HANFORD SITE

WORK FORCE

RESTRUCTURING PLAN

February 6, 1995

U.S. Department of Energy
Richland Operations Office
Richland, Washington

EXECUTIVE SUMMARY

Work Force Restructuring Plan
U.S. Department of Energy, Richland Operations Office

Section 3161 of the National Defense Authorization Act for Fiscal Year (FY) 1993 (Section 3161) (Public Law 102-484) requires the Secretary of Energy to develop a work force restructuring plan for a defense nuclear facility to mitigate the impact of work force changes on workers and the Cities/Citizens/Entities/Tribes affected by the activities of the Hanford Site (community). This document is the required work force restructuring plan for the U.S Department of Energy (DOE), Richland Operations Office (RL) and the Hanford Site.

On February 14/15, 1994, John Wagoner, Manager, RL, announced that some of Hanford's principal contractors would be undertaking a number of initiatives and also experiencing funding constraints which would result in restructuring of their work forces. The purpose of the initiatives is to improve the cost effectiveness and efficiency of operations, and to mitigate to the extent possible the results of budget reductions. Initiatives being planned include outsourcing of site operations, infrastructure and services; implementation of new contracting arrangements; realignment of the Westinghouse Hanford Company's (WHC) management structure; elimination of duplicative activities of WHC and its subcontractor ICF Kaiser Hanford Company (ICF KH); and implementation of new business practices resulting from DOE's Contract Reform initiatives and the Tri-Party Agreement (TPA) Cost initiative.

Originally it was estimated that 500 to 1,000 positions would be eliminated. Today it is estimated that approximately 2,500 positions may be eliminated during fiscal year (FY) 1995 as a result of the implementation of the initiatives and funding reductions. This Plan outlines the actions RL will take to minimize the impacts on employees and the community including separation incentives, retraining, outplacement, preferential hiring requirements, post-employment benefits and community impact assistance along with estimated associated costs.

The RL Manager's February, 1994 notice also invited all Hanford employees and other stakeholders to participate in the development of this Work Force Restructuring Plan. Many of the comments received offered suggestions relative to reinventing government, outsourcing or other programs at the Site. These comments were forwarded to the appropriate RL organization for action. The remainder of the comments were considered in the development of a draft Plan. The draft Plan was released to employees and stakeholders on July 27, 1994, for review and comment. A Stakeholder Steering Committee was invited to participate in the public involvement process with RL. In cooperation with the Stakeholder Steering Committee, three public workshops were conducted, and a live call-in television program was produced. Over 700 comments were received through the workshops, the television program, and written submittals.

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THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part I - Public Involvement

STAKEHOLDER INVOLVEMENT

3161 requires that DOE consult with certain stakeholders

EMPLOYEE AND COMMUNITY NOTIFICATION

Explains how those affected were or will be notified

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STAKEHOLDER INVOLVEMENT

ABBREVIATIONS

A list of common abbreviations and acronyms used in this document can be found in Appendix A.

Section 3161 requires DOE to consult during development of the work force restructuring plan, with Site stakeholders who are potentially affected by the plan. This Hanford Site Plan has been developed with the benefit of input received from Site employees and other key stakeholders (see Appendix B). Consultation was done not only to assure compliance with the requirements of the Act but more importantly to ensure inclusion of the views and expertise of a broad spectrum of stakeholders in the development of the plan.

Key stakeholders of the Site were first consulted for input to the work force restructuring plan through a general notice sent by John Wagoner, Manager, RL, on February 14/15, 1994. A copy of the notice can be found in Appendix D. The notice was sent to all Hanford Site employees as well as national and state legislators; national, state and local agencies; the Indian Nations; bargaining union representatives; community leaders; and other key stakeholders. Comments received in response to this initial general announcement were considered, and many were incorporated or addressed in the draft Plan.

KEY STAKEHOLDERS

Names and affiliations of stakeholders consulted on this Plan can be found in Appendix B.

The draft Hanford Site Work Force Restructuring Plan was released on July 27, 1994, for employee and stakeholder review and comment. The draft Plan was available to employees through all computer workstations on the Hanford Local Area Network (HLAN). Over 550 copies were printed and distributed in the local communities, and on the Hanford Site for employees without access to computer workstations. Copies were distributed to 14 cities and towns in the Columbia Basin and the Yakima Valley, and were available at both the city halls and public libraries. Copies were also mailed to the key stakeholders who had received the initial notice of restructuring.

In late summer a Community Stakeholder 3161 Steering Committee was formed to work with RL to facilitate public workshops, encourage public commentary, and to assist with the rewrite of the draft Plan. The Steering Committee included 85 participants. The Committee formed five sub-committees which focused on specific aspects of the plan. These were: Separation and Benefits, Public Participation, Economic Development, Labor Market Studies, and Education and Training.

Three public workshops were conducted by RL and the Steering Committee, with all comments being recorded. An interactive television program on the local cable channel to discuss the Plan was sponsored by the Public Participation Committee. Taped copies of the television program were made available at local libraries for viewing. Processes for sending and receiving comments via various formal and informal on- and off-site means were developed.

As a result of these efforts: over 250 individuals participated in the public workshops, and more than 500 written comments were received by RL along with substantial local media coverage. A summary of the comments received and their disposition is contained in Appendix C.

PUBLIC INPUT

A summary of comments received and their disposition is contained in Appendix C.

All comments received were reviewed by RL and by sub-committee members. These comments and the workshop/television discussions were considered in the rewrite of the draft plan. Dispositioning of the comments was based on several criteria, including: Compliance with Section 3161; balancing the needs of all stakeholder groups to ensure a fair and equitable process; and stewardship of funding to ensure cost effectiveness.

The Future

Stakeholder involvement will be sought in the annual updating of the Plan. The lessons learned and results achieved from implementation of this initial 3161 Plan will help in making decisions on the level of stakeholder involvement required for subsequent updates.

3161 STAKEHOLDER STEERING COMMITTEE

Economic and Work Force Development Entities

Dallas Breamer, President, Tri-Cities Enterprise Association
Jack Briggs, Executive Committee, Tri-City Industrial Development Council (TRIDEC); Publisher, Tri-City Herald
Richard Foeppel, Executive Director, Private Industrial Council, Inc.
John Lindsay, President, TRIDEC
Mike Schwenk, Director, Economic Transition Center, WHC; Associated Development Organization (ADO) Council
Sam Volpentest, Executive Vice President, TRIDEC
Jerry White, Tri-Cities Commercialization Partnership; Manager, Richland Operations, Science Applications International Corporation (SAIC)

Education and Skill Enhancement Entities

* LoAnn Ayres, Manager, Planning and Administration, Washington State University Tri-Cities (WSU-TC)
Jim Cochran, Dean, WSU-TC
Byron Gjerde, Dean of Student Development Services, Columbia Basin College (CBC)
* Karen Hodges, Unit Head, Conferences and Institutes, WSU-TC
Gary Karnofski, Special Projects, Economic Transition Center, WHC
Vicki Mitchell, Executive Vice President, CBC
Larry Sappington, Superintendent, Educational Service District #123
Virginia Treadway, University Liaison, WHC
Vicki Van Beek, Director, Curriculum and Institutional Staff Development, Educational Service District #123

U.S. Department of Energy - Richland Operations Office (RL)

Kathy Andrews-Smith, Program Analyst, Strategic Transition Initiatives
Susan Brechbill, Chief Counsel, Office of Chief Counsel
Chuck Chandler, Contractor Industrial Relations Specialist, Contractor Programs
Barbara Hoffer, Contractor Industrial Relations Specialist, Contractor Programs
Susan Hostick, Contractor Industrial Relations Specialist, Contractor Programs
June Ollero, Director, Human Resources Division
Dom Sansotta, Contractor Industrial Relations Specialist, Contractor Programs
Theo Schmeeckle, Engineer, Strategic Transition Initiatives
Dan Sours, Program Manager, Office of Economic Transition (OET)
Larry Williams, Director, Office of Economic and Strategic Transition and Integration

State, Local and Tribal Government

Victor Andrews, Yakama Indian Nation
Ben Bennett, Executive Director, Port of Benton
William Burke, Treasurer, Umatilla Conference of Tribes
Paul Chasco, Administrator, City of West Richland
* Bill Clark, Commissioner, Franklin County
Roger Collis, Director, Special Projects, Washington State Depart. of Economic and Community Development
Mike Corcoran, City Planner, City of West Richland
Gary Crutchfield, Manager, City of Pasco
Tom DiDomenico, Economic Development Coordinator, Benton Franklin Regional Council
Sue Frost, Manager, Port of Kennewick
Ray Isaacson, Commissioner, Benton County
Russell Jim, Program Manager, ER&WM, Yakama Indian Nation
* Bob Kelly, Manager, City of Kennewick
Patrice Kent, Information Specialist, Yakama Indian Nation
* Joe King, Manager, City of Richland
Joe Mendoza, Operations Manager, Tri-Cities Job Service
Sue Miller, Commissioner, Franklin County
Donna Noski, Director, Administrative Services, Benton County
Donna Powaukee, Program Manager, ER&WM, Nez Perce Tribe
Dean Schau, Labor Market Analyst, Washington State Department of Employment Security
Sandi Strawn, Commissioner, Benton County
Jim Toomey, Manager, Port of Pasco
Tom Walker, Council Member, City of Kennewick
Don Williams, Economic Development Senior Planner, City of Richland
Bob Wlaznak, Administrator, Washington State Department of Employment Security

Community, Employee, and Union Representatives

Jim Ball, President, United Way of Benton and Franklin Counties
Rick Berglund, Executive Director, Central Washington Building Trades Council
Cary Blackburn, Senior Software Engineer, WHC
Larry Bundy, Principal Instructor, WHC
* Jodie Butcher, Benefits Specialist, Pay + Benefits
Janeen Denham, Agency Relations Director, United Way of Benton and Franklin Counties
Candace Dillman, Manager, Community Relations, Hanford Environmental Health Foundation (HEHF)
Dave Dillman, Public Affairs Specialist, WHC
Jan Ford, Manager, Recruitment, WHC
Nadine Haag, Manager, Training, Bechtel Hanford Inc. (BHI)
John Heaton, Co-Owner, Pay + Benefits
Kenneth J. Kubinski, Sr., Engineer, Economic Transition Center, WHC
Bob Lewis, Senior Research Scientist, Pacific Northwest Laboratory (PNL)
Lucy Love, Vice President, Communications, ICF KH

Gary Muth, President, Hanford Atomic Metal Trades Council
Todd Nelson, Manager, Public Outreach Department, PNL
Joyce Oswald, Manager, Inter-Contractor Relations, WHC
Gary Petersen, Director, Communications, PNL
Paul Polus, Manager, Special Projects, WHC
Joe Reder, Manager, Configuration Management Systems, WHC
Jay Rhodes, Vice President, Hanford Atomic Metal Trades Council
Bill Root, Vice President, Strategic Planning, ICF KH
Dave Roxburgh, Manager, Human Resources, BHI
John Schlatter, Vice President, Community Relations, BHI
Al Skinnell, Vice President, Central Washington Building Trades Council
Cherie Smith, Manager, Leadership & Organization Development, WHC
Carolyn Smithrud, Hazardous Materials Management and Emergency Response Program and Facilities (HAMMER), Economic Transition Center, WHC
Ken Sowa, Principal Engineer, WHC
Mike Spellman, Senior Communications Specialist, WHC
Dean Strawn, Owner, Dependable Janitor
Terry Sullivan, Manager, Economic Transition Center, WHC
George Toyoda, Retired Worker
Jim Worthington, Training Fund Coordinator, Sheet Metal Workers International

Consultants

Ray K. Robinson, Tri-Cities Commercialization Partnership & President, RKRI
Deborah Harper, Consultant, RKRI (Editor)
Tamara Marlin, Consultant, RKRI
Marilyn Robinson, Consultant, RKRI

* Indicates Chairpersons of Sub-Committees

EMPLOYEE AND COMMUNITY NOTIFICATION

Section 3161(c)(1)(B) established an objective for DOE to only make work force changes after the issuance of a 120 day advance notice to employees at the work site and to the surrounding communities. RL issued such a notice on February 14 and 15, 1994. The notification stated that between 500 to 1,000 jobs could be eliminated by these actions. A copy of the notice sent to employees and the one sent to other key stakeholders are enclosed (see Appendix D).

NOTIFICATION

Employee and stakeholder notices can be found in Appendix D.

In addition to the Section 3161 notification, the Worker Adjustment and Retraining Notification (WARN) Act (Public Law 100-379) requires that employees impacted by a mass layoff be given individual, written notice 60 days in advance of being laid off. A mass layoff is defined as a layoff within a 30 day time period of at least 500 employees at a single company site or 33 percent of the work force at a single company site where this percent would constitute at least 50 employees. Applicability of the act is determined by the number of full-time employees to be laid off. Employees of a company's subcontractors are not included in determining the application of the WARN Act.

A WARN notice will be sent out to affected employees in accordance with the statutory requirements.

THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part II - Background

INTRODUCTION

In September 1991, the President of the United States recognized that our country's reduced needs for defense weapons necessitates a mission change for some of DOE's nuclear weapon facilities. The Hanford Site Work Force Restructuring Plan addresses the mission change, funding and incentives planned that will result in restructuring at Hanford.

OBJECTIVE

The objective is to mitigate the social and economic impacts of a work force restructuring on employees and affected communities.

ELIGIBILITY CRITERIA

Defines who is eligible to receive the benefits of 3161

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INTRODUCTION

On September 27, 1991, the President of the United States recognized our country's reduced needs for defense weapons and announced the first unilateral reduction of the nuclear weapons stockpile. This action necessitated changing the mission of several nuclear weapons manufacturing facilities from production to cleanup. In preparation for the nationwide downsizing of defense-related jobs, Congress included in Public Law 102-484, the National Defense Authorization Act of FY 1993 certain requirements on DOE to be triggered when work force restructuring was necessary.

STAKEHOLDERS

For a definition of "stakeholder" please see Section 3161(b)(1) in Appendix D.

Section 3161 requires the Secretary of Energy to develop a work force restructuring plan, and to consult with the site's stakeholders, in the plan development. Restructuring is a term used to describe a change in mission for a facility to include down-sizing, closure, or a change in the operation which results in a change in the need for particular worker skills. The Secretary has determined that the principles reflected in Section 3161 will be extended to all work force restructuring actions throughout the DOE complex regardless of the number of affected employees.

The Secretary has also determined that each field DOE location, in consultation with stakeholders, is in the best position to understand the needs unique to a particular site work force restructuring and thus to develop a work force restructuring plan to address that site's particular circumstances. After stakeholder input has been received, the individual site plans are to be prepared and forwarded to DOE Headquarters for approval and submittal to Congress pursuant to Section 3161(f).

In accordance with the requirements Section 3161(c)(1)(B), a general announcement of the impending restructuring actions at Hanford was made on February 14/15, 1994. This date is therefore pertinent to many of the initiatives of this plan. This Hanford Site plan describes the actions which the Richland Operations Office considers to be reasonable to fulfill the missions assigned to Hanford and to reduce the effects of restructuring on workers and the community.

This Hanford Site Work Force Restructuring Plan was developed over several months with the input from public meetings, over 700 individual comments and the assistance of more than 85 stakeholder representatives. It is tailored to meet the unique needs of the Hanford Site while also meeting the objectives set forth in Section 3161(c).

Hanford's Mission

The primary mission of the Hanford Site for many years was the production of nuclear materials for the national defense; however, the Site has also enjoyed a diversity of other major non-defense related missions. That diversity effectively began in 1965 with the segmentation of the Site into principal operating components, coupled with a requirement that bidders for the related contracts commit to establish projects and programs that would diversify the economic base of the local communities.

The predominant defense mission of the Site essentially was changed in early 1988 with the announcement that plutonium would no longer be produced and that the N-Reactor would be placed in cold standby condition. That action closely followed the termination of the Basalt Waste Isolation Project. The overall Hanford work force declined from a high of 14,500 in September 1987 to a low of 12,000 in April 1989.

With an end to the Cold War and the era of defense production, the Hanford Site has evolved to a mission of environmental restoration and waste management. Employment has concurrently risen, reaching a level of 18,600 in September of 1994. Examples of major programs and projects on the Hanford Site include the Tank Waste Remediation System (TWRS), and the Environmental and Molecular Sciences Laboratory (EMSL). TWRS covers the oversight of 177 underground waste storage tanks, and the development of pre-treatment and long-term storage technologies. The EMSL is designed to be a center for international inquiry into environmental restoration and remediation techniques utilizing biological and chemical systems.

Although the mission change means the end to certain projects and programs, the change process, and resulting impact on employees and the community, is a gradual one. The steps involved in plant or project closures require the planned and systematic shutdown of operating systems, removal and redeployment of equipment and removal of hazards prior to declaration of completed shutdown.

Funding

Defense program funding has steadily declined while funding for environmental restoration and waste management activities, both operational and research and development, has increased. Significant additional funding was received from other programs - especially in energy research, energy efficiency, and work for others. The FY 1995 Appropriation for RL is $1.93 billion, a slight increase over that of FY 1994. The Environmental Management (EM) portion of the request constitutes $1.513 billion.

Strengthening the emphasis on cost savings at Hanford is the Cost and Management Efficiency Initiative of the Hanford Federal Facility Agreement and Consent Order or Tri-Party Agreement (TPA). The TPA is a partnership of three agencies, the DOE, the Environmental Protection Agency (EPA) and the Washington State Department of Ecology (Ecology), outlining the agreement for Hanford Site cleanup. The TPA established a cost savings goal of $1 billion from FY 1994 through FY 1998. As a result of significantly declining budgets, DOE is also establishing and expecting additional productivity improvements, equating to greater cost savings. It is anticipated that these overall savings will not reduce work scope and employment levels in the same proportion as funding decreases.

Hanford Site Initiatives

The DOE has determined that initiatives and actions must be taken to improve the cost effectiveness and efficiency of Hanford operations in order to accomplish the primary mission of clean up of the Hanford Site. That cleanup must be completed in a reasonable period of time and meet the TPA cost savings goal.

TRI-PARTY AGREEMENT

For further information on initiatives, see the TPA which is available at the DOE Public Reading Room, co-located with the WSU-TC library at 100 Sprout Road, Richland, or your public library.

Initiatives which seek to reduce costs and help assure the economic viability of the affected communities , but which will have restructuring impacts, include:

- Outsourcing of site operations, infrastructure and services now being performed by Hanford Site contractors
- Implementation of new contracting arrangements, such as the Environmental Restoration Contract (ERC)
- A realignment of the WHC management structure
- Elimination of duplicative activities of WHC and its integrated subcontractor, ICF KH, through the merger of some elements of work scope and respective staffs
- Implementation of changes in business practices resulting from the Vice President's Reinventing Government initiative and the TPA cost initiative.

The implementation of the above listed actions will impact WHC and its integrated subcontractors: Boeing Computer Services, Richland (BCSR) and ICF KH. In addition, actions may be necessary from time to time impacting WHC (and its integrated subcontractors), PNL, HEHF, and BHI because of changes in national priorities or tasking from program sponsors, or as a result of funding constraints.

As of September 30, 1994, total employment on the Hanford Site was approximately 18,600 employees excluding subcontractors, lower-tier contractors, temporary employees, security escorts, and the General Site Services Contractor (GSSC).

