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After Review, DOE Competitively Awards Contract For the Management of Waste Isolation Pilot Plant

Secretary of Energy Bill Richardson today announced that the Energy Department has awarded a \$500 million, five-year contract for the management and operation of the Department's Waste Isolation Pilot Plant (WIPP) in Carlsbad, New Mexico, to Westinghouse TRU Solutions LLC. The award was made after the department rescinded an initial contract decision in October to allow the two initial offerors an opportunity to submit final revised proposals.

"Selection of TRU Solutions marks a new phase in full-scale WIPP operations, and the contract will ensure continued safe, effective and efficient operations of WIPP," said Secretary Richardson. "We are confident that TRU Solutions will demonstrate a strong community presence in Southeast New Mexico concurrent with proving outstanding management and vision in implementing a final solution to the Nation's transuranic waste legacy."

On October 12, the Department announced that it had selected Westinghouse TRU Solutions as the successful offeror for managing and operating the WIPP facility. However, prior to signing the contract, Westinghouse TRU Solutions notified the Department of a change in its proposal that led the Department to rescind the selection to permit discussions with the two competing offerors. In late November, two final revised proposals were submitted for consideration and review.

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Westinghouse TRU Solutions LLC, based in Carlsbad, was formed by Westinghouse Government Environmental Services Company LLC and Roy F. Weston, Inc. Key features of the contract include a five-year base period of performance with an option for an additional five years and a requirement to retain the current workforce at comparable pay and benefits. The Department received two strong proposals to perform the contract, one from TRU Solutions and another from Day and Zimmermann WIPP LLC.

After a brief transition period, the new contractor will assume responsibility for operations of the facility on February 1, 2000. Westinghouse Waste Isolation Division holds the current contract and has been the WIPP management contractor since 1988.

Since opening WIPP on March 26, 1999, the Department has permanently disposed of defense-generated transuranic radioactive waste left from the research and production of nuclear weapons and helped the Department meet its commitment to environmental cleanup. Transuranic waste consists of clothing, tools, rags, debris, residues, and other disposable items contaminated with radioactive elements, mostly plutonium.

Located in southeastern New Mexico, 26 miles east of Carlsbad, WIPP employs approximately 1,000 people. WIPP project facilities include disposal rooms excavated in an ancient, stable salt formation nearly one-half mile underground. For more information about WIPP, call 1-800-336-9477, or visit the WIPP Web site at www.wipp.carlsbad.nm.us.

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