

## **Department of Energy**

Richland Operations Office P.O. Box 550 Richland, Washington 99352

October 19, 2010

#### CERTIFIED MAIL

Mr. Tim Wackerbarth Lane Powell Attorneys & Counselors 1420 Fifth Avenue, Suite 4100 Seattle, Washington 98101-2338

Dear Mr. Wackerbarth:

### FREEDOM OF INFORMATION ACT REQUEST (FOIA 2011-00008)

Pursuant to the Freedom of Information Act, you requested documents that relate to requests and/or attempts made by Burlington Northern Santa Fe Railway Company (BNSF) to provide rail service onto or through the Hanford Site including all written, telephone or electronic communications dated from February 1, 2007, to present.

We have conducted a thorough search and the enclosed documents were located. This search was conducted by those within the agency who are most familiar with the subject matter of your request, in locations where documents would most likely be found including the Office of Chief Counsel and the Site Infrastructure, Services & Information Management Division. This office has deleted any unpublished cell phone and direct telephone numbers, and any personal e-mail addresses belonging to non-Federal/Contractor staff pursuant to Exemption 6 of the FOIA.

Exemption 6 provides that an agency may protect from disclosure all personal information if its disclosure would constitute a clearly unwarranted invasion of privacy by subjecting the individuals to unwanted communications, harassment, intimidation, retaliation, or other substantial privacy invasions by interested parties.

In invoking Exemption 6 we considered 1) whether a significant privacy interest would be invaded by disclosure of information, 2) whether release of the information would further the public interest by shedding light on the operations or activities of the government, and 3) whether in balancing the private interest against the public interest, disclosure would constitute a clearly unwarranted invasion of privacy. We have determined that the public interest does not outweigh the individuals' privacy interests.

The undersigned individual is responsible for this determination. You have the right to appeal to the Office of Hearings and Appeals, as provided in 10 CFR 1004.8, for any information that has been denied to you. Any such appeal shall be made in writing to the Director, Office of Hearings and Appeals (HG-1), L'Enfant Plaza Building, U.S. Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585-1615, and shall be filed within 30 days after receipt of this letter. Should you choose to appeal, please provide this office with a copy of your letter.

Costs associated with your request are as follows:

Reproduction – 20 pages @ \$.05/per page		\$ 1.00
Search time – 2 hours @ \$39.56/hour		79.12
Review time – 1 hour @ \$39.56/hour		 39.56
	Total	\$ 119.68

Your check should be made payable to the U.S. Department of Energy and forwarded to my attention at P.O. Box 550, Richland, Washington 99352.

If you have any questions regarding your request, please contact me at our address above or on (509) 376-6288.

Sincerely,

Dorothy Riehle

Freedom of Information Act Officer

Office of Communications

and External Affairs

OCE:DCR

**Enclosures** 

Hathaway, Boyd	
From: Sent: To: Cc: Subject:	Bowers, Elizabeth [Elizabeth.Bowers@rl.doe.gov] Tuesday, September 14, 2010 11:13 AM Crider, Tara 'H_B_Boyd_Hathaway@rl.gov' Re: Info on a POC
Boyd Hathaway is the DOE Liz	Real Estate Officer
From: Crider, Tara To: Bowers, Elizabeth Sent: Tue Sep 14 12:28:34 Subject: Info on a POC	2010
Liz,	
Colleen suggested you Northern Railroad, he to travel on railroad t	a could help me find the POC for a gentleman with the Burlington called this morning asking for whom he needs to get permission from racks on site.
His contact information	on is, Ward Angelus (b)(6)
Thanks for your help,	

YAHSGS LLC Support to
U.S. Department of Energy Richland Operations Office,
Office of Communications and External Affairs
Office (509) 376-8230-Cell (b)(6) -Fax (509) 376-1563 -Fax (509) 376-1563

### Hathaway, Boyd

From:

Crider, Tara

Sent: To:

Monday, September 20, 2010 11:22 AM

Cc:

Hathaway, Boyd French, Colleen

Subject:

FW: Permission for access on train tracks.

Good morning Boyd,

Mr. Angelos called me again this morning, regarding permission to travel the train tracks towards Energy NW. He has a railroad car that has a final destination to Energy NW and is to be traveling across the tracks this Friday 9/24. They will be traveling north from Horn Rapids RD towards Power Plant RD.

