OPENING STATEMENT OF U.S. SENATOR JACK REED CHAIRMAN, SENATE ARMED SERVICES COMMITTEE

ROOM SD-G50 DIRKSEN SENATE OFFICE BUILDING Thursday, May 19, 2022

To conduct a hearing on the Department of Energy and National Nuclear Security Administration's Posture on Atomic Energy Defense Activities in Review of the Defense Authorization Request for Fiscal Year 2023 and the Future Years Defense Program

(As prepared for delivery)

REED: Good morning. The committee meets today to receive testimony on the Department of Energy's Atomic Energy Defense programs in review of the Fiscal Year 2022 President's Defense Budget Request.

I would like to welcome our witnesses, Secretary of Energy Jennifer Granholm and Administrator of the National Nuclear Security Administration Jill Hruby. Thank you for joining us. I also want to thank your Department's workforce for their service to our nation.

The Fiscal Year 2023 budget request for the defense functions of the Department of Energy is \$29.7 billion. This figure accounts for about 61 percent of the Department of Energy's overall \$48 billion request. Given the share of the defense function of the Department's budget, it is important for this committee to continue its oversight of the Department's defense activities, which span from maintaining our nuclear stockpile to cleaning up former Cold War defense production sites.

Within this defense proposal, the National Nuclear Security Administration, or NNSA, is requesting \$21.4 billion – a 3.2 percent increase over last year's level of \$20.6 billion. I would also note that the amount for the defense portion of environmental cleanup increased by three percent to \$6.9 billion.

The Strategic Forces Subcommittee held a hearing two weeks ago on the Nuclear Weapons Council, a statutory body that was created in the 1946 Atomic Energy Act to bridge the civilian—military relationship over the manufacturing and employment of nuclear weapons. By all accounts the message conveyed to the Subcommittee was that the relationship between the Department of Defense and the National Nuclear Security Administration to be healthy and productive.

However, with respect to the Department's requirement to increase production of plutonium pits to a rate of 80 pits per year by 2030, the Subcommittee found several issues. Significantly, the costs for converting the Mixed Oxide Fuel plant at the Savannah River Site have risen significantly from \$4 billion to between \$6 and \$11 billion. Further, the project timeline stretched from the 2030 target to between 2032 or 2035. We need to understand what has driven these overruns and how we can hold the Department of Energy accountable to this long-standing Department of Defense requirement.

I understand that the NNSA is experiencing its highest workload since the 1980s as it manages five major warhead programs while rebuilding nuclear infrastructure that dates back 70 years to the Manhattan Project. This original infrastructure held up well through the first two cycles of triad modernization in the 1960s and 1980s, but it has essentially aged out for the third cycle that we are currently undertaking. I would like to know how NNSA is managing this workload while simultaneously modernizing its production facilities.

Finally, I hope our witnesses will update us on efforts to continue cleaning up former defense production sites, particularly at the Hanford Nuclear Reservation. These are commitments made to local communities that we cannot walk away from. The Hanford site has 177 million gallons of radioactive waste stored in underground tanks, some which are leaking. Your Department is starting operations to remove the first 40 percent of low activity radioactive waste from these tanks—which accounts for 90 percent of the waste—and I commend you on this important milestone. I understand you are also holding discussions with the State of Washington on how to next remove the high activity radioactive waste in the tanks. I would ask that you share how you are working with the State and local communities on these efforts.

Again, I want to thank our witnesses for appearing today. I look forward to your testimonies.

Now let me recognize the Ranking Member, Senator Inhofe.