

April 19, 2007

To: WSRC Team Employees

2007 Workforce Restructuring Program Approved

Today, DOE approved WSRC conducting a Self Select Workforce Restructuring Program that would allow us to reduce the size of our workforce in FY2007. The 2007 Workforce Restructuring Plan approved by DOE is the first such plan since 2005. The Plan calls for a voluntary Self Select Program with some mission-related critical skills excluded from participation. We anticipate that approximately 500 employees will take advantage of this option, which will bring the Site in line with current missions. Specific details of the Plan will be released in the next day or two, but I wanted you to have the initial information as soon as I could get it to you.

As the management and operating contractor for SRS, one of our most significant responsibilities is workforce management – specifically, assuring the right alignment of skills, subcontracting, manpower, etc. to perform both the current and the projected work scope of the customer.

We have completed significant scopes of work that were customer priorities in our previous contract. For example, much of the customer's highest priority Decommissioning and Demolition (D&D) work is either complete or nearing completion. The remaining D&D work is in support of the area closure concept. The same is true of the transuranic waste shipment program – while there is still work to do, we have shipped the bulk of our inventory, making excellent progress against a priority that's important to both DOE and the State of South Carolina. At the same time, new missions and existing scope are evolving with the customer's focus on the higher hazard work, specifically Liquid Waste and accelerated tank closure. Due to both the completion of work and the evolving scope, our projected future work will require a slightly different skill base and size than we have in place today.

This is one of the many variables that we can expect to face in 2007. We will all be challenged to focus on the safe performance of our jobs, and that should continue to be the most significant objective of each day. As always, we will provide you with as much information as we can as soon as we are able to do so.

Leo Sain
WSRC President