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Feinstein Unhappy as Cost Estimate for Nuclear Bomb Program Jumps

By Megan Scully, CQ Staff

An independent Defense Department cost analysis delivered this week to Capitol Hill concludes that the effort to modernize the B61 nuclear bomb has ballooned to \$10 billion, more than double the original estimate.

California Democrat Dianne Feinstein, chairwoman of the Senate Appropriations Subcommittee on Energy and Water, said Wednesday that national security officials briefed her office this week on the costs of the B61 life extension program, whose total price tag was originally estimated at \$4 billion.

The National Nuclear Security Administration expects the program to now cost \$8 billion, Feinstein said. But the Pentagon's Office of Cost Assessment and Program Evaluation, which conducted a concurrent review of the program, puts the figure at \$10 billion.

Lawmakers, who have long been concerned about the B61 program, required the NNSA to submit a cost report on the B61 in the fiscal 2012 omnibus appropriations bill (PL 112-74). In April, Senate appropriators agreed to a fiscal 2013 Energy and Water spending bill (S 2465) that includes \$339 million for the B61 program but directs that none of that money be available until the NNSA delivers to Congress a "validated cost, schedule and scope baseline."

Without that information, the committee "cannot evaluate the entire life-cycle costs of the program, assess the impact on other weapons activities and proposed offsets to pay for increasing costs for the program, determine whether the proposed schedule meets military requirements, or ensure that any modifications to the weapon do not impact its safety, security and reliability," the bill states. During a hearing before her subcommittee on Wednesday, Feinstein expressed frustration with the rising costs of the B61 and other nuclear modernization programs. The cost of building a new uranium processing facility at the Y-12 National Security Complex in Tennessee, for instance, has grown from its 2004 estimate of \$600 million to as much as \$7.5 billion.

"We have to find a way to stop this from happening," Feinstein said after the hearing.

Meanwhile, proposed cuts and delays to lower-priority programs, Feinstein argued, do little to ameliorate cost hikes and keep the nuclear budget under control, even as the government girds for the possibility of deep, across-the-board spending cuts. The Obama administration's fiscal 2013 budget proposal recommends delaying by five years a new plutonium facility in Los Alamos, N.M., to free up funding for the

B61 and other priorities. But the delay would save just \$1.8 billion over the next five years, which would cover less than half of the cost increase on the B61.

Feinstein, whose appropriations subcommittee determines funding levels for much of the country's nuclear budget, said she wants NNSA to deliver monthly reports to Congress on the status of troubled programs. Feinstein met this week with NNSA chief Thomas P. D'Agostino and said they have "set into motion at least a process" for monthly briefings.

"The purpose of that is to make people solve problems quickly before they are just left and they continue to grow," Feinstein said.

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