

Answer. Generally the directors identify broad areas of capability, and staff and facilities which might be utilized. They assess proposed work in terms of its potential contribution and its impact on the programs and objectives of their laboratories.

Attachment II is a list of proposals and discussions now under consideration; the agencies involved, and a brief description of the current status of each.

AEC headquarters staff has arranged a number of meetings between AEC laboratory staff and the staff of various agencies. Dr. Spofford G. English, Assistant General Manager for Research and Development, has met with several representatives of each of the major departments and serves as point of contact between them and the laboratories in initial phases of the development of proposals. As discussions proceed and proposals are developed, AEC headquarters staff reviews AEC's authority to conduct the proposed work and evaluates potential impact on AEC programs, but direct contact between laboratory staff and scientists of the potential sponsoring agency is the most important element once initial contact has been made.

Proposals are reviewed by AEC prior to being forwarded to other agencies to determine whether AEC has authority to utilize its facilities for the conduct of the proposed work and to assess potential impact of the proposed work on AEC sponsored programs; otherwise, laboratory directors are free to deal directly with potential sponsors.

Funding of reimbursable work for others is handled through AEC by inter-agency fund transfers.

Dr. Weinberg, in his testimony, described the inception of saline water research at ORNL and arrangements for the conduct of work on desalination which is sponsored by the Department of the Interior and AEC. Currently the Department of the Interior (Office of Saline Water) provides direct technical direction to the two portions of this program which it supports. Studies of basic water chemistry related to desalination are supported on the basis of review of proposals submitted to Interior by ORNL. Evaporator system development studies are undertaken at ORNL on the basis of work orders prepared by the staff of the Office of Saline Water. In each case approved programs are funded by interagency fund transfers from Interior to AEC. The third facet of the desalination program at ORNL is nuclear technology related to desalination. This is supported directly by AEC.

*Question 11. A different and unusual response of the AEC to the question of full use of its laboratories has been its experiment with diversification at Hanford and its arrangements for an AEC laboratory there to be used for private work. Please describe what was done and what the AEC hopes to accomplish. To what extent does your experience suggest this approach could be used by other Federal laboratories?*

Answer. Since 1964 six contractors have been selected to operate portions of Hanford Project work formerly conducted solely by the General Electric Company. Each contractor is committed to, and has begun to make, significant private capital investment in diversified activities. Several of these contractors, including Battelle Northwest (a Division of Battelle Memorial Institute), have authorization to use government-owned facilities for the conduct of private work.

AEC hopes, through these actions, to assist in stimulating the diversification of the economic base of the Tri-Cities area (Pasco, Kennewick and Richland, Washington) and to help assure the maintenance of significant talent and facilities for the conduct of AEC's programs.

I believe that these arrangements have contributed significantly to AEC's objective of stimulating diversification of industry in the area. In addition it is possible that the arrangements are leading to more effective use of government-owned laboratory facilities for broad national purposes. Many factors including contractor commitment to development of the area, community cooperation and agency support have contributed to the apparent success of this approach. Where these are present and where diversification of the economic base of an area is the prime objective, I believe the approach could be used in the case of other Federal laboratories.

*Question 12. The AEC's efforts to demonstrate the application of neutron activation to forensic analysis provide an example of applying a new technology to problems of crime control. To what extent was this work done in AEC laboratories? In particular, please describe the efforts of the Argonne National Laboratory and other AEC laboratories to encourage use of this technique by police.*