer meaningful recommendations to improve operations. Our review of the Office of Special Trustee's financial assurance statements, which resulted in the resignation of the Special Trustee; and our investigations into allegations of misconduct by the Assistant Secretary of Insular Affairs, which resulted in his resignation, were both initiated at the request of the Department. The Department has not always been so forthcoming about asking the OIG to investigate such issues.

Question 12: In 2010, the lead OIG investigator called the Solicitor's Office to obtain the Drilling Moratorium Report and was told that he would have to wait until the report was made public to view it.

a. Did that occur? If so, doesn't that raise a flag for you? If not, why?

Answer: At a very early stage in the investigation, perhaps at the first meeting we had to discuss the investigation, I suggested that the investigating agents reach out to the Office of Solicitor (SOL) which was tasked with compiling the administrative record in response to the lawsuit brought against the Department in regard to the moratorium decision. Since the SOL was already supposed to be compiling these documents, this seemed an expedient way for the OIG to collect them. I do not recall giving the investigating agents any other suggestions or direction about investigative approach or tactics, until the

question about interviewing the White House staffer arose. I agreed to seek access to the White House staffer through the Deputy Secretary, but without success.

Question 13: Has your office filled the open positions in the Sacramento office? Who filled them?

Answer: The vacancies in the Sacramento office have been filled. Committee staff advised that this question relates to a concern that the lead agent for the Moratorium investigation was told by the former AIGI Knox that the agent may be transferred from his domiciled duty station in Boston to Sacramento if staffing levels in the Sacramento office could not otherwise be filled. The former AIGI discussed the possibility that the few domicile offices may be closed and the agents reassigned to regional offices should sequestration greatly impact staffing levels.

The case agent has worked in a single office (at his request and approval of the former Inspector General) in Boston well before the Moratorium investigation was undertaken, and he has continued to operate out of Boston ever since.

Question 14: In August 2014, you declined to sign a letter to Congress signed by 47 of your fellow Inspectors General, regarding the importance of access to records at federal agencies.

a. Please explain why you chose not to sign this letter.

Answer: I chose not to sign that letter for several reasons: I was a part of the Executive Council for the Council of Inspectors General for Integrity and Efficiency (CIGIE). That body sent a formal letter to the Department of Justice, Office of Legal Counsel, with its formal position on the access issue. I felt that, as a signatory by virtue of being on the Executive Council, my position had been conveyed through CIGIE's letter. It did not, in any way, mean that I disagreed with the concerns expressed in the letter signed by the 47 IGs. That letter, however, also left the issue open ended, without any clarity on what the signatories expected Congress to do. I was also concerned that signing the letter might signal that I had a concern about access to information at the Department of the Interior. The OIG does not have an access problem at Interior.

Following the issuance of the OLC legal opinion in July 2015 which curtailed the authority of an IG to access all agency records, however, I joined my CIGIE colleagues in signing a letter to Chairmen Johnson and Chaffetz, and Ranking Members Carper and Cummings, urging legislative action to respond to this OLC opinion.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Questions from Senator John Barrasso

Question 1: During your confirmation hearing, I asked you about the delayed release of a report entitled, "Investigative Report of OSM Environmental Review." A redacted copy of that report shows that it was completed on February 28, 2013. However, the Office of Inspector General (OIG) did not release the report to the public and Congress until December 20, 2013. December 20th was the Friday before Christmas and three days after the Senate Energy and Natural Resources Committee held a confirmation hearing for Janice Schneider. The President nominated Ms. Schneider to the position of Assistant Secretary for Land and Minerals Management which oversees the very office under investigation—the Office of Surface Mining. In response to my question, you stated that you "don't recall the details of that delay," that "it sounds wrong," and that you "would hope that there is a meaningful explanation."

Is there a meaningful explanation? If so, please provide it.

Answer: On March 7, 2013, my office issued the OSM Environmental Review Report to the Principal Deputy Assistant Secretary for Land and Minerals Management, Tommy Beaudreau. As we customarily do when issuing our investigative reports, by memorandum I requested a written response within 90 days "advising us of the results of your review and any actions taken." On July 16, 2013, our Deputy Assistant Inspector General for Investigations approved an extension request until September 16, 2013. Our records indicate that we received a memorandum response on September 24, 2013, from Mr. Beaudreau, serving by this time as Acting Assistant Secretary for Lands and Minerals Management, which identified some of the changes he initiated in response to the issues our report identified.

Under our current processes, the Department response to our investigative reports is usually the trigger for us to prepare the report for posting to our website. Mr. Beaudreau's response, however, was not entered into our tracking system until October 21, 2013, three working days following the October 1 through 16, 2013 government shutdown. On November 8, our administrative staff advised our Freedom of Information Act (FOIA) officer to begin performing the FOIA analysis and prepare the report for posting to our website. This analysis was completed on November 26. When my General Counsel reviewed the version of the report that contained redactions under FOIA and the Privacy Act, he identified the potential privilege issues that required consultation with the

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Department attorneys in the Office of the Solicitor. As a result, in early December he engaged in these discussions and the report was not made final until on or after December 17, when additional edits were made. It was posted on our website on December 20, 2013.

I was not aware of the confirmation hearing for the Assistant Secretary for Lands and Minerals Management, Janice Schneider, scheduled for December 17, 2013. Ms. Schneider did, however, have a subsequent confirmation hearing before this Committee on February 4, 2014, at which time the OIG report had been publicly available for 47 days.

Question 2: The report entitled, "Investigative Report of OSM Environmental Review," states that the OIG shared this report with the Principal Deputy Assistant Secretary for Land and Minerals Management.

Did you or any member of your staff share this report (or any information related to this report) with anyone else outside the OIG prior to December 20, 2013? If so, with whom did you share the report (or related information) and when did you do so?

Answer: According to our records, in addition to delivery to Principal Deputy Assistant Secretary for Land and Minerals Management Tommy Beaudreau, a copy was delivered to Deputy Secretary David J. Hayes, Chief of Staff Laura Davis, Director of Office of Surface Mining Reclamation and Enforcement Joseph G Pizarchik, OSMRE OIG Liaison Ruth E. Stokes, Solicitor Hilary C. Tompkins, Deputy Solicitor Edward Keable, DOI Designated Agency Ethics Official Melinda Loftin, and the Office of the Executive Secretariat & Regulatory Affairs on March 7, 2013. We did not distribute the report outside of the Department until it was made publicly available on December 20, 2013.

Questions from Senator Mike Lee

Question 1: It appears, based on a review of the publicly available reports on the OIG website, that the OIG under your leadership has never done a comprehensive review or investigation of the Endangered Species Act program, including the circumstances surrounding the 2011 mega-settlement between the Fish and Wildlife Service and several environmental activist organizations. Why has your office not looked into the listing and delisting process in general or the mega-settlement?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Answer: The 2011 settlements resulted from multidistrict litigation (MDL) in the United States District Court for the District of Columbia, MDL No. 2165. The litigation arose out of a number of lawsuits challenging the Fish and Wildlife Service's (FWS') failure to make timely findings, mandated by statutory deadlines, for over 250 species petitioned for listing. The species at issue are those that appeared on the FWS 2010 candidate list, which consists of species for which FWS had found listing was warranted but precluded by other higher priority listing activities. Many of the species had been on the candidate list for over ten years. The settlements require that FWS determine whether or not to list the species based on an agreed upon timetable. The settlements do not mandate any particular result or listing action. The settlements were judicially approved and the court retained jurisdiction to oversee the parties' compliance with the terms of the agreements. The resulting FWS listing work plan currently extends into 2018. Given the Court's oversight, and since we have received no allegations of wrongdoing, the OIG has not looked into the MDL settlements.

Although the OIG has not done a comprehensive review of the Endangered Species Program, we currently have two open investigations and one recently closed matter related to the Endangered Species Act. In the first open case, we are investigating allegations referred to us by a member of Congress of improprieties in the implementation of the Mexican Wolf Recovery Program by the Fish & Wildlife Service (FWS). The second ongoing case relates to alleged mismanagement of the Red Wolf Program by the FWS. We recently closed and referred to the Department of Defense a complaint alleging fraud in obtaining grant funds in a U.S. military-managed program related to study of a certain insect. We will be considering a review of the Endangered Species program in the OIG FY 2016 Audit Plan.

Question 2: Do you have any concerns with the FWS using as peer reviewers the same scientists whose work they rely on to justify their listing decisions? Do you think that practice complies with the policy requiring independent peer reviewers?

Question 3: One listing that I want to bring to your attention involves the Gierisch Mallow, a small flowering plant found in Utah. In its 2013 listing decision, the FWS said the peer reviewers generally concurred with their methods and conclusions. However, the only publicly available comment in the record for this listing that is attributable to a peer reviewer – from a Dr. Lee Hughes – says the listing was prompted by the mega-settlement lawsuit and is not well thought out based on his 20 years as a BLM scientist.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

- ***Dr. Hughes stated in his peer review comments that the "rule has been precipitated by a lawsuit and not a well thought out observation over a lot of years of the plant and man's operation in its habitat, which this kind of action requires."***

Do you see any problem with the FWS stating that peer reviewers generally agreed with their listing decision, but comments from the only identified peer reviewer found in the record, contradict the listing decision?

Answer: During my testimony, I told Senator Lee that we would contact his staff to obtain additional information about these questions, and look into the issues. The OIG considers these questions a request by the Senator to review the issues, which we will do. We will respond to the Senator in writing with our findings.

