

ONE HUNDRED TWELFTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

April 27, 2011

The Honorable Steven Chu
Secretary
Department of Energy
U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585

Dear Secretary Chu:

Pursuant to Rules X and XI of the United States House of Representatives, the Committee on Energy and Commerce is examining the Department of Energy's (DOE) efforts to ensure that the National Nuclear Security Administration (NNSA) encourages competition for major site management contracts at DOE's weapons laboratories and production facilities. The Committee is examining this issue in the context of expiring management and operations contracts in relation to NNSA's Y-12 National Security Complex (Y-12 Site), the Pantex Plant, and the Sandia National Laboratory (Sandia), as well as major construction activities at the Los Alamos National Laboratory (Los Alamos).

We are encouraged to see that NNSA has begun a multi-year recapitalization program intended to modernize outdated weapons production facilities principally located at Los Alamos, the Y-12 site and the Pantex Plant. These critical infrastructure projects include design and construction of the Chemistry and Metallurgy Research Facility Replacement Nuclear Facility at Los Alamos (CMRR) and the design and construction of the Uranium Processing Facility at the Y-12 site (UPF).

In addition to facility modernization projects, NNSA must also monitor its science, technology, and engineering base, particularly at Sandia, to ensure that our existing nuclear weapons stockpile can be maintained reliably and safely without nuclear testing. Since most of these activities will be conducted by NNSA's contracted workforce, it is essential that NNSA utilize the companies with the best management practices for major site contracts at NNSA's weapons laboratories and production facilities, especially given the dramatic increase in construction cost estimates in recent years.

In order to better understand DOE's efforts to develop an acquisition strategy that is consistent with federal contract competition policies while effectively maintaining NNSA's responsibility for the management and security of the nation's nuclear weapons, nuclear nonproliferation, and naval reactor programs, we request that you contact Carl Anderson or Peter Spencer with the Majority Committee staff at (202) 225-2927 to schedule a staff briefing to occur within two weeks from the date of this letter.

The briefing should address the following matters:

1. The increased cost estimates for the CMRR and UPF projects;
2. The NNSA acquisition strategy announced March 2010 to pursue a procurement to consolidate the management of the Y-12 Site and the Pantex Plant;
3. How the Integration, Management and Execution Construction Management Contract strengthens the Nuclear Security Enterprise mission and is consistent with DOE and federal contract competition policies;
4. Efforts within NNSA to consider removing major design and engineering projects out of large site contracts and issue them individually as separate procurements;
5. Whether a strategy was considered to allow a site contractor to focus on critical science, safety, and procurement activities while a separate construction contractor could focus on delivery of major construction activities; and,
6. Details regarding the Request for Information (RFI) relating to non-competitively extending the Sandia contract.

We thank you for your attention to this matter. Please do not hesitate to contact Majority Committee staff with any questions regarding this letter.

Sincerely,



Cliff Stearns

Chairman

Subcommittee on Oversight and Investigations

cc: The Honorable Fred Upton, Chairman

The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations