

June 22, 2017

Dear Members of the House Armed Services Committee:

As organizations concerned about responsible federal spending, we have long been opposed to continued funding for the Mixed Oxide Fuel Fabrication Facility (MOX). We believe that terminating the program entirely is in the best interest of taxpayers and we urge you to uphold President Trump's decision to end continued MOX funding in his proposed FY18 budget.<sup>1</sup>

The MOX facility was designed to convert weapons-grade plutonium into mixed-oxide fuel for U.S. commercial nuclear reactors as part of a diplomatic deal with Russia. But just last year, Russian President Vladimir Putin announced he would be withdrawing from the non-proliferation agreement that was the basis for building the MOX facility.<sup>2</sup>

Today MOX is vastly over budget, behind schedule, lacks even a single potential customer, and could even be putting dangerous nuclear material at risk. Finishing construction of the facility alone has gone from \$1.6 billion to a staggering \$17 billion—over 10 times the original estimate. That cost doesn't include operating the plant over the next 20 years, which could be as high as \$20 billion. As the President noted in his Major Savings and Reforms budget proposal, that's a 350 percent cost growth in addition to a 32 year schedule slip.<sup>3</sup>

To date over \$5 billion has been spent on MOX construction, and still the project remains only partially complete. Further, the Department of Energy estimates that the project is running on a 25 percent re-work rate, meaning approximately a quarter of the equipment installed will need to be re-installed at additional cost to taxpayers.<sup>4</sup>

Perhaps most alarmingly, MOX was granted an exemption from an important nuclear security requirement because the facility was designed in such a way that meeting that requirement would be impossible. It could take the contractor 180 days to physically verify the presence of some special nuclear material—60 times the safety requirement—presenting very real security risks.<sup>5</sup>

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<sup>1</sup> Office of Management and Budget, *Major Savings and Reforms: Budget of the U.S. Government Fiscal Year 2018*, p. 36. <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/msar.pdf> (Downloaded June 21, 2017) (Hereinafter *Major Savings and Reforms: Budget of the U.S. Government Fiscal Year 2018*)

<sup>2</sup> Lydia Dennett, "A recipe for wasteful spending: South Carolina Pork with Russian Dressing," October 7, 2016. <http://thehill.com/blogs/congress-blog/economy-budget/299716-a-recipe-for-wasteful-spending-south-carolina-pork-with> (Downloaded February 24, 2017)

<sup>3</sup> *Major Savings and Reforms: Budget of the U.S. Government Fiscal Year 2018*, p. 36.

<sup>4</sup> Transcript of House Committee on Armed Services, Subcommittee on Strategic Forces Hearing on "Plutonium Disposition and the MOX Project," October 7, 2015.

<sup>5</sup> Edwin S. Lyman, Union of Concerned Scientists, *Excess Plutonium Disposition: The Failure of MOX and the Promise of Its Alternatives*, December 2014, p. 41. <http://www.ucsusa.org/sites/default/files/attach/2015/01/Excess%20Plutonium%20Disposition.pdf> (Downloaded March 2, 2015)

Members of Congress have also previously raised concerns over the billions of dollars spent on a facility with no customers and no substantial feedstock.<sup>6</sup>

There's been a bipartisan effort by the executive branch to pursue an alternative to this program that they believe will be faster and cheaper.<sup>7</sup> Former Representative David Hobson (R-OH) stated that not cutting the project while he was in office is his biggest regret.<sup>8</sup> It's clear that MOX has failed the viability test and we urge you not to repeat his mistake and continue funding this project.

Sincerely,

Beyond Nuclear

Concerned Citizens for Nuclear Safety

Council for a Livable World

National Taxpayers Union

Nuclear Watch New Mexico

Nuclear Watch South

Project On Government Oversight

R Street Institute

Savannah River Site Watch

Taxpayers for Common Sense

Tri-Valley CAREs (Communities Against a Radioactive Environment)

Women's Action for New Directions

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<sup>6</sup> 112th Congress, House of Representatives, Energy and Water Development Appropriations Bill Report, 2012, June 24, 2011, p. 138. <https://www.gpo.gov/fdsys/pkg/CRPT-112hrpt118/pdf/CRPT-112hrpt118.pdf> (Downloaded February 5, 2013)

<sup>7</sup> Memorandum from Ernest Moniz, Secretary of Energy, to President Barack Obama, regarding high priority issues, November 20, 2015. [http://www.pogoarchives.org/m/nss/redacted\\_doe\\_memo\\_20151120.pdf](http://www.pogoarchives.org/m/nss/redacted_doe_memo_20151120.pdf); *Major Savings and Reforms: Budget of the U.S. Government Fiscal Year 2018*, p. 36.

<sup>8</sup> The Honorable David Hobson, "Former Rep. David Hobson: Not Cutting MOX Is My "Biggest Regret," February 9, 2016. <http://www.pogo.org/blog/2016/02/mox-radioactive-pork.html>