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CDS

(b)(3):10 USC 424,(b)(3):50 USC 3024(i)

ZNY ~~SSSSS~~

HEADER

R 031735Z AUG 98

FM DIA WASHINGTON DC

(b)(3):50 USC 3024(i),1.4 (c)

RUEADWD/HQ DA WASH DC (b)(3):50 USC 3024(i)

RUWSMXI/USCINCTrans [REDACTED] SCOTT AFB (b)(3):50 USC 3024(i)

(b)(3):50 USC 3024(i)

RUETIAA/DIRNSA FT GEORGE G MEADE MD

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(b)(3):50 USC 3024(i)

RUENAAA/CNO WASHINGTON DC (b)(3):50 USC 3024(i)

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RUCNFB/FBI WASHINGTON DC (b)(3):50 USC 3024(i)

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RUEAHQA/HQ USAF WASHINGTON DC (b)(3):50 USC 3024(i)

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USC 3024(i) RUEKJCS/SECDEF WASHINGTON DC (b)(3):50 USC 3024(i)
RUEHC/SECSTATE WASHINGTON DC

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USC 3024(i) RULWAAA/STRATCOM (b)(3):50 USC 3024(i) OFFUTT AFB NE (b)(3):50 USC 3024(i)

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USC 3024(i) RUCBACM/USCINACOM NORFOLK VA (b)(3):50 USC 3024(i)

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USC 3024(i) RUCQAAA/USCINCCENT MACDILL AFB FL (b)(3):50 USC 3024(i)

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USC 3024(i) RUCEAAM/HQ USSPACECOM CHEYENNE MOUNTAIN AS CO (b)(3):50 USC 3024(i)

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USC 3024(i) RUCQVAB/USCINCSOC MACDILL AFB FL (b)(3):50 USC 3024(i)

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USC 3024(i) RUWSMXI/USCINCTRANS SCOTT AFB IL (b)(3):50 USC 3024(i)

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BT

(b)(3):50 USC 3024(i)

CONTROLS

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SERIAL: (U) (b)(3):10 USC 424

/***** THIS IS A COMBINED MESSAGE *****/

BODY

PASS: (U) (b)(3):10 USC 424

COUNTRY: (U) RUSSIA (RS).

//IPSP: (U) (b)(3):10 USC 424

SUBJ (b)(3):10 USC 424 NEGOTIATIONS FOR SSBN DISMANTLEMENT AT NERPA
SHIP REPAIR YARD IN MURMANSK (U)

WARNING: (U) THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED
INTELLIGENCE. REPORT CLASSIFIED ~~SECRET NOFORN~~.

DEPARTMENT OF DEFENSE

DOI: (U) 980600.

REQS: (U) (b)(3):10 USC 424

SOURCE: (U)

(b)(1),(b)(3):10 USC 424, 1.4 (c)

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(b)(1), 1.4 (c)

TEXT: 1. ~~(S/NF)~~ BACKGROUND. UNDER THE COOPERATIVE THREAT REDUCTION (CTR) PROGRAM, A U.S. DELEGATION TRAVELED TO THE ZVEZDA FAR EAST FACTORY, BOLSHOY KAMEN ~~(b)(3):10 USC 424~~ RUSSIA, AND THE NERPA SHIP REPAIR YARD IN MURMANSK ~~(b)(3):10 USC 424~~ RUSSIA IN MAY-JUNE 98. THIS TRIP FOCUSED ON NEGOTIATIONS FOR PROVIDING THE NECESSARY SUPPORT AND ADDITIONAL INFRASTRUCTURE TO CONDUCT THE ELIMINATION OF SSBNS THESE RUSSIAN SHIPYARDS. THE CONTENTS OF THIS REPORT CONTAINS INFORMATION ON THE NEGOTIATIONS HELD AT THE NERPA SHIP REPAIR YARD IN MURMANSK FOR SSBN ELIMINATION AND INFRASTRUCTURE IMPROVEMENTS, AS WELL AS OBSERVATIONS ON THE OVERALL CONDITION OF THE FACILITY.

2. (U) NEGOTIATIONS CONDUCTED AT NERPA.

