

108TH CONGRESS }
1st Session

HOUSE OF REPRESENTATIVES

{ REPORT
108-106

NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2004

R E P O R T

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ON

H.R. 1588

together with

ADDITIONAL, DISSENTING, AND
SUPPLEMENTAL VIEWS

[Including cost estimate of the Congressional Budget Office]



MAY 16, 2003.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

structure plan required by base realignment and closure law, as amended by section 2842 of this act.

Section 2844—Requirement for Unanimous Vote of Defense Base Closure and Realignment Commission to Recommend Closure of Military Installation not Recommended for Closure by Secretary of Defense

This section would amend section 2914(d) of the Defense Base Closure and Realignment Act of 1990 to require a unanimous vote of the base closure commission to add an installation to the list of bases recommended for closure by the Secretary of Defense.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

OVERVIEW

The budget request contained \$16,679.2 million for the national security activities of the Department of Energy for fiscal year 2004 (excluding a rescission of \$75.0 million of balances remaining available for Cerro Grande fire activities). Of this amount, \$8,834.6 million is for the programs of the National Nuclear Security Administration, \$7,734.1 million is for environmental and other defense activities, and \$110.5 million is for energy supply. The committee recommends the budget request of \$16,679.2 million, representing an increase of \$1,103.2 million from the amount authorized for fiscal year 2003. The following table summarizes the budget request and the committee recommendations.

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004	Committee	Committee	Committee	FY 2004
	Authorization				Change
	Request				
Energy Supply					
Nuclear Energy					
Infrastructure					
Idaho facilities management					
INEEL infrastructure					
INEEL infrastructure O&M (050).....	21,415	0			21,415
Idaho sitewide safeguards and security (050).....	56,654	0			56,654
Total, Infrastructure.....	78,069	0			78,069
Program direction (050).....	35,407	0			35,407
Subtotal Nuclear Energy.....	113,476	0			113,476
Less security charge for reimbursable work (NE) (050).....	(3,003)	0			(3,003)
Total, Energy Supply.....	110,473	0			110,473
Weapons Activities					
Directed stockpile work					
Stockpile research and development.....	433,150				433,150
Stockpile maintenance.....	405,746	0			405,746
Stockpile evaluation.....	202,885	0			202,885
Dismantlement/disposal.....	37,722	0			37,722
Production support.....	278,113	17,000	17,000		295,113
Field engineering, training and manuals.....	7,170	0			7,170
Total, Directed stockpile work.....	1,364,786	17,000	17,000	0	1,381,786
Campaigns					
Science campaigns					
Primary certification.....	65,849	0			65,849
Dynamic materials properties.....	82,251	0			82,251
Advanced radiography					
Operations and maintenance.....	65,985	(5,000)		(5,000)	60,985

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
Secondary certification and nuclear systems margins	55,463	0			55,463
Total, Science campaigns.....	269,548	(5,000)	0	(5,000)	264,548
Engineering campaigns					
Enhanced surety.....	37,974	0			37,974
Weapons system engineering certification.....	28,238	0			28,238
Nuclear survivability.....	23,977	0			23,977
Enhanced surveillance.....	94,781	0			94,781
Advanced design and production technologies.....	79,917	0			79,917
Engineering campaigns construction activities					
Operations and maintenance.....	4,500	0			4,500
Construction:					
01-D-108 Microsystem and engineering science applications, SNL, Albuquerque, NM	61,800	0			61,800
Total, Engineering campaigns construction activities.....	66,300	0	0	0	66,300
Total, Engineering campaigns.....	331,187	0	0	0	331,187
Inertial confinement fusion and high yield campaign					
Operations and maintenance.....	316,769	(5,000)		(5,000)	311,769
Construction:					
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA.....	150,000				150,000
Total, Inertial confinement fusion and high yield campaign.....	466,769	(5,000)	0	(5,000)	461,769
Advanced simulation and computing campaign					
Operations and maintenance.....	713,326	0			713,326
Construction:					
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA.....	12,300	0			12,300
00-D-103, Terascale simulation facility, LLNL, Livermore, CA.....	25,000	0			25,000
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM.....	0	0			0
Total, Construction.....	37,300	0	0	0	37,300
Total, Advanced simulation and computing campaign.....	750,626	0	0	0	750,626

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
Pit manufacturing and certification campaign.....	320,228	0			320,228
Readiness campaigns					
Stockpile readiness.....	55,158	2,000	2,000		57,158
High explosives manufacturing and weapons assembly/disassembly readiness.....	29,649				29,649
Non-nuclear readiness.....	37,397				37,397
Materials readiness.....	0	0			0
Tritium readiness					
Operations and maintenance.....	59,893	0			59,893
Construction:					
98-D-125 Tritium extraction facility, Savannah River site, Aiken, SC.....	75,000	0			75,000
98-D-126 Accelerator production of tritium (APT), various locations.....	0	0			0
Total, Construction.....	75,000	0			75,000
Total, Tritium readiness.....	134,893	0			134,893
Total, Readiness campaigns.....	257,097	2,000	2,000	0	259,097
Total, Campaigns.....	2,395,455	(8,000)	2,000	(10,000)	2,387,455
Readiness in technical base and facilities					
Operations of facilities.....	972,773	16,300	36,300	(20,000)	989,073
Other sites.....		[-20,000]		[-20,000]	
Y-12 Plant Facilities and Legacy Material Stewardship.....		[7,000]	[7,000]		
Pantex Plant Maintenance.....		[14,300]	[14,300]		
Pantex General Plant Projects and Capital Equipment.....		[15,000]	[15,000]		
Program readiness.....	131,093	0			131,093
Special projects.....	42,975	0			42,975
Material recycle and recovery.....	76,189	0			76,189
Containers.....	16,006	0			16,006
Storage.....	11,365	0			11,365
Nuclear weapons incident response.....	89,694	0			89,694

