

April 30, 2015

Dear Members of the House of Representatives:

The Project On Government Oversight and Taxpayers for Common Sense are opposed to continued funding for the Mixed Oxide Fuel Fabrication Facility (MOX) at the Savannah River Site in Aiken, South Carolina. We believe the program should be cut entirely. We urge you to strike the \$345 million for MOX construction from the FY2016 Energy and Water Development Appropriations Bill.

The MOX facility was designed to convert weapons-grade plutonium into mixed-oxide fuel for U.S. commercial nuclear reactors. Today, however, it is over budget, behind schedule, and lacking even a single customer.

In 2004, constructing the facility was originally estimated to cost \$1.6 billion¹ and it was expected to be operational by 2007.² But delays and other missteps have led to skyrocketing life-cycle costs, which include finishing construction, operating the plant, and waste management. A recently completed study by The Aerospace Corporation states that approximately \$47.5 billion in additional “life-cycle to go” costs will be required to complete the MOX project. But that cost estimate is only accurate if annual appropriations hold steady at \$500 million per year, which is about \$150 million more than current funding levels. If the project continues to be funded at \$345 million per year life-cycle costs will skyrocket to more than \$114 billion. More than \$4 billion has already been spent on construction of the MOX facility, which is reportedly only 65 percent complete.³

Members of Congress have previously raised concerns over the billions of dollars spent on a facility with no customers and no substantial feedstock.⁴ In 2008, Shaw AREVA MOX Services (MOX Services)—the project contractor—lost its contract with Duke Energy and hasn’t found a single replacement buyer.⁵ In 2011, the House Appropriations Committee also pointed out safety concerns in light of the Fukushima Daiichi disaster and warned that continued funding for MOX takes resources away from other non-proliferation programs.⁶

The Department of Energy is now in the process of examining alternatives to the MOX facility. But we think this program has already failed the viability test. Halt funding to the MOX program now. Don’t let nuclear waste become a symbol for government waste.

For additional information, please contact Lydia Dennett or Danielle Brian at (202) 347-1122, or Autumn Hanna or Ryan Alexander at (202) 546-8500.

Sincerely,

Danielle Brian
Executive Director
Project On Government Oversight

Ryan Alexander
President
Taxpayers for Common Sense

¹ Letter from Project On Government Oversight, et al., to the Honorable Rodney P. Frelinghuysen and the Honorable Peter J. Visclosky, Chairman and Ranking Member of the House Appropriations Subcommittee on Energy and Water Development, regarding cutting the MOX fuel program, March 19, 2012.

² Taxpayers For Common Sense, MOX Misses the Mark, (Downloaded February 5, 2013) (Hereinafter MOX Misses the Mark)

³ Todd Jacobson, “New Report: MOX Could Cost \$52 Billion to Build, Run Plant,” Nuclear Security & Deterrence Monitor, April 24, 2015.

⁴ 112th Congress, House of Representatives, Energy and Water Development Appropriations Bill Report, 2012, June 24, 2011, p. 138. (Downloaded February 5, 2013)

⁵ MOX Misses the Mark

⁶ Matt Compton, “President Obama Pushes for Nonproliferation,” The White House Blog, December 4, 2012. (Downloaded February 5, 2013)