Calendar No. 370

107TH CONGRESS *2d Session* | SENATE | REPORT 107–151

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

REPORT

[TO ACCOMPANY S. 2514]

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2003 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

TOGETHER WITH

ADDITIONAL AND MINORITY VIEWS

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SUBTITLE A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Atomic energy defense activities

Title XXXI authorizes appropriations for the atomic energy defense activities of the Department of Energy for fiscal year 2003, including: the purchase, construction, and acquisition of plant and capital equipment; research and development; nuclear weapons; naval nuclear propulsion; environmental restoration and waste management; operating expenses; and other expenses necessary to carry out the purpose of the Department of Energy Organization Act (Public Law 95–91). The title would authorize appropriations in five categories: National Nuclear Security Administration (NNSA); defense environmental management; defense environmental management privatization; other defense activities; and defense nuclear waste disposal.

The budget request for fiscal year 2003 for atomic energy defense activities totaled $15.4 billion, a 4.4 percent increase over the adjusted fiscal year 2002 level. Of the total amount requested: $8.2 billion was for NNSA; $6.4 billion was for defense environmental management activities; $158.4 million was for defense environmental management privatization; $479.6 million was for other defense activities; and $315.0 million was for defense nuclear waste disposal.

The committee recommends $15.7 billion for atomic energy defense activities, an increase of $300.1 million to the budget request. The committee recommends $8.1 billion for the National Nuclear Security Administration (NNSA), an increase of $121.3 million to the budget request. The amount authorized for NNSA is as follows: $6.0 billion for weapons activities, an increase of $118.8 million to the budget request; $1.1 billion for defense nuclear nonproliferation, an increase of $15.5 million to the budget request; $707.0 million for naval reactors, a reduction of $1.0 million below the budget request; and $335.7 million for the Office of the Administrator, a reduction of $12.0 million below the budget request. The committee further recommends $6.9 billion for defense environmental management, including defense facility closure projects, an increase of $261.1 million to the budget request. The committee recommends $158.4 million for defense environmental management privatization, the amount of the budget request. The committee recommends $489.9 million for other defense activities, an increase of $17.7 mil-

lion to the budget request; and $215.0 million for defense nuclear waste disposal, a reduction of $100.0 million to the budget request.

The following table summarizes the budget request and the committee recommendations:

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Atomic Energy Defense Activities (053)				
National nuclear security administration				
Weapons activities	5,531,746	5,869,379	118,809	5,988,188
Defense nuclear nonproliferation	993,780	1,113,630	15,500	1,129,130
Naval reactors	688,045	708,020	-1,000	707,020
Office of the administrator	312,596	347,705	-12,000	335,705
Total, National nuclear security administration	**7,526,167**	**8,038,734**	**121,309**	**8,160,043**
Environmental and other defense activities:				
Defense environmental restoration and waste management	5,230,372	4,558,360	43,100	4,601,460
Defense environmental cleanup reform	——	800,000	200,000	1,000,000
Defense facilities closure projects	1,092,878	1,091,314	18,000	1,109,314
Environmental management privatization	153,537	158,399	——	158,399
Other defense activities	497,544	472,156	17,727	489,883
Defense nuclear waste disposal	280,000	315,000	-100,000	215,000
Total Department of Energy/NNSA	**14,780,498**	**15,433,963**	**300,136**	**15,734,099**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
National Nuclear Security Administration:				
Weapons Activities				
Directed stockpile work				
Stockpile research and development	357,014	467,149	(15,500)	451,649
Stockpile maintenance	347,963	401,157		401,157
Stockpile evaluation	174,391	197,184		197,184
Dismantlement/disposal	26,342	24,378		24,378
Production support	132,250	137,706		137,706
Field engineering, training and manuals	6,270	6,893		6,893
Total, Directed stockpile work	**1,044,230**	**1,234,467**	**-15,500**	**1,218,967**
Campaigns				
Science campaigns				
Primary certification	50,848	47,159		47,159
Dynamic materials properties	90,282	87,594		87,594
Advanced radiography				
Operations and maintenance	82,343	52,925		52,925
Secondary certification and nuclear systems margins	42,439	47,790		47,790
Total, Science campaigns	**265,912**	**235,468**	——	**235,468**
Engineering campaigns				
Enhanced surety	32,197	37,713		37,713
Weapons system engineering certification	25,726	27,007		27,007

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Nuclear survivability	21,902	23,394		23,394
Enhanced surveillance	73,685	77,155		77,155
Advanced design and production technologies	68,432	74,141		74,141
Total, Engineering campaigns	**221,942**	**239,410**	——	**239,410**
High energy density physics campaign				
Operations and maintenance	260,373	237,748	10,694	248,442
Construction:				
96-D-111 National ignition facility (NIF), LLNL, Livermore, CA	245,000	214,045	10,000	224,045
Total, High energy density physics campaign	**505,373**	**451,793**	**20,694**	**472,487**
Advanced simulation and computing				
Operations and maintenance	662,792	669,527		669,527
Construction:				
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA	8,400	13,305		13,305
00-D-103, Terascale simulation facility, LLNL, Livermore, CA	22,000	35,030		35,030
00-D-107 Joint computational engineering laboratory, SNL, Albuquerque, NM	13,377	7,000		7,000
Total, Construction	**43,777**	**55,335**	——	**55,335**
Total, Advanced simulation and computing	**706,569**	**724,862**	——	**724,862**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Pit manufacturing and certification	194,461	194,484	5,000	199,484
Readiness campaigns				
Stockpile readiness	46,315	61,027		61,027
High explosives manufacturing and weapons assembly/disassembly readiness	6,722	12,093	-1,000	11,093
Non-nuclear readiness	17,857	22,398	-2,000	20,398
Materials readiness	1,188	——		
Tritium readiness				
Operations and maintenance	41,584	56,134		56,134
Construction:				
98-D-125 Tritium extraction facility, Savannah River plant, Aiken, SC	81,125	70,165		70,165
Total, Tritium readiness	**122,709**	**126,299**	——	**126,299**
Total, Readiness campaigns	**194,791**	**221,817**	**-3,000**	**218,817**
Total, Campaigns	**2,089,048**	**2,067,834**	**22,694**	**2,090,528**
Readiness in technical base and facilities				
Operations of facilities	903,221	949,920	40,000	989,920
Program readiness	192,305	208,089		208,089
Special projects	51,155	37,744	6,900	44,644
Material recycle and recovery	94,268	98,816		98,816

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Containers	7,990	17,721		17,721
Storage	10,398	14,593		14,593
Nuclear weapons incident response	88,923	91,000		91,000
Subtotal, Readiness in technical base and facilities	**1,348,260**	**1,417,883**	**46,900**	**1,464,783**
Construction:				
03-D-101 Sandia underground reactor facility SURF, SNL, Livermore, CA	——	2,000		2,000
03-D-103 Project engineering and design various locations	——	15,539	2,300	17,839
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO	——	4,000		4,000
03-D-122 Prototype purification facility, Y-12 plant, Oak Ridge, TN	——	20,800		20,800
03-D-123 Special nuclear materials Requalification, Pantex plant, Amarillo, TX	——	3,000		3,000
02-D-103 Project engineering and design, various locations	22,647	27,245	-2,300	24,945
02-D-105 Engineering technology complex upgrade (ETCU), LLNL, Livermore, CA	4,674	10,000		10,000

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
02-D-107 Electrical power systems safety communications and bus upgrades, Nevada Test Site	3,451	7,500		7,500
01-D-103 Project engineering and design (PE&D), various locations	16,379	6,164		6,164
01-D-107 Atlas relocation and operations Nevada Test Site	3,300	4,123		4,123
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM	63,500	75,000		75,000
01-D-124 HEU storage facility, Y-12 plant, Oak Ridge, TN	——	25,000		25,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX	7,700	8,650		8,650
01-D-800 Sensitive compartmented information facility, LLNL	12,993	9,611		9,611
99-D-103 Isotope sciences facilities, LLNL, Livermore, CA	4,400	4,011		4,011
99-D-104 Protection of real property (roof				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
reconstruction-Phase II), LLNL, Livermore, CA	300	5,915		5,915
99-D-127 Stockpile management restructuring initiative, Kanas City plant, Kansas City, MO	22,200	29,900		29,900
99-D-128 Stockpile management restructuring initiative, Pantex plant, Amarillo, TX	3,300	407		407
98-D-123 Stockpile management restructuring initiative, Tritium factory modernization and consolidation, Savannah River plant, SC	13,700	10,481		10,481
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	2,900	1,000		1,000
Total, Construction	**181,444**	**270,346**	——	**270,346**
Total, Readiness in technical base and facilities	**1,529,704**	**1,688,229**	**46,900**	**1,735,129**
Facilities and infrastructure recapitalization program	196,800	242,512		242,512
Secure transportation asset				
Operations and equipment	101,640	100,863	1,715	102,578
Program direction	44,428	54,505		54,505
Total, Secure transportation asset	**146,068**	**155,368**	**1,715**	**157,083**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Safeguards and security				
Operations and maintenance	545,281	501,054	65,000	566,054
Construction:				
99-D-132 SMRI nuclear material safeguards and security upgrade project, LANL, Los Alamos, NM	9,600	8,900		8,900
Total, Safeguards and security	**554,881**	**509,954**	**65,000**	**574,954**
Subtotal, Weapons Activities	**5,560,731**	**5,898,364**	**120,809**	**6,019,173**
Adjustments				
Less security charge for reimbursable work	-28,985	-28,985		(28,985)
Civilian personnel accrual accounting adjustment			-2,000	(2,000)
Total, Weapons Activities	**5,531,746**	**5,869,379**	**118,809**	**5,988,188**
Defense Nuclear Nonproliferation				
Nonproliferation and verification R&D				
Operation and maintenance	286,500	283,407	15,500	298,907
Total, Nonproliferation & verification R&D	**286,500**	**283,407**	**15,500**	**298,907**
Nonproliferation and international security	75,741	92,668		92,668
Nonproliferation programs with Russia				
International nuclear materials protection and cooperation	293,000	233,077		233,077