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004	Committee Change	Committee Increase	Committee Decrease	FY 2004
	Authorization Request				Committee Authorization
Subtotal, Readiness in technical base and facilities.....	1,340,095	16,300	36,300	(20,000)	1,356,395
Construction:					
04-D-101 Test capabilities revitalization, Sandia National Laboratories, Albuquerque, NM.....	36,450	0			36,450
04-D-102 Exterior communications infrastructure modernization, Sandia National Laboratories Alt	20,000	0			20,000
04-D-103 Project engineering and design, (PED) various locations.....	2,000	0			2,000
04-D-104 National security sciences building Los Alamos National Laboratory, Los Alamos, NM....	50,000	(12,000)		(12,000)	38,000
04-D-125 Chemistry and metallurgy facility replacement project, Los Alamos National Laboratory,	20,500	0			20,500
04-D-126 Building 12-44 production cellsupgrade, Pantex plant, Amarillo, TX.....	8,780	0			8,780
04-D-127 Clearing and loading modifications Savannah River site, Aiken, SC.....	2,750	0			2,750
04-D-128 TA-18 Mission relocation project Los Alamos National Laboratory, Los Alamos, NM.....	8,820	0			8,820
03-D-101 Sandia underground reactor facility Sandia National Laboratories, Albuquerque, NM.....	0	0			0
03-D-102 LANL Administration Building (LANL).....					
03-D-103 Project engineering and design (PED) various locations.....	10,570	0			10,570
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO.....	15,300	0			15,300
03-D-122 Purification facility, Y-12 plant Oak Ridge, TN.....	0	0			0
03-D-123 Special nuclear materials component requalification facility, Pantex plant, Amarillo, TX...	7,628	0			7,628
02-D-103 Project engineering and design, various locations.....	10,950	0			10,950
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA.....	9,776	0			9,776
02-D-107 Electrical power systems safety communications and bus upgrades, Nevada Test Site...	2,887	0			2,887
01-D-103 Project engineering and design (PED) various locations.....	1,600	0			1,600
01-D-107 Atlas relocation and operations Nevada Test Site, NV.....	0	0			0
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM.....	0	0			0
01-D-124 HEU materials facility, Y-12 plant, Oak Ridge, TN.....	45,000	0			45,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX.....	2,838	0			2,838
01-D-800 Sensitive compartmented information facility, LLNL, CA.....	0	0			0
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA.....	0	0			0
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA.....	3,500	0			3,500
99-D-106 Model validation & system certification center, SNL, Albuquerque, NM.....	0	0			0
99-D-125 Replace boilers & controls, Kansas City plant, Kansas City, MO.....	0	0			0
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO.....	12,475	0			12,475
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX.....	0	0			0

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consoli	0	0			0
98-D-124 Stockpile management restructuring initiative, Y-12 plant Oak Ridge, TN.....	0	0			0
97-D-123 Structural upgrades, Kansas City plant, Kansas City, MO.....	0	0			0
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations.....	1,552	0			1,552
90-D-124 High explosive synthesis facility, Pantex plant, Amarillo, TX.....	0	0			0
88-D-125 HE machining facility, PX.....	0	0			0
Total, Construction.....	273,376	(12,000)	0	(12,000)	261,376
Total, Readiness in technical base and facilities.....	1,613,471	4,300	36,300	(32,000)	1,617,771
Facilities and infrastructure recapitalization program					
Operation and maintenance.....	261,404	0			261,404
Construction					
04-D-203 Facilities and infrastructure recapitalization program (FIRP), project engineering design	3,719	0			3,719
Total, Facilities and infrastructure					
recapitalization program.....	265,123	0			265,123
Secure transportation asset					
Operations and equipment.....	123,605	0			123,605
Program direction.....	58,795	0			58,795
Total, Secure transportation asset.....	182,400	0			182,400
Safeguards and security					
Operations and maintenance.....	582,067	1,700	11,700	(10,000)	583,767
Physical and Cyber Security Research and Development.....		[-10,000]		[-10,000]	
LLNL Security Upgrades.....	0	[11,700]	[11,700]		
Construction:					
99-D-132 Nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM.....	3,683	0			3,683
Total, Safeguards and security.....	585,750	1,700	11,700	(10,000)	587,450
Subtotal, Weapons Activities.....	6,406,985	15,000	67,000	(52,000)	6,421,985
Adjustments					