Questions from Senator Steve Daines

Background: Montana is home to twelve federally recognized Indian Tribes, seven Indian reservations and the state-recognized Little Shell Tribe. Many decisions by federal agencies impact these tribes' sovereignty and their livelihoods—whether it's the Department of Interior agencies, or others like the Department of Defense (U.S. Air Force and U.S. Army Corps of Engineers) or the EPA. However, too often these federal agencies fail to meaningfully consult with Indian Tribes, even after President Obama has reinforced the importance of the federal government's tribal trust relationship through his Executive Order 13175. In Montana specifically, the Crow Tribe has been very disappointed in the lack of consultation regarding the Gateway Pacific Terminal project in Washington State by the Corps of Engineers. Additionally, the EPA's tribal consultation on the Clean Power Plan was also disappointing to the Crow Tribe and other Indian Tribes like the Navajo Nation. The Crow Tribe relies on coal production for most of its nonfederal revenue and good-paying jobs for tribal members. It is the duty of the Department of Interior, especially, to uphold the tribal trust responsibility.

Question 1: What is your view on the duty of Department of Interior to ensure it undergoes meaningful consultation in regards to federal decisions impacting Indian Tribes; and, intervene in other decisions by other federal agencies in consultation if and when necessary?

Answer: As required by Executive Order 13175, federal agencies must develop policies that ensure "meaningful and timely input by tribal officials in the development of

regulatory policies that have tribal implications." In December 2011 the Department issued Secretary's Order 3317 titled, *Department of the Interior Policy on Consultation with Indian Tribes*, in order to comply with the Executive Order and to update its previous DOI consultation policy. This order has been incorporated into the Department Manual. The policy and Executive Order impose a duty on the Department to engage in meaningful and timely consultation with tribal officials whenever a DOI action with tribal implications arises. These consultations must be respectful of tribal sovereignty and tribal views must be incorporated into the decision making process.

DOI is also required to designate a Tribal Governance Office which is responsible for ensuring that the policy is complied with by Department components. Each bureau or office is required to submit an annual report that demonstrates the results of efforts to engage in and promote consultation with tribes. Included in this annual report is a section on "successes and accomplishments and … recommendations for improvements to the consultation process."

BLM's annual consultation report for FY 2014 states that it engaged in 45 consultation meetings with Indian Tribes in Montana and the Dakotas. An entry in this annual report reads as follows: "Crow Tribe – An agreement was entered by the DOI, BLM, Montana State Office and the Crow Tribe of Indians for the purpose of facilitating the Intertribal Workshops for Montana and South Dakota. The intent of the partnership is to establish a process to formally facilitate the logistical challenges of holding these regional intertribal workshops. The BLM and Crow Tribe of Indians agree that the scope of the project is for the Crow Tribe of Indians to serve at the "host" for regional intertribal workshop meetings. One series of workshops will be held in South Dakota with up to 13 American Indian Tribes from South Dakota and Eastern Montana. This agreement was used to support many of the intertribal consultation meetings held during the course of the year."

Neither the Executive Order nor Secretary Order speak to a DOI role regarding decisions made by other (non-DOI) agencies. Rather, agencies must submit to the Office of Management and Budget (OMB) a description of their tribal consultation processes and, for certain types of actions, a copy of tribal communications and a certification that the consultation process has been complied with. Under Executive Order 13647 (June 26, 2013), the Secretary of the Interior serves as the Chair of the White House Council on Native American Affairs, which seeks to coordinate a more effective and efficient process for tribal consultations, but the Council does not oversee the actual consultations performed by other agencies.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

When we inquired about the Crow Tribe concerns regarding the Corp of Engineers, we were advised by the Office of the Assistant Secretary for Indian Affairs that the Department made efforts to express the Tribe's desire for greater consultation with the Corp. Although the Corp was willing to listen to these concerns, the Corp replied that it had its own consultation process that it was complying with. We were also advised that in this particular issue, there were competing tribal interests that the Corps was required to consider.

Question 2: What will you do differently, if confirmed, to ensure tribes like the Crow Tribe have the opportunity for meaningful consultation with agencies within the Department of Interior and within other Departments' agencies like the U.S. Army Corps of Engineers and the Environmental Protection Agency regarding federal decisions?

Answer: The OIG does not have programmatic function or authority. If allegations are brought to our attention that DOI components are failing to comply with its policy on consultation with tribal governments, I could open an inquiry into the matter and report our findings to bureau and Department officials and to Congress. If a tribe alleged that another agency was failing to comply with its consultation policy, we would refer that allegation to the appropriate Office of Inspector General with jurisdiction.

Questions from Senator Bill Cassidy, M.D.

Question 1: You previously recognized the apparent conflict in serving on the OCS Safety Oversight Board. In testimony before the House Committee you stated, "I recognize the potential for an apparent conflict of interest at the outset of my acceptance as a member of the Safety Oversight Board. But the Department was responding to a crisis. I did not think it appropriate for me to say, 'no, you go ahead and deal with this crisis, and I will just stand by and critique you if things go wrong". It would be an obvious conflict of interest for the DOI OIG to investigate a departmental report it was involved in producing, yes? … In effect the OIG would be investigating itself?

The OIG did not investigate the writing or editing of the 30-Day Report. Rather, we investigated only the circumstance by which the Executive Summary to the 30-Day Report was edited to suggest that the Secretary's recommendation to institute a moratorium on drilling in the Gulf of Mexico had been peer reviewed. **Therefore, the editing of the three page Executive Summary–not the 30-Day Report–was the focus of the OIG investigation.**

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Given the very narrow scope of the OIG investigation, and the fact that I had no role in the development, writing, or editing of the 30-Day Report, in my judgment, there was no conflict of interest and no need to recuse myself from the investigation into the editing of the Executive Summary of the 30-Day Report.

In addition, the Integrity Committee for the Council of Inspectors General for Integrity and Efficiency investigated the allegation that I had an actual or apparent conflict of interest in regard to this OIG investigation, and found the allegation to be unsubstantiated.

Question 2: Your testimony before the House describes how the Department was "responding to a crisis" and that the emergency situation superseded any conflict of interest presented by OIG staff participating in the response. Can you please provide me with other precedence within the federal government where oversight officials abandoned their primary mission to investigate acts of waste, fraud, and abuse in order to conduct departmental work?

Answer: The OIG did not have a role in responding to the crisis. Rather, OIG staff conducted a timely, thorough, influential, and independent oversight review of the Department's management, regulatory, and oversight responsibilities over oil and gas production in the Gulf of Mexico. That work was instrumental in providing the Department with meaningful and actionable recommendations to improve and transform oil and gas production under the Department's Outer Continental Shelf jurisdiction. Even today, nearly five years since its issuance, the Department continues to implement our recommendations from this report.

The OIG also committed significant staff to the criminal and civil investigations that have resulted in the recovery of billions of dollars that have gone to the Gulf states to address economic and ecological harm caused by the oil spill.

I have never strayed from the primary mission of an Inspector General and am deeply committed to my office's mission of independent oversight. This includes independent oversight of the Department itself and oversight of the recipients of federal funds and resources.

For example, my office recently completed an investigation into Tom Davis, a Colorado rancher and livestock hauler, after receiving allegations that Davis purchased approximately 1,700 horses from the Bureau of Land Management's (BLM) Wild Horse

and Burro Program and wrongfully sent the horses to slaughter. In cases such as this, my office's activities can overlap with Departmental activities. The BLM Office of Law Enforcement had previously investigated Mr. Davis for similar allegations of horse slaughter. These types of cases can require a degree of honest cooperation between my office and the Departmental employees who are responsible for administering the program that is being defrauded or abused.

The critical difference, however, is that my office also looks at the Department's role, with the statutory independence of an Inspector General. An Inspector General must undertake such investigations on its own accord, without displacing any Departmental responsibilities, and free from Departmental interference. Turning again to the recent investigation of Mr. Davis, my office determined that BLM did not follow current law while managing the Wild Horse and Burro Program.

While the Deepwater Horizon explosion was unprecedented in many respects, including my role on the Safety Oversight Board, our independence remained constant. My office issued a comprehensive report on weaknesses in the Department's activities on the Outer Continental Shelf, including 64 strong and well-supported recommendations that are still being implemented today. My office's recent report on the Bureau of Safety and Environmental Enforcement's (BSEE's) Incident Investigation Program reflects the independent oversight that the OIG continues to exercise over the Department's OCS activities as a result of our involvement in the Deepwater Horizon response. As with the investigation into Mr. Davis, even though my office's OCS-related work can overlap at times with the programs and operations we are overseeing, our independence - and the consequent impact of our reports - remains constant.

Question 3: An IG serves both the Department and Congress. Given the concerns that members of the both the House and Senate have raised over the years about your lack of candor and cooperation with Congress, Do you have the trust necessary to be effective in working with Congress to advance the IG's mission?

Answer: The OIG, under my leadership, has continued to be requested to conduct reviews and investigations by members of Congress, some of whom are the very same members who expressed concerns about me in the past. Since February 2009, when I became the Acting Inspector General, we have received 55 requests from members of Congress to audit, evaluate, or investigate issues of concern to them or their constituents which signals a level of trust in the OIG that I lead. For example, our review of the Department's Helium Program was being conducted during some of the most contentious times between the OIG and the House Committee on Natural Resources. Yet, the

Committee called a hearing in 2013, highlighting our report on the Helium Program. In fact, our report was used to support legislation proposed by the Committee. In October 2014, Within a month of the issuance of our audit report on oil and gas trespass and drilling without a permit ("Bureau of Land Management: Federal Onshore Oil & Gas Trespass and Drilling Without Approval"), the House Committee on Natural Resources sent a letter to the BLM Director urging action to implement our recommendations and asking for a copy of the Bureau's response to our report. In November 2014, former Chairman Hastings, and present Chairman Bishop urged the Secretary of the Interior to turn an inquiry—one into the use of the Brinkerhoff Lodge in the Grand Teton National Park—over to the OIG, saying the Department did not have "the independence, experience, and tools required to conduct a thorough investigation…." Each of these examples again signals a level of trust in the work of my office.