Mr. Angelos is traveling today and is best reached by email Ward.Angelos@BNSF.com

Thanks,

Tara

From: Crider, Tara

Sent: Tuesday, September 14, 2010 11:17 AM

To: Hathaway, Boyd

Subject: Permission for access on train tracks.

Boyd,

A gentleman with the Burlington Northern Railroad, called this morning asking for whom he needs to get permission from to travel on railroad tracks on site. His contact information is, Ward Angelus (b)(6)

Thanks for your help,

Tara Crider

YAHSGS LLC Support to

U.S. Department of Energy Richland Operations Office,

Office of Communications and External Affairs

Office (509) 376-8230-Cell (b)(6) -Fax (509) 376-1563

Zeelroad Access then Operation Shannon Neal 281-976-0009 HLI Real and Rogglay Coord Mute Real system. BISF- Ward Anelos (Try, a Mast General Electrica
Chris Rocks (b)(6) Transformer condition Joe Candill Flagging / Sulty sures Roul crossing. John Hukenson fort of Benton 375-3060 Judge Shae gove tempovary order to allow BNST TO Service The glove truck bused on The or Formal agreement in the 19464, Gene Agreems

Heard From Train Muster that legardory permissi Very Concern about Issue and Suprised Shearm Mudlack acting my the Larry Klim 2 Let cull to 58 H Howland Tegeral to Change 500 546 8300 From: Claussen, Dennis W

Sent: Wednesday, December 12, 2007 10:21 AM

To: 'Leonard S. Goodman'; Elsen, Michael J

Cc: Hathaway, H B (Boyd); Bowers, Elizabeth M (Liz)

Subject: RE: Tri-City Railroad - MOU between DOE and TCRR?

1. Yes

2. I can only say what is stated in the BNSF letter to Randolph Peterson dated 6
December 2001, "BNSF may elect to exercise its rights to access the trackage occupied by TCRC at any time. Should it make that election, you will be provided advance notice in order to coordinate track clearance to accommodate BNSF trains."

I did scan the "Indenture 1100 area & Southern Connection Railroad" between DOE and Port of Benton signed in the summer of 1998. In appendix H of the indenture, a contract EY-77-A-06-1055 allows BN trackage right up to the site boundary and to operate switches.

NOTE: I am not a real estate officer or contracting officer. This is my interpretation of the indenture and associate contract. I recommend someone with more experience and knowledge of these agreements to verify my opinion.

From: Leonard S. Goodman [mailto (b)(6)

**Sent:** Tuesday, November 27, 2007 7:37 AM **To:** Claussen, Dennis W; Elsen, Michael J

Cc: Hathaway, H B (Boyd)

Subject: Re: Tri-City Railroad - MOU between DOE and TCRR?

### Dennis,

A couple of questions:

1. When reactivated will the Hanford line have a direct connection to the BNSF?

2. Will BNSF be able to provide switching service to/from Hanford either through a switching agreement or trackage rights over another, such as the Tri-City, line?

Leonard

---- Original Message ----- From: Claussen, Dennis W

To: Elsen, Michael J; Leonard S. Goodman

Cc: Hathaway, H B (Boyd)

Sent: Wednesday, November 21, 2007 1:04 PM

Subject: RE: Tri-City Railroad - MOU between DOE and TCRR?

Currently, the rail system is deactivated. RL is in the process of incorporating rail operating and maintenance in Fluor Hanford (FH) Contract. Once that is completed, FH will either self perform the task (possible for maintenance; unlikely for operations) or contract with rail provider or a combination of rail providers (Tri-Cities & Olympia Railroad, BNSF, UP, or some other railroad organization) to perform the maintenance and/or operations.

