

## Energy Department Proposes to Privatize Hanford's Radioactive Tank Waste Cleanup

RICHLAND, Wash., February 20, 1996 -- In the largest privatization effort yet undertaken by the Department, Secretary of Energy Hazel R. O'Leary today announced the release of a Request for Proposals (RFP) to solidify as much as 14 million gallons of radioactive and chemical wastes in the 177 tanks at the Hanford Site.

"In the past, the Department has been long on promises and short on results in its efforts to solve the Hanford tank waste problem--one of the greatest challenges in the cleanup of the nation's nuclear weapons complex. Privatizing the tank waste work is financially and technically the right way to really begin cleanup," said O'Leary.

With the tank waste privatization project, the Department is changing its contracting method to a new approach. This new contracting strategy departs from the traditional government financed and owned facilities operated on a cost reimbursable basis, to contractor financed, owned, and operated facilities to treat waste at a fixed price (per unit of treated waste). Under this new approach, payment will be made when a satisfactory product (treated waste) is delivered.

"This effort will provide new jobs and is a big win for the taxpayer. We expect at least a 30 percent savings over the traditional ways of doing business," said O'Leary.

Interested vendors have 60 days to prepare and submit their proposals. Multiple contracts will be awarded to private firms to initiate design of demonstration-scale treatment facilities. In 1998, two of these firms will be authorized to construct and operate two privately owned plants to treat up to 13 percent of Hanford's tank waste. Full-scale facilities will be built at a later date under a separate procurement action to complete the tank waste solidification activities. All tank waste are planned to be solidified and prepared for final disposal by 2028 meeting the Tri-Party Agreement commitment with the State of Washington and the U.S. Environmental Protection Survey.

Hanford was established during the Second World War to produce plutonium for nuclear weapons. All weapons material production was halted in the late 1980's, leaving serious environmental problems including the radioactive tank wastes. The site is now engaged in one of the world's largest environmental cleanup projects.

Copies of the final Tank Waste Remediation System (TWRS) RFP are available for review at the U.S. Department of Energy Reading Room at the Washington State University Branch Campus, in Richland. Review copies are also available at Information Repositories at the University of Washington, in Seattle; Gonzaga University, in Spokane; and Portland State University, in Portland. Requests for printed copies of the final RFP must be submitted in writing to:

Peter Rasmussen, Contracting Officer  
U.S. Department of Energy  
Richland Operation Office  
P.O. Box 550, MSIN K6-51  
Richland, Washington 99352

Requests may also be faxed to Mr. Rasmussen at (509) 373-0628. Faxes should be confirmed as received at (509) 373-0068. Requests may also be submitted via electronic mail at

peter\_e\_rasmussen@rl.gov. On March 7-8, 1996, a pre-proposal conference and site tour will be held in Richland, Washington. The final RFP can also be accessed via the Internet and is located on the TWRS Privatization Home Page ([http://twins.pnl.gov.8001/twrs\\_rfp/homepage.htm](http://twins.pnl.gov.8001/twrs_rfp/homepage.htm)).

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