James N. Taylor General Manager, Global Management & Operations Services Group URS Energy & Construction, Inc.

Written Testimony for the Senate Subcommittee on Financial and Contracting Oversight March 11, 2014

Good morning Chairman McCaskill, Ranking Member Johnson, and Members of the Subcommittee. Thank you for the opportunity to appear before you today. My name is James Taylor, and I am a General Manager within URS's Energy & Construction division ("URS"). In January, I began leading the business unit responsible for our work at the Waste Treatment and Immobilization Plant ("WTP") at the Department of Energy's ("DOE") Hanford nuclear site in Richland, Washington. I am grateful for the opportunity to lead a team of nearly 20,000 professionals working at 18 major cleanup projects in the U.S. and abroad. I would like to provide you with a brief introduction to our company and the work our group does with DOE and Bechtel National, Inc. ("Bechtel") related to the WTP. I would also like to discuss our company-wide commitment to safety and the policies we have in place to elicit and address employees' safety concerns. Finally, I would like to briefly address the recent termination of a manager in the Environmental and Nuclear Safety ("E&NS") department at the WTP. I want to be very clear: URS has zero tolerance for retaliation against whistleblowers. This is firmly embedded in our culture and goes hand-in-hand with our dedication to safety.

Background

URS Corporation is an organization of 50,000 employees working in nearly 50 countries around the world. We serve a diverse client base in the public and private sectors, with services including program management; planning, design, and engineering; systems engineering and technical assistance; construction and construction management; operations and maintenance; and decommissioning and closure activities. I have been with URS for 14 years. In my current role, I oversee our projects at complex nuclear and chemical sites.

URS Work at the WTP

As you are aware, projects at the Hanford site are intended to address once-in-a-lifetime environmental challenges, and we will eventually build a one-of-a-kind facility. There are currently more than 56 million gallons of nuclear waste stored in underground tanks at the Hanford site, which could fill a football field over 100 feet deep. The waste is a byproduct of nine nuclear reactors that operated at Hanford from World War II through the Cold War. Some of these tanks were constructed as early as the 1940s, and many are well beyond their design life. It is imperative that we continue to develop and implement the technology needed to process this waste and complete the WTP as soon as safely possible.

When operational, the WTP will be the first chemical waste processing facility in the world with the capacity to separate and stabilize nuclear waste. The WTP will convert nuclear waste to glass through a process known as vitrification. Once converted to glass, the waste's radioactivity will dissipate naturally over hundreds or thousands of years. At completion, the

WTP will contain a pretreatment facility, where nuclear waste will be separated into high-level and low-level radioactive material, two separate facilities to treat both waste streams through vitrification, a laboratory, and other facilities. Our role at the WTP is to work with Bechtel, DOE's prime contractor at the site, to design, construct, and start up the treatment facility. DOE is charged with managing the Hanford site and has the ultimate authority over the project, from design to completion.

We are fully aware of the safety and environmental demands of this project, and make ongoing efforts to ensure that concerns are promptly investigated and addressed as appropriate. We listen very seriously to feedback about our projects, whether from Congressional leaders, experts in the field, our employees, or members of the public. And we are always open to new ideas. We know how important it is to get this right—from a national perspective, but also from a local perspective. Hundreds of our employees live and work in this community, and no one is more committed than we are to the success of the WTP.

URS's Safety Culture

We have a strong safety record over many years at many facilities across the country and around the world. We know we need to remain ever vigilant to protect and extend that record, which is why our corporate culture makes safety our highest priority.

URS encourages its employees to raise concerns about safety, and we are methodical in addressing the concerns they identify. We work closely with our employees to promote an open atmosphere, because the complex issues we tackle demand a questioning attitude and creative

solutions. Critical feedback and dissent are vital parts of our process: they build the constructive dialogue that leads to innovative solutions. This is one of the reasons we encourage employees to raise concerns and challenge the status quo. We address all identified concerns and value these important contributions to our safety culture.

We continue to improve the safety culture at the WTP through internal and external reviews. In response to a directive from the Secretary of Energy, the Independent Safety and Quality Culture Assessment Team ("ISQCAT"), a group of recognized experts in the nuclear industry including a former Chairman and two former Executive Directors of the Nuclear Regulatory Commission, was commissioned by Bechtel to assess the safety culture at the WTP. ISQCAT issued a report in 2011 that reflects our ongoing efforts to promote safety, concluding that the WTP had "no widespread evidence of a chilled atmosphere adverse to safety and no widespread evidence that DOE and Contractor Management suppress technical dissent." ISQCAT also found "no widespread reluctance on the part of DOE, URS, and BNI [Bechtel] project personnel to raise safety and technical issues." We continue to work hard to maintain an open safety culture where employees feel comfortable raising safety concerns.

Just as we investigate all safety concerns raised by our employees, regardless of the source, we have thoroughly investigated the concerns you asked about—those raised by Ms. Busche in her capacity as Manager in the E&NS department at the WTP. Of note, Ms. Busche has not identified significant safety or technical issues in her public statements that were not already known and under evaluation at the WTP. Moreover, one of Ms. Busche's primary contentions—that the WTP is ignoring the potential for an uncontrolled nuclear reaction (a

"criticality" event)—is not accurate. Well before Ms. Busche arrived at the WTP, DOE, Bechtel, and URS determined that the WTP would not operate unless and until the risk of a criticality has been fully evaluated and resolved.

Termination of Ms. Busche's Employment

Ms. Busche joined the WTP project in March 2009. On February 18, 2014, Ms. Busche's employment was terminated for cause due to her conduct and behavior. Ms. Busche was not retaliated against because of the safety concerns she raised. Given the privacy interests at stake and the pending litigation relating to Ms. Busche's employment, I am limited in what I am able to say about this matter. I can say with confidence, however, that URS counts on our employees working at the front lines to remain vigilant about safety. For this reason, we have effective policies and procedures in place to encourage employees to raise safety concerns, and protect them against retaliation when they do.

I am proud of the work we at URS do to address some of our country's most difficult environmental challenges. We will continue to work with DOE and others to ensure the WTP is designed and constructed safely, with the best available technology.

Thank you for the opportunity to participate in this hearing, and I am happy to answer your questions.