

The Regents of the University of California

**COMMITTEE ON OVERSIGHT OF THE  
DEPARTMENT OF ENERGY LABORATORIES**

January 16, 2013

The Committee on Oversight of the Department of Energy Laboratories met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents De La Peña, Gould, Pattiz, Reiss, Rubenstein, Ruiz, and Varner; Ex officio members Lansing and Yudof; Advisory members Powell and Schultz

In attendance: Regents Island, Kieffer, Lozano, Makarechian, Mendelson, Schilling, Stein, and Zettel, Regents-designate Feingold and Flores, Faculty Representative Jacob, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Vacca, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice President Stobo, Vice Presidents Allen-Diaz, Beckwith, Duckett, and Mara, Chancellors Blumenthal, Desmond-Hellmann, and Leland, and Recording Secretary McCarthy

The meeting convened at 2:20 p.m. with Committee Chair Pattiz presiding.

**1. APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of November 15, 2012 were approved.

**2. UPDATE ON THE DEPARTMENT OF ENERGY LABORATORIES**

[Background material was mailed to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Pattiz updated the Committee on the National Laboratories' performance ratings, which determine whether the Department of Energy (DOE) extends each Laboratory's contract for another year and the fees earned by each Laboratory. Contract terms for all three National Laboratories were extended an additional year to 2018 and can be extended further, based on performance. The fee earned by the Lawrence Berkeley National Laboratory (LBNL) was 94 percent of the maximum available fee, the same as the prior several years. Fees earned by Los Alamos National Laboratory (LANL) and Lawrence Livermore National Laboratory (LLNL) were 80 percent and 88 percent of the maximum available fees respectively, slightly lower than the prior year, primarily because of operational issues. Vice President Mara stated that, for the prior year, UC's portion of these fees totaled \$23.2 million for LANL and LLNL, and \$4 million for LBNL. Committee Chair Pattiz added that a large part of the income to

the limited liability corporations (LLCs) managing LANL and LLNL is earmarked for research that is determined by the University.

Mr. Mara stated that LLNL has run a plutonium facility for more than 50 years. The DOE's strategy has been to consolidate storage of plutonium. LLNL has deinventoried large quantities of plutonium and currently deals only with small quantities for research purposes. This major accomplishment has created a much safer working environment, part of the Laboratory's effort to be a responsible steward, both of the community and the program.

Committee Chair Pattiz noted that the LLC boards meet four times a year. He emphasized the importance for the University of having effective representation on the boards. Vacancies on the boards may be filled by Regents, in accordance with policy.

The meeting adjourned at 2:30 p.m.

Attest:

Secretary and Chief of Staff