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
Use of prior year balances.....	0	0			0
Less security charge for reimbursable work.....	(28,985)	0			(28,985)
Total, Adjustments.....	(28,985)	0			(28,985)
Total, Weapons Activities.....	6,378,000	15,000	67,000	(52,000)	6,393,000
Defense Nuclear Nonproliferation					
Nonproliferation and verification R&D					
Operation and maintenance.....	203,873	0			203,873
Construction:					
00-D-192 Nonproliferation and international security center (NISC), LANL.....	0	0			0
Total, Nonproliferation & verification R&D.....	203,873	0	0	0	203,873
Nonproliferation and international security.....					
IAEA Safeguards and Nonproliferation Policy	101,734	0	5,000	(5,000)	101,734
Nuclear Noncompliance Verification.....	0	[-5,000]		[-5,000]	
			[5,000]		
Nonproliferation programs with Russia					
International nuclear materials protection and cooperation.....	226,000	0			226,000
Russian transition initiatives.....	40,000	0			40,000
HEU transparency implementation.....	18,000	0			18,000
International nuclear safety and cooperation.....	14,083	(2,500)		(2,500)	11,583
Elimination of weapons-grade plutonium production program.....	50,000	0			50,000
Accelerated materials disposition.....	30,000	(25,000)		(25,000)	5,000
Fissile materials disposition					
U S surplus materials disposition.....	193,805	0			193,805
Russian surplus materials disposition.....	47,100	0			47,100
Construction:					
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC.....	0	0			0
99-D-141 Pit disassembly and conversion facility, Savannah River, SC.....	13,600	0			13,600

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC.....	402,000	0			402,000
Total, Construction.....	415,600	0			415,600
Program direction.....	0	0			0
Total, Fissile materials disposition.....	656,505	0	0	0	656,505
Total, Nonproliferation programs with Russia.....	1,034,588	(27,500)	0	(27,500)	1,007,088
Return of domestic sealed sources.....	0	0			0
Program direction.....	0	0			0
Subtotal, Defense Nuclear Nonproliferation.....	1,340,195	(27,500)	5,000	(32,500)	1,312,695
Adjustments:					
Use of prior year balances.....	0	0			0
International renewable energy program.....	0	0			0
Total, Adjustments.....	0	0			0
Total, Defense Nuclear Nonproliferation.....	1,340,195	(27,500)	5,000	(32,500)	1,312,695
Naval Reactors					
Naval reactors development					
Operation and maintenance.....	724,600	0			724,600
Construction:					
03-D-201 Cleanroom technology facility.....	300	0			300
01-D-200 Major office replacement building, Schenectady, NY.....	0	0			0
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID.....	18,300	0			18,300
Total, Construction.....	18,600	0	0	0	18,600
Total, Naval reactors development.....	743,200	0	0	0	743,200
Program direction.....	25,200	0			25,200
Total, Naval Reactors.....	768,400	0	0	0	768,400
Office Of The Administrator					
Office of the Administrator.....	347,980	0			347,980

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004	Committee Change	Committee Increase	Committee Decrease	FY 2004
	Authorization Request				Authorization
Defense nuclear nonproliferation.....	0	0			0
Total, Office of the Administrator.....	347,980	0			347,980
Total, National Nuclear Security Administration	8,834,575	(12,500)	72,000	(84,500)	8,822,075
Defense Environmental Restoration & Waste Management					
Site/project completion					
Operation and maintenance.....	0	0			0
Construction:					
03-D-414 Preliminary project engineering and design (PE&D), Aiken, SC.....					
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID.....	0	0			0
02-D-420 Plutonium packaging and stabilization, Savannah River, SC.....	0	0			0
01-D-414 Preliminary project, engineering and design (PE&D), various locations.....	0	0			0
99-D-402 Tank farm support services, F&H area, Savannah River Site, Aiken, SC.....	0	0			0
99-D-404 Health physics instrumentation laboratory, INEL, ID.....	0	0			0
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA.....	0	0			0
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC.....	0	0			0
92-D-140 F&H canyon exhaust upgrades, Savannah River, SC.....	0	0			0
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA.....	0	0			0
Total, Construction.....	0	0	0	0	0
Total, Site/project completion.....	0	0	0	0	0
Post 2006 completion					
Operation and maintenance.....	0	0			0
Uranium enrichment D&D fund contribution.....	0	0			0
Construction:					
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC.....	0	0			0
Office of river protection					
Operation and maintenance.....	0	0			0
Construction:					
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA.....	0	0			0

Title XXXI - DEPARTMENT OF ENGERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004		FY 2004		FY 2004 Committee Authorization
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	
01-D-416 Tank waste remediation system, RL.....	0	0			0
97-D-402 Tank farm restoration and safe operations, Richland, WA.....	0	0			0
94-D-407 Initial tank retrieval systems, Richland, WA.....	0	0			0
Total, Construction.....	0	0	0	0	0
Total, Office of river protection.....	0	0	0	0	0
Total, Post 2006 completion.....	0	0	0	0	0
Science and technology.....	0	0			0
Excess facilities.....	0	0			0
Multi-Site activities.....	0	0			0
Safeguards and security.....	0	0			0
Program direction.....	0	0			0
Subtotal, Defense environmental restoration and waste management.....	0	0	0	0	0
Adjustments:					
Use of prior year balances.....	0	0			0
Less security charge for reimbursable work.....	0	0			0
Total, Adjustments.....	0	0	0	0	0
Total, Defense Environmental Restoration And Waste Management.....	0	0	0	0	0
Environmental Management Cleanup Reform					
Environmental management cleanup reform.....	0	0			0
Defense Site Acceleration Completion					
<i>(was Defense Facilities Closure Projects)</i>					
2006 Accelerated completions.....	1,245,171	9,500	9,500		1,254,671
2012 Accelerated Completions					
Operation and maintenance.....	1,512,554	0			1,512,554
Construction:					