From: Elsen, Michael J

Sent: Wednesday, November 21, 2007 9:02 AM

To: 'Leonard S. Goodman'

Cc: Claussen, Dennis W; Hathaway, H B (Boyd)

Subject: RE: Tri-City Railroad - MOU between DOE and TCRR? Leonard, I don't know the answer to your two additional questions. Dennis, do you know the answers? Thank you. Mike Note: "Whoever wants to know the heart and mind of America had better learn baseball." - Jacques Barzun 1954 From: Leonard S. Goodman [mailto (b)(6) Sent: Tuesday, November 20, 2007 5:03 PM To: Elsen, Michael J Subject: Re: Tri-City Railroad - MOU between DOE and TCRR? Mike, That seems to settle the matter I was looking into. Two questions remain: who today operates, i.e. provides switching service over, the 37 mile section of the Hanford Rail System from Horn Rapids Road north to Susie Junction and the connecting spur tracks? Does Tri-City operate over any part of the Hanford Site Rail System, and if so, under what agreement? Leonard ---- Original Message -----From: Elsen, Michael J To: Leonard S. Goodman Cc: Hathaway, H B (Boyd); Elsen, Michael J; Carosino, Robert M; Claussen, Dennis W Sent: Tuesday, November 20, 2007 6:27 PM Subject: RE: Tri-City Railroad - MOU between DOE and TCRR? Leonard, I received your fax. Thank you. The fax copy you sent me "Notice of Exemption" (specifically item e ii) is either not consistent with the facts, is misleading, or some conclusions have been reached in regard to its narrative content which simply aren't correct. There was never an MOA or an MOU between DOE-RL and Tri City Railroad. There was at one time an MOA between DOE-RL and the Port of Benton. That agreement has since been terminated ... as referenced in my note below. Thanks again. Mike Elsen Note: "Whoever wants to know the heart and mind of America had better learn baseball." - Jacques Barzun 1954

From: Leonard S. Goodman [mailto: (b)(6)

Sent: Tuesday, November 20, 2007 11:27 AM

To: Elsen, Michael J

Subject: Re: Tri-City Railroad - MOU between DOE and TCRR

Mike,

Thank you for the prompt response. Please give me your fax number and I will fax you a copy of the 5-page document (incl. a Hanford map) that Tri-City filed with the Surface Transportation Board in 2002 describing the memorandum as well as a copy of the 2-page decision of the STB. They seem to represent in this filing that a memorandum had been executed. If it still cannot be found, so be it.

Leonard

---- Original Message ----From: Elsen, Michael J To: Leonard S. Goodman

Cc: Hathaway, H B (Boyd); Claussen. Dennis W; Carosino, Robert M; Burnum, Steven T; Bowers,

Elizabeth M (Liz); Elsen, Michael J

Sent: Tuesday, November 20, 2007 1:54 PM

Subject: RE: Tri-City Railroad - MOU between DOE and TCRR

Leonard:

I searched the Realty Files and subsequently have spoken with Boyd Hathaway (DOE Realty Officer) at his home. There is not nor has there ever been an MOA or an MOU between DOE-Richland and Tri-City Railroad.

At one time, there was an MOA between DOE-Richland and the Port of Benton, which has since been terminated. The Realty Files did contain this documentation.

There is not a document that can be faxed to you per your request below. It simply does not exist.

Thank you.

Mike Elsen, Realty Specialist DOE-RL

509-376-8021

Note: "Whoever wants to know the heart and mind of America had better learn baseball." - Jacques Barzun 1954

From: Leonard S. Goodman [mailto(b)(6)

Sent: Tuesday, November 20, 2007 9:28 AM

**To:** Elsen, Michael J **Subject:** Tri-City Railroad

Mike

This is a followup to our telephone conversation of a few minutes ago. I am a consultant with RW here in Washington working on a joint effort of DOD and DOE to obtain reasonable national rail rates for the transportation of spent fuel. I work, for example, with Alex Thrower in RW and Steve Skubel in the GC office of DOE, and have for many years. For the past week we have attempted to obtain a copy of the Memorandum of Agreement between Tri-City Railroad Co. and DOE for the lease by Tri-City of 37 miles of the Hanford Site Rail System between Horn Rapids Road and Susie Junction that was entered into in 2002 and became effective on May 15, 2002. Dennis Clawson advises that his file is incomplete and referred us to Boyd Hathaway who we now find is home this week. Apparently copies of such agreements are in a locked cabinet. I would greatly appreciate your calling Boyd, finding the location of the above agreement, and faxing me a copy. My fax number is (b)(6)

My telephone number is (b)(6)

Thank you.