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Russian transition initiatives	57,000	39,334		39,334
HEU transparency implementation	13,950	17,229		17,229
International nuclear safety	20,000	14,576		14,576
Elimination of weapons-grade plutonium production program	——	49,339		49,339
Fissile materials disposition				
U S surplus materials disposition	135,089	194,000		194,000
Russian surplus materials disposition	61,000	98,000		98,000
Construction:				
01-D-407 Highly enriched uranium (HEU) blend down, Savannah River, SC	29,340	30,000		30,000
99-D-141 Pit disassembly and conversion facility, Savannah River, SC	11,000	33,000		33,000
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC	65,993	93,000		93,000
Total, Construction	**106,333**	**156,000**	——	**156,000**
Total, Fissile materials disposition	**302,422**	**448,000**	——	**448,000**
Total, Nonproliferation programs with Russia	**762,113**	**894,223**	——	**894,223**
Program direction	3,000	——		0
Subtotal, Defense Nuclear Nonproliferation	**1,051,613**	**1,177,630**	**15,500**	**1,193,130**
Adjustments:				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Use of prior year balances	-57,833	-64,000		(64,000)
Total, Defense Nuclear Nonproliferation	**993,780**	**1,113,630**	**15,500**	**1,129,130**
Naval reactors development				
Operation and maintenance	652,245	671,290		671,290
Construction:				
03-D-201 Cleanroom technology facility	——	7,200		7,200
01-D-200 Major office replacement building, Schenectady, NY	9,000	2,100		2,100
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	4,200	2,000		2,000
Total, Construction	**13,200**	**11,300**	——	**11,300**
Total, Naval reactors development	**665,445**	**682,590**	——	**682,590**
Program direction	22,600	25,430	-1,000	24,430
Total, Naval Reactors	**688,045**	**708,020**	**-1,000**	**707,020**
Office Of The Administrator	**312,596**	**347,705**	**-12,000**	335,705
Total, National Nuclear Security Administration	**7,526,167**	**8,038,734**	**121,309**	**8,160,043**
Defense Environmental Restoration & Waste Management				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Site/project completion				
Operation and maintenance	927,620	779,706		779,706
Construction:				
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID	3,152	1,119		1,119
02-D-420 Plutonium packaging and stabilization, Savannah River, SC	20,000	2,000		2,000
01-D-414 Preliminary project, engineering and design (PE&D), various locations	4,244	5,125		5,125
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA		——	6,000	6,000
	762			
Total, Construction	**28,158**	**8,244**	**6,000**	**14,244**
Total, Site/project completion	**955,778**	**787,950**	**6,000**	**793,950**
Post 2006 completion				
Operation and maintenance	2,062,755	1,702,241	2,100	1,704,341
Uranium enrichment D&D fund contribution	420,000	——		
Construction:				
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	6,754	14,870		14,870

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Office of river protection				
Operation and maintenance	319,881	226,256		226,256
Construction:				
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA	——	6,363		6,363
01-D-416 Tank waste remediation system, RL	665,000	619,000		619,000
97-D-402 Tank farm restoration and safe operations, Richland, WA	33,473	25,424		25,424
94-D-407 Initial tank retrieval systems, Richland, WA	6,844	20,945		20,945
Total, Construction	**705,317**	**671,732**	——	**671,732**
Total, Office of river protection	**1,025,198**	**897,988**	——	**897,988**
Total, Post 2006 completion	**3,514,707**	**2,615,099**	**2,100**	**2,617,199**
Science and technology	249,782	92,000		92,000
Excess facilities	4,874	1,300		1,300
Multi-Site activities				
Uranium enrichment D&D fund contribution	——	442,000	-1,000	441,000
Other activities	——	37,871	-37,871	0
Total, Multi-Site activities	——	**479,871**	**-38,871**	**441,000**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Safeguards and security	213,821	228,260	50,000	278,260
Program direction	355,761	358,227	37,871	396,098
Subtotal, Defense environmental restoration and waste management	**5,294,723**	**4,562,707**	**57,100**	**4,619,807**
Use of prior year balances	-58,960	——		0
Civilian personnel accrual adjustment			-14,000	(14,000)
Less security charge for reimbursable work	-5,391	-4,347		(4,347)
Total, Defense Environmental Restoration And Waste Management	**5,230,372**	**4,558,360**	**43,100**	**4,601,460**
Environmental Management Cleanup Reform				
Environmental management cleanup reform	——	800,000	200,000	1,000,000
Defense Facilities Closure Projects				
Site closure	1,038,903	1,054,153		1,054,153
Safeguards and security	53,975	37,161	18,000	55,161
Total, Defense Facilities Closure Projects	**1,092,878**	**1,091,314**	**18,000**	**1,109,314**
Defense Environmental Management Privatization				
Privatization initiatives, various locations	**153,537**	**158,399**		158,399
Total, Defense Environmental Management	**6,476,787**	**6,608,073**	**261,100**	**6,869,173**
Other Defense Activities				
Energy security and assurance				

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
Energy security	——	23,411	-23,411	0
Program direction	——	4,275	-4,275	0
Total, Energy security and assurance	**——**	**27,686**	**(27,686)**	**0**
Office of Security				
Nuclear safeguards and security	120,000	91,102	65,000	156,102
Security investigations	44,927	45,870		45,870
Program direction	79,000	50,246		50,246
Chief information officer				
Corporate management information program	10,000	——		0
Total, Office of Security	**253,927**	**187,218**	**65,000**	**252,218**
Intelligence	40,844	41,559	2,000	43,559
Counterintelligence	46,000	46,083	2,000	48,083
Independent oversight and performance assurance	14,904	22,615		22,615
Environment, safety & health				
Environment, safety and health (defense)	95,688	81,892	5,000	86,892
Program direction	22,000	18,018		18,018
Total, Environment, safety and health	**117,688**	**99,910**	**5,000**	**104,910**
Worker and community transition				
Worker and community transition	18,000	22,965		22,965
Program direction	2,000	2,809		2,809
Total, Worker and community transition	**20,000**	**25,774**	**——**	**25,774**

Department of Energy National Security Programs
(Dollars in Thousands)

	FY 2002 Current Approp.	FY 2003 Request to Congress	Senate Change	Senate Authorized
National security programs administration support	22,000	25,587	-25,587	0
Office of hearings and appeals	2,893	3,136		3,136
Subtotal, Other defense activities	**518,256**	**479,568**	**20,727**	**500,295**
Adjustments:				
Use of prior year balances	-20,000	-6,700		(6,700)
Civilian personnel accrual adjustment			-3,000	(3,000)
Less security charge for reimbursable work	-712	-712		(712)
Total, Adjustments	**-20,712**	**-7,412**	**-3,000**	**-10,412**
Total, Other Defense Activities	**497,544**	**472,156**	**17,727**	**489,883**
Defense Nuclear Waste Disposal				
Defense nuclear waste disposal	280,000	315,000	-100,000	215,000
Total, Environmental and Other Defense Activities	**7,254,331**	**7,395,229**	**178,827**	**7,574,056**
TOTAL, Atomic Energy Defense Activities	**14,780,498**	**15,433,963**	**300,136**	**15,734,099**

National Nuclear Security Administration (sec. 3101)

The committee recommends a provision that would authorize $8.2 billion to be appropriated to the Department of Energy (DOE) for fiscal year 2003 for the National Nuclear Security Administration (NNSA) to carry out programs necessary to national security.

