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AFFAIRS

SUBCOMMITTEE ON CONTRACTING OVERSIGHT

on

“WHISTLEBLOWER PROTECTIONS FOR GOVERNMENT CONTRACTORS”

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Good morning.

Thank you for giving me the opportunity to provide this information. My name is Walter L. Tamosaitis and I live in Richland, WA. I am here representing myself.

I have a BS, MS, and Ph.D. in engineering and a certificate in Entrepreneurial Business Management. I have a professional engineering license. I have over 42 years industrial experience in the chemical and nuclear industries. It is comprised of about 20 years with DuPont and 22 with URS in Department of Energy (DOE) associated work. Between March, 2003, and July, 2010, I was the Research & Technology (R&T) Manager for the Hanford Waste Treatment Plant (WTP) project in Hanford, WA. In this capacity, I had responsibility for about \$500M of programs over the 7 year period.

The Hanford Waste Treatment Plant (WTP) project is a Department of Energy (DOE) project. It is essentially the largest project in our Country. It is the largest nuclear waste treatment plant to be built in the world. Bechtel is the prime contractor for DOE and the URS Corporation, whom I work for, is the prime subcontractor for Bechtel. Profits on this project are split 50/50 between Bechtel and URS so the financial relationship is closer to a partnership than a contractor-subcontractor relationship.

I was one of the few to volunteer for a job at the WTP. I accepted a job as the Research & Technology Manager, transferred from South Carolina leaving my family in SC, and started in March, 2003. On July 1, 2010, I was suddenly terminated from my WTP job as a result of continually raising technical concerns and submitting technical issues. I am still employed by URS but confined to a basement office with little to no meaningful work and essentially no contact with URS management. I have been assigned to the basement office now for almost 16 months. I will provide more details about this shortly. After my abrupt termination I investigated legal means to address this retaliation and found absolutely no help within the State of Washington legal system and very limited help in the Federal system. Before I describe what happened I would like to provide some more pertinent background on the Hanford site.

The Hanford nuclear site is our Nation's most contaminated facility, containing two-thirds of the nation's high-level nuclear waste. Since its start up, about 60 metric tons of plutonium were produced at Hanford to support World War II and the Cold War. Hanford is the most expensive and complex environmental remediation effort on the planet today. There are 177 large underground high-level radioactive waste tanks containing 56 million gallons of radioactive wastes. Most of these tanks are single-walled tanks, 40 to 50 years old and are in significant states of deterioration. About one third of these tanks have already leaked. Also, Hanford has some 1500 soil dumping sites containing very large amounts of radioactive and hazardous wastes, including as much at least a half ton of plutonium. Since the Columbia River adjoins the site, contamination from Hanford of the largest fresh water artery in the Pacific Northwest is ongoing concern and not a trivial matter.

The Hanford Waste Treatment Plant (WTP) is backbone of the Hanford cleanup effort. The basic objective of the WTP is to put the hazardous nuclear waste into a stable (vitrified) form so uncontrolled or catastrophic releases do not need to be contemplated. By most accounts, it is the fourth attempt to build a facility to stabilize the hazardous nuclear waste. This chemical process must be done while preventing further spread of nuclear contamination through accidents, fires, leaks, explosions and other preventable events. The 56 million gallons of hazardous nuclear waste in the Hanford tanks has gel-like characteristics. The waste is a slurry that has the consistency of a thick ketchup. It is comprised of solid particles of varying sizes and densities. The gel-like characteristics, unlike a thin solution like water, requires that a significant force to be applied to the waste in order to begin to get the material to flow. Mixing, pumping, and sampling of this waste provide the upmost engineering challenges.

I am an avid supporter of the WTP. But it must be built to run safely and run well. Due to the nature of its blackcell design, making changes after it starts up is virtually impossible since much of the equipment is inaccessible. Stated another way, the design must be done right the first time. While I am an avid supporter of the WTP, I have also become an opponent to efforts to cut corners in order to meet artificial deadlines in order to earn fees. I am opposed to building a plant that will not run well. To this date, no one can assure us that the WTP will run safely and run well, completing its mission in 40 years or less. I am also opposed to the manipulative efforts being made by DOE, Bechtel, and URS to move the project ahead despite unresolved technical issues as well as their misleading communications concerning costs, schedule's, and difficulties.

Originally projected to cost about \$4.3 billion in 2001, the current estimate for cost of completion is close to \$13.3 billion. Until mid-November 2011 the cost was forecasted at \$12.3 billion but on November 22, 2011, the DOE announced in the Tri-City Herald newspaper that cost projections were nearly a \$1 billion above the current budget. With a decade to go before opening, and major technical and safety issues left to resolve, it is expected that the project's cost will rise even more, and it will incur further delays. Projections indicate that the cost could rise another \$6-8 billion before it starts up. For example major facilities that are needed, but not openly discussed, are an low level waste stabilization (ex. melters) facilities, storage facilities, and effluent treatment plant

expansions. The current Low Level Waste Vitrification facility can only handle 60% of the waste in the required time. While the construction costs grow to staggering levels, according to the GAO the lifecycle operating cost may be 10X the construction costs and exceed \$100 billion.

The WTP is needed to ensure protection of the environment but it must be built to operate safely and efficiently. However, since its inception, the Waste Treatment Plant has faced many serious concerns about the adequacy of the engineering and the safety of the designs starting with concrete and seismic issues shortly after construction began. The WTP will handle dangerous radioactive materials and chemicals that, if poorly designed or built, could cause an incidents such as a hydrogen gas fire or explosion, a nuclear criticality, or a steam explosion in the melter. If there were to be a release, radioactive and chemical materials could escape the plant and contaminate a large area. The consequences of any uncontrolled release are bad but a catastrophic release would be devastating. If either of these occurred, the damage to the plant and to the cleanup at Hanford would be significant. With that brief background, let me now focus on my job and that of my group.

The main function of my R&T department was to identify and solve technical problems in the Waste Treatment Plant to ensure it ran safely and ran well. This included all aspects of the chemical process in every part of the plant as well as process support facilities. R&T could identify an issue through analysis, experience, or testing. If a design did not work as desired, R&T would provide recommendations on how to improve it. To supplement our efforts the R&T group utilized consultants from around the world, in national laboratories, and at many universities. The R&T personnel were the most knowledgeable process engineers and scientists on the WTP process.

