

**Statement of Ralph E. Erickson**  
**Acting Associate Administrator for Facilities and Operations**  
**Before the**  
**Senate Armed Services Committee**  
**April 10, 2002**

Mr. Chairman, Members of the Committee, thank you for the opportunity to come before you to discuss the condition of the facilities and infrastructure of our vital nuclear weapons complex. With your support, we have begun the tough, but crucial, road to recovery of the complex. While only in the first stage of a long journey, probably of some ten years or so, I feel we have a solid story to tell you. Let me explain about the start of the recovery of the nuclear weapons complex, and especially the improved management and accountability with which we are undertaking the recovery.

**Condition of the Nuclear Weapons Complex**

Approximately a year ago, General Gordon, Administrator of the National Nuclear Security Administration, testified before this Committee and others describing the condition of the nuclear weapons complex. At that time, he provided his assessment of what he had seen following visits to each site in the nuclear weapons enterprise. Some of his words and findings bear repeating. ~~What~~ I found, I must confess, was remarkable. Almost half of our structures are over 50 years old -- old in the sense of safety, security, reliability, and mission effectiveness. Many facilities do not meet modern health, environmental, or energy conservation standards. They are costly to maintain, and difficult to keep in regulatory compliance. It is in such facilities we ask some of the most brilliant scientific and technical minds and some of the most productive people in the country to work. ~~He~~ added, ~~The~~ physical complex requires attention and we must act soon, because it is unprofessional, it's inefficient, it's wasteful of resources, it's potentially dangerous, and it sends exactly the wrong message to the professionals we want to attract and keep in this endeavor.

His assessment built upon the findings of studies of which you are aware ~~all~~ reaching the same conclusions. Defense Programs, in their Facilities and Infrastructure Assessment 2000; and the Foster Panel's February 2001 assessment of the ~~Reliability, Safety, and Security of the United States Nuclear Stockpile~~ found that ~~the~~ nuclear weapons complex is old, the infrastructure, a necessary part of the complex, has been neglected, and is not funded adequately. Specific details focus the concern: maintenance backlog is increasing by well over \$100 million a year, and has reached some \$700 million; unfunded priority facility requirements are still increasing by about \$200 million a year; and, possibly of greatest concern, facility and infrastructure conditions of the complex continue to deteriorate. In 1995, 57 percent of the complex was in an ~~excellent to good~~ condition, but by 2000 had deteriorated to only 27 percent. ~~In~~ addition, facilities management is fragmented, is without uniform standards and in difficult times has served as bill payer for higher priority science and

production programs across functional areas. These studies make the clear case that additional funding must be committed annually for at least ten years to restore, rebuild and revitalize a very fragile nuclear weapons complex.

The recent Nuclear Posture Review highlighted concerns over the inadequate condition of the nuclear weapons complex in its report to Congress: A major challenge for nuclear weapons programs over the next two decades will be to refurbish, and thereby extend the life of, at least seven types of warheads. In order to carry out this plan, NNSA has initiated efforts to recapitalize deteriorating facilities (or build entirely new facilities), restore lost production capabilities and modernize others. Initiatives to restore the production infrastructure will represent a sustained long-term effort and will be critical to ensuring an effective, balanced stewardship program for the nation's nuclear deterrent and for the New Triad.

In the final Foster Report, Dr. Foster builds on the NPR finding. He reported to the Congress in March 2002, alluding to the decision to conduct extensive refurbishment in the coming decade of additional warhead types that This work entails new materials and production methods and modified designs. It must be done in a weapons complex that has atrophied to a point not fully appreciated by many.

And in today's world, irredeemably changed by the horrors inflicted upon our nation last September, the question of whether a revitalized nuclear weapons complex is worth an investment of this magnitude is self-evident. As long as nuclear weapons remain a component of this nation's strategic response, then the capability to develop and reliably produce nuclear weapons is critical. A diminished capability and capacity within the physical complex undermines the deterrent value of the weapons programs developed there. This is not just an undermining of the strategic interest of the nation, it could invite an adversary to either question our resolve or believe in the viability of a nuclear arms race. Dr. Foster's compelling report frames the issue clearly in technical, strategic, and political terms. He concludes, But we don't have an alternative. We have to maintain the deterrent. It is decaying and has to be replaced.