Weapons activities

The committee recommends $6.0 billion for weapons activities, a $118.8 million increase above the amount requested for fiscal year 2003. The amount authorized is for the following activities: $1.2 billion for directed stockpile work, a decrease of $15.5 million to the budget request; $2.1 billion for campaigns, an increase of $22.7 million above the request; $1.7 billion for readiness in the technical base, an increase of $46.9 million above the request; $157.1 million for secure transportation assets, an increase of $1.7 million above the request; $575.0 million for safeguards and security, an increase of $65.0 million above the request; and $242.5 million for facilities and infrastructure, the amount of the request. The amounts authorized are reduced by $30.0 million, an offset for security charges for reimbursable work and $1.0 for civilian personnel accrual.

Directed stockpile work

The committee recommends $1.2 billion for directed stockpile work, a reduction of $15.5 million to the budget request. The directed stockpile account supports work directly related to weapons in the stockpile, including day-to-day maintenance as well as research, development, engineering, and certification activities to support planned life extension programs. It also includes fabrication and assembly of weapons components, weapons dismantlement and disposal, training, and support equipment. The committee recommends no funds for the Robust Nuclear Earth Penetrator.

The committee believes that as the reductions in operationally deployed nuclear warheads occur, as announced in the December 2001 Nuclear Posture Review (NPR), there will be an increased demand for weapons dismantlement associated with the W–62 warhead, which is being retired from the Minuteman III land based Intercontinental Ballistic Missile, and there may be additional increases in demand in the future. The NNSA has indicated that the capacity at the Pantex plant in Texas is fully utilized with the planned life extension programs and the planned W–79 and W–56 dismantlement efforts. This NNSA plan anticipates that all weapons in the stockpile as of today, with the exception of the W–62, will require life extension. The plan also assumes the direction in the NPR that no warheads will be taken out of the stockpile with the exception of the W–62.

The committee directs NNSA to study alternatives to existing facilities at Pantex for dismantlement. The Nevada Test Site has a new modern facility that was completed in the early 1990s to support nuclear weapons testing before the United States imposed a unilateral moratorium on underground nuclear weapons testing. This facility has capabilities similar to those of the Pantex plant. The facility, known as the Device Assembly Facility (DAF), is substantially underutilized. Its current mission is to deal with damaged nuclear weapons and to support subcritical experiments; how-

ever, DAF has the potential to be the main weapons dismantlement facility, thus relieving some of the pressure on the Pantex facility cited in the NPR. The DAF also has the potential to conduct the stockpile surveillance mission, either by taking over the surveillance mission or by supplementing the Pantex capabilities.

The committee directs the Administrator to conduct a study on the full range of potential uses for DAF, including dismantlement and surveillance, and report to the congressional defense committees on the result of this study no later than March 1, 2003. In looking at the DAF the Administrator should take into consideration the security, transportation, personnel and other costs of dismantlement at the DAF, as well as the cost of additional facilities that would be needed at Pantex. The Administrator should also make sure that no program added to the DAF will delay our test readiness capabilities, nor should the Administrator make the DAF unsuitable for ongoing subcritical tests.

Campaigns

The committee recommends $2.1 billion for campaigns, an increase of $22.7 million above the amount requested. The campaigns focus on science and engineering efforts involving the three weapons laboratories, the Nevada Test Site, and the weapons plants. Each campaign is focused on a specific activity to support and maintain the stockpile without underground nuclear weapons testing. These efforts maintain and enhance the safety, security, and reliability of the existing stockpile. The campaigns are divided into three major categories: science campaigns, readiness campaigns, and engineering campaigns.

The committee recommends $7.0 million, a $5.0 million increase, for the pit manufacturing and certification campaign to allow the Environmental Impact Statement (EIS) for a new pit facility to go forward. The EIS work can begin now because it is needed to support analysis for a number of facility options and facility sizes. The committee notes that the only validated pit requirement is for a small number of W–88 pits, which could be produced at the Los Alamos National Laboratory. Moreover, the committee urges NNSA to ensure that the requirements are well understood for this $2–$4 billion facility.

The committee urges NNSA and Department of Defense (DOD) to establish a valid annual pit requirement. The NNSA should not begin construction activities on this billion-dollar facility until there is a valid requirement that has been approved by DOE and DOD.

The committee recommends a reduction of $1.0 million in the high explosives campaign and a reduction of $2.0 million in the non-nuclear readiness campaigns. These reductions are available as some of the planned work in these campaigns is not adequately linked to requirements in the February 2001 NNSA stockpile life extension plan.

The committee recommends an increase of $10.7 million in the High Energy Density Physics (HEDP) campaign to keep the cryogenic target and National Ignition Facility (NIF) diagnostics on schedule with the planned NIF ignition schedule and to provide for the petawatt laser initiative.

Finally, the committee notes that no funding was requested for the High Average Power Laser (HAPL) program. The HAPL is a promising laser program that has both energy and defense potential. The hybrid nature of the HAPL is one of the reasons that it is not funded in either DOE science programs or NNSA. The committee urges the DOE to review the potential national value of the HAPL and to determine if there is an overriding national interest in funding the HAPL through a joint program or project office.

The committee provides an additional $10.0 million in the NIF construction line item to account for a funding reduction taken in the program two years ago.

Readiness in the technical base

The committee recommends $1.7 billion in readiness in the technical base and facilities (RTBF), an increase of $46.9 million. This account funds facilities and infrastructure in the weapons complex to ensure the operational readiness of the complex and includes construction funding for new facilities.

The budget request included $10.0 million in the operations of facilities sub-account in RTBF for the Center for Combating Terrorism. The committee recommends an increase of $40.0 million for the Center. This center serves as a test bed for a variety of technologies and will allow the unique capabilities of NNSA to be brought to bear on one of the nation's most urgent priorities. One of the results of NNSA center and work, in conjunction with DOD, was the successful testing of the thermobaric bomb.

The budget request included $37.7 million in the special projects sub-account in RTBF. The committee recommends an increase of $6.9 million to allow NNSA to make the annual payment to the Los Alamos Foundation established by section 3167(a) of the 1998 National Defense Authorization Act, to support schools in the Los Alamos, New Mexico area.

The budget request included two project engineering and design lines (PE&D) in the RTBF. The NNSA uses these accounts to fund project engineering and design activities that support conceptual design work for construction projects before funding is requested in a specific construction line item. Each year there is a new PE&D account request that would provide funds for design work planned to begin in the year requested.

The budget request included two projects in the fiscal year 2002 PE&D account, 02–D–103, that would begin in fiscal year 2003. The committee recommends a reduction of $2.3 million in construction line 02–D–103 and an increase of $2.3 million in construction line 03–D–103 to reflect the transfer of these two projects to the fiscal year 2003 PE&D account. The committee directs DOE and NNSA to include in a PE&D for any fiscal year only those projects that would receive initial funding in that year.

The committee also notes that there are a substantial number of very large construction projects that are included in the PE&D accounts for fiscal years 2002 and 2003. The committee is concerned that the out-year costs of all of these projects may be unaffordable. Moreover, these projects would increase the overall size of the NNSA complex at a time when Congress has been supportive of NNSA efforts to reduce the number of buildings in the complex and

catch up on years of deferred maintenance. Almost none of the projects in the PE&D accounts explain how the costs of tearing down current buildings to make way for the new buildings will be covered.

The committee is concerned that the large number of the new projects that are requested, without any plan to tear down the buildings that are being replaced, will place NNSA in a never-ending maintenance backlog cycle. The committee directs NNSA to include the costs of tearing down the facilities that are being replaced in the costs of all new projects. The committee also directs the Administrator to submit a report to the congressional defense committees certifying that the new buildings planned in the fiscal year 2002 and 2003 PE&D accounts are fully funded in the NNSA future years budget plan. The report should also include a plan for a net reduction of the square footage of buildings under the control of the NNSA.

The committee is also concerned about the Microsystems Engineering and Science Applications (MESA) complex. The budget request includes $75.0 million to support construction of all five phases of the full MESA complex. An established requirement exists for the first three phases: the utilities upgrades, the retooling of the Microelectronics Development Laboratory (MDL), and the Microsystems Fabrication building, which is the replacement for the older Compound Semiconductor Research Laboratory. There is no approved requirement for the remaining two phases, the Microsystems Laboratory and the Weapons Integration Facility.

The committee directs that before NNSA commits to the 391,000-square-foot full MESA project at a cost of $504.0 million dollars, the NNSA Administrator shall certify that the full complex is required for the Stockpile Life Extension Program outlined in the February 2001 NNSA Stockpile Life Extension Plan.

Secure transportation asset

The committee recommends $157.1 million for the secure transportation asset, a $1.7 million increase above the amount requested. The secure transportation asset is responsible for transportation of nuclear weapons, weapons materials and components, and other materials requiring safe and secure transport. The committee has provided an additional $1.7 million to maintain increased security for this most important mission. This increase is part of an overall $199.7 million increase recommended by the committee to ensure that security is adequately funded and maintained at DOE. The committee is concerned that, as discussed in recent press reports, there are significant and serious shortfalls in security funding at DOE.

