Nuclear Watch New Mexico

Notes on the Kansas City Plant Environmental Assessment

These notes are meant to assist:

- 1) Media interested in the proposal for a new Kansas City Plant and the final status and ultimate cleanup of the old plant; and
- 2) Citizens who may want to submit comprehensive comments on the KCP environmental assessment.

Please bear with a large amount of redundancy between general notes and those following specific excerpts of the KCP environmental assessment.

Background

The Kansas City Plant (KCP) is located on approximately 122 acres of the 300-acre Bannister Federal Complex located within city limits, 12 miles south of downtown Kansas City, Missouri. The Bannister Complex is owned by the federal General Services Administration (GSA), which leases the KCP portion to the National Nuclear Security Administration (NNSA), the Department of Energy's semi-autonomous nuclear weapons agency. NNSA's funding for KCP over the last four years averaged around 400 million dollars, 98% for nuclear weapons programs, mostly components production. A Plant official has also stated that KCP receives approximately \$130 million annually for "Work For Others," virtually all for nuclear weapons as well.

KCP is operated by a subsidiary of Honeywell, Inc., under contract to NNSA. The Plant itself states that it is "NNSA's highest rated production facility," and produces and/or procures 85 per cent of all components that go into a nuclear warhead. It is also responsible for 85 percent of all the individual types of nuclear weapons components. The Plant specializes in the thousands of nonnuclear components, such as firing and arming systems, radars, guidance systems, reservoirs for tritium (a radioactive gas used to "boost" the destructive power of nuclear weapons), setting foams and adhesives.³

KCP claims to be highly productive, in the words of management, averaging 5,000 shipments a month. Moreover, KCP states that it is having its busiest workload in 20 years, which is expected to last until the year 2015. Much of this work is geared towards "Life Extension Programs" costing billions to extend the active lifetimes of existing nuclear weapons 20-30 years, despite the obligation of all signatories to the 1970 NonProliferation Treaty to disarm nuclear stockpiles. Moreover, some of the nonnuclear components are significantly changing the military utility of existing nuclear weapons. A current example is the sub-launched W76,

¹ See FY08 "Laboratory Table," part of the NNSA's Congressional Budget Request, at http://www.cfo.doe.gov/budget/08budget/Start.htm

² Stated by Mr. Matt Smith, Senior Manager, Program Management, Kansas City Plant, October 17, 2007, at a presentation to the Alliance for Nuclear Accountability, in response to a question by this writer. He further stated that most of that money was expended in work for other NNSA sites.

For much more background on the Kansas City Plant, see our web site at www.nukewatch.org. A hopefully decent overview is at http://www.nukewatch.org/facts/nwd/ANA-KCP10-19-07.ppt

the single most prevalent warhead in the stockpile.⁴ Many of them have received or are slated to receive variable-altitude burst fuses and improved guidance systems that radically improve target accuracy.

This has the effect of changing a nuclear weapon of relatively modest yield (if there is such a thing), 100 kilotons,⁵ from a deterrent "counter value" ("city buster") weapon to a "counterforce" (first strike against military and command and control centers) weapon because of detonating at ground level closer to the target. The resulting destructive power goes up exponentially. It is also far "dirtier" because of the soil and debris ejected into the atmosphere, coming back down as radioactive fallout. Amongst all the other nonnuclear components that KCP manufactures and/or procures, the Plant provides these "improved" fuses and guidance systems. KCP also planned to be very active in producing components for controversial new-design nuclear weapons, the so-called Reliable Replacement Warheads (RRWs). However, Congress recently deleted all RRW funding.

NNSA proposes to build a new half-billion dollar, 1 to 1.55 million square feet Plant within Kansas City limits, developed by private sector financing who would lease it to GSA, who in turn would sublease it to NNSA. The National Environmental Policy Act (NEPA) requires that proposed "major federal actions" be subject to public review, and a draft "environmental assessment" (EA) was officially noticed in the Federal register on December 10.6

The deadline for public comment on the draft EA is January 14. The EA itself states that there will be **no public hearing** (p. 6). Comments and/or requests for hard copies of the draft EA should be sent to Carlos Salazar, General Services Administration, 1500 East Bannister Road, Room 2191 (6PTA), Kansas City, MO 64131. Public comments can also be emailed to NNSA-KC@gsa.gov. Requests for hard copies of the draft EA can be made by calling 816-823–2305 or via email to NNSA-KC@gsa.gov.

The draft EA states that 97 people signed in at the May 23, 2007 public meeting for "scoping" of the EA and 24 individuals provided oral comment. I was there, and attest that there were yet more people and speakers (however, some speakers spoke twice). The EA states that approximately 500 individuals submitted written scoping comment (including the oral comment that was transcribed). GSA/NNSA officials were clearly surprised by the turnout at the scoping hearing, and perhaps that is why there will be no further hearings. The EA notes that NEPA does not require hearings for environmental assessments (P. 5-6), in contrast to more rigorous environmental impact statements.

