

# UPF UPDATE

MAY 2014

## RED TEAM REPORT IS RECIPE FOR DISASTER

**W**HEN THE NATIONAL NUCLEAR SECURITY ADMINISTRATION'S Uranium Processing Facility pricetag threatened to break the \$20 billion barrier, NNSA Administrator Bruce Held set up a Hail Mary play—he appointed a “Red Team” to review the project and propose alternatives that would address the need to relocate weapon production activities from the deteriorating 9212 Complex at the Y12 Nuclear Weapons Complex sooner rather than later and rein in the runaway cost estimates.

Six weeks after beginning their review, the Red Team submitted its recommendations to the NNSA; ten days later a declassified version of the report has been released.

The first indication that the Red Team proposal is a recipe for disaster is found in the title of Figure 1 of the Report: *The new strategy will require engagement and matrixing of numerous NNSA offices.*

Observers of the NNSA since it was born in 2000 know only two things can be said with absolute confidence about the federal agency:

1] NNSA has perfected the art of spending more taxpayers' money and getting less for it, and

2] NNSA lacks management capacity to accomplish challenging projects.

Both of the above statements are true, and not one shred of evidence can be presented to contradict them. Every single major construction project undertaken by the NNSA has doubled its original cost estimate—most have quadrupled the original price, and not one has managed to perform its mission successfully—most have yet to be completed and are years behind schedule.

Central to the Red Team's conceptualizing of the new UPF is a wondrous graphic composed of three separate, overlapping silos encircled by two other wider, flatter cylinders resembling cake pans. Each of the cylinders is labeled, and the entire artifice is under a roof labeled NNSA.

### REALITY CHECK

The Red Team Report is replete with the language of urgency: “post-haste,” “without delay,” “expedite,” “with utmost urgency.” At the same time, the Red Team proposes a new, complicated manage-

ment structure that will rely at least in part on personnel who have demonstrated repeatedly that they lack the capacity to successfully integrate cost, scope, schedule, risk and technical aspects of the UPF effort. Since 2007, more than one billion dollars has been spent on design of the UPF; NNSA officials acknowledge that at least half of that has been wasted.

The Red Team proposes placing all Enriched Uranium programs under a sort of maestro, an additional layer of management, to orchestrate the diverse pieces and personnel responsible for enriched uranium operations. Instead of a single, focused effort to construct a facility to replace the 9212 Complex, the Red Team recommends moving pieces of 9212's mission to four different locations and maintaining lab operations in place. Each relocation will require major actions to accommodate the new operations and to assure safe and secure operations.

That the Red Team proposal can be successfully implemented by NNSA's current management personnel defies credibility. While the recognition that some significant management adjustment has to be made is on point; the solution proposed by the Red Team fails to take

into account the depth of the deficiencies running through NNSA. Management failure is cultural condition of the NNSA; it cannot be fixed by creating new positions or re-delegating authority. Attempting to do so will inevitably lead to more fiascos like the space/fit issue. With billions of taxpayer dollars at stake, this is too big a risk to take.

### LOST IN THE SHUFFLE

The Red Team does not address critical Y12 operations that may be displaced by the relocation of bomb production operations, like the dismantlement of nuclear secondaries from retired warheads in compliance with US treaty obligations.

The Red Team report also does not address the loss of savings that were to be realized by reducing Y12's security footprint after the UPF came into operation.

Neither does the Red Team report address in any detail concerns raised by the Defense Nuclear Facilities Safety Board

about the long-term viability of the facilities proposed to house some of 9212's operations. When NNSA announced its reduced scope solution to the space/fit fiasco, the Safety Board noted Building 9215 was only ten years younger than 9212 and was also deteriorating.

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contact: **Ralph Hutchison**  
**Oak Ridge Environmental Peace Alliance**  
**www.orepa.org • orep@earthlink.net**

## CONFIRMING CONCERNS

The Red Team report confirms concerns raised by the Government Accountability Office, the Oak Ridge Environmental Peace Alliance and others about the pace of technology development. The GAO noted in a report released in late April 2014 that NNSA was overly optimistic about the maturity of new technologies that would perform critical work in the UPF. The GAO repeated an earlier concern that NNSA was not complying with the industry standard requiring new technologies to be proven to “Technology Readiness Level 7” before they can be included in facility designs with confidence. NNSA’s response was to assert a kind of faith-based confidence in lieu of the industry standard. The GAO warned this could increase costs and threaten the UPF mission.