Safeguards and security

The committee recommends $575.0 million for weapons safeguards and security, an increase of $65.0 million above the request. The weapons safeguards and security account provides funding for all safeguards and security at all the NNSA complex sites. As a result of the attacks of September 11, NNSA is working on a new design basis threat (DBT) against which to design its security posture of the future. In the meantime, however, the fiscal year 2003 budg-

et request funds only a pre-September 11 level of security. The committee recommends the additional $65.0 million to maintain at least the level of security maintained in 2002, until the new DBT is in place and to provide improvements to NNSA's cyber-security posture. This $65.0 million increase is part of the overall $199.7 million increase for security.

Facilities and Infrastructure

The committee recommends $242.5 million for the facilities and infrastructure activities, the amount of the request. The committee notes that NNSA has recently established standards and criteria to begin to address the real property maintenance backlog in the NNSA complex. The committee supports this much needed effort. NNSA must also work to ensure that the NNSA complex does not continue to have a maintenance backlog in the future. In order to prevent this situation, NNSA is establishing a strong cadre of professional facilities managers to ensure that the real property assets of NNSA are adequately maintained. The committee supports NNSA and urges it to expand its efforts in this area.

Defense Nuclear Nonproliferation

The committee recommends $1.1 billion for Defense Nuclear Nonproliferation, a $15.5 million increase above the amount of the budget request. The Office of Defense Nuclear Nonproliferation provides management and oversight for the nonproliferation programs in the National Nuclear Security Administration (NNSA). The amount authorized would fund the following activities: $298.9 million for nonproliferation and verification research and development; $92.7 million for nonproliferation and international security; and $894.2 million for nonproliferation programs with Russia and the states of the Former Soviet Union, including $233.1 million for international nuclear materials protection and cooperation, $39.3 million for the Russian transition initiatives, $17.2 million for Highly Enriched Uranium (HEU) transparency, $14.6 million for international nuclear safety, $49.3 million for the elimination of weapons grade plutonium production, and $448.0 million for fissile materials disposition.

Of the amount recommended for nonproliferation and verification research and development, the committee includes $15.5 million for research to develop a new generation of radiation detectors for homeland defense missions.

Of the amount recommended for the Russian transition initiative, the committee recommends $16.7 million for the Nuclear Cities Initiative (NCI) program, the amount of the request. The committee supports both of the programs under the Russian transition initiatives but believes that they serve different missions in support of the same goal. The committee urges NNSA to set aside a portion of the Initiatives for Proliferation Prevention (IPP) program funds to be used for specific IPP commercialization projects in the Russian cities under the NCI program. On the other hand, the committee believes that the NCI program should focus on working with the Russian cities to support broader economic development missions that are not within the purview of the IPP program. In carrying out the NCI program, the committee urges NNSA to work

with other federal agencies with expertise in economic development and with local communities to further the ongoing Sister Cities efforts between U.S. and Russian cities.

Naval Reactors

The committee recommends $707.0 million for Naval Reactors, a reduction of $1.0 million below the amount of the request.

Office of Administrator

The committee recommends $335.7 million for program direction for the National Nuclear Security Administration a reduction of $12.0 million below the amount of the request. This account includes program direction funding for all elements of the National Nuclear Security Administration with the exception of the Naval Reactors Program and the Secure Transportation Asset.

Defense Environmental Management (sec. 3102)

The committee recommends a provision that would authorize $6.7 billion to be appropriated to the Department of Energy (DOE) for fiscal year 2003 for environmental management activities, an increase of $261.1 million above the amount requested. This amount includes a reduction of $14.0 million to reflect the civilian personnel accrual adjustment.

The amount requested is for the following activities: $793.9 million for site and projection completion, an increase of $6.0 million above the amount of the request; $2.6 billion for post 2006 completion, an increase of $2.1 million above the amount of the request, and including $897.9 million for the Office of River Protection; $92.0 million for science and technology, the amount of the request; $1.3 million for excess facilities, the amount of the request; $441.0 million for multi-site activities, a reduction of $38.9 million below the amount of the request; $278.3 million for safeguards and security, an increase of $50.0 million above the amount of the request; $396.1 million for program direction, an increase of $37.9 million above the request; $1.0 billion for environmental management cleanup reform, an increase of $200.0 million above the request; and $1.1 billion for defense closure projects, an increase of $18.0 million above the amount of the request.

Closure projects

The committee recommends $1.1 billion for closure projects, an increase of $18.0 million above the request. The closure projects account provides funds for the cleanup of those sites that will complete cleanup and close by the end of 2006. The committee recommends the additional funds to cover additional security costs that may be needed at the Rocky Flats site if there is any delay in shipping plutonium to the Savannah River Site. The committee notes that the Rocky Flats plant may be closed as early as 2005 and supports the effort to accelerate closure.

Site and projection completion

This account funds those projects that will be completed by 2006 at sites that will continue to be DOE sites beyond 2006. The committee recommends $793.9 million for site and project completion,

an increase of $6.0 million above the request. Last summer the Office of Environmental Management completed a new modern hazardous waste storage building at Lawrence Livermore National Laboratory (LLNL). This new building will house both hazardous and radioactive waste. LLNL submitted the safety basis documents needed to operate the facility in June 2001. Because the DOE Office of Environmental Management has not yet finished its review of the documents, the waste remains stored outside. The budget request for fiscal year 2003 fails to provide the needed funds to complete the safety basis review process and move the waste into the new buildings. The committee recommends the additional $6.0 million in the construction line for the facility 86–D–103, in order to complete the necessary documents and move the radioactive and hazardous waste into the building. Continuing to store the waste outside is contrary to safety, environmental, and security best practices.

Post 2006 completion

The committee recommends $2.6 billion for post 2006 completion, an increase of $2.1 million above the budget request. This account funds cleanup projects that will require funding beyond 2006. The committee recommends an additional $2.1 million to support the continuing process to transfer excess land at the Los Alamos National Laboratory to the community.

Included in the post 2006 completion account is a sub-account for the Office of River Protection. The Office of River Protection provides funds to treat the tank waste and ultimately close the tanks at the Hanford, Washington site. The committee recommends $897.9 million for the Office of River Protection, the amount of the request.

Science and technology

The committee recommends $92.0 million for science and technology for environmental management, the amount of the request. This account supports research and development to develop new or improved technologies for cleanup and waste treatment. The funding level contained in the budget request is significantly less than the fiscal year 2002 appropriated level of $247.8 million. The committee is concerned that DOE has underfunded this account to the long-term detriment of the cleanup process. Many of the sites continue to have cleanup challenges for which the current technology is either too expensive or not available. The committee urges DOE to revisit the approach to research and development over the course of the coming year.

Excess facilities

The committee recommends $1.3 million for excess facilities, the amount of the request. This account provides funds to stabilize facilities that are being transferred by other DOE programs to the Office of Environmental Management for future disposal.

Safeguards and security

The committee recommends $278.3 million for safeguards and security, an increase of $50.0 million. The committee recommends

this increase as part of the overall increase of $199.7 million for DOE to ensure that the security of weapons and materials is maintained. The Office of Environmental Management has responsibility for a wide range of material that includes weapons grade materials as well as other hazardous and radioactive materials. The committee is concerned that the amount of funding included in the fiscal year 2003 budget request for security for environmental management is not adequate to maintain the post-September 11 level of security at environmental sites and facilities.

Multi-site/Uranium enrichment decontamination and decommissioning fund

The committee recommends $441.0 million for the contribution to the uranium decontamination and decommissioning fund, a reduction of $38.9 million. The committee recommends $37.9 million for multi-site activities be transferred to program direction "to provide management and direction for various crosscutting initiatives, establish and implement national and departmental policy; and to conduct analyses and integrate activities across the DOE complex." The committee believes that these are the same functions that are carried out in the program direction account and sees no reason why there should be two separate accounts.

Environmental management cleanup reform

The committee recommends $1.0 billion for environmental management cleanup reform, an increase of $200.0 million. This account is a new account to supplement the site and project base funding after new or amended cleanup agreements are reached with state and federal regulators. The committee is concerned that DOE has substantially underfunded the cleanup accounts and is at risk of violating several of the cleanup agreements. In section 3131 of this Act, the committee recommends a provision that would establish criteria for this account before funds from it could be obligated.

Program direction

The committee recommends $396.1 million for program direction, an increase of $37.9 million transferred from multi-site activities as discussed above.

Other Defense Activities (sec. 3103)

The committee authorizes $489.9 million for other defense activities, an increase of $17.7 million to the budget request.