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004	Committee Change	Committee Increase	Committee Decrease	FY 2004
	Authorization Request				Authorization
04-D-414 Project engineering and design, various locations.....	23,500	0			23,500
04-D-423 3013 container surveillance capability in 235-F, SR.....	1,134	0			1,134
02-D-402 Cathodic protection system expansion, ID.....	1,126	0			1,126
01-D-416 Waste treatment and immobilization plant, RL.....	690,000	0			690,000
Total, Construction.....	715,760	0	0	0	715,760
Total, 2012 Accelerated Completions.....	2,228,314	0	0	0	2,228,314
2035 Accelerated Completions					
Operation and maintenance.....	1,892,884	0			1,892,884
Construction:					
04-D-408 Glass waste storage building #2, SR.....	20,259	0			20,259
03-D-403 Immobilized HLW interim storage facility, RL.....	13,954	0			13,954
03-D-414 Project engineering and design, various locations.....	51,500	0			51,500
Total, Construction.....	85,713	0	0	0	85,713
Total, 2035 Accelerated Completions.....	1,978,597	0	0	0	1,978,597
Safeguards and security.....	299,977	0			299,977
Technology development and deployment.....	63,920	0			63,920
Site closure.....	0	0			0
Safeguards and security.....	0	0			0
Subtotal, Defense Site Acceleration Completion.....	5,815,979	9,500	9,500	0	5,825,479
Less security charge for reimbursable work.....	(1,344)	0			(1,344)
Total, Defense Site Acceleration Completion.....	5,814,635	9,500	9,500	0	5,824,135
Defense Environmental Services					
<i>(was Defense Environmental Management Privatization)</i>					
Community and regulatory support.....	61,337	0			61,337
Federal contribution to the uranium enrichment.....	452,000	0			452,000
Non-closure environmental activities					
Operation and maintenance.....	189,698	0			189,698

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004			FY 2004	
	Authorization Request	Committee Change	Committee Increase	Committee Decrease	Authorization
Program direction.....	292,144	0			292,144
Privatization initiatives, various locations.....	0	0			0
Subtotal, Defense Environmental Services.....	995,179	0	0	0	995,179
Use of prior year balances.....	0	0			0
Total, Defense Environmental Services.....	995,179	0	0	0	995,179
Other Defense Activities					
Energy security and assurance					
Energy security.....	0	0			0
Program direction.....	4,272	(1,000)		(1,000)	3,272
Total, Energy security and assurance.....	4,272	(1,000)	0	(1,000)	3,272
Office of Security					
Nuclear safeguards and security.....	104,713	0			104,713
Security investigations.....	54,554	0			54,554
Program direction.....	52,490	0			52,490
Chief information officer					
Corporate management information program.....	0	0			0
Total, Office of Security.....	211,757	0	0	0	211,757
Intelligence					
Counterintelligence.....	39,823	5,000	5,000		44,823
Advanced accelerator applications.....	45,955	0			45,955
Advanced accelerator applications.....	0	0			0
Independent oversight and performance assurance.....	22,575	0			22,575
Environment, safety & health					
Environment, safety and health (defense).....	87,276	0			87,276
Program direction.....	20,410	0			20,410
Total, Environment, safety and health.....	107,686	0	0	0	107,686

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Worker and community transition					
Worker and community transition.....	12,321				12,321
Program direction.....	2,679	(1,000)		(1,000)	1,679
Total, Worker and community transition.....	15,000	(1,000)	0	(1,000)	14,000
Office of Legacy Management					
Office of Legacy Management (050).....	19,178	0			19,178
National security programs administrative support.....	25,000	0			25,000
Office of hearings and appeals.....	3,797	0			3,797
Subtotal, Other defense activities.....	495,043	3,000	5,000	(2,000)	498,043
Adjustments:					
Use of prior year balances.....	0	0			0
Less security charge for reimbursable work (SO).....	(712)	0			(712)
Total, Adjustments.....	(712)	0			(712)
Total, Other Defense Activities.....	494,331	3,000	5,000	(2,000)	497,331
Defense Nuclear Waste Disposal					
Defense nuclear waste disposal.....	430,000	0			430,000
Total, Environmental and Other Defense Activities	7,734,145	12,500	14,500	(2,000)	7,746,645
Cerro Grande fire activities.....		0			0
TOTAL, Atomic Energy Defense Activities	16,679,193	0	86,500	(86,500)	16,679,193

Title XXXI - DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

(Dollars in Thousands)

Program	FY 2004 Authorization Request	Committee Change	Committee Increase	Committee Decrease	FY 2004 Committee Authorization
Atomic Energy Defense Activities (053)					
Energy Programs					
Energy supply.....	110,473	0	0	0	110,473
National Nuclear Security Administration:					
Weapons activities.....	6,378,000	15,000	67,000	(52,000)	6,393,000
Defense nuclear nonproliferation.....	1,340,195	(27,500)	5,000	(32,500)	1,312,695
Naval reactors.....	768,400	0	0	0	768,400
Office of the administrator.....	347,980	0	0	0	347,980
Total, National Nuclear Security Administration.....	8,834,575	(12,500)	72,000	(84,500)	8,822,075
Environmental and other defense activities:					
Defense environmental restoration & waste management.....	0	0	0	0	0
Defense environmental cleanup reform.....	0	0	0	0	0
Defense site acceleration completion.....	5,814,635	9,500	9,500	0	5,824,135
Defense environmental services.....	995,179	0	0	0	995,179
Other defense activities.....	494,331	3,000	5,000	(2,000)	497,331
Defense nuclear waste disposal.....	430,000	0	0	0	430,000
Total, Environmental & other defense activities.....	7,734,145	12,500	14,500	(2,000)	7,746,645
Cerro Grande fire activities.....	0	0	0	0	0
Total Department of Energy.....	16,679,193	0	86,500	(86,500)	16,679,193
Defense Nuclear Facilities Safety Board	19,559				19,559
Total, Atomic Energy Defense Activities.....	16,698,752				16,698,752

ITEMS OF SPECIAL INTEREST

NATIONAL NUCLEAR SECURITY ADMINISTRATION

Overview

The budget request contained \$8,834.6 million for the National Nuclear Security Administration for fiscal year 2004. The committee recommends \$8,822.1 million, representing an increase of \$783.6 million from the amount authorized for fiscal year 2003.