Nuclear Watch New Mexico * Notes on the Kansas City Plant Environmental Assessment January 7, 2008 • Page 2

The W76 comprises ~30% of U.S. strategic nuclear forces, according to credible estimates by the Natural Resources Defense Council and the Federation of American Scientists. W76 warheads are MIRVed, i.e. are "multiple independently targetable reentry vehicles," meaning that more than one warhead is carried by any single missile.

In comparison, the atomic weapons that destroyed Hiroshima and Nagasaki were ~15-18 kilotons.

The EA is available at http://www.gsa.gov/kansascityplant In addition to the EA, click on "NEPA Library" in order to see a critical reference document entitled "Relocation of Non-Nuclear Production to an Alternate Location Business Case," and a transcript of the May 2007 public scoping meeting. Downloading the PDF documents is recommended for word searching, copy and pasting, etc., for research and comment writing.

Five Key Points on the draft KCP Environmental Assessment

(Verbatim quotes from the EA in italics)

A New Kansas City Plant Results in the Greatest Job Loss

The Missouri and Kansas congressional delegations and local Kansas City politicians have expressed support for a new KCP because it will help ensure long-range preservation of jobs in the local area. The EA proposes six different alternatives from "No Action" (essentially the status quo at the old Plant), the preferred alternative of building a new Plant, and four variants of renovations/new builds at the old Plant (P. 1). However, all six alternatives include the loss of 250 jobs, which the EA states has already been accomplished in FY07 through employee attrition (P. 8). So job loss has not only been planned, but is already being implemented under all proposed alternatives.

However, the alternative that will result in the most job loss is NNSA's stated preferred alternative of building an entirely new plant. The figure given in the EA is 900 jobs lost out of a current work plant force of 2,427,7 or a net job loss of 650. The alternative that has the smallest job loss is "No Action," or the status quo, with 350 jobs lost, or 100 net. The ultimate point is that local politicians who support a new plant for the sake of jobs are supporting the alternative that results in the most job loss.

The EA Fails to Address Cleanup and Future Uses of the Old Plant

In my view, there are no environmental issues that would be profitable to contest <u>in</u> the EA. For starters, the claim is made that a 28% reduction in emissions would be realized through a new plant, likely to be true given new processes, new heating boilers, etc. (P. iii). The EA estimates that only 1.5 acres of wetlands might be affected (P. ii), which would be addressed in future State of Missouri permitting and be the responsibility of the private developer (P. 37). Even if the amount of affected wetlands were 10 times greater, that would be no showstopper.

Instead, the real environmental issue is in what the EA excludes, which is decontamination, demolition and environmental remediation of the old Plant once NNSA moves to the new Plant. ("...disposition and cleanup activities for the existing NNSA facility at the KCP are not part of the current proposed action and will be addressed in appropriate future environmental analyses.") (P. 3).

The EA's crucial supporting document "Relocation of Non-Nuclear Production to an Alternate Location Business Case" indicates that the estimated cost of decontamination, demolition and environmental remediation of the old Plant is \$287 million in FY06 dollars through 2030. (P. 16) In all likelihood, given chronic DOE cost overruns, that \$287 million is likely low for ultimate cleanup costs.

The team moved costs for the planned demolition and remediation of the Bannister site out to FY 2015 and beyond, so they would not arbitrarily impact the cash flow comparisons in the Future Years Nuclear Security Program (FYNSP) window, which will soon extend to FY

Current employment figures from "KCP Fact Sheet" http://www.gsa.gov/kansascityplant
Nuclear Watch New Mexico * Notes on the Kansas City Plant Environmental Assessment
January 7, 2008 • Page 3

2014. (Business Case, P. 22.) FYNSP is the NNSA's rolling 5-year budget projections under the "Future Years Nuclear Security Program," which is overwhelmingly directed at refurbishing existing nuclear weapons and new-design nuclear weapons under the Reliable Replacement Warhead (RRW) Program. In effect, cleanup at the old Plant is being deferred in favor of aggressive nuclear weapons production programs. Given the likely underestimated costs and delays, there is danger that full remediation of the old Plant may never occur.

Arguably, the EA's exclusion of analyzing cleanup of the old Plant is "segmentation" under the National Environmental Policy Act. NEPA does state that connected actions should be analyzed together. Therefore, construction of a new plant and D&D and cleanup of the old Plant are arguably connected actions that NNSA should consider in a unified NEPA analysis.⁸

The EA states that GSA is expected to leave the Bannister Complex at approximately the same time NNSA leaves for the new Kansas City Plant, around the year 2012. (P. 3) This raises the question of what federal entity will be responsible for final cleanup. Finally, this KCP EA is completely silent on what future uses the Bannister Complex could be put to, obviously an important economic development issue for the Kansas City area.

The EA's "Business Case" Justifying a New Plant in the Kansas City Area Is False

GSA/NNSA noted that considerable public comment for previous "scoping" for the EA stated that KCP functions should be consolidated to other sites. Directly related, public comment stated that KCP should be including in NNSA's pending programmatic environmental impact statement (PEIS) for "transformation" of the nuclear weapons complex, whose draft release is expected soon. First, there is near nothing in the EA that addresses or even responds to the substantial public comment that the new KCP should be analyzed in the Complex 2030 PEIS (or its successor).