Energy Security and Assistance

The fiscal year 2003 budget request included $27.7 million for Energy Security and Assistance. The committee recommends no funds for these activities. The activities contained in this request are largely ongoing activities that are part of the non-defense activities of the Department of Energy (DOE). While the committee shares the view that energy security is important, the activities that would be funded in this account include: the development of a national strategy for energy assurance, attendance at energy assurance-related forums, the maintenance of energy-related data-

bases, and monitoring the national energy supply. The committee believes these activities should continue to be funded out of the Energy, non-defense accounts at DOE, particularly when the defense-related security accounts are substantially underfunded. The committee notes that the program is fully authorized at $25.0 million for fiscal year 2003 in section 1261 of H.R. 4, as amended, the Senate Energy bill.

Office of Security

The budget request included $187.2 million for the Office of Security. The committee notes that this amount is a 30 percent reduction from the fiscal year 2002 appropriated level. The committee recommends an additional $65.0 million for nuclear safeguards and security. This request is part of an overall increase of $199.7 million for DOE and NNSA for nuclear security. The committee is very concerned that the budget request for security is significantly lower than the fiscal year 2002 appropriated level. This concern is heightened by the recent press reports that DOE had requested, but was denied by the Office of Management and Budget, approximately $300 million in additional funding for fiscal year 2002. The committee understands that of this additional $300.0 million requested, about $198.0 million was for defense facilities. It is clear that the amount requested for fiscal year 2003 is inadequate to maintain the current fiscal year 2002 level of security funding, which, apparently, does not even provide adequate protection.

Intelligence

The committee recommends $43.6 million for Intelligence, an increase of $2.0 million above the amount of the budget request.

Counterintelligence

The committee recommends $48.0 million for counterintelligence, an increase of $2.0 million above the amount of the request. The committee notes that a portion of the funding for the Office of Counterintelligence in the National Nuclear Security Administration (NNSA) is funded from this account. While it is important that the DOE and NNSA offices of counterintelligence work closely, the committee believes that the funding for the two offices should be separate. The committee directs the Secretary of Energy to transfer the $5.0 million that is contained in this account for NNSA directly to the Administrator at the beginning of the fiscal year, to be obligated by the NNSA office of counterintelligence. The committee directs that in the future the NNSA Office of Counterintelligence be adequately funded in the NNSA accounts.

Independent oversight and performance assurance

The committee recommends $22.6 million for Office of Independent Oversight, the amount of the request. The committee supports the work of the office and believes that it plays a valuable role in ensuring the safety and security of DOE and NNSA facilities.

Environment safety and health

The committee recommends $104.9 million for environment, safety and health, an increase of $5.0 million above the amount requested. The committee recommends $2.5 million to continue pollution prevention efforts, formerly conducted by the Office of Environmental Management, to identify ways to reduce the amount of waste generated by the DOE complex. The committee also recommends $2.5 million for enhanced medical screening of current and former workers at DOE nuclear facilities, including the three gaseous diffusion plants. The committee believes DOE should take the steps necessary to ensure that medical screening, including the use of advanced techniques for early lung cancer detection, is made available to the current and former workers. The committee encourages the DOE to request sufficient funds in the future to conduct the medical screening on all current and former workers who wish to have the screening.

Worker and community transition

The committee recommends $25.8 million for worker and community transition, the amount of the budget request.

National nuclear security administrative support

The budget request included $25.6 million for national security programs administrative support. The committee recommends no funds for national security administrative support. For the second year in a row, DOE has failed to provide any justification materials for this request. The committee believes that the NNSA program direction adequately supports NNSA.

Defense environmental management privatization (sec. 3104)

The committee recommends $158.4 million for environmental management privatization, the amount of the budget request.

Defense Nuclear Waste Disposal (sec. 3105)

The committee recommends a provision that would authorize $215.0 million for defense nuclear waste disposal, a $100.0 million reduction below the budget request of $315.0 million. Recent delays in the program have deferred the requirements for the defense contribution to the waste fund this year.

SUBTITLE B—RECURRING GENERAL PROVISIONS

Reprogramming (sec. 3121)

The committee recommends a provision that would prohibit the reprogramming of funds in excess of 115 percent of the amount authorized for the program or in excess of $5.0 million above the amount authorized for the program, whichever is less, until: (1) the Secretary of Energy submits a report to the congressional defense committees; and (2) a period of 30 days has elapsed after the date on which the report is received. The committee recommends reinstating reprogramming authority for the Department of Energy. The committee notes that the threshold level for reprogramming actions had been $10.0 million prior to 1995 when it was reduced

to $1.0 million in the National Defense Authorization Act for Fiscal Year 1995. The committee believes that $5.0 million is a realistic reprogramming threshold.

Limits on minor construction projects (sec. 3122)

The committee recommends a provision that would authorize the Secretary of Energy to carry out minor construction projects using operation and maintenance funds or facilities and infrastructure funds if the total estimated cost of the minor construction project does not exceed $5.0 million. In addition, the provision would require the Secretary to submit an annual report identifying each minor construction project undertaken during the previous fiscal year. The committee directs the Secretary to submit this report at the same time the Secretary submits the Department of Energy budget request for fiscal year 2004, or as soon thereafter as possible.

Limits on construction projects (sec. 3123)

The committee recommends a provision that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed, by 25 percent, the higher of either the amount authorized for the project or the most recent total estimated cost presented to Congress as justification for such a project. The Secretary of Energy may not exceed such limits until 30 legislative days after the Secretary submits to the congressional defense committees a detailed report setting forth the reasons for the increase. This provision would also specify that the 25 percent limitation would not apply to projects estimated to be a minor construction project under $5.0 million.

Fund transfer authority (sec. 3124)

The committee recommends a provision that would permit funds authorized by this Act to be transferred to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit the merger of such transferred funds with the authorizations of the agency to which they are transferred. The provision would also limit, to no more than 5 percent of the account, the amount of funds authorized by this Act that may be transferred between authorization accounts within the Department of Energy.

Authority for conceptual and construction design (sec. 3125)

The committee recommends a provision that would limit the Secretary of Energy's authority to request construction funding until the Secretary has completed a conceptual design. This limitation would apply to construction projects with a total estimated cost greater than $5.0 million. If the estimated cost to prepare the construction design exceeds $600,000, the provision would require the Secretary to obtain a specific authorization to obligate such funds. If the estimated cost to prepare a conceptual design exceeds $3.0 million, the provision would require the Secretary to request funds for the conceptual design before requesting funds for construction. The provision would further require the Secretary to submit to Congress a report on each conceptual design completed under this

provision. The provision would also provide an exception to these requirements in the case of an emergency.

Authority for emergency planning, design, and construction activities (sec. 3126)

The committee recommends a provision that would permit the Secretary of Energy to perform planning and design with any funds available to the Department of Energy pursuant to this title, including those funds authorized for advance planning and construction design, whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property. The provision would require the Secretary of Energy to submit to Congress a report on each construction project to be completed under this provision prior to exercising the authority that would be provided by this provision.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The committee recommends a provision that would authorize, subject to section 3121 of this Act and appropriations acts, amounts appropriated for management and support activities and for general plant projects to be made available for use in connection with all national security programs of the Department of Energy.

Availability of funds (sec. 3128)

The committee recommends a provision that would authorize amounts appropriated for operating expenses or for plant and capital equipment for the Department of Energy to remain available until expended. Program direction funds would remain available until the end of fiscal year 2004.

Transfer of defense environmental management funds (sec. 3129)

The committee recommends a provision that would provide the manager of each field office of the Department of Energy with limited authority to transfer up to $5.0 million in fiscal year 2003 defense environmental management funds from one program or project, including site project and completion and post 2006 completion funds. Each manager would be able to use this authority up to three times in a fiscal year. Each transfer shall not exceed $5.0 million, and the transfers shall not be aggregated.

Transfer of weapons activities funds (sec. 3130)

The committee recommends a provision that would provide the manager of each Department of Energy/National Nuclear Security Administration (DOE/NNSA) office with limited authority to transfer up to $5.0 million in fiscal year 2003 weapons activities funds from one program or project under the manager's jurisdiction to another. Each manager would be able to use this authority up to three times in a fiscal year. Each transfer shall not exceed $5.0 million, and the transfers shall not be aggregated.

SUBTITLE C—PROGRAM AUTHORIZATIONS, RESTRICTIONS, AND LIMITATIONS

Availability of funds for environmental cleanup reform (sec. 3131)

The Department of Energy (DOE) budget request for fiscal year 2003 included $800.0 million for a new initiative, the environmental cleanup reform account. The committee recommends an additional $200.0 million for the account. According to the DOE budget justification material, the purpose of the new account is "to enable the Department, the States and the American taxpayer to begin realizing the benefits immediately of alternative cleanup approaches that will produce more real risk reduction, accelerate cleanup, or achieve much needed cost and schedule improvements." While the committee supports the goal of faster cleanup, DOE has not provided any details as to how this goal will be achieved by the creation of this new account or how the money that would be in the account will be spent, nor have they identified the "alternative cleanup up approaches" that would be funded by the account.

