



"I'm bragging about you and what you did. I compliment you for your hard work and contributions." —George Dials

On Nov. 14, a first-time event occurred at Y-12 when President and CEO George Dials was in two places at once. Dials opened the 2007 All Hands Meeting to an audience of about 200 employees at the New Hope Center Auditorium while several hundred more watched the live simulcast in the Jack Case Center large conference room and cafeteria.

Dials told the audience that 2007 was a tough year with the challenges of a continuing resolution, restructuring the work force, addressing productivity issues and dealing with process obstacles. "I thank our colleagues, the ATLC [Atomic Trades and Labor Council] and our leadership for helping us through" the work force restructuring.

Y-12's president also shared his praise for Y-12 employees and their hard work in a challenging year. "I'm bragging

about you and what you did. I compliment you for your hard work and contributions." At the end of fiscal year 2007, the National Nuclear Security Administration issued its top ten list, many on that list involved Y-12 in a central role. Y-12 also published a top ten list, and Dials said he uses the list on his many trips to Washington.

Dials also discussed the many challenges in FY 2008 and beyond. This year also started with a continuing resolution, will involve work force restructuring, includes a declining Defense Programs budget and a continued focus on safety. When discussing safety, Dials said, "Target Zero is a really aggressive goal, but it can be achieved."

Employees watched *This is Y-12*, a video highlighting the work Y-12 employees perform and the good deeds

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The Recognition Concludes

WINNERS OF PHOTO CONTEST



This month, the newsletter staff concludes this feature, which has highlighted the 30 honorable mention photograph winners of the Y-12 photo contest.

Top left: Gene Stevens of Fire Protection Operations took this award-winning photo.

Bottom left: "Sunset on the TN River" was taken by Bo Ballard, husband of Projects' Laurie Ballard.

Top right: "Watauga Lake," taken in Johnson County, Tenn., was shot by Dennis Shekinah, father of Engineering's Elijah Shekinah.

Bottom right: "Smokies Sunrise" was taken at Clingmans Dome by Milton Triplett, father-in-law of Karen Triplett, former Y-12 employee.



Holiday recycling reduces waste, heals the environment

Blizzards of cards and rolls of wrapping paper, ribbons and bows. And that tree! Such a beautiful tree this year.

But what to do with all of the paper, cards, boxes? What to do with the tree?

Well, if you bought a live tree, plant it or donate it to a school or nursing home to plant. If you bought a cut tree, remove all decorations, including tinsel and lights. Never put the tree or its branches in a fireplace or wood burning stove. Some cities have Christmas tree pickups. The City of Knoxville will collect trees until Jan. 12. Oak Ridge residents can deliver trees to Big Turtle Park for recycling as fish habitats in area lakes.



Consider recycling your cards. Create unique bookmarks with pictures cut from old greeting cards; make homemade gift tags; transform old greeting cards into new ones.

Recycle Christmas wrapping paper. Use leftover gift wrap to line shelves and dresser drawers. Cut up leftover wrap to make scratch pads.

Save bows, ribbons, tags, festive bags and boxes for next year. Most gift boxes can be flattened and reused throughout the year for other items. Recycle boxes that can't be reused.

With a bit of planning you can make a special holiday gift—a gift to the environment—this year.

**Got
cans?**

Employees can bring their aluminum beverage cans from home to work and recycle them. The Pollution Prevention's Aluminum Beverage Can Committee will recycle the cans and award proceeds from the recycling to local charities and organizations. Employees can deposit their cans in the designated bins outside the Jack Case and New Hope centers.

Transatlantic collaboration

The United States and the United Kingdom are strong allies, and Y-12 has pursued a relationship with sister sites for more than 20 years. Operated by AWE—Atomic Weapons Establishment—a U.K. site recently visited Y-12 for an information exchange meeting. Focusing on manufacturing and facility transformation, the partners met for four days to learn from each other.

Such meetings take place several times a year. The goal is cooperation between sites and between governments. The exchanges allow both sites to benchmark operations. Y-12 can learn from looking at U.K. processes; in fact, their processing footprint is to a large extent based on some of Y-12's processing methods, and Y-12 has implemented several lessons learned from U.K. processing methods which have resulted in significant cost savings.

Sam Brown of Applied Technologies said, "There's no other place to go to see how other people accomplish the same things we do at Y-12."

The relationship is reciprocal: Y-12 folks visit the transatlantic partners too. A site visit provides a chance to compare and contrast the manufacturing processes. Y-12 representatives can see what the U.K. sites do differently, ask questions and then identify the optimum approach. The benefits of a visit far outweigh the cost, which is about the same as for a visit to the West Coast. Larry Spencer, who was recently hired by Applied Technologies, said, "It's a good learning experience—we get to see both sides."