But in response to the public comment that KCP functions should be transferred and consolidated to other sites, first the EA claims, "Because the non-nuclear operations at KCP are essential and are not duplicative, no proposal for relocation or elimination of these missions was formulated." (P. 4) We know that is not categorically true because the Sandia National Laboratories (SNL) have non-nuclear operations. In fact, Sandia has top design and engineering responsibility for all nonnuclear components. Further, the EA's supporting study "Relocation of Non-Nuclear Production to an Alternate Location Business Case" conceded that collocating design and manufacturing operations would be a business benefit.

For support, the EA references the study "Relocation of Non-Nuclear Production to an Alternate Location Business Case." ¹⁰

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Obviously, the position of the Missouri Department of Natural Resources will be very important regarding the disposition and final cleanup of the old Plant.

Formerly known as the Complex 2030 PEIS. See NNSA's website at http://www.complextransformationspeis.com

Available at http://www.gsa.gov/kansascityplant under "NEPA Library."

EA P. 5.: ... a recent analysis has concluded that transferring these operations to a site other than one within the immediate Kansas City area would not be cost effective. (see Section 3.4) Consequently, the non-nuclear operations would remain at either the current KCP or the proposed new KCP facility because (1) KCP downsizing has benefits independent of the rest of the transformation proposal, (2) KCP downsizing decisions would neither affect nor be affected by the transformation decisions around proposed actions or alternatives in the SPEIS, (3) NNSA expects a decision on construction of the new KCP facility to be made prior to any decisions that would be made based on the SPEIS allowing NNSA to take advantage of projected cost savings, and (4) maintaining and downsizing the KCP in the Kansas City area is consistent with previous NEPA analysis and recent cost analysis.

Superficially, this "business case" appears impressive and intimidating, but in my view the critical assumptions upon which its analyses are based render it ridiculous. Perhaps it greatest flaw is that the study assumes that since the old Kansas City Plant is owned by the GSA and leased to NNSA that an entirely new GSA-owned, 1 million+ square foot plant would have to be built "outside of the fence" from the Sandia Lab in Albuquerque. This inflates the costs of moving KCP functions to SNL/ABQ to begin with, which the study further exacerbates by including the cost of projected delays for a new GSA plant in Albuquerque, which the study estimates couldn't be done for 8 years. In short, the study does not consider the consolidation of KCP functions within Sandia, but assumes a near autonomous plant bordering Sandia, driving up costs and blocking in advance potential cost savings such as single management, security, and infrastructure that are not even factored in. The EA also ignores the projected \$287 million in D&D and cleanup of the old Plant that could be precipitated by the move to the new Plant, which almost exactly offsets the "savings" claimed by the business case by not consolidating KCP functions to Albuquerque.

Additionally, the study argues against moving KCP functions to Albuquerque because Sandia has weapons-grade special nuclear materials (SNM), which the old KCP does not, and the resulting organizational security and secrecy would discourage growing "commercialization" of KCP functions (meant as both outsourcing and technology spin-offs to the private sector). There are two ironies here. First, NNSA Administrator Tom D'Agostino testified in April 2006 that all SNM Cat I/II material would be removed from Sandia by 2008. All NNSA nuclear weapons complex transformation plans that we are aware of show that Sandia will remain a non-SNM Cat I/II site. Second, Sandia is already one of the most successful, if not the most, NNSA sites for technology spin-off.

KCP Should Be Considered in the Pending "Transformation" of the Nuclear Weapons Complex Programmatic Environmental Impact Statement

P. 4: DOE issued a NOI [Notice of Intent] on June 6, 1995 (60 FR 31291), along with a final Stockpile Stewardship and Management Programmatic Environmental Impact Statement (PEIS) on November 19, 1996 (61 FR 58871) and a Record of Decision (ROD) on December 26, 1996 (61 FR 68014), announcing its decision to transform the weapons production complex by further downsizing of the nuclear weapons complex. This decision included reducing non-nuclear component fabrication capacity at the KCP. In these documents, DOE

Cat I/II is Security Category I and II, whose criteria combine both the quantities involved and the weapons-grade purity of the plutonium and highly enriched uranium.

evaluated alternatives for consolidation of non-nuclear manufacturing, storage and surveillance functions of the nuclear weapons complex to the KCP and reducing the capacity for non-nuclear component fabrication. This was the environmentally preferable alternative, exhibited the least technical risk, and was also the least-cost alternative. The proposed action [in the KCP EA] would continue the consolidation and downsizing of non-nuclear activities at the KCP, which began in the early 1990s.