Leonard Goodman

From:

Hathaway, Boyd

Sent:

Wednesday, September 22, 2010 3:13 PM

To:

Savage, Thomas C

Cc:

Hathaway, Boyd; Bowers, Elizabeth

Subject:

FW: RAILROAD REQUEST

Tom.

Call me if you need. Energy Northwest (EN) lease with DOE gives them access/permission to use Hanford Rail System for their operations. Burlington Northern Santa Fe does not need to contract us to use the Hanford Rail System when they are dealing with EN. We already gave them permission to use our rail through the lease agreement.

Boyd

(b)(6)

From: Bowers, Elizabeth

Sent: Tuesday, September 21, 2010 4:13 PM

To: Hathaway, Boyd

Subject: FW: RAILROAD REQUEST

Yours?

Liz Bowers

cell: (b)(6)

elizabeth.bowers@rl.doe.gov

From: Savage, Thomas C [mailto:Thomas\_C\_Savage@RL.gov]

Sent: Tuesday, September 21, 2010 3:01 PM

To: Bowers, Elizabeth

Cc: Caudill, Joseph G; Wilson, Michael B

Subject: RAILROAD REQUEST

Liz,

This is just a "heads up". I received a phone call yesterday from Shannon Neal of HLI Rail and Rigging. They are performing work at Energy Northwest and are requesting permission from DOE to allow the Burlington Northern Santa Fe to use the Hanford Rail System later this month. I left a voice mail on your cell yesterday morning.

Also, please give me a call at your convenience as we are still needing you to call Mike Boddie at ENW granting permission for TCRY to move some equipment through their facility.

Thanks,

Tom

(b)(6)

## Hathaway, Boyd

From:

Claussen, Dennis W

Sent:

Thursday, June 03, 2010 12:43 PM

To:

Pressentin, Roger A; Bowers, Elizabeth; Burnum, Steven T; Guercia, Rudolph

Cc:

Elsen, Michael J; Hathaway, H B (Boyd)

Subject:

FW: YOU WILL LIKE THIS ONE

I thought you may like this article.

From: Jim Portsmouth [mailto:JHPORTSMOUTH@energysolutions.com]

**Sent:** Thursday, June 03, 2010 12:36 PM

To: Claussen, Dennis W

Subject: YOU WILL LIKE THIS ONE

Jim Portsmouth

# Tri-City Railroad sues Port of Benton over rail line

## By Pratik Joshi, Herald staff writer

Tri-City Railroad Co. filed a lawsuit Wednesday against the Port of Benton for refusing to recognize its exclusive rights to use a 16-mile rail line, which caused a significant financial loss to the company.

The railroad and the port signed a 30-year agreement in 2002 for the leasing rights of the rail line and parts of the 1171 building located in north Richland.

That agreement to operate and maintain the track gives Tri-City Railroad the exclusive rights of use, said Nicholas D. Kovarik, an attorney for the company. The lawsuit was filed in Benton County Superior Court.

The port contends the agreement with Tri-City Railroad is about maintenance and operation of the track, said Scott Keller, the port's executive director. It doesn't grant the company any exclusive track rights, he said.

Last year, BNSF Railway Co. began to service its clients along the track directly, without using the services Tri-City Railroad had been providing to BNSF since 2000 for a fee.

The resulting revenue loss led to the elimination of about 30 jobs at Tri-City Railroad, Kovarik said. While Tri-City Railroad continues to maintain the track, BNSF is using it without paying for maintenance, he said.

Kovarik also said the Port of Benton recently sent a letter to the company saying it is in default. One of the port's complaints against the company is that it failed to lease parts of the 1171 building since Bechtel left the premises about 1 1/2 years ago, he said.

Tri-City Railroad has never defaulted on paying the monthly \$4,000 rent, Kovarik said. "We're trying to lease (the building)."

In the last decade or so, it added about a mile of its own track to serve business owners and signed agreements with the city of Richland to provide rail services on Horn Rapids Industrial Spur and with CH2M Hill Plateau Remediation Co. to operate the track through the Hanford area.

The root of the lawsuit against the port is a legal spat between BNSF and Tri-City Railroad over track rights, Keller said.