The committee recommends a provision that would require the Secretary of Energy to establish and publish selection criteria for the environmental management cleanup reform account. The provision would also provide the Secretary of Energy authority to dissolve the account, in the event the Secretary opts not to establish selection criteria, and redistribute the funds in the account to the sites and projects on a pro rata basis according to fiscal year 2002 funding levels.

The overall budget request for fiscal year 2003 for Environmental Management for DOE is $6.6 billion, slightly higher than the $6.5 billion appropriated for fiscal year 2002. To create the cleanup reform account within an essentially flat budget, the DOE reduced almost all of the DOE cleanup site budgets below their fiscal year 2002 appropriated levels. DOE plans to have the various sites, in essence, compete for the funds in the cleanup reform account. How the sites would do this, or on what time table this would happen, is not clear. DOE has provided no guidance or direction to Congress, the States, or the sites on how this competition is to occur or to be judged.

Most of the DOE cleanup effort is required by agreements between DOE and the various host States or the Environmental Protection Agency (EPA). In some instances DOE, the State, and the EPA are all parties to the agreements. These agreements establish cleanup schedules and standards for each site. These agreements also include provisions that require that DOE and its operating contractors pay fines and penalties if the schedule for work required by the agreements is not met. By under-funding each site, DOE is potentially at risk of violating a number of these agreements.

The committee supports the idea of DOE, the States, and the EPA reviewing the various agreements to ensure that the cleanup at each site is being conducted as efficiently as possible. On the other hand, the committee does not support any effort to reduce the cleanup standards and potentially put at risk the health and safety

of communities or the DOE workers in order to reduce cleanup costs.

The committee notes that the cleanup effort at Rocky Flats in Colorado was a successful partnership among the State, the community, the DOE, and the EPA, to accelerate cleanup significantly ahead of the original schedule. This accelerated cleanup will save money in the long run, as the total cost of cleanup will be significantly reduced. Rocky Flats is a success story because substantial additional funds were provided to the site to accelerate the cleanup, not because funds were withheld from the site.

The committee supports innovative approaches to accelerate cleanup and reduce costs. Providing additional funds for the sites may, in fact, generate the accelerated cleanup sought by DOE. The committee is concerned that the approach announced by the Department may be premature.

The committee supports the general idea of providing the possibility of additional funds to accelerate cleanup. In providing the funds however, DOE must spell out clearly, and with input from the States, the communities, and the regulators, how the funds will made available. The provision recommended by the committee would require such criteria be established before funds from the cleanup reform account could be obligated.

In the event that the idea of the cleanup reform account is premature for fiscal year 2003, then the Secretary could dissolve the account and transfer the money to the sites and projects based on the level of funding the sites and projects received in fiscal year 2002. The committee encourages DOE to continue to explore the idea of providing additional funds to accelerate cleanups at as many sites as possible.

Robust Nuclear Earth Penetrator (sec. 3132)

The committee recommends a provision that would require the Secretary of Defense, in consultation with the Secretary of Energy, to submit a report to the congressional defense committees no later than February 3, 2003, on the Robust Nuclear Earth Penetrator (RNEP) that sets forth (1) the military requirements for the RNEP; (2) the nuclear weapons employment policy for the RNEP; (3) the detailed categories or types of targets that the RNEP is designed to hold at risk; and (4) an assessment of the ability of conventional weapons to address the same types of categories of targets that the RNEP is designed to hold at risk.

The budget request included $15.5 million for the RNEP. The committee recommends no funds for the RNEP.

Database to track notification and resolution phases of significant finding investigations (sec. 3133)

The committee recommends a provision that would establish at the national laboratories of the National Nuclear Security Administration (NNSA) a database to track the notification and resolution phases of significant finding investigations (SFIs). The provision would require the Administrator of NNSA to develop and implement a laboratory-wide database to monitor the laboratories' progress on resolving SFIs. The Department of Energy's Inspector General (DOE–IG) recommended a central SFI tracking system in

a December 2001 report. The DOE–IG determined that DOE was plagued with a system that frequently missed self-imposed time frames for initiating and conducting investigations of defects and malfunctions in nuclear weapons. The committee believes that DOE should place a high priority on correcting this problem.

Requirements for specific request for new or modified nuclear weapons (sec. 3134–3135)

The committee recommends a provision that would require the Secretary of Energy specifically to request funds before beginning research and development and engineering and production activities to support any new or modified nuclear weapon. The committee also recommends a provision that would require a specific authorization for these funds before they, or any other national security program funds or activities under the Atomic Energy Act of 1954, could be obligated or expended.

The provision would apply to new weapons and to modifications to existing weapons to meet a new military requirement. The provision would require a specific request in a specific line item or items at two distinct points in time for any new or modified nuclear weapon. This requirement is consistent with past practices at the Department of Energy (DOE) and similar to current acquisition practices for major weapons systems at the Department Defense (DOD), and similar to the way DOE budgets for construction projects.

A new weapon would be defined by the provision as any weapon that contains a pit or secondary which is not in the stockpile or not in production on the date of enactment of this Act. Development of nuclear weapons is conducted using a formal phased acquisition process. This process was developed jointly by the Atomic Energy Commission, the predecessor to DOE, and DOD in a memorandum of understanding signed in 1953. There are eight phases (numbered 1, 2, 2A, 3, 4, 5, 6 and 7) in the development process starting with the first phase, which is concept development, and ending in phase 7, which is warhead retirement or storage.

Under the provision recommended by the committee, the requirement for specific authorization for the first phase of a new nuclear weapon would apply to research and development activities leading to and including phase 1 and 2, the concept development phase. A specific request and authorization would also be required before engineering and manufacturing activities could begin to support phase 2A and beyond, development and engineering.

Modifications to nuclear weapons use a similarly phased acquisition process. In the process applicable to weapons modifications, the phase begins with phase 6, which is quantity production and stockpile, and overlays phases 1–7 onto phase 6. Thus, when modifications are made to existing nuclear weapons, the first phase would be phase 6.1, the concept development phase, and would continue through phase 6.6, for an existing weapon.

Under the provision recommended by the committee, a specific request for funds would have to be received from the Secretary of Energy and a specific authorization would have to be provided by Congress for activities to support work leading to and including phase 6.1 and 6.2, concept development for modifications, and

again for phase 6.3 and beyond, development and engineering for modifications to existing nuclear weapons.

The specific line item for the work leading to and including phase 1 and 2 and phase 6.1 and 6.2 would be analogous to the current practice with respect to planning, engineering, and design money for construction activities. The line items for the work for phases 2A and beyond, and 6.2A and beyond, would be analogous to construction line items for individual construction projects. The committee expects each individual weapon would have a dedicated line item when it moves to phase 2A or 6.2A.

The provision would not apply to the stockpile life extension programs (SLEPs) that are scheduled for each of the weapons that will remain in the stockpile. In February 2002, the Administrator of the National Nuclear Security Administration (NNSA) submitted the Comprehensive Stockpile Life Extension Program plan to Congress. This plan lays out the refurbishment schedule for the existing nuclear weapons stockpile. Under this plan, NNSA and DOD have identified detailed schedules and activities for each of the weapons in the stockpile through 2025.

The provision would not be construed to modify, repeal, or in any way affect the provisions of section 3136 of the National Defense Authorization Act for Fiscal Year 1994.

Limitation on availability of funds for program to eliminate weapons grade plutonium production (sec. 3136)

The committee recommends a provision that would limit the amount of money that could be obligated or expended for the program to eliminate weapons grade plutonium production before an agreement with Russia is signed. The provision would prohibit the Administrator of the National Nuclear Security Administration from obligating or expending more than $100.0 million until 30 days after the Administrator submits a copy of the agreement to the congressional defense committees.

SUBTITLE D—PROLIFERATION MATTERS

Administration of program to eliminate weapons grade plutonium production in Russia (sec. 3151)

The committee recommends a provision that would direct the transfer of the program to eliminate weapons grade plutonium in Russia from the Department of Defense (DOD) to the Department of Energy (DOE). The provision would also direct that the funds, which had been previously appropriated to DOD, be transferred to and merged with DOE funds. In addition, the provision would allow DOE to spend the funds for the program without regard to the restrictions that had been placed on the funds when DOD managed the program.

The program to eliminate weapons grade plutonium production in Russia would shut down the remaining three plutonium producing reactors in Russia. The program was originally created to modify the reactor cores so they would not produce plutonium. Due to technical difficulties in changing the reactor cores and the age of the reactors, the program shifted from converting the reactor cores to building alternative power sources. The three reactors, in

addition to producing plutonium, also produce energy for the communities in which they are located. In order to shut down the reactors, an alternative power supply must be provided.

