



Savannah River Site Watch

Changes at Helms of DOE and OMB Won't Solve any of the Chronic Problems Facing the MOX Boondoggle – Mismanaged, Underfunded, Flawed Project to Remain on Unavoidable Shut-down Track

Statement by SRS Watch Director Tom Clements, December 19, 2016

Rick Perry as secretary of energy and Representative Rick Mulvaney as director of the Office of Management and Budget won't change any of the facts that are working in unison against continuation of the MOX boondoggle: significant lack of funding, chronic design problems, a multitude of uncorrected construction problems, lack of qualified workers, lack of MOX customers, total lack of accountability for massive cost overruns and significant schedule delays and no demonstration that the facility could ever be started and operate as earlier claimed.

Perry and Mulvaney would be wise to be skeptical about the MOX project and demand answers to all the daunting challenges that confront what has become one of the costliest construction projects in U.S. history. They must quickly move to hold managers accountable for the massive cost overruns and lengthy schedule delays before making a political decision on the fate of the mismanaged project. Failure to get answers about project viability and failure to hold managers accountable for possible waste, fraud, abuse and mismanagement may well only continue wasteful spending and delay its termination. Likewise, justification as an inefficient jobs program is no reason to continue the project.

As usual, the special interests now calling for MOX to be continued have yet to make a funding and technical case the project can be made viable. If MOX is not terminated, the public deserves a clear demonstration that adequate funding - well beyond \$340 million/year shut-down level of funding - can be acquired over the next decades and that the mentioned problems resolved and those who have bungled the project held accountable. A political decision to continue MOX that disregards the problems that face the project will fall far short of being enough to make the troubled project work.

Likewise, 11th-hour efforts by CB&I AEVA MOX Services, such as removing subcontractor Superior Air Handling – rumored to have botched the HVAC work – will not be enough to save the project that has been problem-plagued since ground was first broken on the MOX plant construction in 2007.

Congress has kept the project on shut-down level of funding and for DOE to massively increase funding would mean that hundreds of millions of dollars would have to be annually shifted from other DOE accounts, which could cause a host of political and programmatic problems that both the new DOE secretary and OMB will want to avoid.

Perry, Mulvaney and Congress should get off to a good start in 2017 by moving forward with MOX termination and by calling for a host of in-depth investigations into waste, fraud, abuse and mismanagement by DOE/National Nuclear Security Administration/Shaw/CB&I AREA MOX Services and such contractors as Superior Air Handling.

Throwing more money at the troubled project for political reasons may well only help drive up the debt and prolong what now appears to be inevitable: MOX project termination.