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New Report: U.S. Nuclear Weapons Agency Claims Phony Budget Savings; Misleads Congress and Taxpayers About Real Costs of New Warheads; Nonproliferation and Dismantlement Programs Cut

Santa Fe, NM – The House Armed Services Committee is currently pushing a defense bill that pushes back against the Obama Administration’s plans to delay production of a new air launched cruise missile warhead and new nuclear warheads that would be “interoperable” between land-based ICBMs and sub-launched missiles. Related, the bill also calls for speeding up expanded plutonium pit production at the Los Alamos National Laboratory.

The House Armed Services Committee is objecting to delays, but not the substance, of plans by the Department of Energy (DOE) to heavily modify existing nuclear weapons during “Life Extension Programs” to create the new nuclear warheads. DOE’s FY 2014 “Stockpile Stewardship and Management Plan” (SSMP), which first introduced these new warheads, caused considerable sticker shock in Congress. Now DOE has released a new FY 2015 SSMP that it claims is “generally affordable and more executable than the program proposed in the FY 2014 SSMP.” However, an analysis by Nuclear Watch New Mexico concludes that DOE’s new sales pitch is based on overly optimistic claims and outright omissions that should alarm Congressional budget hawks.

DOE’s nuclear weapons agency, the National Nuclear Security Administration (NNSA), is notorious for cost overruns. Its FY 2015 plan misrepresents reduced costs by:

- Delaying projects and their costs - which almost always results in higher total costs.
- Lowering budget estimates while claiming undocumented improved cost modeling - when NNSA has an abysmal record in cost estimates.
- Claiming \$7.5 to \$9.5 billion in savings for NOT doing a Life Extension Program – which in fact was never planned.
- Omitting costs of directly related programs - which may exceed the costs of the Life Extension Programs themselves.
- Depicting costs as gradually tapering off - while failing to disclose that even more expensive follow-on programs are planned 20 years after the first round of Life Extension Programs.
- Perhaps most significantly, assuming the armed services will help pay for heavily modified nuclear weapons - when in fact the U.S. Navy does not want them (see internal memo below).

Missing is justification of why an extensively tested, reliable stockpile needs to be heavily modified during Life Extension Programs. According to a recent DOE Inspector General audit report, NNSA failed to diligently keep original “as-built” designs, when that information “is the foundation upon which the NNSA surveillance program assesses the current stockpile. Without it,

NNSA loses confidence in its nuclear weapons stockpile assessments.” Changes could possibly erode confidence in nuclear weapons reliability, especially if original design information is lacking as a baseline.

The non-partisan Congressional Budget Office (CBO) recently reported that NNSA and the Pentagon plan to spend \$355 billion over the next decade on nuclear weapons and their delivery systems. Meanwhile, the Obama Administration’s FY 2015 budget request cuts funding for nonproliferation, dismantlement and nuclear safety programs, and keeps cleanup funding flat.

Jay Coghlan, Nuclear Watch Director, commented, “Congress should demand that NNSA rigorously justify any proposed changes to existing reliable nuclear weapons. The antidote to exorbitantly expensive, potentially harmful modifications to the reliable stockpile is genuine stewardship that would preserve original weapons designs. This is far less risky and provocative, and would free up money for critically needed nonproliferation, dismantlement, nuclear safety and cleanup programs.”

Strongly recommended: Nuclear Watch’s detailed analysis of NNSA’s FY 2015 Stockpile Stewardship and Management Plan, including sources and key NNSA excerpts

<http://nukewatch.org/importantdocs/resources/FY2015-SSMP-analysis.pdf>

An Executive Summary is available at

<http://nukewatch.org/importantdocs/resources/FY2015-SSMP-analysis-summary.pdf>

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The NNSA FYs 2014 and 2015 Stockpile Stewardship and Management Plans are available at <http://www.nnsa.energy.gov/ourmission/managingthestockpile/ssmp>

The Congressional Budget Office report *Projected Costs of Nuclear Forces 2014 -2023* is available at <http://www.cbo.gov/sites/default/files/cbofiles/attachments/12-19-2013-NuclearForces.pdf>

For U.S. Navy lack of support for heavily modified nuclear warheads see

“Navy Perspective of W78/88 LEP Phase 6.2,” September 27, 2012

<http://www.nukewatch.org/importantdocs/resources/Navy-Memo-W87W88.pdf>