

# ECA Update: April 18, 2014



*In this update:*

**Lieutenant General Frank G. Klotz, USAF (Ret) Sworn In as NNSA Administrator**

US Politics Today

**B&W scales back mPower small reactor program**

Frank Munger's Atomic City Underground

**Workforce reductions in the works at Y-12, Pantex**

Frank Munger's Atomic City underground

**DOE pitches new Hanford deadlines**

Tri-City Herald

**S.C. Presses Court Challenge of Decision to Defund Work on Mox Plant**

Nuclear Street

**Energy Dept. discusses Savannah River Site funding**

Associated Press

**Department of Energy's Management of Unneeded Real Estate**

DOE Inspector General

**House Nuclear Cleanup Caucus 2014 Briefing Schedule**

**Lieutenant General Frank G. Klotz, USAF (Ret) Sworn In as NNSA Administrator**

US Politics Today

April 17, 2014

[LINK](#)

WASHINGTON, D.C. - Secretary of Energy Ernest Moniz swore in Frank G. Klotz as the Department of Energy's Undersecretary for Nuclear Security and NNSA Administrator in a private ceremony this afternoon. General Klotz was joined by his wife, Nancy, and Acting Administrator Bruce Held.

"I am very pleased that General Klotz has now been sworn in as the fourth Undersecretary of Nuclear Security and Administrator for the National Nuclear Security Administration," said Secretary Moniz. "With his years of service to our country, his vision for NNSA's nuclear security programs, and his dedication to supporting the men and women of the organization, I am confident General Klotz will bring strong leadership and management to this critical Department of Energy mission. I look forward to working closely with Frank in support of the President's nuclear security priorities."

**More Information**

[About ECA](#)

[Membership](#)

[Contact Us](#)

[Helpful Links](#)

To help ensure that you receive all email with images correctly displayed, please add [ecabulletin@aweber.com](mailto:ecabulletin@aweber.com) to your address book or contact list

[Subscribe](#)

to the ECA Email Server

[Online Version](#)

If you have trouble viewing this email, view the online version

"The nuclear security enterprise has responsibility for an enduring and critically important national security mission," General Klotz said. "The United States is committed to maintaining a safe, secure and effective nuclear arsenal, as long as nuclear weapons exist. Our nation is also committed to leading international efforts to limit and reduce nuclear arsenals, prevent nuclear proliferation and nuclear terrorism, and secure nuclear materials across the globe.

"NNSA and the entire nuclear security enterprise are at the very center of all of these national security objectives. Moreover, the unique talents and skills we bring to each aspect of our mission enable success in all the others. What everyone in the enterprise does--regardless of organization, job, rank, or seniority--is vitally important.

"For that reason, taking care of people must always be a top priority. I am already working to put in place a leadership process that inspires openness, trust, and confidence at all levels and across all boundaries within our common endeavor. We also have a special responsibility to recruit and mentor the next generation of leaders in the nuclear security enterprise. Since they will carry on the mission for many years to come, we must proactively seek out opportunities to deepen and broaden their skills.

"At the end of the day, every organization must deliver on the commitments it makes in order to succeed and to thrive. We are no different. We have made promises we must keep: to sustain the nuclear weapons stockpile, to conduct leading-edge scientific research, to help prevent nuclear materials from falling into the hands of terrorists, to support the Navy's nuclear reactor program, to repair and modernize our aging facilities, and to protect the safety and security of our sites, our employees, and the public. And, we must do all this with a laser-like focus on managing requirements and costs to provide needed capability with less expense to the American taxpayer.

"In assuming these responsibilities for President Obama and Secretary Moniz, I want to express my gratitude to Bruce Held for the outstanding work he has done to advance NNSA for ten months."

Following his confirmation, General Klotz met with senior NNSA staff, a variety of interagency partners, and the directors of NNSA's three national laboratories and the Nevada National Security Site. He will visit all NNSA sites during the coming weeks.

Photos of the ceremony are available here. A full biography and official photo can be found here. Klotz can be found on Twitter at @FrankKlotzNNSA.