In July, BNSF filed a complaint in U.S. District Court in Richland against Tri-City Railroad when its crews stopped BNSF staff from using the track to directly service their clients. BNSF claimed its contractual right to use the track was secured by several agreements that railroad companies, including its predecessor, signed with the federal government.

Judge Edward F. Shea's ruling in the case was that BNSF, Union Pacific Railroad, another mainline carrier, and Tri-City Railroad all have the right to operate the track, Keller said. "Tri-City Railroad wants us to kick out BNSF, which we can't do," he said.

The legal agreement under which the port got the ownership of the track from the federal government also recognized the rights of both BNSF and Union Pacific, he said. "We inherited that system and we have to follow through."

The vacant 1171 building also is a matter of concern for the port commission, Keller said. Port buildings are meant to promote economic development and create jobs, he said.

Port officials sent several potential tenants for the building to Tri-City Railroad, but the company showed no interest in leasing it, Keller said. The company would have received the rent, not the port, he said.

The port wants the company to maintain the track and get tenants in the building, he said. "We want Tri-City Railroad to succeed."

-- Pratik Joshi: 582-1541; pjoshi@tricityherald.com

Read more: http://www.tri-cityherald.com/2010/06/03/1038699/tri-city-railroad-sues-port-

of.html#storylink=omni popular#ixzz0povLOZI5

Director of Transportation and Logistics

Energy Solutions

Federal Services Group

2345 Stevens Drive, Suite # 240

Richland, Wa 99354

Office Phone: (509)(b)(6)

Cell Phone: (509) (b)(6)

E Mail Address: <a href="mailto:ihportsmouth@energysolutions.com">ihportsmouth@energysolutions.com</a>

## Hathaway, Boyd

From:

Franco, Jose R (Joe)

Sent:

Friday, June 22, 2007 3:29 PM

To:

Hathaway, H B (Boyd)

Subject:

FW: Schedule of rail movements to remove stored railcars, complete delivery of Navy

Shipment and pick up of CH2M-Hill Shipment

FYI

From: Royack, Michael J

Sent: Friday, June 22, 2007 2:59 PM

To: McGrogan, James P

Cc: Blackford, Leonard T (TY); Claussen, Dennis W; Bowers, Elizabeth M (Liz); Garcia, Pete J Jr; Franco, Jose R (Joe);

Brown, Mark C; Yasek, Robert M; Noyes, Delmar L; Louie, Catherine S; Reid, Cloette B

Subject: RE: Schedule of rail movements to remove stored railcars, complete delivery of Navy Shipment and pick up of

CH2M-Hill Shipment

Jim,

I just talked to L. Bowers, D. Claussen, P. Garcia, and J. Franco Jr. of RL. They are currently working on finding a resolution to the rail movement issue within contract space. An option to use Burlington Northern (BN) to move our shipment was suggested. This option would still require an extension request from Ecology, since the main line carriers would probably require a longer lead time for planning.

I suggest we continue on our path of requesting an extension (at least a 30 day extension is suggested due to the complexity of the problem) from Ecology based on rail carrier planning issues, and also investigate the possibility of using BN to make the shipment. I am not sure as to whether or not the use of BN would require ORP/CH2M contract direction, so we will need to coordinate with our contracting officers before any action is taken. Clo Reid, (509)373-6140, is the Contracting Officer for ORP/CH2M HILL contract.

RL stated that there was documentation on file that gives BN access to the rails and that they would make it available to ORP and CH2M if requested.

RL will keep us informed of any decisions made on the shipment schedule next week. I will be back on Thursday, June 28 so please keep in touch with RL on this issue and keep me (Copy, C. Louie, M. C. Brown, and D. Noyes) informed of any changes.

RL - If there is anything different that I should have transmitted please comment and let J. McGrogan know.

Thank You. Michael J. Royack, ORP Transportation Liaison 376-4420

From: McGrogan, James P

Sent: Friday, June 22, 2007 1:44 PM

To: Royack, Michael J

Subject: RE: Schedule of rail movements to remove stored railcars, complete delivery of Navy Shipment and pick up of CH2M-Hill Shipment

Mike

There are some packages on this MW rail shipment that we did not get extensions for because we had anticipated shipping on June 20, 2007 because of the PECOS situation. The 90 Day drop dead date for the rest of the material is in fact June 26, 2007. I have just got off the phone with Dennis and explained this to him also. He said he would discuss it with his management and see if he will take further recourse.