The distribution of the employees between the various companies is as follows:

- Department of Energy — 450
  Richland Operations Office
- Westinghouse Hanford Company — 9,789
  including Boeing Computer Services Richland
  Operations and Engineering,
  and Information Resources
  - ICF Kaiser Hanford Company — 2,962
    Architect and Engineering
- Battelle Memorial Institute — 4,383
  Pacific Northwest Laboratory
  Research and Development
- Hanford Environmental Health Foundation — 187
  Occupational Health and
  Industrial Hygiene Services
- Bechtel Hanford Inc. — 804
  Environmental Restoration

OBJECTIVE

The objective of this Plan is to mitigate the social and economic impacts of a work force restructuring on employees and affected communities. The plan includes all employees of all contractors working at Hanford, including management and operating (M&O) contractors, other principal contractors and subcontractors who are affected. The Plan establishes a broad and comprehensive framework within which appropriate actions will be taken, as well as specific eligibility criteria and benefits provided.

This Plan establishes the criteria for:

- Preserving personnel with critical knowledge and skills
- Minimizing involuntary layoffs
- Placing employees in other jobs at the Hanford Site or other DOE facilities
- Voluntary, incentivized termination programs
- Reducing the use of temporary, task-order, and contract personnel
- Providing qualified involuntarily laid-off employees with preference for any hiring by the DOE, its contractors or subcontractors
- Limiting external hiring
- Managing attrition
- Retraining for internal employment
- Providing employees specifically identified for layoff and/or laid off with educational assistance opportunities and outplacement/reemployment assistance
- Providing relocation assistance to qualified laid-off workers
- Providing, consistent with budgetary constraints, local impact assistance to communities that are affected by the work force restructuring.

ELIGIBILITY CRITERIA

ELIGIBILITY
Regular Employees

- Employed at a DOE defense site on or before September 27, 1991
- Employed at Hanford on February 14, 1994
- Total career hours equal to or greater than 4,960
- Employee's current position directly affected by restructuring

To be eligible for most benefits under this Plan, employees must have been employed at the facility, or verifiably employed at another DOE defense nuclear facility, on or before September 27, 1991, (the day the first unilateral reduction of the Nation's nuclear weapons stockpile was announced and which is considered to be the end of the Cold War for the DOE), and meet the following criteria:

- Regular employees must have been employed at the Hanford Site on February 14, 1994, (the date of notification of the work force restructuring); OR employees whose work at the facility is intermittent (such as construction workers) must have been employed at the facility between November 14, 1993 and February 14, 1994 (the 90 days preceding the work force restructuring notification);

AND

- Worked a minimum of 4,960 hours at DOE facilities during their full career prior to February 14, 1994. (NOTE: These hours are the equivalent of having worked full time, 40 hours per week from the end of the Cold War, September 27, 1991, to the notification date, February 14, 1994);

AND

- The employee's current job must be directly affected as a result of the announced work force restructuring. For an intermittent employee, this means, as a minimum, the completion or termination of the assignment or project without prospect for a follow-on assignment at the site.

The provisions of the work force restructuring plan apply to eligible full-time and regularly scheduled part-time employees of Battelle PNL, BHI, HEHF, WHC and its integrated subcontractors BCSR, and ICF KH.

Medical benefits are available only to employees of the principal contractors, as set out in the box on the next page which contains the definitions of contractors.

Regular employees may participate in voluntary separation incentive retirement and termination programs if they meet the requirements of such voluntary separation programs even if they do not meet the general eligibility requirements of this Plan.

Intermittent employees must meet the eligibility criteria and be involuntarily separated with no prospect for a follow-on assignment at the site to receive any benefits outlined in the plan. Intermittent employees do not qualify for medical benefits which are available only to principal contractor employees.

ELIGIBILITY
Intermittent Employees

- Employed at a DOE defense site on or before September 27, 1991
- Worked on the Hanford Site during the 90 days preceding February 14, 1994
- Total career hours equal to or greater than 4,960
- Employee's current position directly affected by restructuring

Employees of other contractors, sub-contractors, and lower tier sub-contractors must meet the plan eligibility criteria to receive any benefits outlined in the plan. These employees do not qualify for medical benefits which are available only to principal contractor employees.

Preference in hiring will be available to all employees who meet the Plan eligibility requirements and are involuntarily separated.

See Appendix F for a matrix of benefits and eligibility requirements.

DEFINITIONS

Principal Contractors - Westinghouse Hanford Company (including its integrated subcontractors Boeing Computer Services Richland and ICF Kaiser Hanford), Battelle Pacific Northwest Laboratories, Bechtel Hanford Inc., and Hanford Environmental Health Foundation

Other Contractors and Sub-contractors - Companies under contract to the DOE and its Principal Contractors

Lower Tier Sub-contractors - Companies under contract to sub-contractors of the DOE, Hanford Principal Contractors or their sub-contractors

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THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part III - Options to Minimize Layoffs

WORK FORCE PLANNING

A key element in assuring that work force restructuring can be completed successfully while accomplishing Hanford's new mission

INTERNAL TRANSITION OF EXISTING STAFF

Defines the actions that are to be taken by contractors at Hanford for their workers

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WORK FORCE PLANNING

Work force planning is a key element in assuring that work force restructuring is accomplished with the objective of minimizing layoffs and maximizing the accomplishment of the Hanford Site Mission.

Work force planning involves three processes:

- Analyzing the current (or new) mission to determine knowledge and skill requirements
- Analyzing the capabilities of the current work force, and
- Preparing and retraining the existing work force pool to meet the needs of the new mission.

To fulfill its commitment to provide accurate and detailed information to its work force and the community, DOE will seek to assure the availability of funds for the Hanford Integrated Work Force Planning System. This planning process of principal contractors will be strengthened with the imple...entation of an integrated work force planning system on a standardized basis for all site contractors. The Hanford Integrated Work Force Planning System will be used to identify comprehensive work force needs. These needs will be reported annually in a detailed report which will cover the two upcoming years. Beyond these two years, three years will be reported on more generally, for a total of five years.

The Hanford Integrated Work Force Planning System is depicted in the accompanying figure. It utilizes the Site Management System (SMS), the Common Occupational Classification System (COCS), and the Work Force Transition Model to produce a comprehensive staffing plan.

Managers project their work force needs in detail for two years using the 80 occupational classifications described in the COCS. They also project their estimated needs for the three out years using the more general 9 occupational "families" (see Appendix E). This forces projections to be made in a consistent manner and at the level where the technical know-how and familiarity with the work to be done is greatest. Because COCS is based on a consistent set of scenarios and strategies, human resource activities can be planned over a two year period within the 80 occupational classifications, and for the out years in the 9 job families. These work force projections are approved by RL and are sent to the human resources organization for use.

Common Occupational Classification System

The eighty occupational classifications of the COCS and the 9 job families may be found in Appendix E.

Next, work force scenarios are developed that compare the current and projected work force. The effects of new hiring, attrition rates, re-training, layoffs, or outsourcing can be applied to various scenarios. The effects on the mission, the work force, costs, and diversity goals can be projected and a course of action selected. DOE intends to seek input from stakeholders in this process.

This methodology provides the data for the planning process (Part II indicated on the accompanying figure) on which to base an action plan. This action plan can guide the programs of human resource organizations on the site. It can also provide guidance to training institutions, labor organizations, economic development efforts, and the community on efforts/programs to undertake. The initial plan will be available in the spring of 1995.

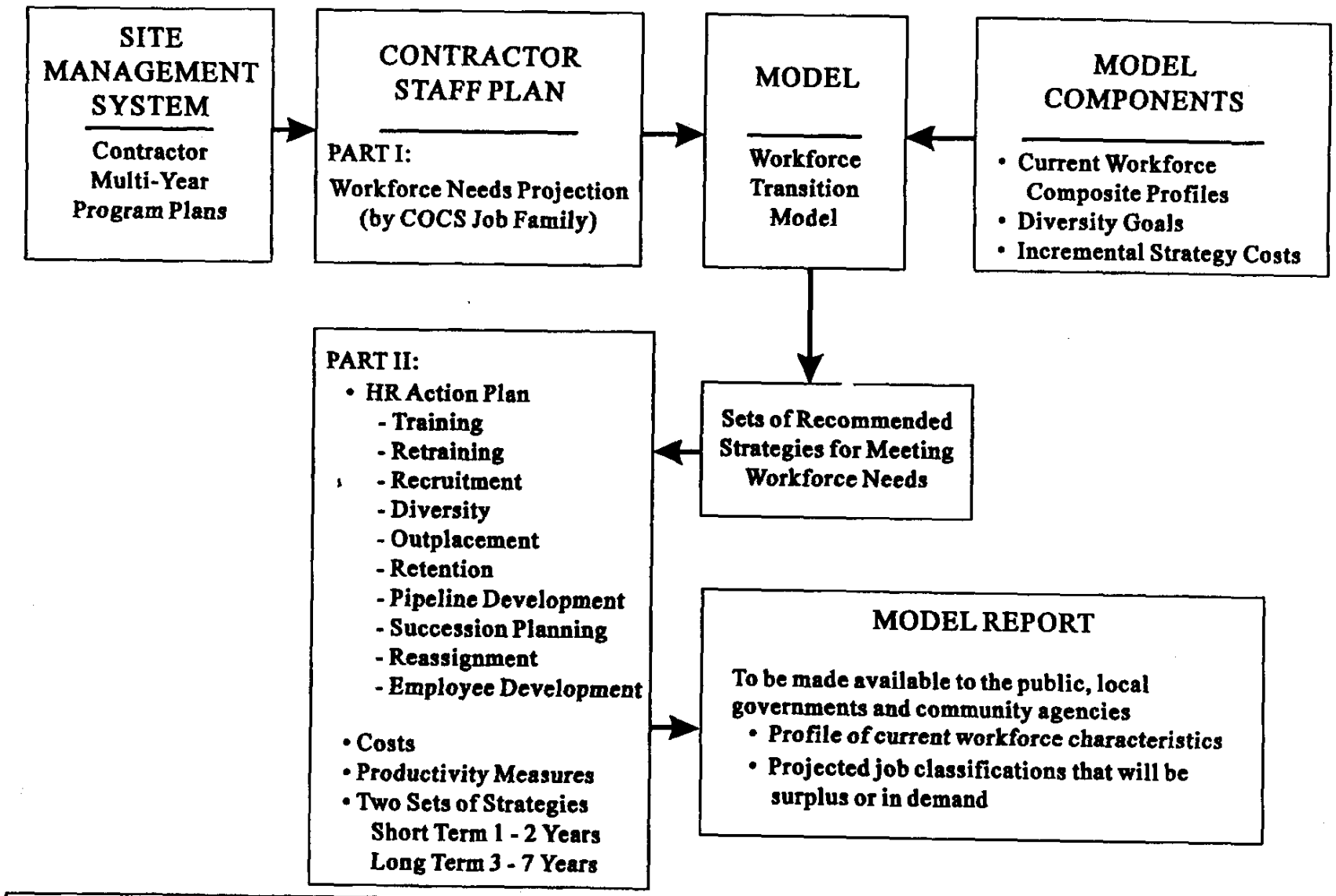
Anticipated employment projection reports will be available in the DOE Public Reading Room. Those local government agencies or entities who have a primary interest in this information may obtain copies of these reports from the Reading Room.

Information generated by work force planning is important not only to RL and its contractors,but also to the public, local government agencies in order to anticipate and mitigate the impact of work force reductions. The work force plan will provide:

- Detailed information about current work force skills and characteristics to the greatest extent possible, and

- Multi-year projections about changes in employment classifications that will be utilized on the site.

Specific programs under this Hanford Work Force Restructuring Plan will be developed from this information.



Hanford Integrated Workforce Planning System

INTERNAL TRANSITION OF EXISTING STAFF

RL is fully committed to taking necessary measures to maximize utilization of the existing work force and thereby reducing the need for any forced separations. Accordingly, the following actions are to be taken by those contractors facing a restructuring of their work force:

- Limit external hiring to only those individuals with critical skills that (1) do not exist within the work force, (2) that cannot be developed in a timely manner through retraining, and (3) that are needed to support critical, priority activities, primarily in the environmental restoration and waste management mission areas;

- Utilize training, where practicable, to retrain displaced employees;

- Increase the number and/or long term stability of jobs by limiting the use of contract personnel, task-order subcontracts and professional service pools. This restriction does not apply to employment with a fixed-price contractor. Contingent upon the critical nature of the skills required, economic development and diversification measures, privatization and related contract reform objectives, the results of cost/benefit analyses, the acceptability of schedule impacts, and contract terms, contractors will assign work to their direct work force as often as possible;

- Prioritize use of internal transfers of employees from areas of surplus to areas of need; and

- Maximize use of alternative work schedules and job sharing opportunities.

THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part IV - Programs for Separated Workers

MEDICAL BENEFITS

Medical Benefits for Enhanced Retirement, Voluntarily, and Involuntarily Separated Workers

SEPARATION INCENTIVE PROGRAMS:

- Enhanced retirement and voluntary reductions of force
- Involuntary Reduction Of Force (IROF)
- Termination Payment For Construction Workers

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MEDICAL BENEFITS

Enhanced Retirement

Medical benefits for individuals who accept the enhanced retirement will be in accordance with the applicable early retirement or normal retirement provisions of the employer's established programs. The terms and conditions of other medical-type benefits (such as dental, vision, or life insurance) will also be the same as under applicable provisions of the employer's established program. Retirees will get no additional benefits because they are eligible under this plan.

Voluntary Reduction of Force (VROF)

Extended medical insurance benefits will be provided to qualifying employees of principal contractors under the provisions outlined under Voluntary Reduction of Force (VROF) on page 30. No other medical-type benefits (such as dental, vision or life insurance) will be provided.

Involuntary Reduction of Force (IROF)

Extended medical insurance benefits will be provided to qualifying employees of principal contractors who:

- Have been involuntarily separated by a work force restructuring action, and
- Are not otherwise eligible under another program (such as through a new employer or their spouse's medical plan) for such benefits. Special provisions may apply in the event of pre-existing medical conditions. The employee should consult the COBRA notice provided by the employer and guidance from DOE with respect to the Medical Benefits for Displaced Workers, concerning continuing medical coverage under such circumstances.

The extended medical benefits coverage for both VROF and IROF programs is as follows:

COBRA

The "COBRA rate" is 100% of the cost of medical coverage plus 2% of the cost to offset administrative costs.

- During the first year following separation, the contractor will continue to pay its portion of the former workers medical premium, and the former employee will pay his/her normal share.
- During the second year, the former employee will pay half of the Consolidated Omnibus Budget Reconciliation (COBRA) rate.
- During the third and subsequent years, the former employee will pay the full COBRA rate.

The separated employee must certify eligibility each month to continue participation per the employer's established procedures. Failure to provide timely certification will terminate extended medical insurance benefits.

Eligibility for other medical-type benefits, such as dental, vision, and life insurance, will be in accordance with the employers' established programs for involuntarily separated employees.

EMPLOYEE ADVISORY

It is strongly recommended that employees consult with representatives from their Human Resources department to find out how any programs benefit them personally.

SEPARATION INCENTIVE PROGRAMS

DOE encourages the implementation of voluntary separation programs before implementation of the involuntary aspects of a work force restructuring plan. This helps minimize the number of involuntary layoffs and may help mitigate the impact on Communities.

Enhanced Retirement

In order to achieve the above goal, a Special Voluntary Retirement Program (SVRP) may be offered to retirement eligible employees of principal contractors containing some or all of the following elements:

- Three years will be added to age and three years will be added to pension credited service for purposes of determining the monthly benefit. Employees who do not need the full three years added to age to reach unreduced pension eligibility age (age 60) may apply these remaining years to service.

- A bridge payment to social security eligibility (age 62) in the amount of $125 a month will be provided.

Moreover, the following provisions apply to the program:

- Limited Backfilling. "Backfill" hiring or use of subcontract personnel to replace employees who elect this program will be limited to no more than 10 percent of the total number enrolled.

- Limited Reemployment. Individuals who accept the enhanced retirement will not be re-employed at the Hanford Site by the company from which they retire without the prior approval of RL. They also may not perform work funded by their former employer at the Hanford Site through a subcontract, including temporary employment service contracts, personal services subcontracts, general task order assignments, indefinite quantity contracts, basic ordering agreements and consultant contracts for a period of three years from the date of retirement. However, this restriction does not preclude retirees from employment with a fixed-price contractor.

In late 1994, the enhanced retirement program was offered to all retirement eligible (55 years of age and 10 years of service) employees of WHC, BCSR, ICF KH and those employees of BHI who transferred from WHC during the transition period of the ERC. During the course of 1995, the enhanced retirement program may be offered by the remaining principal contractors as one avenue to restructure their work forces.

Voluntary Reduction of Force (VROF)

As necessary, a targeted VROF program may be offered to those regular full-time and part-time employees, and employees on designated leave of absence programs, of the principal contractors whose skills are considered non-critical. The number of VROF requests honored may be limited at the unilateral option of the employer.

Employees approved for VROF will receive one of the following VROF program packages. Based upon eligibility, they may choose between Option One or Option Two. The program options are, for any employee whose VROF request is honored:

- Option One: A separation payment on the basis of one week's pay per year of service up to a maximum of 26 weeks, medical benefits as described in the provisions for VROF (see page 27), certain education and relocation assistance.

- Option Two:

  A. For employees whose employment at the facility, or at another DOE defense nuclear facility, began on or before September 27, 1991, a one-time separation incentive payment of $15,000 (in lieu of severance pay, education and relocation assistance) and medical benefits as described on page 27.

  OR

  B. For all employees whose employment at the facility, or at another DOE defense nuclear facility, began after September 27, 1991, a one-time separation incentive payment of $7,500 (in lieu of severance pay, education and relocation assistance) and medical benefits as described on page 27.

All employees who participate in the VROF, under any of the options, will also be eligible to receive outplacement assistance and may continue to use the services of available employee assistance programs.

Any employee participating in the VROF, under any of the options, will not be eligible to be rehired by the contractor from whom they separated or its integrated subcontractors for a period of one year from the date of separation.

Involuntary Reduction of Force (IROF)

An IROF may be invoked if deemed necessary and may be implemented without first offering a VROF.

The process for involuntary layoffs is outlined by each Hanford contractor in its policy manual for non-represented employees and in applicable labor agreements for represented employees.

Generally, the retention status of each non-represented employee is determined based on foreseeable business requirements, demonstrated performance, versatility, impact on work force diversity goals, and length of service where other factors are relatively equal. Retention lists are reviewed and approved by the organization's management.

Any represented employees impacted will be laid off under the terms and conditions of the labor agreement in effect. The unions will be consulted on layoffs affecting union covered work.

Employees of principal contractors are entitled to a separation payment in the event of separation of employment due to an IROF. The base salary in effect at the time of termination will be used to determine the amount of separation pay. Payment of separation pay is based on one week's pay per year of credited service up to a maximum of 26 weeks total separation pay. In addition, involuntarily separated employees, who meet the Plan eligibility criteria, are eligible for educational assistance, outplacement assistance and relocation stipends among other benefits (see Appendix F). Other conditions of payment will be in accordance with established contractor polices.

ELIGIBILITY MATRIX

An eligibility matrix for initiatives outlined in this plan is contained in Appendix F.

