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## **Energy Secretary Moniz Appears Before House and Senate Appropriators**

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With one important exception, there was little discussion about the DOE Office of Science when Energy Secretary Ernest Moniz testified at two hearings of the House and Senate Energy and Water Development Appropriations Subcommittees. Most of the questions addressed to Moniz concerned the programs of the National Nuclear Security Administration, energy production, and the construction management of large DOE projects.

Moniz appeared before House Subcommittee Chairman Mike Simpson (R-ID) and his colleagues on April 2 for about two-and-one-half hours. His April 9 appearance before Senate Chairwoman Dianne Feinstein (D-CA) and her colleagues lasted about half as long, which was ample time for Feinstein to again question the value of the ITER fusion program.

Simpson opened his hearing by commenting "there is no doubting the importance of the Department of Energy. Yet there is great doubt about the department," as he discussed DOE's "inability to plan and execute major infrastructure projects." As examples he cited the Savannah River Site's MOX plant, Hanford's Waste Treatment and Immobilization Plant, and the Y-12 Uranium Processing Facility. Simpson criticized DOE for entering into agreements with the Department of Defense that are unaffordable.

"The early reviews of your tenure as secretary have been very, very favorable" subcommittee Ranking Member Marcy Kaptur (D-OH) told Moniz who was making his first appearance before appropriators. Moniz highlighted the overall 2.6 percent increase in the FY 2015 budget request in his opening statement; total discretionary funding will increase just 0.2 percent in FY 2015. He discussed increased domestic oil production, declining CO2 emissions, "remarkable progress in clean and renewable energy," characterized ARPA-E as "extremely effective," and lauded the Office of Science and its exascale computing programs and user facilities.

While DOE's nuclear security missions would see an increase of 4 percent under the request, Moniz said budget caps "have put serious constraints on our national security enterprise broadly." DOE's defense nuclear nonproliferation program would <u>decline</u> 20.4 percent. Moniz testified that more than half of the proposed reduction is due to the Administration's proposal to put the unfinished <u>MOX</u> plant in cold standby. Explaining this decision, Moniz said "we simply have to get hold of the costs of these major projects. And so we have proposed a standby mode to analyze all available options, including MOX, to reach an agreed-upon way to dispose of this weapons plutonium." Later in the hearing, Moniz affirmed "we are committed to disposing of the 34 tons of plutonium" that is now stored at Savannah River. It has been estimated that the life cycle cost of the MOX facility could be \$30

billion. While noting that DOE has had success in a substantial number of programs and projects, Moniz said he completely agreed with Simpson's concerns about cost overruns, saying that a common problem of projects with major cost overruns is that they were baselined before they were well understood.

Other topics raised during this hearing were DOE's climate change programs, energy independence, grid modernization, alternative energy (especially biofuels), new reactor designs, and the American Centrifuge Project, for which Moniz said the funding situation was "very fluid." Questions were raised about the status of ITER. Moniz is recused from discussing DOE's fusion program. He turned to Patricia Dehmer, Acting Director of the Office of Science, who reiterated what she said in her previous testimony before the same subcommittee.

As he concluded the hearing Simpson told Moniz, "You face many challenges . . . . My job is not only to do the appropriation . . . but it's to help you [be] the most successful secretary of the Department of Energy that we've had. . . . . When that happens, we all win."

Moniz returned to Capitol Hill one week later to testify before the Senate Energy and Water Development Appropriations Subcommittee. In her opening comments and later questions subcommittee chairwoman Feinstein called the request to increase funding for nuclear weapons activities while reducing funding for nonproliferation and environmental cleanup activities as "not acceptable." Feinstein said the Office of Science budget request (with an increase of about 1 percent) appears "to be in pretty good shape."

As Feinstein did in <u>2012</u> and <u>2013</u>, she questioned U.S. participation in ITER. Addressing Deputy Secretary of Energy Daniel Poneman, Feinstein spoke of the possibility that the U.S. contribution to ITER could grow from the original estimate of \$2 billion to more than \$6 billion. Feinstein continued:

"To make matters worse, an independent assessment of the ITER organization found a long list of problems that could lead to additional cost increases and schedule delay. Some of these include the lack of project management skills and a sense of urgency to complete the project, a lack of realistic milestones, too few staff with large project management and industrial experience to integrate thousands of components for the most complex engineering project in the world. Mr. Poneman, I hope you can share your views of whether you think the project management problems at ITER can be fixed and whether the United States should continue to fund ITER given the cost increases and higher scientific priorities. Actually, this may be an opportunity to experience the power of the purse."

The appropriations committees have that "power of the purse." Later in the hearing Feinstein and Poneman discussed ITER. Poneman did not disagree with her contentions, saying that the international organization running ITER must respond to management reform recommendations and establish and execute a corrective plan. Feinstein said the U.S. has spent \$850 million to date on ITER, and that major construction will not be complete until at least 2023, which she said was another four year delay.

Subcommittee Ranking Member Lamar Alexander (R-TN) spoke about his support for basic research, controlling major project construction costs, focusing federal spending on new technologies and modernizing the nuclear deterrent in his opening comments. He reiterated his support for ARPA-E.

Later in the hearing there was an extended exchange, similar to that in the House hearing, about the status of the MOX facility. Also raised were the disposal of spent nuclear fuel, the Keystone XL Pipeline, LNG export policy, and nuclear weapons life extension programs, and the Waste Treatment

Plan at the Hanford site in Washington, and renewable energy technologies. There was also discussion about two-year transition plans for students conducting research at MIT's Alcator C-Mod fusion facility. The hearing adjourned quickly in response to a roll call vote on the Senate floor.

Note: selections are from a transcript prepared by and used with the permission of <u>CQ Roll Call</u>.

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Main topics: Dept. of Energy

House Appropriations Committee Senate Appropriations Committee