HAB Consensus Advice #18A,  
Privatization Issues and Concerns  
Identified by the Hanford Advisory Board and the HAB  
Health, Safety & Waste Management Subcommittee (March 3-4, 1995)

- How do you know that privatization will be more cost effective (cheaper and better) than the current program? What are the life cycle cost projections? How will DOE ensure a realistic, long term cost mechanism?
- Will there be efficiency improvements? What criteria will be used to assess whether efficiency will be improved? How will M&O contractors and "process" contractors relate?
- What are the criteria to evaluate whether privatization is the correct course? If it is not, what is the alternative path forward for TWRs, i.e., Plan B?
- What impacts will privatization have on the current program? Is privatization an attempt to stop the TWRs program (retrieve-treat-immobilize tank waste)?
- Privatization is an attempt to abandon the baseline (TPA) and the strategy developed around stakeholder values. **DOE should develop a strategy which emphasizes efficiencies and maintains the integrity of the TPA.**
- A sixty day "consultation" period is too short. A sixty day consultation period which began on February 10 is unacceptable. This issue will go before the Hanford Advisory Board on April 6, and DOE-RL would like to forward its recommendation to the Secretary in mid April.
- There is not agreement on problem definition: "we need to consider privatizing TWRs, because there is not enough money to fund the current "baseline" program. The $40B project costs for TWRs were not considered realistic.
- What agency would have regulatory oversight? NRC? OSHA? How would oversight responsibilities be transitioned?
- What regulations can be eliminated to maintain an industry commitment?
- Is it technically feasible? How will DOE ensure a consistent, acceptable product?
- Privatization will result in the elimination of skilled workers which is likely to result in greater risk to worker and public health and safety.
- DOE does not have the authority to enter into a "long term" contract, i.e., at this time DOE has authority to engage in three year contracts.
- DOE has a poor privatization record (e.g., privatizing the Hanford laundry resulted in greater costs and problems resulting from an unskilled workforce).
- Is privatization a deferral strategy? Will the money be there when it is needed?

For questions or comments, please send email to Hanford_Advisory_Board@rl.gov

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