### **B&W scales back mPower small reactor program**

Frank Munger's Atomic City Underground

April 14, 2014

[LINK](#)

Babcock & Wilcox today announced plans to scale back its mPower Small Modular Reactor Program. "B&W continues to believe in the strength of the mPower technology, but without the ability to secure

significant additional investors or custom Engineering, Procurement and Construction contracts to provide the financial support necessary to develop and deploy mPower reactors, the current development pace will be slowed," the company said in its announcement.

B&W said it notified the Department of Energy on April 9 of its plans to reduce spending. The company said it plans to invest up to \$15 million annually, beginning the third quarter of this year.

One of the early plans to deploying mPower reactors was at the old Clinch River Breeder Reactor Site, in a partnership with TVA, etc.

In today's statement, B&W thanked the Tennessee Valley Authority, DOE and others for the support. James Ferland, president and CEO of B&W, said, "We look forward to working with our stakeholders to find the most efficient way to move this technology toward licensing and deployment in the mid-2020 timeframe."

### **Workforce reductions in the works at Y-12, Pantex**

Frank Munger's Atomic City underground

April 15, 2014

[LINK](#)

B&W Y-12 announced Tuesday it would carry out a "voluntary separation program" to reduce the workforce as part of the transition of contractors at the Y-12 and Pantex nuclear weapons plants.

In a message to employees, B&W President and General Manager Dave Richardson said the workforce reduction will help carry out the staffing plan of the incoming contractor, Consolidated Nuclear Security.

Jason Bohne, a spokesman for CNS, said the overall workforce reductions at Y-12 and Pantex are expected to be under 5 percent. About 4,300 employees are currently on the payroll at B&W Y-12, while the number at B&W Pantex is about 3,100.

CNS, a partnership led by Bechtel National, won a contract competition to combine the management of the nuclear weapons plants in Oak Ridge and Amarillo, Texas. As part of its proposal, CNS promised to save the government more than \$3 billion over the next 10 years by eliminating redundant activities and making the combined operations more efficient.

Richardson's statement did not specify how many job reductions are being targeted, but he said the National Nuclear Security Administration had directed the contractors at both Y-12 and Pantex to conduct voluntary separation programs -- where workers receive incentives to take early retirement or otherwise leave the payroll.

B&W Y-12 will oversee the workforce reductions, but they will be based on the wishes of CNS. The transition of contractors is under way, but CNS won't take over full management responsibility until July 1.

"The VSP will be targeted to specific job classifications and roles identified by CNS," Richardson said in the message to employees. "Only employees in these specific job classifications/roles will be eligible to

apply for the VSP."

Richardson said B&W Y-12 is in the process of putting together the voluntary program that "is in alignment with CNS' staffing desires." He said the plan would be submitted to the National Nuclear Security Administration later this week.

He said the contractor intends to implement the workforce reduction plan as quickly as possible, "so that we do all we can to support the orderly transition to CNS."

CNS was holding a couple of employee meetings at Y-12 Tuesday evening to explain the upcoming changes.

### **DOE pitches new Hanford deadlines**

Tri-City Herald

April 14, 2014

[LINK](#)

Washington and the federal Department of Energy have found some common ground on a plan to start treating Hanford tank waste for disposal as soon as possible, a top DOE official said Monday.

David Huizenga, who leads DOE's environmental cleanup efforts nationwide, spoke to the Herald in an interview Monday and to about 100 people at a public meeting in Richland. DOE called the town hall meeting to present its proposal to revise a court-enforced consent decree.

The state also has submitted a competing proposal to DOE. The two agencies have fundamental disagreements on the need to set long-term deadlines, but they have enough agreement on the general approach to continue discussion, said Huizenga, senior adviser for DOE's Office of Environmental Management.

"There is a lot more commonality here than might initially meet the eye," he said.

The 2010 consent decree set deadlines for emptying some of Hanford's underground waste tanks and starting to treat up to 56 million gallons of waste at the Hanford vitrification plant. But DOE has said most of the remaining deadlines are at risk of being missed. Technical -- and to a lesser extent budget -- issues have caused delays that put vitrification plant deadlines at risk, including having the plant fully operational by 2022.

