

# UPF UPDATE

MARCH 2014

STOP THE BLEEDING

## IT'S TIME TO STOP THE BLEEDING ON THE UPF.

The Uranium Processing Facility was first proposed in 2005 as a multipurpose facility to meet the nation's weapons-based highly enriched uranium needs; its cost was estimated at \$600 million - \$1.5 billion and it was to start operations in 2016.

Now, more than billion dollars into the project, nothing about that paragraph above is true. The name was changed, the mission altered, the cost has rocketed into the stratosphere, and the completion date has vanished into the future.

### RECENT HISTORY:

Three years ago, the President increased funding for the UPF in an effort to accelerate the project. Congress agreed, despite clear warnings in Department of Energy guidance that efforts to speed up projects by increasing funding usually lead to greater project risk, specifically increased costs and delayed schedules. In other words, DOE guidance says dumping money on a troubled project is counter-productive.

The guidance was right. The UPF design project received \$347 million and the money was used to support three design teams which, after reaching the 80% design completion milestone, noticed the building they were drawing up on their computer screens was not big enough to accommodate all the equipment it would require.

By the time the space/fit fiasco was revealed in October 2012, the UPF was in the next funding year. Due to receive modest cuts, it was saved by the sequester that restored funding to FY 2012 levels. The design team went to work on a modified design. The operations planned for the UPF were cut back—dismantlement and metal rolling operations were bumped out of “Phase 1” into an imaginary “Phase 2.” (Eventually, the project would divide itself again, adding an even more mythical “Phase 3.”)

Along the way, project managers declined to provide updates on their now obviously inadequate cost projec-

tions. Just days after Tennessee Senator Lamar Alexander visited Oak Ridge and declared he had “about had it” with projects that start out with cost estimates of \$1 billion and end up costing \$6 billion, the Government Accountability Office released a report suggesting the pricetag could go as high as \$12 billion. There was no doubt Alexander's comments were directed toward the UPF which, at that time, had seen its pricetag rise from \$1.5 to \$6.4 billion.

Meanwhile safety experts continued to raise questions about the integration of safety into the re-design—a key reason for the space/fit fiasco was the failure of the project managers to integrate safety into the design from the outset—despite DOE's requirement that they do so.

Time passed, and an independent assessment of the project by the Department of Defense's highly regarded cost estimating shop provides dramatic new numbers—the UPF will cost as much as \$19 billion and will not be ready until 2028.

This year's budget (FY 2014) was passed four months into the fiscal year. It cut the UPF budget to \$300 million and attached a requirement that the National Nuclear Security Administration review the project and consider alternatives.

The NNSA announced the review will be conducted by a “Red Team” helmed by Oak Ridge National Lab director Thom Mason and drawing on expertise from across the weapons complex (no outsiders as of this time).

### BAD TIMING

The Red Team report is not due until mid-April. In the meantime, the

President will release his budget on March 5—top line numbers—with more detailed numbers by March 12. We do not know what the UPF numbers in the budget will be, but a quick look at the calendar tells us one of two things will be true:

1. Either the UPF budget numbers will be unattached to reality since they will come out six weeks before the Red Team actually reports any results of its review, including any recommendations on alternatives; or

2. The fix is already in, and the budget numbers will predict a foregone Red Team conclusion.

NEITHER THE  
PRESIDENT'S  
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REPORT WILL  
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RIDGE

### IT DOESN'T MATTER

The good news is: it doesn't matter. The timing conundrum, that is. Because neither the president's budget nor the Red Team report is going to prefigure what actually happens in Oak Ridge unless one or the other applies a tourniquet to the UPF, draws funding

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back to planning levels, and starts over from scratch.

Here's why.

A. The "need" for the UPF, first articulated in 2005, continues to diminish. Looking into the future—asking what kind of production capacity the nation will need in 2025 and 2045—one sees the "need" for the UPF evaporating because:

- major Life Extension modifications are unlikely to be funded by Congress
- demand for nuclear weapons is diminishing, a trajectory that is unlike to change
  - > the desire by European nations to have the B61 bomb removed from Europe continues to grow—it will be a bomb without a mission before any extensive LEP could be completed
  - > the commitment to maintaining a nuclear triad is undergoing increasing scrutiny
  - > the US will continue to pursue arms control reductions with Russia and, eventually, with other weapons states in fulfillment of our Nonproliferation Treaty obligations
- extensive Life Extension Program proposals will introduce an unnecessary element of unreliability into the US stockpile.
- the replacement of limited life components in weapons secondaries, currently the bread and butter of Y12 in Oak Ridge, can and will be done at Pantex, reducing cost and the risks associated with transportation.

B. Future facilities constructed in Oak Ridge will need to incorporate maximum security and safety features into the design. "Good enough" will not be good enough if a facility is vital to US security interests. So a UPF will need to be designed as an underground or below-grade facility. According to the Department of Energy's Inspector General, a below-grade facility would cost less and provide significant security enhancements.

C. Future funding commitments in Oak Ridge will align with mission needs; projections twenty years from now show the demand for nuclear weapons dismantlement capacity will far outstrip the need for production capacity. Faced with tough funding choices, Congress will be forced to abandon Cold War priorities (project a massive nuclear deterrent) in favor of 21st century nonproliferation priorities (security through global arms control includes the US).

## STOP THE BLEEDING NOW

The question facing the President and Congress is not whether but when funding for the UPF will be cut off and the bleeding will stop. It makes sense now to apply a tourniquet—a tight one—until fundamental questions are answered. The Red Team report may provide a guide to those answers, but if it is not responsive to the realities outlined above, it will prove to be just one more expense against the account of the UPF boondoggle.

## 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.

## WHAT YOU CAN DO NOW

The FY 2015 budget is being prepared right now—the President will present it to Congress in early March. 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 continue the design process for a facility that will not be needed by the time it is completed.

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."

The UPF will be a priority item when the Alliance for Nuclear Accountability blankets Capitol Hill during DC Days May 18-21. Information will appear on their website:

ananuclear.org soon. DC Days is a great citizen advocacy effort, from training to building teams to providing clear and concise fact sheets. And you'll get to know amazing people from around the country who share your commitment to peace.

And you can stay informed and up-to-date by checking in at [www.orepa.org](http://www.orepa.org) on a regular basis.