

**Alliance for Nuclear Accountability - Union of Concerned Scientists - Arms Control Association
Project on Government Oversight - International Panel on Fissile Materials
Friends Committee on National Legislation - Physicians for Social Responsibility
Women's Action for New Directions - Friends of the Earth
Nuclear Information and Resource Service - Nuclear Watch of New Mexico - Tri-Valley CAREs
Oak Ridge Environmental Peace Alliance - Georgia Women's Action for New Direction
Nuclear Watch South - Rocky Mountain Peace and Justice Center - Southern Alliance for Clean Energy Blue
Ridge Environmental Defense League - South Carolina Chapter of the Sierra Club
Fernald Residents for Environmental Safety & Health
HEAL Utah - Peace Action West - Campaign for a Nuclear Weapons Free World
Concerned Citizens for Nuclear Safety - Colorado Coalition for the Prevention of Nuclear War
Mothers Against Tennessee River Radiation/Bellefonte Efficiency and Sustainability Team**

March 19, 2012

The Honorable Rodney P. Frelinghuysen, Chairman
The Honorable Peter J. Visclosky, Ranking Member
Appropriations Subcommittee on Energy and Water Development
U.S. House of Representatives
2362 Rayburn House Office Building
Washington, DC 20515

Cut MOX Plutonium Fuel Program – Spiraling Costs, Technical Hurdles, Impacts to Nonproliferation Programs

Chairman Frelinghuysen and Ranking Member Visclosky:

We request that the subcommittee substantially reduce funding for the Mixed Oxide Plutonium Fuel (MOX) program and direct funds to essential nuclear nonproliferation programs.

Costs for the Department of Energy's MOX program are increasing at an alarming rate. The estimated cost of MOX plant construction at the Savannah River Site has increased from \$1.6 billion in FY2004 to the current \$4.9 billion. The DOE's FY2013 overall request for MOX and associated plutonium disposition programs is \$887 million and the budget indicates a funding request of \$3.6 billion from FY2014 to FY2017.

The estimated annual operating cost for the MOX plant jumped to \$499 million per year in the FY2013 budget request, up from \$356 million in FY2012 and \$156 million in FY2011 - more than a 200 percent increase in just two years. If DOE's current prediction that the MOX plant will operate for 20 years is accurate, operating costs alone could total over \$10 billion, placing continuing pressure on nuclear non-proliferation programs.

DOE attributes increased costs to such things as higher equipment costs, MOX plant design changes and "higher than expected professional/technical staff turnover due to demand for nuclear trained personnel at other projects." Yet it is far from clear if costs are under control.

After years of effort, no reactors are contracted to test or use MOX fuel. Given the risks associated with MOX use, it is far from certain if the Tennessee Valley Authority (TVA) will test or use MOX in any of its reactors. MOX made from weapons-grade plutonium has *never* been tested or used in a boiling water reactor (BWR) such as TVA's Browns Ferry, a GE Mark I (Fukushima Daiichi) design, necessitating a lengthy testing period. The Nuclear Regulatory Commission (NRC) recently made it clear that they expect test data will be necessary to support an

application for commercial use of the fuel. In-reactor MOX testing would severely impact the MOX plant operational schedule and delay the NRC's licensing review of full-scale commercial use, resulting in additional cost increases.

The plutonium disposition request for FY2013 represents over one-third of the NNSA's Defense Nuclear Nonproliferation budget of \$2.5 billion. The result is that critical programs such as the Global Threat Reduction Initiative and the Nonproliferation and International Security program are under severe budgetary strain. Experts have made a strong case that projected funding for key non-proliferation budgets this year and in coming years is inadequate. The relentless budget pressure caused by MOX, which does nothing to address loose fissile material, is a large part of the problem.

Given the cost, schedule and technical vulnerabilities of the MOX program and the possibility that the program will fail, it is essential DOE be directed to review viable options to manage surplus plutonium as waste. In the past, immobilization of plutonium in high-level waste was shown to be less expensive than MOX.

Thank you for intensifying oversight of the MOX program and for significant cuts to the MOX plant construction and administrative budgets. Please do not allow important nonproliferation programs that have been proven effective to suffer because of the MOX program's out-of-control costs.

Sincerely,

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