General Gordon clearly understands that the facilities, infrastructure, maintenance, and recapitalization have been under funded far too long. The priority earlier had been properly given to establishing the Stockpile Stewardship Program. Attention to the infrastructure was put on hold while the science based stewardship program was formulated, funded, has taken hold, and is now working. He recognized in his report to the Congress last year that the time had come to refocus on the physical complex, which houses the Stockpile Stewardship Program. Setting the scene for what I will report on today, he gave his commitment to provide the necessary leadership to improve the condition of the complex, Our facilities require attention. Others have found, as we have, shortcomings, regarding the condition of the complex. Improving the facilities and infrastructure of the NNSA is a high priority, but we need your help, and I am prepared to work with you to this end. I have a detailed plan of how to proceed. Dollars alone, while vital, are only one part of the solution. As significant,

possibly more, is my plan to bring focus, process, rigor and accountability to our work of recovering our facilities and infrastructure. Facility management is a standard business practice of most major organizations. It is being reengineered within the NNSA. We have established an Office to manage the facilities and infrastructure of the nuclear weapons complex. We are refocusing on long term planning, establishing the processes absent too long that will institutionalize the procedures, standards and expectations for the complex.

General Gordon's message was heard, understood, and decisively responded to by the Congress. Some \$8.7M was provided in the FY 2001 Supplemental Appropriation. The FY 2002 Energy and Water Development Act provided \$200M to the National Nuclear Security Administration's (NNSA) Facilities and Infrastructure Recapitalization Program (FIRP). At the same time, the NNSA is furnishing visibility and accountability in the execution of these resources, which serve as the basis for its corporate management approach to restoring the weapons complex to an acceptable condition.

**This significant funding, which you have provided, allows us to begin the long, tough effort to restore, rebuild and recapitalize the nuclear weapons complex. My objective today is to provide you an explanation, in some detail, of what actions we in the NNSA have put in place over the last year. Since General Gordon last discussed his facilities and infrastructure requirements with you, he has directed a series of major changes to ensure that we will successfully and responsibly manage this major undertaking.**

### **Reorganization**

As explained in the February 25, 2002 Report to the Congress on the Organization and Operations of the NNSA, a new organizational component, Facilities and Operations, which I head, has been established to ensure the vitality and readiness of the nuclear security enterprise. Facilities and Operations have a series of wide-ranging responsibilities, which will allow the requisite attention to be placed on the physical assets of the nuclear weapons complex. Some of these responsibilities include: institutionalize professional and accountable corporate facilities management activities throughout the NNSA; setting policy and guidance for facilities management, and assessing the implementation of these across the complex; advocating that the programs provide appropriate resources to restore the infrastructure of the complex; and developing and managing the Facilities and Infrastructure Recapitalization Program, which I will explain in more detail a bit later. Responsible corporate facility management within the NNSA is built upon common industry practices of successful facility programs throughout the government, academic, and private sectors. Possibly the most important changes General Gordon has effected is to bring focus to the condition of our facilities and infrastructure, and tasking my organization to be the empowered advocate for the stewardship of the complex. This, together with my membership on the NNSA Management Council, ensures that decisions made

concerning the physical assets of the complex are founded in fact, with understanding and agreement of the risks and benefits, so that we are truly managing our \$25 billion physical plant as a corporation.

To assist me in managing this undertaking, NNSA established within my component the Office of Infrastructure and Facilities Management. This office specifically oversees the implementation of corporate facilities management, and is the program manager for the recapitalization of the complex. To lead the program, the NNSA has selected a seasoned, experienced, leader YBruce Scott. Mr. Scott trained outside the Department and has a proven track record. He is chartered with establishing a robust corporate facilities management process across the complex. I have charged him with the responsibility for establishing the proper level of resources necessary to restore the complex to a condition that supports the deterrent value of the Stockpile Stewardship Program. His staff represent some of the finest facilities professionals we have across the complex at all levels of seniority, and are a welcome blend of headquarters and field, with significant weapons program knowledge. The Office clearly understands the support role of its mission, where its efforts are, from a strategic sense, to ensure a nuclear weapons complex of acceptable capacity and capability.

