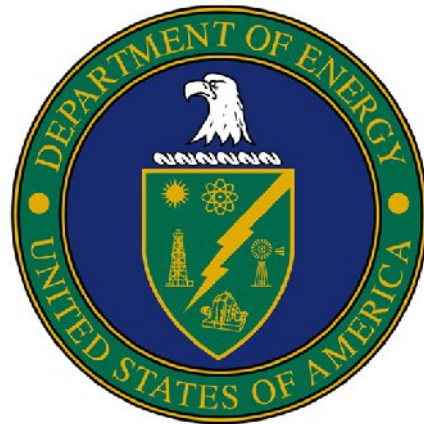


Oak Ridge – Reindustrialization

US DOE Asset Revitalization Initiative in Oak Ridge, Tennessee



J. T. Howell

***Assistant Manager for Nuclear Fuel
Supply, US DOE - Oak Ridge***

February 27, 2012

WM 2012

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Vision

By 2017, the Oak Ridge Reindustrialization Program will further its position as the model for sustainable innovative reuse of DOE assets



Mission

Apply our expertise to accelerate clean-up and promote economic development by making underutilized DOE assets (e.g., buildings, land, equipment, and technology) available to enhance the development of private sector business in the region

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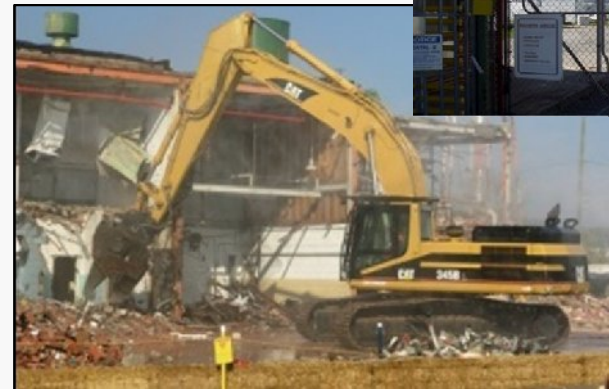
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Reindustrialization Program Overview

Over 15 years of Experience

- Lease and transfer of real property and equipment for private use
- Technology transfer combined with property transfer to facilitate new businesses
- Established private businesses co-located on site with ongoing DOE Operations