The exchange builds a great working relationship. A face-to-face encounter fosters a team-building atmosphere that goes far beyond e-mail, and this recent collaboration also included some Southern hospitality. Y-12 took their British visitors to a University of Tennessee football game and included a trip to downtown Knoxville to see the Tennessee Theatre and hear the Mighty Wurlitzer organ.

Santa + laughter + movies = holiday cheer



Holiday celebrations sponsored by the company and the Y-12 Employees' Society were especially festive this year. Employees and their immediate families could choose to attend one of two events.

The first was an evening at New Hope Center with about 1,000 employees and their families. Catering to young children, it featured games,

crafts, cartoons, carriage rides and the opportunity to have pictures taken with Santa. The evening was flavored with holiday goodies like popcorn, roasted marshmallows, hot chocolate and plenty of laughter. There was also an exhibit of reindeer and a safety program sponsored by the Oak Ridge Fire Department.

More than 500 employees and their families enjoyed a Saturday morning holiday celebration at the Turkey Creek Pinnacle Theater, where they nibbled on a delicious continental breakfast. There were scones in exotic flavors: white chocolate raspberry, apple cinnamon chocolate chunk and brown sugar. Sweet rolls of orange marmalade and caramel, fresh assorted baked pastries, seasonal fruit, and juice or bottled water to drink were also available. Of course a celebration at the Pinnacle included movies as well. Families could view one of five holiday selections: *All I Want for Christmas*, *Elf*, *Pocketful of Miracles*, *Prancer* and *White Christmas*.

The events were a gift to employees and an opportunity for families to begin the season together in fun and celebration.



Top: From left to right is Jaylan Shields, Tajawon Taylor, Yamari Toliver and Kiara Inman, relatives of Takiyah Taylor of Maintenance Support. Bottom: Santa holds two bundles of joy, Jack and Reagan, who are five-weeks old. The twins' proud parents are Stan (Packaging Engineering) and Susan Thomas.



Y-12

2006

Benefits Summary Annual Report

2006 Summary

Information presented below is a summary of the annual report for the employees of certain employers at the U.S. Department of Energy (Employer Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). To obtain a copy of the annual report, please contact the U.S. Department of Energy, Office of Employee Benefits, 4301 Gateway Blvd., Grand Rapids, MI 49508, (616) 498-6000.

Retirement Program

Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$180,189,534. These expenses included \$18,712,775 in administrative expenses and \$161,476,759 in benefits paid to participants and beneficiaries. A total of 20,846 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$3,113,889,517 as of December 31, 2006, compared to \$2,943,401,507 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$170,488,010. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year. The plan had total income of \$350,677,544, including gains of \$11,035,225 from the sale of assets and earnings from investments of \$360,617,588.

The plan has contracts with Metlife and The Prudential Insurance Company of America, which allocate funds toward individual policies.

Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Assets held for investment;
3. Transactions in excess of 5 percent of the plan assets;
4. Insurance information including sales commissions paid by insurance carriers;
5. Information regarding any common or collective trust, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and
6. Actuarial information regarding the funding of the plan.

Savings Program

Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$99,300,000. These expenses included \$715,294 in administrative expenses and \$98,584,706 in benefits paid to participants and beneficiaries. A total of 11,704 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$1,457,831,483 as of December 31, 2006, compared to \$1,286,986,823 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$118,045,460. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year. The plan had total income of \$217,360,767, including employer contributions of \$57,684,878, gains of \$4,660,016 from the sale of assets and earnings from investments of \$131,504,056. The plan has contracts with Metlife and The Prudential Insurance Company of America, which allocate funds toward individual policies.

Minimum Funding Standards

Enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Assets held for investment;
3. Insurance information including sales commissions paid by insurance carriers; and
4. Information regarding any common or collective trust, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

Annual Report

Summary of Findings

2006

2006

Identification No. 54-1987297, Plan No. 009) for the period January 1, 2006, to December 31, 2006. The annual report has been filed with the Employment Security Commission. If you wish to see the annual report, or any part thereof, write or call the office of B&W Y-12, 602 Scarboro Rd., MS 8258, Oak Ridge, Tenn. 37830, 865-574-9110.

Group Welfare Benefit Plan

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$1,003,846,180 as of December 31, 2006, compared to \$1,080,014,050 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$76,167,870. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year. During the plan year, the plan had total income of \$113,926,811. This income included employer contributions of \$133,439,661 and employee contributions of \$56,655,020. Plan expenses were \$190,094,681. These expenses included \$10,238,263 in administrative expenses and \$179,856,418 in benefits paid to participants and beneficiaries.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report; and
2. Insurance information including sales commissions paid by insurance carriers.