The NNSA has initiated a corporate rededication to our core values, mission, and vision. NNSA has formalized this in our recently published Strategic Plan of February 2002. Within this Plan is a strong statement as to the importance of our facilities. We note, Asubstantial effort is required to restore our facilities to ensure adequate capabilityY@NNSA has codified its expectations that we are corporately committed to professionally manage our facilities and infrastructure. In the Strategic Plan infrastructure and facilities are addressed by Strategic Goals 4: AEnsure the Vitality and Readiness of the NNSA=s Nuclear Security Enterprise.@ Our Strategy is to AProvide state of the art facilities and infrastructure supported by scientific and technical tools to meet operational and mission requirements@. To support this Strategy are two Strategic Indicators: AEnsure facilities are available to perform our mission@ and AImplement NNSA=s Facilities and Infrastructure Recapitalization Program@.

The NNSA reorganization has also significantly improved our corporate planning, programming and budgeting. The reorganized budget processes provide significant benefit to our recovery efforts for the complex by ensuring a focused and corporate approach. You are aware of our efforts at establishing a longer term funding plan for the NNSA enterprise, codified in our Future Years National Security Plan (FYNSP). Within this plan are included our specific direction for our recapitalization of the complex, the Facilities and Infrastructure Recapitalization Program (FIRP), which I describe below. We have laid out a credible and responsible funding program for the FIRP:

**Future Years National Security Plan Estimates**  
(\$ in millions)

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Facilities and Infrastructure Recapitalization Program	243	290	340	390	440

The FY 2002 funding of \$200 million provided a start-up that was large enough to make a clear positive impact across the entire complex, yet also manageable for a beginning program. I would add that the \$8.7 million supplemental at the end of Fiscal year 2001 was an excellent device to allow us to pilot in a hands-on manner, to prepare to execute professionally the current program. We have requested a ramp-up of some \$50 million annually which we think is mandatory to effectively recover the complex. This ramp-up will allow NNSA to ensure processes are in place across the complex so that we demonstrate to you credible deliverables, efficiently managed, and fiscally accountable. It is easy to throw money at projects, it is hard work to manage them responsibly, and harder still to infuse accountability in an organization, which has been criticized for many years for weaknesses in this area.

So far, I have explained the NNSA organizational restructuring that allows a professional focus on our facilities, and the near-term funding we have planned to begin the recovery of the complex. I will now address the specifics of the recovery plan itself.

**The Facilities and Infrastructure Recapitalization Program (FIRP)**

The Recapitalization Program is established to ensure that the NNSA's contribution to the Administration's strategic goal of maintaining a safe, secure and reliable nuclear deterrence is fully supported. Its mission is to restore, rebuild and revitalize the physical infrastructure of the nuclear weapons complex. The base maintenance and infrastructure efforts at NNSA sites are primarily funded within Defense Programs= Readiness in Technical Base and Facilities and through site overhead allocations. These efforts focus on ensuring that facilities necessary for immediate programmatic workload activities are maintained sufficiently to support that workload. Given the divergent requirements of programmatic issues, this funding has not been able to focus on improving the condition of a deteriorating nuclear weapons complex. Sustained, incremental preventive and other maintenance and infrastructure investments above this base are needed to extend facility lifetimes, reduce the risk of unplanned system and equipment failures, increase operational efficiency and effectiveness, and allow for recapitalization of aging facility systems. This is the specific focus, attention and management responsibility of the Facilities and Infrastructure Recapitalization Program. It will apply new, increased, direct appropriations to address an integrated, prioritized list of maintenance and infrastructure activities, above current operating levels, that will significantly increase the operational efficiency and effectiveness of the NNSA

weapons complex sites. FIRP activities are intended to increase the operational effectiveness of the entire sites and will recognize NNSA's landlord responsibilities at these multi-user sites: the Lawrence Livermore, Los Alamos, and Sandia National Laboratories; the Nevada Test Site, including the North Las Vegas Facility; the Kansas City, Pantex, and Y-12 Plants and the Savannah River Tritium Facilities. The FIRP alone will not refurbish the complex, but it performs a vital function to help size the complete set of requirements necessary to restore the complex to an acceptable condition. It is key to maintaining the health of the facilities that house the activities conducted in support of the life extension programs. These programs are supported by the Defense Department as vital to deterrence and the strategic force multiplying effect it has regarding the stockpile.

