

April 2, 2004

Jessie Roberson, Assistant Secretary of Energy
U.S. Department of Energy, Headquarters
1000 Independence Avenue
Washington, D.C. 20585

Robert Card, Under Secretary of Energy
U.S. Department of Energy, Headquarters
1000 Independence Avenue
Washington, D.C. 20585

Re: Pensions and Benefits Plans

Dear Ms. Roberson and Mr. Card,

The Hanford Advisory Board (Board) is concerned that a contract provision in current requests for proposal (RFPs) to prospective Hanford contractors may seriously jeopardize the quality of the cleanup effort. The Board has reviewed Section H, Part I of the Fast Flux Test Facility (FFTF) Closure Project Contract RFP, as well as comparable River Corridor and other contract RFPs. The Board is concerned that these draft contracts potentially undermine pension and wage-savings plans after five years. The Board strongly advises the Department of Energy (DOE) to continue the current pension, savings, and medical benefits program beyond the first five years of the contract. Discontinuance of the current plan would be unlikely to produce significant savings.

The following rationale applies to this advice:

- Erosion of the pension plan is likely to create a drain of qualified and experienced workers within affected projects, thereby reducing effective, enhanced work planning performed by the current staff.
- There would be a significant risk that the workforce will become more transient, have less training, and be less understanding of job hazard analyses and use of stop work authority. In addition, it will be much harder to provide medical monitoring to a splintered workforce.
- The current Hanford Employees Welfare Trust Plan corrected prior abuses by multiple contractors following extensive litigation and worker discontent. Fracturing the current system would seem to return to a status that was identified years ago as being untenable while producing no substantial savings to the taxpayer.

- Discontinuing the current plan is contrary to Board Advice #33, which advises a site-wide benefit plan.

As a specific example of the Board's concerns, the River Corridor cleanup requires well trained and monitored "beryllium assigned workers" due to the numerous facilities with extensive beryllium contamination. The RFP for the River Corridor Contract would replace the pensions and savings plans for skilled workers, creating significant workforce risks in the dangerous work of decontamination, decommissioning and demolition of highly contaminated facilities in Hanford's 300 Area.

For the above reasons, the Board strongly advises DOE to modify or revise current RFPs for Hanford cleanup contracts by removing references to the erosion, elimination or modification of pension and savings plan benefits for non-construction Hanford workers of all categories and job descriptions. The Board believes it to be false economy to proceed with any initiative to erode worker benefits.

The following Board members and alternates abstained from the advice out of concern for any perceived conflict of interest.

Jeff Luke, Non-Union, Non-Mgmt Employees
Gariann Gelston, Non-Union, Non-Mgmt Employees
Susan Leckband, Non-Union, Non-Mgmt Employees
Bob Parks, City of Kennewick
Rebecca Holland, Hanford Atomic Metal Trades Council
Rick Jansons, Non-Union, Non-Mgmt Employees

Sincerely,

Todd Martin, Chair
Hanford Advisory Board

This advice represents HAB consensus for this specific topic. It should not be taken out of context to extrapolate Board agreement on other subject matters.

cc: Beverly Cook, Assistant Secretary for Environment, Safety & Health, U.S
Department of Energy, Headquarters
Keith Klein, Manager, U.S. Department of Energy Richland Operations
Office

Roy Schepens, Manager, U.S. Department of Energy, Office of River Protection
John Iani, U.S. Environmental Protection Agency, Region 10
Linda Hoffman, Washington State Department of Ecology
Howard Gnann, Deputy Designated Federal Official, U.S. Department of Energy
Michael Gearheard, Environmental Protection Agency
Michael Wilson, Washington State Department of Ecology
Sandra Waisley, U.S. Department of Energy Headquarters
Jim Bateman, President, Hanford Atomic Metal Trades Council
Rob Welch, Mayor, Richland
Jerry Peltier, Mayor, West Richland
Michael Garrison, Mayor, Pasco
James Beaver, Mayor, Kennewick
Leo Bowman, Commissioner, Benton County
Max Benitz, Commissioner, Benton County
Claude Oliver, Commissioner, Benton County
Neva Corkrum, Commissioner, Franklin County
Sue Miller, Commissioner, Franklin County
Frank Rock, Commissioner, Franklin County
Scott D Keller, Executive Director, Port of Benton
Tim Arntzen, Executive Director, Port of Kennewick
James E. Toomey, Executive Director, Port of Pasco
The Oregon and Washington Congressional Delegations

U.S. Senators (OR)

Gordon H Smith
Ron Wyden

U.S. Senators (WA)

Maria Cantwell
Patty Murray

U.S. Representatives (OR)

Earl Blumenauer
Peter DeFazio
Darlene Hooley
Greg Walden
David Wu

U.S. Representatives (WA)

Brian Baird
Norm Dicks
Jennifer Dunn
Jay Inslee
Richard Hastings
Rick Larsen
Jim McDermott
George Nethercutt
Adam Smith

State Senators (WA)

Pat Hale
Mike Hewitt

State Representatives (WA)

Jerome Delvin
Shirley Hankins