



PROGRAM UPDATE

Office of Worker and Community Transition

United States Department of Energy

October- December 1999

WORKSHOP ON GASEOUS DIFFUSION PLANTS AND EARLY SITE CLOSURES

The Department of Energy's Office of Worker and Community Transition plans to hold a Workshop on March 6-7, 2000, at the Westin Cincinnati in Cincinnati, Ohio. On March 6, discussions will focus on the status of work force changes at the Portsmouth, Ohio and Paducah, Kentucky gaseous diffusion plants and steps to mitigate the impact of this restructuring. The March 7th sessions will provide a forum to discuss work force planning issues, worker retention and transition strategies and their integration with community transition activities for early site closure. For more information on the Workshop, please call Sheila Dillard at 202-586-5881.

PLAN FOR THE FUTURE OF THE WORKER AND COMMUNITY TRANSITION PROGRAM

In October 1999, the Secretary of Energy submitted a report to Congress on the termination of the Office of Worker and Community Transition. This report complies with the Congressional direction in section 3151 (b) of the Fiscal Year 1999 National Defense Authorization Act. The report describes program authorities and responsibilities and the impact of transferring them; ongoing requirements; and options for transferring functions and current positions to meet the Department's ongoing responsibilities. The complete report can be accessed at WT's web site at www.wct.doe.gov, under What's New.

WORK FORCE RESTRUCTURING ACTIVITIES

ENHANCED VOLUNTARY SEPARATION PROGRAM OFFERED AT OAK RIDGE

On October 14, 1999, the Department of Energy (DOE) announced that an enhanced voluntary separation program will be offered to Lockheed Martin Energy Systems and Lockheed Martin Energy Research employees at Oak Ridge, Tennessee in order to mitigate work force restructuring activities which were announced and initiated on August 18, 1999, involving up to 600 positions at the Y-12 plant.



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The decision to offer an enhancement to the existing voluntary separation program was made after final appropriations for the Worker and Community Transition Program were determined and the level of restructuring across the Department was assessed.

Under the Program, workers who volunteer to separate, and by doing so allow an involuntary separation to be avoided, will be provided an additional incentive payment equal to 50 percent of their standard severance payments. In addition, the Worker and Community Transition account will fund outplacement and relocation assistance for these employees. They may also qualify for displaced worker medical benefits, based on established eligibility criteria. Workers who applied for voluntary separation in this restructuring prior to approval of this enhanced benefits will also be eligible to receive the enhanced voluntary separation payment.

Outplacement, education, and relocation assistance will also be provided for any workers involuntarily separated as part of this restructuring activity.

It is anticipated that, as a result of this program, only 20-30 involuntary separations will be required at Y-12.

WORK FORCE RESTRUCTURING AT PANTEX

On November 22, 1999, the Office of Worker and Community Transition was advised by the Albuquerque Operations Office that Mason and Hanger, the management contractor at Pantex, determined that it needs to reduce its work force by up to 90 positions during the first quarter of Fiscal Year 2000, in order to accommodate needed skills mix changes. It is expected that all these reductions will be achieved through un-enhanced voluntary separations or through attrition.

PORTSMOUTH AND PADUCAH SUBCONTRACTING

During the fall of 1999, the Office of Worker and Community Transition worked with the Office of Environmental Management, the Office of Nuclear Energy, and the Oak Ridge Operations Office to facilitate work force transition agreements among Paper, Allied-Industrial, Chemical and Energy Workers of America, the United States Enrichment Corporation (USEC) and the Bechtel Jacobs Company, to allow the Department to proceed with subcontracting work at Portsmouth and Paducah in a manner that provides maximum opportunities to the incumbent work force. These agreements will help facilitate movement of workers who may be displaced by USEC in the summer of 2000 to the DOE-funded work at the sites.

WORK FORCE RESTRUCTURING AT KANSAS CITY ANNOUNCED

On November 29, 1999, the Department of Energy announced that, primarily as a result of lower than anticipated reimbursable work for organizations other than Defense Programs, a reduction of between 40 and 70 positions at the Kansas City Plant is required. This reduction will involve both salaried and bargaining-unit employees.

Salaried associates will be able to express their interest in being part of the reduction if their separation can avoid the necessity for an involuntary separation. Senior hourly workers in initially



affected classifications may elect to replace less senior associates and receive lump sum payments in lieu of recall rights as called for under the collective-bargaining agreement. It is anticipated that these programs will substantially reduce or eliminate the need to implement involuntary separations. Separating workers will be provided outplacement assistance and displaced worker medical benefits under terms and conditions included in the Kansas City Work Force Restructuring Plan.

These reductions will also allow for selected hiring to address skills mix issues. AlliedSignal is aggressively pursuing cost-saving initiatives in non-labor activities and funding adjustments which, if successful, could avoid the necessity for additional involuntary separations in Fiscal Year 2000.

COMMUNITY TRANSITION ACTIVITIES

COMMUNITY TRANSITION ACTIVITIES AT FERNALD

In November 1999, the Office of Worker and Community Transition approved \$325,000 in community transition funding to the Fernald Community Reuse Organization (CRO). The funding will be used for planning, administration, and implementation of a revolving loan fund for the CRO.

COMMUNITY TRANSITION ACTIVITIES AT OAK RIDGE

In December 1999, the Office of Worker and Community Transition approved \$2.75 million in community transition funding to the Community Reuse Organization of East Tennessee (CROET), the Oak Ridge Operations Office and its management and integration contractors for use in mitigating the adverse impacts of defense-related downsizing at the Oak Ridge site. The funding will be used for the following purposes: (1) reindustrialization and reuse that will help the private sector create jobs for the region by facilitating the use of DOE assets; (2) Manufacturing Skills Campus--a partnership with local educational institutions, industry, DOE, and other Federal Agencies to provide advanced manufacturing training; (3) regional research and development initiatives that promote the growth of new high-tech business and jobs in the region; and (4) National Transportation Research Center--an organization that will solve the Nation's transportation problems in long-term and high-risk areas.



REQUEST FOR PUBLIC DOCUMENT(S)

Name: _____

Organization: _____

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Street address: _____

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DOCUMENT REQUESTED

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5. _____

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