An alternative to consolidate KCP functions elsewhere in the 1996 Stockpile Stewardship and Management PEIS was rejected primarily because of the cost and environmental impacts of moving into new facilities elsewhere. This argument is now rendered moot by virtue of the fact that under the EA's proposal, the KCP is going to move to a new facility anyway (albeit only eight miles away). In contrast, there are arguably existing, even newly built facilities, at the Albuquerque Sandia Lab that KCP functions could be consolidated to. The EA's cited reference document, "Relocation of Non-Nuclear Production to an Alternate Location Business Case," completely failed to research potential taxpayer cost savings resulting from single management, security and overhead, eliminating work force, infrastructure and facility redundancies, the obvious \$.5 billion cost of building the new plant, and the connected \$287 million cost for D&D and cleanup of the old Plant. Instead, the so-called business case considered only a stand alone, GSA-owned facility bordering Sandia, and not integrating KCP's functions within Sandia. However, the soon-to-be-released programmatic environmental impact statement for "transformation" of the nuclear weapons complex, which KCP is excluded from, should examine those probable benefits.

EA P. 5.: The current complex is much larger than is required by NNSA and, because of its age and size, is expensive to operate. The alternatives evaluated in this EA are constructed around the mission need to maintain the KCP while downsizing for cost efficiency with projected savings of approximately \$100M per year. Separately, NNSA is preparing a Supplement to the Stockpile Stewardship and Management Programmatic Environmental Impact Statement (SPEIS) (DOE/EIS-0236-S4) that evaluates alternatives for the continued transformation of other sites within the nuclear weapons complex.

This pending "supplement" to the 1996 Stockpile Stewardship and Management PEIS was first known as the Complex 2030 SPEIS for the future nuclear weapons complex that NNSA hoped to achieve by that year. While NNSA published a Notice of Intent for it in October 2006, to date a draft PEIS has not been released, but is expected in the first half of January 2008. However, in the face of growing congressional opposition to the Reliable Replacement Warhead Program and specifically Congress's refusal to fund a new proposed Consolidated Plutonium Center, NNSA has begun to call it the "transformation" PEIS.

The Complex 2030 SPEIS Notice of Intent noted that the 1996 Stockpile Stewardship and Management PEIS "evaluated alternatives for consolidation of non-nuclear manufacturing, storage and surveillance functions of the Nuclear Weapons Complex to the Kansas City Plant and reducing the capacity for non-nuclear component fabrication," which is far from the full story.

Under "Nonnuclear Fabrication," the 1996 SSM PEIS actually said:

In addition to the No Action alternative, two alternatives are being considered that would meet the needs of the Program: 1) downsizing the facilities that Nuclear Watch New Mexico * Notes on the Kansas City Plant Environmental Assessment January 7, 2008 • Page 6

presently perform this mission at KCP and 2) <u>transferring the KCP nonnuclear fabrication mission to LANL, LLNL and SNL</u> by upgrading existing nonnuclear fabrication facilities at LANL and LLNL, and constructing <u>new nonnuclear fabrication facilities at SNL</u>. [p. S-41, emphases added]

SNL designs most of the components that KCP manufactures; therefore, <u>SNL</u> would become the major nonnuclear component supplier if a decision is made to transfer this function to the weapons laboratories. Other than potential synergisms with maintaining core competencies at the weapons laboratories, a major program consideration would be <u>the cost of transferring product</u> technologies and recreating facilities that already exist at KCP. [p. S-21, emphases added]

A decade ago, DOE's *SSM-PEIS Record of Decision* on non-nuclear component fabrication stated that DOE's decision to downsize the existing facilities at the KCP was "the environmentally preferable alternative", "exhibit[ed] the least technical risk" and was also "the least-cost alternative." ¹²

Given that today NNSA <u>is</u> proposing to pay for "transferring product technologies and recreating facilities that already exist at KCP," these near-term costs—which could well be more than offset by long-term savings from consolidation—are clearly not a sufficient justification for failing to examine consolidation alternatives for the non-nuclear fabrication functions now carried out by KCP.

In sum, nonnuclear consolidation to the NNSA weapons labs was actively considered as a "reasonable alternative" in the 1996 SSM PEIS, but was rejected at that time largely because of the up front costs and environmental impacts of relocating the KCP when compared to "downsizing in place." That justification is now entirely mooted by the current GSA/NNSA proposal to build a new half-billion dollar KCP at a new site. It is unlikely that the incremental costs of moving equipment to New Mexico, rather than to a new KCP eight miles away, could now justify excluding the weapons lab option. ¹³

Further, the NNSA's own FY 2008 Congressional Budget Request contains a number of references as to how KCP fits into the Complex 2030 (now "transformation") plan:

Operations of Facilities: funding may be used to provide further support to the planned down-sizing of the Kansas City Plant consistent with the 2030 Complex plan. DOE FY08 Congressional Budget Request, NNSA, Volume 1, p. 224.

¹² Federal Register, December 26, 1996, p. 68023.

¹³ In the SSM-PEIS, NNSA's predecessor, DOE's Office of Defense Programs (DP), had little difficulty identifying and analyzing in detail a number of "reasonable alternatives" for relocating and consolidating the non-nuclear fabrication mission at existing long-established sites in New Mexico. None of these alternatives were characterized or discarded as "unreasonable." The 1996 analysis determined that the required upgrades to existing facilities could be accomplished on the same timescale as the option ultimately chosen (KCP "Downsize in Place"). These estimates were supported by some 40 pages of detailed analysis. (1996 SSM-PEIS Vol. II, A-182 to A-222)

As a result of the planning associated with the Responsive Infrastructure/Complex 2030, the Consolidate and Renovate Computing Facilities at the Kansas City Plant has been cancelled. Ibid., p. 260.

