



"float like a butterfly, bite like a dawg"

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<http://www.nukewatch.org>

At Los Alamos, Golf and Other Frauds

Until recently, Los Alamos National Laboratory (LANL) enjoyed a relatively easy ride in the press in 2002. Lab management certainly had reason to be happy with itself, awash in record funding for nuclear weapons programs and a return to "meaningful" work in new nuclear weapons design. Then news broke of fraudulent credit card use by lab employees and up to \$5 million in missing equipment, followed by the firing of two investigators looking into corruption. The stated reason for the firings? Lab management had lost "confidence" in them. Why is that? The two investigators had uncovered so many violations that they recommended that the lab's Safeguards and Security Division be stripped from LANL and transferred to DOE or the Department of Justice. Moreover, the fired investigators claimed that they had been ordered to quit assisting the FBI. One investigator has said "There are potentially at least 70 more issues...that could be turned into criminal cases." To wit, he found in one lab office a "morale fund" of \$35,000 or more a year, used to buy golf bags, coffee mugs and golf tees. "But we were cut off [from further investigation]."

Whatever this illustrates about daily operations at LANL and the quality of University of California management, there's greater fraud going on. New Mexico perennially ranks at the bottom of socioeconomic indicators (for example, the most families living in poverty, the hungriest state, even the "most stupid" state) while Los Alamos County is the 5th wealthiest county in the USA (and with the most Ph.D.s per capita). We are constantly reminded by politicians such as Senator Domenici of the benefits of the DOE presence. But how widespread are the benefits? We're left with the legacy of unlined and unpermitted dumps, an environmental burden for tens of thousands of years and a threat to our most precious resources -- surface and ground water. Meanwhile, as the State attempts to exert greater environmental regulatory authority, it gets whacked with eleven different DOE legal actions. Easy for DOE and its contractors to do, with a virtually unlimited war chest supplied by U.S. taxpayers, while New Mexico faces severe budget constraints. A vivid demonstration of this imbalance: in 2002 the New Mexico Environment Department's Hazardous Waste Bureau spent \$897,000 to try to regulate LANL, yet in turn it received only \$37,150 in permit fees!

But back to UC. Did you know that as a "nonprofit educational" institution it pays nothing in gross receipts taxes to New Mexico? Sandia Lab, which for tax purposes does similar work, pays the State \$45 million every year because a private corporation operates it. At the same time New Mexico (again the state with the most hunger) levies a regressive food tax on its citizenry. Los Alamos County gets its apportioned share of state funding for its schools, plus a special \$8 million subsidy every year from DOE while public schools in the rest of the State are falling apart. Further, UC uses a double standard between New Mexico and California, such as allowing explosive plutonium

experiments here but not in its home state.

But the biggest fraud of all at the lab? Its nuclear weapons programs. They have nearly doubled in funding since the end of the Cold War, while the cleanup program has been cut 37% in the last three years. We don't need those nuclear weapons programs. Senator Domenici personally told me a decade ago (he does have candor!) that his top priority was to get money for Los Alamos and Sandia and that the way to convince 98 other senators to appropriate it was through nuclear weapons programs. He has certainly been successful. Basically, it's just a gigantic money machine, with limited benefits to the rest of the State and some very serious regional drawbacks. On an international level, the lab's \$2 billion budget is the tail wagging the dog in weapons policies as new nuclear weapons designs are being pursued along with increasing momentum to return to full-scale testing. But perhaps we can all take some small comfort in the LANL employees enjoying their morale-boosting coffee mugs and golf tees.

--Jay Coghlan



cartoon by Jamie Chase

CORRECTIVE ACTION ORDER:

New Mexico Seeks to Better Protect Its Citizens;
Gets Whacked by DOE.
The Big Question: What Will Richardson Do?

Things are looking up at the New Mexico Environment Department (NMED). First, NMED has recommended **stricter water quality standards** that would tighten regulation of hazardous liquid discharges to LANL's canyons, which ultimately discharge to the Rio Grande. The University of California (LANL's manager) has filed a "Notice of Appeal" in state court so that it can sue New Mexico in the event that those stricter standards are adopted. How's that for intimidation? Would UC do that in California?

Second, NMED issued a final **Corrective Action Order against LANL** that includes a "Finding of Imminent and Substantial Endangerment" and comprehensive requirements for contamination investigation. The Finding means that there could be a potential hazard associated with dumping lead, mercury and radioactive materials like plutonium and tritium directly into the ground. The average citizen would probably agree that could be a hazard, but LANL went ballistic. There are **no less than six legal actions against the Order, the Finding and a preliminary cleanup plan** filed by DOE and UC in federal and State courts.

Third, NMED issued a similar **draft Corrective Action Order against Sandia Lab** with an endangerment finding. In response DOE and Sandia Corporation (a subsidiary of Lockheed Martin Corporation and Sandia's manager) have filed four legal proceedings in federal and State courts.

