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2d Session

HOUSE OF REPRESENTATIVES

{ REPORT
109-702

**JOHN WARNER NATIONAL DEFENSE
AUTHORIZATION
ACT FOR FISCAL YEAR 2007**

CONFERENCE REPORT

TO ACCOMPANY

H.R. 5122



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Technical correction related to authorization of appropriations for fiscal year 2006 (sec. 3124)

The Senate amendment contained a provision (sec. 3120) that would strike the amount “\$9,196,456” and insert “\$9,196,456,000” in section 3101(a) of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163).

The House bill contained no similar provision.

The House recesses.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISION ADOPTED

Authorization (sec. 3201)

The House bill contained a provision (sec. 3201) that would authorize \$22.3 million for the Defense Nuclear Facilities Safety Board, the amount of the budget request.

The Senate amendment contained an identical provision (sec. 3201).

The conference agreement includes this provision. The conferees note their concern regarding the untimely resolution by the Department of Energy of technical issues raised by the Board. The conferees believe that the Board and the Department would benefit from a more structured process for issue resolution that would allow issues to be raised, evaluated, and adjudicated at logical points in the design and construction process. The conferees urge the Board to evaluate whether more frequent use of the Board’s formal recommendation process would drive both parties towards this more structured process. The conferees also encourage the Board to take a constructive role in the problem-solving process by quickly evaluating corrective actions proposed by the Department and its contractors.

The conferees are encouraged by efforts between the Department and the Board to develop a process to provide for more timely identification and resolution of technical differences over design standards and other issues at the Department’s nuclear facilities. Specifically, conferees support the pending revision of the Department’s Order 413.3 to require critical safety determinations be made prior to Critical Decision 1 in the Department’s project management system. The conferees direct the Board and the Department to continue these discussions and to report jointly to the congressional defense committees on their efforts to improve the timeliness of issue resolution, including recommendations, if any, for legislation that would strengthen and improve technical oversight of the Department’s nuclear design and operational activities. Until such time as this report is submitted, the conferees further direct the Board to provide to the congressional defense committees quarterly reports to identify and report the status of significant unresolved issues.

The conferees expect the Board to exercise its existing statutory authority at all Department of Energy defense nuclear facilities. This includes the Waste Treatment and Immobilization Plant

[Project 01–D–416] at the Department’s Hanford site in the State of Washington.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISION ADOPTED

Authorized uses of National Defense Stockpile funds (sec. 3301)

The House bill contained a provision (sec. 3301) that would authorize \$52.1 million from the National Defense Stockpile Transaction Fund for the operation and maintenance of the National Defense Stockpile for fiscal year 2007. The provision would also permit the use of additional funds for extraordinary or emergency conditions 45 days after Congress receives notification.

The Senate amendment contained no similar provision.

The Senate recesses.

Revisions to required receipt objectives for previously authorized disposals from National Defense Stockpile (sec. 3302)

The House bill contained a provision (sec. 3302) that would authorize increased sales of certain materials in the National Defense Stockpile through the end of fiscal year 2013.

The Senate amendment contained no similar provision.

The Senate recesses with an amendment that would reduce the amount of the increased sales.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISION ADOPTED

Authorization of appropriations (sec. 3401)

The House bill contained a provision (sec. 3401) that would authorize \$18.8 million for the operation and maintenance of the Naval Petroleum and Oil Shale Reserves.

The Senate amendment contained no similar provision.

The Senate recesses.

LEGISLATIVE PROVISION NOT ADOPTED

The Senate amendment contained a provision (sec. 3401) that would require the ‘Shallow Oil Zone Provisional Recommendation of Equity Participation’ of the independent petroleum engineer for Naval Petroleum Reserve Numbered 1 to become the final recommendation, unless the Department of Energy and Chevron U.S.A. Inc. agree that the independent petroleum engineer shall not be liable for any cost or expense incurred as a result of good faith services.

The House bill contained no similar provision.

The Senate recesses.