...the Replace Main Switchgear Project at Kansas City Plant was terminated due to transformation of the complex decisions. Ibid., p. 343.

The [KCP] site is aligned with Complex 2030 planning for the future of the nuclear weapons complex. Ibid., p. 576.

The [KCP] site is aligned with Office of Transformation plans for Complex 2030 and supporting Responsive Infrastructure activities. Ibid., p. 577.

NNSA's own *Ten-Year Site Plans* for the Kansas City Plant demonstrate that the site will be deeply affected by proposed transformation of the nuclear weapons complex, and is itself playing a substantial role in transforming the complex. For example, from the FY07 plan:

The KCP is aggressively evaluating <u>transformation options</u> in consideration of the goals from <u>responsive infrastructure leadership at NNSA-HQ</u>...¹⁴ Emphasis added.

The KCP FY06 Ten-Year Comprehensive Site Plan explicitly states:

The KCP is continuing on the path to work with the NNSA to transition from "protecting the capabilities of the past" to "creating the responsive infrastructure of the future." [P. 21.]

The technologies, facilities, and equipment required to support responsive infrastructure and future weapons designs are expected to emerge from the responsive infrastructure analysis currently being led by NNSA... [P.27].

Readiness of production technology advances <u>deployment of new</u> <u>manufacturing processes required for the next-generation weapon systems</u>. [P. 40]

Implementation of <u>responsive infrastructure strategies</u> is expected to have a major impact to future TYCSPs [KCP Ten-Year Comprehensive Site Plans]...[P. 59.]

The KCP integrates technology planning, technology investments, <u>and</u> teaming within the <u>NWC</u> [nuclear weapons complex] to plan, prioritize, and establish the new capabilities and updates required for the currently assigned and projected workload. [P. 65.]

The Kansas City Plant has established a new organization to address strategic long term issues and to <u>work with NNSA to develop an effective plan for the complex of the future</u>. [P. 66.] All emphases added.

Kansas City Plant FY07 Ten-Year Site Plan, Honeywell Federal Manufacturing and Technologies, March 24, 2006, p. 12, scanned copy available at www.nukewatch.org

Private Development of a Nuclear Weapons Plant **Could Circumvent Congressional Authorization and Appropriation**

KCP EA Executive Summary: The proposed action is for GSA to procure the construction of a new multi-structure facility to house NNSA's non-nuclear component procurement and manufacturing operations. GSA would issue a Solicitation for Offers to the real estate development community. The successful developer would purchase the property, and would partner with GSA and NNSA to design and construct a campus that meets NNSA's needs. GSA would lease the campus on NNSA's behalf, and NNSA would relocate its non-nuclear operations from the existing KCP at the Bannister Federal Complex in Kansas City, Missouri to the new facility and conduct future operations in the new facilities.

Rather than relying on Congressional authorization and appropriations, sometimes government agencies arrange for private parties to fund projects. These agencies agree to lease the facility for extended periods of time, thus guaranteeing the developer's profit, and often agree to outright purchase of the project after the lease expires.

These third party transactions are usually structured to conform to annual federal costs. In contrast, total estimated costs of construction are required upfront for any proposed project's budget line item in an agency's annual Congressional Budget Request. Hence, third party transactions generally don't give the amount of federal cost obligations made over any number of years, and related tend to avoid close congressional scrutiny. Ultimately, third party transactions can cost the government more because of financing costs and profits to the private developer. And ultimately taxpayers end up paying for all of this.

Kansas City media has reported that construction of the new plant will cost \$500 million.¹⁵ In a table on page 15 the "business case" gives lease costs to the private developers through FY 2030 as \$912 million. This is over 18 years, as NNSA assumes beginning operations in at the new plant in 2012. This begs the question of what happens after FY 2030. Does NNSA re-lease, or does it buy the new plant outright? In any event, total costs are not given.

To end up paying double to private developers for a new nuclear weapons components plant sounds like a raw deal to the taxpayer. Further, to build the new plant with private money avoids the constitutionally mandated duty of Congress to authorize and appropriate (in other words, the new KCP is not in NNSA's Congressional Budget Requests). This is especially ironic given that strong elements in Congress are calling upon NNSA to genuinely consolidate its nuclear weapons complex. Instead, NNSA proposes to consolidate from its present eight active sites to..... its eight active sites. 16 In effect, NNSA has predetermined one

For example, "Nuke weapons plant to mover near Richards-Gebaur [AFB]", Kevin Collison, Kansas City Star, April 18, 2007.

To be fair, NNSA does say, but does not yet guarantee, that it will lower the "footprint" of each individual site. However, with language applicable to KCP, the Senate Armed Services Committee declared, "The NNSA has initiated the Complex 2030 study to review the nuclear weapons complex and decide on the design for the complex of the future. The committee is troubled by the scope and timing of the study and the options under consideration. The study does not include any options that would significantly reduce the size of the complex or that would consolidate operations and NNSA sites. The committee urges the NNSA to expand the scope of the Complex 2030 study to look at site

major element of the "transformed" nuclear weapons complex by keeping nonnuclear components production in the Kansas City area, and rejecting in advance consolidation of that mission elsewhere.