Involuntarily separated employees will not be eligible for rehire at the Hanford Site by their terminating employer during the separation payment period. If an employee accepts re-employment or recalled to work by the terminating employer at the Hanford Site during the separation payment period, the employee will be expected to repay the entire separation allowance, within one year from the date of reemployment. If not repaid, all service and seniority credits previously accumulated and continuity of service (excluding pension credited service) will be forfeited. The employee will also not be eligible to accrue new separation pay credits until having worked from the date of reemployment for a period equal to the period previously worked to accumulate the paid separation payment.

An analysis will be conducted within all major groups of employees by protected class category to determine where disparate impact might occur. Care will be taken to minimize any adverse impact on work force diversity caused as a result of the restructuring effort. Each contractor will prepare a final report of the impact on all protected groups for management review prior to any non-represented involuntary layoffs.

Termination Payment for Construction Workers

INTERMITTENT WORKERS

Those interested in other construction and intermittent worker issues should also see Eligibility in Part II of this Plan

Construction workers who meet the eligibility criteria of this plan will receive a one-time termination payment of 40 hours base straight time pay for each 2,080 hours worked on Site up to a maximum of 240 hours base straight time pay. The eligibility requirement includes the completion of an assignment or project without prospect for a follow-on assignment at the site.

Eligible intermittent and construction workers may also receive education assistance, outplacement support, relocation assistance, and preference in hiring in the event of an involuntary separation (see Appendix F for other benefits).

THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part V - Special Programs

PREFERENCE IN HIRING

Programs to give certain job hiring preferences

TRAINING AND EDUCATION

Programs of training and education assistance available to eligible employees

OUTPLACEMENT ASSISTANCE

Program to help displaced workers in their efforts to secure other employment

RELOCATION ASSISTANCE

One-time stipend for laid off workers to relocate to new employment

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PREFERENCE IN HIRING

RL and its contractors, subcontractors and lower-tier contractors will give preference for filling job vacancies to workers who meet the position qualification requirements and the eligibility criteria of this plan (see Part II) and who:

- Have been involuntarily separated within the DOE complex as a result of restructuring; or

- Voluntarily separated as a result of work force restructuring and who used the Training and Education Assistance program, as set forth below. (Priority in filling vacancies will be given to involuntarily separated workers over voluntarily separated workers.)

In the case of consideration for RL federal government positions, RL will follow its normal hiring procedures. RL will provide a hiring preference under Section 3161, to the extent practicable, in filling vacancies to displaced employees who meet the eligibility criteria contained in applicable Departmental guidance and who are qualified for the prospective work or, through further retraining, can become qualified within the time frames and dollar amount provided for in the guidelines, consistent with applicable law, Veteran's preference rights, or employment seniority plans or practices of the Department of Energy, with Section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, and with the terms of any court-mandated affirmative action plans.

Preference to Involuntarily Separated Workers

Preference will be given by RL, its contractors, subcontractors and lower tier contractors to involuntarily separated workers in the following order:

- Their former employees who are in lay-off status;

- Eligible workers of other RL contractors, subcontractors, and lower-tier contractors; and

- Eligible workers of other DOE contractors, subcontractors and lower-tier contractors at DOE sites other than RL, through the DOE Job Opportunities Bulletin Board System (JOBBS).

This preference will continue until an action has occurred which terminates the preference. Actions which terminate this preference are (1) accepting any full time permanent position, (2) resignation or termination for cause from a position received from exercising this preference or (3) failure to comply with preference eligibility registration requirements established by DOE.

Preference to Voluntarily Separated Workers

Workers who take a voluntary reduction of force, and who have significant participation in the educational assistance program will have, after expiration of the one year reemployment period or repayment of the severance benefit attributable to the remaining separation period, a hiring preference after those who were involuntarily separated.

TRAINING AND EDUCATION

The intent of training and education assistance is to prepare the Hanford-site work force for the transition from a defense mission to an environmental restoration and remediation mission. This Plan is intended to aid eligible employees in maintaining or obtaining gainful employment. It is the primary goal of the training and education programs to provide appropriately trained and educated employees to meet the work force requirements necessary to fulfill DOE's mission at Hanford. In addition, this assistance program may also enable employees to obtain employment with private business and industry.

This benefit is only available to involuntarily laid off employees who meet the Plan eligibility criteria, and employees who are voluntarily laid off.

The following sections describe the elements of the training and education assistance program that may be available to eligible employees. The use of these services are voluntary on the part of laid off employees.

1. Basic Skills Enhancement

   Many employees may want to take advantage of opportunities to enhance their math, reading, writing, language and other basic work place skills to advance in their careers or to assist in the job search process. Employees will need these skills to develop resumes, fill out applications, take pre-employment tests and perform other activities necessary to secure and maintain employment. The Outplacement Assistance Program, through a designated provider, will provide confidential assistance to assess areas needing enhancement. It will also provide information to link employee needs to available training programs and assist the employee in accessing those services.

2. Enhancement Training Within Career Field

   Some employees have skills that no longer match general industry requirements because they have specialized in Hanford-site or defense-specific work for a number of years, or have fallen behind changing industry requirements. These individuals will have the opportunity to enhance their skills within their existing career fields by participating in internal and/or external training. This approach can rapidly provide the skills and knowledge required to reenter the job market. For example, a laid off security inspector may have excellent tactical response skills but no computer training or supervisory training. The Outplacement Assistance Program will assist the employee in assessing skills adjustment needs and in accessing appropriate services.

3. Retraining For New Career Field

   Some employees may have limited current marketable skills. These workers, as well as individuals just wanting career changes, may choose to train for entirely new careers by participating in internal or external training programs or by attending an academic institution. Re-careering alternatives include the following:

Starting a business. Employees may choose to start their own business by using entrepreneurial and small business development assistance and support services or by taking courses in establishing and operating small businesses. These courses would prepare them to consult, begin their own business, commercialize technology or buy an existing business. The Outplacement Assistance Program will provide information on available resources and applicable classes.

Receiving tuition assistance. Although one can attend any approved academic institution (see benefit parameters listed below), the Outplacement Assistance Program will provide information on local academic institutions only. The Program will also provide assistance in obtaining applications for tuition assistance.

Learning a trade through an apprenticeship. Many Apprenticeship Programs use a college program to train apprentices, particularly for small companies which cannot afford to develop an apprenticeship program of their own. These programs are approved by the federal Department of Labor's Bureau of Apprenticeship and Training. The J.M. Perry Institute in Yakima and Columbia Basin College (CBC), for example, collaborate with labor representatives in providing these type of programs. Each trade has developed its own training curriculum and standards which are then approved by the Washington State Apprenticeship Council. Facilities and other resources for apprenticeship training are provided as required by state statute. Training and administration costs would generally be charged back to each company based on the number of apprentices they had enrolled in the program. Participants can receive college credits for their course work and apprenticeship credits, and pay for their time spent on the jobs.

4. Specialized Educational Programs

Specialized educational programs are those customized to meet DOE Hanford needs by adjusting content and method or timing of delivery. These will be developed by a variety of educational providers if a large enough number of employees all have interest in the same curriculum. This could occur with universities, colleges, or vocational technical schools which have the capability of customizing their educational delivery systems to address special industry requirements. Any such program would be developed for site-wide use.

5. Employee Development Program

Several contractors currently have programs whereby selected employees are allowed to work abbreviated schedules and be in an approved education/training program. This reduces current payroll costs and may provide a mechanism to support employees identified for future layoffs while allowing a period of time for transfer of work assignments to other employees. DOE will encourage the increased use of these programs, consistent with business needs, as another way to promote concurrent retraining and voluntary staffing reduction.

6. Internal Employment Training

Hanford Site principal contractors maintain ongoing employee training and development programs, including partnerships with local educational institutions. Training and development enables employees to perform their work in the safest, most effective manner, and provides opportunities for enhancing employees' ability to advance in their job field or to move to other jobs. DOE will continue to support the utilization of these programs, as appropriate, to provide training and retraining opportunities to employees. These programs would be expanded to include eligible voluntarily or involuntarily separated employees.

As discussed in Work Force Planning (see Part III), a comparison will be made of the current work force capabilities versus the knowledge and skills required to satisfy the environmental restoration and waste management mission. As this information becomes available, the current training and education programs and the necessity for new programs will be evaluated. Modifications to existing programs will be made to ensure up-to-date programs which meet emerging training and education needs.

7. External Employment Training and Education

The DOE will provide training and education, in partnership with appropriate educational institutions, to assist employees identified for lay off and/or laid off on both a professional and a personal level. In coordination with the Tri-Cities Job Service Center, Washington State Department of Employment Security, and the Department of Labor, Hanford contractors will utilize publicly funded programs, such as the Job Training Partnership Act (JTPA) available through the Private Industry Council, supplemented by DOE funding, wherever possible for all training programs in this section.

a. Assessment and educational counseling. The assessment and counseling process will include at least the following:

- The DOE will have performed and periodically updated, a market survey of external employment opportunities to provide information to its contractor employees, as well as eligible voluntarily or involuntarily separated employees, that will enable them to prepare for positions with a high probability of employment.

- An assessment of current education, skills, and interests will be performed for each eligible employee who requests it. These assessments will be performed by the Outplacement Assistance Program or designated service provider.

- Using the assessment cited above, the Outplacement Assistance Program will assist the employee, along with appropriate educational institutions, to develop an education/training program to lead to proficiency in an occupational area in which the employee can reasonably expect to find employment. The market survey and skills assessment are tools to aid in an employee's decision making. The employee maintains decision making control regarding career options and the selection of training and education programs.

- Employees, as well as eligible voluntarily or involuntarily separated employees, will be advised of opportunities to participate in various free services available to the public and of other educational opportunities, including:

  - Economic Development Administration Title IX Program,
  - JTPA Title III programs,
  - Small Business Administration programs,
  - Pell Grant Program, and
  - State grants and student loans.

Educational counseling on the availability of curriculum, costs of educational programs, and transferability of credits will be provided by representatives of the educational institutions.

b. Environmental restoration scholarship assistance. The DOE is developing a program to provide separated employees access to scholarships for displaced DOE workers in accordance with Section 4451 of the National Defense Authorization Act for FY 1993. When available, the program will offer education scholarships to enable individuals to qualify for employment in environmental restoration fields. Under the scholarship assistance program, an individual may receive money for tuition, fees, books, and laboratory expenses. In return, the individual must sign an agreement stating that he/she will serve as a full-time employee for a specified amount of time in an environmental restoration position at an approved government agency.

c. Teachers assistance. The DOE will work with the Department of Defense to help displaced employees obtain certification and employment as teachers or teachers' aides in accordance with Section 444 of the National Defense Authorization Act for FY 1993. Eligible individuals must apply to the Secretary of Defense for this assistance. Selected individuals will receive up to $5,000 and assistance in receiving a job in an elementary or secondary school. In return, the individual must agree to work at the school for at least two years.

d. Work Force Training Center. $1.2 million dollars has been granted to Columbia Basin College (CBC) in support of the start-up of a training and re-training center. Most of the grant monies will be directed in support of the Environmental Restoration Management Technology, Radiation Protection Technology, and the new Radiological Chemistry Technology programs at the college which were initiated in direct response to Hanford needs.

The college will construct a 40,000 square foot Center by the end of FY96 with Columbia Basin College Foundation funds and State of Washington secured loans. The grant will provide equipment, laboratory furnishings, and installation, and the conversion of two laboratories.

e. Training and education assistance benefit parameters. Training and education assistance benefits for eligible employees will be allowable under the contract in the following manner:

- The DOE will provide a maximum total training and education assistance allowance per eligible voluntarily or involuntarily separated worker of $10,000, with no more than $5,000 in any one year. This will be available for a period up to three years from the date of separation to pay for tuition, required textbooks, fees, or other required expenses listed in the course syllabus and to reimburse child care while attending class. Reimbursement will only be for actual costs incurred and upon certification of such costs by the former employee. If the separated employee is receiving financial assistance through other publicly funded sources, those funds must be used prior to using this educational assistance benefit. The latter assistance is intended to be supplementary to educational assistance available through other sources (i.e., grants, scholarships, other federal and state retraining programs) except where specifically prohibited. Ineligibility for financial assistance from non-DOE sources does not preclude receipt of this benefit. Eligibility for this educational benefit will cease if educational assistance is provided by a new employer, since the benefit of additional training will accrue to that new employer. This educational assistance will be terminated when an eligible voluntarily or involuntarily separated employee becomes employed with the DOE or one of its contractors or sub-contractors.

- Eligible voluntarily or involuntarily separated workers may take advantage of this benefit if registered for the initial courses to be taken within one calendar year of the date of their separation. This may be extended by up to an additional 9 months, if the employee can demonstrate that entrance to a desired educational or training program has been blocked due to a lack of institutional capacity or enrollment caps.

- Retraining for workers scheduled to be separated may be on work time after notice of layoff is received.

- The educational institution must be regionally accredited or on the list approved by the Veteran's Administration for receiving Veteran's benefits. Educational institutions may include universities, community colleges, vocational schools, and technical schools.

- In order to continue to receive reimbursement under this program, an employee receiving assistance for training and education must maintain satisfactory progress as defined by the granting educational institution.

- The education assistance may be subject to Federal and FICA taxes.

OUTPLACEMENT ASSISTANCE

RL and its principal contractors will provide outplacement assistance for their employees who have been identified for layoff or who have been separated from employment through a VROF or an IROF. Outplacement assistance will also be provided for subcontractors and intermittent workers who are separated from employment through an IROF. Outplacement services will be available to separated workers for a period of one year following the date of layoff or until they are gainfully reemployed, whichever comes first.

External agencies, such as the Washington State Employment Security Department/Tri-Cities Job Service Center and the Private Industry Council will be used wherever practical in the design and delivery of outplacement services described below. Contractors are expected to make full use of the agencies mentioned above and other community based businesses and resources to provide outplacement services. When it becomes evident that outplacement services will be needed to assist those to be affected by a reduction of force, contractors may, with DOE approval, procure needed services from external sources.

To the extent practical, the following outplacement services will be provided:

U.S. Department of Energy (DOE) Resume Databank

The JOBBS matches affected employees' resumes with job opportunities across the DOE complex. Computer workstations will be available at identified locations so that eligible employees can use JOBBS to:

- Obtain information on job openings at other DOE sites, and
- Transmit resumes of impacted employees to other DOE sites.

Job Identification

A program to identify potential employers through announcements and/or advertisements placed in local, state and national newspapers. Ads will contain information regarding the availability of workers and invite prospective employers to contact the outplacement program. Additional avenues for identifying positions may include:

- Government Agencies (including the Corps of Engineers)
- Professional Societies
- External Career/Job Fairs
- Employment Agencies

- Database Linkages (including JOBBS)

- Mailings to potential employers identified through the above sources, peer referrals, local Chambers of Commerce, newspaper want ad searches, etc.

Information collected from potential employers will include:

- Type and number of positions available
- Position requirements
- Company/facility profile
- Company/facility location
- Interest in attending a Hanford Site job fair
- Interest in receiving a Hanford Site resume book/computer diskette
- Interest in conducting interviews at the Hanford Site.

Job Posting

Compilations of the information gathered through the Job Identification process are posted at centralized locations accessible to affected workers.

Resume Distribution

Distribution of a resume book or computer diskette to potential employers identified through the Job Identification process.

> Interstate Job Bank. The DOE is working with the DOD to provide access at the Site to the nationwide Interstate Job Bank for interested employees (reference Section 4468 of the National Defense Authorization Act of FY 1993).

Outside Interviews

Interviews will be arranged for potential employers who express interest through the Job Identification process in interviewing at the Hanford Site.

Job Fair

A job fair for workers will be held at or near the Hanford Site with participation by those companies who express interest on the Job Identification survey.

Communications

A program including advertisements, announcements regarding outplacement activities and special events, and laid off worker/counselor meetings to provide up-to-date information to workers and employers. Initial communications will include locations, operating schedules, registration procedures and other details regarding the availability of the various outplacement services and resources.

Strategic Skill Assessment Interviews

Interviews and assessments to identify work experiences/related skills, education/training and interests, and aptitudes. Data collected will be used to develop focused resumes and/or individualized job search/career transition strategies.

Outplacement Workshops

Workshops to provide instruction and counseling on job search techniques. Subjects covered will include:

- Deciding life and career goals
- Introducing yourself (writing resumes, applications, cover letters)
- Deciding what to look for
- Finding job leads
- Interviewing skills and techniques
- Accepting the job
- Coping with change.

Subject Experts

Presenters solicited from private industries and volunteer, community and contracted agencies to address topics about life and career transitions, such as:

- Financial planning
- Credit
- Career transition
- Personal development
- Legal matters
- Retirement planning
- Stress management
- Health improvement/fitness.

Financial Assistance Information

Information on obtaining:

- Educational grants and scholarships
- Small business loans
- JTPA, Title III funds.

Social Services

Psychological counseling services/referrals through the various Employee Assistance Programs (EAP) for affected employees and their families.

Resource Library

A centralized library of resource information such as:

- Newspapers from likely metropolitan job markets
- Reference books dealing with professional/personal development
- Government and industry related journals and periodicals
- College catalogs
- Dictionaries, thesaurus
- Telephone books
- Resources for additional associated information and materials.

Workstations

Computer workstations will be made available for the preparation of resumes, job search correspondence.

RELOCATION ASSISTANCE

Individuals who are hired into exempt positions or who are deemed to be critically skilled, as determined by the receiving DOE contractor location, will be granted the normal relocation benefits granted at the receiving DOE, contractor or subcontractor site and will not be eligible for relocation assistance under this plan.

Any exempt or nonexempt employee involuntarily laid off and who meets the Plan eligibility criteria, or employee who is voluntarily laid off, who gets a job at another DOE site, and who is not eligible for relocation benefits from the receiving site may be given a maximum of $3,000 as reimbursement for actual, allowable expenses incurred in relocation to a new DOE, contractor or subcontractor facility by the Hanford Site employer. The employee must provide documentation of incurred expenses to receive this one time reimbursement, which will be available for up to one year after the employee's termination date. The reimbursement may be subject to Federal and FICA taxes.

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THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part VI - Community and Economic Development

THE HANFORD JOB REPLACEMENT CHALLENGE

Background, Goals, Strategy, Actions and Organization/Key Participants

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THE HANFORD JOB REPLACEMENT CHALLENGE

Downsizing and restructuring at Hanford will have dramatic and immediate impact on the surrounding communities. According to local Kennewick, Pasco, and Richland (Tri-Cities) economic leaders, the 100 largest U.S. industrial corporations average about $1 in assets for each $1 in sales. It frequently takes about 50 cents out of each sales dollar to cover the payroll costs. Using these approximations, it will take about $750 million in new payroll dollars per year or about $1.5 billion dollars of new, private sector investments in manufacturing and service industries in the Community to replace the Hanford jobs vacated after cleanup is completed. Assuming a 30 year life for cleanup, the local community will need a steady annual new investment of about $50 million per year in unescalated, private-sector dollars to mitigate the economic impact of losing 15,000 direct Hanford jobs and approximately 30,000 secondary jobs vacated after cleanup is completed.