A. ~~(S/NF)~~ NERPA PERSONNEL PRESENT DURING NEGOTIATIONS. THE FOLLOWING IS A LIST OF NERPA PERSONNEL WHO WERE PRESENT DURING PART OR ALL OF THE NEGOTIATIONS:

- PAVEL ((STEBLIN)), DIRECTOR OF NERPA SHIPYARD
- ROSTILOV ((RIMDYNOK)), CHIEF ENGINEER
- CAPTAIN FIRST RANK (FNU) ((IVANOK)), RUSSIAN NAVY
- VALERIY ((ALEXEEV)), VICE DIRECTOR FOR ECONOMICS
- OLEG ((ERIN)), VICE CHIEF ENGINEER
- VLADIMIR ((KISIL)), ASSISTANT TO THE DIRECTOR FOR SECURITY
- ALEKSANDER ((GORBUNOV)), VICE DIRECTOR FOR INDUSTRY
- ANTONINA ((NOSOVA)), CHIEF ARCHITECT
- AVET ((HOETSYAN)), HEAD OF PLANNING ECONOMY DEPARTMENT
- ANATOLY ((ROMANOV)), CHIEF OF THE DEPARTMENT ON PRICES.

B. ~~(S/NF)~~ NEGOTIATIONS PROCESS. ONE ISSUE OF CONTENTION THAT WAS ADDRESSED DURING THE NEGOTIATIONS PROCESS WAS THE TRANSPORTATION OF SPENT NUCLEAR FUEL. THE 2020 DEFUELING BARGES USED TO SERVICE THE SSBNS AND NUCLEAR POWERED SHIPS ARE IN VERY POOR MATERIAL CONDITION AND IN NEED OF FUNDING TO KEEP THEM OPERATIONAL. THE RUSSIAN NAVY HAD DECERTIFIED ALL FOUR OF ITS BARGES LAST YEAR. BECAUSE THE BARGES WERE DECERTIFIED, THE SHIPYARD WAS UNABLE TO GET A DEFUELED SUBMARINE OUT OF THE NAVY. THE SHIPYARD WANTED ADVANCED FUNDING BECAUSE THEY HAD NO AVAILABLE FUNDS TO PAY THE RUSSIAN NAVY, WHO WOULD NOT ACT UNTIL FUNDS WERE AVAILABLE. THE DIRECTOR AT NERPA REALIZED THE CONTRACT BEING NEGOTIATED WAS IMPORTANT FOR THEIR FACILITY AND SAID HE WOULD MAKE SURE THAT THE ONE 2020 BARGE AT NERPA WAS REPAIRED AND RECERTIFIED. THE DIRECTOR STATED THAT THE 2020 BARGE AT NERPA WAS IN BETTER CONDITION THAN THE OTHER BARGES, AND NEEDED MUCH LESS MAINTENANCE TO KEEP IT OPERATIONAL. THE SHIPYARD HAS ALSO BEEN NEGOTIATING WITH ATOMFLOT TO DEFUEL THEIR SUBMARINES IN PLACE OF THE

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NAVY. ATOMFLOT HAS REACTOR DEFUELING CAPABILITIES, AND HAS BEEN DEFUELING AND REFUELING NUCLEAR ICEBREAKERS FOR ABOUT 30 YEARS. ATOMFLOT WAS INCLUDED ON THIS PRESENT CONTRACT TO REMOVE FUEL FROM THE BARGE AND TRANSFER IT TO THE TRANSPORTATION FACILITY FOR SHIPMENT TO MAYAK. ATOMFLOT IS DISCUSSING WITH THE SHIPYARD THE POSSIBILITY OF BECOMING A SUBCONTRACTOR FOR DEFUELING THE SSBNS. THE RUSSIANS ALSO INDICATED THAT MAYAK IS GOING TO RUN OUT OF SPACE FOR STORAGE OF SPENT FUEL. THE SHIPYARD CONSIDERS THE DEFUELING PROCESS A BOTTLENECK BECAUSE THEY CAN DISMANTLE MUCH QUICKER THAN THE NAVY CAN DEFUEL SHIPS. ON THE FINAL DAY OF NEGOTIATIONS A PRICE WAS NEGOTIATED FOR THE DISMANTLEMENT OF TWO SBBNS, A DELTA I-CLASS AND A DELTA II-CLASS, BOTH WHICH WERE NOT YET LOCATED AT NERPA. THE TWO SSBNS WERE TO BE

