MOX Contractor Contradicts DOE on Construction Problems at MOX Plant at the Savannah River Site; Full Investigated Warranted by Congress and Investigative Agencies

CB&I AREVA MOX Services Undocumented Claim of “Less than 1%” Rework Rate of Construction Problems is Wildly Divergent from DOE’s Figure of 25%

MOX Services Unsubstantiated Claim that MOX Plant Construction is 68% Complete at Disturbing Odds with Congressional Testimony by DOE’s that MOX Plant is 35% to 41% Complete

Columbia, SC – Directly contradicting the assessment of the U.S. Department of Energy (DOE) about construction problems at the plutonium fuel (MOX) factory, the contractor building the facility has made an unsubstantiated claim that there are few construction problems with the contentious project being slowly carried out at the Savannah River Site (SRS) in South Carolina.

A spokesperson for CB&I AREVA MOX Services stated on December 3, 2015 that the “reinstallation” rate – the rate at which improperly installed components are torn out and reinstalled – is not the alarming 25% as DOE has formally testified to Congress but “less than 1%”:

“That figure is inaccurate - in fact, ever since MOX construction began up until this point, rework has been less than 1 percent -- well below industry standards. (The project is also over 68 percent physically complete).” (email to Tom Clements, Director, SRS Watch)

No documentation was provided to back up the claims presented by CB&I AREVA MOX Services.

According to Savannah River Site Watch, the reinstallation problem is significant as it could indicate both design problems and poorly trained staff. Having to tear out and reinstall equipment and components such as piping, wiring, welds, walls and duct work result in significant cost increases and schedule delays. Improper installations could indicate an improper sequencing of installation of component and equipment, resulting in a possible domino effect of problems.

“Given the magnitude of money involved and the importance of plutonium disposition, the problems with construction of the MOX plant at SRS warrants a full investigation not only by Congress but by a host of federal investigative agencies,” said Tom Clements, director of the public interest no-profit group Savannah River Site Watch. “Reports of waste, fraud, abuse and inspection problems at the MOX plant necessitates in-depth reviews and investigations by the Government Accountability Office, the DOE’s Office of Inspector General, the NRC’s Inspector General and the Department of Justice. It is imperative
that the MOX project be scrutinized under the False Claims Act to determine if the government has been defrauded in any way during design and construction of the problem-plagued MOX plant.”

DOE’s formal testimony to Congress in an October 7, 2015 hearing- “Plutonium Disposition and the MOX Project” - before the House Armed Services Strategic Forces Subcommittee is totally at odds with the unsubstantiated “less than 1%” reinstallation claim by CB&I AREVA MOX Services. Mr. John J. MacWilliams Senior Advisor to the Secretary of Energy, U.S. Department of Energy, testified, in response to questions by Representative Jim Cooper (Ranking Member, Tennessee) that there was a 25% “reinstallation” rate on things installed in the MOX plant. MacWilliams also testified that the MOX plant is 35% to 41% complete, in sharp contradiction to the unsubstantiated claim by CB&I AREVA MOX Services that the MOX plant is 68% complete.

Underscoring that Congress has placed the MOX project on an unofficial shut-down track, MacWilliams went on to say at the hearing that that the $345 million/year budget for MOX was accomplishing “nothing.”

The DOE’s Red Team report on plutonium disposition also mentioned potential “significant rework” in the MOX plant in its report of August 2015: “The MFFF project itself...is reported by MOX Services to be about 65% complete. The Red Team acknowledges that local DOE project oversight personnel, including the Federal Project Director, dispute this number due in part to inadequate specification of construction sequencing and potential significant re-work. (pages 17-18)

In recent months, SRS Watch has received rumors about a host of construction and inspection problems at the MOX project and believes that investigations into possible waste, fraud, abuse and mismanagement by DOE, NNSA and CB&I AREVA MOX Services are needed now more than ever. “The MOX contractor and DOE officials must be held accountable for allowing this project to go so far off course. We continue to encourage MOX workers to send complaints and information on construction problems and questionable inspection activities to the DOE inspector general hotline, the Government Accountability Office (GAO) fraud hotline, the NRC inspector general hotline and to SRS Watch,” said Clements.

The reinstallation problem at the MOX construction project was first admitted publicly by an NNSA official during an SRS site tour on March 25, 2015, with SRS Watch and other public interest groups in attendance.

The problem-plagued MOX project is under the DOE’s National Nuclear Security Administration though it is unclear if the NNSA is continuing to monitor construction of the MOX plant. The Nuclear Regulatory Commission has but one resident on-site inspector and is inspecting only a small percentage of safety related items. Given the disturbing silence about their inspection and oversight role, it is unknown if DOE or NNSA are inspecting items that the NRC is not inspecting. SRS Watch solicits information if DOE/NNSA are in any way inspecting the MOX plant construction or not or if the site has essentially been abandoned to CB&I AREVA MOX Services, as has been rumored.

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House Armed Services Subcommittee on Strategic Forces, hearing on MOX, October 7, 2015, “Plutonium Disposition and the MOX Project;” Mr. John J. MacWilliams Senior Advisor to the Secretary of Energy, U.S. Department of Energy, testified, in response to questions by Rep. Jim Cooper (Ranking Member, Tennessee) that there was a 25% “reinstallation” rate on things installed in the MOX plant that the $345 million/year budget for MOX was accomplishing “nothing.” MOX plant workers have said that the “reinstallation” or “re-work” rate is 50% or higher and that the project will take 20-30 years to finish. MacWilliams also testified that the MOX plant is 35% to 41% complete, contrary to the unsubstantiated claim by CB&I AREVA MOX Services that the MOX plant is 68% complete. Webcast archived.

SRS Watch update of April 9, 2015, in which NNSA official is documented on reinstallation problems with MOX plant construction:

Update on DOE’s Problem-Plagued Plutonium Disposition Program - Stumbling to Termination: Mixed Oxide Fuel Plant Construction at Savannah River Site - NNSA Admits MOX Plant Construction Problems & NRC Dodges Full Inspection of MOX Plant


Most Recent MOX Plant Aerial photos, October 14, 2015 “©High Flyer, Special to SRS Watch”:

https://drive.google.com/folderview?id=0BwkyYyn8X-ySQ0VqQkZFWGdvMUk&usp=sharing

http://tinyurl.com/pru6za5

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