

UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

MAY 1 2 1978

COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION

> Mr. Gary D. Cobb Director, Office of Water Research and Technology Department of the Interior

Dear Mr. Cobb:

As part of our ongoing survey of the Nation's saline water conversion needs, we noted a problem which we would like to bring to your attention at this time to assure that the stated objectives of the Saline Water Conversion Program will be achieved. The Office of Water Research and Technology (OWRT) needs to better define its management plan for achieving program objectives by identifying goals and milestones for measuring, monitoring, and guiding the research, development and demonstration efforts for each desalination process. In addition, specific criteria needs to be developed for use in establishing the point in time when a process can be developed commercially without additional government support.

We based our views on visits to your headquarters as well as test facilities in Roswell, New Mexico and Wrightsville Beach, North Carolina. We have also briefly examined your legislative history and discussed the Saline Water Conversion Program with you and your staff.

BACKGROUND

In 1952, the Congress established the Saline Water Conversion Program to research and develop practical, low-cost means of converting seawater and other saline waters into useful water. The program has been cited as being responsible for much of the desalting technology currently in use or being installed in the world today. However, OWRT officials have told us that the initial mission of developing practical means to desalinate water still requires much research and development in order to make the processes more economical. To a large extent, the objective of the Saline Water Conversion Program has never been met.

The Saline Water Conversion Program has suffered from a historical lack of consistent management focus. Various administration changes have contributed to uncertainty on what needs to be done, in what priority, and when it would be completed. More recently, the threat of program termination has raised questions concerning the program's future and resulted in an unstable environment for all associated with the program. With your appointment, the program is experiencing yet another change in management focus.

NEED FOR MORE DEFINITIVE MANAGEMENT PLANNING

In view of the many reorganizations that have taken place over the years, we believe there is a real need at this time for more definitive planning and guidance than ever before. Specific goals and milestones for measuring, monitoring, and guiding individual saline water conversion processes need to be developed to provide program participants badly needed management direction. For example, a goal reducing the energy consumed in seawater membrane conversion processes by 15 percent within 18 months is measurable, monitorable and with proper guidance may be achievable. ... With such a goal defined, a manager can focus on the best way to utilize his funds and resources to achieve that goal within the established timeframe. Such clarity in defining organizational goals should tend to stabilize the program and direct program participants' energy towards accomplishing the mission. More specific goals and criteria would assist the administration and the Congress in measuring the progress, evaluating the effectiveness, and in determining the future of program activities.

A further step in improving planning would be to develop specific criteria indicating when a process would be considered commercially available and would not need additional government support. For example, a theoretical criterion might be: "a process will be considered commercially available when it will produce acceptable water in a given area at a cost that does not exceed 25 percent of the cost of alternative supplies." Although this is an arbitrary criterion, it illustrates the type of standard that might be established to measure when a process is "commercially available." We recognize that any criteria established would have to account for many variables, but nevertheless we believe it can and should be established and should be made available to all program participants so that a uniform and concerted effort can be made to achieve program objectives.

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We believe the matters discussed in this report deserve attention regardless of the type of organizational structure you ultimately decide upon. We understand that you have instructed some of your staff members to develop a management plan for use in your reorganization and we hope our recommendations will be considered as part of that plan.

We appreciate the courtesy and cooperation extended to us to date and look forward to working with you and your staff during the remainder of our survey. Please advise us of any actions planned or taken with respect to matters discussed in this report. If you have any questions, please call Mr. Carl Bannerman of my office on 693-8287.

Sincerely yours,

Wilbur D. Campbe 1

Associate Director

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