



PANTEX GUARDS UNION

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DATE: May 2, 2011

TO: All Bargaining Unit Members

SUBJECT: QUARTERLY MEETING OF THE DOE PRO-FORCE CAREER OPTIONS COMMITTEE.

The quarterly meeting of the DOE PRO-FORCE CAREER OPTIONS COMMITTEE (PFCOC) was held at the DOE Germantown Facility, January April 26-27, 2011.

The objective of the conference was for the DOE to provide stakeholder members of the committee, a current update of the Protective Force Retirement Proposals Actuary Study results, PT Program Revision Update, 80% Shooting Requirement, and DOE Government Shutdown Policy.

A brief summary of the conference follows with more detailed information as it becomes available.

Pre-Conference Information April 25, 2011:

On Monday while on route to the conference, NCSP/PFCOC representatives, received an email sent at approximately 10:45 am. From the DOE Chairman of the PFCOC stating, the NNSA would not be able to release as anticipated, the Protective Force Retirement Actuary Study Draft to the PFCOC during this quarterly meeting.

A series of intense calls and meetings began between the NCSP President, Randy Lawson, PFCOC chairman, Jim McGee, and NNSA senior management in order to reverse this decision but failed leaving the balance of the conference in a precarious position.

As a result, Mr. Douglas Fremont, NNSA's Deputy Associate Administrator for Defense Nuclear Security is responsible for making the decision not to show or release the Draft Actuary Report, volunteered to address the PFCOC to explain his decision.

Conference Information April 26, 2011 Day One:

The conference began with the promised explanation from NNSA's Deputy Associate Administrator, Mr. Douglas Fremont. Mr. Fremont "stated to the committee that the basis for his decision not to release the Actuary results to the PFCOC was simply that given the time the report was delivered to the NNSA from the provider (AON), NNSA senior management did not have an opportunity to review the report with the provider for themselves". Mr. Fremont also stated "it was NNSA policy that, draft reports could not be released to the public until they were final. He further stated that the NNSA senior management wanted to be sure, since this was such an important issue; they had an opportunity to be briefed by the provider so that all the NNSA questions could be answered". "Also, the draft came out in March and new information was provided on April 15, 2011 we need more study on this report.

At this point, Mr. Fremont opened the floor for comments.

NCSP Legal Counsel, Jeff Cutler responded to Mr. Fremont's statements by saying that, "speaking on behalf of the NCSP that he was disappointed and troubled that we were being treated like an irresponsible group given that in the past, information had been shared with us without incident".

Mr. Fremont then stated "The reason I made not to support the release of the report and the decision to defer the report, because it's not final. This report is at the center stage with a lot of people. There are no secrets in the report and you are a trusted group, however, we (NNSA) would not be effective answering questions posed by the PFCOC without a full NNSA review of the Draft document with AON". "We can work through this." "I know you are all disappointed, but please respect my decision not to release the report".

Mr. Cutler talked about the difference of the current draft report and a final report. Mr. Cutler stated "we should be able to see the draft report to help comment on changes. That was one of the 29 recommendations by the PFCOC committee and we should have input in the report".

Mr. Fremont again stated "that the report would not be released until it was final".

Leo Salazar, Pantex NCSP representative, then asked the question "when the report does become final, is it the final report and how will the PFCOC have any input into the final report with comments, or modifications if it is final"?

Mr. Fremont stated "that is a good question" "however, he does not want to receive any input from the PFCOC until after NNSA senior management has an opportunity to review the draft report with the provider". Mr. Fremont then stated "the report should be ready by June and the report will then be distributed to the group for comments".

Mr. Cutler stated "it is a plus for the PFCOC to assist NNSA and AON in getting their questions answered accurately". Mr. Cutler further stated "how upsetting it was that the NCSP was not part of the decision making process for determining if this quarterly meeting should have been postponed".

Jim McGee Chairman of the PFCOC stated "that he would take responsibility for that because he thought he would be able to convince NNSA to release only certain portions of the Draft report and when he was denied, there was not enough time left to notify everyone prior to their departures that the meeting should be postponed".

Mr. Fremont assured the group that there will be an opportunity for PFCOC to review the Draft report before its final approval.

Mr. McGee added "that we will not sit on this. We will not wait for the next quarterly PFCOC meeting to get the Draft report to the committee. We can use email and conference calls as soon as it becomes available. The NNSA will also commit to funding or providing whatever is necessary to insure that a final report accurately reflects our future retirement information".

Mr. Salazar advised the NNSA and members of the PFCOC that the Annual NCSP Conference in Nevada will be held in June 2011 and that would be a great opportunity to have the Draft report reviewed there.

Mr. McGee replied that travel had to be approved through his senior management.

Physical Fitness Revision Information:

CFR 1046 consists of two parts: medical and physical fitness.

The current disposition of the proposed revision of the physical fitness is in the data collection stage at this time. Data is being provided to the PFCOC subcommittee by the US Army and Canadian Nuclear Power for addressing our specific Physical Fitness needs without having to do human testing.

One of the proposals from the NCSP is to remove the prone start of the forty yard dash. The question was asked if this could be done immediately by changing the CFR with an amendment.

NNSA General Counsel stated that there is an available option called “the Interim Final Rule Standard” “Which can be utilized before the CFR goes to final rule”. More detail discussion to follow on this proposal.