In 2005, Congressional hearings were held on the WTP, which resulted in a 2006 Government Accountability Office (GAO) report. The GAO reported that since the WTP construction contract was awarded in 2000, the WTP's estimated cost increased more than 150 percent and the completion date has been extended from 2007 to 2017 or later. Today the costs have about tripled and the startup has been delayed almost a decade and a half. The GAO found three main causes for the increases in the project's cost and completion date: (1) the contractor's performance shortcomings in developing project estimates and implementing nuclear safety requirements, (2) DOE management problems, including inadequate oversight of the contractor's performance, and (3) technical challenges that have been more difficult than expected to address.

Because of the many technical concerns, in 2005-2006, I had responsibility to conduct the External Flowsheet (EFRT) Review chartered by then Secretary of Energy, Samuel Bodman. This 50+ consultant activity was completed on schedule at the end of February 2006. The review team identified 28 issues. It classified 17 of the 28 issues as major issues and 11 as potential but recommended that all had to be resolved. This EFRT review was also known as the "Best and Brightest" review.

My Research & Technology department played a major role in resolving these issues. The biggest, most complex, and most costly issue, the Pretreatment Engineering Pilot (PEP) Plant was engineered and managed by my R&T group. This program cost over \$100 million and was completed on scheduled on March 31, 2009. This accomplishment earned Bechtel and URS an award fee of \$3.8 million.

The effort to address the EFRT issues extended from late in 2006 to mid-2010. By late 2009 the only unclosed issue was the mixing issue. A September 30, 2009, date was forecasted for its closure. The words "closure" and "mixing" require definitions. It should be noted that the word "closure", in Bechtel/DOE, is an administrative term. It does not necessarily mean finished or complete. In fact, much work can still exist and major technical issues can remain. Mixing refers to mixing of hazardous nuclear waste within a vessel to ensure solids do not settle on the bottom, that the solids are stirred well enough to prevent the trapping of gas, and the material is mixed well enough to enable adequate tank samples to be obtained. Other aspects of mixing include the process controls, erosion verification, and pumping systems to ensure adequate pump out of material from the vessels. Again, adequate mixing is critical in a chemical plant and without adequate mixing, plutonium particles could accumulate and cause a nuclear criticality and/or hydrogen gas could build-up leading to a possible fire or explosion. Improperly mixed waste could also plug the pipes which could render the facility inoperable. Mixing and pipe flow to a chemical plant is like your heart and arteries/veins is to your body.

After the September 30, 2009, closure date for the mixing issue was missed, several things happened. The DOE Office of River Protection manager, Shirley Olinger, requested that I be put in charge of the program. To date, the mixing program, called the "M3 program" had been run by other groups, not my Research and Technology group. This decision was made because it was felt that this would result in lower costs and less paperwork. It should be noted that programs run by my Research & Technology group had to meet the highest standards of quality, rigor and documentation. As of result of DOE's request, I was assigned leadership for the M3 program on October 2, 2009. In the initial meetings that followed, the two top WTP managers, Ted Feigenbaum, Bechtel, and Bill Gay, URS, approved throwing the "kitchen sink" at this issue so that we had a robust design and could put this issue behind us.

Also, with the M3 Milestone issue missing its September milestone date and with the desire to give the impression the project was moving ahead, the then DOE Environmental manager (EM-1) Ines Triay, requested her contractor associate, Frank Russo, be brought in to replace Ted Feigenbaum, the top Bechtel manager. This came to pass and Frank Russo was officially announced as the new Bechtel lead in January 2010 although he had already been involved in December 2009. Russo represented the fifth Bechtel top manager in nine years on the WTP project.

With Russo now in charge, and resolution ("closure") of the mixing issue being pursued, the future location and name of the Research and Technology group was being discussed. Bechtel and DOE wanted to project that research and technology programs were over. This was important to them for

several reasons. The reasons included additional congressional funding, award fees, and the TriParty Agreement.

"Closure" of the M3 issue meant "closure" of the last of the 28 EFRT issues. This would give Bechtel and DOE the opportunity to sell the concept that research and technology was over. Bechtel and DOE management wanted to use this event to signal to Congress and the public that the era of research and technology development in the WTP had finished. With R&T portrayed as over, DOE and Bechtel could then tout that the project had reached a milestone and was moving on to the next phase of the project, that being completing construction and startup. This transition point would later be referred to as the pivot point. Selling the concept that technology issues were behind them would enable DOE and Bechtel to more aggressively pursue increased funding from Congress. Both DOE and Bechtel knew they needed additional money but refused to admit this to the public or Congress. All through 2010 and into 2011 they continued to claim that the funding of \$12.3B was sufficient to finish the project despite the realization that there were unresolved technical issues, new technical challenges surfacing, and that the plant was not scheduled to open for another ten years.

A second reason for closing the mixing issue by June 30, 2010, was that a major fee award for Bechtel was tied to the closure. The award fee associated with Bechtel's first half 2010 performance was about \$6M. Missing the June 30 closure date meant failure would impact this money.

Third, it was my understanding that the June 30, 2010, date was known to be a renegotiated date in the TriParty Agreement which Secretary Chu had allegedly signed. When the 2009 closure date for mixing was missed, the new date of June 30, 2010, had been renegotiated. Nobody in DOE wanted to miss the date again and go tell Secretary of Energy that the date had been missed twice.

Discussions on the new location for R&T began in mid-2009. Several options were considered as the new location and name for the R&T group. Everyone knew technology issues needed to be resolved and the WTP needed the continued support of the Research and Technology group. Proposals included putting the R&T group in the tank farm, in a corporate group, in WTP operations, and even establishing it as an individual corporate consulting group. No matter where it ended up it was known that much work still existed with the WTP for the R&T group. Bechtel estimated that there was over \$14 million dollars of R&T work yet to do, not counting any new work which might develop.