Based on community groups analysis, approximately two new direct or primary value added jobs need to be generated per day, every day for the next 30 years to maintain the existing employment base in the community. These new jobs must be capable of surviving Hanford shutting down after cleanup. This Community Impact/Economic Development Plan (CDP) is based on four separate business lines -- conversion and economic reuse of assets, leveraged outsourcing, technology commercialization and new site missions. The highest priority for replacement jobs in the Communities will be for the displaced Hanford work force.

Background

As part of the renegotiated TPA, the signatories committed to a "Cost and Management Efficiency Initiative" through which $1 billion will be saved over a five-year period. Since then, RL has initiated an environmental restoration management contract with Bechtel and has renegotiated its maintenance and operations contract with Westinghouse. Efficiency improvement initiatives, budgetary reductions, and contractual changes may result in as many as 2,500 jobs lost by the end of FY 1995. Besides efficiency related job losses, Hanford should experience continued downsizing as Site cleanup progresses and is completed. RL will work in close partnership with the Community to accommodate long-term work force restructuring while minimizing adverse impacts on employees and the Community.

Hanford dominates the Communities' economy. For example, Hanford represents one in four jobs in the Tri-Cities and accounts for over half of the total earned income from direct or value-added jobs. Because much of the rest of the Community' economy has grown to support Hanford and its work force, the fate of nearly two additional local non-Hanford jobs is directly dependent on each Hanford job. Reductions in local employment and expenditures as cleanup is completed will adversely impact the Communities' regional economy unless mitigating economic actions are begun immediately and are successful.

DEFINITIONS

Communities
Affected or impacted communities in Benton/Franklin and contiguous counties; affected or impacted cities within those counties; affected or impacted Native American tribes; and other jurisdictional areas experiencing negative economic impacts from the work force restructuring at the Hanford Site.

Hanford Communities
An organization of cities comprising Benton City, Kennewick, Pasco, Richland, and West Richland which addresses Hanford Issues.

Site Mission
"to clean up the Site, provide scientific and technological excellence to meet global needs, and partner in the economic diversification of the region" (From the Hanford Strategic Plan, RL-D94-048)

Notwithstanding the perils of long-term economic downsizing, the Hanford Site and the Community have before them an unprecedented opportunity to create an economic renaissance based on the unparalleled environmental cleanup mission. DOE is a willing partner with the Community in developing and sustaining a diversified economy substantially less dependent on federal funding.

The vision and legacy of Hanford and the Community must not end with the Site being cleaned up and lands being restored. In the future, we envision a vibrant regional economy with a diversified economic job base capable of competing in national and international products and services markets. The "Hanford Economic Transition Initiative" (HETI) is the mechanism that DOE and the Hanford Site established in 1992 to support this vision. This portion of the Work Force Restructuring Plan, the CDP, is based, in large part, on HETI strategies already being formulated when RL Manager Wagoner's notice about work force restructuring was issued in February 1994. This CDP also incorporates initiatives generated from the two Hanford Summits recently hosted by DOE Secretary O'Leary and Washington Governor Lowry. Additional information on the communities' recommendations to RL's HETI is contained in Appendix G.

COMMUNITY INPUT

Additional information on the communities' recommendations on RL's HETI is contained in Appendix G.

In support of HETI, RL will identify and implement policies and actions that will support Hanford's cleanup mission and the Communities' economic development and diversification. RL's goals include "using the cleanup and science and technology [Hanford] mission elements to help the Communities establish a diversified and stable economic base over the long term." This goal is to be accomplished through private sector participation in cleanup, creation of local technology and service companies commercializing Hanford or imported technologies, and effective conversion or use of Hanford assets no longer required by DOE and/or the federal government.

The primary objective is to supplant Hanford with local, diversified private industries largely independent of Hanford who employ the Communities' skilled and professional work force and trade with the Communities' businesses.

Major challenges threaten the goal of replacing the lost Hanford economic base as cleanup winds down and is completed. It is unprecedented to achieve this proportion of replacement economic development and diversification in smaller, semi-rural Communities. Nearly $750 million in 1994 salary and wage dollars are at risk in Benton and Franklin counties alone. Adding to the challenge, the Communities must simultaneously make a "government to private" transition. The community's government dominated, federally funded business culture must transition to a national and international competitive and market-oriented culture to survive.

Goals

RL and its contractors, working with the Communities, State, and Northwest partners will seek to achieve a diversified and stable economic base in the region to supplant DOE's and its contractors' ever decreasing presence as Site cleanup progresses towards completion. DOE and its contractors will, consistent with applicable law and their mission, support the community creation, expansion, or attraction of new private sector operations and jobs to the local area by:

- Conducting the economic transition of Hanford resources over the next 30 years in a manner that promotes the cleanup mission, maximizes economic growth and stability of the region, and maximizes an effective transition of the Hanford work force into local private sector jobs.

- Broadening existing and new Hanford markets to reach local, regional, and international businesses that can provide local economic expansion and the gradual transition of jobs to the private sector.

- Seeking to attract new businesses to the Community through partnerships, contracts, licensing agreements, and other arrangements with the potential to leverage science and technology and provide clean-up mission opportunities. Once established, DOE would encourage these new businesses to aggressively pursue diversified, Hanford and non-Hanford business opportunities from their local base.

- Transferring and commercializing Hanford technologies in ways that result in significant expansion of local commerce and employment.

- Converting to commercial re-use Site and work force assets, as well as surplus or underutilized Hanford Site land, facilities, and equipment.

- Reinventing government -- eliminating "red-tape" and other barriers that frustrate economic transition initiatives.

- Reducing federal spending for infrastructure services where local government and private sector resources can be utilized more cost effectively.

- Preserving and pursuing opportunities to make Hanford a multi-program site.

- Supporting and expanding PNL's multi-program science and technology mission to enhance their U.S. and world presence while simultaneously benefiting the Communities.

Strategy

While employment and cleanup funding at the Site are up and the Communities' economies are strong, RL and its contractors will pursue regional economic development and diversification jointly with the Communities. To the maximum extent allowable and practicable, the Site assets, cleanup projects and procurements, and the Site's science and technology mission will be used and leveraged to benefit regional economic development and diversification.

- The estimated $57 billion federal cleanup investment at Hanford, if carefully managed and leveraged over the next 30 years, can jointly benefit DOE and the Communities. Decreasing the Communities' dependence on Hanford helps DOE's cleanup mission. A growing and eventually robust private-sector local economy can provide jobs for displaced Hanford workers and innovation and investment for cleanup. Community-based firms can facilitate the start-up and/or spin-off of Hanford outsourced businesses and the disposal or reuse of surplus Hanford assets. Local, competitive sources for an increasing portfolio of cleanup services and products saves DOE time and money. All of these benefit the local economy.

- The constrained federal budget requires that all efforts be made to reduce Hanford expenditures. Private sector and municipal capital, infrastructure, and services can be leveraged to reduce federal spending and/or commitments while accelerating economic transition.

For reference, Appendix G is the local communities' recommendations to DOE for the HETI program management. DOE will fully consider all inputs.

Actions

A sampling of the actions needed to implement this plan are listed below. Actions beginning immediately and continuing over the next one or two years are detailed. Longer term economic development and diversification activities will be covered in the HETI and Sustainable Economic Transition Initiative (SETI) business plans. In partnership with the Communities' economic development agencies and the State, DOE will work earnestly to:

- Establish reasonable funding levels and assign (recruit) experienced professionals to RL's HETI program;

- Fund TRIDEC's peer reviewed and approved transition programs for the balance of FY95;

- Review and provide periodic updates of HETI's detailed plans and budgets with the Communities' designated economic development agencies;

- Collaborate with the affected Communities' economic development agencies and councils to help formulate economic development programs and activities commensurate with the negative economic impact anticipated from Hanford's work force restructuring;

- Identify, compile, schedule and implement all DOE commitments from Summit I and Summit II including joint DOE commitments with Washington State and others;

- Jointly with the Communities, develop a "living" HETI business plan with quantified target and threshold metrics, defined tasks, budgets and schedules, anticipated results, assigned responsibilities, and performance measures;

- Support the Communities' development of its "living" SETI business plan with quantified target and threshold metrics, defined tasks, budgets and schedules, anticipated results, assigned responsibilities, accountabilities, contingencies, and performance measures;

- Once the DOE and the Community business plans are drafted, jointly work with the Community to host a meeting to review work and business plans and accomplishments. Such a conference should include the Community, RL and its participating contractors, and invited guests;

- Under the authority of Section 3161, pursue procurement from and enter into contracts with firms located in the Communities wherever practicable to help mitigate the negative economic impact from work force restructuring. Consistent with DOD's base closure local preference procurement authority, this will substantially increase the proportion of Hanford procurements with local and regional businesses;

- Generate a comprehensive Hanford land use plan and asset inventory related to the conversion of assets business line contained in the HETI program plan;

- Support studies necessary to gauge work force transition impacts, identify local economic strengths and weaknesses, and devise effective response strategies;

- Work in concert with local community organizations to support an Environmental Development Center, Enterprise Zone, and Entrepreneurial Program to stimulate and support new business development;

- Complete the Hanford Infrastructure Transition Initiative Plan identifying new business opportunities;

- Develop Hanford's Continuous Learning Center utilizing the resources of WSU/Community, CBC, the HAMMER Training Center, and other training organizations;

- Pursue development of the Technology Test and Demonstration Center to field test, demonstrate, and certify new environmental technologies;

- Support TRIDEC's Community Technology Commercialization Partnership efforts to pursue environmental technology diversification opportunities;

- Reduce or mitigate procurement and/or contract impediments, regulatory overlap, and duplication that result in delays, and added costs, to procurement of private sector resources; and

- Evaluate market opportunities, fund and pursue new federal missions, programs and special user facilities at Hanford consistent with Congressional and Administration policies.

Organization And Key Participants

The organizational structure to plan, implement, and achieve HETI objectives is characterized by partnership and teaming. The key organizations involved in this process are the RL Office of Economic and Strategic Transition and Integration (through its Strategic Transition Initiatives [STI] Division), the Hanford Economic Transition Cabinet (HETC), and, representing the Community's economic diversification interests, the Tri-City Industrial Development Council (TRIDEC - through its Economic Transition Task Force, One Voice Memorandum, and the Partnership Council, formerly the Associated Development Organization) as well as other affected economic development agencies and councils in the Communities.

One of the key objectives is to work in a cooperative effort with the Communities on economic development. Currently, there are an estimated forty-two economic development entities in Benton and Franklin Counties alone. To enhance and focus the development effort in Benton and Franklin Counties, TRIDEC will serve as a primary point of contact. RL anticipates awarding a grant to TRIDEC to fund coordination of Community-based HETI elements.

Conclusion

The DOE will seek to accomplish the substantive and effective economic development and diversification improvements that are derived from its environmental cleanup and science and technology missions by:

- Leveraging all aspects of HETI, particularly leveraged outsourcing, conversion of assets, technology commercialization, and new federal missions;

- Encouraging entrepreneurs and small businesses using Hanford science, technology, and procurements to build sustainable local businesses;

- Targeted recruiting of new companies, emphasizing Hanford attributes that would add substantial value to the private sector and provide employment opportunities to displaced workers;

- Effectively expanding and diversifying the non-Hanford economic potential, especially that in agribusiness; and

- Working cooperatively with its stakeholders to achieve the goals set forth earlier in this section on page 51.

THE HANFORD SITE WORK FORCE RESTRUCTURING PLAN

Part VII - Funding and Measuring Results

FUNDING AND COSTS

Funding sources for 3161 programs and projected costs

MEASURING RESULTS/UPDATING THE PLAN

Requirements, Records, Reports and Evaluation

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FUNDING AND COSTS

Costs associated with implementing each separation incentive program contained in the Work Force Restructuring Plan has been estimated on an average cost per employee basis. Cost estimates for the voluntary and involuntary reduction of force programs include, as appropriate, estimated costs for separation pay, supplemental training, relocation, and medical benefits.

PROGRAM	AVERAGE COST PER EMPLOYEE
Special Voluntary Retirement (SVRP)	$ 48,400
Voluntary Reduction of Force (VROF)	$ 17,000
Involuntary Reduction of Force (IROF)	$ 21,500
Attrition/Reduction in Temporaries	- 0 -

WHC/BCSR/ICF KH and those BHI employees that transferred to WHC during the ERC transition were offered the SVRP in late 1994. With the implementation of the SVRP, WHC/BCSR/ICF KH reduced its work force by 828 employees in calendar year 1994, and BHI reduced its work force by 16. Costs associated with the enhanced retirement program were projected by WHC's pension actuary, the Wyatt Company. The total number of eligible employees was approximately 1,300. With an actual participation of 844 employees, total costs are estimated to be $40,831,876.

WHC/BCSR/ICF KH and BHI SPECIAL VOLUNTARY RETIREMENT PROGRAM (SVRP)			
BENEFIT	AVERAGE COST PER EMPLOYEE	ACTUAL NUMBER OF EMPLOYEES	ESTIMATED TOTAL COST
Adding 3 years of service and Flexible 3 years age	$ 44,115	844	$37,674,210
$125 per month Bridge Payment	$ 4,264		$ 3,641,456
TOTAL COST	$ 48,379		$40,831,876

The projected utilization of the separation programs by the principal contractors is distributed below:

Program	Projected or Actual Participants	Total Program Costs	FY95	
			Program Costs	Salary and Benefits Cost Reduction
SVRP	844	$ 40.8M	$ 5.8M[1]	$ 35.3M
Voluntary ROF	520	$ 12.6M	$ 12.6M	$ 28.3M
Additional Separations	548	$ 16.1M	TBD[2]	TBD[3]
Outsourcing	265	$ 5.7M	$ 5.7M	TBD[3]
Reduction of Temps/Attrition	200	- 0 -	- 0 -	$ 2.2M
Community Development	N/A	$ 6.0M	$ 6.0M	N/A
Supplemental Training	N/A	$ 1.2M	$ 1.2M	N/A
TOTAL	~2,500	$ 82.4M	$ 31.3M	$ 65.8M

[1] First year amortized cost for WHC/BCSR/ICF KH and BHI program.

[2] Annual cost of early retirements will be amortized. Actual cost is based on employee participation in additional separation programs under consideration (SVRP, VROF, IROF), reduction in the use of temporaries, and transition of employees with outsourcing and privatization initiatives.

[3] Actual cost reductions to be determined upon decision of schedule for implementation of separation programs.

Additional separations will primarily involve PNL and BHI, and will be accomplished through a variety of programs such as enhanced retirement, VROF, IROF, reductions in the use of temporary employees, and attrition of regular employees. Consequently, a firm budget for additional reductions to occur in 1995 cannot be established until the separation program and the implementation timeline have been determined.

Costs associated with implementing reduction of force initiatives will be offset by projected cost reductions resulting from unexpended salary and benefits costs for the remainder of the year associated with workers who leave the employment rolls.

Supplemental training funds of $1.2 million have been identified to support the Columbia Basin College Work Force Retraining Center which will be used to enhance its training facilities as part of the Hanford Work Force Restructuring effort. The CBC program will expand classroom space, enhance computer facilities, and provide telecommunications links for worker retraining.

Another $6,000,000 has been committed by the DOE to fund the Community and Economic Development activities. $2,100,000 of the total will fund seven community-based proposals which have possibilities to either convert assets or transfer work to the private sector and offer spin-off opportunities for local business to develop or grow. The remaining funding will go to the Hanford "internal" economic transition program, which includes funding for the Hanford contractors. Contractor activities focus on conversion of site assets, subcontracting work currently done on site to private firms, technology acquisition, and technology commercialization.

MEASURING RESULTS/UPDATING THE PLAN

Section 3161 requires the Plan to be updated no later than one year after its initial release and on an annual basis thereafter. The update should reflect any relevant changes in circumstances since the previous edition, and should contain an evaluation of the implementation of the Plan during the year preceding the update. RL will maintain records on the employees' use of the various restructuring activities and the expenditures for those activities, including the amount and source of funding.

HQ GUIDANCE

HQ guidance on updating work force restructuring plans will be applied.

Specifically, the following data will be tracked:

- The number of employees selecting the enhanced retirement program;
- The number of employees selecting a VROF option;
- The number of employees involuntarily separated from employment;
- The number of employees using Internal Employment Training opportunities and the types of training selected;
- The number of employees using External Employment Training and the types of training selected;
- The number of employees using Outplacement Assistance and the number of successful placements;
- The number of employees using extended medical benefits due to voluntary and involuntary separation;
- The number of employees re-employed after selecting the enhanced retirement option;
- The number of construction workers who received termination pay; and
- The number of involuntarily separated employees who were rehired under the preference in hiring clause.

The annual plan evaluation will address:

- The degree to which the Plan objectives have been achieved;
- Evaluation of the Work Force Planning System and its utility in preparing the existing work force pool to meet the needs of the new mission;
- Evaluation of Community Impact Assistance in relation to the transition of the local economy from dependence on federal spending at Hanford to a diversified private base;
- Evaluation of the measurement system itself.

The process of evaluation and monitoring of the Plan will be continuous by RL to ensure that all implementation procedures are as effective as possible.

A cross-section of stakeholders has formed the Stakeholders Review Committee to monitor progress made on the implementation of the plan. The committee will also jointly assess with RL future restructuring plans and make appropriate recommendations to RL on mitigating future impacts on workers and the community. RL will periodically provide update briefings with the stakeholder committee on the progress in implementing the plan.

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APPENDIX A

Abbreviations and Acronyms

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3161	1993 National Defense Authorization Act - Section 3161
ABCD	Agribusiness Commercialization and Development
ADO	Associated Development Organization (TRIDEC)
BCSR	Boeing Computer Services, Richland
BHI	Bechtel Hanford Incorporated
CBC	Columbia Basin College
CDP	Community Impact/Economic Development Plan
COBRA	Consolidated Omnibus Budget Reconciliation Act
COCS	Common Occupational Classification System
Community	Cities/Citizens/Entities/Tribes affected by the activities of the Hanford Site
CRADA	Cooperative Research and Development Agreement
CRO	Community Reuse Organization
DOE-HQ	Department of Energy - Headquarters
EAP	Employee Assistance Program
Ecology	Washington State Department of Ecology
EM	Office of Environmental Management (DOE-HQ)
EMSL	Environmental and Molecular Sciences Laboratory, PNL
EPA	Environmental Protection Agency
ERC	Environmental Restoration Contract (e.g., BHI)
EST	Office of Economic & Strategic Transition & Integration (RL)
FTE	Full-Time Equivalent
FY	Fiscal Year, from October 1 to September 30
GSSC	General Site Services Contractor
HAMMER	Hazardous Materials Management and Emergency Response program and facilities
Hanford	Department of Energy's 560 square mile Hanford Site
HEHF	Hanford Environmental Health Foundation
HETC	Hanford Economic Transition Cabinet (ID, OR & WA)
HETI	Hanford (DOE/Contractor) Economic Transition Initiative
HRPC	Hanford Regional Planning Commission
ICF KH	ICF Kaiser Hanford Company
IROF	Involuntary Reduction of Force
JOBBS	Job Opportunities Bulletin Board System
JTPA	Job Training Partnership Act
LIGO	Laser Interferometer Gravitational Wave Observatory
M&O	Management and Operating (Contract, e.g., WHC)
OET	Office of Economic Transition
PETE	Partnership for Environmental Technology Education
PNL	Battelle Pacific Northwest Laboratory
RL	Department of Energy - Richland Operations Office
SETI	Sustainable (Community) Economic Transition Initiative
Site	Department of Energy's 560 square mile Hanford Site
SMES	Superconducting Magnetic Energy Storage
SMS	Site Management System
STI	Strategic Transition Initiatives Division (RL's EST)
SVRP	Special Voluntary Retirement Program
TCCP	Tri-Cities Technology Commercialization Partnership
TPA	Tri-Party Agreement between Ecology, DOE and EPA
Tri-Cities	Kennewick, Pasco and Richland
TRIDEC	Tri-City Industrial Development Council
TWRS	Tank Waste Remediation System
VROF	Voluntary Reduction of Force
WARN	Worker Adjustment and Retraining Notification Act
WHC	Westinghouse Hanford Company
WSU-TC	Washington State University Tri Cities Branch Campus

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APPENDIX B

List of Stakeholders

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APPENDIX C

Public Comments

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PART 1 - COMMENTS ON GENERAL PLANNING GUIDELINES FOR WORK FORCE RESTRUCTURING

60 responses were received after the initial work force restructuring announcement, which contained over 100 comments, concerns, and suggestions. The input was categorized into five major topic areas:

- General
- Work force restructuring
- Reinventing government
- Outsourcing
- Community impact

The comments in the categories of reinventing government and outsourcing were not addressed in this plan, and were forwarded to the cognizant RL organization for disposition.

