AN ACT

To authorize appropriations for fiscal year 2007 for defense activities of the Department of Energy, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
SECTION 1. TABLE OF CONTENTS.

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TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Completion of equity finalization process for Naval Petroleum Reserve Numbered 1.
SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES.

For purposes of this Act, the term “congressional defense committees” has the meaning given that term in section 101(a)(16) of title 10, United States Code.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs

SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) Authorization of Appropriations.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2007 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $9,333,311,000, to be allocated as follows:

(1) For weapons activities, $6,455,389,000.

(2) For defense nuclear nonproliferation activities, $1,726,213,000.

(3) For naval reactors, $795,133,000.
(4) For the Office of the Administrator for Nuclear Security, $356,576,000.

(b) AUTHORIZATION OF NEW PLANT PROJECTS.—From funds referred to in subsection (a) that are available for carrying out plant projects, the Secretary of Energy may carry out new plant projects for the National Nuclear Security Administration as follows:

   (1) For readiness in technical base and facilities, the following new plant projects:

       Project 07–D–140, Readiness in Technical Base and Facilities Program, project engineering and design, various locations, $4,977,000.

       Project 07–D–220, Radioactive liquid waste treatment facility upgrade project, Los Alamos National Laboratory, Los Alamos, New Mexico, $14,828,000.

   (2) For facilities and infrastructure recapitalization, the following new plant project:

       Project 07–D–253, Technical Area 1 heating systems modernization, Sandia National Laboratories, Albuquerque, New Mexico, $14,500,000.

   (3) For defense nuclear nonproliferation, the following new plant project:

(4) For naval reactors, the following new plant project:

Project 07–D–190, Materials Research Technology Complex, project engineering and design, Bettis Atomic Power Laboratory, West Mifflin, Pennsylvania, $1,485,000.

SEC. 3102. DEFENSE ENVIRONMENTAL CLEANUP.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2007 for defense environmental cleanup activities in carrying out programs necessary for national security in the amount of $5,430,312,000.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2007 for other defense activities in carrying out programs necessary for national security in the amount of $624,530,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2007 for defense nuclear waste disposal for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste
Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $333,080,000.

**Subtitle B—Other Matters**

SEC. 3111. NOTICE AND WAIT REQUIREMENT APPLICABLE TO CERTAIN THIRD PARTY FINANCING ARRANGEMENTS.

Subtitle A of title XLVIII of the Atomic Energy Defense Act (50 U.S.C. 2781 et seq.) is amended by adding at the end the following new section:

‘‘SEC. 4804. NOTICE AND WAIT REQUIREMENT APPLICABLE TO CERTAIN THIRD PARTY FINANCING ARRANGEMENTS.

“(a) Notice and Wait Requirement.—The Secretary of Energy may not enter into an arrangement described in subsection (b) until 30 days after the date on which the Secretary notifies the congressional defense committees in writing of the proposed arrangement.

“(b) Covered Arrangements.—

“(1) In general.—Except as provided in paragraph (2), an arrangement referred to in subsection (a) is any alternative financing arrangement, third party financing arrangement, public-private partnership, privatization arrangement, private capital arrangement, or other financing arrangement that—
“(A) is entered into in connection with a project conducted using funds authorized to be appropriated to the Department of Energy to carry out programs necessary for national security; and

“(B) involves a contractor or Federal agency obtaining and charging to the Department of Energy as an allowable cost under a contract the use of office space, facilities, or other real property assets with a value of at least $5,000,000.

“(2) EXCEPTION.—An arrangement referred to in subsection (a) does not include an arrangement that—

“(A) involves the Department of Energy or a contractor acquiring or entering into a capital lease for office space, facilities, or other real property assets; or

“(B) is entered into in connection with a capital improvement project undertaken as part of an energy savings performance contract under section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287).”.
SEC. 3112. UTILIZATION OF INTERNATIONAL CONTRIBUTIONS TO THE GLOBAL THREAT REDUCTION INITIATIVE.


(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

“(f) INTERNATIONAL PARTICIPATION IN PROGRAM.—(1) In order to achieve international participation in the program under subsection (b), the Secretary of Energy may, with the concurrence of the Secretary of State, enter into one or more agreements with any person, foreign government, or other international organization that the Secretary of Energy considers appropriate for the contribution of funds by such person, government, or organization for purposes of the programs described in paragraph (2)(B).

