



Savannah River Site Watch

Media Alert
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NNSA Budget Request Affirms Cold Standby for MOX project and that an “Independent Assessment” will be Conducted on Cost of Preferred Plutonium Disposition Option; DOE Affirms \$30 Billion MOX Life-Cycle Cost

Columbia, SC – The Department of Energy’s National Nuclear Security Administration (NNSA) posted its detailed budget request on Saturday, March 15.

The NNSA budget request to Congress for Fiscal Year 2015 can be found at:
http://energy.gov/sites/prod/files/2014/03/f12/Volume_1_NNSA.pdf

The document affirms that the MOX project will be placed on cold standby: “The FY 2015 Request reflects a decrease from the FY 2014 Enacted level due in large part to the decision to place the Mixed Oxide (MOX) Fuel Fabrication Facility construction project at the Savannah River Site in cold stand-by to further study more efficient options for plutonium disposition.” (page 439)

The budget request confirms a request of \$196 million for MOX plant construction and an additional \$25 million administration in “other project costs” for the MOX Fuel Fabrication Facility (MFFF). (page 525)

The budget states that there is a \$72.5 million reduction in the Fiscal Year 2015 MOX funding request as compared to finally enacted amount for Fiscal Year 2014 and that “The overall decrease is mainly attributed to the slowdown of the plutonium disposition program and placing the MOX Fuel Fabrication Facility (MFFF) project in cold stand-by while the analysis of the plutonium disposition options is completed.” (page 526)

The budget affirms “a total lifecycle cost of approximately \$30 billion the MOX fuel approach is not viable within the available resources” (page 542).

“If DOE aims to restore public confidence in its administration of the plutonium disposition program, the confidential DOE report containing an analysis determining the \$30 billion cost for the MOX program must be released,” according to Tom Clements, adviser to the South Carolina Chapter of the Sierra Club. “That report also contains an analysis of other plutonium disposition options and the public must be able to see the document in its entirety. Given the mismanagement of the MOX program and its massive cost increases, DOE’s credibility has suffered tremendously and it is only through much more openness and transparency that DOE can hope to regain any public confidence.”

The budget request states that an “independent assessment” external to DOE will be conducted on the “life cycle costs, schedules, performance and scope of the selected option” for a “preferred option” for plutonium disposition.

According to Tom Clements, “We will work to make sure that the assessment is not controlled by the NNSA and that it is indeed independent, otherwise its conclusions will be suspect. We have heard that NNSA attempted to keep control of the assessment but such control without external review has been a main reason that the MOX projects costs and schedule have gone so awry.”

Related to the “independent assessment,” the budget request states:

“Based upon the ongoing analysis, the Department determined that the MOX fuel approach is significantly more expensive than anticipated, even with consideration of potential contract restructuring and other improvements that have been made to the MOX project. Due to these increases, the MOX fuel approach is not viable within available resources. As a result, the MOX project will be placed in cold stand-by while we further study implementation and costs of options to complete the plutonium disposition mission more efficiently. Upon selecting a preferred option, the Department will commission an independent assessment of the option. This independent assessment will be conducted by an organization external to the Department and its laboratories and will include establishment of life cycle costs, schedules, performance and scope of the selected option.” (page 527)

It is believed that DOE will use as a basis for selecting a preferred option the internal report conducted by John MacWilliams for Secretary of Energy Moniz. DOE stated in the Fiscal Year 2014 budget request that such a report would be produced. That report has not been released but Tom Clements filed a Freedom of Information Act (FOIA) request for it in December 2013 but so far DOE has not provided the document. “We await DOE’s full compliance with the FOIA law, which instructs that the report be released.”

The budget request affirms the creation of “a Plutonium Disposition Working Group” to undertake an analysis of plutonium disposition options and that “The working group has been analyzing the current disposition approach of disposing of surplus weapon-grade plutonium as MOX fuel in light water reactors (LWRs), fast reactor options to dispose of weapon-grade plutonium, and non-reactor based options.” (page 527)

“The public must be informed of the scope of work of the Plutonium Disposition Working Group be allowed to have input,” according to Clements. “Any documents produced by the Plutonium Disposition Working Group must be publicly released if DOE is to regain any credibility for the now-tainted plutonium disposition effort.”

Notes:

NNSA budget document:

http://energy.gov/sites/prod/files/2014/03/f12/Volume_1_NNSA.pdf

DOE budget website – Environmental Management (EM) budget volume has not yet been released:

<http://energy.gov/cfo/downloads/fy-2015-budget-justification>

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