If at all feasible, the comments in the categories of general, work force restructuring, and community impact were incorporated into the Plan. Some suggestions were not applicable, and for others incorporation was not practical. For those comments not addressed in the Plan, below is a synopsis of the comment or suggestion, and a response addressing the rationale for why it was not incorporated.

General

Comment 1: Freeze the annual budget at FY94 levels, and have the restructuring plan mandate a twenty-five percent downsizing of the Site work force over two years. Budgetary savings would be allocated to outsourcing, subcontracting, and merit increases.

Response: The arbitrary choices of the FY94 budget level, and a twenty-five percent downsizing do not take into account the work force and resource planning necessary to assure that the number of workers with the right skills are maintained on the Site. Adequate resources must be available to assure the accomplishment of the environmental management mission.

Comment 2: The plan should apply to all employees on site regardless of employer, including federal employees, M&O contractors and subcontractors.

Response: Any employee of a contractor or subcontractor of the Department of Energy employed at RL will be eligible under this Plan. At RL, the extent of benefits, such as the separation incentive programs, have limited eligibility. Other programs, such as preferential hiring, depend upon separation status, e.g. involuntary reduction of force. Otherwise, all employees who meet the eligibility criteria may receive the benefits outlined in this Plan.

Comment 3: Congressional and State representatives should be advised of the plan and the adverse impacts.

Response: As key stakeholders, the input of state and national representatives was solicited through the 120 day notification which occurred on February 14/15. Communication with the stakeholders is a continuing process. The state and national representatives, as well as all other identified stakeholders, will be continually advised of work force restructuring actions as they develop.

Comment 4: A disconnect exists between the apparent intent of the law, the down-sizing of the nuclear defense complex, and the content of the 120 day notice from the Manager, which focused on all restructuring initiatives.

Response: Although Section 3161 only applies to work force restructuring as a result of the reconfiguration of the defense complex, the Secretary of Energy has determined that the principles reflected in Section 3161 should be applied to all work force restructuring actions throughout the DOE complex.

Work Force Restructuring - General

Comment 5: The plan should be structured to acknowledge the need for a more field oriented work force to support the Environmental Restoration program.

Response: Skills mix will be addressed in the contractors' work force planning process. The DOE itself has begun a transition to field oriented staff with the location of federal employees to the various areas on the Hanford Site and the implementation of a Site Representatives program. These programs promote "hands-on" oversight and teaming with the contractors.

Comment 6: Stakeholder committees should be established to address reemployment issues.

Response: Stakeholders have several opportunities to provide input to the formulation of the Plan. With the initial 120 day notice, input was solicited which was considered in the development of the draft Plan. The draft Plan is also available for stakeholder review and comments. The comments received during this second review period have been considered in the development of this document.

Comment 7: Plan coverage should be extended to construction workers.

Response: Recognizing that some construction workers are long service employees and contributed to the end of the Cold War, limited Plan coverage has been extended to them.

Work Force Restructuring - Reduction of Force

Comment 8: A 120 day notice of employment reductions is inadequate to effectively prepare for job losses.

Response: The DOE strives to give as much advance notice of impending work force restructuring as possible. The purpose of the 120 day notice is to notify all employees and the community at large that work force changes are necessary. However, the notice does not necessarily mean that job losses will occur at the expiration of the notice. Specific lay off notification to individuals will be made only after careful consideration is given to all possible mitigating actions. If specific job losses are to occur, employees will be given a 60 day advance notice as required by the Worker Adjustment and Retraining Notification Act.

Work Force Restructuring - Outplacement Assistance

Comment 9: Local unions should contact Internationals for job availabilities.

Response: If restructuring actions do result in separations, as a part of the Outplacement Assistance program, unions will be encouraged to contact their International Headquarters regarding job identification, postings, arranging interviews, and participating in job fairs. However, RL cannot require that local unions contact their International office for job placement assistance.

Work Force Restructuring - Preferential Hiring Treatment

Comment 10: Placement assistance and preferential hiring should be arranged with the Army Corps of Engineers and the Umatilla Army Depot.

Response: If restructuring actions do result in separations, as a part of the Outplacement Assistance program, other local and regional federal agencies will be encouraged to cooperate with job identification, postings, arranging interviews, and participating in job fairs.

General Questions

Question 1: Will total employment actually be reduced by 500 to 1,000 or will increases in other areas generate either no net change or even increases in total Hanford employment?

Response: It is estimated that total Hanford employment will be reduced by 2,500 positions as a result of work force restructuring actions. It is the DOE's primary concern to prevent or mitigate adverse effects to workers through managing employment levels and training programs to accommodate all impacted workers. It is not expected that the creation of other jobs will offset the number of affected positions.

Question 2: Will performance or length of service be considered in determining layoffs?

Response: Separation programs will be handled in accordance with the individual company's policies and procedures, and applicable collective bargaining agreement in the case of represented employees.

COMMENTS ON JULY 27, 1994 DRAFT PLAN

As outlined in the section on Stakeholder Involvement, the 3161 Steering Committee comprised of community, Indian Nation, union, and employee representatives worked with RL staff to facilitate public involvement and cooperate in the review of all public comments received on the draft plan released on July 28, 1994. The result of this cooperation was a community redraft of the plan, which was written to be representative of public input received, and was submitted to RL on November 1, 1994. In review of the public input, all comments were either incorporated into the plan, or the Steering Committee provided their response to the comments they did not incorporate. These responses are summarized in Part 2 of this Appendix.

In its development of the final draft plan, RL closely considered the community redraft of the plan. Changes made by RL to the recommendations of the Steering Committee contained in their redraft, and responses to public comments not addressed by the community representatives are outlined in Part 3 of this Appendix.

Part 2 - Steering Committee Summary

The Hanford Site Work Force Restructuring Plan

INTRODUCTION
Comments received: 6

These comments dealt with the overall structure, content and tone of the first draft plan, i.e. "it was confusing," "things were too broadly defined," etc. These comments were addressed in the second draft plan with efforts to make it easier to understand. Reference boxes, definitions of acronyms, and graphics were added to aid readers.

OBJECTIVE
Comments received: 3

These comments questioned the efficiency of DOE and its contractors to achieve the objectives of the plan. Congress requires the plan to be updated no later than one year after its initial release. Over 14 specific areas were added to the second draft as topics to be reviewed for the update. An assessment will also be made regarding the degree to which the Plan objectives have been achieved.

STAKEHOLDER INVOLVEMENT
Comments received: 19

Over 80 key stakeholders were involved in writing the second draft and addressing over 700 public comments on the draft plan. Comments that the plan is not equitable to all stakeholders or to smaller communities have been addressed within the plan.

ELIGIBILITY CRITERIA
Comments received: 32

Most of the comments on Eligibility asked for clarification on why: 1) certain dates were chosen and 2) only certain contractors were listed. The second draft plan clears up these questions by providing more information on the business/government decisions driving these choices. Other Eligibility comments protested the criteria as too restrictive. The Stakeholder Steering Committee feels that the Eligibility Criteria are fair.

PREFERENCE IN HIRING, NOTIFICATION AND MEASURING RESULTS
Comments received: 18

A substantial change was made by the Stakeholder Steering Committee on Preference in Hiring by extending preference to Voluntarily Separated Workers who complete the Training and Education program.

Retaining the Work Force

WORK FORCE PLANNING/ INTERNAL TRANSITION OF EXISTING STAFF
The Work Force Planning Committee received 30 public/employee comments

The key issues of concern were:

- Clarification on the "Hanford Integrated Work Force Planning Process" model.
- Work Force Impacts and identifying specific occupational job classifications that will be affected.
- Creating a unified system for Work Force Planning 5 - 10 years out.
- Making all of the above information available to the public.

The majority of these comments were incorporated into the plan with the exception of: "Avoid having principal contractors project the work force by using an outside contractor."

Reason: It is the job of the current contractors to maintain adequate human resources to fulfill the terms of their contract; projecting the work force is required of them as part of their normal business.

Programs for Separated Workers

This portion of the plan received the majority of public comments.

EARLY ENHANCED RETIREMENT
Comments received: 363.

The enhanced retirement portion of the plan received a disproportionate number of comments. Each comment was reviewed by the Stakeholder Sub-committee for Separations and representatives from RL.

Most of the comments regarding early retirement were questions regarding the individual's eligibility for receiving the early enhanced retirement option and how it might affect their personal situation. The committee could not answer these individual questions efficiently. However, the committee took the underlying message in these comments into consideration when drafting their section. A recommendation was made for employees to consult with their Human Resources Office regarding how the plan will affect them personally, see page 28.

One hundred eleven comments were received asking that the "3 years for age/3 years for service" incentive be changed to an "optional 6." These suggestions were taken into account and incorporated into the plan. Although the early retirement incentive was changed by RL, the committee recommended that: 1) the "optional 6" be given, 2) the bridge payment remain at $250, and 3) the ban on reemployment remain at one year. (The final decision was to lower the bridge payment to $125. See page 29.)

BAN ON REEMPLOYMENT
Comments received 36

No changes were made to the draft plan as a result of the comments on this topic. Language in the draft plan was expanded, however, to more fully explain the purpose of the ban. Responses to comments are as follows:

Comments recommending complete removal of the ban:

> The cost savings objective of enhanced early retirement will not be fully realized if many of the participants return to Hanford jobs within one year, even on a part-time basis. In specific instances where critical skills and knowledge are involved, RL may approve exceptions to the ban.

Comment recommending shorter ban period:

> A reemployment ban of one full year will be needed to help achieve the cost savings that justify the enhanced retirement incentives.

Comment recommending that the plan should clarify that retired employees may be hired by commercial companies:

> The plan generally does not affect the rights of retired employees to work elsewhere. Some restrictions may apply, however, if the employment involves working at essentially the same job through a sub-contractor.

Comment recommending the rehiring of up to 10% of participants in enhanced retirement:

> RL may approve the rehiring of retired employees when clear needs exist, although the extent of those needs is unpredictable. Leaving the percentage of allowable exceptions to the ban makes the plan more feasible.

DIFFERENCE BETWEEN SITE PLANS
Comments received: 80

Several items were incorporated into the second draft which addresses these comments. First, RL engaged Wyatt Actuaries to study if the Hanford Site Plan was comparable to plans at other sites, specifically Oak Ridge and Savannah River. They concluded that it is comparable to, if not better than, the plans at other sites. The study and the site plans for all other DOE sites are available for review at the DOE Public Reading Room.

OTHER

All other comments were incorporated into or addressed within the second draft Plan.

Special Programs

PREFERENCE IN HIRING
See above

TRAINING AND EDUCATION/ OUTPLACEMENT ASSISTANCE
Comments and Responses:

Provide outplacement assistance to early retirees. It will provide a retirement incentive. It will help businesses in the Tri-Cities locate qualified people and be an incentive for new companies to locate here. Younger retirees have energy, knowledge and skills to offer. Excluding early retirees is a form of age discrimination.

> The plan's existing incentives for early retirement are considered adequate, and in fact, are clearly more generous than the VROF and IROF packages.

The executive summary and the plan only speaks to the number of employees affected in calendar year 1994, what about out years? It seems there will be more employees affected in 1995 and later, but there is no identification of what is planned by DOE on this subject.

> This comment isn't peculiar to Outplacement Assistance and should be addressed elsewhere. However, the section on Measuring Results and Updating the Plan (page 60) does indicate that the results of this restructuring plan will be evaluated and that the plan will be updated on a yearly basis to reflect any relevant changes in circumstances.

It seems that the market survey which is planned as a training and education service can also serve as an outplacement service.

> It can be expected that survey data will be shared between the assistance programs.

The plan provides little detail on how the various services that are contemplated will be implemented.

> This has been addressed in the text of the plan.

Costs of the various services are not identified.

> Cost of each outplacement assistance service depends on the extent of its use, which in some cases could be none at all, while in other cases could be very extensive.

How will the effectiveness of each service be evaluated?

> Initiation of services (the order and extent) will be based on previous experience in managing work force reductions. Effectiveness will be evidenced by the extent to which the various services are helpful to users' efforts to secure other employment.

The final draft of the plan should compare...outplacement programs for Hanford with those implemented at other DOE locations.

> Site-by-site comparisons have been made of this and other elements of the sites' plans. However, specific similarities or differences are not necessarily meaningful, as conditions which influence the need for, and practicality of, outplacement assistance are not equal. Differences exist with regard to such factors as numbers of impacted employees, skills involved, local and regional economic circumstances, local and regional job market conditions, etc.
>
> As a generality, Hanford's outplacement assistance services are consistent with DOE guidelines, and each is equivalent to the most liberal of those at other DOE sites, with one exception: Hanford's relocation allowance has a $3000 limit, while some sites provide up to $5000.

Where will workstations be located and during what hours will they be available? Where and how often will outplacement workshops be offered, and how can a person register to attend?

> Locations, operating schedules, registration procedures, and other pertinent details of these and other outplacement services will be publicized in the news media and posted in offices of job placement service agencies identified in the Outplacement Assistance section of the Plan.

Clarify the difference between relocation package and relocation assistance. [These terms appear at the end of the Outplacement Assistance section of the plan.] Which organization is responsible for these costs -- the sending organization or receiving organization?

> Relocation package refers to the established practice of a DOE operation or contractor to mitigate the moving expenses incurred by certain employees who are hired or transferred into its organization. Thus, it is provided by the receiving organization. Provisions of the package may vary from one organization to another.
>
> Relocation assistance is other help provided by this Plan (moving expenses up to $3000) for persons who are not eligible for a relocation package. As stated in the plan, the allowable amount will be given by the Hanford Site employer -- the sending organization.

Relocation allowance should include moving expenses for a move to any job, not just to another DOE site, contractor or subcontractor.

> The plan as constituted already represents a liberal application of this provision by including DOE contractor and subcontractor locations other than DOE sites, which are not mentioned in the enabling federal law (Section 3161). The law says other Department of Energy facilities and DOE Headquarters guidelines say another Department site.

Extend the eligibility limit for outplacement assistance from one year to two years, to accommodate those who complete school using the tuition plan (2 years after layoff) and provide more time to find a new job.

> The plan now states (page 41) that outplacement services will be available to separated workers for a period of one year following termination or until they are gainfully reemployed, whichever comes first. It is felt that this is a reasonable commitment of resources for job-search assistance. Students who continue their studies into a second year (or beyond) can be expected to utilize either the student placement office that is available at most educational institutions, or local government or private employment services.

Clarify whether outplacement assistance will be available to others besides RL and its contractors, such as intermittent workers as mentioned under TERMINATION PAYMENT FOR INTERMITTENT WORKERS.

> This has been clarified in the text of the plan.

Will outplacement assistance be provided only to those who have received a layoff notice after having exhausted all internal placement opportunities? The benefits should be limited to employees in layoff status, not just for fishing.

> Outplacement assistance is not intended to provide job-fishing services to employees whose positions are not impacted by work force reductions.
>
> The outplacement services will be available to those eligible employees (as defined on page 41) who are notified in writing by their employer that their job is, or is expected to be, surplus. Normally such notice is not given if internal placement opportunities still remain. Employees who have received such notice need not wait until they have been separated before using available services.
>
> The services will also be available to employees who exercise the voluntary reduction of force option.

Why is procurement of outplacement assistance services from an external source limited to an as-needed basis?

> The term was intended to indicate that such services will be procured if they are needed, but not if they aren't. Since that intent is made clear in other words elsewhere, the term has been deleted.

Are all DOE complex jobs available through the JOBBS system?

> The plan text now states that the system matches affected employees' resumes with job opportunities across the DOE complex.

When Hanford work is outsourced, the employer who assumes the work should be required to give hiring preference to affected Hanford employees.

> This has been discussed in the Community Impact and Economic Development section of the plan.

<u>Community Impact and Economic Development</u>

The Community Impact and Economic Development Committee received 88 public/employee comments

The key issues, concerns, and recommendations were broken down into eight sub-categories which have been addressed in the current Plan (see Part VI and Appendix G). Several specific recommendations were not included in the Plan. They are described below in "Comments Not Included" with reasons for excluding these recommendations.

A brief sampling of the comments or discussion about the comments that were incorporated in the Plan are noted in these eight sub-categories:

- General Comments (including Goals, Drivers, Summary of Near Term Actions, Planning and Policy Activities)
- Private Sector Partnerships (Leveraged Outsourcing/Privatization)
- Economic Conversion of Assets
- Infrastructure Transition
- Worker Training/Retraining (Impacting Community/Economic Development)
- Technology Transfer and Commercialization
- Issues, Barriers and Resolutions
- Special Projects (including New Federal Missions)

GENERAL COMMENTS
Sampling of Comments

These comments expressed support for including a community impacts section in the Plan; wanted the plan to be more specific than the July 1994 draft had been; pointed out the benefits to the Communities and to economic development from having an early retirement and voluntary separation plan that permitted many of the displaced workers to remain in their respective Communities; wanted the plan equitable to other sites; wanted to limit stakeholders to "true stakeholders" negatively impacted by Hanford's restructuring; pointed out need to keep smaller communities and/or communities not in Benton/Franklin counties regularly involved in the planning, communication, funding and interaction stages of the 3161 process; expressed concern that the job of replacing the Hanford jobs was difficult and that relying solely on environmental cleanup industries to be started or recruited to the Communities was ill advised. Many other comments were reviewed and incorporated into the Plan.

PRIVATE SECTOR PARTNERSHIPS (including Leveraged Outsourcing/Privatization)
Commentary

Emphasis on this economic transition tool varied substantially in the comments. Some comments were critical of using leveraged outsourcing to create jobs, stating that it would transfer existing high paying internal jobs to lower pay external jobs. Others lauded this approach as being the highest priority providing displaced workers with local/regional jobs and providing the Communities with diversified industries less dependent on government and/or Hanford. Still others noted the national "competitiveness" mandate or the need to emphasize "dual" federal/private use. At least one commentator suggested the need to reduce or eliminate the disparate views about leveraged outsourcing using negotiations between labor, management and the Communities. A common thread among comments received in this section (and other areas) was the need to involve stakeholders early in the process. The committee felt these different views appear to be resolvable. Driving the need to resolve these differences is the fact that business as usual is likely to create the largest adverse impact on the largest number of stakeholders.