Question 4: There has been considerable Congressional scrutiny about your handling of the moratorium investigation, the review of the Stream Buffer Zone rulemaking, and several other matters, including concerns that you have not fully complied with Congressional document requests. Why should we have confidence that, if you were to be confirmed, your office would be any more forthcoming on this and other matters to come before the IG?

Answer: With the exception of two requests for information that invoked separation of powers issues, I and the OIG have been completely forthcoming with Congress. As for any documents and information fully in our realm of control and authority, we have provided deliberative, pre-decisional, personal privacy, and other information previously unknown to the leadership of the OIG that revealed a case agent's highly critical opinions about the conduct of an investigation and OIG management, *all of which was provided to Congress without exception.* Of the 30 letters we received from the House Committee on Natural Resources since 2010, 21 included information requests. We committed hundreds of hours of staff time to collect, deliver, and explain the over 5,000 pages of documents that were delivered to the Committee in their entirety.

As for the process by which the Legislative Branch and Executive Branch are to resolve their differences over information that is deemed potentially privileged by the Executive Branch, I remain steadfast. The accommodation process is well established, and has been employed by both parties holding power in both the Legislative and Executive Branches over many administrations. I believed then, as I do now, that the proper resolution of such differences lies between the two branches of government. The Office of Inspector General had no interest at stake or authority to resolve such differences, and was improperly put in the middle of a dispute that was properly between the House

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

Committee on Natural Resources and the Department of the Interior. Other IG offices have obtained documents that were the subject of disputes between congressional committees and the agency. But I am not aware of any instance in which the committee sought to compel the IG office to release the disputed documents.

Looking forward, I am always pursuing opportunities to improve this organization. In doing so, earlier this year I asked my staff to achieve greater transparency to our customers, including Congress and the public. This past year, we revised our policy and practice on posting our investigative reports. I believe this approach exceeds that of any other IG office and meets Congressional and public interest in the work performed by our office. I am also committed to increasing our engagement with Congressional committees and individual members and have reassigned a senior member of our staff with considerable congressional liaison experience to help the OIG to achieve this commitment.

Question 5: In a June 13, 2010 email to Assistant Secretary Wilma Lewis, you acknowledged the difficulties IG staff were having with the IG's involvement: "The circumstances certainly call for a coordinated, cooperative effort, and we are fully prepared to work closely with the Department on this matter. While it is still a somewhat foreign concept to our staff, Steve [Hardgrove] and I are committed to making this work as smoothly and effectively as possible." Your role as Acting IG is to be an impartial investigator of the department's components regardless of their operational status. Please explain the difference between the discomfort your staff experienced assisting with your membership on the OCS Safety Board, vs. your decision to participate on the board?

Answer: The initial report was directed to the Safety Oversight Board, which adopted the report as its own. The review team was concerned that the Safety Oversight Board might alter the report in ways they could not support. Their concern was put to rest when I assured them that no changes to the report would be made without the team's support and approval.

I believe the OIG staff provided the appropriate assistance to the OCS Safety Oversight Board by independently reviewing the major aspects of the Department's management, regulation, and oversight of oil and gas production in the Gulf of Mexico. In hindsight, however, I would have executed this work differently; I would, going forward, decline the request to become a member of such a Board, but rather offer the assistance of the OIG to conduct an independent review, and report our findings directly to the Secretary.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Answers for the Record Submitted by Mary Kendall

The Safety Oversight Board identified several broad categories regarding the Department's management, regulatory, and oversight responsibilities over oil and gas production in the Outer Continental Shelf (OCS). I asked the OIG staff to conduct a review using these broad categories as a guide. This was something new for the OIG and caused some staff initial discomfort which they overcame in very short order when they realized that the Board gave no direction and had no influence on the independent work conducted by the OIG team.

We also utilized three staff-level Subject Matter Experts (SME) on the OCS review team, as this involved one of the most complex and highly specialized program areas in the Department. Although it is done infrequently, we employed these SMEs with the clear understanding that the SME becomes responsive and responsible to the OIG, and not Department management, while serving as an SME to the OIG. This OCS review was the first time many of the team members had worked with SMEs on the team, however. For them, this, too, was a foreign concept.

The OIG staff came quickly to appreciate the expertise and experience of the SMEs, however, gratefully accepted their help and guidance in focusing the review and avoiding areas that would detract or divert the focus of the review. Ultimately, we could not have gotten the results we did without them. At the conclusion of the review, OIG team members honored the SMEs with an award nomination, which was approved by OIG management and presented to the SME members.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Questions from Chairman Lisa Murkowski

Question 1: I'm concerned by the lack of geographic focus on the Arctic, in and from Alaska, to coordinate all Departmental functions in a fashion that will endure for years to come regardless of Administration. The stakes in the Arctic are too high to have a lackluster approach to DOE's obligations in the National Strategy for the Arctic Region. How will you effectively and quickly resolve this situation and return the Arctic focus to DOE in a way that builds upon the work your staff does in and from Alaska?

Answer 1: While at the Federal Aviation Administration (FAA), I had the opportunity to visit Alaska in 2012, and during my tenure as the Assistant Administrator for Finance and Management have elevated and expanded our support of the Department of Transportation's initiatives in the Arctic. This is important, especially given the unique role aviation plays in the transportation network of Alaska and the region. I am aware that the U.S. is currently the Chair of the Arctic Council, an important opportunity and responsibility. The President has made clear that the Arctic has critical long-term strategic, ecological, cultural and economic value, and I understand that the Implementation Plan for National Strategy for the Arctic Region laid out our Nation's priorities for the Arctic Region. While I am not yet familiar with the details of the Department of Energy's obligations under the Implementation Plan, I am aware that Alaska poses unique challenges and opportunities in the energy arena, from bringing down costs for all types of energy resources to distributed generation technologies for remote communities. If confirmed, I look forward to learning more and working with you on this important issue.

Question 2: The office that you would lead, if confirmed, oversees project management and mission support functions across DOE. However, other offices are also tasked with overseeing mission support functions.

a. What mechanisms are in place to ensure effective collaboration among the varied mission support units throughout DOE, including those outside the Office of the Under Secretary for Management and Performance?

Answer 2a: It is my understanding that one of the first actions undertaken by the Secretary was a top-level Department reorganization to revise the roles of two under secretariats. This reorganization designated the Under Secretary for

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Management and Performance to focus specifically on increasing the efficiency and effectiveness of mission support functions across the Department and improving project management. Additionally, I am aware of recently formed or reconstituted Departmental working groups and boards in areas such as contract and project management, information technology and cybersecurity, and national laboratory operations, that have been established to support effective collaboration across the enterprise. If confirmed, I will be joining an existing team of talented leadership, and I plan to immediately get involved in the important improvements embarked upon with the new policies and structural changes in order to ensure solid execution. I will use my experience at the Federal Aviation Administration to further ensure and institutionalize effective collaboration, and the improvement of the delivery of services, particularly as it relates to critical mission support functions.

b. Assuming that you are confirmed, what would you see as your role in ensuring effective collaboration and what specific commitments are you prepared to make about the activities you would undertake to accomplish greater collaboration?

Answer 2b: If confirmed, I believe that my role as Under Secretary for Management and Performance is of pivotal importance to help ensure effective collaboration within the Department, particularly as it relates to mission support functions. The Secretary's reorganization designated this Under Secretary position to be responsible for Management and Performance with the goal of elevating the importance of management and performance across all Department missions. I understand that a primary focus of this organizational change is ensuring that the Department operates as a collective enterprise. In addition to a new approach pertaining to project management, this reform also focuses on increasing the efficiency and effectiveness of mission support functions across the Department, including efforts related to cybersecurity, human resources, acquisitions, and information technology services. These are bedrock corporate services that are the critical underpinnings to the delivery of the Department's mission activities.

Continued and focused efforts over time within the mission support functions are essential to continued improvements in effectiveness and efficiency. If confirmed, one of my primary goals will be to continue the enterprise approach

adopted by the Secretary. I look forward to working with my counterparts, the Under Secretary for Science and Energy and Under Secretary for Nuclear Security, to ensure that program efforts are not only well coordinated, but also well managed and high performing.

Question 3: The topic of mission support at DOE has been studied in recent years by the National Academy of Public Administration (NAPA) (2009), and, the Secretary (2013). In addition, the DOE Inspector General (IG) has reported on management challenges that face the department, including issues related to contract and financial assistance award management, cybersecurity, and environmental cleanup. With respect to the first topic—contract and financial assistance award management—according to the DOE IG, approximately 90% of DOE's budget is spent through contracts, grants, and other financial assistance instruments.

a. What do you see as the key insights of those studies?

Answer 3a: I am aware that the Department of Energy has complex challenges, particularly as they relate to mission support functions and project management. While I have not had the opportunity to study these reports in depth, I do believe that the mission support challenges outlined in the NAPA review were examined and taken seriously by DOE. For example, major components of what is now the responsibility of the position of Under Secretary for Management and Performance were recommended in the 2009 NAPA study. A key insight of this study was that DOE should better integrate and manage the mission support functions in an effort to develop a more coordinated approach. Likewise, the report emphasized the importance of looking at internal customer needs and requirements. If confirmed, further development and implementation both of an enterprise perspective and a customer orientation would be top priorities for me, as they have been in my current position at the Federal Aviation Administration (FAA).

