



Carlsbad Current-Argus, NM
Thursday, August 26, 2004
Web Page

WIPP contractor gains interest in businesses

By Victoria Parker-Stevens/ Current-Argus Staff Writer

CARLSBAD — Washington Group International has acquired BNFL's 40 percent interest in former Westinghouse businesses, the company announced Wednesday.

Washington Group is the parent company of Washington TRU Solutions, the management and operations contractor for the Waste Isolation Pilot Plant.

The agreement comes at a time of increased competition for federal Energy Department contracts related to the cleanup of nuclear waste.

TRU Solutions' \$500 million, five-year contract to manage WIPP draws to a close next year.

No changes are expected at TRU Solutions as a result of the buyout, according to Washington Group spokesman Jack Herrmann.

Under the buyout agreement, Washington Group will pay British Nuclear Fuels 40 percent of the profits from existing contracts, as well as 40 percent from future contracts at some sites and 10 percent at others through Sept. 30, 2012. BNFL will not share in any losses, but will maintain its portion of already-existing liabilities.

In a statement, Stephen G. Hanks, Washington Group president and chief executive officer, said the agreement "reinforces our commitment to this important market at a time when the DOE is embarking on an aggressive period of contract competition."

Washington Group and BNFL purchased Westinghouse Government Service Co. — which included the WIPP contractor — in 1999. At the time, the company was known as Morrison Knudsen Corp.

The following year, the company's name was changed to Washington Group International after a Raytheon Co. acquisition, which sent the company into bankruptcy. It emerged in 2002.

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