

PANEL SESSION 27 - Emerging Issues with US DOE Prime Contractors

Co-Chairs: Pete Knollmeyer, *Fluor Government Group and VP, Strategic Planning, Savannah River Nuclear Solutions (SRNS)*;

Judy Connell, *Fluor Government Group*

Reporter: Judy Connell, *Fluor Government Group*

Panelists Included:

- John Lehew, *President, CH2M HILL Plateau Remediation Company, Hanford*
- John Fulton, *Sr. VP, North American Liabilities, Nuclear Business Group, CH2M HILL*
- John McKibbin, *President, West Valley Environmental Services (WVES)*
- Ryan Dodd, *Deputy General Manager, Washington Closure Hanford*
- Dave Olson, *Project Manager, Savannah River Remediation, LLC*
- Robert Warther, *Vice President – EM, B&W Technical Services (Y-12)*
- Ken Rueter, *Acting COO, Washington River Protection Solutions, Hanford*
- Bob Nichols, *Director, Surveillance & Maintenance, D&D, Fluor-B&W Portsmouth*

More than 100 people attended this session that focused on issues, current and impending, that contractors across the complex are experiencing. The session opened with each of the eight panelists giving a 5-10 minute overview – some in the form of videos, others with PowerPoint presentations of their respective projects. The audience asked the speakers questions by texting their inquiries to a cell phone number posted on a flip chart at the front of the room (20 questions received) or by stepping to the microphone (3 questions received).

The following summary includes excerpts from the Conference’s daily newsletter, Insight:

Consistent performance and progress, contract compliance, and personnel management in light of shrinking workforces and budgets were common topics at this year’s panel on “Emerging Issues with US DOE Prime Contractors.”

John Lehew kicked the session off by showing a ten minute video of the work, some already completed and some underway on Hanford’s Central Plateau. Tremendous strides have been made in cleaning out and tearing down facilities such as the K Basins and the Plutonium Finishing Plant and remediating groundwater. Lehew acknowledged the work is challenging by saying “It’s been difficult work – and it has been done with an excellent safety record”.

John McKibbin said one of the biggest challenges when taking over the West Valley Demonstration Project was realigning their baseline work scope with the Federal Acquisition Regulations (FAR). DOE awarded the four-year contract to WVES in June 2007 without management reserve. McKibbin noted that both DOE and the contractor had lost some of their discipline after transitioning from the traditional Management & Operations contract to a FAR-based contract, which requires strict contract discipline. “It’s easy to get out of balance and difficult to get back into compliance,” said McKibbin.

Bob Warther also touched on contract requirements and implementation citing that implementing new requirements can often pose challenges to effectively managing D&D. He also pointed out that by 2015, EM sites will be substantially complete and that other sites that are

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not uniquely EM – such Y-12 – are driven by mission priorities that are essentially different from EM’s priorities. There should be integration between EM and NNSA/Science sites.

John Fulton remarked that the credibility of DOE sites all across the country has been enhanced because of the progress that has been made using American Recovery and Reinvestment Act (ARRA) funding and said care must be taken to maintain that credibility as we proceed in a “post-ARRA” world. He went on to say that, “Failure to perform will bring increased political pressure, [more] regulatory oversight, and a loss of credibility for our customer.” Fulton also expressed concern about what will happen to the younger workers without seniority as the ARRA funding drops off in FY 2012.

Ryan Dodd echoed Fulton’s concern about the workforce. He pointed out that as cleanup work is completed at the various sites, workforce issues arise. Dodd said that a continuing challenge is to engage the workforce in future decisions so they will remain on the job until the work is done. This is especially critical at Hanford where the site’s Vision 2020 calls for all major cleanup projects to be completed – with the exception of the Hanford’s tank remediation project.

However, all projects are not created equal – across sites and even at the same site. At Hanford, while some contractors and projects are downsizing, Washington River Protection Solutions is hiring employees. “We’re upsizing, not downsizing,” said **Ken Rueter**. As the Waste Treatment Plant gets closer to completion and operation more new talent needs to be brought on board...we need to attract new employees as the workforce ages and people retire.

Jobs were also an issue at the Savannah River Site. **Dave Olson** shared that one of the site’s biggest problems is having too many applications for too few jobs. He also called for the advancement of technologies to meet the challenges they face. “We need to advance our technologies as quickly as possible with rigor and discipline so they will be ready when we need them.” Olson also applauded the increasing trend for sites to share information and partner on finding solutions to common issues.

“Our team is in the middle of an extended transition at Portsmouth” said **Bob Nichols**. The DOE awarded the contract to lead the decontamination and decommissioning of the Portsmouth Gaseous Diffusion Plant (GDP) in Piketon, Ohio to Fluor-B&W Portsmouth on August 16, 2010. The transition, originally scheduled for 90 days, has been extended to the end of March 2011 due to increased work scope that includes assuming control of all three major process buildings and more than 180 other facilities associated with the GDP. Nichols pointed out that their attention right now lies in transitioning the workforce as seamlessly as possible. Items on the horizon include streamlining regulatory documentation and decision-making to accelerate D&D and increasing community involvement in the regulatory process and future use of the site.

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