

WEAPONS COMPLEX

MORNING
BRIEFING**■ NNSA Approves CD-1 Range for Savannah River Pit Factory; \$6.9B-\$11.1B**

The National Nuclear Security Administration on Monday formalized its choice to build the Savannah River Plutonium Processing Facility pit factory out of the remains of the partially constructed Mixed Oxide Fuel Fabrication Facility.

The planned pit plant will cost between \$6.9 billion and \$11.1 billion to build and be ready to annually produce at least 50 pits — fissile plutonium triggers for nuclear weapons — by 2032 or 2035, the civilian nuclear weapons agency wrote in a [Monday press release](#) about the facility's critical decision 1 review.

At that rate, the National Nuclear Security Administration (NNSA) has said it will not meet a legal deadline to produce 80 pits annually by 2030, even though the agency remains confident that another planned pit factory in Los Alamos will start producing 30 pits annually by 2026.

On Friday, the director of the Los Alamos National Laboratory [said it would be challenging](#) to make 30 pits in 2026.

Jill Hruby, the Joe Biden administration's nominee for NNSA administrator, disclosed the schedule slip for the Savannah River Plutonium Processing Facility (SRPPF) in congressional testimony on May 27. Hruby told *Weapons Complex Morning Briefing* then that the dates came from the project's critical decision one report, supporting documents for which personnel at Savannah River turned over to NNSA headquarters in Washington earlier this year.

In 2018, NNSA estimated that SRPPF would be ready to make at least 50 pits a year by 2030 and cost around \$4.5 billion. The earlier estimate was nowhere near as detailed as the cost range produced for critical decision one, acting NNSA Administrator Charles Verdon said last week [in congressional testimony](#).

Verdon has also testified that pairing SRPPF with the smaller Los Alamos pit factory is still the quickest way to produce at least 80 pits annually by next decade. The Los Alamos Plutonium Pit Production Project will cost up to \$3.9 billion and begin producing war-usable pits by 2024, the NNSA has said. The NNSA approved critical decision one for the Los Alamos plant in April. The pits will initially be for W87-1 warheads for the Ground Based Strategic Deterrent: silo-based intercontinental ballistic missiles set to replace the current Minuteman III fleet starting in 2030 or so.

Editor's note, 06/29/2021, 4:37 p.m. The story was corrected to show that Jill Hruby disclosed the date of the schedule slip for SRPPF.

■ Hanford Braces for Possible Power Outages During Heat Wave

Workers at the Department of Energy's Hanford Site in Washington state, where daytime high temperatures are

in the triple-digits, should be prepared for potential power outages lasting up to four hours on Tuesday, according to an online [advisory](#) to employees.

“Employees that can telework should telework,” according to the advisory posted online by Leidos-led services provider, Hanford Mission Integration Solutions. “All other employees are to report to work as scheduled.”

The advisory adds that one clinic run by HPMC, Hanford’s occupational medical contractor, which provides health services including COVID-19 vaccinations, has cancelled appointments for Tuesday, although a second HPMC clinic in the 200 West area remains open.

The area around Richland, Wash., is expected to see a high of about 118 degrees Fahrenheit today and the daytime highs should remain above 100 degrees through early next week, according to the forecast. Avista, a Spokane-based power company, on Monday asked customers to scale back their electricity usage through at least Thursday.

The “unprecedented and sustained extreme high temperatures” are putting a strain on the electric system, Avista said in a Monday [press release](#), urging customers to take measures such as dialing back their air conditioner settings.

■ **North Wind Nabs \$22M Remediation Deal at Knolls Atomic Lab**

North Wind Site Services has won a Department of Energy remediation contract, potentially worth \$22 million over five years, at the Knolls Atomic Power Laboratory in Niskayuna, N.Y., the agency said in a Monday press release.

West Virginia-based North Wind Site Services is part of North Wind Group, which in turn is owned by Cook Inlet Region, an Alaska Native Corporation, according to the company website.

The North Wind Site Services agreement is an indefinite delivery/indefinite quantity task order contract for DOE and National Nuclear Security Administration work at Knolls Atomic Power Laboratory, where research and development is conducted in the design and operation of naval nuclear propulsion engines.

Tasks at the Knolls Atomic Power Laboratory will include tearing down and removing old facilities, waste management and waste transportation, according to the [press release](#) from the DOE Office of Environmental Management.

The DOE [issued](#) a request for information for remediation work at the laboratory in August 2019.

First built in 1948, the laboratory consists of 170 acres located along the south bank of the Mohawk River, according to an Environmental Protection Agency [background](#) sheet.

A 27-acre parcel of the laboratory is the Separations Process Research Unit (SPRU), built in the early 1950’s to harness chemical separation of plutonium and uranium from irradiated materials for use in nuclear weapons and power plants.

After completion of major SPRU cleanup by what is now Amentum in 2019, DOE transferred ownership of the SPRU back to the Office of Naval Reactors in December 2020. About 24 containers of transuranic waste [remain](#) at SPRU. These are scheduled to be shipped to Idaho National Laboratory in 2024 where they will be prepared within a year for disposal at DOE’s Waste Isolation Pilot Plant in New Mexico.

■ **Indian Point Post-Shutdown Report Open for Comment; Company Says Pre-COVID**

Timeline Holds

A pre-pandemic report from the company set to decommission a New York nuclear power plant is available for public comment, the Nuclear Regulatory Commission announced last week.