As further evidence of predetermination, NNSA has decided to zero out "Deferred Maintenance" for the old Kansas City Plant for the next five years because of the anticipated move to the new Plant.¹⁷

- P. 14. GSA's NEPA implementing regulations -- the GSA Public Buildings Service (PBS) NEPA Desk Guide (October 1999) -- provide an automatic "categorical exclusion" (CATEX) for the acquisition of property interests such as the option to purchase and develop the Botts Road/Highway 150 property described above in Section 2.0. GSA's NEPA standards also require any post-acquisition use of such property interests be analyzed under NEPA prior to their use.
- P. 16. Although the decision to acquire this property interest is subject to a CATEX, several other alternative locations for the Bannister Federal Complex were nonetheless considered before deciding to acquire the Botts Road/Highway 150 development rights in 2007.

Therefore, GSA has already acquired, or at a minimum has decided to acquire, the development rights for the land. The EA is silent on further detail, but one question would be did money already change hands? This smacks of NEPA predetermination. Another question is whether this acquirement created or will create federal obligations without related congressional appropriations, in possible conflict with the federal Anti-Deficiency Act?

The Act itself states:

- (1) An officer or employee of the United States Government or of the District of Columbia government may not—
- (A) make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation;
- **(B)** involve either government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law...

The question then becomes whether third party financing for the new KCP is authorized by law, which the EA is silent on.

consolidation, including the possibility of closing NNSA sites that are surplus to mission needs."

Report 110–77, National Defense Authorization Act For Fiscal Year 2008, P. 619 (or PDF p. 641).

"FY 2007 FIRP site splits have been updated since the FY 2007 Congressional budget. While the FY 2007 total is the same, site split reallocations have been made in recognition of plans to move the Kansas City Plant to a new facility. KCP FY 2007 funding reflects minimum required to cover ongoing projects. Likewise, outyear DM [deferred maintenance] buy-down funding for KCP has been zeroed out and that funding has been reallocated to other NNSA sites to address other DM requirements." NNSA FY08 Congressional Budget Request, Volume 1, p. 28. [FIRP is NNSA's Facilities Infrastructure Recapitalization Project to address deferred maintenance.] "In FY 2006 KCP recommended that NNSA discontinue expenditure of FIRP resources on refurbishing their aged production facility. This recommendation is based on KCP's development of a transformation proposal supporting construction of a new, modern production facility." Ibid., p. 578.

Specific References on the Environmental Assessment

- P. ii: Impacts on wetlands cannot be assessed because plant layout has yet to be determined.
- P. iv: Construction at old plant could disturb groundwater and soils contaminated with PCBs and volatile organic compounds.
- Table 1, pp. 1-2: Summary of environmental consequences. See work force reduction by alternative.
- P. 1: Purpose of EA is to arrive at a "Finding of No Significant Impact" (FONSI) or a decision that a more stringent environmental impact statement (EIS) should be completed. It is natural that interested citizens would argue for an EIS, given the new plant's \$.5 billion cost and the significance of the facility.
- P. 3: The EA states GSA would also leave the old Bannister Federal Complex, but doesn't say where. This raises the question of what federal entity would be responsible for post-closure cleanup.
- P. 3: The EA states disposition and cleanup of the old plant will addressed in "appropriate future environmental analyses." This is arguably segmentation under NEPA.
- P. 4: DOE issued a NOI on June 6, 1995 (60 FR 31291), along with a final Stockpile Stewardship and Management Programmatic Environmental Impact Statement (PEIS) on November 19, 1996 (61 FR 58871) and a Record of Decision (ROD) on December 26, 1996 (61 FR 68014), announcing its decision to transform the weapons production complex by further downsizing of the nuclear weapons complex. This decision included reducing nonnuclear component fabrication capacity at the KCP. In these documents, DOE evaluated alternatives for consolidation of non-nuclear manufacturing, storage and surveillance functions of the nuclear weapons complex to the KCP and reducing the capacity for nonnuclear component fabrication. This was the environmentally preferable alternative, exhibited the least technical risk, and was also the least-cost alternative. The proposed action would continue the consolidation and downsizing of non-nuclear activities at the KCP, which began in the early 1990s.

An alternative to consolidate KCP functions elsewhere in the Stockpile Stewardship and Management PEIS was rejected primarily because of the cost and environmental impacts of moving into new facilities elsewhere. This argument is now rendered moot by virtue of the fact that under the EA's proposal, the KCP is going to move to a new facility anyway (albeit only eight miles away). In contrast, there are arguably existing, even newly built facilities, at the Albuquerque Sandia Lab that KCP functions could be consolidated to. The EA's cited reference document, "Relocation of Non-Nuclear Production to an Alternate Location Business Case," completely failed to research potential taxpayer cost savings resulting from single management, security and overhead (instead of two), eliminating work force, infrastructure and facility redundancies, and the obvious \$.5 billion cost of building the new plant. Instead, the so-called business case considered only a stand alone, GSA-owned facility bordering Sandia, and not integrating KCP's functions within Sandia.