After his arrival at the WTP, Russo immediately put a retiring Bechtel manager, Mike Robinson, a BS civil engineer, in charge of the M3 program and the existing team. Prior to this the M3 program reported through me to Bill Gay, the top URS manager in the WTP. Bechtel Engineering also reported to Bill Gay who then reported to Russo. About a month after Robinson's move, Russo moved Bechtel engineering away from Bill Gay and had it report directly to him. While these might seem as small changes in a very large project, they were very significant changes as it now

put Frank Russo, a political science major, directly over both the engineering organization and the M3 program with no URS managers in-between him and the technology programs.

After only about 3 months in the WTP Project and with many open issues and much testing left to do, in March 2010 Russo started making public statements and predictions that M3 would close by June 30, 2010. Much testing had yet to be done and difficulties with the mixing program and technical issues continued to surface.

It became obvious to me by March that the directive of “throwing the kitchen sink” at it to provide a robust solution to the mixing problem was no longer the objective. Russo’s objective was focused on closure of the mixing issue and money.

In late March, 2010, a PhD senior scientist, Dr. Don Alexander, in DOE raised further questions about mixing in the tanks. He was concerned that heavy solids in the gel-like nuclear waste could settle to the bottom due to inadequate tank mixing. This was a viable outcome that could readily lead to solids build ups, trapped hydrogen gas, and criticalities. I looked into it and concluded that insufficient data existed and recommended that testing had to be done. Bechtel did not accept this and pursued getting confirmation from other sources (Savannah River National Lab) that no testing was needed. Emails that later came to light reveal that Bechtel put much pressure on the SRNL personnel to provide the answer they wanted, i.e., that no testing was needed. In fact, in June 2010, when SRNL issued its report it said no testing was needed as Bechtel desired.

Also in the March 2010 period, DOE changed the June milestone fee award to an “all or nothing” criteria. This meant that for Bechtel to get their ~\$5M (\$5M of the \$6M total fee) associated with closing the mixing issue, the issue must be approved by DOE for "closure". If it did not "close" Bechtel would get nothing. This further increased Russo's attention on closing M3 by June 30.

More importantly, and related to the additional funding that was being pursued, newly surfaced evidence shows that an added \$50M in funding from Congress was at risk if M3 did not close. In addition to this, DOE and Bechtel were trying to get even more annual funding. If technical issues were not perceived as being closed and behind them, this added funding was all at risk. The added funding was needed because, again, DOE and Bechtel knew the project needed significantly more money. In addition, much of their annual funding was being spent correcting errors and making changes for past issues. Unofficial accounts indicate this could be as much as 20% of the annual budget. So, the extra money is essentially needed to cover past mistakes and changes, not to move the project ahead. If DOE and Bechtel could get the funding and rebaseline (reforecast the cost) the project before the cost issue surfaces, no one would know. As previously mentioned, on November 22, 2011, as a result of an internal review, DOE had to admit that the project needed nearly another \$1B. It is also important to note that Bechtel and DOE were pursuing even further increases in funding so that they could allegedly accelerate the completion of the WTP. While acceleration was the description given, many felt that the objectives were to cover past problems and to push the

project expenditures to a point where nobody would likely stand in the way of it, despite any technical and operational concerns.

After Robinson was assigned as the head of the mixing issue (M3), I continued to do my job. I and my group worked on test plans, stimulants, and with the national laboratories. I also raised issues in the February-May 2010 period as I and my group had consistently done. The repeating of issues and frequently very direct discussions with my URS senior manager, Bill Gay, occurred because it was obvious to me that Bechtel was driving to close M3 despite the inadequacy of the design. I knew from past experience that once an issue was "closed" it was hard to get any more attention on it. Since Bechtel was not going to be an operator of the plant, they only focused on getting it built and then getting out. In my opinion their management focus is on profits, not performance.

By May 2010 it was clear that I was slowly being isolated from the project. I found that I was not invited to key meetings, not included on distribution of key reports, and often virtually ignored. Meanwhile I continued to do my job and ensured that R&T provided the needed M3 support and accomplished its scheduled tasks. Despite this, by the end of May I felt like I had a target on my back. I could sense that Bechtel management was not happy with my continual raising of issues.

As June progressed, I was fearful of being fired for raising technical issues despite my continuing efforts to see that my group met its objectives. Russo focused intensely on closing the M3 issue by June 30th despite the many issues. Through discovery, emails were found where Bechtel management stated: "they needed to control Walt", "the science is over", and "I will send anyone home who does not fulfill my vision".

By June it was obvious that Bechtel and DOE were driving to close the mixing issue. DOE had hired Dale Knutson, from Pacific Northwest National Laboratory, to be the new Federal Project Manager for the Waste Treatment Plant. He was assigned to the WTP in early June. He immediately began to push for closure of the mixing issue. Being new on the job, in my opinion, he did not want a missed deadline within his first weeks on the job.

As mid-June approached there were many concerns with the adequacy of the mixing. Bechtel engineering used scaling approaches that were very questionable and challenged by other consultants. One consultant had referred to the Bechtel scaling approach as being criminally negligent. Bechtel proposed running the vessels at reduced levels and with less solids i.e., lower density. Bechtel proposed controlling the shear strength (somewhat like viscosity) in a specified range but gave no indication of how this would be done. All of these proposals reflected inadequacies of the mixing design and also further reduced plant throughput rates. The throughput rate is important because the plant is being built with a 40 year design life. Despite the concerns, Bechtel compiled the necessary paperwork to submit to DOE on June 30th 2010 for closure approval of the M3 mixing issue.

On June 30, 2010, two key events occurred. First, a small review team comprised of Bechtel and DOE managers, a Bechtel engineer, and a couple DOE scientists reviewed the Bechtel closure package which had been submitted. Dr. Alexander, the Ph.D. DOE scientist that raised the mixing concern in March, was part of this committee and objected to closing it. He was the only one to object. This caused a major discussion on how closure would be handled. Not surprisingly it was decided by Bechtel and DOE management that M3 would be declared closed for all aspects of mixing except the concern that Dr. Alexander had raised. The mixing issue was signed closed in August 2010 and Bechtel subsequently received nearly \$5M (of the \$6 million maximum) for its performance.

