

House Energy and Water Appropriations Subcommittee Report on FY 2013 Budget
April 25, 2012

Inertial Confinement Fusion and High Yield Campaign

The Committee recommends \$480,000,000, \$3,726,000 above fiscal year 2012 and \$20,000,000 above the budget request. Within these funds, \$62,500,000 shall be for the OMEGA Laser Facility at the University of Rochester, \$2,250,000 above the request. As the first ignition campaign comes to a close in fiscal year 2012, it is a distinct possibility that the NNSA will not achieve ignition during these initial experiments. While achieving ignition was never scientifically assured, the considerable costs will not have been warranted if the only role the National Ignition Facility (NIF) serves is that of an expensive platform for routine high energy density physics experiments. The Committee continues to support the pursuit of ignition and urges the NNSA to develop a cost effective strategy for future experimental activity as the next phase of scientific effort begins. The recommendation supports a lower, though still robust, level of experimental activity on the NIF in fiscal year 2013 given the completion of major diagnostic acquisitions and the shift in experimental tempo.

Further, the Committee supports the application of a fair and standardized overhead rate that fully adheres to proper cost accounting standards. In previous years, the NNSA allowed Lawrence Livermore National Laboratory to apply a reduced overhead rate for the operation of the NIF, which artificially lowered the amount of funding needed within the ICF Campaign to conduct experimental activities, in violation of cost accounting standards.

This practice misrepresented the full costs of these activities and shifted those costs onto other programs at the laboratory. While the ultimate programmatic impacts of the rate shift are still not clear, there is flexibility within the NNSA budget to partially mitigate those consequences as the overhead rate transitions back to a more appropriate level. Nevertheless, it is apparent that the NNSA did not properly take into account those impacts when developing its budget request and the Committee recommends \$20,000,000 above the request to mitigate any unintended adverse impacts in fiscal year 2013. The Committee will continue to work with the NNSA to understand the implications of the transition to an appropriate overhead rate at the NIF and adjust resources as necessary so the facility may effectively execute its mission.