LANL has hypocritically protested that the NMED Order will actually delay cleanup by diverting lab time and money. This needs to be set straight. Since the early 1990s **the lab has spent an estimated \$700 million on cleanup, with very poor results**. Now the lab's "accelerated cleanup" plan is to move a small fraction of total radioactive wastes to WIPP, cover and leave forever existing buried wastes, let dilution take care of groundwater contaminants, and transfer the cleanup mission by 2015 to the nuclear weaponeers (who made the mess to begin with!). All this is so LANL can get on with its big business-- designing and producing nuclear weapons.

What will the future hold for cleanup at the labs? First, **NMED needs to hang tough in the face of the eleven (so far) DOE legal actions against it**. The feds are fundamentally attacking the State's authority to regulate mixed (i.e., both hazardous and radioactive) wastes and to require reporting and monitoring on "pure" radioactive wastes. But most importantly of all, **Governor-elect Bill Richardson must get behind the NMED Orders**. As DOE Secretary, Bill sued the State in order to force WIPP to open. He's got some explaining to do, and a lot of lost ground to make up. He can do that in part by seeing to it that the NMED's Orders against the labs are vigorously implemented and rigorously enforced. To be clear, these Orders do not yet mandate actual cleanup. But these Orders should result in New Mexico-controlled cleanup, once NMED has sufficient information on what cleanup to order, and if allowed to do so by Richardson. **If the State fails to keep itself in the driver's seat, the abysmal alternative is DOE-controlled "cleanup."**

--Jay Coghlan

LOS ALAMOS LABS & GROSS RECEIPTS TAX:

The Big Question: What Will Richardson Do?

New Mexico is currently in a serious fiscal situation. Revenue growth has been stagnant, and at the same time, many programs critically need increased funds due to heightened public reliance on social programs. **New Mexico badly needs a far-reaching economic plan** that taps into the resources of the State.

While New Mexican legislators must pinch every penny in order to meet the State constitution's mandated balanced budget, there is **growing momentum to eliminate the regressive tax on food and medical services** (part of the gross receipts tax (GRT) system). Such elimination would decrease tax revenue by as much as \$90 million (please see Watchdog, Vol.3, Issue 3 for more on GRT). Democratic governor-elect Bill Richardson has stated that he supports the elimination of the food tax; however he has proposed no new source from which the State could recoup the lost revenue.

We have long held the view that the **GRT should be levied upon the Los Alamos National Laboratory (LANL)**, but Richardson has publicly claimed that he will not support imposing a GRT on the lab. Instead he speaks about a "partnership" with LANL. That idea could never go far enough. Despite Congressional reviews of LANL's procurement policy and recommendations that the lab purchase locally, the lab's local procurements remain relatively small and isolated to a few businesses. Furthermore, Richardson's "partnership" will likely rely heavily on lab spin-offs. But there is **limited spin-off potential given that at least 77% of the LANL's budget is dedicated to nuclear weapons R&D, much of which is classified**. Though Richardson may be able to build a slightly better relationship between LANL and northern New Mexico businesses, it is doubtful he will have much concrete success where Congress (the lab's check writers) has failed.

For spin-offs to strongly stimulate the State's economy, two changes would have to occur. The first would be a **policy-level change away from nuclear weapons, at the highest levels of the federal government**. The second change would be to maintain current LANL funding levels, but **redirect funding from nuclear weapons R&D to basic sciences that support spin-off potential such as advanced computing, renewable energy, and environmental technologies**. This type of policy shift is impossible in the current national political climate. Richardson must expand the State's horizons if he is committed to bringing us a sustainable economic plan.

State Rep. Max Coll (D-Santa Fe) has endorsed the idea of LANL paying the GRT. We applaud Coll for voicing his position, and we hope he supports legislation in the coming session that actually levies the tax on LANL. Furthermore, we call on him to support legislation that also levies an impact fee on the lab. This region could possibly build a vibrant economic future if LANL becomes a full member of the northern New Mexico community. This can only occur when the lab pays taxes, reimburses the State for the major costs associated with environmental regulation, more actively supports regional businesses, and largely gets out of the nuclear weapons business. For more info, go to www.nukewatch.org.

--Colin King

The people at the Waste Isolation Pilot Plant (WIPP) are coming up on a harsh reality. After working so hard to fill their nuclear waste dump in Carlsbad, New Mexico, they have come to the realization that they may not be able to safely close the panel they have been filling.

Just as a reminder, WIPP is designed with panels that are mined into the salt. In those panels, there are rooms where the waste is dumped. (For more info on WIPP check out our WIPP section on our Web site at www.nukewatch.org/wipp.) Once all the rooms in the panel are filled, the people at WIPP need to close the panel in order to protect human health and the environment, and legally the Department of Energy (DOE) is required to close the panel because of the WIPP Permit.