Also on June 30 a meeting was held to review the unresolved technical issues as identified by my Research and Technology group. This was part of a project-wide effort to surface issues. Most groups submitted a few issues. What was different about my R&T list I submitted was the number and the content. Our list had nearly 50 issues on it and most dealt with mixing concerns. I had sent this list to Bill Gay who forwarded it to Barbara Rusinko, the Bechtel Chief Engineer, nearly a week earlier. In addition it included the issues we submitted in 2009 (about 100), many of which were still open and needed resolution. One of the issues on the 2010 list was the recommendation to do large scale testing supporting Dr. Alexander's recommendation. In this meeting the ranking Bechtel manager, Barbara Rusinko, who had brought fresh cherries to the meeting, made the comment to me that "maybe I would choke on them" or words to that effect after I asked if I could have some. While I was taken aback by this response at the meeting, I tried to ignore it. From the discovery process it became clear that she knew the size and extent of my list prior to the meeting. It was also her last day on the WTP project. In retrospect I believe she was reflecting, on her last day, the Bechtel management attitude towards someone who raised technical issues that challenged Bechtel's engineering approach.

I did not agree with closing M3 but I was not on the decision committee nor was I asked despite my experience and position. Clearly they knew what the answer would be. I knew that if I stood up and objected, I would be overrun. I sent an email to three expert consultants I had been working with hoping they would express concerns based on input they had from DOE consultants. These consultants had been expressing concerns to me about the design. They also had conversations with key DOE consultants who they said had concerns with the design approach to close the M3 mixing issue. I wanted them to know that the M3 issue was driving to closure despite what they felt, heard, and had told me.

As the end of June, 2010, approached it was decided that the R&T group would move into the WTP Operations group and be renamed Process Engineering. An announcement was typed up and approved by Greg Ashley, Bechtel, and Dennis Hayes, URS. Plans were made to move the group to Operations effective July 1, 2010. A final meeting to discuss the move was set up for 7am on July 2, 2010.

On July 1 I went into work on my day off for a 7am meeting with the Operations Manager, Dennis Hayes. I took one of my managers with me. The meeting was planned to discuss the final details of my group's move to the Operations Division. This move was taking place for the reasons previously discussed. First, the R&T group would change its name so that Bechtel and DOE could say that research and technology were over (despite not being over). Second, the group would become the "Johnny Appleseed" for the future plant technical group.

When I arrived with my manager, the Operations Manager, Hayes, came out of his office and told my manager to leave. I asked him why. He said the topic of the meeting had changed and my manager was no longer needed. He told me go to into the office.

As I walked into the office, I saw the new assistant Human Relations person, Patrick Ellis, sitting in the office. I sensed something was wrong. The Operations manager told me to sit down. I asked what was going on. He said, "Give me your badge, your company phone, and your company Blackberry. You are no longer on the project. You have to leave the site immediately".

I asked him what was going on. He said he did not know and he was only doing what he had been directed to do. I asked him "who made this decision". He said Frank Russo, the top Bechtel manager, on the WTP Project had made the decision. I asked why. Hayes said he did not know. He said he had nothing more to say. Again, he directed me to turn over my badge, phone and Blackberry and then leave.

I turned to the Human Relations person. I asked him what was going on and why this was happening. He said he did not know and could not add anything. I turned back to Mr. Hayes and asked him again. He said he told me all he knew. After several times of going back and forth between them, I sensed it was futile to ask any more.

I then asked if I could go to my office to get my things. I was told very directly that I could not go get anything out of my office. Any personal items would be delivered to me later. I asked them how somebody would know the difference between a personal technical reference and a WTP Project reference. He had no answer. He just repeated that I could not go to my office and any personal items would be delivered to me later. After I turned over my phone and badge (I did not have my Blackberry with me) he told me I had to leave. To this day, some are still undelivered.

I asked if I, on my way out, I could go see a person who was going to babysit our dog for the weekend as we were headed to Seattle with my daughter and (unbeknownst to us) our future son-in-law. Mr. Hayes said I could see no one, talk to no one, and I would be escorted out via a path of least contact (with anybody else).

I asked who I could contact to get more info. He told me to contact Leo Sain, URS Vice President in Aiken, SC, and Bill Gay, the top URS manager on the project to learn what my next location would be. Mr. Gay was in California for the weekend visiting his mother. He gave me their phone numbers on a piece of paper and then told me to leave.

Mr. Ellis walked me to the main office building front door. When we got there I asked Mr. Ellis one more time as to what was going on. I thought he might offer some insight if it was just the two of us. He repeated what he had told me before: He had no reason why this was taken place and had nothing more to offer. He said I had to leave the site immediately. I pushed the door open, said goodbye, and he pulled the door closed behind me to ensure it locked.

As I walked to my car, I remember stopping and looking around. I had a feeling like I have never had before. I felt totally alone with no one to turn to. I felt like a man without a country. All I could do was get in my car and drive home. I had no idea what the future would hold. I had no idea why this had happened.

As I pulled into the garage, my wife and daughter heard the garage door opening and came to see what was going on. I told them I had been fired from the WTP project. My daughter stood there not knowing what to say. I went into the house and sat in a state of shock. I told them I would call Leo Sain and Bill Gay to see what they could tell me.

It was now about 9am PST. I tried Bill Gay several times but could not reach him so I left a message. I then tried Leo Sain and reached him on my first call. I immediately told Mr. Sain what happened and asked him to explain what was going on. He said he could not explain it. He asked me the question of "did you make recommendations that large scale testing was needed?" My mind flashed immediately to the issues list I submitted. I knew this item was on the list. I answered honestly by saying, "yes, it was one of the items on my list". But then sensing this was the reason for my termination, I offered the comment that others had brought it up also. Mr. Sain told me to come to Aiken for Tuesday July 6th. I told him that we were headed to Seattle and asked if I could come there on July 7th. He said that would be OK.