“(2)(A) Notwithstanding section 3302 of title 31, United States Code, and subject to paragraphs (3) and (4), the Secretary of Energy may retain and utilize for purposes of the programs described in subparagraph (B) any amounts contributed by a person, government, or organization under an agreement under paragraph (1) with-
out further appropriation and without fiscal year limitation.

“(B) The programs described in this subparagraph are the following programs within the Global Threat Reduction Initiative:

“(i) The International Radiological Threat Reduction program.

“(ii) The Emerging Threats and Gap Materials program.

“(iii) The Reduced Enrichment for Research and Test Reactors program.

“(iv) The Russian Research Reactor Fuel Return program.


“(vi) The Kazakhstan Spent Fuel program.

“(3) The Secretary of Energy may not utilize under paragraph (2) any amount contributed under an agreement under paragraph (1) until 30 days after the date on which the Secretary notifies the congressional defense committees of the intent to utilize such amount, including the source of such amount and the proposed purpose for which such amount will be utilized.

“(4) If any amount contributed under paragraph (1) has not been utilized within 5 years of such contribution,
the Secretary of Energy shall return such amount to the person, government, or organization that contributed it.

“(5) Not later than 30 days after the receipt of any amount contributed under paragraph (1), the Secretary of Energy shall submit to the congressional defense committees a notice of the receipt of such amount.

“(6) Not later than October 31 of each year, the Secretary of Energy shall submit to the congressional defense committees a report on the receipt and utilization of amounts under this subsection during the preceding fiscal year. Each report for a fiscal year shall set forth—

“(A) a statement of any amounts received under this subsection, including the source of each such amount; and

“(B) a statement of any amounts utilized under this subsection, including the purposes for which such amounts were utilized.

“(7) The authority of the Secretary of Energy to accept and utilize amounts under this subsection shall expire on December 31, 2013.”.

SEC. 3113. UTILIZATION OF INTERNATIONAL CONTRIBUTIONS TO THE SECOND LINE OF DEFENSE CORE PROGRAM.

(a) INTERNATIONAL CONTRIBUTIONS AUTHORIZED.—In order to achieve international participation in
the Second Line of Defense Core Program administered
by the National Nuclear Security Administration, the Sec-
retary of Energy may, with the concurrence of the Sec-
retary of State, enter into one or more agreements with
any person, foreign government, or other international or-
ganization that the Secretary of Energy considers appro-
priate for the contribution of funds by such person, gov-
ernment, or organization for purposes of the program.

(b) Utilization of Contributions.—Notwith-
standing section 3302 of title 31, United States Code, and
subject to subsections (c) and (d), the Secretary of Energy
may retain and utilize for purposes of the program any
amounts contributed by a person, government, or organi-
zation under an agreement under subsection (a) without
further appropriation and without fiscal year limitation.

(c) Notice and Wait Requirement.—The Sec-
retary of Energy may not utilize under subsection (b) any
amount contributed under an agreement under subsection
(a) until 30 days after the date on which the Secretary
notifies the congressional defense committees of the intent
to utilize such amount, including the source of such
amount and the proposed purpose for which such amount
will be utilized.

(d) Return of Unutilized Amounts.—If any
amount contributed under subsection (a) has not been uti-
lized within 5 years of such contribution, the Secretary of Energy shall return such amount to the person, government, or organization that contributed it.

(e) Notification Requirement.—Not later than 30 days after the receipt of any amount contributed under subsection (a), the Secretary of Energy shall submit to the congressional defense committees a notice of the receipt of such amount.

(f) Annual Report.—Not later than October 31 of each year, the Secretary of Energy shall submit to the congressional defense committees a report on the receipt and utilization of amounts under this subsection during the preceding fiscal year. Each report for a fiscal year shall set forth—

(1) a statement of any amounts received under this section, including the source of each such amount; and

(2) a statement of any amounts utilized under this section, including the purposes for which such amounts were utilized.

(g) Termination.—The authority of the Secretary of Energy to accept and utilize amounts under this subsection shall expire on December 31, 2013.
SEC. 3114. EXTENSION OF FACILITIES AND INFRASTRUCTURE RECAPITALIZATION PROGRAM.


SEC. 3115. TWO-YEAR EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 4601(c)(1) of the Atomic Energy Defense Act (50 U.S.C. 2701(c)(1)) is amended by striking “September 30, 2006” and inserting “September 30, 2008”.