Separately, in my current and prior positions at the FAA, I have examined management challenges reported by the Department of Transportation's Inspector General. In looking at the DOE Inspector General's most recent report on DOE's most significant management challenges, a key insight is that many of the identified challenges cannot be addressed by immediate one-time actions, but

require consistent and sustained effort over time. The Under Secretary for Management and Performance position, which Secretary Moniz created in 2013, provides a construct for such efforts. In areas such as contract management, cybersecurity, and environmental cleanup, I am aware of the challenges and, if confirmed, one of my first tasks will be getting fully up to speed on these issues and, more importantly, the corrective actions plans currently in place to address them.

b. Please describe the role of your prospective organization in supporting implementation of the Government Performance and Results Act (GPRA) in DOE, including goal-setting, quarterly reviews, and annual strategic reviews.

Answer 3b: It is my understanding that under the current DOE structure, GPRA implementation is led by the Office of the Chief Financial Officer (CFO). However, if confirmed, I would work closely with the CFO and colleagues across the Department to support and implement GPRA-related issues, including the development of DOE's Agency Priority Goals and the quarterly tracking and reporting that accompanies this important process.

In my current role as FAA's Assistant Administrator for Finance and Management, I serve as a core member of the agency's Executive Council and Business Council, where we set, oversee and monitor the agency's implementation of our GPRA high priority goals, strategic initiatives and organizational success measures. Furthermore, I lead my team in setting and executing both leadership and support outcomes and activities to ensure success of those goals, initiatives and measures. Critical to our success in results in this area is the ability to provide line of sight to all parts of the agency, from the front line employee, to the front line supervisor, middle manager and executive. We also track progress and meet monthly as a senior management team to ensure we are meeting our commitments and targets. If confirmed, I look forward to bringing this experience to DOE as Under Secretary for Management and Performance.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Questions from Ranking Member Maria Cantwell

Questions: The predecisional draft report (Low-Activity Waste Facility Design and Operability Review and Recommendations) completed by an independent review team last year on the Low-Activity Waste (LAW) Facility found several design flaws. The report cited a number of 'significant' problems that could significantly delay the construction of the project. How do you plan to effectively oversee the construction of the Waste Treatment Plant to ensure timely completion of a safe and fully functional facility? What near term actions do you plan to take to improve the management of this project and others across the defense waste complex?

Answer: The Waste Treatment Plant at Hanford is a one-of-a-kind facility that is planned to treat a very complex waste stream. I am aware that, under Secretary Moniz, the Department has undertaken a new approach to project management, which will be helpful for large projects such as this. While I have not yet been fully briefed on the intricacies of the project, if confirmed, I look forward to getting up to speed quickly on this project, and bringing to bear my experience overseeing large projects from my time at the Federal Aviation Administration while recognizing the unique aspects of this critical facility.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Questions from Senator Jeff Flake

Question 1: I understand from constituents in Arizona that the Western Area Power Administration's (WAPA) budget has grown approximately 32% over the last five years, coinciding with the enactment of a "net-zero" appropriation mechanism. WAPA sets its rates "to recover all costs associated with power delivery, such as annual operating costs…." As such, WAPA's expanding budget under the net zero authority has resulted in significant cost increases for WAPA customers. With your background in identifying cost savings and increasing efficiencies combined with the Office of Management and Performance's mission to centralize oversight, what steps could the Department take to establish better oversight of WAPA's annual spending to ensure it does not impose unreasonable or unnecessary costs on its customers?

Answer 1: As you may know, the Power Marketing Administrations (PMAs) report directly to the Office of the Secretary under the Department's organization chart. As such, the Under Secretary of Management and Performance's portfolio does not include the PMAs. I am aware of the PMAs and their status as "separate and distinct" organizations with the Department. It is my understanding that the Department and the Western Area Power Administration (WAPA) are working with your staff on this issue. If I am confirmed, I would be happy to work with colleagues across the Department, including WAPA's Administrator, on issues such as cost savings and efficiencies.

Question 2: It is my understanding that WAPA has eliminated a contract termination clause from its standard-form contracts, thus preventing customers from terminating their contracts if WAPA increases rates and the customer has an alternative source of power. Although if confirmed you would not oversee the Power Marketing Administrations, the Office of Management does serve an important role in contract management and oversight. As such, do you believe a party to a contract should have the ability to terminate that contract if the terms of the contract are significantly modified by one party at a later date?

Answer 2: As you noted, the Under Secretary of Management and Performance's portfolio does not include the Power Marketing Administrations, but does include the Office of Management. If confirmed, I would want to fully understand the situation you describe to determine what an appropriate role for the Office of Management may be in

such a situation. It is my understanding that the Department and the Western Area Power Administration are working with your staff on this issue. If confirmed, I look forward to getting up to speed quickly on this issue and would be happy to work with you.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Questions from Senator Rob Portman

Question 1: During his testimony before this committee, Secretary Moniz committed to me that he would advocate for additional funding for the cleanup in the long-term spending package. If confirmed, will you support the Secretary's efforts to secure additional funding for the Piketon cleanup in the FY16 spending package?

Answer 1: Yes. If confirmed, my role as Under Secretary for Management and Performance will be to support the Department's priorities and efforts. Funding is clearly the site's biggest challenge currently, and I am committed to working within the Department and with Congress to provide stable funding for the cleanup at Piketon.

Question 2: When I asked the Secretary if he would work with us to keep the cleanup funding level in the Administration's FY17 budget request, he said it was too early to make any commitments, but said that he had "every intention, hope, to do just that." If confirmed, will you support the Secretary's effort to secure level funding for the cleanup in the Administration's FY17 Budget Request?

Answer 2: Yes. If confirmed, my role as Under Secretary for Management and Performance will be to support the Department's priorities and efforts, including funding for the Portsmouth site and the Office of Environmental Management. If confirmed, I plan to be directly involved in Portsmouth cleanup, and I pledge to work with you on these important issues.

Question 3: If confirmed will you commit to providing us a long-term plan for the site?

Answer 3: If confirmed, I will work expeditiously with the Office of Environmental Management on a long-term plan for the site.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Questions from Senator Martin Heinrich

Question 1: Regarding EM's cleanup effort at Los Alamos National Laboratory, I continue to have concerns about the upcoming transition in program management to a new contractor and the potential impacts on the community and local small businesses. DOE's official policy is for its contractors to be constructive partners and to give back to the community as a worthwhile business practice. I am pleased EM's bridge contract continued all of LANS's required community support and subcontracting incentives. As EM's procurement process for management of the cleanup at Los Alamos continues, can I be assured that existing community support and the Regional Community Purchasing Programs will continue to be required in the RFP for the new contract?

Answer 1: I am aware that the Department recently announced that it would undertake a competitive process for a contract for legacy environmental cleanup at the Los Alamos National Laboratory (LANL), and that it has issued a short-term, or "bridge," contract for the time it will take to compete the longer-term contract. I appreciate your support for the local and small businesses, which are critical to New Mexico's economy and which I understand have played an important role in cleanup at LANL. As I am not yet at the Department, I am not familiar with the details of this particular competitive process. However, it is my understanding that DOE is committed to engaging the local community, industry and stakeholders as it moves forward with this competitive process. If confirmed, I look forward to getting up to speed on this issue, and I would be pleased to follow up with you.

Question 2: I recently learned several New Mexico-based small businesses lost subcontracts to provide common goods and services to Sandia and Los Alamos National Laboratories. Instead, the labs are served by enterprise-wide agreements (EWA) issued by NNSA's Supply Chain Management Center (SCMC). SCMC does not publicly advertise or hold fair-and-open competitions for EWAs and does not announce the award of an EWA. SCMC's clients include both NNSA and EM contractors. Our local businesses are rightly asking for a chance to compete on a level playing field. If you are confirmed, what steps will you take to ensure that all local businesses have a fair opportunity to bid on EM-funded work at Los Alamos and WIPP?

Answer2: I appreciate your interest in ensuring a level playing field for contracting opportunities, and I share that goal. While at the Federal Aviation Administration (FAA),

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

I have overseen our small business program and we've exceeded our goals during my tenure as the Assistant of Finance and Management. I am committed to being a responsible steward of taxpayer dollars while also providing opportunities and support for small businesses. As I am not yet at the Department, I am not familiar with the specifics of the Supply Chain Management Center. However, I have overseen a number of contracts during my tenure as the FAA's Assistant Administrator for Finance and Management, and if confirmed, I would work across the Department, and in particular with the Office of Environmental Management, to evaluate opportunities to enhance opportunities for local businesses as appropriate.

Question 3: DOE's office of Enterprise Assessments' recent Operational Analysis of Safety Trends at the WIPP raised serious concerns with conduct of operations and maintenance safety performance. EA found NWP has a backlog of hundreds of preventive maintenance items and has no formal process to assure preventive maintenance is performed on schedule. If you are confirmed, will you make it a priority to address the long-standing maintenance backlog at the facility and assure sufficient funding is requested each year to safely operate and maintain WIPP?

Answer 3: As the Nation's first operating repository, WIPP is a critical asset to the Department, and I understand that Secretary Moniz has committed to resuming waste emplacement operations as efficiently as possible while ensuring the safety of the workforce and protection of the environment, goals I share. I am aware that maintenance backlogs were identified in the Accident Investigation Boards that reviewed the February 2014 fire and radiological release events, and that addressing these issues can be challenging. It is my understanding that since the fire and radiological events, the Department's WIPP award fee criteria includes further focus on maintenance and that the Department's fiscal year 2016 budget request increased investment in infrastructure. If confirmed, I plan to be actively involved in WIPP recovery, and ensuring that WIPP has the resources needed to safely resume operations.

Question 4: Community leaders in Carlsbad continue to express lack of confidence in the management of WIPP and the need for increased transparency and coordination among all of the responsible federal and state regulatory entities, including DOE, MSHA, EPA, NMED, and DNFSB. For example, the leaders cite a need for additional public accountability and ask that all reports prepared by the regulators be available in a

transparent and public venue, the corrective actions responding to deficiencies be publically reported, and then routine public reports be provided on the status of all corrective actions. If you are confirmed, what actions do you think DOE and its contractor should take to restore community leaders' confidence?