The Program has three interlocking and complimentary components. The major effort identifies Recapitalization projects, which will significantly improve both facility condition and facility mission availability. Criteria for the selection of these projects are those maintenance backlog and infrastructure activities, currently unfunded, that will significantly improve the physical conditions and mission availability, as well as address the infrastructure responsibilities, of the NNSA nuclear weapons complex. These activities are vital to the accomplishment of program, yet they are not tied to a specific Campaign or Directed Stockpile Workload. Because of their cross cutting nature, they have not previously achieved priority within strictly programmatic budget reviews, with adverse impact to the complex. Recapitalization targets specific, individual projects to ensure clear visibility of improvements: discrete backlogged maintenance projects; non-programmatic General Plant Project (GPP) improvements and construction; capital equipment purchases; etc.

An additional important consideration of the program is the inclusion of projects that provide cost saving and investment payback. NNSA's analysis of Facilities and Infrastructure identified in their Assessment Report - 2000 that, too frequently, due to the absence of preventive maintenance, facilities were being run to failure. Projects in this program provide an immediate positive effect on the condition of a given facility, and result in the saving of maintenance dollars B in the long term, preventive maintenance costs are significantly less than corrective maintenance actions.

The second component, Facility Disposition, provides funds to dismantle and dispose of excess non-process contaminated facilities. Disposition reduces environmental, safety and health, and safeguards and security challenges, and thus costs for those deactivated facilities and infrastructure that are excess to current and future mission requirements. These actions are taken at the end of the life of a facility to retire it from service, to reduce the overall footprint of the complex, and to reduce safeguards and security requirements and long-term costs. These actions will improve our ability to manage the facilities portfolio. They enable the necessary footprint reduction of the complex. The FY 2002 Energy and Water Development Appropriations Act conference report directed the NNSA to allocate 25 percent of the appropriated dollars for the

Recapitalization Program to reduce the NNSA footprint by the elimination of excess facilities.

The third component, Facility Planning, ensures the requisite planning for next year Recapitalization and Disposition projects, to include project base lining and readiness to obligate funds. It also funds assessments to support the prioritization of backlogged maintenance and facility consolidation efforts. Finally, it provides for planning and conceptual design of high priority general infrastructure projects. Within this effort is the development of analytical methods and tools for establishing credible restoration plans for each NNSA site using the newly-revised Ten Year Comprehensive Site Plans; infrastructure assessments to support the FIRP prioritization of maintenance and facility consolidation efforts; and planning and conceptual design activities for future priority landlord infrastructure line item construction projects, specifically targeting utilities improvements.

With the Facilities and Infrastructure Recapitalization Program at work, the nuclear weapons complex is on the verge of realizing improvements, upgrades, and facility life extensions that can be measured. Nuclear deterrence through capability is established on the bedrock of a reliable complex. Possibly for the first time within the NNSA, corporate facility management is coming on line; it has the potential to enable and empower governance and stewardship of the NNSA for the physical complex.

### **Facilities and Infrastructure Recapitalization Program Execution for FY 2002**

The principal objective of the FY 2002 FIRP is to arrest the deterioration of the nuclear weapons complex occurring this year. The NNSA has identified 81 Recapitalization projects for execution in FY 2002, costing \$137.7 million. The principal thrusts of the FY 2002 program are to attack the areas of failed roofing; correct urgent atmosphere control, water, and electrical system repairs; and address a significant level of deferred maintenance issues. Upgrading and replacing HVAC systems for essential laboratory and manufacturing facilities are planned. And we begin General Plant construction projects; and renovation of mission essential buildings to permit more efficient operations and consolidation of personal are undertaken. Some specific examples, site-by-site, follow:

- **Kansas City Plant** - Replace and upgrade chillers, air handling, and dehumidification systems supporting essential production buildings. These projects provide environmental controls related to manufacturing processes, in support of reservoir and Lifetime Extension Programs for the W-76 and W-80 weapons programs. Execute the new Tri-Plant Roofing Partnership for repairs to Kansas City, Y-12, and Pantex roofs.
- **Los Alamos National Laboratory** - Construct four new buildings that consolidates laboratory and support functions into modern, safe, and efficient spaces and removes costly, old temporary structures.

