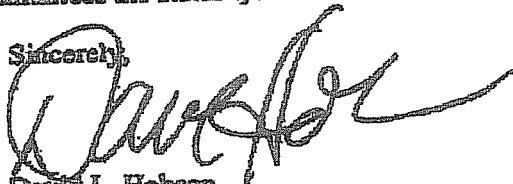


Unfortunately, that same perception is now prevalent in the contractor community with regards to the pending competition for the Lawrence Livermore National Laboratory. I have had potential competitors inform me that their companies will not invest the time, effort, and expense to prepare a proposal for the Livermore contract because they believe that the Department is determined to award the Livermore contract to the University of California. Unlike the Berkeley and Ames laboratories, Lawrence Livermore is not directly connected to a university campus, and there is no good reason that the Department should not be able to attract multiple qualified bidders on the Livermore contract.

In mandating competition, it was the intent of Congress to attract the widest possible group of interested bidders to bring in fresh ideas and new talent to support the Department's mission. Unfortunately, the Department of Energy's national laboratories are not viewed as a competitive marketplace but as a playground for political patronage. The Department of Energy has resisted moving in the direction of fair and open competitive processes. Unfortunately, the Department has insisted on using the flawed Los Alamos competition as a model for the competition for the Livermore contract, which telegraphed to the contractor community that innovative ideas and concepts would not be favorably received.

The DOE has implemented these historic laboratory competitions in a manner that minimizes the opportunities for real transformation of the DOE laboratory complex. If the Department is unable to develop a Request for Proposal for the Livermore competition that is written to ensuring the most competitive process possible for the procurement, then Congress will have to legislate a delay in the contract competition to give the DOE more time to structure the competition to be completely fair and open, with a priority put on attracting the widest possible group of interested bidders. We need a procurement process that fosters greater competition, not a process that essentially guarantees the status quo.

Sincerely,



David L. Hobson

Chairman, Energy and Water Development
Appropriations Subcommittee