The 2003 budget request transferred this program from DOD to the DOE National Nuclear Security Administration (NNSA) as a result of concern in Congress that this program should not be a DOD program, but rather a DOE effort. In order to implement the program at DOE, the various restrictions that were put on the program at DOD must be removed. This provision would allow NNSA to carry out the program without the funding limitations and restrictions placed on the program when it was a DOD program.

The committee notes that this program is a very complicated program to implement, involving substantial financial contributions and coordination with the Russian government. There are many unresolved issues that NNSA will have to resolve with Russia before any actual construction activities can begin. The committee directs the Secretary of Energy and the Administrator of NNSA not to begin any construction work on the alternative power sources until there is an agreement or agreements in place with Russia that include a firm commitment to shut down the reactors and a firm schedule for Russian actions that support the shutdown, including the portions of the program that must be completed by Russia before the reactors can be shut down.

A related aspect of this program is an ongoing NNSA program to upgrade the reactors until they can be shut down. The reactor upgrade program was an NNSA program already underway and is not part of the transfer from DOD. The committee remains concerned that any upgrades to the reactors be for short-term safety improvements and will not extend the life of these reactors.

Security of nuclear materials and facilities worldwide (sec. 3152)

The committee recommends a provision that would express the sense of Congress that the Secretary of Energy, in consultation with the Secretaries of State and Defense, should work to develop a program of activities, with Russia, other G–8 countries, and allies, to encourage all countries to secure stockpiles of highly enriched uranium (HEU) and plutonium and to adhere to or adopt standards equivalent to the International Atomic Energy Agency standards on the Physical Protection of Nuclear Materials and Nuclear Facilities. The provision would also direct the Secretary of Energy, acting through the Administrator of the National Nuclear Security Administration (NNSA), to conduct a study to determine the feasibility and advisability of developing a program to secure radiological materials outside the United States, other than HEU and plutonium, that present a threat to U.S. national security and to submit a report to Congress on the review one year after the date of enactment. Finally, the provision would direct the Secretary of Energy, in consultation with the Chairman of the Nuclear Regulatory Commission, to conduct a study on the feasibility and advisability of various actions to reduce risks associated with terrorist attacks on nuclear power plants outside the United States. The Secretary would be required to submit to Congress a report on the

results of this study nine months after the date of enactment of the National Defense Authorization Act for Fiscal Year 2003.

Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia (sec. 3153)

The committee recommends a provision that would repeal the semi-annual report on the Department of Energy fissile Materials Protection, Control and Accounting (MPC&A) program required by section 3131 of the National Defense Authorization Act for Fiscal Year 1996. This report is no longer needed as the information is included in the annual MPC&A report.

Expansion of annual reports on status of nuclear Materials Protection, Control and Accounting program (sec. 3154)

The committee recommends a provision that would amend the annual reporting requirement for the Department of Energy (DOE) Materials Protection, Control and Accounting (MPC&A) program to include countries other than Russia. The DOE MPC&A program works to protect weapons grade nuclear materials in the countries of the Former Soviet Union, including Russia. The provision would also amend the MPC&A report to require the Secretary of Energy to identify the nature of the work performed in each country outside of Russia, the amount of material secured, the amount of material remaining to be secured, and the total amount spent by country.

Export Control Operations program

The budget request included $92.7 million for the Nonproliferation and International Security program. This request included $15.5 million for the Export Control Operations program in the Office of the Deputy Administrator for Defense Nuclear Nonproliferation. The program conducts proliferation reviews of U.S. dual-use export licenses, regulates U.S. nuclear technology transfers, plays a leading role in implementing multilateral export control regimes, and works with governments worldwide by providing assistance and training to develop effective and enforceable national systems of nuclear export control. Because of the terrorist attacks of September 11, 2001, and heightened concerns that countries that support terrorism are increasing efforts to acquire dual-use technologies and nuclear materials, the committee is very concerned that weak export control systems and ineffective enforcement worldwide pose a danger to U.S. national security. Therefore, the committee recommends that the Export Control Operations program accelerate its efforts to promote the use of nonproliferation export controls with emerging supplier states and regions of concern, work with transit states to train and equip experts in identifying illicit transfers of controlled nuclear and other weapons of mass destruction-related exports, and strengthen the National Nuclear Security Administration's role in the technical evaluation of proliferation threats and of exports and imports reviewed by U.S. Customs. The committee recommends an additional $3.0 million above the budget request to be used to support these efforts.

SUBTITLE E—OTHER MATTERS

Indemnification of Department of Energy contractors (sec. 3161)

The committee recommends a provision that would amend section 170d(1)(A) of the Atomic Energy Act of 1954 to allow the Department of Energy to continue to enter into contracts for indemnification for an additional 10 years, through August 1, 2012.

Worker health and safety rules for Department of Energy facilities (sec. 3162)

The committee recommends a provision that would amend section 234B of the Atomic Energy Act of 1954 (42 U.S.C. 2282b) to require the Secretary of Energy to impose fines and penalties against contractors and subcontractors of the Department of Energy (DOE) who violate DOE construction health and safety regulations that the Secretary is required to promulgate. The regulations must be promulgated pursuant to the Administrative Procedure Act not later than 270 days from the date of enactment of this Act. The regulations would take effect one year from the date they are promulgated. The Secretary may provide in the regulations variances or exemptions to the extent necessary to avoid serious impairment of the national security of the United States. The provision would also require the Secretary to establish a process under which the variance or waiver would be granted. In enforcing the regulations on the structures, buildings facilities or other improvements that are being closed, demolished or transferred, the Secretary shall evaluate on a case by case basis whether they should or should not be brought into conformance. The committee includes this direction to the Secretary to prevent improvements to such facilities. In making any such determination the decision shall not diminish or effect the worker health and safety regulations applicable to the surveillance, decontamination or demolition work on such facilities. Penalties may be assessed up to $0.1 million per day per violation. The provision provides that a non-profit or not-for-profit entity shall not be assessed fines and penalties, that, when aggregated with all other fines and penalties, would exceed the amount of the contract fee.

One-year extension of authority of Department of Energy to pay voluntary separation incentive payments (sec. 3163)

The committee recommends a provision that would amend section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 to provide a one-year extension of the Department of Energy (DOE) authority to make voluntary separation incentive payments. The committee is aware that DOE would like to extend the ability to encourage voluntary separations and avoid any future need to conduct a reduction in force. This provision would allow DOE to do long-term planning for reductions as a result of future reorganizations.

Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3164)

The committee recommends a provision that would authorize $6.9 million to be paid by the Department of Energy (DOE) to the Los Alamos Education Foundation in fiscal year 2003. The committee recommends an additional $6.9 million in readiness in the technical base, special projects, for this payment. The foundation was established by section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998. The foundation provides for educational support to students and schools in the Los Alamos area.

The budget request for the National Nuclear Security Administration (NNSA) includes $8.0 million for the Los Alamos Public Schools to offset the cost of living for school teachers teaching in the public schools. The contract between NNSA and the Los Alamos schools, pursuant to which this annual payment is made, expires at the end of fiscal year 2003. The provision would also amend section 3136 of the National Defense Authorization Act for Fiscal Year 2002 to allow NNSA to extend the current contract with the Los Alamos Public Schools to provide for cost of living adjustments for the school teachers through fiscal year 2013. This amendment is necessary to allow NNSA to include the annual payment in its fiscal year 2004 budget request and in subsequent years budget requests.

SUBTITLE F—DISPOSITION OF WEAPONS-USABLE PLUTONIUM AT SAVANNAH RIVER, SOUTH CAROLINA

Disposition of weapons-usable plutonium at Savannah River, South Carolina (sec. 3181–3183)

The committee supports the ability of the United States to meet its obligations under the Plutonium Disposition Agreement with Russia, signed in September 2000. The United States and Russia agreed to dispose of 34 metric tons each of excess weapons grade plutonium, all of which the Department of Energy has planned to dispose of by 2019 through the conversion of the plutonium to a mixed oxide (MOX) fuel for use in commercial nuclear reactors. This conversion would take place at the Savannah River Site's MOX plutonium conversion facility at Aiken, South Carolina. Because of the importance of the MOX facility for plutonium disposition, the committee has created a detailed set of certifications, plans, corrective processes, and, if necessary, monetary payments to be made by the Secretary of Energy to ensure the effective functioning of the MOX facility. The provision also defines the term "MOX production objective" as production at the MOX facility at the Savannah River Site of MOX fuel from defense plutonium and defense plutonium materials at an average rate equivalent to not less than one metric ton of MOX fuel per year. This average rate would be based on measurements of production at the MOX facility from the date on which the Nuclear Regulatory Commission (NRC) declares the MOX facility operational through the date of assessment.