Well, the DOE will be bringing in enough waste to "fill" one of WIPP's panels by early next year. The word fill is in quotes because DOE hasn't entirely filled the panel, and they won't ever be able to because of some pretty major technical problems.

In the WIPP Permit there is a particular panel closure method that was approved by the New Mexico Environment Department (NMED) and the Environmental Protection Agency. DOE now feels that this method, known as Option D, will not work. Come early 2003, DOE will be required to begin closure of Panel 1, and for the past year DOE has been trying to figure out how they will be able to do that. The problem is that the concrete that DOE was planning to use in order to close the

panel doesn't work and, by DOE's opinion, will never work. In order to get around this "snag" DOE has come up with a new method of closing off the panel. This method was submitted to NMED as a Class 2 permit modification request, but NMED changed it to a Class 3 (yet another example of DOE misclassifying permit modification requests). But the problem gets interesting now.

Because it has taken so long for DOE to come up with a new method of closure, its permit modification does not have a chance to go through the regulatory process in time to meet the closure deadlines currently imposed by the WIPP Permit. What this means is that there is a possibility that WIPP will be in violation of its permit if something doesn't happen. DOE has submitted another modification to try and prevent that, and we will have to see if NMED decides to approve that modification.

But the point of all of this is to show, once again, how the Department of Energy really doesn't have everything planned out the way it tells the public. Modification after modification shows this; now one of the most crucial items in the permit is questionable, even impossible by DOE's standard. Something as important as panel closure was not fully explored before the opening of WIPP, and now that DOE is under the gun to have that panel closed it is moving the goal posts. It has to make you wonder if, at the end of its operational life, DOE will be able to properly close all of WIPP, as it has repeatedly promised to New Mexico.

--Geoff Petrie

Have Done...Will Do! NukeWatch Looks Back at 2002 and Ahead to 2003

Some Nukewatch Actions in 2002

- Sued the Department of Energy over LANL's proposed new biolab. The lawsuit seeks greater safety protection, security and oversight.
- Helped expose and publicize rising budgets for U.S. nuclear weapons, including new "bunker-busters." Publicized new regressive policies, including the expansion of potential nuclear targets from two countries to seven.
- In order to block the expansion of the Waste Isolation Pilot Plant, with others successfully forced DOE to rescind proposed modifications to the WIPP Permit and to reclassify others to a more stringent level of regulatory review.
- Encouraged and pressured the New Mexico Environment Department (NMED) to strengthen and implement its Corrective Action Orders against Los Alamos and Sandia National Labs.
- Conducted extensive research into DOE's economic impact on New Mexico and raised the issue of LANL's tax-exempt status.
- Maintained and expanded an award-winning website (growing to 400,000 hits in 2002), produced bi-weekly cable TV shows, quarterly newsletters and fact sheets on emerging nuclear weapons issues.

Nukewatch Agenda for 2003

- Pursue litigation against DOE's biological program with the aim of better protecting the public and instituting program transparency.
- Promote real nuclear arms cuts and the lowering of the hair-trigger status of nuclear weapons. Specifically seek to stop plans for a new super production facility for plutonium pits... and any possible return to full-scale nuclear weapons testing.
- Continue to supply NMED with our formal comments on DOE proposed modifications to the WIPP Permit that seek to lower environmental, safety and health protection.
- Support NMED in translating its Corrective Action Orders against Los Alamos and Sandia National Labs into State-mandated cleanup. Ditto for the NMED's pending renewal of the Los Alamos hazardous and mixed waste permit.
- Release reports on DOE's economic impact in New Mexico that will puncture DOE's claims. We will also continue to push for payment by LANL of gross receipts taxes to New Mexico.
- Ongoing public education in all of the above and more!

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mission statement

The mission of Nuclear Watch New Mexico is to provide timely and accurate information to the public on nuclear issues in the American Southwest, and to encourage effective citizen involvement and activism in these issues. We seek to promote greater environmental protection, safe disposition of radioactive wastes, and federal policy changes that will curb the proliferation of nuclear weapons.

Inside this issue: How We've Spent the Year; On-going WIPP and LANL Stuff (surprise surprise); cartoon, editorial, and all the stuff you've grown to love

Thank You!
Thank You!

to the many individuals and organizations that have supported our work this year. Without you, we couldn't have accomplished the things we've done, nor could we aspire to be effective in upcoming rounds!

Please!
Please!

If you haven't yet sent us a contribution, there's no time like today. If you want this work to get done and can't do it yourself, then give us a (tax-deductible) boost so we can keep fighting the good fight for a sustainable, healthy and hopeful future. We aim high, we keep our overhead low, and we want you on our team. Thanks!



nuclear watch new mexico

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