SEC. 3116. EXTENSION OF DEADLINE FOR TRANSFER OF LANDS TO LOS ALAMOS COUNTY, NEW MEXICO, AND OF LANDS IN TRUST FOR THE PUEBLO OF SAN ILDEFONSO.

Section 632 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (Public Law 105–119; 111 Stat. 2523; 42 U.S.C. 2391 note) is amended—

(1) in subsection (d)(2), by striking “10 years after the date of enactment of this Act” and inserting “November 26, 2012”; and

(2) in subsection (g)(3)(B), by striking “the end of the 10-year period beginning on the date of
enactment of this Act” and inserting “November 26, 2012”.

SEC. 3117. LIMITATIONS ON AVAILABILITY OF FUNDS FOR WASTE TREATMENT AND IMMOBILIZATION PLANT.

Of the amount authorized to be appropriated under section 3102 for defense environmental cleanup activities and available for the Waste Treatment and Immobilization Plant—

(1) not more than 30 percent of such amount may be obligated or expended until the date on which the Secretary of Energy certifies to the congressional defense committees that the Defense Contract Management Agency has certified the earned value management system used to track and report costs of the Waste Treatment and Immobilization Plant; and

(2) not more than 60 percent of such amount may be obligated or expended until the date on which the Secretary of Energy certifies to the congressional defense committees that the final seismic and ground motion criteria have been approved by the Secretary and that the contracting officer of the Waste Treatment and Immobilization Plant Project has formally directed that the final criteria be used
for the final design of the Pretreatment Facility and
the High-Level Waste Facility of the Waste Treat-
ment and Immobilization Plant.

SEC. 3118. LIMITATION ON AVAILABILITY OF FUNDS FOR
IMPLEMENTATION OF THE RUSSIAN SUR-
PLUS FISSILE MATERIALS DISPOSITION PRO-
GRAM.

(a) LIMITATION.—(1) Except as provided in sub-
section (b), none of the amount authorized to be appro-
priated under section 3101(a)(2) for defense nuclear non-
proliferation activities may be obligated for the implemen-
tation of the Russian Surplus Fissile Materials Disposition
Program (in this section referred to as the “Program”) until 30 days after the date on which the Secretary of
Energy provides to the congressional defense committees
written recommendations regarding whether and in what
manner the Program should proceed.

(2) The recommendations submitted under para-
graph (1) shall include—

(A) a description of the disposition method the
Government of Russia has agreed to use;

(B) a description of the assistance the United
States Government plans to provide under the Pro-
gram;
(C) an estimate of the total cost and schedule of such assistance;

(D) an explanation of how parallelism is to be defined for purposes of the Program and whether such parallelism can be achieved if the United States mixed-oxide (MOX) plutonium disposition program continues on the current planned schedule without further delays.

(b) EXCEPTION.—The limitation under subsection (a) does not apply to the obligation of funds to continue research and development associated with the Gas Turbine-Modular Helium Reactor (GT–MHR).

SEC. 3119. LIMITATION ON AVAILABILITY OF FUNDS FOR CONSTRUCTION OF MOX FUEL FABRICATION FACILITY.

None of the amount authorized to be appropriated under section 3101(a)(2) for defense nuclear nonproliferation activities may be obligated for construction project 99–D–143, the Mixed-Oxide (MOX) Fuel Fabrication Facility, until 30 days after the date on which the Secretary of Energy provides to the congressional defense committees—

(1) an independent cost estimate for the United States Surplus Fissile Materials Disposition Program and facilities; and
(2) a written certification that the Department of Energy intends to use the MOX Fuel Fabrication Facility for United States plutonium disposition regardless of the future direction of the Russian Surplus Fissile Materials Disposition Program.

SEC. 3120. TECHNICAL CORRECTION RELATED TO AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2006.

Effective as of January 6, 2006, and as if included therein as enacted, section 3101(a) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3537) is amended by striking “$9,196,456” and inserting “$9,196,456,000”.

SEC. 3121. EDUCATION OF FUTURE NUCLEAR ENGINEERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense and the United States depend on the specialized expertise of nuclear engineers who support the development and sustainment of technologies including naval reactors, strategic weapons, and nuclear power plants.

(2) Experts estimate that over 25 percent of the approximately 58,000 workers in the nuclear power industry in the United States will be eligible to retire within 5 years, representing both a huge
loss of institutional memory and a potential national security crisis.