Answer 4: As previously mentioned, WIPP is a critical asset to the Department. I believe that the Department values its relationships with its sites local communities, including WIPP. I am aware that in the aftermath of the February 2014 events, the Carlsbad Field Office and the Department significantly increased communications regarding the incidents and recovery efforts, some of which are ongoing. I also understand that, once completed, corrective action plans are posted to the WIPP website. I believe that it is critically important to ensure strong relationships with state and local communities, and that maintaining those relationships require continued communication and can always be improved upon. If confirmed, I will make that one of my priorities.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Victoria Wassmer

Question from Senator Lamar Alexander

Question: One of your responsibilities at the Department of Energy will be to make sure contaminated sites are cleaned up and made available for new development. When cleanup of the East Tennessee Technology Park in Oak Ridge, Tennessee is completed in 2020, roughly 1,400 acres will be available for reindustrialization. I am concerned about two things. First, the Department is not requesting enough funding to meet its cleanup obligations - the Department's budget request for Oak Ridge cleanup this year was $65M below last year. Second, the Department needs to make reindustrialization a priority by expediting the transfer of land that has been cleaned up so it can be used to help recruit new businesses. If confirmed, will you make cleanup a priority and will you work to ensure that former sites that have been cleaned up will be made available for economic development?

Answer: I appreciated you taking the time to meet with me prior to my confirmation hearing, and for sharing your priorities with me, including the cleanup of the Oak Ridge site. I agree that cleaning up the environmental legacy of our Nation's nuclear weapons production and nuclear energy research and development is a priority, and it is the Department's solemn obligation. As such, meeting milestones and regulatory commitments is very important to me.

I also appreciated hearing from you about the importance of reindustrialization and land transfers. I understand that transferring land after it is cleaned up can be an important source of economic re-development for the local community, especially one as geographically dense as Oak Ridge. If I am confirmed, I look forward to working with my colleagues across the Department, as well as the local community, on the important issue of land transfers.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Questions from Chairman Lisa Murkowski

Question 1: If you are confirmed as Director for the Office of Science, how would you integrate Arctic energy and sustainable building technologies into DOE's research and lab agendas? Alaska is home to the Cold Climate Housing Research Center and would be a valuable partner for the national labs conducting northern tier/Arctic applied technological research. How would you integrate this critical capability, which is currently unaddressed?

Answer 1: I understand that the Office of Science mission of scientific research includes certain Arctic-specific components. Improvement and refinement of climate models involves a component of integrating processes and changes in the Arctic. The Atmospheric Radiation Measurement Experiment within the Biological and Environmental Research (BER) program has stations in the Arctic in order to better understand the roles of clouds and aerosols in the Arctic, which differ from that at mid latitudes, and thus improve our climate models. The Next Generation Ecosystem Experiment, also within BER, is designed to help better understand Arctic ecosystems and carbon in Arctic permafrost.

While I am not familiar with the details of the Cold Climate Housing Research Center, it seems that it may be suited for applied research. If confirmed, I look forward to getting up to speed on the capabilities of this facility for potential uses for Office of Science funded research.

Question 2: Please articulate your roadmap to ensure the Office of Science is fully engaged and executing its duties within the Implementation Plan for the National Strategy for the Arctic Region. The United States' chairmanship of the Arctic Council is 25 percent over and there is not much to demonstrate to the world. If confirmed, how will you ensure that the mirroring U.S. national strategy is more productive in addressing the needs of the agencies and people of the Arctic?

Answer 2: I understand that the Department plays a key role in advancing certain objectives of the Implementation Plan for the National Strategy for the Arctic Region. While the Implementation Plan is not led by the Office of Science, if confirmed, I will work with my colleagues at the Department on how the Office of Science can best play a role in the Implementation Plan. I served with the current chair of the U.S. Arctic Research Council, Ms. Fran Ulmer, on the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, and I look forward to working with her on these important Arctic research issues.

Question 3: As we continue to assess the impacts of rapid change in the Arctic and work to make scientifically informed policy decisions to improve the lives of the Arctic

peoples, traditional knowledge must play a role in data collection and analysis. How will you prioritize the input of the peoples and tribes living in the Arctic and how do you plan to incorporate traditional knowledge into your strategy for the Arctic at DOE?

Answer 3: The research the Office of Science funds in the Arctic is designed to generate new knowledge about the arctic ecosystem, atmosphere, and climate, to improve our climate models and reduce uncertainty. I believe that addressing scientific issues in the Arctic requires community support and must be respectful of local people and tribes, and I understand that this is a practice that DOE-funded researchers follow. If confirmed, I will continue that practice.

Question 4: Challenges with technology transfer facing the entire national lab system have been a feature of in report after report about the national labs.

a. Should you be confirmed, what will you do to ensure that technology transfer from the Office of Science is accomplished effectively and efficiently?

Answer 4: As a member of the Commission to Review the National Energy Laboratories, I have studied the important role the National Laboratories play in moving technologies from lab to market and know that this is incredibly important to our innovators, to our labs, and to our economy. If confirmed, I will guide the Office of Science to remove hurdles where possible that businesses face when working with Office of Science labs, and will work to implement observed best practices for commercialization across the Science labs. If confirmed, I also look forward to working with the Office of Technology Transitions on important tech transition issues.

Question 5: Secretary Moniz has advocated for a number of crosscutting initiatives within the Department.

a. What role do you believe the Office of Science should play in these initiatives?

Answer 5a: Science plays an important role in many of the Department's crosscut initiatives. It is my understanding that the Department's Fiscal Year 2016 budget request includes the Office of Science in a number of crosscutting areas, including Subsurface, Energy/Water Nexus, Cybersecurity, and Exascale. The Office of Science plays a leading role in the Exascale crosscut effort. High performance computing and modeling can impact almost every area of scientific and applied research. Solving the technical and power challenges to make an exascale computer will have downscale potential for making petascale computers more readily available as well. If confirmed, I look forward to working with my colleagues across the Department to ensure that the Office of Science is

supporting the key basic research needed to advance the agency's mission in these areas.

b. What challenges do you anticipate with efforts in reducing so-called "stove pipes" at the Department?

Answer 5b: It is very important to coordinate research and break down "stove pipes." One way do to this is by ensuring that program managers in the Office of Science and their counterparts within the Office of Science are meeting and communicating regularly. I also view the creation of the Under Secretary for Science and Energy as an opportunity to ensure that the energy and science programs within the Under Secretary's portfolio are aware of each other's priorities and activities. If confirmed, I will work with my colleagues across the Department to make sure the Office of Science research and facilities are well understood by the rest of the Department.

Question 6: The most recent authorization act for the Office of Science (the America COMPETES Reauthorization Act of 2010, P.S. 111-358) authorized appropriations through FY2013. Legislation has been introduced in the House and Senate to authorize appropriations for FY2016, FY2017, and in some cases, subsequent years.

a. How important is it for Office of Science to be legislatively reauthorized?

Answer 6a: It is critically important that the America COMPETES Reauthorization Act of 2010 reauthorize the Office of Science at sufficient funding levels. Since its enactment, the America COMPETES Act has bolstered the foundations of our science and energy competitiveness through increased investment in research and development and in science, technology, engineering, and mathematics education. I believe that strong and sustained Federal investment in these areas is essential to ensure that America's economic growth and progress continue and that America remains a global leader in science and innovation in the future.

b. What provisions do you believe are important for reauthorization legislation?

Answer 6b: I believe that an important aspect in any re-authorization is to ensure that the Office of Science is authorized at funding levels that allow for sufficient growth in the Office of Science budget. I believe that strong and sustained Federal investment in these areas is essential to ensure that America's economic growth and progress continue and that America remains a global leader in science and innovation in the future.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Question 7: In the Basic Energy Sciences program, the Office of Science supports several dozen Energy Frontier Research Centers (EFRCs).

a. What are the advantages and disadvantages of supporting research through the EFRC mechanism?

Question 7a: The EFRC program allows scientists to perform basic research while focusing on specific energy-related problems. As the Secretary's Energy Advisory Board (SEAB) noted, the EFRCs have been successful at bringing academic scientists together to focus on problems relevant to energy science and industry. One of the challenges of the EFRC is the current management practice of having all EFRC proposals (new and renewals) reviewed at the same time because it presents significant challenges to the review process. I understand that the Basic Energy Science (BES) program has recently changed to a two-year proposal cycle for the EFRCs, which may help this issue. If confirmed, I will work to build upon the success of the EFRC program.

b. Since the initiation of the EFRC concept, DOE has reduced the number of centers, but extended their duration from four to five years. What other changes do you intend to make in the structure of the EFRC program?

Answer 7b: It is my understanding that BES has recently changed to a two-year proposal cycle for the EFRCs, which should provide greater opportunities for new submissions and lessen the potential review congestion when all EFRCs are reviewed at the same time. If confirmed, I look forward to being involved in the ERFC program and evaluating if further changes are appropriate.

c. The President's FY2016 budget proposed expanding the number of EFRCs. What is the appropriate balance between EFRC-based research and the rest of the Basic Energy Sciences program? What factors determine that balance?

Answer 7c: The President's fiscal year 2016 budget proposed increasing the total EFRC program as compared to the fiscal year 2015 enacted level. This requested funding is split equally between Materials Sciences and Engineering and Chemical Sciences, Geosciences, and Biosciences. It is my understanding that new EFRCs funded through this subprogram would focus on strategic areas of material science research that are not represented or are underrepresented in the current EFRC portfolio. EFRC's represent an important modality for science funding, but remain a small portion of the total BES budget (less than 7 percent in the FY16 budget request). I believe that

increased funding for EFRCs must be balanced against important investments in the operation and construction of BES user facilities, as well as maintaining the core research program in BES. A strong core research program in BES enabled the success of starting up the EFRC program. If confirmed, I will work to find and maintain a balanced BES portfolio.