The committee included a section that would direct the Secretary of Energy, no later than February 1, 2003, to submit to Congress a plan for the construction and operation of a MOX plutonium facil-

ity at the Savannah River Site. The committee recommends that the plan include a schedule for construction and operations to ensure that as of January 1, 2009, and thereafter, the production of MOX fuel and that production of one metric ton of MOX fuel is achieved by December 31, 2009. This schedule must also ensure the delivery of 34 metric tons of defense plutonium and defense plutonium materials to the Savannah River Site to be processed into MOX fuel by January 1, 2019.

To ensure that the MOX fuel construction and operation schedule as mandated is on-time and on-budget, the committee recommends that, starting in 2004, not later than February 15 of each year, and continuing for as long as the MOX facility at the Savannah River Site is in use, the Secretary of Energy shall submit to Congress a report on the implementation of the plan described above. For those reports submitted to Congress under this section before the year 2010, the Secretary must include an assessment of compliance with the schedule contained in the plan and a certification by the Secretary that the MOX production objective can be met by January 2009. For each report after 2009, the Secretary must address whether MOX production objectives have been met and also the status of U.S. obligations under the Plutonium Management and Disposition Agreement with the Russian Federation. For reports submitted after 2017, the Secretary must continue to include assessments of compliance with the MOX production objective, and if for any reason compliance with the production objective is not met, the Secretary must supply a plan for compliance with the MOX production objective and the removal of all remaining defense plutonium and defense plutonium materials from the State of South Carolina.

Due to the unique nature and obvious benefits of the MOX facility, the committee recommends a process for corrective actions taken if any of the reports due before January 1, 2009, indicate that construction or operation of the MOX facility is behind the planned schedule by 12 months or more. In such a circumstance, the section directs the Secretary to submit to Congress, no later than August 15 of the year in which the report is submitted, a plan to be implemented that will ensure that the MOX facility is capable of meeting the MOX production objective by January 1, 2009. If the plan submitted is in any year after 2008, it must include corrective actions to be implemented by the Secretary ensuring that the MOX production objective is met. Any such plan for corrective action must also include established milestones for compliance with MOX production goals.

If before January 1, 2009, the Secretary determines that MOX milestones as set forth by the Secretary's corrective action plan will not be met by 2009, all transfers of defense plutonium and defense plutonium materials must be suspended until the schedule risk is addressed by the Secretary and the Secretary certifies that MOX production objectives can be met by 2009. If after January 1, 2009, the Secretary determines that milestones under the Secretary's corrective action plan have been slipped and the MOX production objective cannot be met, the Secretary must suspend further transfers of defense plutonium and defense plutonium materials until the Secretary can certify that the MOX production objective can be

met. In either case, either before or after January 1, 2009, if the Secretary makes such determinations, then the Secretary must submit to Congress a plan specifying options for the removal from the State of South Carolina an amount of defense plutonium or defense plutonium materials equal to the amount of such materials transferred to the State of South Carolina after April 15, 2002. These reports must be specific in setting forth options, including the costs and schedules of implementation for each of the options examined, and any consideration of requirements for removal under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and commensurate with the submittal, any analyses which may be required under the National Environmental Policy Act of 1969 must also be initiated.

In the eventuality that the MOX production schedule is not met, and the Secretary makes any of the determinations under this section that would require removal of defense plutonium and defense plutonium materials from the State of South Carolina in compliance with the National Environmental Policy Act of 1969 and any other applicable laws, the committee recommends several requirements for that removal process. If the MOX production objective is not met by January 1, 2009, the Secretary must remove, no later than January 1, 2011, no less than one metric ton of all defense plutonium and defense plutonium materials from the State of South Carolina, and no later than January 1, 2017, the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002, and January 1, 2017, but not yet processed at the MOX facility.

If the MOX production objective is not met on January 1, 2011, the committee has included a section that would require the Secretary to make payments to the State of South Carolina each year, starting on or after that date, until 2016, in order to assist with the economic impact on the State of not meeting the MOX production objective. The amount of the payment is $1.0 million per day until the passage of 100 days in such a year, the MOX production objective is achieved, or the Secretary has removed from the State of South Carolina in such a year at least 1 metric ton of defense plutonium or defense plutonium materials. If the MOX production objective has not been met by January 1, 2017, the Secretary will make payments to the State of South Carolina each year, beginning on or after that date, through 2024 of $1.0 million per day until the passage of 100 days in such a year, the MOX production objective is achieved, or the Secretary has removed an amount of defense plutonium or defense plutonium materials from the State of South Carolina equal to the amount of defense plutonium or defense plutonium materials transferred to the Savannah River Site between April 15, 2002 and January 1, 2017, but not yet processed by the MOX facility. All payments made according to this section would be from amounts authorized to be appropriated to the Department of Energy.

In case any injunctions obtained by the State of South Carolina would prevent the Department of Energy from taking actions necessary under these sections, the committee recommends that any deadlines specified be extended for the period of time during which the court-ordered injunction is in effect.

If on July 1 of each year, beginning in the year 2020, and continuing for as long as the MOX facility at the Savannah River Site is in use, the planned plutonium disposition obligation under the agreement with the Russian Federation of 34 metric tons is not met through processing at the MOX facility, the Secretary must submit to Congress a plan for the complete processing of the full 34 metric tons of defense plutonium and defense plutonium materials at the MOX facility or the removal of all such material from the State of South Carolina in an amount equal to all such material transferred to the Savannah River Site after April 15, 2002, but not yet processed into MOX fuel.

The committee further directs that if after one year of the date on which the MOX facility ceases operation any MOX fuel remains at the Savannah River Site, the Secretary must submit to Congress a report detailing when such fuel would be transferred for use in commercial nuclear reactors or a plan for its removal from the State of South Carolina.

Engineering, construction, and project management

The committee continues to support the Department of Energy (DOE) and National Nuclear Security Administration (NNSA) efforts to improve project management. The Office of Engineering and Construction Management (OECM) within DOE and the Office of Project Management (OPM) within NNSA have been integral to the progress that DOE has made in the last several years in significantly improving project and construction management. The management discipline these two offices have brought to both construction and other types of projects, such as NNSA approach to weapons pit manufacturing and certification, have enabled DOE and NNSA to manage costs and schedules better and to improve long-term planning. The committee notes that the close working relationship of the two offices has been key to the overall success of each.

More remains to be done however. The committee believes that each office could benefit from a small amount of additional resources. The committee urges the Administrator of NNSA to provide at least $5.0 million for the NNSA OPM to allow the OPM to continue its own project oversight work but also to provide training and mentoring programs to improve the skills of DOE project managers. The committee believe this training should include training for key DOE managers so that they can become certified project managers.

Disposition of special nuclear material from the Rocky Flats Site

The committee is concerned about possible delays in removing Special Nuclear Material (SNM) from the Department of Energy (DOE) Rocky Flats Site. These delays could ultimately threaten the scheduled closure of the Rocky Flats Site by December 15, 2006. The committee directs the Secretary of Energy to provide a report describing how the DOE proposes to remove all SNM from the Rocky Flats Site on a schedule to enable the closure of the Rocky Flats Site by December 15, 2006. The report shall be submitted to the congressional defense committees 90 days after the date of en-

actment of this Act. The report shall be initiated and developed within the Department of Energy by the Assistant Secretary of Environmental Management.

This report shall include:

(1) an assessment by the Secretary of the current cost and schedule for the closure of the Rocky Flats Site and whether the project to close the Site is on track to complete closure by December 15, 2006, and what steps, if any, are needed to keep the project on schedule to close Rocky Flats by December 15, 2006.

(2) an assessment by the Secretary of the cost and schedule impacts, if any, to the effort to close the Rocky Flats Site by December 15, 2006 that are the result of delays in removing SNM from Rocky Flats.

(3) the DOE strategy and schedule for removing all SNM from the Rocky Flats Sites to achieve closure of the Rocky Flats Site by December 15, 2006, including the destination of all SNM removed from the Rocky Flats Site, the short and long term plan and schedule for disposition of the SNM removed from the Rocky Flats Site, and any additional funding that may be needed to achieve closure of Rocky Flats Site by December 15, 2006.

(4) a strategy and schedule for closure of the Rocky Flats Site at the earliest possible date in the event the Secretary determines that it is not possible to close the Rocky Flats Site by December 15, 2006, and funds that would be need to achieve closure by the revised date.

The Secretary shall provide to the congressional defense committees updates to this report, every 60 days, until the Rocky Flats Site is closed. The updates shall include cost and schedule impacts from delays in removing the SNM from the Rocky Flats Sites, any changes to the SNM disposition plans and schedules, and any additional funds that would be needed at the Rocky Flats Sites or elsewhere to address any schedule or cost differences.