

DOE Awards \$24-Million Contract for Treatment of Hanford Waste

RICHLAND, Wash., November 20, 1995 -- The U.S. Department of Energy (DOE) has awarded a contract to Allied Technology Group, Inc. (ATG) of Richland to treat Hanford's low-level mixed waste.

The \$24-million, 15 year agreement, which followed competitive bidding, is unique to Hanford in that ATG, Inc. assumes the financial risk for construction and will be paid only when a finished product is produced. This is a new contracting strategy at Hanford and could save millions of taxpayer dollars during its term.

Another unique cost-savings factor to the contract is that ATG is required to obtain all required permits for the facility and will work directly with the DOE on issues related to National Environmental Policy Act (NEPA) permitting and compliance. This streamlines the process and accelerates the schedule by allowing DOE's management and operations contractor, Westinghouse Hanford Co., to step out of its role of middleman on NEPA and permitting issues. This is the first time this has been done on a Hanford contract, and it's expected to be duplicated on future waste management contracts at the Site.

There presently is little capability at Hanford to treat low level mixed waste, which contains both hazardous and radioactive materials. ATG's contract is for ten years, with five one-year options. Under the terms of the contract ATG must obtain the necessary permits and private financing, and construct and operate the facility. The company has five years to begin treating the waste.

ATG will not be paid for any costs during this five year startup phase. The company will use approximately \$10-million in private financing for facility construction and equipment installation. ATG will be paid on a per-unit basis for an end product -- waste that is treated and ready for disposal. ATG, a small, minority-owned Richland company with headquarters in Fremont, California, plans to construct the waste treatment facility on its 45-acre site in north Richland, near the Hanford Site. ATG is responsible for picking up the waste at Hanford and transporting it to their nearby facility. There ATG will treat, analyze, and repackage the waste then return it to Hanford for disposal.

ATG will use a high temperature process that will steam reform/vitrify the low-level mixed waste. This process produces much less final waste form than other technologies. Gasses generated by the treatment processes will be treated to ensure emissions are below regulatory requirements before release to the environment.

The contract could ultimately treat 30,000 drums of Hanford low-level mixed waste. Only about 3,000 drums of the waste to be treated presently exist. The existing waste is in both solid and liquid forms and comes from laboratory and plant operations, and cleanup activities. The remainder of the waste will be generated from future cleanup of the Hanford Site. The liquids include oils, solvents, paints thinners, diesel fuel, and other liquids. The solids include general refuse such as packaging, containers and contaminated tools, and clothing.

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