



P R E S S R E L E A S E

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NUCLEAR WATCHDOG GROUP TO BID ON LOS ALAMOS MANAGEMENT CONTRACT

Santa Fe, NM. -- Today the Department of Energy (DOE) posted a draft "Request for Proposal" to manage the Los Alamos National Laboratory (LANL). Its "Statement of Work" declares that the Lab's primary mission is "strengthening the United States' security through development and application of world-class science and technology to advance the nation's defense and to reduce the global threat from terrorism and weapons of mass destruction." It also states that the future contractor must bring "the highest degree of vision" to the execution of LANL's programs.

"Precisely because Nuclear Watch New Mexico believes higher vision is critically needed for the Lab's and the nation's future, we are throwing our hat into the ring," said Scott Kovac, NWNM Operations Director. "Our prospects are perhaps brightened in that we could win the contract partially by default, given that other potential competitors have apparently lost interest after the continuing scandals. Moreover, the University of California's (UC's) past management performance has been so poor that in comparison we could look good."

"With respect to reducing the global threat from weapons of mass destruction, what a golden opportunity 'higher vision' could bring to Los Alamos", observed Jay Coghlan, NWNM Director. "Let's start right here at home and get the Lab off of its continuing advancement of nuclear weapons, which only prompts other countries to follow." The Statement of Work explicitly states that the future contractor shall explore advanced nuclear weapons concepts and engineering development. "But it's time for that to change, and Congress apparently agrees," added Coghlan. Funding for advanced nuclear weapons concepts was just recently cut from an omnibus appropriations bill.

"In terms of strengthening the United States' long-range security," Coghlan continued, "under NukeWatch management the Lab's strategic direction would radically shift from being over 70% funded for nuclear

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weapons to other more beneficial programs, such as energy independence and defending against the potentially devastating effects of global climate change. Current Lab funding for research in renewable energy technologies is zero and climate change research is minuscule as a percentage of the Lab's \$2 billion budget. With respect to reducing the global threat from terrorism NukeWatch would initiate vigorous investigation into preventing the conditions that breed terrorism to begin with."

On some selected other key points:

- Lab nuclear nonproliferation programs currently receive only one dollar for every nine that goes into its core nuclear weapons research, testing and production programs. NukeWatch would invert that ratio. The stalled dismantlement of nuclear weapons would be given the highest priority.
- Top priority would be given to genuine Lab cleanup in close cooperation with New Mexico. UC had repeatedly sued the State in order to obstruct mandated cleanup. Moreover, UC did such a lousy job that DOE plans to "de-scope" cleanup from the contract in FY 2007. Under NukeWatch management a strong preference would be given to New Mexican subcontractors. Besides prompting regional economic development, the pride that we New Mexicans would take in cleaning up our own land would likely motivate such stellar performance that DOE would be persuaded to keep cleanup under one contract.
- Although it too is a nonprofit organization, NukeWatch would voluntarily pay New Mexico gross receipts taxes on any compensation for its management services. This could ultimately provide up to \$80 million annually to the State (nearly half of which would go to public education). LANL has never paid taxes to New Mexico because UC is a non-profit.
- Finally, NukeWatch would work to better integrate Los Alamos into the rest of the State. For too long Los Alamos County has been a privileged enclave with only limited benefits for New Mexico. It's time to change that, to better spread both the economic wealth and the Lab's intellectual resources for the greater benefit of all in meeting important regional and national needs for long-term security.

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The University of California (UC) has managed the Lab since its inception in 1943. However, after repeated security and fiscal management scandals DOE decided in April 2003 to compete the management contract for the first time. UC's current contract expires September 30, 2005, but UC is also expected to submit a bid for continued management of the Lab.

*The NNSA's draft RFP is at <http://www.doeal.gov/lanlcontractrecompete/DraftRFP.htm>.
The Statement of Work is under Section J, Appendix B.*