The state's new proposal would set rigid deadlines for emptying leak-prone tanks and getting the vitrification plant built and operating, including dozens of pacing deadlines to keep projects on schedule.

But DOE wants to set deadlines only for retrieving waste from leak-prone tanks and on parts of the vitrification plant not affected by technical issues that could prevent the plant from operating safely or efficiently.

"We will set future milestones when the time is right," Huizenga said, but setting dates when DOE does not have technical issues resolved would

not be responsible or defensible.

"We do not want to set them prematurely and create false expectations in the community and with the state," he said. "Ultimately that erodes confidence."

But both DOE and the state do agree on a strategy to start turning some tank waste into a stable glass form as soon as possible, while work continues to resolve technical issues elsewhere at the vitrification plant, Huizenga said.

"A phased approach is the best approach," he said.

The plan calls for operating the Low Activity Waste Facility while work continues at the vitrification plant's two facilities -- the Pretreatment Facility and the High Level Waste Facility -- that have technical issues.

To feed some liquid waste to the Low Activity Waste Facility, DOE and the state agree that a pretreatment facility just for that waste would need to be built to allow waste to be treated before the vit plant's Pretreatment Facility is operating. It could use off-the-shelf technology, such as that employed to treat waste at Fukushima, Japan, Huizenga said.

The plan would allow low-activity waste treatment to begin by the end of 2022, one of the deadlines DOE is proposing.

It also would free up space in Hanford's double-shell tanks before the Pretreatment Facility is operating.

The state also is supportive of DOE's plan to build a standalone facility, the Tank Waste Characterization and Staging Facility, that would resolve some technical issues for the vit plant, Huizenga said. It would make sure waste fed to the Pretreatment Facility is properly mixed and has physical characteristics that can be safely processed by the Pretreatment Facility and High Level Waste Facility.

The standalone facility also would have the additional benefit of adding several hundred thousands of gallons of storage and staging space for waste to be fed to the vitrification plant, Huizenga said.

DOE is currently emptying leak-prone single-shell tanks into a limited number of double-shell tanks until the waste can be treated for disposal. The double-shell tanks already were nearing capacity before the oldest, which is just past the 40 years it was designed to hold waste, was discovered to be leaking between its shells. The state has ordered that tank emptied.

The state's proposal calls for DOE to build at least eight more double-shell tanks.

But DOE has no immediate plan to build more tanks for the single purpose of providing leak-proof waste storage capabilities. Instead, it continues to monitor double-shell tanks and assess risk.

"We try to keep our eyes on the ball," Huizenga said.

That includes focusing on getting low-activity waste treated as soon as possible -- which frees up double-shell tank space -- rather than spending the limited budget on building more tanks, he said.

Although questions were asked at the public meeting about how much DOE's revised approach to treating waste would cost, no numbers were given.

Huizenga said DOE has discussed costs for the next five years with the Office of Management and Budget.

"I wish it did not cost any more," Huizenga said. "We don't have a choice. We are going to bring the plant up and operate it and we will find the resources to make it happen."

DOE officials at the meeting also had no firm answer on when all tank waste would be treated for disposal.

But Kevin Smith, the manager for the DOE Hanford Office of River Protection, said work is being done to increase the amount of waste loaded into the canisters of glass that will be produced. Those possible enhancements have not been made public while they are being reviewed by experts, he said.

The deadline for the state and DOE to consider each other's consent decree proposals has been extended until Friday.

If a consent decree proposal is not accepted, either agency may request dispute resolution, which could last 40 days. Then either party could ask a judge to intervene.

In a related matter, DOE has not provided Sen. Ron Wyden, D-Oregon, a plan to address double-shell tank construction issues. He requested the plan by Monday after obtaining a partially completed series of studies. Construction issues were partially blamed for the interior leak in Hanford's oldest double-shell tank.