Jim

From: Royack, Michael J

Sent: Friday, June 22, 2007 1:20 PM

To: Claussen, Dennis W

Cc: Franco, Jose R (Joe); Brown, Mark C; Noyes, Delmar L; McGrogan, James P; Blackford, Leonard T (TY)

Subject: FW: Schedule of rail movements to remove stored railcars, complete delivery of Navy Shipment and pick up of

CH2M-Hill Shipment

### Dennis.

This appears to be an aggressive schedule for the movement of the railcars. It puts ORP/CH2M in jeopardy in the shipment schedule for the CH2M waste to PERMA FIX. I would like to discuss any work around to meet our schedule: shipments:

Shipment		Scheduled Extension Deadline	
TF387	MW Rail	06/26/07 July 5, 2007 end of 30 day extension	n.
TF388	MW Rail	06/26/07 July 5, 2007 end of 30 day extension	n.
TF390	LLW Rail	06/26/07 July 5, 2007 end of 30 day extension	
TF392	LLW Rail	06/26/07 July 5, 2007 end of 30 day extension	
AL719 LLW		06/26/07 July 5, 2007 end of 30 day extension.	

CH2M and ORP will be discussing the possibility of shipment extensions with Ecology due to shipment carrier schedule changes. ORP and CH2Mare concerned that these delays will cause cost and schedule impacts that may not be recoverable.

Please contact me on 376-4420 or Jim McGrogan(509)372-1826 / (509)(b)(6)

Thank You,

Michael J. Royack, ORP Transportation Liaison

From: Randolph Peterson [mailto:randy@tcry.com]

Sent: Friday, June 22, 2007 12:58 PM

To: Claussen, Dennis W; URBAN, SCOTT J.; Dave Samples

Cc: Slocum, Richard G; Caudill, Joseph G; Portsmouth, Jim H; McGrogan, James P; Bowers, Elizabeth M (Liz); Franco,

Jose R (Joe); Hathaway, H B (Boyd); Royack, Michael J; Sieracki, Sally A

Subject: Re: Schedule of rail movements to remove stored railcars, complete delivery of Navy Shipment and pick up of

CH2M-Hill Shipment

Mr. Clausen,

On June 26th, TCRY locomotive to pass through ENW at 11:45 am. TCRY train will return through ENW at 15:00 (3 pm).

On June 27th, TCRY locomotive to pass through ENW at 9:00 am. TCRY train will return through ENW at 16:00 (4 pm).

TCRY will remove 42ea embargoed railcars June 26 and an additional 40ea embargoed cars on June 27th.

TCRY will continue removing up to 40 embargoed railcars each day (including Saturday & Sunday) there after so long as access is made available until such time as all 240+ embargoed railcars have been recovered.

TCRY locomotive to pass through ENW at 9:00 am at return through ENW at 16:00 (4 pm) on June 28, 29, 30, 7/1.

All times are subject any delay incurred passing through ENW.

TCRY to relocate the Naval shipment (without-charge) and pull the CH2M Hill shipment (with-charge as quoted) while removing the final train of embargoed railcars.

TCRY will investigate any diesel spill item and take appropriate action as deemed necessary thereafter.

RV Peterson CEO- TCRY

On 6/21/07 12:49 PM, "Claussen, Dennis W" < Dennis\_W\_Claussen@RL.gov> wrote:

Gentlemen and Ladies.

Since the Energy Northwest outage has been extended from June 19th until June 22, the following course of action regarding railcar movements is:

1. June 26: TCRY starts staging and removing the railcars. Railcars at Susie Junction will be removed first. Two movements of railcars per day (one in morning and one in the afternoon). ENW will support two shipments per day. This will continue until all stored rail cars are removed from the Hanford Site. Except no later than June 27th, TCRY completes the delivery of the Naval Shipment; and picks up, and delivers the CH2M Hill shipment to PermaFix.

2. TCRY completes removal of all railcars stored from Hanford Site per e-mail from Augustenborg to Slocum, Subject; "Movement of Rail Cars" dated October 18, 2006 by the closed of business on July 2.