Armed Security Officer Proposal:

DOE/NNSA remains perplexed with the issue of providing a position consistent with Protective Force career longevity, tactical value, and experience of an unarmed security officer. Therefore, the PFCOC has been tasked to provide information (formal language) to create a new position for an Armed Security Officer with no running standards. More detail discussion to take place on this proposal.

End of Day One:

Conference Information April 27, 2011 Day Two:

Glenn Podonsky, Chief DOE HSS, addressed the PFCOC on our overall path forward. Mr. Podonsky wanted the PFCOC to know that despite the multiple levels of government bureaucracy that delays progress, he remains committed and endorses our efforts to make things better for the Protective Force members and the Department. Mr. Podonsky stated “Administrator Tom D’Agostino was still on board with our path forward and that the Protective Force has a right to a career path”. Mr. Podonsky further stated that “the most important asset are the people” also “We need to consider the health, safety, and job security for the memberships. What we need is to solve this together, work together, and keep these moving forward”. Mr. Podonsky told the group “Persistence prevails in life” “so keep on pushing us to get things done”. Mr. Podonsky committed and authorized government travel for department personnel to attend the June 2011 NCSP Conference in Nevada to discuss the Actuary Report.

Mr. McGee addressed the PFCOC with his outlook of the committee’s path forward.

- We need to move the Retirement Issue to the front and have a recommendation ready to Senior Management by the end of summer for mark-up.
- There is now a 90 day window for resolution on the Retirement Issue.
- Madeline Creedon, Senate Arms Services Counsel, was quoted as saying that the Retirement Plan needs to be ready for the implementation to the 2012 Defense Authorization Act.
- We need to do whatever it takes to move this to resolution and to proceed forward with solutions to any new plans.
- All ideas that can be used to assist in moving this resolution forward should be brought now. We should streamline the plans as we move forward.

Mr. Cutler, NCSP Legal Counsel, stated “that it will be very important how we frame the recommendation. We will need to have more subject matter experts i.e. HR and Benefit personnel

on board in order to answer the tough questions we will have to know the answer to. We will also need a representative from AON or some other professional actuary firms who can help us frame this issue”.

Mr. McGee then stated “that the engagement process has already started but more engagement is needed from other DOE departments. As things get more urgent, we will need to locate additional resources. We cannot wait for June to discuss the results of the Actuary Study. We will need to work with the PFCOC on a weekly basis utilizing emails, and conference calls. Spot meetings may be necessary. I may have to come out to your site. We may ask the contractors to ask their HR staff for volunteers to assist us. We can also move faster if the PFCOC has a subcommittee”. “Finally the DOE plans to defer the Workforce Analysis for the next 60 days in order to place more people to work on the Retirement issue. We all should be aware that if the window closes on this issue we may not get another chance”.

80% vs. 70% Shooting Standard:

NNSA stated that the 70% or 80% standard for the spring qualifications is a site specific issue until June 30th. A complete policy review of the Fire Arms Courses and Standards is pending completion June 30th, 2011. The policy will determine if the 70% standard will become permanent and what qualification courses will be recommended by NNSA.

Physical Fitness Revision Information:

A determination remained to be made if we should go forward with the recommendation of removing the prone start to the 40 yard dash as an interim solution to revising the PT Qualification. The Company and Union representatives strongly voiced their concern in still having the prone in the 40 yard dash to DOE, because of all the injuries associated with the prone position. The majority of the PFCOC committee members were in favor of taking out the prone to running in the interim while a new study on physical fitness is being developed. Mr. McGee made a commitment to take this recommendation forward to DOE General Counsel.

The following issues were also discussed:

- DOE Government Shutdown Policy
- Portability of Protective Force benefits complex wide
- Physical fitness requalification attempts
- Resolution of HRP policy being used as discipline

Acknowledgement of new PFCOC members:

Next PFCOC quarterly meeting location TBA:

End of Conference

Conference Information April 28, 2011 Day Three:

E-Mail from Doug Fremont to Randy Lawson NCSP President
Reference: PF Career Options Retirement Plans

Randy Lawson and Jason Brown,

Steve (Wanser) briefed me that you requested an email from me explaining the rationale for not issuing the AON report to enable you to communicate the message to NCSP's constituents in my words on why I deferred release of the AON report until sometime in the future.

As we discussed during the Protective Force Career Options Committee (PFCOC) meeting on Tuesday, I decided to delay release of the actuarial study that benchmarks actual and projected costs of three existing retirement plans applicable to DOE/NNSA protective force organizations. NA-70 received the last portion of the study report on April 15, which did not allow NNSA management sufficient time to conduct a comprehensive review, much less address any questions or concerns we might have. The report will not be considered final until the actuary briefs it to NNSA leadership and modification are made based on required changes, if applicable. The report, once approved, will be provided to PF contractor management as well as union leadership.

The actuarial results are critical for helping us to appropriately address protective force retirement concerns. It would be irresponsible to release these results without first taking the time necessary to fully understand them.

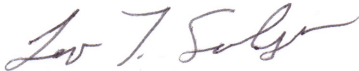
Thank you for allowing me to explain my decision to the PFCOC. I understand your disappointment and frustration, and I appreciate your professionalism and the respectful manner in which you voiced your displeasure on behalf of your constituents.

Douglas E. Fremont,
Deputy Associate Administrator
Defense Nuclear Security (NA-70)

End of email:

End of my report to the Membership:

Respectfully,



Leo T. Salazar
PGU Business Agent
NCSP Representative

Cc: Frank White, PGU President
Cc: Scotty Henderson, PGU Vice President