At about 10:30am PST on that Friday, Mr. Gay returned my call. I told him what happened and asked him for an explanation. He asked if I had sent an email to consultants. He indicated that this email upset some people. He would not tell me who or why. He said he did not have any more information as he was in California (which I knew). I told him the email I sent to the consultants did not contain any derogatory comments. It was an informational email. He told me he may be back in Richland late on July 5th and maybe we could meet then. I told him I was headed to Aiken, SC, for July 7th and would not be in on Tuesday, July 6th.

In the afternoon before leaving for Seattle, the more I reflected on the morning actions, the more I felt that what had happened was not right. I then called the DOE Employee Concerns Program to let them know what had taken place. I didn't know what else to do. I told them I had been dismissed from the WTP with no reason being given. I told them I was headed to Aiken SC and would contact them again when I got back. We left for Seattle and returned late on July 4, 2010.

In the early afternoon of July 5th, Cami Krumm, the URS Human Relations Manager, called me. I asked her what was going on. She said she did not know. She said it did not sound right. She said

that Bill Gay was coming back into town and wanted to meet around 6 pm. I told her that would not be possible as I had a dinner planned with my family. I asked her if he would give me in writing the reason for my termination from the WTP. She said he would not. I then said that even without the dinner existing, there was not a great reason to meet. I wanted answers.

I left for Aiken SC the morning of July 6th. I prepared notes for my meeting with Leo Sain on the next day. I arrived at the Aiken office at 8am. After a brief wait, I met with Leo Sain and Dave Hollan. Hollan is the division Human Relations manager.

I immediately asked Sain what was going on. He said he was not sure. He said that I had sent an email to a consultant that upset some key people. I asked him to show me the email. He said he would not. He said he would read a part of it which he did. I again asked if I could see the email. He said no. I asked him what was wrong with the email. He said, and was supported by Dave Hollan, that they saw nothing wrong with the email unless you read things into it. I asked him who made the decision to remove me from the project. He told me that it was Russo of Bechtel. I asked him how Russo could do such a thing. He told me that "URS does whatever Bechtel wants". I started to ask him the question my mother always asked me "If Bechtel told you to jump off a bridge, would you do it?" Discussion continued for nearly 2 hours. During the discussion Sain told me to work on finding myself another job in the company. I told him I would not do that as URS management had agreed with Bechtel and it was therefore up to them to find me a job. I told him that at my level I was not going to try to do that as I thought it would be a fruitless effort. We broke for lunch. In the afternoon we resumed discussion but it only lasted for about an hour. During that discussion, Sain told me that I should not raise technical issues and should send them to him to address. I told him that was my job and asked him if he was telling me not to do my job. He told me that he was telling me to send the technical issues to him.

Mr. Sain asked what I wanted out of this. I told him I wanted my job back and a public apology from Russo. He said Russo would never give me a public apology. I told him I would accept a private one-on-one apology from Russo and my job back. He said that he had a "silver bullet" he could use and would see if he could make that happen. I left the discussion with Sain thinking there was a good chance for all this to be reversed.

During this afternoon discussion, Sain also pushed me with questions to see if I was going to take any other action. I acted like I wasn't sure what he was asking but knew he wanted to know if I was going to file any complaints or take any legal action. I told him that at this time I did not know and I just wanted my job back. I felt like it was inappropriate for Sain to be asking. I wondered had I said "yes, I plan to file suit and contact the Department of Labor" if he would have acted or responded differently.

After the afternoon discussion with Sain, I met for a short time with Hollan. He told me things had not been handled properly and if it was URS they would have done it differently. He would not expand beyond that. He was very guarded with his words.

The meeting ended about 2:30pm EST and I drove towards Columbia SC to meet with my youngest daughter. About 3pm I received a phone call from Sain and he said that he had talked with Russo and it looked good that I would be going back to the WTP as I had requested. He said he had to use his "silver bullet" and I should know by Monday. I felt somewhat uplifted that Sain was true to his word and wanted to see right got done. I later learned through discovery that while Sain was presenting a positive view to me he was also asking if any grounds for disciplinary actions existed.

I returned home and heard nothing until Sunday night July 11th. I received an email that said I would be meeting with Bill Gay the next morning at 7am. I thought that I would be told I was returning to the WTP as Sain had indicated.

I went to the meeting at 7am. Besides Gay, Hayes and Krumm were present. We went to a small room and Gay started reading from a prepared script. He said things had been reviewed and I was not going back to the WTP. I was caught by surprise. I asked as to who was responsible for my removal from the WTP. Gay stated it was Russo and Knutson, the DOE Federal Project Director. During the discussion, Gay said I was disrespectful to Bechtel management. I asked him for examples. He gave none. I asked him if I was any more disrespectful than others including him. He said no. He then said I had performance issues. I told him that this was the first I had heard of that. I asked him what they were and where they were documented. He could not provide any. He then said that URS does whatever Bechtel says. I asked him where this was written. He said in the contract. I asked him to show me those contract words. He said he did not know where they were. I have never received any contract words supporting what Gay said. In fact, my review of the contract says they do not exist. Krumm said she would take it under advisement and see if she could provide me the words. As the discussion ended, I was told I would be assigned to work with the business development group on a technical program.

Gay and Hayes left the meeting. I asked Krumm to stay behind. I asked her what was going on. She said she was not sure of the details but was sure that it had not been handled properly. I asked her if she could do anything. She said "no, it is too late, there's nothing I can do". A summary of the July 12 meeting exists.

It was now 12 days after my termination from the WTP and I had yet to receive a written reason (or even an understandable verbal description) for why I was terminated from the WTP. In fact, to this date, I have never received a written reason.

After the meeting I went to my new work location. I was assigned to report to a contract employee and work on a special assignment to develop an alternate process for stabilizing low level waste. DOE had given URS money to look at an alternate process to the one they were building in the WTP. It is important to note, as previously stated, that the current low level vitrification (glass) plant will only handle about 40% of Hanford's waste. A facility as large as or larger than the original low level vitrification plant must be built to handle the remainder. Rather than just copy

what they are building, they were looking at an alternate processes, and URS, the subcontractor on the WTP, was doing it.

After about one month on this job, this special assignment organization changed. Rather than this group work as part of the business development group on this job, the job was being absorbed into the URS tank farm organization. I assumed that the reason for this was that it was too visible being in the business development group and caused too many questions from competitors about why URS was getting this special funding especially since they were a contractor in the WTP. By moving the task into the tank farm it was nowhere near as visible to the outside world. My assignment in this program ended about the third week of August 2010.