For more information

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. These portions of the report are furnished without charge. You also have the legally protected right to examine the annual report at the main office of the plan: B&W Y-12, 602 Scarboro Rd., MS8258, Oak Ridge, TN 37830, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: U.S. Department of Labor, Employee Benefits, Security Administration, Public Disclosure Room, 200, Constitution Avenue, NW, Suite N-1513, Washington, D.C., 20210.



November

35 years

Engineering: Robert S. Hamby
Facilities, Infrastructure and Services: Charles L. Austin, Charles H. Flood II, Vicky R. Lawson and Thomas H. Rodgers
Production: Cecil S. Murr
Safeguards and Security: Harry B. Ammerman

30 years

Engineering: Hazel G. Leverett and Larry Roberson
Facilities, Infrastructure and Services: David D. Brown, Michael A. Burns, Marty J. Hatfield, Timothy D. Jones, Marc P. Lambo, Jimmy H. Robertson and Johnny R. Whalen
Production: Mieko K. Brown and Alberta W. Greene

25 years

Engineering: Mark D. Huebschman
Procurement Operations: Patricia Rose
Quality Assurance: Donald W. Chandler

20 years

Defense Programs Management: Teresa L. Knight
Engineering: Elizabeth K. Sedman
Information Technology: Stephen L. Caywood
Quality Assurance: Robbie E. Scott
Safeguards and Security: Thomas A. Aloisi

December

43 years

Information Technology: Wesley D. Sims

42 years

Facilities, Infrastructure and Services: Glenn Bryson

40 years

Engineering: Clark E. Hamilton

Facilities, Infrastructure and Services: Wallace R. Johnson

35 years

Engineering: Teresa A. Holland

Human Capital: Vicki S. Wilson

30 years

Document and Property Management: R. T. Harris

Facilities, Infrastructure and Services: Pamela K. Johnson and David Nix

Projects: David N. Mosby

25 years

Defense Programs Management: William G. Reis

Facilities, Infrastructure and Services: Sylvia C. Sterling

Production: Benjamin G. Davis

Quality Assurance: James M. Harvey

20 years

Chief Financial Officer Division: Lawrence M. Metcalf

Engineering: Julia W. Insalaco

Program Planning: Thomas M. Insalaco

Public Affairs and Communications: Vicki T. Hinkel

Quality Assurance: Leah K. Rawlins

Last silver returned

Building 9731 has many interesting tidbits about it. One is that the silver in the Alpha and Beta calutron magnets was not removed until 1970. It was the very last silver remaining from the 14,700 tons borrowed from the U.S. Treasury and was returned by June 1970. Y-12 returned all but less than thirty-six-thousandths of one percent of the silver borrowed in 1943 to be used as electrical conductors because of the shortage of copper.

The silver in the Building 9731 calutrons was kept in use primarily because of the heavy stable isotope production schedule over the years. Eventually, the U.S. Treasury prevailed upon Y-12 to return the remaining silver. The units were taken down in early 1970, and the silver was replaced with copper. The Building 9731 calutrons were taken out of service in 1974.

The only examples of the Alpha calutron magnets in existence remain in Building 9731. Although the configuration is not the same as the Alpha calutron "racetracks," the magnets are huge and imposing structures. These three magnets on the south end of the high

bay along with the three Beta calutron magnets on the north end of the high bay have been designated as U.S. Department of Energy Manhattan Project Signature Artifacts by the DOE Office of History and Heritage Resources.



Building 9731 has a long history of providing unique support to both the Manhattan Project and the Stable Isotope Program. The building is one that will be preserved for historic purposes and is being submitted for Landmark Status on the National Register of Historic Places.

Do you have a story to tell? Contact Ray Smith (srd; 576-7781) with suggestions for future stories of Y-12's unique history and heritage.

It's official: we met the standard

Y-12's Earned Value Management System has been officially certified for managing line-item projects by the U.S. Department of Energy. The certification came in September 2007 in response to an Office of Management and Budget mandate that all federal agencies comply with the American National Standards Institute standard for earned value management.

Earned value management is a systematic approach that integrates technical scope, cost and schedule baselines to provide managers insight about the health of projects. The approach ensures that proper up-front planning, as well as discrete and auditable measurement of project accomplishments, will provide accurate data for analysis, management, control and reporting on line-item projects. "The certification process allowed us to demonstrate that we have implemented the tools to manage projects on schedule and under budget and are using good business practices," said Sue Jones, Project Controls manager.

The review team, which began its assessment of Y-12 in January 2007, included National Nuclear Security Administration representatives from Headquarters and several Nuclear Weapons Complex sites. The activity was a significant effort for Y-12 control account managers and other Project Controls employees, who provided evidence of compliance and underwent in-depth interviews.

