

Attachment E to Calbos Declaration



Department of Energy
Under Secretary for Nuclear Security
Administrator, National Nuclear Security Administration
Washington, DC 20585



May 10, 2018

The Honorable William "Mac" Thornberry
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Pursuant to Section 3141 of the *National Defense Authorization Act for Fiscal Year 2018* (Public Law 115-91), the Department of Energy's National Nuclear Security Administration (DOE/NNSA) is providing Congress with the Analysis of Alternatives (AoA) that was conducted in accordance with DOE's project management requirements, the Engineering Assessment, and the Workforce Analysis reports produced to inform the necessary recapitalization of NNSA's plutonium pit production capabilities.

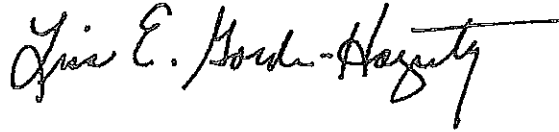
The recommended alternative outlined below is consistent with the direction in the 2018 *Nuclear Posture Review* to ensure an "effective, responsive, and resilient nuclear weapons infrastructure" capable of adjusting to meet requirements and has been certified by the Chairman of the Nuclear Weapons Council. NNSA's recommended alternative is to repurpose the Savannah River Site's Mixed Oxide Fuel Fabrication Facility to produce 50 war reserve plutonium pits per year (PPY) in 2030. Concurrently, NNSA will continue to invest in Los Alamos National Laboratory (LANL) to produce an enduring 30 war reserve PPY in 2026. As practicable, NNSA will assess opportunities for LANL to produce above that quantity.

NNSA's recommended alternative is the optimal path forward for meeting requirements to produce 80 war reserve PPY in 2030 and managing the risks associated with increasing pit production while maintaining existing plutonium operations. LANL will remain the Nation's plutonium center of excellence as we work to ensure a resilient and responsive infrastructure for pit production for decades to come.



With the continued support of Congress, I am confident in the ability of the nuclear security enterprise to meet our pit production requirements. I look forward to continuing to work with you on this important national security matter. If you have any questions, please contact Nora Khalil, Associate Administrator for External Affairs, at 202-586-7332.

Sincerely,

A handwritten signature in black ink, reading "Lisa E. Gordon-Hagerty". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lisa E. Gordon-Hagerty

Enclosures

cc. The Honorable Adam Smith
Ranking Member

Attachment F to Calbos Declaration



ACQUISITION
AND SUSTAINMENT

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

The Honorable Rodney P. Frelinghuysen
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

MAY - 4 2018

Dear Mr. Chairman:

This letter provides the written certification from the Nuclear Weapons Council (NWC) Chairwoman required by section 3141 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018 (Public Law 115-91) regarding the Administrator for Nuclear Security recommended alternative for the Department of Energy's National Nuclear Security Administration (DOE/NNSA) plutonium capabilities. The recommended alternative is acceptable to the Secretary of Defense and NWC, and represents a resilient and responsive option to meet the Department of Defense (DoD) requirements for plutonium pit production capacity and capability.

The proposed strategy repurposes the Mixed-Oxide Fuel Fabrication Facility (MFFF), currently under construction at the Savannah River Site (SRS), and utilizes capabilities at the Plutonium Facility (PF)-4 at the Los Alamos National Laboratory (LANL). However, as reported in the DOE/NNSA Plutonium Production Engineering Assessment (EA), there are major construction and certification schedule risks inherent in the plan. DOE must address these risks to preclude failure to meet military requirements by 2030.

To reduce risk under any proposed strategy, it is essential that NNSA resource near-term surge pit production capacity at PF-4 to the fullest extent practicable. This surge capacity increase will hedge against potential schedule risks in repurposing MFFF, and ensure the two sites achieve additive production capacity of 80 war reserve pits per year, the minimum necessary to meet military requirements by 2030.

DoD examination of the proposed alternatives included a review of cost estimates in the EA. Recognizing that non-recurring costs of reutilizing the MFFF are lower, and the recurring costs of the two-site option are higher, the hybrid two-site solution provides significant strategic resilience, hedging against the risk of an interruption in production at one site due to technical, environmental, or other unanticipated issues. The recommended alternative has been reconciled with the 2013 Cost Assessment and Program Evaluation Business Case Analysis. The acquisition cost estimates appear consistent with history for high hazard material processing facilities. To reduce risk, the recurring and non-recurring cost estimates for the recommended alternative must be refined prior to the next construction major milestone decision point, estimated to be in year 2021.

This approach will require leadership and intense focus by DoD and NNSA to meet the 2030 timeline. I commit to working collaboratively with your Committee and NNSA to continue to examine areas where we can further reduce risks and take advantage of opportunities to improve both production and fiscal performance. The NWC will exercise regular coordination and monitoring of progress implementing the recommended alternative. Reestablishing a robust plutonium pit capability is a top priority for Secretary Mattis and Secretary Perry. I look forward to addressing any questions you might have.

Sincerely,



Ellen M. Lord
Chairwoman

cc:
The Honorable Nita M. Lowey
Ranking Member