ECONOMIC CONVERSION OF ASSETS
Commentary

The more common view of this economic transition tool was related to conversion of Hanford assets under the Atomic Energy Communities Act. (A local example is the recently converted Hanford Metal Working Equipment.) Used in the broader context of any Hanford-related asset, e.g., land, personnel, intellectual property, future contracting and procurement actions, etc., then a number of commentators offered recommendations about this sub-category. Excluding the potential misapplication of outsourcing or privatization without the appropriate "leverage," there was strong support for continuation and expansion of asset conversion.

INFRASTRUCTURE TRANSITION
Sampling of Comments

Other than several comments dealing with physical improvements and basic Site services (covered in detail in Appendix G), comments in this category were generally related to other sections in Part VI or to other parts of the Plan. Comments included a heavy emphasis on entrepreneurial training, start-up business training, training or coaching about how to utilize the leverage outsourcing and other transition tools; conversion of Hanford assets, e.g., fabrication capabilities staffed with displaced Hanford workers and available Community work force adversely affected by the transition; and investment of a portion of future Hanford productivity savings in Community infrastructure such as destination retirement amenities. Investments in infrastructure, including brick and mortar investments if necessary, were judged to be important for mitigating adverse impacts of transition.

WORKER RETRAINING (related to Community Impact and Economic Development)
Commentary

Comments emphasized using all training opportunities available to the Communities to mitigate the adverse impacts of restructuring. While the Plan calls attention to a few examples of training that could lead to a new Community industry with national and international markets, no training avenues are intended to be excluded. New initiatives like the Columbia Basin College training center, on-going programs like PETE (Partnership for Environmental Technology Education) Northwest, and existing training forums and councils need to be linked and collaborative to provide the greatest potential for benefits to workers, the Communities and Hanford.

TECHNOLOGY TRANSFER
Commentary

Technology transfer can be or is involved in virtually all of the economic transition actions taken to mitigate adverse economic impacts from restructuring. Comments covered almost all aspects of this broader definition of technology transfer including actions taken to improve technology transfers out of Hanford and into Hanford; actions to help the inventor or originator of technology have a greater chance of success; mentoring using either entrepreneurial leaves of absence or the already approved staff exchanges; steps to improve private investment in Hanford technologies when started up within the Communities or using displaced Hanford workers; added emphasis on partnerships that lead to greater or accelerated transfers of technology or emphasize greater participation by the private sector; and others.

ISSUES, BARRIERS AND RESOLUTIONS
Sampling of Comments

This section had one of the highest number of specific comments, totaling about 20. Typical examples of the comments were: rapidly identify and resolve barriers to economic diversification initiatives; facilitate Hanford contracting and purchasing with local companies and with companies who locate in the Communities; provide incentives like sole or preferential sourcing to Hanford spin-out companies or Hanford technology based companies located in the Community; streamline leasing and transfers; use and enforce standards for private partnerships and infrastructure; permit employee equity in spin-outs and outsourced companies; plan, especially relative to comprehensive land uses and put more focus on long term planning in general; broaden definitions of stakeholders beyond Benton/Franklin Counties, i.e., all impacted by restructuring regardless of jurisdiction and wherever located; and others.

USER FACILITY SPECIAL PROJECTS
Commentary

This section was added based on commentators who wanted to ensure that DOE and the region not give up on the possibility of new missions, especially federal-based missions that would benefit from using the Hanford site assets. Examples included the Laser Interferometer Gravitational Wave Observatory (LIGO) and the Superconducting Magnetic Energy Storage (SMES) demonstration unit. Some sites are aggressively seeking new missions and the Communities and RL should do the same. Related to new missions were comments recommending that Battelle and the Pacific Northwest Laboratory mission be maintained and expanded.

COMMENTS NOT INCLUDED
Commentary and Sampling of Comments

Two types of comments related to Community Impact and Economic Development were not included in the Plan:

1. Several commentators requested that specific communities, geographic regions and other entities be mentioned in the Plan. For example, Sunnyside, lower Yakima Valley and Yakima were requested to be specifically named in the Plan. Moreover, some stated that it appeared to be heavily biased towards those in Benton and Franklin Counties or towards TRIDEC. In contrast, others stated that they wanted the plan to exclude all but selected regions such as Benton and Franklin Counties and to not emphasize or include some entities. Neither of these opposite views were incorporated in the Plan. In drafting the Community Impact and Economic Development part of the Plan, no individuals or entities are excluded provided they are negatively impacted by the Hanford Work Force Restructuring activities. The definitions and text in the Plan make this point clear. It was assumed in drafting the Plan that there would be some rational basis for allocating resources associated with the Plan in approximate proportion to the magnitude of the adverse impacts to the various communities, geographic regions and other entities.

2. Several commentators suggested that leveraged outsourcing, use of subcontractors or other third parties, or any actions taken to disturb the status quo could be detrimental to the existing work force at Hanford. Others, including the Hanford Economic Transition Initiative (RL/Contractors initiative) and the Sustainable Economic Transition Initiative (TRIDEC initiative), generally take a different or significantly modified point of view. This Plan reflects the latter view. If the actions taken are to increase, not decrease, the opportunities for longer term employment (especially for the work force displaced by Hanford restructuring and downsizing) and greater economic stability in the area, then this Plan generally supports those actions. In addition, such actions that decrease Hanford's costs become triply important -- to the Communities, the displaced workers, and Hanford. Actions taken solely to reduce Hanford's costs, i.e., become more cost effective, are not addressed in this Community Impact and Economic Development part of the Plan. Cost reduction actions are the basis for the balance of the Plan that deal with reducing the work force at Hanford through early retirement, voluntary separations and involuntary reductions in force. Except for the section on Special Projects (including New Federal Missions), the measures outlined in the Community Impact and Economic Development part of the Plan focus primarily on replacement businesses and industries, spin-outs, and new start-ups that should be capable of providing high value or family wage jobs. If this Plan is successful most of these replacement jobs will occur throughout the Communities in diversified industries owned and operated by the private sector.

Measuring Results and Updating the Plan

See Above

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COMMENTS ON JULY 27, 1994 DRAFT PLAN
Part 3 - DOE Summary

Format changes to Community Draft:

1. The full page Executive Summary from the July 27 draft was edited and reinserted to the Steering Committee's draft to provide a comprehensive overview to the Plan.

2. A Table of Contents was added.

3. Abbreviations was moved to Appendix A.

4. Volume 2, Part I (comment summary and response) was incorporated into the Plan as Appendix C.

5. Appendices from the original draft were reincorporated, including Employee and Community Notification (Appendix D), and List of Stakeholders (Appendix B)

6. The Benefits Matrix on page 28 was corrected and incorporated as Appendix F.

7. Volume 2, Part V outlining the communities' recommendations to HETI was moved to Appendix G.

8. HQ guidance on updating work force restructuring plans was incorporated as Appendix H.

9. Additional boxes were added with additional reference items.

10. Volume 2, Parts II, III, and IV were removed from the Plan. These binders contain background information such as transcripts from the public workshops, copies of all written comments, and the HQ guidelines and are available through the DOE Public Reading Room.

The text of the draft was edited for technical accuracy, grammar, and flow of ideas. Changes in concepts or policies are outlined below.

Part I - Stakeholder Involvement
STAKEHOLDER INVOLVEMENT

- The first round of public comment on the General Planning Guidelines for Work Force Restructuring was omitted from the Steering Committee's draft and was reinserted from the July 27 draft.

- Distribution of the draft Plan to the local communities and on Site was omitted from the Steering Committee's draft and was reinserted from the July 27 draft.

Part II - Background

INTRODUCTION

- DOE's transition from defense production to clean up has been a gradual change and this was revised from the Steering Committee's draft.

- The Steering Committee's draft was corrected to reflect that the Plan is submitted to DOE-HQ for approval and to Congress for review and comment.

- The Tri-Party Agreement was referenced but not explained in the July 27 draft and the Steering Committee's draft. A brief explanation was added.

ELIGIBILITY CRITERIA

- Definition of eligible intermittent employees was corrected from that in the Steering Committee's draft.

- The Steering Committee defined "lower tier" contractors as extending only to the first level. This was corrected.

Part III - Retaining the Work Force

WORK FORCE PLANNING

- Corrections from the Steering Committee's draft were made to the outputs and capabilities of the model.

Part IV - Programs for Separated Workers

MEDICAL BENEFITS

- Eligible employees was corrected to reflect only M&O employees.

FUNDING

- This section was revised to include more information, and moved to the section on Funding and Measurement.

SEPARATION INCENTIVES - Enhanced Retirement

- Corrected to reflect program approved by HQ on October 18. In accordance with business objectives and cost considerations, the original program was revised to a 3+3 flexible plan.

- To counter increased costs of the flexible 3+3, the bridge payment was lowered from $250 to $125 per month.

- The Limited Reemployment provision was increased from 1 year to 3 years to further RL's goal of reducing site employment numbers.

- Eligibility Matrix is a summary of information in the Plan, and as such was moved to Appendix F.

- The issue of linking service from all site or all DOE contractors for the purposes of retirement eligibility and pension computation was not addressed by the community teams. It is separate from that of work force restructuring and will not be addressed in the Plan.

- Suggestions for additional or enhanced medical benefits, life insurance coverage, and pension computations were not considered. Retiree benefits programs are administered in accordance with the negotiated M&O contracts/advance understandings.

Part V - Special Programs

PREFERENCE IN HIRING

- The Steering Committee added a preference to voluntarily separated employees who utilize the Training and Education Assistance program, after Federally mandated preferences, such as Veteran's, and after involuntarily separated employees. RL concurs.

TRAINING AND EDUCATION

- Reference to DOE support to entrepreneurial development and technology commercialization was not relevant to this section and was referred to the Community Impact Assistance section.

- Apprenticeship program was modeled after provisions in the Rocky Flats and the Idaho PTI work force restructuring plans. RL concurs.

- The environmental restoration scholarship assistance and the Teacher's assistance were added. These are standard programs which individual sites are responsible for implementing, and for which Department of Defense contacts have been arranged by HQ. RL concurs.

- The Steering Committee specified that employees given notice of lay off were allowed to retrain on work time. RL concurs.

- The Steering Committee expanded the term of the educational assistance from two years to three years to add flexibility with no increase in total monetary benefit. RL concurs.

- The Steering Committee expanded the use of the educational assistance to include child care while attending class. RL concurs.

OUTPLACEMENT ASSISTANCE

- The Steering Committee stipulated that outplacement assistance would be available for a period of one year following termination or until they are gainfully reemployed, whichever comes first. RL concurs.

- Additional information regarding the operation of the JOBBS system was reinserted from the July 27 draft for clarity.

- The statements under Resume Distribution regarding worker eligibility and participation is applicable to the entire section and was moved to the section introduction.

- The Interstate Job Bank was added by HQ. This is a standard program which individual sites are responsible for implementing, and for which a Department of Labor contact has been arranged by HQ.

- The Relocation Stipend was changed by the Steering Committee from $2,000 to $3,000, which is within the HQ guidance ranges. RL concurs.

- Relocation Expenses box was eliminated. This appeared to serve as background to the community representative's increase of the relocation stipend to $3,000, and may have been better placed in the appendix on responses to community input.

Part VI - Community Impact and Economic Development

The Community Impact Assistance section in the July 27 draft plan was a summary of the Hanford Economic Transition Initiative (HETI). Through the public involvement process, RL cooperated with community representatives to create a document outlining goals and success indicators of an economic development plan. This plan was reflected in the November 1 draft. Simultaneously, the HETI Program Plan was developed and submitted to RL for review. This document reflects the business lines RL will follow in pursuing economic development and diversification for the region while partnering with the community for a sustainable local economy. The HETI Program Plan will be the guidelines RL will follow to implement economic development.

The draft submitted by the community steering group on November 1 was edited to more clearly delineate responsibilities for economic initiatives between community entities and RL. Appendix G reflects the communities' recommendations and interpretations of the HETI business lines. Goals and success indicators are reflected in this section and RL will work with the communities to accommodate, where practicable their desires, and economic demands. DOE will support the communities' plan to the extent such plans are consistent with DOE needs and resource limitations.

Part VII - Measuring Results and Updating the Plan

- Funding and Costs were moved to this section, and information from the July 27 draft was reincorporated and updated.

- This plan will be updated in accordance with Section 3161 and applicable DOE guidance.

APPENDIX D

Employee and Stakeholder Notification

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Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

HANFORD WORK FORCE RESTRUCTURING PLAN

During the next several months, the Department of Energy's (DOE) Richland Operations Office (RL) and some of its major contractors will be undertaking a number of initiatives which will result in restructuring of contractor work forces on the Hanford Site. These initiatives are being taken to improve the cost effectiveness and efficiency of operations, and are not a result of funding reductions. Between 500 to 1000 jobs could be eliminated by these actions. RL will be consulting with workers and other stakeholders in the development of a work force restructuring plan aimed at mitigating the impact of these actions on the affected workers.

Initiatives that will lead to work force restructuring but which seek to reduce costs and help assure the economic viability of the Tri-Cities region include: privatization of site operations now being carried out by Hanford Site contractors; implementation of new contracting arrangements; a realignment of the Westinghouse Hanford Company (WHC) management structure; elimination of duplicative activities of WHC and its subcontractor, Kaiser Engineers Hanford Co., through the merger of some elements of their respective staffs; and, implementation of new business practices resulting from the Reinventing Government initiative and the Tri-Party Agreement cost initiative. A copy of the Privatization Agreement that was reached through dialogue between the Department and local and national union representatives is enclosed. In addition, some minimal work force restructuring actions may be necessary from time to time in the Pacific Northwest Laboratory because of changes in national priorities or tasking from program sponsors.

Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) requires the Secretary of Energy to develop a work force restructuring plan in consultation with stakeholders to mitigate the impact on workers and communities of work force changes at the DOE's current or former defense nuclear facilities. Because of the actions identified above, the Richland Operations Office will consult with stakeholders in the preparation of a workforce restructuring plan for calendar year 1994. The plan will address initiatives to minimize involuntary lay-offs and to assist affected workers. These initiatives include separation incentives, retraining, outplacement support, preference in hiring for jobs at other DOE facilities, and relocation assistance. The plan will also address potential economic development opportunities which may help mitigate the impact of job losses on the local community.

As a Hanford stakeholder, we would appreciate receiving your comments regarding the contents of a Hanford Work Force Restructuring Plan. To assist you in formulating your comments, a copy of the DOE's general work force restructuring planning guidelines, dated April 22, 1993, is enclosed. A similar invitation for comments has been sent to Hanford employees.

Please respond in writing by March 1, 1994. RL will then prepare a draft Workforce Restructuring Plan, giving full consideration to the requirements and objectives of Section 3161 and to your comments. We will provide that draft plan for further review and comment by those who wish to participate. Please indicate in your initial response if you wish to receive a copy of the draft plan. Your response should be addressed to:

Mr. Fred Rutt, Chief
Contractor Industrial Relations Branch
Richland Operations Office A1-55R
P. O. Box 550
Richland, WA 99352

We look forward to hearing from you.

Sincerely,

John D. Wagoner
Manager

Enclosures

ATTACHMENT 1

NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 1993
SUBTITLE E - DEFENSE NUCLEAR WORKERS

SEC. 3161. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE RESTRUCTURING PLAN

(a) IN GENERAL.- Upon determination that a change in the workforce at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the work force for the defense nuclear facility that takes into account-

(1) the reconfiguration of the defense nuclear facility; and
(2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

(b) CONSULTATION.-

(1) In developing a plan referred to in (a) and any update of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(c) OBJECTIVES.- In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

(1) Changes in the work force at a Department of Energy defense nuclear facility-
(A) should be accomplished so as to minimize social and economic impacts;

(B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and

(C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.

(2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in hiring of the Department of Energy [consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-89; 103 Stat. 1682)].

(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

(4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.

(5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).

(6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with-

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Part D of Public Law 101-510; 10 U.S.C. 2391 note); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(d) IMPLEMENTATION.- The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of labor, work force bargaining units, and States and local communities in carrying out a plan required under subsection (a).

(e) PLAN UPDATES.- Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall-

(1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information, and provide for such other matters as the Secretary determines to be relevant.

(f) SUBMITTAL TO CONGRESS.-

(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

ATTACHMENT 2

GENERAL PLANNING GUIDELINES FOR WORK FORCE RESTRUCTURING

BACKGROUND

The National Defense Authorization Act for Fiscal Year 1993 (the Act), enacted into law on October 23, 1992 (Public Law 102-484), includes a requirement under Section 3161 for the Secretary of Energy to develop a plan for restructuring the work force for a defense nuclear facility, taking into account reconfiguration and the most recent nuclear weapons stockpile plan, whenever there is a determination that a change in the work force is necessary. The Act provides specific objectives to guide the preparation of a plan to minimize the impact on workers, to include retirement incentives, retraining, preference in hiring at other facilities, relocation assistance, and consultation with various government and non-government groups. A plan is due to the Congress within 90 days of notification to affected workers of a restructuring action; and the notification should occur 120 days in advance of the restructuring.

The following stakeholders are affected by, or involved in, either the planning or implementation of the legislative objectives: Departmental Headquarters and Operations Offices; Management and Operating contractors, and other prime contractors and subcontractors at Department of Energy sites; the workers for these contractors; the bargaining representatives for these workers; other Federal Government agencies, particularly the Department of Labor, Commerce and Defense; State and local governments; community groups; and institutions of higher education.

A task force of Defense Programs, Environmental Restoration and Waste Management, Contractor Human Resource Program, General Counsel, and Operations Office representatives has been considering the implication of Section 3161. Several operations offices have requested Headquarters guidance on what elements should be contained in a work force restructuring plan. It is the view of the task force that the operations offices, in consultation with the appropriate stakeholders, are in a better position to understand the needs unique to a particular work force restructuring. Accordingly, the following is offered in a general sense only, and should not be regarded as all inclusive or exclusionary.

1. Section 3163 of the Act provides definitions that apply to section 3161: the term "DOE employee" means any employee of the Department of Energy employed at Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility. As a general matter, offering all benefits to all prime contractor and subcontractor employees may not be appropriate. Typically, non-Management and Operating contractors and subcontractors are brought to Department of Energy sites for short-term and specific specialized activities and released when the job is completed. In some cases, however, non-Management and Operating contractor and subcontractor employees may have worked several years at a Department of Energy facility. Each operations office should evaluate its particular site subcontractor relationships and submit plans accordingly.

2. An objective of the section is to provide 120 day notification before commencement of work force changes. The Act does not provide specific guidance on what constitutes notification. Notification could be a broad announcement to the employees and the community that work force changes at the location are required. If the notification is a broad announcement, specific individual notifications should come later, after careful consideration is given to all possible actions to minimize impacts to workers. If layoffs are required and fall under the provisions of the Worker Adjustment and Retraining Notification Act, employees must be given 60 days layoff notice.

3. The section cites that, "to the extent practicable," affected employees shall receive preference in any hiring of the Department of Energy. To implement this, the task force proposes that all Department of Energy Management and Operating contractors be directed to review resumes of interested Management and Operating contractor displaced workers and give these displaced workers priority consideration before hiring other off-site applicants. In addition, the Office of Contractor Human Resource Program in the Office of Procurement, Assistance and Program Management will develop a process for resume exchange and will work with the operations offices to implement this process.