The Red Team says it like this: *A concern to the Review Team is that the facility design may have already outpaced the process design in key areas, and goes on to enumerate several examples.*

## HAVE WE HEARD THIS BEFORE?

If any of this sounds familiar, it may be because you’ve been paying attention. As far back as 2005, when the NNSA held hearings on its UPF plans, members of OREPA called for the NNSA to use existing facilities to perform a minimal slate of operations required to maintain the nuclear stockpile in a safe and secure state while awaiting dismantlement.

Since that time, OREPA has also identified the dismantlement of nuclear warheads and components as a prior-

ity mission for Y12 in the future, and has called for investment to increase dismantlement capacity and capability instead of major outlays for a production facility when the demand for production capabilities is waning.

## WHERE TO NOW?

The Red Team Report is already being reviewed within NNSA and by members of Congress, including Tennessee Senator Lamar Alexander who sits on the key Energy and Water Appropriations Subcommittee—the holder of the pursestrings for the UPF. Alexander has made it clear that the current UPF Project plan, a massive facility with cost estimates as high as \$19 billion, is no longer feasible.

That leaves the Red Team recommendations the only game in play in the NNSA world—assuming the wisdom of organizations like OREPA will continue to be dismissed despite the evidence of its past utility.

If the Red Team report, or a version of it, is adopted as the next “Future of Bomb Production at Y12” it will be a major change to the plan approved in the Record of Decision issued in 2011 as a result of the Y12 Site-Wide Environmental Impact Statement. Any significant deviation from the UPF approved in that document will require a new environmental analysis, complete with public hearings.

At the same time, the competition for scarce budget dollars will continue in Congress. Questions not addressed by the Red Team—Can some of the mission of Y12’s 9212 Complex be done at Pantex in Amarillo, Texas, reducing risks and saving money? What compro-

## THE UPF

- First proposed in 2005 as a replacement for aging production facilities, the Building 9212 complex, at Y12 in Oak Ridge, TN.
- Original plan included modernized dismantlement operations; current plan calls for full scale production operations only.
- Remains the flagship of the next generation of nuclear weapons production facilities in the US.

## LIFE EXTENSION PROGRAM

- Seeks to refurbish and replace aging parts of weapons in the US nuclear stockpile to extend their useful life for 60-80 years.
- Modifications significantly change the military capabilities of the warhead being “LEPPed,” effectively creating a new nuclear weapon.
- In 2014, the US is performing LEPs on the W-76 Trident warhead; plans for B61 LEPs are undergoing scrutiny; initial studies on W78 LEPs are also beginning.

mises of public safety and security are acceptable in the name of cost savings?—may be addressed as Congress looks to spend money as conservatively and wisely as possible.

## WHAT YOU CAN DO NOW

The FY 2015 budget is before Congress now, with hearings scheduled for this month. Now is the time to tell your Senators and Representative to cut funding for the UPF—at least until the NNSA can explain what it will spend the money for. It makes no sense at all to appropriate \$335 million to design an imaginary facility. Ask for lawmakers to demand accountabil-

ity for past UPF mistakes and insist on a cultural change at NNSA—or simply abolish the NNSA altogether. Share this Update with friends and encourage them to take action.

Letters to the editor are a relatively easy and important way to get lawmakers’ attention, especially if you name them in the letter—“We are looking for Senator \_\_\_\_\_ to spend our tax dollars wisely, not

waste them on a misguided boondoggle.”

You can also help by supporting OREPA as we work to keep people informed about the UPF. Tax-deductible donations can be sent to OREPA at P O Box 5743, Oak Ridge, TN 37831. And you can stay informed and up-to-date by checking in at [www.orepa.org](http://www.orepa.org) regularly.