Statement of Anne Harrington
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on the
Fiscal Year 2015 President's Budget Request
Before the
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Subcommittee on Emerging Threats and Capabilities
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INTRODUCTION

Madame Chairman, Ranking Member Fischer and distinguished members of the Subcommittee, thank you for allowing me to present the President's Fiscal Year (FY) 2015 budget request for the Department of Energy National Nuclear Security Administration (NNSA)'s Office of Defense Nuclear Nonproliferation. The request of $1.6 billion provides the funding necessary to implement the President's nuclear security and nonproliferation priorities. I am particularly pleased to appear today with my colleagues from the Department of Defense. We share a strong commitment to the security of the nation and to finding ways for our programs to work together to that end. Ours is a global mission and more than 20 years after the collapse of the Soviet Union, many of our programs are now working on new security challenges across of the world. Recent actions, however, highlight that we must continue and complete important nuclear threat reduction work in Russia and the surrounding countries in Eurasia.

One of our most important missions has been to support the Administration's commitment to secure the most vulnerable nuclear material across the globe, commonly referred to as the four year effort. I am pleased to report by the end of 2013 and in close coordination with interagency and international partners, we completed and exceeded our original targets. Examples of what NNSA has accomplished since 2009 include: removed or confirmed the disposition of 2,990 kilograms of highly enriched uranium (HEU) and separated plutonium including removing all HEU from 11 countries and Taiwan; completed material protection, control and accounting (MPC&A) upgrades at 32 buildings containing metric tons of weapons-usable material in Russia; installed 1,585 radiation portal monitors at border crossings, airports,

and seaports, many of which have already transitioned to full sustainability by the partner country; deployed 54 mobile detection systems to partner countries; and supported the down blending of 4,900 kilograms of non-weapons HEU to low enriched uranium in Russia, among other activities. The work accomplished in the past four years has made it significantly more difficult to acquire and traffic the materials required to make an improvised nuclear device.

These U.S. achievements, as well as the announcement by the U.S and Japan to eliminate hundreds of kilograms of sensitive nuclear material by removing all HEU and plutonium from the Japan Atomic Energy Agency's Fast Critical Assembly, were highlighted last week by President Obama and Secretary Moniz at the third Nuclear Security Summit in The Hague. There world leaders reaffirmed the high priority that they give to nuclear security and demonstrated measurable progress in securing vulnerable nuclear and radiological material worldwide to prevent nuclear terrorism. However, I have to stress that much remains to be done. The President offered to host a fourth Summit in the U.S. in 2016 in order to maintain this positive momentum, and, as we have been since the Summit process began in 2010, NNSA's Defense Nuclear Nonproliferation programs will be key to executing U.S. commitments.

MEETING CURRENT AND FUTURE CHALLENGES

The President's request for funding the Defense Nuclear Nonproliferation account addresses current priorities, but also looks forward at the future threat environment. We have accordingly aligned our work to be prepared for those challenges. As we have seen recently, the global security environment is dynamic, characterized by the persistence and escalation of regional conflicts, continued diffusion of dual-use technology and information through the expansion of civil nuclear energy programs, remaining challenges associated with nuclear and radiological materials, increased sophistication of trafficking networks, and the growth of cyber threats to nuclear safeguards and security. State-level proliferation also continues to strain nonproliferation regimes, while vulnerable and excess nuclear and radiological materials are at risk of non-state actor acquisition, including the insider threat.

To meet this range of challenges, Defense Nuclear Nonproliferation draws on its core competencies to:

- Remove, eliminate and minimize the use of proliferation-sensitive materials.
- Safeguard and secure materials, technologies, and facilities.
- Detect and prevent the illicit trafficking of nuclear/radiological materials, technology, information and expertise.
- Provide R&D technology solutions for treaty monitoring, minimizing the use of proliferation-sensitive materials, and the application of safeguards and security.
- Provide unique technical/policy solutions and develop programs/strategies to reduce nuclear/radiological dangers.

Our programs are recognized within the interagency and the international community as leading the fight against nuclear proliferation and preventing nuclear terrorism through denying an adversary access to nuclear and radiological materials. In carrying out this role, we look for every opportunity to team with our colleagues in other U.S. Government Departments, as well as with countries and international organizations that share a commitment to nuclear nonproliferation. Since we were authorized in 2005 to receive international funds, 8 countries have partnered with us in project implementation, not only with financial resources, but with technical expertise, political support and other forms of participation. This is in addition to funding their own nuclear security and nonproliferation programs, as well as contributions to international organizations for nuclear security and nonproliferation efforts. Maintaining our programmatic capabilities and leadership is key to sustaining U.S. leadership in global nonproliferation efforts, and we look forward to building on these partnerships and expanding this important cooperation in FY 2015 and beyond.