I was then told to report to the main URS office building in Richland , WA. When I got there I was told I was being given an office in the basement. When I went to it, I learned it had two copy machines in it and the janitor's supply room was connected to it. Another person also sat in the office but being a field assigned person he was essentially never there. His desk was only to give him a desk with computer access if he was in town and ever needed it. One of the copy machines was the high production copier used to compile large documents. I brought in a pair of ear muffs to dampen the sound when it was running.

As a brief flash forward in time, for about a year, I sat in the basement office with no meaningful work and no contact from anyone in URS management. I was not invited to any safety meeting and any staff meetings, and only received computer issued corporate information.

By July 14th, 2010, the more I thought about what had happened the more concerned I grew. What was done was not right and should not have occurred. I had always told my people to do the right thing. I told them to:

- 1- Ask themselves what is the right thing to do.
- 2- Ask themselves if they were going to do it.
- 3- Ask themselves if they would they stand up and tell people what they were going to do , i.e., were they willing to defend it.
- 4- If not, go back to question #1.

The more I thought about what had been done I decided I could not face my former workers and tell them that this action was right and I would do nothing about it. I did not want them to think that this is how you manage. More importantly, I did not want this to happen to anyone else.

I then talked to one or two people whom I thought I could trust. I shared my feelings. I told them I wanted to see that right was done and what had happened to me was wrong. I told them I planned to write a letter to the Defense Nuclear Facilities Safety Board. I chose the DNFSB because I knew they had oversight responsibility for DOE and the WTP. I did not know the full extent of their responsibilities nor what they would do. But they were the only group I could think of that might

help. I composed the letter and sent it on July 16, 2010. I assume it arrived at the Board's office early the week of July 19.

During the weeks of July 12 and July 19, I had follow-up meeting with the DOE Employee Concerns Program as a follow-up to my July 2 call to them. I told them what had happened. Their managers said that they had never seen such a blatant case of retaliation. Bonnie Lazor, the first DOE ECP person I talked with said it appeared to be a very serious case of retaliation and the Bechtel was in deep trouble. I asked why. She said "You are smart, you are very detailed, and they are wrong". Later, Bill Taylor, the highest ECP manager I spoke with, told me that he felt this was not something to be handled by DOE ECP and I should contact somebody on the outside. I asked who. He said "Tom Carpenter".

I contacted Carpenter, who runs a non-profit group called "Hanford Challenge," on July 16th and told him what had happened. I told him I did not know who to turn to, where to go, or even who to talk with. I felt awkward talking with him in such detail but I felt like I had no other choice. Mr. Carpenter said he would be in town early the next week and would meet with me.

As I further investigated what my options were, I learned that a whistleblower case at Hanford could not be filed in Washington State court as case law had been decided by the Washington State Supreme Court that effectively prevented such a case being brought. I learned that the only route of recourse was to file with the Department of Labor but it was doubtful if they would act within the allowed time of one year. I learned that there was a statute of limitations even for these filings so I had to move fast. One time limit was 30 days and it was only about 10 days away. As I thought about it, things seemed very dark. It seemed like there was not enough time to explore options, let alone take action. I was glad I wrote the letter to the DNFSB.

I subsequently filed a complaint with the Department of Labor on July 31, 2010, just within the 30 day window. I learned that the DOL has a large backlog and does not have a good record of getting through a complaint within their one year period. I learned that if the DOL does not make a ruling within one year I could request my case be moved to Federal court. The more I learned, the more disappointed and helpless I felt. I could find no help at the State level, limited and doubtful help at the Federal level, and I only had few people I could talk with.

On July 20th, with probable knowledge of my letter to the DNFSB, Sain called me and asked me "what he could do to make Walt happy". I repeated what I had told him before. He said "Christ, Walt, Russo made a mistake. Haven't you ever made a mistake before?" I asked him what he thought Riley Bechtel would want if he had been disgraced the way I had been. I told Sain that job and career satisfaction involves reputation, responsibility, contribution, and doing something you love to do and all these had been taken away from me. I told him that my work was my calling.

Money, titles, and even benefits do not provide job satisfaction and contribute to self esteem. It was clear to me that Sain had no personal interest in what happened to me other than for it to go away.

During the week of July 19, 2010, I had lunch with my new manager, Duane Schmoker. During the lunch he told me that "my longevity was threatened if I continued my actions against Bechtel". I asked him what he referred to when he said my longevity. I asked him if he meant my job, my employment, or my life. He just said I would not win against Bechtel.

I have since learned that after Bechtel received a copy of my letter, one of their first actions was to contact Senator Patty Murray's office and ask for support on the Hill (Congress in Washington DC) in handling the response to my letter. Emails show that his communication occurred the last week of July, 2010. No one from Bechtel, URS, DOE, or Senator Murray's office had contacted me for any input. It is like I was assumed guilty and wrong and the wheels of a large machine were immediately rolling against me.

In parallel to the Bechtel communications effort, unbeknownst to me, my letter to the DNFSB had been leaked to the local newspaper, which published a story. The Chairman of the DNFSB, Peter Winokur, was quoted in the article saying that I was a credible witness and that an investigation would begin.

As a result of my letter and the comments by the DNFSB, three investigations were initiated. One was by the DOE Health, Safety, and Security (HSS) office. Another was by the DNFSB. The third was by the DOE Office of Inspector General (IG) out of San Francisco.

From the discovery process, I learned through evidence produced by the contractor that Eric Gerber, a senior business development person who reports to Duane Schmoker, sent an email to Schmoker attaching an announcement of a talk I was going to give in Seattle. Gerber's comment was "this will not be an easy termination".

As the investigations unfolded in August 2010, I learned that their focus was;

- DOE Health, Safety and Security (HSS): Investigate the safety culture in the WTP
- DNFSB: Investigate the technical issues in the WTP
- DOE Inspector General: Investigate the circumstances around my termination.