P. 4: In addition, NNSA is currently considering alternatives that would consolidate, relocate or eliminate duplicative facilities and programs and improve operating efficiencies. Because the non-nuclear operations at KCP are essential and are not duplicative, no proposal for relocation or elimination of these missions was formulated.

Here, the EA refers to the nuclear weapons complex "transformation" programmatic environmental impact statement, scheduled for imminent release, which is considering future missions at all other seven NNSA sites except KCP. NNSA claims this is justified because decisions made elsewhere are not expected to impact KCP. This is patently false. For example, a 2007 KCP Ten-Year Site Plan states that plutonium "pit workload changes have a direct effect on the KCP project." The key production activity in NNSA's proposal for transforming its nuclear weapons complex is for plutonium pit "triggers," and by NNSA's own words KCP will be directly affected. For this reason and many others, Nuclear Watch NM argues that the KCP EA process should be terminated, and the Plant (both old and new) should be considered in the transformation PEIS.

NNSA's argument that KCP functions are not duplicative is even easier to counter. First, Sandia has paramount design and engineering responsibility for all nonnuclear components, and secondly has large amounts of manufacturing floor space. Sandia is already the sole source for some major nonnuclear manufacturing, for example neutron generators. It appears that NNSA is guilty by omission by not even considering the possibility of consolidating KCP manufacturing functions within existing Sandia capabilities and facilities.

P. 5: Further, while the operations at KCP could be made more efficient at the proposed new KCP facility, a recent analysis has concluded that transferring these operations to a site other than one within the immediate Kansas City area would not be cost effective. (see Section 3.4) Consequently, the non-nuclear operations would remain at either the current KCP or the proposed new KCP facility because (1) KCP downsizing has benefits independent of the rest of the transformation proposal, (2) KCP downsizing decisions would neither affect nor be affected by the transformation decisions around proposed actions or alternatives in the SPEIS, (3) NNSA expects a decision on construction of the new KCP facility to be made prior to any decisions that would be made based on the SPEIS allowing NNSA to take advantage of projected cost savings, and (4) maintaining and downsizing the KCP in the Kansas City area is consistent with previous NEPA analysis and recent cost analysis.

The recent analysis is the already mentioned" Relocation of Non-Nuclear Production to an Alternate Location Business Case." Already mentioned is its fatal flaw: the study considers only a stand-alone, GSA-owned plant with KCP's functions bordering Sandia, and not integrating those functions within existing Sandia capabilities and facilities. To then say that KCP downsizing solely within the Kansas City area has benefits independent of the rest of nuclear weapons complex "transformation" is false.

The SPEIS mentioned above is the "transformation" PEIS (which technically is a "supplement" to the 1996 Stockpile Stewardship and Management PEIS. NNSA's assertion that decisions made elsewhere in the nuclear weapons complex will not have impact on KCP is demonstrably false.

As to NNSA making decisions on KCP before making decisions on the rest of the complex, we think that predetermination of nuclear weapons nonnuclear components manufacturing, a key element of the future nuclear weapons complex. More generally, while Congress has directed NNSA to study consolidating the nuclear weapons complex, NNSA proposes to consolidate from eight active sites to.... exactly eight active sites.

We argue that maintaining and downsizing the KCP in the Kansas City area is <u>not</u> consistent with previous NEPA analysis and recent cost analysis. The fatal flaw in the cost analysis has already been discussed. Concerning previous NEPA analysis, the Record of Decision (ROD) for the 1996 SSM PEIS decided not to move KCP to another site because of the costs and environmental impacts of a new facility. Now, NNSA aggressively seeks to build a new facility. Arguably, the least costs and potential environmental impacts would lie in integrating KCP functions within existing Sandia capabilities and facilities, which NNSA has preemptively ruled out even considering.

- Pp. 5-6: Section on Public Comment, statistics previously cited, with no future public meetings to be held.
- P. 8: The relocation would involve moving approximately two-thirds of the existing capital and process equipment to the new facility. What is the cost difference between moving KCP 8 miles to a new facility or to Albuquerque? The study "Relocation of Non-Nuclear Production to an Alternate Location Business Case" concedes that transportation costs are not really a factor, while failing to analyze potentially big cost savings resulting from integrating KCP functions within exiting Sandia capabilities and facilities.
- P. 8: The new campus would be constructed to pursue a Leadership in Energy and Environmental Design (LEED), version 2.2, Gold certification, as defined by the United States Green Building Council. In addition, the campus would meet all executive orders on energy conservation. KCP is not a "campus," it is a nuclear weapons components factory. Further, it's ironic to have a "green" nuclear bomb factory.
- P. 8: The growth of the work for others business could result in offsetting the reduction [of 650 jobs lost as the result of operating the new plant]. There is no further discussion of other businesses in the EA, and hence offsets to job losses are unsupported and highly speculative. Additionally, the EA fails to discuss or analyze what future uses the old plant could be put to. Local Kansas City citizens should argue for "economic conversion" of the old plant while resisting building and operating a new nuclear weapons plant.
- P. 10: At the end of FY07, 250 of the 350 FTE reduction has already been realized. This is true for all of the alternatives that the EA considers.
- P. 16: Although the decision to acquire this property interest is subject to a CATEX [categorical exclusion from NEPA requirements], several other alternative locations for the Bannister Federal Complex were nonetheless considered before deciding to acquire the Botts Road/Highway 150 development rights in 2007. Translation: **GSA has already acquired, or at a minimum decided to acquire, land development rights for the new KCP.** This is arguably a predetermination that the new plant will go forward, even before a "public" decision is reached through the NEPA process.