- **Pantex Plant** - Undertake the most critical of a large backlog of essential roofing repairs for vital production buildings. Begin to work down the large deferred maintenance backlog throughout the plant; and complete repairs and upgrades to essential emergency and life safety systems. These projects support the Life Extension Programs, High Explosive Operations and the W-76 and W-80 weapons programs.
- **Sandia National Laboratory** - Refurbish three critical laboratory and test facilities, including their structural, utility, and power systems and test equipment. These facilities were at risk of losing capabilities supporting the Defense Programs mission in weapons qualifications, development, investigation, modeling and simulation.
- **Lawrence Livermore National Laboratory** - Building improvements include the replacement and upgrade to mechanical systems, including HVAC units, air conditioners, air handlers, fans, HEPA filters, and fan controls; electrical systems, and other components. Process improvements include an upgrade to the operational capability at the S-300 high explosive facility, to improve the processing of high explosive parts, and the integration of new computer controls. These projects also provide for improved machine tool reliability, new high explosives equipment and tools in support of mission essential weapons qualifications activities.
- **Nevada Test Site** - Projects concentrate on improvements to communications and safety systems. Older communications systems are being replaced with fiber optic cable, and upgrades are planned for emergency, fire, and remote radiation alarms at test facilities.
- **Savannah River Site** - Projects at the Savannah River Site include the improvement to the telecommunications distribution network within the Tritium area. These projects also replace and upgrade the hydride bed portion of the Thermal Cycling Absorption Process necessary for tritium production.
- **Y-12 B** Large scale roof repairs and addressing the significant maintenance backlog throughout the site are underway. Other repairs and improvements will be made to incinerators, steam coils, power panels, oil storage facilities, transformer stations, lighting, and flooring systems. Specific facilities upgraded include the nitric acid pickling tank, and the replacement of bond strand piping, which transports waste effluents from the steam plant to the treatment facility. The concrete spalling from the ceiling of part of the production complex, discussed as a striking example of our facility concerns by General Gordon in his earlier testimony, is being addressed. These activities support, among others, the W-87 Weapons Programs, and production work for the Joint Test Assemblies.

We have scheduled 19 infrastructure planning projects, costing approximately \$9.2 million. These are high priority FIRP recapitalization and facility disposition projects scheduled for execution in FY 2003. A representative sample of these projects includes: design of chilled water, steam, and condensate piping systems at Kansas City; corrective maintenance projects for Los Alamos; Sandia is



designing HVAC, reactor cooling system replacements and upgrades. At the Nevada Test Site, major improvements are planned for the Test Site water system, including refurbishing multiple tanks representing some 2 million gallons of potable water, replacing pipeline and upgrading electrical support services, and addressing seismic and structural issues. Savannah River projects include electrical component replacements and communications upgrades.

The FIRP is conducting thirty three facility disposition projects this year, at an estimated cost of \$50 million. The funding level is directed by the FY 2002 National Defense Authorization Act. Execution of these projects reduces the footprint of the overall NNSA holdings by some 500,000 square feet. The projects selected will remove about 217 buildings and structures. The largest footprint reductions will be at Y-12 and the Nevada Test Site. One-third of the facility disposition funding was allocated to Y-12 (\$17 million) given the NNSA's commitment to aggressively reduce the footprint at that site. Security improvements at Y-12 and Pantex accrue due in part to a smaller limited area.