PROGRAM REQUESTS

The Global Threat Reduction Initiative (GTRI) has attracted much attention over the past years for its successful work securing and removing dangerous nuclear and radiological material from around the world and for its radiological security work domestically. The FY 2015 budget

requests $333 million to continue GTRI's important work. While this is a decrease in funding compared to prior years, this budget reflects the successful completion of aggressive removal goals under the four year effort, which allowed us to accelerate some of our most important work. The FY 2015 budget request will allow us to continue to reduce threats to U.S. national security by funding the removal of an additional 125 kilograms of material; continuing to reduce the civilian use of highly enriched uranium (HEU) by converting four more HEU-fueled research reactors to low enriched uranium (LEU) fuel, and completing domestic and international security upgrades for an additional 105 buildings that host high-priority radiological sources.

The FY 2015 budget provides $305 million for another important element of the President's nuclear security agenda - the International Material Protection and Cooperation (IMPC) Program, which has two major components. In the material protection, control and accounting work, the FY 2015 IMPC budget reflects the completion of a number of major initiatives including completing the consolidation of all Category I and II material into a new high security zone at a nuclear site in Russia. The FY 2015 budget also funds perimeter upgrades at several sites that store and process weapons-usable nuclear material.

The Second Line of Defense (SLD) program element of the FY 2015 IMPC request includes $118 million to provide fixed radiation detection deployments at 15 sites and ports, deploy 20 mobile radiation detection systems to six new partner countries, and connect sites to national communication systems in three countries to help counter the threat of illicit trafficking of special nuclear material. SLD will also provide sustainability support for over 150 sites, including training, maintenance support, workshops and exercises. These efforts reflect the thorough strategic review process the program undertook in 2012.

Another important element of the DNN suite of programs is the Nonproliferation and International Security (NIS) program, for which we are requesting $141. This will allow the program to focus on efforts to safeguard nuclear fuel cycle facilities, control illicit trafficking of

nuclear-related technology and expertise, verify compliance with international arms control and nonproliferation treaties, as well as develop and implement policies to reduce nuclear dangers.

Another key element of our nuclear security and nonproliferation strategy is the development of technical capabilities to monitor nuclear treaties, weapons development activities, and nuclear detonations worldwide. The FY 2015 request includes $361 million for the Defense Nuclear Nonproliferation Research and Development Program to address these core goals including producing nuclear detection satellite payloads. I want to point out that we have a very close working relationship with the Department of Defense, particularly the Defense Threat Reduction Agency in many of our R&D programs.

The FY 2015 budget request of $311 million for the Fissile Materials Disposition Program reflects the decision to place the Mixed Oxide Fuel Fabrication Facility in cold standby while we further study more efficient options for plutonium disposition due to cost increases. We owe it to the American people to continually reevaluate our work and make strategic decisions for the future and this is what we are doing.

We have been working closely with the MOX project contractor and others for a year to determine if there are opportunities to make the current MOX fuel approach for plutonium disposition more efficient. It has become clear during this time that this approach will be significantly more expensive than anticipated, even with potential contract restructuring and other improvements that have been made to the MOX project. In parallel, we have begun analyzing alternatives to accomplish the plutonium disposition mission. With a lifecycle cost of approximately $30 billion, the MOX project, as currently structured, is no longer a viable path for plutonium disposition. As a result, the MOX project will be placed in cold standby so that we can minimize costs to the greatest extent and preserve the taxpayer investment while we independently validate a more efficient path forward to dispose of excess weapons plutonium. I

must underline, however, the Administration remains firmly committed to disposing of 34 metric tons of surplus weapon-grade plutonium and the PMDA.

CONCLUSION

Our efforts on nonproliferation and nuclear security measures to reduce the risk of nuclear terrorism are vital, but in this current fiscal environment difficult decisions are inevitable. Although the FY2015 budget request is an overall decrease in funding, we will still be able to carry out a robust set of activities. The threat of nuclear terrorism remains and nuclear and radiological materials, WMD technology and expertise continue to be at risk of falling into the wrong hands; the detonation of a nuclear device anywhere in the world could lead to significant loss of life, and extraordinary economic, political, and psychological consequences; and materials of concern, such as plutonium, are still being produced. In these challenging budget times, we must not lose sight of the critical role played by NNSA's nonproliferation programs and the protections they provide by reducing the risk of nuclear terrorism and WMD proliferation. One measure we are taking to ensure that we are prepared to meet these dynamic challenges is our participation in a Secretary of Energy Advisory Board review to assess our current capabilities and to better hone our ability to meet future threats.

With your support, the Office of Defense Nuclear Nonproliferation 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 compliance with arms control treaties.

Thank you for your attention and I will be happy to respond to your questions.