- Pp. 17-18: The report assessed alternate locations that would co-locate non-nuclear production with other defense program activities and selected Albuquerque, New Mexico as the location that would offer the highest co-location benefits to NNSA. Sandia National Laboratory (SNL), the primary design laboratory for non-nuclear components, is in Albuquerque... The most likely outcome of relocating the non-nuclear production to Albuquerque results in a negative net present value of approximately \$289 million from FY 2008 to FY 2030 compared with retaining the facility in Kansas City. Schedule risk weighed very heavily in the final outcome of the study as well as near-term negative cash flow from increased upfront investment required for an alternate city move (SAIC, 2007). The Kansas City Responsive Infrastructure, Manufacturing, and Sourcing (KCRIMS) model has the best associated business case for relocation based on the conclusions made in the report, therefore, this alternative has not been further assessed in this EA. Fatal flaw of that study already discussed. Besides, when is the last time that NNSA ever worried about \$280 million over 18 years? NNSA consistently has cost overruns exceeding that.
- P. 18: The Kansas City Responsive Infrastructure, Manufacturing, and Sourcing (KCRIMS) model has the best associated business case for relocation based on the conclusions made in the report, therefore, this alternative [to relocate in Albuquerque] has not been further assessed in this EA. Nuclear Watch emphatically contests that decision.
- P. 37: Based upon preliminary site design plans and the widespread nature of the tributaries and wetland areas onsite, impact to the tributaries and wetlands is anticipated.
- Should the NNSA proceed with plans to build a new facility at this site, the United States Army Corps of Engineers (USACE), Kansas City District would have the ultimate responsibility for providing a jurisdictional determination for potential jurisdictional tributaries and wetlands. Upon completion of the jurisdictional determination, mitigation thru Section 404 Permitting process would begin... Obtaining the actual Section 404 Permit and mitigating the impacts would be the responsibility of the developer. In other words, the potential environmental impacts to wetlands at the new site are not really discussed in the EA.
- P. 38: Since the proposed action involves a design-build contract it is not possible at this time to show building locations and their possible impacts to wetlands. A Notice of Proposed Wetland Action will be included in the EA Notice of Availability posted in the Federal Register to allow for the 15 day public comment period. Watch out for NNSA "design-build" projects, a near guarantee for design/construction mistakes and cost overruns that enrich contractors. Further, impacts to wetlands are to be assessed and mitigated through an obscure process separate from the EA. [On a cautionary note, the EA projects that only 1.5 acres of wetlands will be affected. Additionally, this writer, based on very superficial visual inspection, did not see abundant evidence of wetlands at the new site. Hence, impacts to wet lands may not be a major issue.]
- P. 42: For example, the air emissions reductions may allow the new NNSA facility to be classified as an area source for hazardous air pollutants (HAPs) instead of a major source as defined by the National Emission Standards for Hazardous Air Pollutants (NESHAP) of the Clean Air Act. The EA offers no further support for this claim. Local activists should be concerned because an "area source" requires far less stringent monitoring.

- P. 45: Intentional Destructive Acts. Per the Department of Energy's Design Basis Threat Policy (DOE Order 470.3A), the Kansas City Plant is designated a Threat Level 4 facility and has no terrorist threat. Threat Level 4 is the lowest threat classification based on the general consequences of loss, destruction, or impact to public health and safety. The KCP has no critical assets or critical facilities... The KCP is considered a low-hazard industrial facility and operations at the KCP involve hazards of the type and magnitude routinely encountered in industry and generally accepted by the public. To categorically state that KCP has no terrorist threats smacks of circumventing recent court decisions that the Department of Energy must consider "Intentional Destructive Acts" (which also includes internal sabotage, not just potential terrorism).
- P. 47: The current plan for RGA [the old Richards Gebaur Air Force Base immediately across MO Highway 50 from the proposed new KCP site] proposes development of approximately 924 acres of industrial land and 52 acres of retail land. Development activities include construction of a Kansas City Southern Railroad intermodal facility featuring a rail facility and adjacent light manufacturing, distribution and warehousing facilities. When completed, the facility is expected to attract industrial users and shippers within a 500-mile radius, and may employ an estimated 2,000 people. In the post 9-11 world, an intermodal facility expected to attract industrial users and shippers within a 500-mile radius is arguably a target for potential Intentional Destructive Acts, including terrorism, which the EA fails to consider and analyze.

- End -

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