At Savannah River Site, Sandia National Laboratory, and Los Alamos National Laboratory, footprint reductions free up key locations. Once cleared new programmatic needs will be satisfied and facility consolidation can occur. Reductions to Environmental, Safety and Health risks are achieved at Nevada Test Site (reducing worker exposure to rodent borne Hanta Virus), Y-12 (safety issues due to deteriorating structures), and at Lawrence Livermore and Sandia National Laboratories (structural roofing concerns). In addition, savings will begin to accrue for many sites as the disposition of excess facilities reduces the NNSA's burden of surveillance and maintenance operations currently required to ensure these excess facilities remain in a safe condition.

### **Intentions for FY 2003**

The NNSA is shaping the foundation for a professionally managed infrastructure. Many aspects of our approach to corporate facility management are undergoing process improvement. This includes those processes used to manage the Recapitalization Program. The successful implementation of Ten Year Comprehensive Site Plans forms the foundation for bottoms-up recommendations for Recapitalization projects. Looking ahead, in FY 2003, the program plans to undertake the following:

- Fund the Recapitalization component at about \$180M, which will begin the stabilization of the overall condition of the nuclear weapons complex. Projects will be funded from an integrated, prioritized list using the FY 2003 TYCSP inputs from each site.
- Planning conducted in FY 2002 will be executed in FY 2003, allowing acceleration of the pace of conducting the Recapitalization projects (e.g. long lead materials are ordered, cost estimates are more accurate, management is in place)

- Facility Disposition will continue at the same pace as FY 2002, supporting a further footprint reduction of some 500,000 square feet of excess facilities

### **Corporate Approach**

The NNSA approach to management of its facilities and infrastructure is corporate. Dr. Beckner has described his programmatic approach, and the use, which he makes of his Readiness in Technical Base and Facilities funding. I have just covered my Facilities and Infrastructure Recapitalization Program. He is the line program manager for the sites, I support his program needs. Our efforts meld well together for the improvement of NNSA's corporate governance. For facilities especially, our programs are truly complimentary. The FIRP provides the ability to plan in advance which major projects the sites can undertake on an annual basis, without the risk of internal reprogramming to non-facility issues. It makes significant, visible and very positive differences at the sites, supporting program and mission. This is a major improvement in the management of facilities. Previously, sites could rarely undertake large scale improvement efforts because the dollars to do so never seemed to make the priority. Since FIRP is a stand alone program, directly focused on facility improvements, it compliments Defense Programs activities. Close cooperation exists among the field professionals, headquarters, and with the scientific and production program offices of Defense Programs and Facilities and Operations to corporately restore the complex. This is as true in my corporate facility management responsibilities as it is with the funded programmatic such as FIRP and RTBF. A specific example will be illustrative.

Ten Year Comprehensive Site Plans (TYCSP) are the foundation for NNSA complex-wide facilities and infrastructure strategic planning, and the cornerstone of the effort to restore, revitalize and rebuild the complex. The TYCSPs focus management attention on current and future facility and infrastructure needs at each site in support of directed stockpile work and campaign programmatic requirements. It provides a resource-constrained plan consistent with site-specific funding profiles provided by the NNSA from the Future Years Nuclear Security Program (FYNSP) for meeting these needs. We have not really had credible site planning tools before. These TYCSPs are one of a series of corporate facility management processes which my organization is bringing on line as part of the NNSA reorganization. It allows NNSA to make comparisons and informed corporate planning; and empowers the use of metrics, benchmarks, and performance objectives complex-wide. The ability to realistically plan and execute toward the desired and intended complex of the future is possible. Formal feedback between headquarters, field and the contractors, linking budget realities with technical requirements, allows NNSA to begin managing our physical complex as a corporation. Institutionalizing the TYCSPs into NNSA's business ethic across the complex is a major step toward corporate governance and accountability. I mentioned that this is a corporate approach: The TYCSPs provide both Dr. Beckner, who has the line responsibility for the sites, and myself, who provides support and manages the FIRP, information we both need in our separate areas. I manage the TYCSP process, and Defense Programs is the major customer of the deliverables. There are close working partnerships between our organizations throughout the TYCSP process. This allows each to focus on our areas of expertise, and is truly a success for the NNSA.

