



**HAB Consensus Advice #18A,
Privatization Issues and Concerns
Identified by the Hanford Advisory Board and the HAB
Health, Safety & Waste Management Subcommittee (March
3-4, 1995)**

- How do you know that privatization will be more **cost effective** (cheaper and better) than the current program? What are the life cycle cost projections? How will DOE ensure a realistic, long term cost mechanism?
 - Will there be **efficiency** improvements? What criteria will be used to assess whether efficiency will be improved? How will M&O contractors and "process" contractors relate?
 - What are the criteria to evaluate whether privatization is the correct course? If it is not, what is the **alternative path forward** for TWRS, i.e., Plan B?
 - What impacts will privatization have on the current program? Is privatization an **attempt to stop the TWRS program** (retrieve-treat-immobilize tank waste)?
 - Privatization is an attempt to abandon the baseline (TPA) and the strategy developed around stakeholder values. *DOE should develop a strategy which emphasizes efficiencies and maintains the integrity of the TPA.*
 - A sixty day "**consultation**" **period is too short**. A sixty day consultation period which began on February 10 is unacceptable. This issue will go before the Hanford Advisory Board on April 6, and DOE-RL would like to forward its recommendation to the Secretary in mid April.
 - There is **not agreement on problem definition**: "we need to consider privatizing TWRS, because there is not enough money to fund the current "baseline" program. The \$40B project costs for TWRS were not considered realistic.
 - What agency would have **regulatory oversight**? NRC? OSHA? How would oversight responsibilities be transitioned?
 - What regulations can be eliminated to maintain an industry commitment?
 - Is it **technically feasible**? How will DOE ensure a consistent, acceptable product?
 - Privatization will result in the **elimination of skilled workers** which is likely to result in greater risk to worker and public health and safety.
 - DOE does not have the authority to enter into a "**long term**" **contract**, i.e., at this time DOE has authority to engage in three year contracts.
 - DOE has a **poor privatization record** (e.g., privatizing the Hanford laundry resulted in greater costs and problems resulting from an unskilled workforce).
 - Is privatization a **deferral strategy**? Will the money be there when it is needed?
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For questions or comments, please send [email](mailto:Hanford_Advisory_Board@rl.gov) to Hanford_Advisory_Board@rl.gov

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Subject: Privatization

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