4. An objective of the section is that the Department of Energy should provide relocation assistance to employees who transfer to other Department of Energy facilities as a result of the plan. In general, a Management and Operating contractor which hires a displaced employee may choose to follow its normal practice of paying relocation costs. A work force restructuring plan could make other accommodations, however, consistent with applicable requirements.

5. Since no funding was specifically appropriated for the Department of Energy to implement Section 3161 in Fiscal Year 1993, and limited funds have been identified in the Fiscal Year 1994 budget, certain budget responsibilities need to be assigned. At present, the task force proposes that funding the implementation of the section be the responsibility of the program that funds the activity subject to the work force restructuring, with the exception of specific retraining into certain jobs, e.g., environmental and waste management activities, where the program that will gain the services of the employee should pay for the retraining. Other common support efforts, where several programs will benefit from the effort, could be cost-shared on mutually agreeable terms. In addition to Departmental funding, the Department is looking into other potential funding sources that could support work force restructuring initiatives, including those available through the Job Training Partnership Act at the Department of Labor, the Economic Development Agency at the Department of Commerce, and the Office of Economic Adjustment at the Department of Defense.

6. A significant policy issue related to the implementation of the requirements of Section 3161 is the potential development of two classes of displaced workers ("defense" and "nondefense" employees) at the same site or even within the same Management and Operating contract, which also may be covered by the same bargaining agreement. This could result because section 3161 requires the Department to prepare restructuring plans only with respect to changes in work forces at a defense nuclear facility. The Secretary believes, however, that the objectives of Section 3161 be applied Department-wide for all Management and Operating contractors, regardless of program funding source.

7. It currently appears that almost every defense nuclear facility site may have significant work force changes as a result of the Fiscal Year 1994 budget. If the Department finds during initial implementation of Section 3161 that some of our sites expect only small work force changes, we may seek Congressional approval to establish an annul threshold of work force change that would require submittal of a plan to Congress. In implementing the objectives of the legislation for nondefense nuclear facilities, the task force proposes establishing a threshold of annual site-wide staff impacts that exceed 250 employees.

Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

Community/Hanford Stakeholders (To be addressed individually)

Dear _____

DRAFT HANFORD WORK FORCE RESTRUCTURING PLAN

As I announced on February 14/15, 1994, the Department of Energy's (DOE) Richland Operations Office (RL) and some of its major contractors will be undertaking a number of initiatives which will result in the restructuring of contractor workforces on the Hanford Site. This announcement detailed the requirements of Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) which requires the Secretary of Energy to develop a Work Force Restructuring Plan in consultation with stakeholders to mitigate the impact on workers and communities of work force changes at the DOE's current or former defense nuclear facilities.

In response to this announcement and call for input from stakeholders regarding the contents of a restructuring plan, RL received over 100 comments and suggestions from the community and workers on the Hanford Site. These comments were fully considered along with the requirements and objectives of Section 3161 in the development of a draft Work Force Restructuring Plan.

The resulting draft of RL's Work Force Restructuring Plan is now being distributed for further stakeholder review and comment (copy enclosed). Copies of the draft Plan are also being made available for review at multiple locations, including city halls, educational institutions, public libraries, and on the Hanford Site.

This draft Plan may need to be revised in the near term to incorporate anticipated policy guidance from DOE-Headquarters (HQ) on implementation of Section 3161 requirements. However, we believe this draft Plan closely mirrors what the policy will require.

Responses should be submitted in writing by August 31, 1994. RL is very much interested in obtaining the views of its stakeholders on the draft Plan. Accordingly, "interactive style" public involvement workshops are being planned to orient the community and stakeholders regarding the provisions of the draft Plan and to openly solicit their views and assistance in developing the final Plan. Comments resulting from these sessions will be considered along with all written comments received. The location and dates of these workshops will be announced in the near future.

RL will then prepare a final draft Work Force Restructuring Plan which will be submitted to DOE-HQ for approval. Written comments should be addressed to:

Mr. Dominic Sansotta, Acting Chief
Contractor Industrial Relations Branch
Richland Operations Office A1-55R
P. O. Box 550
Richland, WA 99352

We look forward to receiving your comments.

Sincerely,

John D. Wagoner
Manager

Enclosure

DOE NEWS

FOR IMMEDIATE RELEASE
July 28, 1994

DRAFT WORK FORCE RESTRUCTURING PLAN RELEASED FOR PUBLIC REVIEW

The Department of Energy's Richland Operations Office has released its draft Work Force Restructuring Plan for public review and comment. The draft plan is designed to assist the Department in mitigating the impact of work force changes on workers and the community.

The Department announced in February 1994 to all Hanford employees and the public that a number of initiatives to improve efficiency and reduce costs associated with the cleanup of the Hanford Site would likely result in the reduction of a portion of some of its major contractor work forces. At that time, public input was solicited for the development of a work force restructuring plan. The draft plan is a result of that employee and public input.

The draft plan details specific actions the Department would implement to ease the impacts of job losses at Hanford. Key elements of the draft plan include: training and education assistance, outplacement assistance, extended medical benefits, separation incentive programs, preference in hiring, and community impact assistance.

Employees at Hanford and the public are encouraged to review the document and provide comments on the draft plan to the Department by August 31, 1994. The draft plan is being placed in a variety of public locations for review (locations listed on the following pages). One or more public workshops are being planned to provide employees, the community and other interested members of the public an opportunity to ask questions and develop comments. Dates, locations and times will be announced later.

Comments on the draft plan may be submitted in writing by August 31, 1994, to:

Mr. Dominic Sansotta, Acting Chief
Contractor Industrial Relations Branch
Richland Operations Office
P. O. Box 550 A1-55R
Richland, WA 99352

# # #

MEDIA CONTACT: Mike Talbot, Office of Communications, (509) 376-7501
RL-94-190

DRAFT WORK FORCE RESTRUCTURING PLAN
COMMUNITY DISTRIBUTION LIST

Washington State City Halls:

Benton City
709 Ninth St.
Benton City, WA 99320
588-3322

Grandview City Hall
207 W. 2nd St.
Grandview, WA 98930
882-9200

Kennewick City Hall
210 W. 6th Ave.
Kennewick, WA 99336
586-4181

Pasco City Hall
412 W. Clark
Pasco, WA 99301
545-3402

Prosser City Superintendent
601 7th
Prosser, WA 99350
786-3831

Richland City Hall
505 Swift Blvd.
Richland, WA 99352
943-9161

Sunnyside City Manager
818 E. Edison
Sunnyside, WA 98944
837-3997

Toppenish City Manager
21 West 1st Ave.
Toppenish, WA 98948
865-5000

Walla Walla City Hall
15 N. 3rd
Walla Walla, WA 99362
527-4522

Washington Libraries:

Mid-Columbia Library Benton City Branch
708 Ninth St.
Benton City, WA 99320
588-6471

Bleyhl Community Library
311 Division
Grandview, WA 98930
882-9217

Mid-Columbia Library Kennewick Branch
405 S. Dayton St.
Kennewick, WA 99336
586-3156

Mid-Columbia Library Pasco Branch
1320 W. Hopkins
Pasco, WA 99301
545-1019

Prosser City Library
902 7th
Prosser, WA 99350
786-2533

Richland Public Library
955 Northgate Dr.
Richland, WA 99352
943-7454

Sunnyside Library
621 Grant Ave.
Sunnyside, WA 98944
837-3234

Mary L. Goodrich Library
1 S. Elm
Toppenish, WA 98948
865-3600

Walla Walla Library
238 E. Alder
Walla Walla, WA 99362
527-4550

Washington State City Halls:

West Richland City Hall
3805 W. Van Giesen St.
West Richland, WA 99352
967-3431

Yakima City Hall
129 N. 2nd Street
Yakima, WA 98901
575-6040

Zillah City Hall
111 7th
Zillah, WA 98953
829-5151

Oregon State City Halls:

Hermiston City Hall
180 N.E. 2nd
Hermiston, OR 97838
567-5521

Umatilla City Hall
912 6th
Umatilla, OR 97882

Educational Institutions:

Columbia Basin College Library
2600 N. 20th St.
Pasco, WA 99301
547-0511

Washington State University
Tri-Cities Library
100 Sprout Rd.
Richland, WA 99352
375-9200

Yakima Valley Community College Library
1615 S. 16th Ave. (16th and Nob Hill)
Yakima, WA 98902
P. O. Box 1647
Yakima, WA 98907-1647
575-2375

Washington Libraries:

Mid-Columbia Library
West Richland Branch
5456 W. Van Giesen St.
West Richland, WA 99352
967-3191

Yakima Valley Regional Library
102 N. 3rd Street
Yakima, WA 98901
542-8541

Zillah Library
109 7th
Zillah, WA 98953
829-6707

Oregon Libraries:

Hermiston Library
235 E. Gladys Ave.
Hermiston, OR 97838
567-3694

Umatilla Library
910 6th
Umatilla, OR 97882

Other Washington Libraries:

Spokane Public Library
906 W. Main Ave.
Spokane, WA 99201
509-626-5336

Seattle Public Library - Downtown
Magazines, Newspapers, and
Government Publications
1000 4th Ave.
Seattle, WA 98104
206-386-4636

Multnomah County Library
Science and Business
801 SW 10th
Portland, OR 97205

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APPENDIX E

Common Occupational Classification System

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EIGHTY OCCUPATIONAL CLASSIFICATIONS

First Line Supervisors
General Managers and Executives
Project and Program Managers

Chemical Engineers
Civil Engineers
Computer Engineers
Electrical Engineers
Environmental Engineers
Industrial Engineers
Mechanical Engineers
Nuclear Engineers
Petroleum and Mining Engineers
Plant Engineers
Quality Control Engineers
Safety Engineers

Chemists
Environmental Scientists
Geologists, Geophysicists & Hydrogeologists
Life Scientists
Materials Scientists
Mathematicians
Physicists
Social Scientists

Accountants and Auditors
Architects
Buyers, Procurement and Contracting Specialists
Communications Specialists
Compliance Inspectors
Computer Systems Analysts

Cost Estimators and Planners and Schedulers
Health Physicists
Industrial Hygienists
Lawyers
Personnel Training and Labor Relations
Technical Writers and Editors
Trainers

Administrative Assistants
Office Clerks (General)
Office Clerks (Specialized)

Secretaries
Typists and Word Processors

Computer Operators and Coders
Drafters
Engineering Technicians
Environmental Sciences Technicians
Health Physics Technicians
Industrial Safety & Health Technicians
Instrument and Control Technicians
Laboratory Technicians
Media Technicians
Surveying and Mapping Technicians

Carpenters
Electricians
Heating, Air-Conditioning and Refrigeration Mechanics
Machinists
Masons
Millwrights
Painters
Plumbers and Pipefitters
Structural and Metal Workers
Vehicle and Mobile Equipment Mechanics
Welders

Chemical System Operators
Drillers
Material Moving Equipment Operators
Nuclear Plant Operators
Nuclear Waste Process Operators
Production Systems Operators
Utilities System Operators

Firefighters
Food Service Workers
Janitors and Cleaners
Laundry Workers
Handlers, Helpers and Laborers (General)
Handlers, Helpers and Laborers (Specialized)
Light Vehicle Drivers
Security Guards

NINE JOB FAMILIES

General Managers, Executives and First Line Supervisors
Engineers
Scientists
Professional Occupations
General Administrative, Secretarial and Clerical Support Staff
Technicians
Crafts
Operators
Laborers and General Services Workers

APPENDIX F

Eligibility Matrix

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PRINCIPAL CONTRACTOR EMPLOYEES

PROGRAM	ENHANCED RETIREMENT	VOLUNTARY ROF	INVOLUNTARY ROF
External Education Assistance[1]	No	Yes Option One	Yes Eligible Workers
DOE Resume Databank (JOBBS)	No	Yes	Yes
EAP	Yes	Yes	Yes
Relocation Assistance	No	Yes Option One	Yes Eligible Workers
Outplacement Assistance[1]	No	Yes	Yes
Extended Medical Benefits	Retiree Plan	Yes	Yes
Separation Payment	No	26 weeks base pay maximum OR Lump Sum Incentive	26 weeks base pay maximum
Preference in Hiring	No	No[2]	Yes Eligible Workers

[1] Can initiate participation on receipt of Layoff/WARN notice.

[2] Except for those who utilize the Education Assistance program, they would receive preference secondary to IROF workers.

Eligible Workers are those who meet the Plan eligibility criteria outlined on page 16.

EMPLOYEES OF OTHER CONTRACTORS, SUBCONTRACTORS, LOWER TIER SUBCONTRACTORS, and INTERMITTENT EMPLOYEES

PROGRAM	AVAILABILITY
External Education Assistance[1]	Yes Eligible Workers
DOE Resume Databank (JOBBS)	Yes Eligible Workers
EAP	In accordance with respective company policies
Relocation Assistance	Yes Eligible Workers
Outplacement Assistance[1]	Yes Eligible Workers
Extended Medical Benefits	No
Separation Payment	One time payment for eligible construction workers only. All others in accordance with respective company policies.
Preference in Hiring	Yes Eligible Workers

[1] Can initiate participation on receipt of Layoff/WARN notice.

Eligible Workers are those who meet the Plan eligibility criteria outlined on page 16.

Employees, if covered under an employer medical program by their employer from whom they terminate, are eligible for coverage under COBRA.

APPENDIX G

The Communities' Recommendations to RL's Hanford Economic Transition Initiative

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This section describes the communities' recommendations and interpretations of the detailed initiatives that have been identified in the Hanford Economic Transition Initiative (HETI) -- having potential economic impacts to the local economy. HETI is evolving and developing, but represents the current economic initiatives, subject to funding and policy limitations, under consideration by RL and its contractors in partnership with the Community. DOE will consider all inputs and recommendations contained in this Appendix, along with future considerations as changes occur.

A complementary initiative, the Sustainable Economic Transition Initiative, has been proposed by the Communities. Both initiatives will be converted to focused business plans as soon as possible to ensure maximum progress and benefit is realized by DOE in its Site cleanup and the Community economic development mission and by the Communities in their economic development and diversification missions. These plans will be written in joint sessions with RL and the Communities representatives. RL commits to work jointly with the Communities as partners to achieve the necessary economic development and diversification results and to realize the shared goal of steadily converting the Communities' economic dependence from Hanford to a robust, diverse and growing private sector.

Workscope

This portion of the Plan is organized according to the eight major elements of HETI -- planning and policy analysis, private sector partnerships, economic conversion of assets, infrastructure transition, worker retraining, technology transfer, issues/barrier resolutions, and user facility special projects.

Planning and Policy Analysis

RL will provide overall planning, analysis, and integration of HETI implementation activities; develop strategic communications plans supporting the Hanford Site's transition from a government dependent facility to one sustained by the private sector economy as the cleanup mission is accomplished; identify and encourage opportunities for leveraged outsourcing in cleanup activities as well as promoting economic development of the local and regional Community; and will provide improved capabilities for public and private sector entities to respond to employment fluctuations and the eventual downsizing of the Hanford work force.

Goal

RL will create and maintain a strategic planning system that effectively engages and informs stakeholders in designing and implementing HETI.

Strategies

The following strategies will be taken to help mitigate impacts on stakeholders and simultaneously improve economic diversification efforts:

1. TRIDEC will be designated and supported as the focal point for coordination of Community-based HETI program elements[1];

2. The "Hanford Sustainable Economic Transition Initiative" (SETI) will be implemented to fund and authorize local/regional economic development and diversification programs.

3. A "Hanford Regional Planning Commission" (HRPC) will be established to integrate Hanford Site planning with local and state government activities under the guidance of the Washington Growth Management Act. The resulting comprehensive plan will designate near and long-term land uses, transportation and infrastructure system improvements, and Hanford employment projections; and

4. A dynamic "HETI Stakeholder Roundtable" meeting series will be initiated to track progress, adjust direction as necessary, and annually update this section of the Work Force Restructuring Plan.

Success Objectives

1. Achieve a long-term partnership with HETI stakeholders so that roles and responsibilities are clearly delegated and effectively executed;

2. Fully engage stakeholders in strategic HETI planning and implementation;

3. Develop a comprehensive information system that eliminates future work force fluctuation surprises;

4. Use the information generated to target the Community's industrial recruiting, service provision, and capital improvement programs;

5. Effectively market Hanford's business and economic development opportunities to the region and beyond; and

6. Furnish required funding and programmatic authority to support critical Hanford economic diversification efforts.

[1] TRIDEC would accordingly be appointed as Hanford's "Community Reuse Organization" by the DOE-Headquarters restructuring task force. While this term does not readily apply to the broad nature of the HETI program, it is being used across the DOE complex to denote the Community-based organization through which work force restructuring programs are coordinated.

Near Term Results[2]

1. Establish the HRPC and complete a comprehensive land use plan of the Hanford Site with appropriate input from stakeholders and the Indian Nations.

2. Complete a series of "worker and Community impact studies" to make it possible to (a) gauge immediate, near-, and long-term work force transition repercussions, (b) identify Community economic strengths, weaknesses, and opportunities, and (c) devise effective economic development strategies.

3. As a product of the studies conducted, provide Community access to a computerized information system to track work force changes and demand/supply projections tied to knowledge, skills and abilities (and related training/ education needs);

4. Secure congressional support for the Hanford Sustainable Economic Transition Initiative; and

5. Host the first annual "Hanford Business Fair" to showcase outsourcing, asset conversion, technology commercialization, industrial development, and other economic development opportunities.

Private Sector Partnerships

The major economic strategy of HETI is to develop a large private sector economic base to replace Hanford cleanup funding over time. Working with the local Community who can offer various economic incentives to interested companies, RL will focus on a DOE/Community/Industry partnership approach to economic development. Opportunities offered by the government can provide the "seed" for businesses to germinate and/or grow, thus increasing the local job base.

"Leveraged outsourcing" is seen as the best opportunity to accomplish meaningful economic development and diversification. The technique involves making Hanford business opportunities available on condition that they be pursued from a local base using Hanford work force resources to the maximum possible extent. Companies will also be encouraged to make use of Hanford work opportunities to expand into similar work for other government and private sector clients. Under these circumstances, such firms offer employment opportunities that closely match the knowledge, skills, and abilities of the existing Hanford work force, but survive the cleaning up and shutting down of the Site.

Goals

1. RL will launch efforts which improve the cost, quality and timeliness of products and services needed for the Hanford cleanup program; and

[2] "Near term" refers throughout this section of the plan to accomplishments targeted for the next 12 to 18 months.

2. RL is committed to supporting a diversified, sustainable, and competitive private sector by 'buying' needed goods and services from local businesses and industries rather than 'making' them on Site;

Strategies

The following strategies will be taken:

1. Leveraged outsourcing efforts will focus toward opportunities that:

   Are easiest to implement, but generate the maximum number of jobs;

   Provide employment opportunities for existing Hanford workers at comparable wages and benefits; and/or

   Attract industries that strengthen and diversify the economy.