### **FIRP- The Path Forward**

I have explained the significant efforts the NNSA has underway to address the recapitalization of the nuclear weapons complex. Let me lay out the path ahead, as we see it today. The various assessments, both ours and of independent parties, clearly describe the general long-term financial commitment and management effort required to establish a capable and credible physical complex to support the Stockpile Stewardship Program. These assessments make a strong case for a minimum effort of some \$500 million additional annually for ten years or more. Our efforts with the FIRP recovery program to date fall in line with this programmatic level of effort. It is quite apparent that our program this year, our \$200 million, will probably arrest the deterioration we see occurring on an annual basis. Over the next several years of the ramp-up of the FIRP program, we will ensure the stabilization of the condition of the complex, and in places begin to make marked improvements in discrete areas. As an example, we need to target the significant deferred maintenance backlog which we have built over the last several years. This area costs us dearly in corrective maintenance and threatens unacceptable mission downtime. It is the price we now pay, along with many other undesirable effects, from large scale chronic underfunding of facilities. It is the NNSA's intent to stabilize our deferred maintenance backlog by FY 2005, and aggressively reduce it to within industry

standards by FY 2009. This is not just a funding issue, it is also a significant management effort to address this competently- but without the funding, no management program would succeed. We want to return our facility conditions, for our programmatic facilities and specific other important infrastructures at a minimum, to an assessment level of **Good to excellent**. Likewise, we need to dedicate the resources to maintaining the new facilities we are bringing on line at that same assessment level. And we must continue the efforts we have underway to reduce our significant amount of excess facilities. Beyond the costly surveillance and maintenance bills that accrue, and the long-term risks and hazards involved, we owe our work force, our most valuable resource, a professional working environment in which to carry out the national security mission. Finally, but most important, we will have institutionalized responsible and accountable facility management processes, including budgetary ones, so that the NNSA does not revert to the practices of the past that have given us the results currently seen at Y-12, Los Alamos, Pantex and others.

The NNSA feels that this program will be able to execute the above deliverables within the funding levels and timeline we propose. We will close out this program, merging it into the core NNSA funding components, when we accomplish our mission. I must caution that this undertaking is only in its infancy. We have the situation currently, the major recovery challenge, because of long-term inattention. It will take long-term attention, managed on a day-to-day basis, to recover. I would offer that until we truly begin to turn the corner on the recovery of the complex, any more specific plans on the end game, as it were, for this program would be premature.

### **Issues**

The issues that face the NNSA as it executes the Facilities and Infrastructure Recapitalization Program are typical of any large corporation undergoing change. Principal among them is the challenge of changing the culture of the past. We are dedicated to the principle that the past is not prologue to the future. As outlined, policies, plans and actions are being put in place to embed the culture of professional corporate facility management. The new NNSA offices that manage this effort are populated with dedicated facility professionals. For the most part, this program is being embraced. Among some, a wait and see reaction is manifest. General Gordon's commitment to you is that we are prepared to prevail over our critics, and maintain the program at a very high level for a very long time. I am confident that through demonstrated performance, corporate facility management will thrive.

However, the most challenging issue facing us is to convince you and your colleagues that despite the expense and length of the FIRP, the NNSA is earning and warrants your continued support. Simply stated, the NNSA has critically assessed it self: the complex was determined to be failing. We have taken

responsible action by citing the problem and providing a reasoned and thoughtful solution. Money, though very important, is not the complete solution. Management, if not broken, was certainly unfocused and inattentive, having lost sight of the importance of maintaining the weapons complex. Today, we report that responsible management practices are established, operating and showing results. Fiscal visibility and accountability are in place to husband scarce resources. Close cooperation with the programs serves as a check and balance on proposed project priorities. Metrics are in place to determine progress. And finally, the merging of all this combines to a solid program of corporate facilities management comparable, we believe, to the best programs in government.

### **Summary**

The nuclear weapons complex is a vital component of our national nuclear security strategy. In its current condition it is potentially a weak link, which is receiving immediate attention. Congress has taken the first restorative steps. The NNSA is organized to manage the challenge. Long term funding support is crucial to our success. We expect to be held accountable. Thank you for the opportunity to report our progress and make the case for the future.