

At the Energy Security Conference in May 1988, Herrington offered his assessment of the Federal Government's progress in achieving energy security for the Nation during the previous eight years. Pointing to the fact that the country's economic expansion was in its sixty-fifth month, he noted that this represented "the longest peacetime economic expansion in U.S. history." The inflation rate in 1980 had been 13.5 percent, but in 1987 it was only 3.7 percent. Similarly, the maximum prime rate had dropped from 21.5 percent to 9.2 percent and mortgage rates from 13.8 percent to 10.2 percent. During this period, Herrington explained, the real gross national product had gone up, real disposable income per capita had doubled, and business productivity had gone up three times. Not only was unemployment at its lowest level in ten years, but also exports were the highest in the country's history. These were "things to be proud of . . . things to build on," Herrington declared.

It was evident to the Reagan Administration that the energy security of the United States would be tied to the oil and gas industry for the future. Yet oil and gas alone could not "shoulder the burden for energy security," Herrington added. The Secretary of Energy believed that nuclear power and coal would be an essential part of the equation. Nor, he concluded, should there be any "quick fixes." In the years ahead, America's energy stability, energy security, and energy strength would be determined by the sound economic solutions of the Federal Government, as well as by the ingenuity and determination of the private sector.¹³²

ENVIRONMENTAL AND SAFETY PROBLEMS IN THE WEAPONS COMPLEX

Environmental and safety concerns with the Department's weapons production complex continued to mount. In mid-June 1987, Under Secretary Joseph Salgado informed the Senate Governmental Affairs Committee that the Department would conduct a year-long study detailing environmental conditions at all federal nuclear facilities. "We made

mistakes in the past," Salgado told the Senate committee. "We are committed to bringing our complexes into compliance, [but] we have an enormous legacy of misuse of the environment in the past."¹³³

On October 29, 1987, the National Research Council's special committee, commissioned by Secretary Herrington in the aftermath of Chernobyl, released its long-awaited assessment of safety issues at the Department's production reactors. The committee conceded that the Department's contractors had emphasized the prevention of accidents. In addition, the production reactors had been operated for more than a quarter century without a major accident. Nevertheless, the committee cited the Department for not having "clearly articulated" safety objectives. The Department, the committee noted, "has failed to specify its safety requirements clearly, has failed to apply them uniformly at the two production reactor sites, and has failed to implement them in a timely manner." Part of the problem, according to the committee, was that the Department lacked an adequate technical understanding and capability. Equally serious, however, were the Department's managerial shortfalls. "Weaknesses of management," the committee stated, had "led to a loose-knit system of largely self-regulated contractors." Finally, the committee cited the "acute aging" of the production reactors as an issue that had not been adequately addressed by the Department.

The committee concluded that the Department could "accomplish the reactor safety functions assigned to it by Congress if the Department dedicated itself to the task." The committee recommended that the Department clarify its safety objectives, increase the involvement of the Office of Environment, Safety, and Health, and establish an independent, external safety oversight committee advisory to the secretary. The committee also recommended that the Department accelerate planning for new production reactors or other alternatives.¹³⁴

Secretary Herrington said that he "welcomed" the committee's findings. He stressed that the Department had long been aware of safety concerns and "action was long overdue."