In addition, RL expects Tri-City Railroad to clean up all diesel spills from rail bed by August 3.

RL expected TRCY and ENW to respond to this e-mail agreeing to actions stated above.

If you have any questions on this subject, please contact me by e-mail or call me 372-0938.

OFFICE OF: PRESIDENT



**€**GCU

September 8, 2010

Mr. Matt McCormick, Manager Department of Energy, Richland Operations Office P.O. Box 550 Richland, Washington 99352

Dear Mr. McCormick:

The Hanford Atomic Metal Trades Council (HAMTC) has been informed of actions involving the Tri-City & Olympia Railroad (TCRY) which directly and dramatically affect HAMTC and affiliate International Union of Operating Engineers, Local 280, AFL-CIO (Local 280). This letter is to advise you of the position of HAMTC with respect to this situation.

As DOE is aware, for many years HAMTC has claimed jurisdiction of the Port of Benton rail system, being former Department of Energy rail. In the past, HAMTC has represented the railroad operation services on the project as work to be performed by members of HAMTC.

In the past, the operation and maintenance of the on-site railroad services in Hanford and on the Port of Benton railroad were performed by HAMTC and Local 280. Specifically, operation of locomotives on this track as well as maintenance of the track has been the exclusive jurisdiction of HAMTC.

Since at least 2001, TCRY has conducted operations on the Port of Benton line, within Hanford, and on the Horn Rapids Spur owned by the City of Richland which connects to the Port of Benton Line. TCRY currently has, and has had in place, a collective bargaining agreement with Local 280 during this time.

Since August, 2009, BNSF Railway Company (BNSF) has been conducting direct operations on the Port of Benton line. Recently, BNSF has extended these operations onto the Horn Rapids Spur. BNSF's locomotives are not being operated by Local 280 members. This activity has required TCRY to lay off a substantial number of Local 280 member employees and has resulted in revenue loss to TCRY, a local entity which contributes to the local economy, in favor of an out of state railroad. To HAMTC, that circumstance runs counter to DOE's plans for privatization of the former Hanford railroad.

SEP 1 0 2010

Mr. Matt McCormick September 8, 2010 Page 2

This letter is to formally advise that HAMTC continues to claim all the work associated with the operation and maintenance of the Hanford Project railroad services, as was previously performed by the members of HAMTC affiliate, IUOE Local 280. It is our position that any services provided by rail to, on, or from the project remains the exclusive work of HAMTC. In addition, we claim that HAMTC jurisdiction extends from the current Port of Benton interchange located in Kennewick, WA, to and including any operation and maintenance on the Port of Benton track, within the physical boundaries of the Hanford project and on the Horn Rapids Spur connecting to the Port of Benton track.

BNSF's current operations on the Port of Benton track and the Horn Rapids Spur are in violation of that jurisdiction. This assertion of jurisdiction is consistent with the position which HAMTC took in 2001 in response to the possibility of similar operations by one of the national railroads. (See attached August 29, 2001 letter to Keith Klein.)

To repeat the essence of the August 29, 2001 letter to Mr. Klein, the Council renews any and all of its collective bargaining interests, rights, and responsibilities associated with any Hanford project site utilization, maintenance, or operation(s) of the existing, or modified, railway infrastructure, including the aforementioned Port of Benton interchange, Horn Rapids Spur, or any connections thereof.

The Council appreciates your prompt attention regarding this important matter. Should you have any questions, please call the HAMTC office.

Sincerely,

HANFORD ATOMIC METAL TRADES COUNCIL

luck mol

David E. Molnaa

President

Attachment

cc: Scott Keller, Port of Benton

Pete Rogalsky, City of Richland Randy Peterson, Tri-City Railroad



P.O. BOX 898

PHONE (509) 946-0326



Mr. Keith Klein, Manager DOE-RL P.O. Box 550 Richland, Washington

Dear Mr. Klein:

August 29, 2001

# SUBJECT: OPERATION / MAINTENANCE OF HANFORD SITE RAIL LINE

For the past couple months there has been considerable whispering and rumors regarding the Department of Energy reactivating the Hanford Project rail line and allowing freight and materials to be shipped by rail to and from the project. The rumors point to on-going efforts by the Burlington Northern Railroad or Union Pacific Railroad to acquire the inside track on any shipping contracts or railroad access to the Hanford Project.