Question 8: The Biological and Environmental Research (BER) program consists of two roughly equal parts: Biological Systems Science and Climate and Environmental Sciences.

a. What is the appropriate balance between the two parts of the BER program? On what basis should that balance be determined?

Answer 8a: If confirmed, I would balance these two parts of BER based on the best scientific opportunities available in both, with input from the BER Associate Director and the BER Advisory Committee. Both parts of BER undertake very important scientific research and support cutting-edge research. If confirmed, I look forward to learning more about the program and exploring new scientific opportunities in both areas of research.

b. How does the Climate and Environmental Sciences program fit into the broader federal research effort in this area? How is it coordinated with related programs at other agencies? How can you ensure that it does not duplicate the efforts of other agencies?

Answer 8b: It is my understanding that all federal climate research is coordinated through the U.S. Global Change Research Program (USGCRP), ensuring that each agency brings its unique strengths to bear on the climate problem. For DOE, that is certain measurements that characterize aerosols and clouds, as well as expertise in climate modeling and high performance computing. Other agencies contribute other strengths, for example, NASA provides earth-observing data from satellite imagery. If confirmed, I would ensure that this coordination with other Federal partners continues through the USGCRP.

Question 9: The joint Office of Science–National Science Foundation Nuclear Science Advisory Committee has been charged with developing a new long-range plan for U.S. nuclear science research in the next decade. The plan is due this month.

a. How do you expect to use the recommendations contained in the long-range plan in setting priorities for the Nuclear Physics program?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Answer 9a: Although I have not yet had a chance to read the entire Advisory Committee report, I understand that the document has received widespread support among the nuclear physics community. I am aware that its primary recommendations are to fully capitalize on DOE's existing and under-construction facilities. If confirmed, I look forward to working with the nuclear physics community to understand and best address this community's priorities.

b. What are the key issues for the Nuclear Physics program that you hope will be addressed by the long-range plan?

Answer 9b: For a report such as this, the most important input from the scientific community is to identify the most exciting and groundbreaking scientific opportunities that exist, which I believe this report has done. If confirmed, I look forward to working on making Nuclear Physics a strong program.

Question 10: Several reports about the Department of Energy have found conditions of "broken trust" between the Department and the national labs.

a. What will you do, if confirmed, to forge a better relationship between the labs and the Department?

Answer 10: As a member of the Commission to Review the National Energy Laboratories, I have a learned a great deal about this issue. Although the Commission found that the Office of Science has the best relationship with its labs, the relationship can always be improved. I view stewarding the labs as a process of continuous improvement. I believe it is important for the Department to institutionalize the National Laboratory Policy Council and National Laboratory Operations Board, led by the Secretary, which sets the tone of lab engagement from the top. The Office of Science must continue its annual strategic planning and cross-program feedback exercises with each of its stewarded labs and programs. The Office of Science must also focus on ensuring excellence in leadership of both the lab directors and the site offices. The relationship between these entities is critical. If confirmed, I look forward to continuing to improve on the Office of Science's work with its labs.

Question 11: Please outline in detail your views about the value of fundamental scientific research and provide examples of work in basic science that is being conducted at DOE or under its auspices. How do you define creative science or science on the boundaries? How could DOE further promote creative science and the unsung and extraordinarily hard working people who do it?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Answer 11: I believe that fundamental research is arguably the most important research that the Federal government can fund because it leads to conceptual breakthroughs that incremental applied research will not. It is important to fund a portfolio of both fundamental and applied research, and to have a connection between the two. A few examples of the work DOE is conducting that bridges the gap between basic and applied research are high energy physics research that aims to discover the answer to some of humanity's most profound questions, nuclear physics research that aims to understand both the strong and weak forces that govern the 'quantum chromodynamics' and 'electroweak interactions' of nuclear matter, fundamental physics and chemistry research at lower energy scales, research that aims to understand biological systems relevant to energy, and research aimed at pushing the frontiers of computation, modeling and simulation.

I believe creative science is that which seeks to understand something that has not been understood or discovered before. It often happens when a scientist trained in a technique in one field uses that technique in another field. For example, accelerator physicists annoyed at the x-ray emissions of electrons in circular orbits decided to make use of it as a 'feature,' rather than a 'bug.' This synchrotron radiation has been harnessed by materials scientists to study the structure of materials, including using it extensively in drug discovery. Physicists interested in the damage that radiation from nuclear reactions could cause to DNA decided to use physics techniques to decode the human genome. This work was completed by scientists at DOE, as those in NIH were highly skeptical this could be accomplished. In the end, an entire field of biology was changed dramatically.

Creative science is best promoted by providing sustained resources to allow scientists freedom to pursue an idea. Creativity often happens when a multidisciplinary team of scientists get together to solve a puzzle or problem. If confirmed, I look forward to strongly supporting fundamental research and encouraging creative science.

Question 12: In the context of your prior answer, please outline what you see as the role that Universities maintain and must maintain in DOE's scientific effort? What is the proper relationship between the work being done at universities and the work being done at the national labs?

Answer 12: University researchers play an important role in scientific research, including research funded by DOE, as well as educating the next generation of young scientists. The Office of Science supports many university researchers through its core programs. In addition, many of the Energy Frontier Research Centers (EFRCs) are located at universities, as is one of the Bioenergy Research Centers. The Facility for Rare Isotope Beams is being constructed at Michigan State University.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Research at the national labs and at universities is complementary, and both bring important strengths to scientific discovery. Office of Science user facilities, such as supercomputers and light sources, host thousands of users from universities every year. If confirmed, I look forward to continuing the important partnerships between the Office of Science, universities, and the national labs.

Question 13: What are the barriers to increased participation by university based researchers in DOE's scientific effort? What are the challenges that you perceive university researchers to be facing and what changes at DOE and throughout the federal establishment would help alleviate those challenges?

Answer 13: I strongly believe that cultivating young talent is key to maintaining U.S. scientific leadership here and around the world. A challenge to increased participation by university-based researchers could be lack of awareness of the Office of Science's mission, funding opportunities, and above all scientific user facilities. One idea that could help alleviate such challenges could be a fellowship program that would fund more graduate students in key science areas relevant to the Department to perform part of their graduate thesis at the national labs, which would heighten both their and their university professors' knowledge about DOE. If confirmed, I look forward to working to further engage the university community, to identify obstacles, and support university researchers. One way the Office of Science already does this is through its early Career Award program, which funds promising early career faculty and lab scientists.

Question 14: Do you agree that basic scientific research in the physical sciences is a key part of DOE's mission? If so, what do you intended to do to advance basic scientific research?

Answer 14: Yes, I strongly believe that basic scientific research is a key part of DOE's mission. The Office of Science is the largest funder of the physical sciences in the United States. If confirmed, I will continue the Office of Science's strong tradition of funding the best scientific research and scientific user facilities that enhance the U.S.'s energy and economic security.

Question 15: Will you commit to working with me and with my staff to identify policy changes that can be made to improve the prospects for basic scientific research, especially research in the physical sciences under DOE's leadership?

Answer 15: Yes. If confirmed, I look forward to working with you and your staff on this issue.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Questions from Ranking Member Maria Cantwell

Questions: The National Lab Commission recently provided recommendations on providing more cohesive approach for integration of activities between offices with the Department of Energy. To date the Department has spent almost $160 billion to date on cleanup restoring 91 of 107 major sites but is still working on the most challenging and high-risk sites such as Hanford.

In 1995, the Nuclear Regulatory Commission noted that to reduce the costs and risks associated with waste management, basic science researchers needed more interaction with the remediation projects themselves. This is striking to me and would be interested in your input on how this should be achieved? Additionally, do you believe that increased interaction between the two offices could lower the long-term cost of the cleanup of defense waste sites?

Answer.

Portions of the Office of Science's core research efforts in fundamental chemistry, heavy element chemistry, and subsurface science are particularly relevant to the challenges of environmental cleanup. The Secretary's Energy Advisory Board convened a task force on this topic that issued a report and recommendations in December of 2014. One of the task force's recommendations was a need for additional scientific research in this area. It is my understanding that the Office of Science recently held a scientific workshop working with the Office of Environmental Management to identify key scientific needs within this important area of work. If confirmed, I will get up to speed on this issue and work with the Office of Environmental Management on appropriate and useful basic scientific research that can help with the challenge of cleaning up our Nation's nuclear legacy.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Question from Senator Debbie Stabenow

Question: As you are aware, the Department of Energy and Michigan State University are working together to build the Facility for Rare Isotope Beams (FRIB). This cutting edge facility will lead the world in nuclear physics research and enable breakthroughs that rapidly advance the development of new defense, environmental, nuclear medicine technologies.

From my most recent status update, I understand that FRIB is on time and on budget. Could you confirm that this is the case and share any thoughts about the Department's commitment to the FRIB project going forward?

Answer: My understanding is that FRIB is on schedule and that Michigan State is performing well in executing this construction project. As you may be aware, the President's FY16 budget request supports the FRIB construction profile. I look forward to the day when FRIB is added to the Office of Science's collection of world-class scientific user facilities. If confirmed, I look forward to continuing to support this important project.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

Questions from Senator Lamar Alexander

Question 1: During our meeting two weeks ago we discussed priorities for the Office of Science, including: increased investment in the Office of Science; accelerating completion of the Second Target Station at the Spallation Neutron Source in Oak Ridge; and continued development of advanced supercomputing and exascale computing. If confirmed, will you continue to invest in these priorities? How will you guide the Office of Science to reach its maximum potential and support its basic energy research mission?