Adjustments to the Budget Request

Reductions

The budget request contained \$66.0 million for the Advanced Radiography campaign. The committee recommends \$61.0 million, a decrease of \$5.0 million. The committee notes a substantial increase in the request for advanced radiography requirements and technology development, including requirements studies for an Advanced Hydrotest Facility. The committee understands that the Dual-Axis Radiographic Hydrotest facility is critical to high priority stockpile life extension efforts, particularly plutonium pit certification. The committee urges the National Nuclear Security Administration to focus on delivering the radiographic tools essential to its nearer term production requirements.

The budget request contained \$466.8 million for the Inertial Confinement Fusion Ignition and High Yield campaign. The committee recommends \$461.8 million, a decrease of \$5.0 million. The committee notes the more than 100 percent growth in the request for experimental support technologies for development of National Ignition Facility diagnostics and target fabrication capabilities. The committee believes this area has been underemphasized in the past, but questions effective executability of the increase. The committee cautions that these funds should be used for their stated purpose.

The budget request for operations of facilities in Readiness in the Technical Base and Facilities (RTBF) contained \$37.0 million for "other sites", a more than four fold increase over the comparable fiscal year 2003 request. The committee does not believe the request has been adequately justified, and recommends \$17.0 million, a decrease of \$20.0 million.

The budget request contained \$50.0 million in RTBF to begin construction of a national security sciences building at Los Alamos National Laboratory (project 04-D-104). This is a construction new start that has not previously been authorized by the committee. The committee is aware that this project received an advance appropriation in fiscal year 2003 of \$12.0 million, and accordingly recommends \$38.0 million for the project, a decrease of \$12.0 million.

The operations and maintenance budget request for Safeguards and Security contains \$8.0 million to initiate a physical security research and development program, and \$2.0 million to initiate a similar cybersecurity effort. The committee views Safeguards and Security as an important but supporting element to the defense nuclear complex, which already spends billions of dollars annually on research and development. The committee further notes that the proposed activities would be largely duplicative of the technology

and systems development program, for which the Department of Energy has requested \$20.9 million within Safeguards and Security under other defense activities. The committee recommends no funding for these initiatives.

The international safeguards budget request within the Nonproliferation and International Security program contained \$15.7 million for International Atomic Energy Agency (IAEA) safeguards and nonproliferation policy support, an increase of \$5.8 million from the comparable fiscal year 2003 request, and 6.0 million for nuclear noncompliance verification. The committee believes that greater attention is required to specific proliferant states, such as North Korea, rather than to strengthening safeguards more globally. Consequently, the committee recommends \$10.7 million for IAEA safeguards and nonproliferation policy support, a decrease of \$5.0 million, and \$11.0 million for nuclear noncompliance verification, an increase of \$5.0 million.

The budget request contained \$14.1 million for International Nuclear Safety and Cooperation. The committee recommends \$11.6 million, a decrease of \$2.5 million. The committee notes that this program was originally established to address safety deficiencies in Soviet-designed nuclear reactors in states of the former Soviet Union. This effort is now complete, and the committee believes that international cooperation on nuclear safety, specifically in China and elsewhere in Asia, is more appropriately addressed by other federal departments and international agencies using non-defense funding.

The budget request contained \$30.0 million for Accelerated Material Disposition (AMD). The committee recommends \$5.0 million, a reduction of \$25.0 million. The committee questions the cost effectiveness of the proposed program and suggests that NNSA rethink its approach. Under existing agreements between the United States and the Russian Federation, most notably the 1993 Highly Enriched Uranium (HEU) Purchase Agreement, the United States Enrichment Corporation will purchase low enriched uranium (LEU) down-blended from 500 metric tons of Russian weapon source HEU for resale as commercial nuclear reactor fuel. Currently, approximately 30 metric tons of HEU is down-blended per year, and the process is monitored under the HEU Transparency Implementation program at a cost to the taxpayer of \$18.0 million for fiscal year 2004. The proposed AMD program would increase the present blend-down rate by 1 to 1½ metric tons per year, at best an increase of five percent, at a cost of \$25.0 million per year, more than the total cost of the existing program. The committee notes that reaching NNSA's goal of doubling the blend down rate to 60 metric tons of HEU per year would cost approximately \$600 million per year by this approach.

The committee also questions NNSA's priorities in requesting additional funds under the Reduced Enrichment for Research and Test Reactors program to accelerate development of LEU fuel for five HEU-fueled research reactors in the United States. The committee considers foreign HEU-fueled research reactors to pose a more significant proliferation threat. The committee notes that the list of potential nonproliferation efforts worthy of some consideration is practically endless, while resources are not. The committee advises NNSA in the strongest terms to develop a strategy for ana-

lyzing the full spectrum of proliferation risks, and a process for assessing the cost versus the benefit of programs proposed to mitigate those risks.

