

# Project On Government Oversight

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May 5, 2009

The Honorable Steven Chu  
Secretary  
U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

VIA FACSIMILE: (202) 586-4403

Dear Secretary Chu:

The Project On Government Oversight (POGO) is an independent nonprofit that investigates and exposes corruption and other misconduct in order to achieve a more effective, accountable, open, and ethical federal government. As we believe that is your goal for the Department of Energy (DOE) as well, we were shocked to learn that you recently recognized the National Nuclear Security Administration (NNSA) for “Project Management Excellence” for the National Ignition Facility (NIF) project.<sup>1</sup> The criteria for the award is to have “demonstrated ‘exceptional’ results in completing a project within cost and schedule.”<sup>2</sup> The project has done neither; in fact, the NIF project has been derided for years by the GAO, IG, and others as perhaps the *worst* example of program management.

It is extraordinary that NNSA is currently claiming the NIF construction was completed within budget, because the project is the most egregious rubber baseline—constantly changing the cost and schedule—that we have ever seen. In the early 1990s, the DOE sold the NIF project to Congress with a reported cost estimate of \$700 million and an original completion date of 2002. With its 192 laser beams to simulate a thermonuclear burn, the NIF was to be a critical part of certifying that nuclear warheads are safe and reliable. The most recent cost estimate is \$5-6 *billion* with a completion date of 2010—more than 600 percent over budget and at least 8 years behind schedule. In addition, NNSA has recently morphed the NIF’s mission into helping to solve the energy crisis.

At best, it is premature to give such an award until the NIF actually achieves its promise of fusion ignition with energy gain. Some scientists are convinced that ignition and energy gain will be easily achieved. Others remain convinced it will never

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<sup>1</sup> National Nuclear Security Administration, “NNSA Recognized for Project Management Excellence,” April 7, 2009. <http://nnsa.energy.gov/2319.htm>.

<sup>2</sup> Secretary of Energy's Project Management Excellence Awards Program. <http://oecm.energy.gov/Default.aspx?PageContentID=22&tabid=269>

be achieved and that the glass lens will hold not up.<sup>3</sup> With all the changes in target design over the years, it is not possible to sort out who is right until 2010-2011 when we will know for sure. So perhaps 2011, after ignition and energy gain are achieved as long-promised, would be the time to consider giving out any types of NIF management awards. Even then, ignition will have come at a price far higher than promised, and doubts will remain about the long-term survival of the optics without expensive and frequent replacement. In other words, we do not know yet what product was built. Certainly, a lot of tax dollars were spent. And just as certainly, a lot of lab employees worked long and hard, and many sacrifices were made to assemble the NIF as it sits today. But we do not know if the NIF will produce as promised, and will not know until 2010-2011.

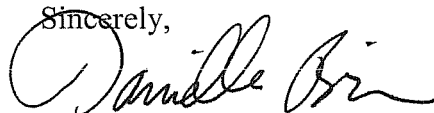
It appears the NIF program office has pulled an old trick out of their hat. A decade ago, the NIF program office put together a statement for then-newly confirmed Secretary Bill Richardson, applauding the management of the NIF for keeping the project under budget and ahead of schedule. The Secretary was furious days later when he learned that he had been misled: the NIF construction was far over budget and at least one year behind schedule. It was a “major embarrassment” for the Secretary.<sup>4</sup>

Beyond the obvious management problems associated with an out-of-control budget and construction that is years behind schedule, the NIF has displayed a number of other serious management problems as well. A 2007 GAO report determined that the NIF did not have proper cyber security controls in place, resulting in unauthorized access to its computer systems and potentially releasing sensitive information.<sup>5</sup> An IG report from 2008 determined that the NIF did not have proper safety procedures in place, nearly resulting in a serious accident.<sup>6</sup> Overall, these studies demonstrate a glaring lack of good management in the NIF project.

In order to send a message that you are serious about cleaning up DOE’s pathetic record of program management, we suggest you consider rescinding the management award given to the NIF project. This episode should serve as a warning to you that the nuclear weapons complex should not be allowed to run on autopilot. It requires serious oversight.

In addition to the NIF, POGO has a number of concerns with the nuclear weapons program that we would like to discuss with you. We will give your office a call within the next week. If you have any questions before then, please feel free to contact me at (202) 347-1122.

Sincerely,



Danielle Brian  
Executive Director

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<sup>3</sup> Hugh Gusterson, “Why Thomas Friedman is wrong about the National Ignition Facility,” *Bulletin of Atomic Scientists*, April 27, 2009.

<sup>4</sup> James Glanz, “Laser Project is Delayed and Over Budget: Report Highlights Troubles at Nuclear Testing Facility,” *New York Times*, August 19, 2000. <http://www.nytimes.com/library/national/science/081900sci-laser-missiles.html>

<sup>5</sup> Government Accountability Office, *National Nuclear Security Administration: Additional Actions Needed to Improve Management of the Nation's Nuclear Programs*, January 31, 2007. <http://www.gao.gov/htext/d07428t.html>. Government Accountability Office, *National Ignition Facility: Management and Oversight Failures Caused Major Cost Overruns and Schedule Delays*, August 2000. <http://www.gao.gov/archive/2000/rc00141.pdf>.

<sup>6</sup> DOE Inspector General, *Implementation of Integrated Safety Management at Lawrence Livermore National Laboratory*, July 2008. <http://www.ig.energy.gov/documents/IG-0797.pdf>.