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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510–6025
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May 16, 2012

CHARLES J. HOUY, STAFF DIRECTOR

The Honorable Carl Levin, Chairman
The Honorable John McCain, Ranking Member
Committee on Armed Services
SR-228 Russell Senate Office Building
United States Senate
Washington, DC 20510

Dear Chairman Levin and Ranking Member McCain:

While we are concerned about several provisions in the House Armed Services Committee (HASC)-reported authorization bill for fiscal year 2013 (H.R. 4310), there is one specific provision that we would like to bring to your attention as you prepare to mark up the fiscal year 2013 National Defense authorization bill.

As you know, the President proposed \$340 million in the fiscal year 2013 budget for the National Nuclear Security Administration (NNSA) to begin construction of a new Uranium Processing Facility (UPF) in Oak Ridge, Tennessee. The HASC bill would move management of this project, as well as the Chemistry and Metallurgy Research Replacement Nuclear Facility at Los Alamos, New Mexico, out of NNSA and treat it as a military construction project managed by the Army Corps of Engineers under the Department of Defense (DOD).

We have two concerns about this proposal. First, while the Army Corps of Engineers has significant experience managing military construction projects, it does not have experience with building one-of-a-kind nuclear facilities. Second, in a time of tight budget constraints, funding for UPF—which is estimated to cost as much as \$6.5 billion—would compete within the military construction budget with facilities that support our troops, such as special operations training facilities and modernized barracks.

We believe NNSA must do a better job managing large construction projects, but the solution is not shifting responsibility to another agency. We are committed to exercising more aggressive oversight of UPF construction. This will include quarterly status sessions with the NNSA Administrator, the UPF project team, and the Government Accountability Office (GAO). We have asked GAO to undertake a strong role in monitoring the project. In addition, we intend to utilize the expertise of the Department of Defense wherever possible, including its Cost Assessment and Program Evaluation (CAPE) team.

Thank you for your consideration.

Sincerely,

Dianne Feinstein Chairman

Subcommittee on Energy and

Water Development

Lamar Alexander Ranking Member Subcommittee on Energy and

Water Development