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Memorandum

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FROM: David K. Garman
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SUBJECT: Summary of Issues Discussed with Under Secretary Steven Koonin related to the upcoming QER/QTR

On March 4, 2011, from approximately 1:00 to 2:00 p.m., I met with Under Secretary of Science Steven Koonin, at his request, for the purpose of sharing thoughts on how the Department should approach a Quadrennial Energy Review (QER) or Quadrennial Technology Review (QTR) pursuant to the recommendations of the President's Council of Advisors on Science and Technology (PCAST). Michael Holland and Asa Hopkins of Dr. Koonin's office joined in the meeting.

During the meeting I made a variety of recommendations related to the QTR/QER and the organizational structure of the Department in general. Although these were my personal views, many of these recommendations have been made by others, and I claim none of them as mine alone. Indeed, it was clear to me that Under Secretary Koonin and his staff had already thought deeply about most or perhaps all of the issues I raised.

Recommendations offered:

- A substantial effort should be made to explain the QTR/QER to Congress on a bipartisan and bicameral basis, seeking their buy-in, and asking for their help.
- A broad group of stakeholders should be invited to comment, even including those who might be hostile to the effort.
- The QER effort will need a way to "ground truth" its analysis with people in the *daily business* of providing fuels and power.
- There should be some kind of "Red Team" established that can review the work underway and challenge the Department's suppositions, as needed. This group should include Republicans as well as Democrats.
- Funding issues will eventually have to be addressed, even if they are not addressed at the outset. Appropriated dollars will be insufficient to meet the Energy Research and Development challenge; they will need to be augmented by some kind of "wires charge." Moreover, if there is to be a "wires charge," there probably needs to be a different governance structure to manage that increment of money. Industry/regulatory/consumer interests are unlikely to tolerate a wires charge to fund DOE activities. This may be workable since large technology demonstrations probably need to occur outside the "federal umbrella" under the supervision of a governance structure that includes industry, regulators, and consumer representatives.