While these reviews seemed encouraging, only one, the IG review, dealt directly with me. Multiple interviews were conducted with me by the first 2 groups. Only one interview occurred with the IG. When the IG called me to set up the interview, they said that two of their San Francisco agents would be coming. When they arrived there were three. The third agent was from the local office. At first my attorney and I objected to the presence of the local agent. I expressed concern that due to the significance of the issue we wanted independence in the investigation. Despite what they

had told me, the San Francisco IG agents could not agree to proceed without the local IG agent until they had confirmation from their management. After several phone calls and discussions and an hour delay, the head San Francisco agent told us that the IG could not proceed with the interview without the local agent present. Since this was the only group looking into the termination aspects of the case we decided to proceed with the interview. The discussion proceeded and it was the only discussion to be held with the IG.

Within about 3 weeks (early September 2010) I learned that the IG had stopped their investigation. Their reason was that I had filed a complaint with the DOL and, therefore, they would not proceed with investigating my complaint. They did not explain their reasoning.

In late September, the DOL contacted me through counsel to set up a meeting. This was the first and only meeting held with the DOL. When we got there we learned that Bechtel and URS had provided some information although it was not clear whether it was written or verbal. After a lengthy session, we stopped and said we would continue in the future. No future session was ever held. This ended my discussions with the DOL.

Also, in September, after learning much more about the case, my counsel filed suit in Washington State court against Bechtel and 2 defendants and URS and 3 defendants for conspiracy and tortious interference surrounding my employment with URS in the WTP. While this seemed like a step forward, I learned that these state court claims do not provide for attorney fees or costs if I prevail. I also learned that in the DOE contracting world, the legal costs incurred by the companies are reimbursed by the DOE. Since this is taxpayer money, I began to feel that I was battling myself. It is unclear to me that if a company loses a retaliation case, whether they have to pay DOE back for the funds they received. Further complicating it, if the company chooses to settle but admits no guilt, it appears they do not have to pay DOE back for any of the legal costs. I felt like everything was stacked to support the companies.

The DNFSB called for a public meeting on October 7 and 8, 2010, to discuss some of the technical issues in the WTP. Mixing was one of the main topics. Another dealt with vapor dispersions from a release to the atmosphere, another with pipeline explosions, and the fourth main topic involved tank farm safety.

In very early October, just before the DNFSB public meeting, the final report by the DOE HSS was issued. Despite finding many indications of concern, the summary of the report gave little acknowledgement to those issues. Overall the summary presented a rather positive view of the culture. There were findings in the body of the report that clearly indicated problems with the safety culture. For instance, the HSS report found that "a number of individuals have lost confidence in management support for safety, believe there is a chilled environment that discourages reporting of safety concerns, and/or are concerned about retaliation for reporting safety

concerns. These concerns are not isolated and warrant timely management attention, including additional efforts to determine the extent of the concerns." Despite these finding, no action plan was put together by Bechtel or URS to address the areas of concern or findings in the report.

As a result of actions by DOE management during the public meeting and afterwards, indications of witness tampering became a concern. As a result, the DNFSB initiated an in-depth investigation in later 2010 and called people (DOE and contractors) to Washington DC to testify on video under oath. This was publicized in the TriCity Herald newspaper on March 8, 2011.

In December 2010, the DNFSB issued their recommendation 2010-2 which summarized their findings concerning mixing issues. Their findings substantiated all of my concerns and identified more. Also in December 2010, Bechtel and URS removed the Washington State court action to the US District Court. I challenged that removal, and the Federal judge found in my favor that the case should stay in State court.

After month of effort, in early 2011, through the Freedom of Information Act (FOIA) I received a copy of the summary memo compiled by the IG. It was so redacted it was impossible to make any sense of it. In mid-2011, after a year of effort, I received a more extensive file but, again, the material was so redacted that it was impossible to make any sense out of and was essentially useless.

Also in early 2011, Bechtel and URS moved to have my trial date pushed back to give them more time to prepare. While I have one or two lawyers on my case, they have two corporate teams and about three large external firms. While we can be ready, they claim they cannot. The judge ruled that the trial would not be until May 2012. Again, things seem to be slanted to support the companies.

In June 2011, following their intensive witness tampering and safety culture investigation, the DNFSB issued recommendation 2011-1 which stated that major safety culture issues existed in the WTP. They included recommendations on how to address them. The findings included:

- In a WTP project managers' meeting on July 1, 2010, Dr. Tamosaitis raised safety concerns related to the adequacy of vessel mixing, technical justifications for closing mixing issues, and other open technical issues. The next day he was abruptly removed from the project. This sent a strong message to other WTP project employees that individuals who question current practices or provide alternative points of view are not considered team players and will be dealt with harshly."
- "The Board finds that expressions of technical dissent affecting safety at WTP, especially those affecting schedule or budget, were discouraged, if not opposed or rejected without review. Project management subtly, consistently, and effectively

communicated to employees that differing professional opinions counter to decisions reached by management were not welcome and would not be dealt with on their merits.”

- “The Board's investigation concludes that the WTP project is not maintaining a safety conscious work environment where personnel feel free to raise safety concerns without fear of retaliation, intimidation, harassment, or discrimination.”
- “Previous independent reviews, contractor surveys, investigations, and other efforts by DOE and contractors demonstrate repeated, continuing identification of the same safety culture deficiencies without effective resolution.”

A 30-day window existed for the public to offer comments on the 2011-1 recommendation. However, within about a week, DOE responded in writing and took issue with the DNFSB findings. Despite the lengthy and thorough investigation by the DNFSB, the DOE contended that their quick investigation in September 2010 had led them to other conclusions. Unforeseen by them, however, was the nearly 100 concerns expressed by the public in support to the DNFSB recommendation. The premature response by DOE and the thorough investigation by the DNFSB required DOE to issue a follow-up response.

As a follow-up to the DNFSB Recommendation 2011-1, DOE had announced it will do another HSS cultural audit of the WTP. This will be nearly 15 months after my termination from the WTP project. Bechtel has also brought in outsiders to perform reviews. Bechtel hand-picked the participants, outlined the scope, and paid for the reviews. Bechtel will also have an opportunity to review the draft report and make edits before publication.