Increases

The committee remains concerned about the ability of an aging defense nuclear complex infrastructure to meet increasing requirements associated with four ongoing stockpile life extension programs. The problem is especially acute in the production plants. The committee understands that many years of sustained funding will be required to reduce maintenance backlogs and re-capitalize the complex. The committee makes a number of recommendations. The committee recommends \$295.1 million for production support within Directed Stockpile Work, an increase of \$17 million to replace aging manufacturing process equipment and support systems at Y-12. The committee recommends \$57.2 million for the Stockpile Readiness campaign, an increase of \$2.0 million for critical processing, machining, and inspection equipment required for future directed stockpile work at Y-12. The committee recommends a net increase of \$16.3 million to operations of facilities within RTBF for a total of \$989.1 million, which includes an additional \$7.0 million for facilities maintenance and legacy material stewardship at Y-12, an additional \$14.3 million for plant maintenance at Pantex, and an additional \$15.0 million for plant projects and capital equipment at Pantex.

The budget request contained \$582.1 million for Safeguards and Security operations and maintenance. The committee recommends \$583.8 million, a net increase of \$1.7 million. The committee provides additional funds of \$11.7 million for security enhancements at the Lawrence Livermore National Laboratory, including physical security upgrades to facilities for handling and storing special nuclear materials, cyber-security improvements, and security systems maintenance and replacement.

Advanced Weapons Concepts

The committee notes that the National Nuclear Security Administration (NNSA) has requested \$21.0 million to explore advanced weapons concepts, including \$15.0 million to continue feasibility and cost studies for the Robust Nuclear Earth Penetrator, and \$6.0 million (\$2.0 million per design laboratory) for other concept definition studies. The committee further notes that the budget request for these efforts is less than half of one percent of the total request of \$6.4 billion for Weapons Activities, a small research and development investment by most standards. The committee believes that NNSA should consider more significant future investment in these activities.

The committee believes that advanced concepts studies serve a number of important purposes. First, the weapons laboratories are the repository for certain skills critical to national security, and although NNSA executes a wide range of technically challenging and sophisticated weapons related activities, there is still no substitute for actually exercising the design process. Second, most weapons designers with real test experience have retired or are eligible for retirement, and there is a time critical requirement for the next generation of scientists and engineers to gain proficiency under the

tutelage of those remaining. Third, nuclear weapons in the hands of potential adversaries pose a grave and proliferating threat to the security of the United States, and in order to avoid technical surprise, NNSA must understand the “art of the possible”. Finally, the present Cold War stockpile may not meet future technical requirements for a credible strategic deterrent.

While mindful of proliferation concerns, the committee does not believe that artificial and arbitrary constraints on what weapons designers may or may not consider serve the best interests of the nation. Accordingly, section 3111 would repeal the statutory prohibition on low yield weapon development under section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The committee observes that before any advanced concept enters engineering development (phase 3/6.3), and prototype hardware is fabricated, NNSA requires the formal approval of the Nuclear Weapons Council and a budget authorization from Congress. Regardless of the outcome of legislative action on section 3111, the committee is unaware of restrictions on design work related to weapons with yields in excess of five kilotons, and accordingly recommends that NNSA proceed with its advanced concepts initiative forthwith.

Coordination of Nonproliferation and Threat Reduction Programs

The committee notes that a number of federal departments (primarily the Departments of Defense, Energy, and State) fund and participate in threat reduction and nonproliferation programs. The committee remains concerned about the coordination between these programs. The committee understands that many if not most of these efforts are based on historical relationships and access agreements. The committee observes that merely de-conflicting activities is not equivalent to development of an effective, efficient, integrated program with well defined departmental roles and responsibilities. The committee suggests that the administration designate a lead department, and urges realignment of these efforts according to distinct assigned departmental mission areas.

Management of Stockpile Life Extension Programs

The committee remains concerned that stockpile life extension programs (SLEPs) for the B61, W76, W80, and W87 continue to be managed as loosely coordinated “level-of-effort” activities spread across the defense nuclear complex. Such an approach is more appropriate to research and development than to a production effort with a well defined quantity, schedule, and scope of work. The committee strongly recommends that the SLEPs be “projectized” under strong leadership, and with cost, schedule and performance milestones against which progress can be measured.

The committee report on H.R. 5431, the Energy and Water Development Appropriations Act, 2003 (H. Rept. 107–681) directs the National Nuclear Security Administration (NNSA) to prepare Selected Acquisition Reports (SARs) for each SLEP. The committee believes that such planning and budgeting by warhead type will bring some needed discipline to the refurbishment process, and can help form the basis for “projectizing” these efforts. The committee notes that NNSA submitted classified SARs with the fiscal year

2004 budget request, but that those reports are of a transitional nature. The committee urges NNSA to commit to this approach in a timely and prudent manner.

NNSA Management Structure

Reform of the Department of Energy's organizational structure for managing the defense nuclear complex was of particular interest to Congress when it passed title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65), also known as the National Nuclear Security Administration (NNSA) Act. Section 3153 of the National Defense Authorization Act for Fiscal Year 2001 (Public Law 106-398) required the NNSA Administrator to submit to the Armed Services Committees a plan for assigning roles and responsibilities among headquarters and field elements. The Administrator submitted an interim plan on May 3, 2001 broadly outlining plans for a reorganization of headquarters elements, and provided a plan for reorganization of field elements on February 25, 2002. On December 17, 2002, the Acting Administrator announced implementation guidance for the reorganization, which is expected to be complete by the end of fiscal year 2004 and to eliminate one layer of management. Noting that it has now been over three years since NNSA was formally established, the committee remains concerned that the slow pace continues to prejudice the process against success, but believes that the intended reorganization could provide for more efficient, effective, and accountable management of the complex. The committee encourages NNSA to follow through.