Sandi Tracy, project manager for Y-12's EVMS certification, said, "Not only did we have to provide objective evidence that our systems are ANSI compliant, we also demonstrated that Y-12 project teams and senior management fully understand and use the benefits of the EVM data for managing our projects."

Jones emphasized that the certification provides credibility and confidence in Y-12's EVMS. "We are in a good position for obtaining and managing future line-item project work," she concluded.

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they do in the communities. During the video, Dials moved from the New Hope Center to the Jack Case Center where he concluded his presentation and focused on the transformation of Y-12 and what Y-12 hopes to be in the future. "Recruiting and training a dedicated work force are essential to our business. We do know where we're going. We have a vision of what Y-12 is going to be," Dials concluded.

The meeting ended with Dials telling the Y-12 work force that what they do counts. "You did an outstanding job in a tough, demanding year. We demonstrated 'What you do counts' over and over this year; continue with that in 2008," Dials said.

What you do counts



Mike Davenport

"The challenge is adjusting to changes so we can stay current," said Building 9201-1 Compliance Officer Mike Davenport of General Manufacturing Production. Davenport is responsible for everything from cranes, forklifts, slings, lifting fixtures and clamps to fireproof cabinets and equipment inventories.

"The most satisfying part is helping everybody stay up to date," said Davenport. Davenport updates shop books using the latest Job Hazard Analyses, and he is machining site coordinator for Hazardous Waste Operations and Emergency Response training.

For most of his 37-year career at Y-12, Davenport was a machinist. "I've been fortunate enough to work on several big projects during my career," Davenport said. "I ran the machine that did the blades for the propulsor unit for the *Seawolf*."

The *USS Seawolf* is the Navy's newest class of attack submarine. Y-12 built the submarine's prototype propulsor. Davenport also worked on the planing hulls and turrets for the Marine Corps' Advanced Amphibious Assault Vehicle. Neither effort would have been possible without the complex machining and fabrication skills of employees like Davenport.

"I ran lathes and mills," said Davenport. "I was given a drawing, took a piece of stock and cut to specifications. Sometimes you have measurements in tenths of thousandths and must hold those tolerances in order for the parts to work."

Davenport has interesting hobbies, as well. "I collect Negro League baseball memorabilia," he said. He also enjoys taking train excursions with his wife.

It is the skills, work ethic and passion for life of employees like Davenport that have enabled Y-12 to be a resource the nation can count on.



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Oak Ridge, TN 37831-8245

Managing Editor

Melissa Leinart
865-574-1621 (6ml)

Associate Editors

Amy Alley
Heidi Spurling
Layout
Lisa Harris

Contributors

Campbell Cloar
Kathy Fahey
Jamie Loveday
Brett Pate
Cindy Robinson
Ray Smith
Donna Watson
Lisa Xiques

The company that manages the Y-12 National Security Complex has changed its name. BWXT Y-12 is now Babcock & Wilcox Technical Services Y-12 (also known as B&W Y-12) as a result of a corporate consolidation of one of Y-12's parent companies. While there won't be changes to the high-quality management services provided to Y-12, there will be changes forthcoming to signs, business cards and more. In January, readers will notice a change in the company newsletter's look and name.

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A rainbow and pots of gold for many



Y-12's 2007 United Way Campaign began with a rainbow at the festival kickoff and ended with leaving pots of gold at area United Way agencies that benefit from the generosity of many Y-12 employees. The University of Tennessee women's basketball coach Pat Summitt urged all of Y-12 to participate, saying, "Many are not as fortunate as we are. They don't have as many opportunities or as much support. We have been blessed, and now it's our time to bless other people."

Y-12 President and CEO George Dials also encouraged employees to participate. "We who are blessed with meaningful, well-paid employment at Y-12 have an obligation to give to help meet the very many basic needs of those less fortunate than us," he said in a YSource announcement.

Meeting the challenge

- 35 percent increase in leadership giving
- 50 percent increase in corporate giving
- \$100,000 increase in employee donations
- 30 percent increase in donations from retirees
- 39 percent increase in Construction's participation (from 14 percent to a whopping 53 percent)

Fundraising by employees

- Basketballs signed by Pat Summitt auctioned for almost \$2,600.
- The holiday book sale brought in \$2,050.
- Bake sales earned more than \$1,300.
- Autographed copies of Patricia Cornwell's best-seller *Book of the Dead*, which features Y-12, earned \$900.
- Florence Crittendon cookbooks sold for \$700, which went directly to the agency.

Collecting for Days of Caring

- 1,334 pounds of nonperishable food for the Second Harvest Food Bank
- More than 700 coats and other winter wear for the Volunteer Ministry Center
- 105 cell phones for Haven House, a refuge for victims of domestic abuse
- A pickup truck full of stocking-stuffer gifts for teens through Aid to Distressed Families of Appalachian Counties