Answer 1: Yes. Continuing U.S. investment in computing has important implications for our leadership in science, our ability to carry out simulations that are necessary for national security, and our economic competitiveness in key industry sectors. If confirmed, I will be a voice for continued investments in high performance computing. I agree that a Second Target Station is important and could lead to expanded research capacity and, particularly, new approaches to materials research. I strongly believe that basic scientific research is a key part of DOE's mission, and if confirmed, I will continue the Office of Science's strong tradition of funding the best scientific research and scientific user facilities that enhance the U.S.'s energy and economic security.

Question 2: How has your experience at Livermore and Bell Labs, and your participation on the Commission to Review the Effectiveness of the National Energy Laboratories, prepared you to serve as the Director for the Office of Science?

Answer 2: I was fortunate to spend 27 years at Bell Labs as a researcher and manager of research. At Bell Labs, I realized fundamental scientific research can often lead to profound technology leaps, if there is enough connection and encouragement from management between those doing the fundamental research and those who have a problem they would like to solve. I also learned that there is often a need to circle back to fundamental science in order to make advances in technology. The many breakthroughs at Bell Labs were directly due to allowances and funding of the fundamental research by the management and management's patience and deep understanding of why the science is important rather than focusing on short term advances in earlier technology. I believe that understanding and the funding of fundamental science is a key role of government. At Bell Labs, I also learned that there is no hierarchy between fundamental science and application — both are important for the Nation and both should be encouraged.

From my experience at Lawrence Livermore National Lab, I saw first-hand the dedication of scientists and engineers to national service, and that the connection between fundamental science and engineering allows for breakthroughs. I witnessed teamwork on major projects in stockpile stewardship between physicists, materials scientists, mechanical engineers, mathematicians and computer scientists that led to orders of magnitude advances in simulations and understanding. As a member of the Commission

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to Dr. Cherry Murray

to Review the Effectiveness of the National Energy Laboratories, I was able to get a system-wide view of all of the laboratories across the entire Department of Energy, which helped me understand how to break down stove pipes that may be hindering progress by throwing up artificial barriers between science and advances in energy technologies. If confirmed, I looked forward to bring these experiences with me as I lead the Office of Science.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Questions from Chairman Lisa Murkowski

Question 1: Earlier this year, the Department announced that it would be separating defense wastes from commercial spent nuclear fuel for disposition. This so-called "decomingling" is a shift of over 30 years of federal policy.

a. Can you describe the progress made by the Department in establishing a defense wastes only repository?

Answer 1a: The Department has begun to make initial progress in establishing a defense waste only repository. The siting of any facility for storage or disposal of nuclear waste must be done in a consent-based fashion consistent with a phased, adaptive, and consent-based approach that has been endorsed by the National Academies and the Blue Ribbon Commission on America's Nuclear Future and is an essential element of the Administration's *Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste*. The Administration's *Strategy* endorses the principle that prospective host jurisdictions must be recognized as partners, and that overall public trust and confidence is a prerequisite to success.

The Department has gathered information from the siting of nuclear facilities in the U.S. and elsewhere to better understand critical success factors and to facilitate the development of a future siting process. The Department anticipates taking advantage of that work — as well as the work done by outside groups and stakeholders who have looked at the issue of consent-based siting — as we move forward.

Currently, initial tasks have been to begin development of a program plan and organizational structure, including staffing requirements and funding needs. Other early tasks will include looking at what geologic media would be most desirable for characteristics of defense waste, as well as how initial siting surveys for suitable geology would be conducted. This would include looking at generic work that has already been done and determining its relevance for tasks going forward. If confirmed, I will ensure that this Committee is kept updated on progress to establish a defense waste repository.

b. Will Yucca Mountain be considered for a defense wastes repository?

Answer 1b: The Department has not begun consideration of any particular site for a defense waste repository or any facility included in the Administration's *Strategy*. The Department believes that the siting of any facility for storage or disposal of nuclear waste must be done in a consent-based fashion consistent with a phased, adaptive, and consent-based approach that has been endorsed by the National Academies and the Blue Ribbon Commission on America's Nuclear Future and is an essential element of the Administration's *Strategy for the*

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste.

Question 2: You served as the Staff Director for the Blue Ribbon Commission on America's Nuclear Future. It has now been several years since that report was released.

a. Do you think the recommendations in the Blue Ribbon Commission report are still current? What aspects may need to be updated?

Answer 2: I believe that the recommendations of the Blue Ribbon Commission (BRC) are still current. While we've certainly learned much over the last few years that will inform our implementation of the BRC recommendations, the recommendations are still timely and relevant. As you know, the Administration's 2013 *Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste* endorses the key principles that underpin the BRC's recommendations.

Question 3: I have long supported research and development efforts for small modular reactors. Should you be confirmed, what will you do to promote the realization of this technology? Please be specific.

Answer 3: If confirmed, I will continue to support the work of the Office of Nuclear Energy's SMR Licensing Technical Support program. The program has been supporting the design development, certification and licensing of safe, affordable and innovative SMR technologies that the Department anticipates will be part of the solution to the Nation's economic, energy security, and environmental goals. Specifically, the program has been currently providing cost-shared funding to NuScale Power, the innovator of a unique multi-module SMR design with inherent passive safety capability, to reduce their financial risk and accelerate the design into the global market. This funding is key to assuring that U.S. nuclear industry can maintain a leadership position in this emerging technology area.

I will continue to promote the Department's efforts to grow the domestic market for these designs by supporting permitting and licensing activities that are expected to result in the first domestic SMR projects in the U.S. The Department is working with the Tennessee Valley Authority (TVA) and Utah Associated Municipal Power Systems to enable combined construction and operating license applications for the first-of-a-kind domestic SMRs to be submitted to the Nuclear Regulatory Commission. The Department is also supporting studies and analyses that will help to resolve non-technology specific technical and licensing issues that will help to reduce the cost of SMR deployment, such as the identification of specific technologies that modify staff requirements, such as control room operators and security staff.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

I believe that these are meaningful steps that can be taken to fully promote the realization of this unique and innovative technology in the U.S., and to assure that the U.S. maintains both technical and economic leadership in this area. If confirmed, I look forward to continuing the Office of Nuclear Energy's strong support for SMRs.

Question 4: How does the Department work with the private sector on advanced nuclear reactors? What do you see as the key for leveraging private sector investment with Department funding to make advanced reactor technology commercially available?

Answer 4: The Office of Nuclear Energy (NE) works with the private sector on the development of advanced nuclear reactors through several mechanisms. From a research and development (R&D) standpoint, NE sponsored industry cost-shared awards during fiscal years 2013, 2014 and 2015.

In order to reduce the licensing risk associated with advanced reactor designs, NE has engaged with numerous vendors and industry organizations through various workshops and public meetings to solicit input on the development of general design criteria for advanced reactor concepts. This input was consolidated into a report prepared by the Idaho National Laboratory and forwarded to the Nuclear Regulatory Commission (NRC) for consideration as the NRC develops advanced reactor design criteria and associated guidelines by the end of calendar year 2016. A joint NRC-DOE workshop was held in September 2015 with roughly 300 participants to explore innovative approaches to develop, license and deploy advanced reactor technologies.

Additionally, the Department solicited industry input through a Request for Information to inform the content of the Nuclear Energy University Program and best align industry needs and priorities with the capabilities in academia. DOE is also engaged in various industry led initiatives, e.g., with the Nuclear Energy Institute and Electric Power Research Institute to help facilitate advanced reactor development.

Finally, the Nuclear Energy Advisory Committee (NEAC) provides independent guidance on "complex science and technical issues that arise in the planning, managing, and implementation of DOE's nuclear energy program." NEAC members include experienced and respected professionals from academia, industry, international organizations, U.S. national laboratories and non-governmental organizations.

I believe the key for leveraging private sector investment is to best align the needs of industry, both as a technology provider, as well as a technology customer, with government-sponsored R&D at the national labs and universities. A multi-pronged approach is used which incorporates several different mechanisms to support the varying degrees of technological maturity for the concepts being developed by industry. These mechanisms should support specific R&D tasks, but also support broader activities. Future work may include strategies that parallel those utilized in the Nuclear Power 2010

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

or Small Modular Reactor Licensing Technical Support program for those advanced reactors closer to commercialization.

Question 5: What is the biggest challenge facing nuclear energy today? If confirmed, what would you do to ensure nuclear energy remains a part of the energy mix?

Answer 5: Nuclear energy continues to be an important part of an "all-of-the-above" energy strategy for a sustainable, secure, and clean energy future. Nuclear energy must continue to play a pivotal role to achieve the Administration's goal of reducing carbon emissions. I believe the biggest challenge facing nuclear energy today is the time and expense of construction of new nuclear plants. The available fabrication and supply chain for nuclear quality materials in the U.S. has diminished over the last few decades.

These issues are being managed and the lessons learned incorporated in the construction of the five reactors currently being built in the United States, the first in more than 30 years. The first of these expected to enter service will be the second unit at TVA's Watts Bar site, which is scheduled to begin commercial operation early next spring. The other four reactors, in Georgia and South Carolina, are of the next-generation advanced reactor AP1000 design, possessing enhanced passive safety features and improved operational performance. In 2014 and 2015, the Department of Energy's Loan Programs Office announced that two of the owners of Plant Vogtle received a combined loan guarantee of $8.3 billion to support construction of the Vogtle facility.

If confirmed, I will continue working to ensure that the Department's programs to fund nuclear energy at all levels — from R&D to deployment and commercialization — are robust.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Questions from Ranking Member Maria Cantwell

Question 1: The Office of Nuclear Energy has an important role to play in determining the nation's path for disposing of defense waste. Hanford is home to a variety of different waste types including strontium and cesium capsules and legacy waste (German Logs) that do not have a clear disposition path.