Support for Los Alamos Public Schools

As in previous years, the budget request includes \$8.0 million for support of public schools in the vicinity of Los Alamos National Laboratory. The Los Alamos school system is the only one that continues to receive annual assistance from the Department of Energy. Such annual payments ceased at other previously government-owned communities years ago, specifically in 1970 in the case of Richland, Washington, and in 1985 in the case of Oak Ridge, Tennessee. In a May 2002 report submitted to the congressional defense committees pursuant to section 3136 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107-107), the Secretary of Energy recommended the continuation of annual assistance for another ten years, essentially indefinitely.

The historical record of efforts to achieve self-sufficiency in the Los Alamos public school system and those of surrounding communities includes buy-out proposals, multi-year assistance plans, and endowment by the Department of a not-for-profit educational enrichment foundation. The committee recognizes some of the unique considerations specific to Los Alamos, but has been, and continues to be, disappointed in progress by all parties toward development of a viable exit strategy for the Department. While fully appreciating the recruitment value to the laboratory of an excellent school system, the committee is also sensitive to the fact that, according to recent census data, Los Alamos County already has the fifth highest median household income in the United States.

Test Readiness

The committee believes the current lead time of nearly three years for resumption of underground nuclear tests does not present a realistic option should the President determine that such tests are necessary. The committee notes the budget request includes \$24.9 million for test readiness, \$7.0 million above the fiscal year 2003 request, and that the National Nuclear Security Administration intends to move toward an 18 month test readiness posture. The committee observes that test readiness is of special interest to Congress, and section 3142 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107-314) requires the Secretary of Energy to assess and report to Congress on test readiness options ranging from 6 to 24 months. Section 3142 required submission of that report with the fiscal year 2004 budget request. The report is now overdue, and the committee expects a full explanation of the basis for any final decisions regarding options for enhanced test readiness.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

Overview

The budget request contained \$7,734.1 million for environmental and other defense activities. The committee recommends \$7,746.6 million, representing an increase of \$209.1 million from the amount authorized for fiscal year 2003.

Adjustments to the Budget Request

Reductions

The budget request contained \$15.0 million for the Office of Worker and Community Transition. The committee recommends \$14.0 million, a reduction of \$1.0 million. The committee notes that the request for programmatic funds drops 46 percent from fiscal year 2003, while program direction remains level. The committee recommends a proportional decrease to program direction.

The budget request contained \$4.3 million for the Office of Energy Security and Assurance. The committee recommends \$3.3 million, a reduction of \$1.0 million. Many of the Department of Energy's energy security and assurance functions move to the new Department of Homeland Security. The committee observes that the number of full time equivalent employees is expected to drop from 22 to 8 in fiscal year 2004, while the request for program direction remains the same as that for fiscal year 2003. The committee recommends a proportional decrease.

Increases

The budget request contained \$1.2 billion for 2006 Accelerated Completions within Defense Site Acceleration Completion. The committee recommends an increase of \$9.5 million to accelerate environmental restoration and waste management activities at Lawrence Livermore National Laboratory (LLNL), as well as the transfer of newly generated waste operations responsibility from the Office of Environmental Management to the National Nuclear Security Administration (NNSA). The committee understands that the

Department of Energy has developed a Performance Management Plan and signed a Letter of Intent with state and federal regulatory agencies to support completion of legacy waste disposal and remediation activities at LLNL by 2006. The committee believes that assumption by NNSA of responsibility for management of the waste stream from ongoing operations at this site will lead to more judicious generation of that waste.

The budget request contained \$39.8 million in other defense activities for Department of Energy Intelligence activities. The committee recommends \$44.8 million, an increase of \$5.0 million, to match fiscal year 2003 funding. The committee urges the Department to maintain the current level of effort particularly in the area of technical nuclear intelligence related to proliferation of weapons of mass destruction.

Cleanup Acceleration

The Department of Energy's environmental management (EM) program is responsible for the cleanup of contamination at 114 sites resulting from more than 50 years of research, development, production, and testing of nuclear weapons. In February 2002, the Department completed the "Top-to-Bottom Review" of EM programs directed by the Secretary of Energy. The review found that the EM program emphasized ". . . managing risk rather than actually reducing risk to workers, the public, and the environment".

In the current fiscal year the Department has begun a comprehensive restructuring of the cleanup program. The process includes signing "Letters of Intent" with state and federal regulatory authorities, and the development of Performance Management Plans for each site to detail strategies, milestones and commitments supporting accelerated cleanup. The Department intends to complete revised site project baselines during the current fiscal year based on these Performance Management Plans. The Department projects that for three of the most heavily contaminated sites—Savannah River Site, Idaho National Engineering and Environmental Laboratory, and Hanford—cleanup completion can be accelerated by 20, 35, and 35 years, respectively, and expects to complete all work by 2035.

The committee supports the Department's aggressive schedule to reduce risk to the public and the environment. The committee believes that by moving quickly, where feasible, to reduce the footprint of contaminated sites, substantial cost savings can be realized in the long term.