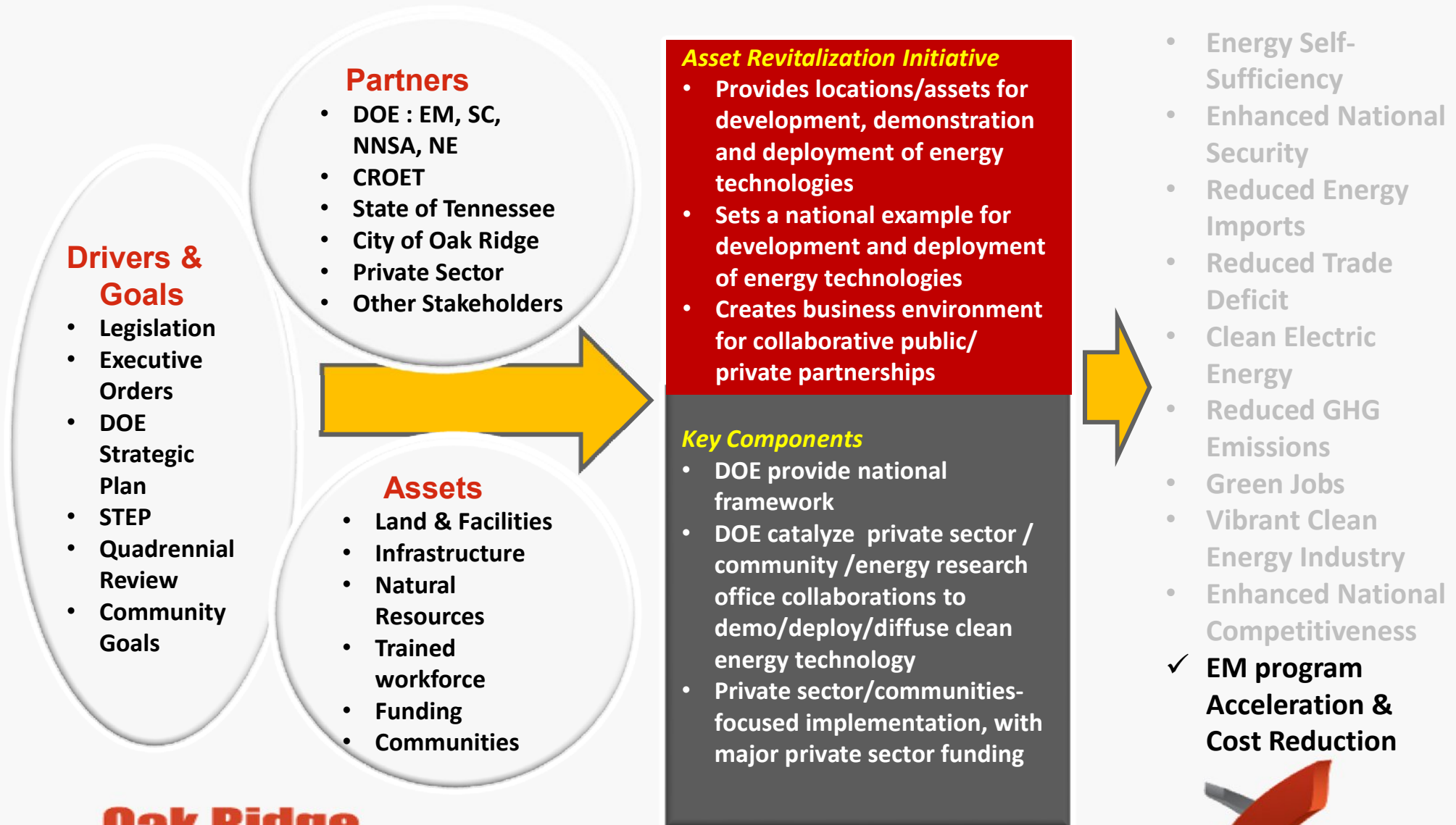
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Solutions through Partnership



Implementation Challenges

- Define Program
- Establish Buy-In
- Stakeholder Involvement
- Establish Legitimacy
- NEPA/NHPA
- Private Sector Occupancy
- Private Sector Oversight
- Protect Infrastructure
- Ongoing Cleanup
- Capital Investments
- Establish Permanence
- Public Infrastructure

Transformation Solutions

- Query Private Sector
- Senior Management Support
- Establish Partnerships
- Make Early Progress
- Use Bounded Analysis
- Obtain Regulator Agreement
- Safety Advocate
- Infrastructure Leases
- Change Control Board
- CROET Reinvestment
- Transfer Buildings and Land
- Transfer Infrastructure

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Marketable Assets

Physical

Over 1300 Acres of Land

Multi-use Buildings

Comprehensive Infrastructure

One-of-a-kind Equipment

Nonphysical

Location

Utility, emergency and telecommunication services

Technology transfer

Trained Workforce

Strategic Partnerships

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Achieving National Objectives

Successes to date

- Executed over 90 leases with private business
- Transferred
 - 19 properties (~700 acres)
 - 332,000 square feet of building space
- Leased
 - 300 acres of DOE-owned property
 - 180,000 square feet of DOE-owned building space
- Over 11 miles of railroad and related equipment transferred to CROET, rehabilitated, and sold to private sector



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Achieving National Objectives

Successes to date (cont'd)

- **CROET**
 - Sold 33 acres and 9 buildings to private investors at the Heritage Center and the City
- **Oak Ridge Industrial Development Board**
 - Assumed ownership of the Horizon Center private industrial park
- **City of Oak Ridge**
 - Assumed ownership of onsite Fire and Emergency Response Facility
 - Assumed ownership of water & sewer systems



