

MONITOR

WEAPONS COMPLEX

Waste Management • Clean Up

VOLUME 15 No. 15

April 9, 2007

DOE UNVEILS NEW 'WAY AHEAD' FOR WEST VALLEY CLEANUP

The Department of Energy, along with several federal and New York state regulatory agencies, has developed a new “way ahead” for the cleanup of the West Valley Demonstration Project. The proposal, which was formally unveiled late last month, is intended to help push past the “technical roadblocks” that have hindered the development of a final site decommissioning Environmental Impact Statement, which has been in the works for more than a decade, according to DOE. “Let’s focus on some of the areas where we can make quick progress,” Departmental spokeswoman Megan Barnett said last week.

State Officials Cautiously Optimistic

The proposal has been met with cautious praise from the New York State Energy Research and Development Authority, which is the main state agency involved with the West Valley site. “We think it’s positive. Overall we think it makes a lot of sense because we can get more cleanup work done sooner and recently it’s been stalled,” said Tom Attridge, senior project manager for NYSERDA’s West Valley Site Management Program. “Our bottom line here is trying to get as much cleanup done as we possibly can as soon as we can before DOE leaves the site.” Questions remain, though, as to the overall cost of the proposal, including how funding responsibilities would be shared; and as to how the proposal will fit into DOE’s efforts to find a new cleanup contractor for the site.

Changes to Interim End-State

Currently, DOE’s plans for the interim completion of the West Valley cleanup, as described in a 2005 Site Utilization Management Plan, center on the off-site shipment of legacy low-level and transuranic waste; removal of excess facilities; and decontamination of the site’s Process Plant, which had been used for commercial reprocessing activities. As described by the Energy Dept. last month in a presentation before the West Valley Citizens’ Task Force, the new proposal would include several “enhancements” to the interim end-state, including:— Installation of a cover and barrier wall on the site’s NRC-Licensed Disposal Area (NDA); — Efforts to address the North Plateau groundwater contamination plume; — Decontamination of the site’s Process Plant to make it “demolition ready;” — Relocation of approximately 275 canisters containing vitrified high-level waste from the Process Plant to alternative on-site storage; and — Removal of residual wastes from the site’s four emptied underground high-level waste tanks.

A Segmented Approach

Concerning the main cleanup challenges at West Valley—the Process Plant itself, the tank farm, the NDA and the State-licensed Disposal Area (SDA)—the “way ahead” proposal would separate out the demolition of the Process Plant and its ancillary facilities, which would be addressed in a final decommissioning EIS to be completed next year. Decisions on how to address the tank farm and the two landfills would be put off until an undetermined date, with the three sections to undergo continued maintenance and monitoring. “We’re separating the process,” Barnett said. “Let’s do what we can in the short term and then let’s leave those issues we’re having trouble working out through the Core team process for the Core team process.”

Disagreement Has Stalled Cleanup

The Energy Dept. and New York state regulators have long been in disagreement as to how move forward with the final site decommissioning EIS, which Attridge said last week has helped to stall the cleanup of the West Valley site. Among the factors in the dispute, he said, was the issue of who would be responsible for carrying out, and funding, certain pieces of the site cleanup. Currently, DOE pays for approximately 90 percent of the effort, with New York state contributing the remainder. “Once you start talking about the major facilities, it gets bogged down in, ‘Who’s responsible, who’s going to pay for what?’” Attridge said. “We’ve always been saying if we get these responsibility issues resolved, then we could move forward.

Well, it really hasn’t gotten resolved. Work has slowed down. Funding starts going away. People start getting laid off. It’s a house of cards, in a sense.” Concerning the new proposal, Attridge said, “This here is at least an attempt to stop that slide, get us back on track, get more cleanup done that we can get done, that we can agree upon and then really defer some decisions until a little bit later on, which are obviously harder decisions.”

NYSERDA Back at Negotiating Table

The “way ahead” proposal has been in development for the past several months through what DOE has described as a “core team” process, which has also included the Nuclear Regulatory Commission, the New York state Department of Environmental Conservation and the New York state Department of Health. When the ‘Core team’ was launched last fall to help resolve technical issues surrounding the development of the final decommissioning EIS, NYSERDA chose not to participate, due in part, to what the state agency said was DOE’s refusal to consider submitted technical comments. As a result of the ‘way ahead’ proposal, though, NYSERDA has reversed its stance and has agreed to participate, though with conditions, according to Attridge. “This proposal seems worthy, seems like we’re moving in the right direction. We didn’t think we were moving in the right direction before,” he said, adding that NYSERDA has told the Dept. of Energy, “At the same time, we want to sit down with you and start talking about these responsibility issues. ... As long as we can have productive negotiations with you on the longer term responsibility issues, we will continue to participate in the Core team.”

