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NNSA Releases Los Alamos Lab Performance Evaluation Report Nuclear Criticality Safety Issues Still Not Fully Resolved

Santa Fe, NM – The National Nuclear Security Administration (NNSA) has publicly released its fiscal year 2016 Performance Evaluation Report (PER) for Los Alamos National Security, LLC (LANS), the for-profit contractor that runs the Los Alamos Lab. The Performance Evaluation Report is NNSA’s annual report card on contractor performance, and overall the agency awarded LANS \$59 million in profit out of a possible \$65 million. The grade was 85% for the incentive part of the award. In 2012 Nuclear Watch New Mexico successfully sued NNSA to ensure that the Performance Evaluation Reports detailing taxpayers payments to nuclear weapons contractors are publicly available. In 2016 the NNSA decided to put the LANL management contract out for competitive bid, but granted LANS a contract extension until the end of September 2018.

Despite the passing grade that NNSA gave LANS, there is still ample reason for public concern. First, it bears repeating that in February 2014 a radioactive waste drum improperly prepared by the Los Alamos National Laboratory (LANL) burst underground at the Waste Isolation Pilot Plant (WIPP), contaminating 21 workers and closing that multi-billion dollar facility (a limited restart of operations at WIPP may occur this month).

Less widely known is the fact that LANL’s main plutonium facility that produces WIPP wastes has only recently restarted operations after being shut down since June 2013 because of nuclear criticality safety concerns (a nuclear criticality event is an uncontrolled nuclear chain reaction resulting from an unintentional critical mass of enriched uranium or plutonium). As the Performance Evaluation Report states, “Required improvements to the Criticality Safety Program are moving at an unacceptably slow rate.” (P. 4) Moreover, “Leadership in operations management has not prioritized needed criticality safety activities and improvements adequately... The number and latency of infractions in the plutonium facility is of concern.” (P. 60)

This is important because the NNSA plans to quadruple production of plutonium pits from 20 per year to 80 by 2027. In August 2016 the Government Accountability Office (GAO) submitted a report to the Senate Armed Services Committee on the agency’s plans. The NNSA is a semi-autonomous nuclear weapons agency within the Department of Energy, which has the singular distinction of being the only federal department on the GAO’s High Risk List for wasting taxpayer’s dollars for 25 consecutive years. LANL is NNSA’s so-called “Plutonium Center of Excellence” and the nation’s only site for pit production.

The GAO’s report found that NNSA’s plans for upgraded and new facilities to expand plutonium pit production to 50-80 pits per year “did not include key performance parameters” and lacked analysis of a full range of alternatives. In 2012, in the face of exploding costs and rising citizen opposition, NNSA cancelled an earlier proposal to build a Walmart-sized “Chemistry and Metallurgy Research Replacement (CMRR) Project-Nuclear Facility” for expanded plutonium pit

production. Now, as an alternative, NNSA and LANL seek to raise the administrative limit on plutonium in the CMRR Project's first phase, the newly constructed Radiological Lab, from an original 8.4 grams to 400 grams; upgrade PF-4, the Lab's main plutonium facility; and proceed with a "Plutonium Modular Approach project" that will likely be a budget line item in the pending FY 2018 federal budget.

Raising the amount of plutonium in the Rad Lab to 400 grams allows for dramatically increased "materials characterization" and "analytical chemistry" in direct support of expanded plutonium pit production. But it also raises the Rad Lab from a "radiological facility" to a "Hazard Category 3" nuclear facility, which has never been done before. Planned gloveboxes and the existing ventilation system may have to change and the facility's seismic safety rating re-examined. The Rad Lab was originally constructed and equipped for a total cost of \$400 million, but now up to another \$675 million in equipment is being added. On top of that, re-categorizing the Rad Lab to a Hazard Category 3 facility could cost another \$365 million. In all, the Rad Lab can cost up to \$1.5 billion, while upgrades to PF-4 will cost another billion.

The Plutonium Modular Approach involves building at least two and perhaps three underground "modules" at one billion dollars each or more. The GAO report notes how since NNSA narrowly defined the program requirement as building the modules themselves instead of examining the need for the modules, "there is effectively no project alternative other than the modular approach," despite DOE's own orders to complete an analysis of a full range of alternatives.

In all, according to the GAO report, the full CMRR alternative of upgrading the Rad Lab and PF-4 and building at least two modules would cost at least 4 billion dollars, compared to the CMRR's previous price tag of \$5.8 billion (which was up from \$975 million in 2005), and this is before the usual cost overruns.

Jay Coghlan, Nuclear Watch Director, commented, "DOE officials claimed they learned their lessons after a FBI raid investigating environmental crimes abruptly shut down plutonium pit production at the Rocky Flats Plant near Denver. From there, they claimed that resumed pit production at LANL would always be safe. To the contrary, the Lab has had a long history of inadequate safety analyses and unacceptable nuclear criticality risks. Clearly these issues need to be 100% resolved before NNSA even thinks about expanding plutonium pit production, whose purpose will be to modify existing nuclear weapons to give them new military capabilities."

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The FY 2016 LANL Performance Evaluation Report is available at https://nnsa.energy.gov/sites/default/files/nnsa/multiplefiles/fy_2016_lans_fdo_memo_publicly_releasable_per.pdf

The GAO report NNSA Needs to Clarify Requirements for Its Plutonium Analysis Project at Los Alamos is available at http://www.gao.gov/products/GAO-16-585?utm_medium=email&utm_source=govdelivery

DOE's 25-year status on GAO's High Risk list is documented at http://www.gao.gov/highrisk/doe_contract_management/why_did_study

For an extensive history of successful citizen activism against plutonium pit production see <http://nukewatch.org/facts/nwd/Pit-Production-History.pdf>