As had been predicted, as August 2011 approached, it became obvious that we would not hear anything from the DOL.

As the discovery process unfolded, it became apparent that, as Sain and Gay had stated, Dale Knutson of DOE had played a major role in my termination. We learned that after Sain had called Russo on July 7th, Russo went to Knutson to get his OK to bring me back. Knutson said he did not want a whistleblower on the project. Russo told Gay that this had stopped my return to the WTP project and put end to the silver bullet which Sain had used.

In August 2011 after about a year of isolation in the basement, Bob McQuinn who had taken Sain's position started to try to get me involved in some corporate programs. I provided a couple weeks of management leadership assistance at the Savannah River Site, Aiken, SC, and also provided some marketing assistance to the National Engineering Technology Laboratory, Pittsburgh, PA. I still have not been invited to a staff or safety meeting and have had no contact in the building from the group I thought I reported to.

In November, 2011, after much review of the discovery and deposition information, I moved to:

- Drop URS from the State suit keeping only Bechtel in it.

- Filed suit in Federal court naming URS and DOE.
- Regarding DOE, we made it known we wanted changes made within DOE to prevent similar actions, not monetary settlements from them.

It is now almost December 2011, about 18 months after my termination from the WTP. Bechtel has now filed for summary judgments and dismissal of my suits. If these suits are not dismissed the soonest the trial will occur is May 2012, almost 2 years after my termination from the WTP.

To this day I have not received a formal explanation of why I was terminated from the WTP. Bechtel and URS have offered these reasons at varying times over the past 17 months for my termination:

- My job was over.
- I sent an email which raised concern with key customers.
- I was focused on my pay and bonus and not the program
- I had performance issues.
- The Pacific Northwest National Laboratory did not like working with me.
- I was an obstacle to closing the M3 (the mixing) issue.

Information from the discovery process and depositions exists to disprove the above. While Bechtel continues to provide such comments as those above, they continue to conduct surveys to support their position. They pick the people for these surveys and even use Bechtel supporting law firms to conduct them. Then, most sadly, they are reimbursed by the government for the expenses.

What does appear to be clear, as evidenced by my termination from the WTP, is that anyone who challenges or takes a stand against Bechtel's design, especially where money (bonus, profits, fees, additional funding) is involved will be dealt with harshly.

In summary, at this time, to the best of my knowledge:

- I have learned that there is no recourse in Washington State courts for a Hanford employee who is dismissed for raising whistleblower concerns. Stated another way, the Washington State courts can do nothing for whistleblower complaint from a Hanford employee.
- The Inspector General will not investigate a complaint if the Department of Labor is involved. In fact, the IG immediately stopped its investigation when it learned that the Department of Labor was involved in my case. Stated another way, the IG did nothing.

- The probability of the Department of Labor thoroughly investigating and coming to a conclusion in the one year period is very low. The DOL never finished its investigation nor offered any written conclusion to my case. To the best of our knowledge, Bechtel and URS ignored the DOL's request for information. No action was taken. Stated another way, the DOL did nothing.
- No members of DOE management have personally investigated the actions surrounding my termination. Stated another way, DOE management did nothing.
- No members of Bechtel or URS management have personally investigated the actions surrounding my termination from the WTP. Stated another way, Bechtel and URS management did nothing other than hand select people to do surveys for them.
- With no state court recourse and no DOL support, a Hanford employee has little recourse other than requesting a Federal trial. And whether a trial is granted is determined by the Federal judge. And more than 2 years can easily pass before any court action commences. So a person in my situation raising a valid whistleblower complaint can end up being judged without having a trial.
- It is my understanding that DOE is reimbursing the contractors for their legal fees in their fight against me. Stated another way, I am in essence financially fighting myself and other taxpayers, not the companies. The companies are at zero risk.
- The only group who took action in an attempt to correct technical and safety culture issues was the Defense Nuclear Facilities Safety Board. Without them giving oversight to DOE and its contractors, there is no one providing DOE oversight. This is like giving the fox the hen house to guard. In this case, however, without the DNFSB, the fox not only eats the chickens but laughs at the person who points this out. The issue the DNFSB faces, however, is that they have no enforcement authority, they can only issue recommendations. With no teeth, they can be ignored.

Who can a conscientious employee turn to for help? From my experience to date, I would say that the answer is "virtually no one".

I strongly recommend that these actions at the minimum should be taken:

- Federal laws should be expanded to increase the rights and protection for concerned citizens who act on behalf of others for the betterment of our Country and the use of its resources.
- Contractors should not receive coverage for legal expenses in a whistleblower lawsuit. Currently, DOE reimburses all costs even ongoing costs (It is unclear if the contractor has to pay DOE back if found guilty).

- If the contractor is found guilty, the contractor should have to pay a fine to DOE and the State.
- DOE should not be allowed to issue contracts where one company is both the design agent and design authority. These are separate functions which should be managed individually.
- Federal agencies, like DOE, should only be able to use a subcontractor on an Inter Personnel Agency (IPA) assignment if the program has no connection with the subcontractor, i.e., the home subcontractor is providing no support to the program.
- If DOE is found guilty in Federal court, a penalty should be imposed on DOE similar to what occurs if they miss a regulatory commitment with a State.
- Annual funding for the DNFSB should be increased to enable increased staffing and more oversight.
- The DNFSB should be given enforcement authority for their recommendations.
- A stand-down of the pretreatment facility of the WTP should be enacted until and independent panel can recommend the proper path forward to ensure a safe and efficient plant. Continuing to build it while issues exist and alternate processes are pursued in the tankfarm is a waste of taxpayer money.
- (Hanford) Whistleblowers should be able to file suit in the (Washington) State Court in addition to Federal court. The reason for dual court filings is that DOE can only be sued in Federal court.
- State court remedies should include punitive damages and coverage of legal costs.

I encourage the Senate and Congress to pursue and implement actions like those stated above. More protection should exist for contractor employees who are willing to come forward to expose retaliation, technical issues, safety concerns, waste, fraud, and abuse in all projects and especially federal projects.

Thank you for your time and attention and giving me this opportunity. Please contact me if you have any questions or would like any additional information.