Statement of Anne Harrington Deputy Associate Administrator for Defense Nuclear Nonproliferation National Nuclear Security Administration U.S. Department of Energy on the Fiscal Year 2014 President's Budget Request Before the Senate Armed Services Committee April 23, 2013

INTRODUCTION

Madam Chairman, Ranking Member Fischer and distinguished members of the Subcommittee, thank you for having me here to discuss the President's Fiscal Year 2014 budget request for the Department of Energy's National Nuclear Security Administration (NNSA)'s Defense Nuclear Nonproliferation appropriation account. The Defense Nuclear Nonproliferation appropriation budget request of \$2.14 billion provides the funding necessary to implement the President's nuclear security priorities. I am particularly pleased to appear today with my colleagues from the Department of Defense and the Defense Threat Reduction Agency. We share a strong commitment to the security of the nation and to finding ways for our programs to work together to that end.

The Defense Nuclear Nonproliferation appropriation account of the FY 2014 budget request has been restructured to include Nuclear Counterterrorism Incident Response Program (NCTIR) and Counterterrorism and Counter-proliferation Programs (CTCP), both of which include activities transferred out of the Weapons Activities appropriation. By drawing these NNSA programs together with the Office of Defense Nuclear Nonproliferation programs in a single appropriation, we strengthen existing synergies and cooperation among these functions. In doing so, we provide priority and emphasis to the NNSA programs that are responsible for implementing the President's nuclear security priorities and the 2010 Nuclear Posture Review (NPR) which "outlines the Administration's approach to promoting the President's agenda for reducing nuclear dangers and pursuing the goal of a world without nuclear weapons, while simultaneously advancing broader U.S. security interests." This change in budget structure will present with greater clarity the total funding and level of activity undertaken by the NNSA in this area, which the NPR identifies as the highest priority nuclear threat facing the nation. At the same time, this realignment ensures that the Weapons Activities appropriation is now more focused on the nuclear weapons stockpile and related activities.

As we look to the future, we see challenges and opportunities across the globe. Over the past four years we have seen increased focus, determination and expansion of activities with our international partners. This has been due largely to the momentum created by the Nuclear Security Summit process to meet shared nuclear security goals. Russia, for example, has announced its intention to be a full partner with us, and remains a critical partner in the efforts to secure the most vulnerable nuclear materials and keep them out of the hands of proliferators and terrorists. The Russians are not alone, and dozens of countries have stood alongside President Obama and the United States at two Nuclear Security Summits to show their commitment to our shared cause. The FY14 Office of Defense Nuclear Nonproliferation budget request provides \$1.92 billion to harness the international momentum created by the Nuclear Security Summit process and address our most pressing nonproliferation challenges.

One of our most important accomplishments has been to support the President's call for an international effort to secure vulnerable nuclear material across the globe in four years. The President's four-year effort is an unprecedented global undertaking, led by the United States, with significant contributions from dozens of countries around the world. The White House, in close coordination with our interagency and international colleagues, is leading and implementing a comprehensive three-tiered strategy to secure vulnerable material at the individual site level, the national level and the global level. I am pleased to report that NNSA has made important contributions to the U.S. Government's efforts in each of these strategic areas. Since 2009, our efforts to secure plutonium and highly enriched uranium (HEU) around the world have accelerated to make it significantly more difficult to acquire and traffic the materials to make an improvised nuclear device. I am proud to say that we are very close to meeting our goals to remove or dispose of 4,353 kilograms of highly enriched uranium and plutonium in foreign countries by the end of 2013, and equip 229 buildings containing weapons-usable material with state-of-the-art security upgrades, though some challenges remain.

On April 5, 2013, we completed the removal of all HEU from the Czech Republic, making it the 10^{th} country to be completely de-inventoried of HEU in the last 4 years. The NNSA will complete prioritized removal of vulnerable nuclear material from three more countries this year.

The FY14 budget request provides \$424.5 million to the Global Threat Reduction Initiative. While this is a decrease in funding compared to years past, this budget reflects the expected successful conclusion of the four year effort.

The four year effort allowed us to accelerate some of our most important work, but it has been accurately described as "a sprint in the middle of a marathon." After our four-year sprint, there will be much left to complete in the areas of the elimination, consolidation and securing of nuclear and radiological materials worldwide. Nuclear and radiological terrorism continues to

be a grave threat, nuclear and radiological WMD technology and expertise remain at risk, and materials of concern, such as plutonium, are still being produced. While the challenges are substantial, they are not insurmountable.

GTRI's FY14 budget will address these challenges head-on by funding the removal of an additional 565 kilograms of HEU and Plutonium, the shutdown or conversion of an additional 4 HEU research reactors, and the completion of security upgrades for an additional 105 high-priority nuclear and radiological buildings.

