



PRESS RELEASE

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Nuclear Weapons Business as Usual: Despite Past Performances Bechtel and UC Awarded Los Alamos Contract

Santa Fe, NM and Livermore, CA – Today, the Department of Energy (DOE) awarded \$512 million over seven years for the management contract of Los Alamos National Laboratory to “Los Alamos National Security, LLC,” a corporate consortium consisting of Bechtel, Inc. and the University of California as the main partners. In verbal remarks while announcing the award, DOE Secretary Samuel Bodman noted how Los Alamos created a new era for mankind with the creation of nuclear weapons, comparable to the invention of the printing press, all “in the highest ideals of peace and civilization.”

DOE officials repeatedly stressed that, in their view, a great strength of the UC/Bechtel proposal is that it “provides a forum for the integration of the nuclear weapons complex as a whole.” Los Alamos is one of eight sites in the complex, which is now at a turning point. Despite the investment of \$68 billion into the so-called Stockpile Stewardship Program, whose claimed purpose was to ensure existing nuclear weapons reliability without full-scale testing, all three design labs (including Los Alamos) are claiming the Program is no longer sustainable. Instead, they are arguing for new designs to ensure reliability, but their real concern appears to be that the existing weapons are politically too big to use - - they want smaller, more “usable” weapons, and nuclear “bunker-busters” to attack buried targets, as per the Bush Administration’s 2002 Nuclear Posture Review. Additionally, new draft Pentagon doctrine proposed to give regional commanders increased authority to call upon the President for authorization to use nuclear weapons for a variety of reasons, including “rapid and favorable war termination on U.S. terms.”

The nuclear weapons complex exists to support these policies, which Tri-Valley CAREs and Nuclear Watch New Mexico believe run counter to the highest ideals of peace and civilization. Through its award apparently Bechtel and UC seek to lead in the further integration of this growing weapons complex, which is perhaps already well exemplified at Los Alamos. The Lab is not only a premier nuclear weapons design facility, but also, in the DOE’s own words, the second largest production site, with increased plutonium pit (“triggers”) production on its way. Total Los Alamos Lab funding is currently two-thirds for nuclear weapons research, development, testing and production programs, with, for example, no current funding for renewable energy technologies.

During the award announcement a DOE official noted that UC “has had concerns with regards to past performance,” a diplomatic reference to the past decade of security, safety, and fiscal management

problems and scandals. In fact, DOE was so displeased with UC performance in 2004 that it withheld two-thirds of the performance-based LANL management fee. Nevertheless, DOE officials declared today that Lab operations will be improved simply because the four corporate partners will bring “what they do best” to LANL management, while giving no examples or details. The DOE also asserted today that federal oversight would not be diminished during the contract transition, perhaps true because it has already been so reduced. The Defense Nuclear Facilities Safety Board, an independent safety board chartered by Congress, has recently noted that federal oversight at LANL is only a third of what is needed.

Bechtel and its subsidiaries also have a long and checkered history with DOE. In July 2003, a partnership of Bechtel and BWX Technologies refused to release investigation reports on a nuclear accident at Oak Ridge National Laboratory. Just this month, DOE released a report highly critical of Bechtel’s construction of the Hanford Vitrification Plant, designed to glassify high-level radioactive waste, whose cost overruns and delays are jeopardizing legally required milestones for cleanup of the country’s most contaminated site. In 2003 Bechtel was fined \$192,500 for a series of violations at Oak Ridge and Paducah, KY. In May 2005, BWXT and Bechtel were fined \$123,750 for nuclear safety violations associated with a procedure to remove a cracked explosive component from a retired nuclear weapon at Pantex, TX. Outside of DOE work, the EPA has identified Bechtel as responsible for 730 incidents of hazardous waste spills and the Corporation was fined \$31 million dollars for cost overruns on the “Big Dig” in Boston. Still, all is overlooked while DOE asserts that Bechtel’s corporate expertise will bring business excellence to LANL.

Jay Coghlan, Executive Director of Nuclear Watch New Mexico, commented, “Most of all, the award to the UC/Bechtel team smacks of being a political decision to protect the privileged lifestyles of Los Alamos County, which the Census Bureau just identified as the richest county in the country. I think that DOE just didn’t want to upset the UC gravy train. Given the University’s and Bechtel’s past performances, I don’t see how an objective decision could have given them the contract award.”

Marylia Kelley, Executive Director of the Livermore, California-based Tri-Valley CAREs commented: “With this first ever competitively bid contract process, DOE had an historic opportunity to bring a needed ‘breath of fresh air’ to Los Alamos Lab’s future - and by extension to the nation and world. However, from the narrow requirements published in the Request for Proposals onward, the Department sought instead to maintain ‘business as usual’ for nuclear weapons programs. In this regard, neither of the final two bidders offered a new vision for Los Alamos.” Kelley added, “Here in California, we will continue to advocate for civilian missions for Livermore Lab in its upcoming contract process.”

There were three declared bidding teams for the Los Alamos contract: UC/Bechtel; Lockheed Martin/ University of Texas; and Nuclear Watch New Mexico/Tri-Valley CAREs. The last team offered a real alternative and proposed to subordinate LANL’s aggressive nuclear weapons programs under a Lab Office of Nonproliferation that would comply with international treaties, such as the 1970 NonProliferation Treaty. This would have provided solid leadership by example in countering the nation’s gravest security threat, recognized by both presidential candidates - - the proliferation of nuclear weapons. Sadly, DOE summarily rejected that proposal, and now the bid has been awarded to more business as usual.

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The rejected NukeWatch/TVC contract bid is available at www.trivalleycares.org and www.nukewatch.org/