As you are aware, the Hanford Atomic Metal Trades Council, AFL-CIO (HAMTC) for many years has claimed jurisdiction of rail system and, in the past, has represented the railroad operation services on the project as work to be performed by members of HAMTC. In the past, the operation and maintenance of the on-Site railroad services were performed by our affiliate labor organization, the International Union of Operating Engineers, Local 280, AFL-CIO.

This letter is to formally advise you and the Department of Energy that HAMTC continues to claim all the work associated with the operation and maintenance of the Hanford Project railroad services, as was previously performed by the members of HAMTC affiliate, IUOE Local 280. It is our position that any services provided by rail to, on, or from the project remains the exclusive work of HAMTC. We claim that HAMTC jurisdiction extends from the current Port of Benton interchange located in Kennewick, WA, to and including any operation and maintenance within the physical boundaries of the Hanford project.

Tri-City Railroad Company (TCRC) performs operations and maintenance of the current Port of Benton rail line to the project entrance. Some of the track currently being used and maintained by TCRC is DOE track. TCRC is a privately owned "start-up" company that was created due to early privatization efforts of the DOE. HAMTC affiliate, IUOE Local 280 has a current collective bargaining agreement covering all workers of TCRC. TCRC workers perform essentially all the same duties as previous Hanford workers and, TCRC currently employs many of the workers who were laid off as a result of the closure of the rail operations on the project. It seems inconceivable that DOE would even consider abandoning one of its original "start up" companies, which contributes so much to the local economy, simply to make a deal with a vendor who would contribute little, if anything, in the way of jobs or local based taxes to the Tri-City economy! That notion seems to be contrary to everything the Government has previously

Mr. Keith Klein August 29, 2001 Page 2

committed to this community and I'm certain that the community based organizations would not be at all happy about that kind of decision.

Because of its HAMTC affiliation, and given the fact that the operations and maintenance of the rail lines currently being operated and maintained by TCRC were once maintained and operated by members of HAMTC, IUOE Local 280 - AFL-CIO has agreed to affiliate its TCRC members as members of HAMTC. This affiliation is in the final stages of completion, and has been recently embraced by the highest offices of the AFL-CIO National Metal Trades Department.

In short, HAMTC members are currently in place and at the ready to provide the site services once DOE rail services are restored to the Hanford Project. The Council recommends that DOE seriously consider the implications of unilaterally authorizing encroachment into the historical bargaining unit jurisdiction of HAMTC. By this letter, HAMTC specifically renews any and all of its collective bargaining interests, rights, and responsibilities associated with any Hanford project site utilization, maintenance, or operation(s) of the existing, or modified, railway infrastructure on the Hanford project. HAMTC further requests that any DOE information related to the reactivation of the projects railroad infrastructure, bids for services by vendors, etc. be promptly transmitted to HAMTC in order that it may effectively represent its affiliated members and/or HAMTC affiliated labor organizations.

I appreciate your prompt attention to this issue and believe that this advance notice fulfills any responsibility or obligations HAMTC may have associated with notice of renewal of all our bargaining and recognition rights related to the project site railroad system.

Sincerely,

HANFORD ATOMIC METAL TRADES COUNCIL

Thomas J. Schaffer

President

cc: Local 280

OFFICE OF: PRESIDENT



1305 KNIGHT STREET P.O. BOX 898

PHONE (509) 946-0326



September 16, 2002

Mr. Larry Johnston, Business Manager IUOE Local 250 1305 Knight Street Richland, Washington

Dear Brother Johnston:

This will confirm our agreement that IUOE Local 280 will contribute to HAMTC, for each member of the bargaining unit at Tri-City-Rail Road, Inc., a monthly per capita contribution equal to the per capita contribution the Local contributes to HAMTC on behalf of its members employed on the Hanford project. I would propose that the contribution begin the month of October 2002.

Please signal your agreement by signing below and returning a copy to this office.

Thank you for your attention to this matter.

Fraternally,

HANFORD ATOMIC METAL TRADES COUNCIL

Thomas J. Schaffer

President

Concurrence:

Larry Johnston, Business Manager

IUOE Local 280

TJS/ph opeiu#11 afi-cio