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Achieving National Objectives

Benefits to Date

- Cumulative savings to the DOE from avoided operations, maintenance, surveillance, and demolition costs total more than \$45 million to date.
- Capital investment at ETTP as result of reindustrialization is approximately \$100 million.
- Currently, 15 companies are engaged in activities ranging from mixed waste processing to analytical chemistry to manufacturing fuel cells.
- Creating over 1000 private sector jobs

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Achieving National Objectives

Technology Transfer Initiatives

New Carbon Fiber Manufacturing Pilot Plant

- Joint partnerships with ORNL
 - Metals Processing
 - New start-up business
 - Membrane technology
 - Pall Industry
 - Technology worker training in partnership with Roane State Community College



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Achieving National Objectives

Conservation Initiatives

- Black Oak Ridge Conservation Easement (~3,000 acres)
- Parcel ED-1 Natural Areas (~500 acres)
- Greenway Foundation established for non-developable property
- Greenway/Trail System for recreation use



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Achieving National Objectives

Energy Initiatives

- Switch grass for bio-fuels
- Two private Solar projects under development in Parcels ED-4 and ED-5
- Lessee provides feedstock for biomass reactor at ORNL



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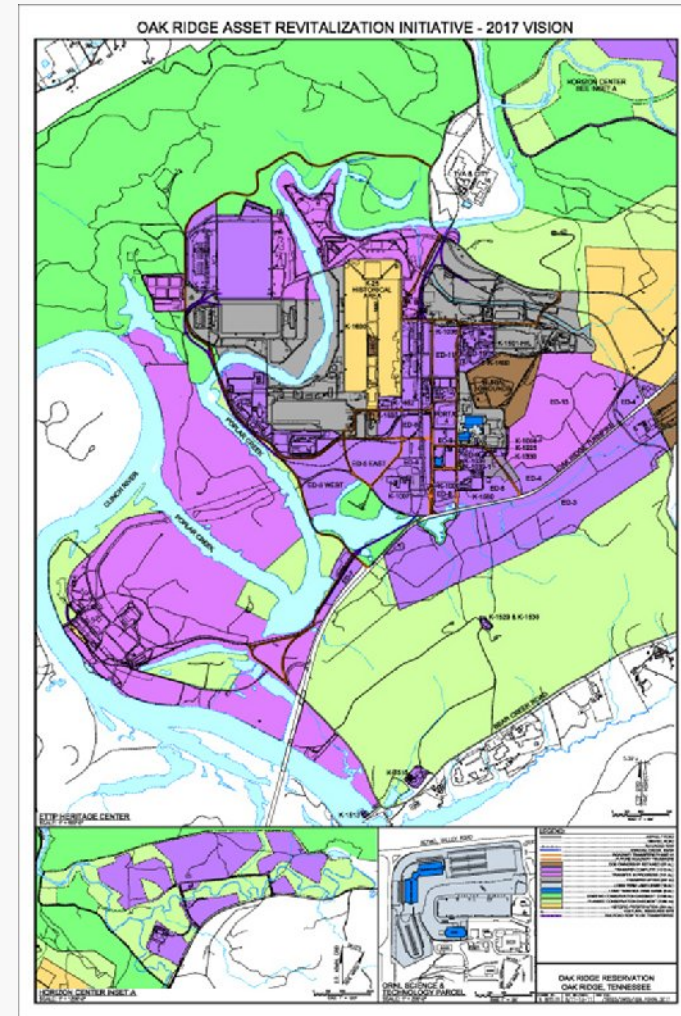
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Achieving National Objectives

Our 2017 Vision

- Private industrial use development at ETTP
- Conservation easements
- Historic preservation - future Manhattan Project National Park Site
- Expanded Science & Tech. Park at Oak Ridge National Lab (ORNL)



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Achieving National Objectives

Reindustrialization/ARI is effective and critical to reducing costs and enhancing development of Private Sector Business in the region

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