2. Entrepreneurs will be empowered to successfully participate in the Hanford cleanup by:

   Establishing an "Environmental Business Enterprise Center" in cooperation with the Washington Department of Community, Trade, and Economic Development to stimulate new businesses that will support sustainable development of the local and regional economies;

   Creating an "Entrepreneurs' Advisory Board" to recommend to the Governor and RL mechanisms and resources to help small businesses flourish in their dealings with Hanford;

   Naming members to the "Hanford Area Economic Investment Fund Committee" established by the State Legislature to manage funds collected at the U.S. Ecology low-level radioactive waste landfill operated on the Site;

   Establishing a "Hanford Cleanup and Environmental Technology Development Enterprise Zone" as part of the Tri-Cities Science and Technology Park that provides targeted incentives and allows for creation, testing, and demonstration of new technologies; and

   Implementing a "Hanford Entrepreneur Program" to provide a path for employees of RL contractors and area businesses to develop and commercialize technologies through spin-off or startup companies.

3. Private sector partners will be provided with financial and business assistance, including:

   Low-interest loans and startup seed grants;

   Venture and equity financing; and

Small business development assistance, training, and counseling.

4. All RL contractors in the Communities diversification effort will be engaged by incorporating the following into performance criteria:

   Hanford contracts will be executed from privately owned office, laboratory, and industrial facilities in the Communities;

   Firms will be encouraged and empowered to use their Hanford contracts to expand into work for others; and

   Contractors will actively support the Communities' efforts to achieve successful transition of Hanford's land, equipment, facilities, and work force resources.

Success Objectives

1. Substantial growth in new, sustainable, Hanford-independent jobs;

2. Labor support of leveraged outsourcing as a legitimate economic development tool;

3. Significant numbers of successful spin-offs and new company startups after the first several years;

4. Increasing market shares of non-Hanford, sustainable business; and

5. Integrated outsourcing to create strong anchor industries in manufacturing, technology, and agribusiness.

Near Term Results

1. Two private partnerships completed and operating in the first year;

2. At least 100 new, sustainable jobs filled by the end of the first year;

3. At least one major, successful business spin-off process completed;

4. Formal concurrence from DOE/Congress that preferences provided for purchasing from locally domiciled firms are acceptable;

5. Appointment by Governor Lowry of members to the Hanford Area Economic Investment Fund Committee and creation of the Entrepreneurs' Advisory Board;

6. Establishment of a Hanford Cleanup and Environmental Technology Development Enterprise Zone; and

7. Implementation of a Hanford Entrepreneur Program.

Economic Conversion of Assets

Many of Hanford's primary assets (that is, unique Site capabilities; knowledge, skills, ability, and experience of the work force; land, facilities, equipment, and infrastructure), were designed and built for the Hanford defense mission. The economic challenge now is to maximize the taxpayers' previous investment by converting assets and "leveraging" their use for local economic development objectives.

Commercial ventures at Hanford, with collaboration from local and regional economic development leaders, will provide re-use of Hanford's assets and new jobs for the Communities. A recent example of asset conversion is the Hanford Metal Working Facility recently transferred to the Kaiser Aluminum & Chemical Company to serve as the centerpiece of a new locally based industry. On a much broader scale, the combined assets of Hanford offer exciting potential for establishing new industries of significant scale. Two examples are the "Hanford Medical Isotope Production Center" and the "Sustainable Master-Planned Farm Complex."

Hanford Medical Isotope Production Center: Radioactive isotopes are widely used in medical diagnosis and treatment of cancer and other diseases plaguing millions of patients. With limited U.S. production capability, the supply of medical isotopes is in a very precarious state. Hanford has proven expertise in the manufacture, separation, and purification of medical isotopes. It has a work force trained in processing and handling of radioactive materials. Waste disposal facilities are present on the Site. Laboratory capabilities, including the FFTF's Fusion Materials Engineering Facility and the EMSL, could support isotope production. These resources combined to form the Hanford Medical Isotope Production Center could support a new, multi-million dollar industry for the Community.

Sustainable Master-Planned Farm Complex: There are very few, if any, areas in the United States that can compete with Hanford in terms of available fertile land, abundant water supplies, inexpensive electrical power, an excellent growing climate, proximity to agricultural support services and product markets, and access to science and technology. What is envisioned is an innovative master-planned agribusiness complex on surplus Hanford land using the latest technologies. Major components of the complex will include irrigated farming, dairy farms and product plants, food processing plants, feed mills, compost and methane gas production facilities, and electric cogeneration plants. Primary attention will be given to energy efficiency and maximum reuse of all waste and byproducts. The project will take advantage of the research and development resources of Washington State University and Battelle's Pacific Northwest Laboratories.

Goals

1. RL will convert unused or underutilized land and facilities to an economically productive status;

2. RL will utilize converted land and facilities to create new family wage, value-added manufacturing jobs; and

3. RL will combine the unique assets of the Hanford Site to create significant new industries.

Strategies

The following strategies will be taken:

1. Through the Hanford Regional Planning Commission, RL will carry out a comprehensive land reuse planning effort to identify the most beneficial use of opportunities for converted land;

2. A comprehensive inventory of surplus and shareable equipment, buildings and other property will be conducted. The results of the inventory will be disseminated to new or existing businesses through a Communities marketing campaign;

3. Commercially accessible portions of the Site will be fully integrated into the Tri-Cities Science & Technology Park as its "North Campus";

4. A process to review and revise, as necessary, DOE policies, guidelines, and procedures relating to the loan or transfer of facilities and equipment for alternate commercial use will be developed and implemented; and

5. Business and marketing plans for creation of two major industries: the "Hanford Medical Isotope Production Center" and the "Master Planned Sustainable Agricultural Community" will be prepared.

Success Objectives

1. Availability of comprehensive inventories of Site competencies and land, facilities, equipment for commercial use;

2. Maintenance of a Site assets marketing campaign directed at targeted industries;

3. Implementation of the Science & Technology Park's North Campus with a growing number of private sector tenants; and

4. Creation of major new industries using unique Site assets.

Near Term Results

1. Business and marketing plans developed for creation of the Hanford Medical Isotope Production Center and the Master Planned Sustainable Agricultural Community;

2. All necessary activities taken to convert the "324 Building" and other assets as a "user laboratory" facility in support of the Hanford Medical Isotope Production Center;

3. The Hanford Metal Working Facility relocated to its new Science & Technology Park facility and providing an increasing number of new manufacturing jobs; and

4. Completion of land, equipment, and facility inventories.

Infrastructure Transition

"Infrastructure," as used in this Plan, refers to physical improvements such as roads and utilities, as well as basic Site support services. An Infrastructure Transition Initiative has been formed in support of HETI. It seeks to enhance the Hanford infrastructure to ensure that current and projected needs are met in the most cost effective manner possible. Investment and partnership with commercial and public enterprises are emphasized.

Goals

The Infrastructure Transition Initiative has three key components:

1. Develop a strategy for providing streamlined infrastructure systems to support Hanford's current and future mission;

2. Reduce the costs associated with supporting the infrastructure systems; and

3. Actively seek opportunities to coordinate Site infrastructure planning activities with those of adjacent local governments and utility districts to maximize efficiency and effectiveness and diversify the regional economy.

Strategies

The following strategies will be taken by RL:

1. Streamline and simplify Site support functions;

2. Develop joint infrastructure planning programs with the City of Richland, Benton County, the Benton County Public Utility District, the Port of Benton, Ben Franklin Transit, and other public service entities; and

3. Implement Hanford infrastructure additions and improvements that support economic diversification of the Community.

Success Objectives

1. Infrastructure enhancement plans are developed cooperatively by RL, Hanford Site contractors and local public service providers; and

2. Site infrastructure supports current and future Hanford missions while providing maximum possible economic development and new job creation.

Near Term Results

1. The "Hanford Infrastructure Modernization Plan" is completed in collaboration with local governments and other service providers;

2. A "Commercial Opportunities Plan" is completed to identify infrastructure improvements necessary to accommodate entrepreneurs, small businesses and new job creation for displaced workers; and

3. In cooperation with the Washington Department of Information Services, Hanford and the Communities are linked to the "information highway" in a way that supports education, training, and business growth.

Worker Retraining

While this Section 3161-mandated element is thoroughly discussed elsewhere in the Plan, portions are repeated here since the future economy of the local Communities (and, indeed, the State of Washington) depends on the same ingredient as the current Hanford cleanup mission -- a highly educated and well-trained work force.

The fundamental need for worker retraining is to maintain the essential resource represented by the Hanford worker and to enhance his/her capabilities to be productive in present and future Hanford-related endeavors. In view of this, education, training, and retraining of the existing Hanford work force is considered a critical success factor of the Communities assistance programs.

RL will work closely with Columbia Basin College (CBC), Washington State University\Tri-Cities (WSU-TC) and the Hanford Training and Education Council in developing worker retraining programs. Additionally, the Hazardous Materials Management and Emergency Response (HAMMER) Training Center will serve an important role in RL's worker training strategies. Resources of the Hanford labor unions, the Washington Department of Employment Security, and the Private Industrial Council will also be tapped.

Goals

1. Enhance the skills of displaced Hanford workers to prepare them to support the environmental mission;

2. Make available training and education programs that are properly accredited and lead to transferable certification;

3. Ensure health and safety training for all Hanford workers is effective and up-to-date;

4. Ensure that other training and education programs are compatible with current and projected Community work force needs; and

5. Provide the opportunity for developmental and basic skills training in hands-on, performance-based format whenever necessary.

Strategies

To achieve the goals above, the following strategies will be implemented:

1. A "Continuous Learning Center" will be established to provide multi-disciplinary, career-specific, and foundation skills and literacy training to help displaced workers transition;

2. A program will be developed to transfer the knowledge and skills of veteran and retired workers and to help them become trainers of displaced workers;

3. Existing safety and health training programs and their integration with related national efforts will be strengthened;

4. Continuous integration of evolving work force needs into the program planning of the Communities' academic partners will begin; and

5. HAMMER's, CBC's and WSU-TC's work force education and training programs and facilities will be maximized to achieve long-term cost savings.

Success Objectives

The extraordinary and diverse capabilities of the Hanford work force are extremely valuable resources. Preservation of this resource is a basic driver for worker retraining. Human resource planning, therefore, should be integral to all activities envisioned. In addition, new and expanding business should have full knowledge of this resource, and streamlined recruiting access to this talented cadre of individuals should be provided. The following will indicate success in this regard:

1. Workers displaced by Hanford work force restructuring will be retrained to accomplish the environmental mission during its duration;

2. Scientists, engineers, and other professionals will continue to develop innovative solutions to environmental technology challenges;

3. All Hanford workers will be trained to meet high health and safety standards;

4. Accredited training will give workers the credentials they need to find employment supporting cleanup activities; and

5. Hanford training groups will be able to transfer accredited training courses to their academic partners.

Near Term Results

1. The completion of HAMMER and the full utilization of its hands-on laboratory facilities;

2. Creation of Hanford's Continuous Learning Center with supporting roles appropriately undertaken by WSU-TC, CBC, HAMMER, and other educational entities; and

3. Integrated use of WSU-TC's Consolidated Information Center and CBC's Work Force Training Center in worker retraining programs.

Technology Transfer

Identification of the Site's technology needs while matching available solutions will be addressed. A variety of mechanisms for linking technological transfer between RL, private industry, the local region and the State of Washington will be explored. Hanford-developed technology with potential for commercial applications will be identified and transferred to the private sector, with special focus on local technology spin-offs. Cooperative Research and Development Agreements (CRADAs) that facilitate technology transfer and technology maturation will be established.

Goals

1. In partnership with the State of Washington, the region, Hanford contractors, and the private sector, become an acknowledged leader in commercializing federal technology for the benefit of Hanford Site cleanup, local/regional economic development, and U.S. competitiveness;

2. Make substantial and revolutionary improvements in Hanford's technology transfer process;

3. Become "market-driven" -- focusing on industry needs while simultaneously communicating to the private sector opportunities for technology transfers in and out of Hanford;

4. Provide new and effective commercialization mechanisms, including novel uses of CRADAs, for transferring technology into and out of Hanford that enhance and accelerate the meeting of Hanford's cleanup goals; and

5. Facilitate policy changes necessary to streamline and greatly accelerate the matching of industry with technology that they need and the deployment of that technology commercially.

Strategies

1. Use existing DOE/State/Community/Industry partnerships and collaborations to enhance and accelerate ongoing technology transfers and to devise new and/or improved approaches, with special focus on small business and technology transfers that mitigate local/regional economic dislocations;

2. Evaluate and incorporate within the Hanford technology transfer plan the best of the more recent, successful strategies within the top universities, DOE, other federal agencies (specifically NASA) and the private sector;

3. Devise and implement incentives within RL and its contractors that make technology transfer a significant and recognized priority;

4. Improve the funding, lessen the constraints, reduce procurement rigidity and devise improved uses of CRADAs to better facilitate and expand technology transfers in and out of Hanford;

5. Cooperatively with the Community and the State, ensure that critical business and intellectual property support services are available to facilitate entrepreneurs, small business, and DOE/contractor personnel in their transfer efforts;

6. Establish a collaborative test, demonstration and certification test-bed for environmental technologies at Hanford to gain reciprocal licenses and approvals for use of selected technologies that pass monitored qualification trials; and

7. Improve local/regional business knowledge of and participation in the DOE acquisition process.

Success Objectives

1. Rapidly increasing quantified measures of success from technology transfers into and out of Hanford;

2. Improvements in the local/regional economy due to technology transfer's contributions to new jobs and industries;

3. Increasing rates of regional participation in Hanford procurements;

4. Improved profitability, reduced time and expense spent in the regulatory process and expanded markets for entrepreneurs and businesses; and

5. Substantial performance improvements and expanded uses of innovative technologies for less time and money in Hanford's cleanup mission.

Near Term Results

Several previously mentioned efforts, particularly the Environmental Business Center and Enterprise Zone and entrepreneurial programs, will contribute to Hanford's success at technology commercialization during the next two years. Additional achievement targets follow:

1. Through commercialization of Hanford technologies, RL will provide 25% of jobs slots needed for displaced workers, accomplishing the following:

   Determination of infrastructure changes within RL, the contractors, and the Community needed to achieve technology commercialization;

   Introduction of DOE/contractors incentives to make successful technology transfer a priority at Hanford;

   Implementation of a "technology pull" program and improvement of Hanford's ongoing "technology push" program; and

   Establish "seed" capital and blanket CRADA funding for implementing technology demonstrations ripe for commercialization.

2. RL will launch the "Hanford Cleanup Technology Initiative" through a cooperative venture of RL, the State and Western Governor's Association, area universities, and local economic development agencies. Successfully field test, demonstrate, and certify new environmental technologies.

3. RL will support the expansion of TRIDEC's "Tri-Cities Technology Commercialization Partnership" (TCCP) to pursue an expanding number of technology transfer prospects.

4. Through the "Agribusiness Commercialization and Development" (ABCD) Center, at least one new agricultural or food processing industry to the local economy will be added.

Issues, Barriers and Resolutions

Development of methods to identify and resolve potential barriers to successful implementation of HETI. Barriers include, but are not limited to cultural, procedural, statutory, regulatory and policy driven obstructions. To identify and remove such barriers will require negotiations with state, federal, local, regulatory, and national policy leaders.

Hanford was named a "Reinvention Laboratory" in 1993 as part of Vice President Al Gore's National Performance Review. This status will make it possible for RL to pursue solutions not previously available to the Site. As part of the renegotiated Tri-Party Agreement, DOE, the Washington State Department of Ecology and the Environmental Protection Agency (Region X) committed to a joint "reinventing government" initiative that will enhance cleanup efforts.

Goals

1. Identify and remove barriers to effective economic transition, technology commercialization and leveraged outsourcing; and

2. Establish a dedicated, funded and organizationally supported DOE/Community program to eliminate barriers.

Strategies

The following strategies will be taken to achieve the goals above:

1. In cooperation with TRIDEC and represented economic development agencies, identify barriers that are blocking effective cleanup and penetration of Hanford by private businesses;

2. Prioritize actions so that the most significant barriers can be removed at the earliest possible opportunity; and

3. Use previously mentioned Enterprize Zone and entrepreneurial programs to insulate businesses from the disabling effects of barriers.

Success Objective
Resolution or mitigation of identified barriers as evidenced by successful technology commercialization, leveraged outsourcing job creation, and/or reduced cost for services to Hanford.

Near Term Results

1. Secure an Office of Management and Budget policy on out-year financing as applied to leveraged outsourcing;

2. Eliminate procurement rules, regulatory overlap, and duplication that result in delays, added costs and provide bureaucratic impediments to procurement of private sector resources;

3. Develop written policy and implementation procedures to support economic transition, leveraged outsourcing and technology commercialization; and

4. Eliminate RL policies, attitudes and practices that reflect the culture that originated with the Manhattan Project and has become institutionalized over the past 50 years.

Miscellaneous Notes

Miscellaneous highlights that clarify or add emphasis to this section are:

RL and the Communities should commit to long term planning and long term funding of the economic development and diversification activities described in the Plan;

The Restructuring Plan should reward or incentivize cost-reduced cleanup at Hanford, especially where the cost reductions also include substantive actions to increase economic development and diversification in the Communities;

For similarly severely affected 3161 communities across DOE's complex, DOE and the Communities should work together to find a solution to the budget scoring problem, i.e., modify, at least for a reasonable time period, the current federal prohibitions on long term contracting for goods and services.

RL and its Contractors, assisted by the Communities as needed, should develop special incentives, waivers and other procurement/contracting mechanisms to facilitate spin-outs, leveraged outsourcing, start-ups, technology transfer and commercialization, asset conversions, other private-public partnerships and existing businesses who meet the following:

- -- locate in the Communities,
- -- employ a substantial fraction of existing workers from within the Communities and/or Hanford (especially workers displaced by Hanford's restructuring), and
- -- engage substantially in business activities that are independent of DOE.

Examples of such incentives should include, but not be limited by, limited duration initial procurement contracts for goods and services to launch spin-outs, etc., followed by open competition; flexible transfer and leasing arrangements of facilities and/or equipment needed for such economic transition activities; maximum use of procurements from local or regional sources; and incentives to DOE's prime contractors for facilitating such economic transition activities.

RL, its contractors, and the Communities should expand training and education to include all activities affecting the success of the Community Impact and Economic Development plan, i.e., including how to spin-out businesses from Hanford; how to start-up new businesses; how to be part of a leveraged outsourcing; how to be part of a staff exchange or on entrepreneurial leave; how to license and commercialize Hanford and/or other technology; how to assess markets, competitors and prepare business plans; and how to secure funding.

User Facility Special Projects

Hanford land and infrastructure will be made available to support other federal agency mission needs as well as projects that function as "user facilities." Examples include the National Science Foundation funded Laser Interferometer Gravitational Wave Observatory (LIGO), the HAMMER Training Center, the Superconducting Magnetic Energy Storage (SMES) Device, and the Environmental and Molecular Sciences Laboratory (EMSL). As previously described, large-scale enterprises like the Hanford Medical Isotope Production Center and the Sustainable Master-Planned Farm Complex could bring hundreds of new jobs to Hanford.

Public Participation

RL is committed to a public involvement and information policy to keep the work force and the Community informed and involved. The process will provide for active participation in the programs, events, and direction of HETI. RL will involve key stakeholders in the development and implementation of this plan. TRIDEC, as part of their administrative role in the submission of economic development proposals from the Community, will also be implementing a public involvement process.