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SSBNS TO BE TOWED WERE STILL FUELED. THE RUSSIAN HULL NUMBER FOR THE FIRST SSBN TO BE DISMANTLED WAS 337. THE HULL NUMBER FOR THE SECOND SSBN WAS NOT INDICATED. THE RUSSIAN NAVY HAD INDICATED THAT THEY HAD RELEASED TWO MORE SUBMARINES FOR DISMANTLEMENT TO BE WORKED ON BY NERPA AFTER NUMBER 337. THE FIRST SSBN WAS TO BEGIN THE DISMANTLEMENT PROCESS BY THE END OF JUNE 98. DURING THE NEGOTIATIONS, VICE ADMIRAL ((SHEVCHENKO)), A PERSONAL FRIEND OF DIRECTOR STEBLIN, ARRIVED FOR A VISIT. HE WAS INTRODUCED AS A HERO OF THE RUSSIAN NAVY AND STAYED FOR A SHORT PERIOD OF TIME.

3. ~~(S/NF)~~ TOUR OF FACILITIES AT NERPA. WHILE AT THE NERPA SHIPYARD, THE U.S. DELEGATION WAS GIVEN A TOUR OF THEIR FACILITIES. NEXT TO THE FLOATING DRY-DOCK AN OUTDOOR SHIPWAY WAS BEING BUILT THAT WAS ABOUT 80-90 PERCENT DONE, WITH THE WORK BEING DONE PIECEMEAL. TRACKS ARE LOCATED WITH THE OUTDOOR SHIPWAY AND GO TO A LARGE BUILDING. THE SHIPYARD WAS UNSURE WHEN THE SHIPWAY WOULD BE FINISHED; A CONSIDERABLE AMOUNT OF BACKFILL AND PAVING STILL NEEDED TO BE DONE. LOCATED INSIDE THE LARGE BUILDING WAS ONE REACTOR COMPARTMENT UNIT THAT WAS BEING MADE READY TO BE PUT INTO THE WATER. ALSO SEEN INSIDE THIS BUILDING WAS AN AMPHIBIOUS SHIP BEING DISMANTLED, AND ONE UNIDENTIFIED SUBMARINE THAT WAS BEING CUT UP. IT APPEARED THAT THIS SUBMARINE WAS BEING REDUCED TO A FLOATING REACTOR SECTION AS WELL, AND IT WAS MOSTLY DISMANTLED DOWN TO THE HULL. IN THE BACK OF THE BUILDING WAS A COMMERCIAL FISHING SHIP THAT THE RUSSIANS INDICATED WAS BEING BUILT FOR NORWAY. CONSTRUCTION HAD ALSO BEEN STARTED ON A LARGE BUILDING IN THIS AREA BUT HAD NEVER BEEN FINISHED. THE RUSSIANS SAID THAT THIS BUILDING WOULD BE USED AS A SCRAP METAL PROCESSING AREA. THE DELEGATION ALSO SAW THE HARRIS SHEARS AND THE CABLE

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SHREDDER IN USE DURING THE TOUR. A YANKEE-CLASS SSBN WAS ALSO SEEN PARTIALLY DISMANTLED IN A COVERED SHIPWAY WITH A CONSIDERABLE AMOUNT OF PERSONNEL ACTIVITY AROUND IT. THE THREE-COMPARTMENT UNIT FOR THE SUBMARINE WAS ALSO IN THE SHIPWAY BEING PREPARED TO BE FLOATED.

COMMENTS: 1. (U) (b)(3):10 USC 424

(b)(1),1.4 (c)

ADMIN

COLL: (U)

INSTR: (U)

PREP: (U)

ACQ: (U)

DISSEM: (U)

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~~DRV FROM: DHS 800 OCT 97~~

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