

Op-Ed
SRS CRO
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SRS Contract Bid Request “Shockingly Weak”
In Push for Economic Development

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The Department of Energy is re-bidding its management contract for the Savannah River Site, opening the opportunity to manage the multi-billion dollar site to a host of interested firms. While we applaud competition as a good thing, we are disappointed that DOE has failed to emphasize the new contractor's role in encouraging local economic development.

In fact, DOE's draft Request for Proposals is shockingly weak in its focus on technology transfer and enhancing the community ability to expand our economy.

The Board of Directors of the SRS Community Reuse Organization (CRO) has communicated its concerns to DOE and our Congressional delegation, but every citizen of the region needs to understand what is at stake – and to speak out about the need for strong contractor participation in our future economy.

Most people aren't aware that our community has suffered by having the Environmental Management (EM) division of DOE as the “landlord” for the Savannah River Site. According to DOE-EM, they are prohibited by law from funding any local economic development activities. In the past, the local DOE has encouraged contractor involvement in economic development programs and reimbursed the contractor for money spent in pursuit of business expansion and new jobs. With Environmental Management at the helm, those days appear to be over.

Other DOE divisions such as Energy, Science and the National Nuclear Security Administration (NNSA) which have similar landlord roles at Idaho, Nevada, Oak Ridge and other facilities apparently have no such restrictions. Environmental Management, on the other hand, is focused on cleaning up and closing most of the sites it oversees.

Despite extensive decommissioning and cleanup, SRS remains an open site with enduring missions and is likely to continue to operate in some fashion for decades to come. Although site preparation is underway, construction has yet to start for new projects like the Mixed Oxide (MOX) Fuel facility. While we continue to wait on these new missions, local DOE management insists that, when it comes to promoting economic development with directives and dollars, its hands are tied by DOE policy and federal legislation.

We deserve better treatment from DOE in promoting economic development. Regardless of which part of DOE is landlord for SRS, our region deserves equally aggressive support from the federal government because of the service and support we have provided.

In contrast to its puzzling silence, the Request for Proposals for the new management contract should set clear expectations for strong and effective economic development initiatives

on the part of the contractor. The bidders' response should be a critical element in the selection process. The winning contractor should be evaluated annually, with a direct impact on fee earned, based on how effectively they perform in transferring technology to expand the regional economy. The CRO has recommended that the new contractor devote a portion of its multi-million dollar gross fee each year to economic development activities. DOE has acted wisely in its recent decision to nearly double the fee available, giving the successful bidder an even greater opportunity and incentive to invest in the economic growth for our region.

Our concern is compounded by the seemingly endless debate over Yucca Mountain, the federal government's ultimate repository for nuclear waste. As a community, we are disappointed that Yucca Mountain remains mired in controversy and that its completion schedule continues to slip. We do not want SRS to become a de facto permanent storage facility if Yucca Mountain never opens.

As has been the case for more than 50 years, SRS presents our community with challenges and opportunities. Surely, the Congress and the DOE can work together to have the SRS contract proactively encourage and assist in diversifying the regional economy. Other DOE contracts have embraced the notion that diversifying the regional economy will not only create new local jobs but improve the business environment for critical DOE missions as well.

SRS can benefit from the same approach.

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ABOUT THE SRSCRO: The mission of the SRS Community Reuse Organization is to facilitate economic development opportunities associated with Savannah River Site technology, capabilities and missions and to serve as an informed, unified community voice for a five-county, two-state region of Georgia and South Carolina. The leadership of the CRO is composed of 22 business, government and academic leaders from the two-state region. These individuals are appointed by local governments, chambers of commerce and members of the South Carolina and Georgia Congressional delegations. The CRO is the only organization with a two-state focus relative to economic development initiatives related to SRS.