This has significant implications for Hanford as the majority of radioactivity is contained in the strontium and cesium capsules and is currently stored in a facility beyond its designed life.

If deep boreholes are determined to be unworkable or will require further research what contingency plan do you have in place to safely store the cesium and strontium capsules until final disposal is possible?

Answer 1: The Department has received several proposals in response to its Request For Proposals regarding deep borehole research, and plans make an award this winter. This award will identify a site that will host the field test and the drilling contractor that will drill the characterization hole. The Department intends to start drilling the initial characterization hole in the fall of 2016 to determine if the site has suitable geology for the field test. The schedule and scientific planning is aimed at determining the feasibility of this technology by gathering the best data possible in an aggressive schedule to best inform policy decision makers on this approach to waste disposal.

If more data or work is needed, if confirmed, I will work with the Office of Environmental Management to identify extended safe storage alternatives that are effective at removing the heat generated by the capsules in an energy efficient manner, as well as determine alternative waste disposition paths, including the defense only repository.

Question 2: It is unclear what the next steps will be to move defense waste to interim locations or permanent disposal. There are a number of logistical, technical, and management issues that loom.

Different geologic media can necessitate different designs, which affects the design of the emplacement package. It appears to be important, for both commercial and defense waste that standardized waste canisters for storage, transportation, and disposal are adopted. This would ensure that high cost and dangerous exposure for workers involved with repackaging potentially damaged fuel assemblies would be avoided.

How long will it take to produce the necessary containers to move defense waste? How about to transport commercial waste? Does it make more sense to collocate interim storage facilities and permanent repositories?

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Answer 2: With appropriate funding, transportation casks for defense high-level waste could be designed, certified, and fabricated through existing vendors (competitively awarded) in five to seven years, depending on a range of technical conditions, including the specific waste form and the availability and pedigree of data on the specific waste. Other factors include the availability and condition of trans-loading facilities at the DOE sites with high-level waste inventories and the availability and preparedness of operational staff. There is no need for research or technology development in this packaging mission, but the engineering, regulatory certification, and operational planning will take time and resources.

The necessary heavy load rail car fleet meeting modern standards to minimize the risk of derailment will also take on the order of seven years to develop and several years to fabricate to establish. The Office of Nuclear Energy recently awarded a contract to begin this essential work.

Commercial spent nuclear fuel in dual purpose canisters at utility reactor sites could be moved to a pilot interim storage facility within approximately eight years from the start of a consent-based process and passage of legislation that enables DOE to begin construction. Additional bare commercial spent fuel from the wet storage pools at utility sites could be transported to an interim storage facility soon afterward, recognizing the rate of shipments would depend on the resources available to support the loading and unloading operations combined with the capacity of the rail fleet established to move the fuel.

Collocating interim storage facilities and permanent repositories is an issue that the Department will be interested in as it develops a consent-based siting process and engages with interested communities.

Question 3: The Department of Energy's project, in conjunction with private industry, is working to develop Accident Tolerant Fuel. Private industry has fewer opportunities to access research facilities when it comes to complex, high-end capabilities for advancing new technologies to commercial application. Thus it is essential that industry that access to facilities that will allow for safer materials to enter the nuclear electricity generating market.

The Advanced Test Reactor (ATR) at Idaho National Laboratory (INL) is in high demand for materials testing. What is being done to ensure that industry has time to test components for commercial deployment that are necessary for developing Accident Tolerant Fuel? How many approaches are you supporting, and how long might it take before these new Accident Tolerant Fuels might enter the market?

Answer 3: The Department's Accident Tolerant Fuel (ATF) program has been a high priority since its inception in 2012 and has made good progress in close collaboration with its industry partners. Irradiation experiments have begun in the ATR and will

continue during the development and certification phase, on track to begin before the end of fiscal year 2016. As the Department approaches its decision on narrowing the number of concepts that advance from Phase I to Phase II, it does not have a set number of concepts established. This will depend on the out year funding levels and the willingness of industry partners to match the government funding needed to advance the concepts and prepare them for insertion in a commercial reactor to begin Phase III (the commercialization phase).

It is envisioned that ATF concepts could be commercialized in 10 to 15 years with earlier concepts providing limited benefit, but requiring less development. These timeframes are consistent with past commercial efforts to design and license new fuels. The longer-to-commercialize concepts will require more time and resources to develop, but may offer potentially significant benefits in accident tolerance and power production.

Question 4: Congress created a new program last year to help develop new next generation reactor concepts that would move beyond currently deployed light water reactors (LWRs). These reactor concepts would be expected to be more economically competitive -- so they could enter the market -- as well as safer, less waste producing, and more proliferation resistant, than existing LWRs.

In relation to the competition that you are now conducting for Advanced Reactor Concepts pursuant to congressional direction the Office of Nuclear Energy (NE) asked that applications be submitted by October 5 and last week, on October 14, NE notified all the submitters that, because some of these proposals were deemed non-compliant with NE's FOA, they were being given an additional 2 weeks, through October 28, to submit modified proposals; in addition, the Department is requiring additional information. Why is this being done? Is this standard practice for FOA's issued by NE?

Answer 4: Based on the initial review of applications received from the Advanced Reactor Industry Competition for Concept Development Funding Opportunity Announcement (FOA), it became evident that multiple applicants had a common misunderstanding of specific information that was requested in the FOA. Some applicants interpreted the FOA requirements as DOE had intended and submitted a complete application. Multiple applicants did not.

DOE chose to issue an amendment to the FOA in an effort to further clarify the FOA requirements and to allow applicants additional time to submit the complete set of information that was originally envisioned. The amendment clarified the original FOA submission requirements and did not add any new requirements. Each of the original applicants has been given the opportunity to revise their submittal at their discretion. The opportunity to submit the amended application was only provided to the original pool of applicants. While this situation does not occur frequently, the Department is able to issue amendments to FOAs as needed.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Question from Senator Debbie Stabenow

Question: Ontario Power Generation is proposing to build a deep geologic repository to permanently store 7 million cubic feet of radioactive waste that would be located outside of Ontario and less than 1 mile from Lake Huron. The Canadian government is also exploring several other sites in the Great Lakes basin for a different permanent repository that would store high-level nuclear waste.

While I do not oppose nuclear power and recognize that it is an important carbon-free source of electricity generation, I do have great concerns about the safety and risks from operating a permanent repository so close to the Great Lakes basin.

Do you believe the Department of Energy has an important role to play in decisions about operating permanent nuclear repositories in close proximity to our shared waters in the Great Lakes basin?

Answer:

I am aware of the proposal by Ontario Power Generation to build a deep geologic repository in Kincardine, Ontario. While the Department does not have an official role in the permitting or operation of this proposed facility, I do share your concerns with protecting the Great Lakes ecosystem and the importance of considering the environmental impacts of such projects. Properly addressing such issues is one of the many reasons the Administration supports a consent-based process for the management and disposal of our nation's used nuclear fuel and high-level radioactive waste.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Question from Senator Rob Portman

Question: Secretary Moniz, Secretary Chu, and your predecessor, Dr. Lyons, all testified before this committee that the United States must have the technology for a fully domestic source of enriched uranium to support our nuclear weapons program and the Navy nuclear reactors program. Do you agree?

Answer: Yes, the United States needs to maintain a U.S.-origin uranium enrichment technology to support national security requirements.

U.S. Senate Committee on Energy and Natural Resources
October 20, 2015 Hearing: Pending Nominations
Questions for the Record Submitted to John Kotek

Question from Senator Lamar Alexander

Question: I am very concerned about continued funding for the hot cells that are located at Oak Ridge National Laboratory. My understanding is that the hot cells are critical to both Nuclear Energy research and Office of Science research. The FY 2016 budget request included sufficient funding to support the hot cells in its annual budget request to Congress for the Office of Science, but not for Nuclear Energy. These are nuclear facilities that have to be properly maintained and operated. Without sufficient funds, Oak Ridge National Laboratory has to make up the difference by increasing overhead fees and reducing funding for research. This cannot continue. Are you prepared to make sure this problem is solved?

Answer: Yes. If confirmed, I would be pleased to work with you to resolve this important issue.

Statement for the Record

U.S. Senator Ron Wyden

Hearing of the Senate Energy and Natural Resources Committee
to consider pending nominations

Tuesday, October 20, 2015
10:00 a.m.

Statement

Today the Committee is considering three nominees for senior positions at the Department of Energy – Cherry Ann Murray, Victoria Marie Wassmer, and John Kotek. At the Committee's June 16th hearing on two other Department of Energy nominees – Jonathan Elkind and Monica Regalbuto, I expressed my concern about the Department's failure to properly treat whistleblowers. I told Dr. Regalbuto that while I believed she was qualified for the position, I could not support her confirmation by the Senate unless the Department took concrete steps to address this problem. In the weeks following that hearing, the Department gave me assurances that such steps would be taken. As a result, I subsequently lifted my hold on Dr. Regalbuto's nomination and she was confirmed.

I remain deeply concerned that Department employees and contractor personnel who come forward to raise concerns about safety, waste, fraud, and mismanagement continue to do so at their personal peril. Since the confirmation of Dr. Regalbuto, the Department has taken some of the actions we discussed to raise the culture of compliance and safety in the Department, but some remain unaddressed. I have been assured by the Department that the further actions are being planned out and will be executed in a timely manner.

As such, I am going to support these three nominees, but as I told now-Assistant Secretary Regalbuto when I met with her earlier this month, I will continue to closely watch what the Department does and doesn't do with regard to increasing protections for whistleblowers.

Protection of whistleblowers isn't just a matter of good government, it's the law. And when each of these nominees is sworn in as a Senate confirmed appointee they will be swearing to uphold that law. I look forward to working with all of them to see that is true.

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