(3) This shortfall of workers is exacerbated by reductions to the University Reactor Infrastructure and Education Assistance program, which trains civilian nuclear scientists and engineers. The defense and civilian nuclear industries are interdependent on a limited number of educational institutions to produce their workforce. A reduction in nuclear scientists and engineers trained in the civilian sector may result in a further loss of qualified personnel for defense-related research and engineering.

(4) The Department of Defense’s successful Science, Math and Research for Transformation (SMART) scholarship-for-service program serves as a good model for a targeted scholarship or fellowship program designed to educate future scientists at the postsecondary and postgraduate levels.

(b) REPORT ON EDUCATION OF FUTURE NUCLEAR ENGINEERS.—

(1) STUDY.—The Secretary of Energy shall study the feasibility and merit of establishing a targeted scholarship or fellowship program to educate future nuclear engineers at the postsecondary and postgraduate levels.
(2) REPORT REQUIRED.—The President shall submit to the congressional defense committees, together with the budget request submitted for fiscal year 2008, a report on the study conducted by the Secretary of Energy under paragraph (1).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2007, $22,260,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. TRANSFER OF GOVERNMENT-FURNISHED URA-NIUM STORED AT SEQUOYAH FUELS CORPORATION, GORE, OKLAHOMA.

(a) TRANSPORT AND DISPOSAL.—Not later than March 31, 2007, the Secretary of the Army shall, subject to subsection (c), transport to an authorized disposal facility for appropriate disposal all of the Federal Government-furnished uranium in the chemical and physical form in which it is stored at the Sequoyah Fuels Corporation site in Gore, Oklahoma.
(b) SOURCE OF FUNDS.—Funds authorized to be appropriated by section 301(1) for the Army for operation and maintenance may be used for the transport and disposal required under subsection (a).

(c) LIABILITY.—The Secretary may only transport uranium under subsection (a) after receiving from Sequoyah Fuels Corporation a written agreement satisfactory to the Secretary that provides that—

(1) the United States assumes no liability, legal or otherwise, of Sequoyah Fuels Corporation by transporting such uranium; and

(2) the Sequoyah Fuels Corporation waives any and all claims it may have against the United States related to the transported uranium.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. COMPLETION OF EQUITY FINALIZATION PROC-ESS FOR NAVAL PETROLEUM RESERVE NUM-BERED 1.

Section 3412(g) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 7420 note) is amended—

(1) by inserting “(1)” after “(g)”; and

(2) by adding at the end the following new paragraph:
“(2)(A) In light of the unique role that the independent petroleum engineer who is retained pursuant to paragraph (b)(2) performs in the process of finalizing equity interests, and the importance to the United States taxpayer of timely completion of the equity finalization process, the independent petroleum engineer’s ‘Shallow Oil Zone Provisional Recommendation of Equity Participation,’ which was presented to the equity finalization teams for the Department of Energy and Chevron U.S.A. Inc. on October 1 and 2, 2002, shall become the final equity recommendation of the independent petroleum engineer, as that term is used in the Protocol on NPR–1 Equity Finalization Implementation Process, July 8, 1996, for the Shallow Oil Zone unless the Department of Energy and Chevron U.S.A. Inc. agree in writing not later than 60 days after the date of the enactment of this paragraph that the independent petroleum engineer shall not be liable to either party for any cost or expense incurred or for any loss or damage sustained—

“(i) as a result of the manner in which services are performed by the independent petroleum engineer in accordance with its contract with the Department of Energy to support the equity determination process;
“(ii) as a result of the failure of the independent petroleum engineer in good faith to perform any service or make any determination or computation, unless caused by its gross negligence; or

“(iii) as a result of the reliance by either party on any computation, determination, estimate or evaluation made by the independent petroleum engineer unless caused by the its gross negligence or willful misconduct.

“(B) If Chevron U.S.A. Inc. agrees in writing not later than 60 days after the date of the enactment of this paragraph that the independent petroleum engineer shall not be liable to Chevron U.S.A. Inc. or the Department of Energy for any cost or expense incurred or for any loss or damage described in clauses (i) through (iii) of subparagraph (A), the Department of Energy shall agree to the same not later than such date.”.

Passed the Senate June 22, 2006.

Attest:

Secretary.
AN ACT

To authorize appropriations for defense activities of the Department of Energy, and for other purposes.