Cost, Schedule Questions Remain

Several key questions remain, though, including the proposal's overall cost and schedule. According to Attridge, DOE officials have indicated that it could take four to six years to completed the new interim end state. Barnett said last week that DOE plans to begin several of the proposal's components next year and envisions completing the new interim end state "within a decade." Both estimates, though, go well past the Department's previous plans to complete the interim West Valley cleanup by 2010, which could complicate the upcoming award of a new interim cleanup contract to replace current site contractor West Valley Nuclear Services Company. That contract, set to be awarded by May, is envisioned to run from mid-2007 to mid-2011 with no provisions for extension. Concerning cost, DOE believes the enhanced interim end state can be performed for the roughly \$75 million in annual funding anticipated for the site in future years. As explained by Barnett, "In some cases this is because work is resequenced. In other cases, the cost of doing specific tasks or implementing the actions are offset in the savings from infrastructure reductions." The 'Core team,' including NYSERDA, is set to meet this summer to continue work on the proposal. "We're going to reduce the source term here for the entire site with these actions. ... This, in essence, is going to make this site, at least over the short term, safer," Attridge said, adding, though, "It's not going to complete the job." He continued, "The devil's in the details. ... One of the things we're sticklers on are the details. ... making sure that things get worked out when the rubber meets the road." In a letter sent last month to the Dept. of Energy, NYSERDA called for the final 'way ahead' proposal to be enshrined in a formal agreement. "The agreement must define responsibilities for funding and implementation of the alternative so regulatory and public communication strategies can be defined and clarified," the March 5 letter says. "In addition, the agreement must provide each party with the assurances needed to consistently move the alternative and the associated implementation documents forward and it must ensure continuity of commitment from each agency regardless of changes within or external to each agency." ■

MONITOR

WEAPONS COMPLEX

Waste Management ♦ Clean Up

Volume 18 No. 2

April 16, 2007

DOE ONCE AGAIN DELAYS WEST VALLEY CONTRACT AWARD

Dept. of Energy Seeking Second Round of BAFOs

The long-delayed interim cleanup contract for the West Valley Demonstration Project appears set to be pushed back yet again, with the Department of Energy last week seeking new 'Best and Final Offers' from the various bidders. The Energy Dept. had most recently anticipated awarding the contract by May 1, but that now appears to be out of reach with the BAFOs due April 20. "We're moving the procurement as fast as possible and an award will be made as soon as we possibly can," a DOE official said. The latest delay prompted fresh criticism, though, from industry officials, who have long been frustrated with the process. "I'd say this is getting ridiculous, but it's been ridiculous for a while," one industry official told *WC Monitor* last week. "They should have awarded this a while ago. I can't imagine that they don't have all the information they need to make an award."

The West Valley procurement stretches back to last fall, when DOE issued a Request for Proposals for an anticipated three-year contract, to run at that time from 2007 to 2010, with an anticipated annual value of approximately \$75 million. Among the teams competing for the contract are incumbent Washington Group International, along with Jacobs and URS; a team consisting of CH2M HILL, Fluor, Areva and Duratek; and one led by small business Stoller. While the Dept. of Energy had originally anticipated awarding the contract by Nov. 1, 2006, that was delayed when an amendment was issued to the RFP in December 2006 seeking revised bids (*WC Monitor*, Vol. 17 No. 50). Such a move was reportedly needed to help resolve cost disparities between the three submitted bids, with Stoller having reportedly submitted a proposal far less costly than those submitted by the other two teams. As a result, DOE pushed back the anticipated award date to May 1, 2006 and pushed back the anticipated performance term for the contract to mid-2011 (*WC Monitor*, Vol. 18 No. 2). ■

SHAW NOT LEAVING DEPT. OF ENERGY MARKETPLACE, COMPANY EXEC SAYS

Shaw Environment and Infrastructure is not backing away from the Dept. of Energy market, despite speculation to the contrary, Shaw E&I President Bill Winkler told *WC Monitor* last week. "It is not true that we're getting out of the DOE business," Winkler said. "As a matter of fact, I don't think there could be anything further from the truth." He added that Shaw sees DOE as "a potential growth market," adding that, "We think Shaw's capabilities are extremely well-aligned with what DOE needs to achieve its critical missions today."

Questions about Shaw's position in the DOE market have increased over the last few months for two reasons. First, Shaw has failed to lead or join any teams pursuing the huge number of contracts out for bid right now, including Hanford Mission Support, Hanford Tank Farms, Hanford Plateau Remediation, Savannah River Site Management, SRS Liquid Waste or West Valley Interim Closure. More recently, the company laid off more than 150 corporate personnel last month, including several with responsibility for the DOE market. That followed the unrelated dismissal of Shaw's lead DOE business development executives, Harry Boston and Angela Watmore, in February. Shaw's recent strategy stands in contrast to recent years, when the company bid on numerous DOE projects, including K-25/K-27 D&D at Oak Ridge, the management of Idaho National Laboratory, and a successful bid on the Paducah remediation contract as part of a team led by small business Portage Environmental.

Winkler, though, downplayed the significance of the layoffs. "It wasn't a tremendously significant number but it reflected the challenges that I think we all face in the federal business today with most federal budget moving over to supporting Iraq and Afghanistan," he said. Without any supplemental provisions in the budget, there has not been the same degree of spending everybody anticipated. So we may be just reacting to it sooner than others." ■