In addition to GTRI's material security and elimination efforts, the FY14 budget provides \$369.6 million for another important element of the President's nuclear security agenda - the Office of International Material Protection and Cooperation (IMPC). The FY14 IMPC budget reflects the completion of a number of major initiatives in several program areas as well as a shift to a sustainability phase with the Russian Federation.

The FY14 budget funds comprehensive MPC&A upgrades at 8 more buildings in Russia that store and process weapons-usable nuclear material, converts 0.8 Metric Tons of HEU to LEU and continues engagement with China, India and other countries on MPC&A best practices. The FY14 IMPC budget will also provide \$140 million to the Second Line of Defense program to implement the conclusions of the strategic review briefed to the Global Nuclear Detection Architecture (GNDA) interagency working group, including supporting fixed radiation detection at 25 sites in 8 countries, focusing more on mobile detection technologies, and on strengthening the GNDA.

In addition to physical security and material detection, the FY14 budget provides \$141.7 million to the Office of Nonproliferation and International Security (NIS). The decrease from the FY13 budget reflects a reduction in HEU transparency activities as the U.S.-Russian HEU Purchase Agreement nears completion. The FY14 request funds NIS efforts to safeguard nuclear material and facilities, control illicit trafficking of nuclear WMD-related technology and expertise, verify compliance with international arms control and nonproliferation treaties, and develop and implement policy to reduce nuclear dangers.

A key element of our nuclear security and nonproliferation strategy is the development of capabilities to monitor nuclear treaties, weapons development activities, and detonations worldwide. The FY14 budget provides \$389 million to the Office of Defense Nuclear Nonproliferation Research and Development to address these core goals including producing nuclear detection satellite payloads.

We will continue to pursue a multi-layered approach to protect and account for material at its source; remove, down-blend or eliminate material when possible, detect, deter and reduce the risk of additional states acquiring nuclear weapons; and support the development of new technologies to detect nuclear trafficking and proliferation, as well as verify arms control treaties.

We owe it to the American people to continually reevaluate our work and make strategic decisions for the future. The FY 2014 Budget request takes a thoughtful look at the Mixed Oxide (MOX) Fuel Fabrication Facility project and our plutonium disposition options. The United States remains committed to disposing of excess plutonium, to working in partnership with the Russian Federation in our parallel plutonium disposition efforts under the Plutonium Management and Disposition Agreement, and to engaging with the IAEA to verify the disposition. The U.S. plan to dispose of surplus weapons-grade plutonium by irradiating it as MOX fuel has proven more costly to construct and operate than anticipated. Considering these unanticipated cost increases and the current budget environment, the Administration has begun assessing alternative plutonium disposition strategies and identifying options for FY 2014 and the out-years. Naturally, this assessment of technologies will also include the Mixed Oxide approach. During the assessment period, the Department will slow down the MOX project and will actively engage key program partners and stakeholders as the assessment of alternative plutonium disposition strategies is developed. We believe the plutonium disposition assessment will ensure that we are able to follow-through on our mission in the decades to come.

Nuclear Counterterrorism Incident Response (NCTIR)

This year, the request for NCTIR will support a strategy focused on reducing nuclear dangers through integration of its subprograms: Emergency Management, Emergency Response, Forensics and International activities supported by training and operations.

In FY 2014, the program will invest in unattended sensing capabilities for the Nuclear Emergency Support Team, maintain training of the Consequence Management Home Team, sustain stabilization cities, complete improvements to U12P-tunnel, address and sustain emergency management requirements, maintain the Emergency Communications Network, and continue supporting international partners. The NCTIR program will continue to maintain essential components of the Nation's capability to respond to and manage the consequences of nuclear incidents domestically and internationally, and continue to conduct programs to train and equip response organizations on the technical aspects of nuclear counterterrorism.

Counterterrorism and Counter-proliferation Programs (CTCP)

The aforementioned budget realignment includes the Counterterrorism and Counterproliferation, or CTCP, program office, which we stood up last year. The funding request for CTCP includes the transfer of the discontinued National Security Applications funding into a consolidated and substantially revised budget line to support the highest priority counterterrorism and counter-proliferation technical work, including the study of Improvised Nuclear Devices and other non-stockpile nuclear device threats. This increased funding will support unique nuclear device-related technical contributions derived from NNSA's core nuclear science and technology expertise. This activity supports interagency policy execution, DoD and Intelligence Community customers, and DOE's own emergency response operations.

CONCLUSION

Our continued focus on nonproliferation, nuclear security, and nuclear counter-terrorism efforts is vital. The threat of nuclear terrorism and WMD proliferation remains. Detonation of a nuclear device anywhere in the world could lead to significant loss of life, and extraordinary economic, political, and psychological consequences. In these challenging budget times, we must not lose site of the critical role played by these programs and the protections they provide by reducing the risk of nuclear terrorism and WMD proliferation.