ENERGY SUPPLY

The budget request contained \$110.5 million for Energy Supply. In fiscal year 2004, Energy Supply is proposed as a multi-function account split between defense (050) and energy (270) functions. Landlord responsibilities for the Idaho National Engineering and Environmental Laboratory (INEEL) have passed from the Office of Environmental Management (EM) to the Office of Nuclear Energy, Science, and Technology (NE). The defense funding requested in this account supports continuing national security activities at INEEL. The committee recommends the budget request.

LEGISLATIVE PROVISIONS

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Section 3101—National Nuclear Security Administration

This section would authorize funds for the National Nuclear Security Administration for fiscal year 2004, including funds for weapons activities, defense nuclear nonproliferation programs, naval reactor programs, and the Office of the Administrator.

Section 3102—Defense Environmental Management

This section would authorize funds for defense environmental management activities for fiscal year 2004, including funds for defense site acceleration completion and defense environmental services.

Section 3103—Other Defense Activities

This section would authorize funds for other defense activities for fiscal year 2004.

Section 3104—Defense Nuclear Waste Disposal

This section would authorize funds for defense nuclear waste disposal for fiscal year 2004.

Section 3105—Energy Supply

This section would authorize funds for defense energy supply programs for fiscal year 2004.

SUBTITLE B—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Section 3111—Modification of Prohibition Relating to Low-Yield Nuclear Weapons

This section would amend section 3136 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The amendment would maintain the prohibition on development of new nuclear weapons with yields less than five kilotons, but would allow research on such weapons, including concept definition studies, feasibility studies, and detailed engineering design. The amendment would allow development for the purpose of assessing low-yield nuclear weapons development by other nations that may pose a national security risk to the United States.

Section 3112—Termination of Requirement for Annual Updates of Long-Term Plan for Nuclear Weapons Stockpile Life Extension Program

This section would terminate certain annual reporting requirements related to stockpile life extension programs, effective December 31, 2004. The National Nuclear Security Administration (NNSA) submitted with the budget request preliminary Selected Acquisition Reports (SAR) for its stockpile life extension programs. The committee understands that NNSA intends to fully commit to the stockpile life extension SARs in fiscal year 2005. Provided that

they show sufficient fidelity, the committee believes that the SARs will provide an appropriate and sufficient substitute for the current reporting requirement.

Section 3113—Extension to All DOE Facilities of Authority to Prohibit Dissemination of Certain Unclassified Information

This section would amend section 148 of the Atomic Energy Act of 1954 (Public Law 83–703) to expand the range of situations under which the Department of Energy could treat information as sensitive unclassified nuclear information, and consequently limit its dissemination.

Section 3114—Department of Energy Project Review Groups Not Subject to Federal Advisory Committee Act by Reason of Inclusion of Employees of Department of Energy Management and Operating Contractors

This section would allow an officer or employee of a management and operating (M&O) contractor of the Department of Energy, when serving on an advisory committee or review group for the Department on matters related to the Department's M&O contracts, to be treated as an officer or employee of the Department for the purposes of determining whether the group is an advisory committee within the meaning of the Federal Advisory Committee Act (5 United States Code App.).

Section 3115—Availability of Funds

This section would amend the Atomic Energy Defense Act (title XXXVI of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314)) by limiting the availability for obligation to three years for funds authorized to be appropriated to the National Nuclear Security Administration (NNSA) for operation and maintenance or for plant projects. The limitation is consistent with the NNSA Act (title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65)), which requires planning, programming and budgeting using funds that are available for obligation for a limited number of years. The section would not amend the one year limitation on the availability of funds for obligation for an appropriation pursuant to a Department of Energy national security authorization for program direction.

Section 3116—Limitation on Obligation of Funds for Nuclear Test Readiness Program

This section would prohibit the obligation of more than 40 percent of funds available to the Secretary of Energy in fiscal year 2004 for the nuclear test readiness program until the Secretary submits the report on test readiness posture options required by subsection 3142(c) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314).

Section 3117—Requirement for On-Site Managers

This section would require the Secretary of Energy to appoint a federal employee as an on-site manager before obligation of funds for any defense nuclear nonproliferation program that involves dis-

ment, destruction, or storage facilities, or construction of a facility, and that is executed in a state of the former Soviet Union, if the total contribution by the Department of Energy is expected to exceed \$25.0 million. The duties of the on-site manager would include development, in cooperation with participating countries, of a list of steps or activities critical to achieving the project's disarmament or nonproliferation goals, and a schedule for completing those steps or activities. The steps and activities would include acquisition of necessary permits, verification of materials, and provision of resources. The on-site manager would have the authority to suspend United States participation in a project if a non-United States participant fails to complete a scheduled activity on time. The Secretary could direct resumption of United States participation in a suspended project with concurrent notification to Congress.

SUBTITLE C—CONSOLIDATION OF NATIONAL SECURITY PROVISIONS

Section 3121—Consolidation and Assembly of Recurring and General Provisions on Department of Energy National Security Programs

The section would assemble together under the Atomic Energy Defense Act (title XXXVI of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314)), without substantive amendment but with technical and conforming amendments, recurring and general provisions of law on Department of Energy national security programs that remain in force. The transfer of a provision of law under this section should not be construed as amending, altering, or otherwise modifying the substantive effect of that provision. The provisions of the Atomic Energy Defense Act, as amended by this section, would be classified to a new chapter of title 50, United States Code.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS

Section 3201—Authorization

This section would authorize \$19.6 million for the Defense Nuclear Facilities Safety Board for fiscal year 2004.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

Section 3301—Authorized Uses of National Defense Stockpile Funds

This section would authorize \$69.7 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2004. The provision would also permit the use of additional funds for extraor-