"The more concerning issue is that DOE's recent plan for Hanford cleanup shows no recognition that these tanks may not be available to provide space for retrievals of waste from the leaking single-shell tanks or alternatives to the delayed (vitrification) plant," Wyden said Monday. "This is another case of DOE seeming to stick its head in the radioactive sand."

DOE said in a statement that it has reviewed the issues Wyden raised and is preparing a response.

DOE only recently completed the final review of the double-shell tanks. It is continuing to inspect and monitor them, it said.

### **S.C. Presses Court Challenge of Decision to Defund Work on Mox Plant**

Nuclear Street  
April 18, 2014

[LINK](#)

South Carolina's attorney general has asked a federal court to expedite a decision on its suit that aims to restart work on the Savannah River Site's mox production facility.

On Thursday, the Aiken Standard confirmed that the state filed a request that the court resolve the suit without a trial. If granted, it would bring a quicker resolution to a case the state filed last month arguing that the Obama administration overstepped its authority by requesting that federal funds be spent on mothballing the project rather than on construction.

Over-budget and behind schedule, the mox plant was intended to convert surplus plutonium into power reactor fuel to meet the terms of an arms reduction agreement with Russia. The administration's 2015 budget request seeks to place the project in cold standby after pursuing cuts to the program in the previous fiscal year. In a statement March 18 after he filed the suit, Attorney General Alan Wilson argued that doing so would breach an agreement with the state on the disposal of surplus plutonium and would contravene earlier legislation passed by Congress. By the attorney general's count, the move would also eliminate as many as 1,800 jobs at the plant.

### **Energy Dept. discusses Savannah River Site funding**

Associated Press

April 17, 2014

[LINK](#)

GRANITEVILLE, S.C. (AP) - U.S. Department of Energy officials are participating in a public discussion on the financial future of the Savannah River Site.

Organizers say representatives are expected to talk at a meeting in Graniteville on Thursday about work that's currently underway at the former nuclear bomb plant.

They'll also take a look toward the site's seemingly uncertain future.

The Obama administration's budget proposal puts the multibillion dollar mixed-oxide fuel program at the Savannah River Site on "cold standby," which some say could result in hundreds of job losses and millions of dollars in fines.

The project is billions over budget and years behind schedule. It would use weapons-grade plutonium to produce fuel for commercial nuclear reactors.

### **Department of Energy's Management of Unneeded Real Estate**

DOE Inspector General

April 14, 2014

[LINK](#)

In order to manage its real property assets, the Department of Energy (Department) utilizes the Facilities Information Management System (FIMS). The Office of Acquisition and Project Management (OAPM), under the Department's Office of Management, has primary responsibility for the administration and maintenance of the FIMS database, which provides the Department with an inventory and management tool that assists with planning and managing all real property assets.

Our review determined that the Department had a number of controls in place to manage the disposition of Department-owned real estate properties. Nothing came to our attention to indicate that the Department did not comply with the Presidential initiative to reduce the number of excess properties.

We found that the Department had processes in place for identifying and disposing of excess properties, as well as processes for accumulating and reporting on the associated cost avoidance. Additionally, we noted the Department reported that it had exceeded the cost savings goal for FYs 2010 through 2012, through overall cost avoidance of \$580 million. However, we found that opportunities for improving processes related to managing excess properties still exist. We did not make any recommendations in the report.

### **House Nuclear Cleanup Caucus 2014 Briefing Schedule**

[LINK](#)

April 30 at 4:00 p.m.  
Idaho National Laboratory  
1334 Longworth House Office Building, Washington, D.C.

May 1 at 8:30 a.m.  
Richland Operations Office, Washington  
1324 Longworth House Office Building, Washington, D.C.

May 7 at 4:00 p.m.  
Oak Ridge, Tennessee  
1300 Longworth House Office Building, Washington, D.C.

May 8 at 9:00 a.m.  
Savannah River Site, South Carolina  
1310 Longworth House Office Building, Washington, D.C.

May 20 at 8:30 a.m.  
Office of River Protection, Washington  
1334 Longworth House Office Building, Washington, D.C.