Members of the public can submit comments on Holtec International's Post-Shutdown Decommissioning Activities Report (PSDAR) for Indian Point Energy Center through October 22, [NRC said](#) in a *Federal Register* notice published Thursday. [The PSDAR](#), initially sent to the agency in December 2019, details estimated costs and timelines for decommissioning and site remediation at the shuttered Buchanan, N.Y. nuclear plant.

Asked whether the COVID-19 pandemic had any effect on cost or timeline estimates for decommissioning Indian Point, a spokesperson for Holtec told *Weapons Complex Morning Briefing* via email Monday that the 2019 PSDAR "represents the planned decommissioning process at the time."

At the other two nuclear plants Holtec is currently decommissioning — Pilgrim Nuclear Power Station in Massachusetts and Oyster Creek Nuclear Generating Station in New Jersey — some work and schedules changed "to enhance efficiency of resources or the needs of the project," the spokesperson said.

"It is too early to say that will definitely happen with IPEC [Indian Point], but decommissioning is an evolving industry with lessons learned from other projects that can be incorporated at IPEC to provide safe, efficient cleanup and reuse of the site," the spokesperson said.

Holtec reported in 2019 that it needed around \$2.3 billion to complete all decommissioning and site remediation activities across Indian Point's three reactors. That figure includes around \$630 million for spent fuel management. The Camden, N.J.-based nuclear services company previously received a regulatory exemption from NRC to access around \$2 billion sitting in Indian Point's decommissioning trust fund for spent fuel management and site remediation purposes.

The PSDAR also estimates that all decommissioning and site remediation activities will be finished in 2062, assuming that the plant's license transfer to Holtec from Entergy was finalized by May 31 of this year. Indeed, [the transaction was finalized](#) on May 28, ahead of schedule — Indian Point shut down for good April 30. The spokesperson said the company is "still in the initial stage of incorporating the former Entergy employees into the Holtec decommissioning team."

Indian Point's Unit 3 reactor was the last to go offline April 30. Unit 2 shut down late last year, and Unit 1 was shuttered back in 1974.

■ Senate Dems Introduce Bill to Give Tax Credits to Nuke Plants

In another bid to combat mounting nuclear power plant closures, a group of Senate Democrats last week unveiled a bill to keep the existing fleet afloat.

If the [Zero-Emission Nuclear Power Production Credit Act](#) became law, nuclear plant operators could expect a tax credit on every kilowatt-hour (KWh) of electricity they produce, according to the measure introduced Thursday by Sens. Joe Manchin (D-W.V.), Ben Cardin (D-Md.), Tom Carper (D-Del.), Sheldon Whitehouse (D-R.I.) and Cory Booker (D-N.J.). Qualifying nuclear plants would receive an annual credit of 1.5 cents per KWh, the bill said.

The bill was referred to the Senate Finance Committee. At deadline Tuesday for *Weapons Complex Morning Briefing*, the committee had scheduled no hearing or debate on the measure.

Keeping the existing nuclear fleet online is a major issue in both Congress and the Biden administration. The White House's [proposed American Jobs Plan](#) included a \$750 million program to provide credits to nuclear plants. Manchin himself [sent a letter](#) to the administration in April urging them to take action to prevent more nuclear plants from shutting down.

Four plants across the country were scheduled to go dark this year. One of these, Indian Point Energy Center in New York, shut down for good April 30. Next are the Byron and Dresden plants in Illinois as well as the Palisades plant in Michigan, all set to go offline later in the year. These closures will represent the majority of the country's generating capacity loss this year, the Energy Information Administration said earlier this year.

■ **Feds Drop Long-running Home Office False Claims Act Case at SRNS**

A U.S. District Court judge in South Carolina agreed Thursday to grant a Department of Justice motion to dismiss a False Claims Act lawsuit filed in 2016 against Fluor and the Fluor-led management contractor for the Department of Energy's Savannah River Site over millions of dollars in reimbursement for home office expenses.

The one-page order from U.S. District Judge Julianna Michelle Childs said the federal government "shall take nothing of the defendants" resulting from the claims of unjust enrichment against Savannah River Nuclear Solutions (SRNS) and Fluor Federal Services.

The dismissal order came fewer than two months after a three-judge panel for the Civilian Board of Contract Appeals (CBCA) issued a 15-page advisory opinion for the U.S. District Court, concluding the expenses billed to DOE are allowable under the management and operations contract.

"SRNS is pleased with the outcome and that the case has finally been dismissed," Lindsey MonBarren, a spokeswoman for the contractor, said Monday by email. "We have been trying to settle the matter for many years and look forward to putting it behind us. We are proud of the fiscally-responsible manner in which we conduct business on behalf of the Federal Government," MonBarren said.

DOE declined comment.

In March 2016, the Justice Department sued Fluor and SRNS in federal district court, claiming the defendants wrongly billed DOE for upwards of \$5 million in home office expenses not allowed by the contract. In April 2017, Judge Childs requested CBCA draft an opinion on contract interpretation issues.

The case revolves around a process dubbed "reachback," the CBCA said in its opinion. This is where the corporate parents —Fluor, Newport News Nuclear and Honeywell— loan certain employees to SRNS to do contract-related work. The parents bill Savannah River Nuclear Solutions, which in turn seeks reimbursement from DOE.

The contractor in this case is Savannah River Nuclear Solutions and not its three corporate owners, the Civilian Board of Contract Appeals said. The CBCA oversaw the litigation for about four years, culminating with oral arguments in March of this year.

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