



U.S. DEPARTMENT OF
ENERGY

OFFICE OF
**ENVIRONMENTAL
MANAGEMENT**

EM Acquisition Focus and Expectations

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**2015 DOE Acquisition and Project Management (APM)
Workshop
March 24, 2015**

Presentation Topics

- EM Funding
- Evolution of EM Contracts
- EM Portfolio
- Project Success

Where Does Each Dollar of Funding Go?

Funding by EM Mission Area in FY 2015

Radioactive Tank Waste

\$ 2,042M / 36%

Special Nuclear Materials and Used Nuclear Fuel**

\$ 971M / 17%

Soil and Groundwater

\$ 466M / 8%

EM's FY 2015 Budget Request - \$5.622 Billion Total

Facility D&D

\$ 992M / 18%

Transuranic & Solid Waste

\$ 758M / 13%

Site Services*

\$ 392M / 7%

*Includes Program Direction, Program Support, Technology Development & Deployment, Post Closure Administration and Community and Regulatory Support

**Includes Safeguards and Security

Evolution of EM Contracts

- EM moved away from mostly Management & Operating (M&Os) in the past to more cost and schedule focused contract vehicles, which serve the taxpayer better, for accomplishing EM's mission
 - EM now has 2 M&Os Versus 12 in 1995
 - EM has over 40 Federal Acquisition Regulation (FAR) Part 15 Cost based Contracts
 - Require more thorough early planning to establish clear Requirements
 - Better allocation of risk
- Holding Contractors Accountable through:
 - Improved Fee Structures (FDO Role)
 - Adding Rigor in Development of Performance Evaluation and Measurement Plans (PEMPs)
 - Contractor Performance Assessment Reporting System(CPARS)
- Improving utilization of Small Businesses carving out meaningful and sustainable small business work.

M&O Vs. Traditional Contracts

	M&O	Traditional
Type	Federal Acquisition Regulation Part 17	Federal Acquisition Regulation Part 15 Cost Type
Approach	Mission/Budget-Based	Scope/Cost-Based
Execution	Annual Work Plan	Full Contract Period Work scope
Term	10-15+ Years	5-10 Years
Oversight	Less Than Arms Length	Arms Length
Scope	Broad	Detailed Work scope
Source Selection	No Cost Proposal	Full Cost Proposal
Pricing Information	None	Certified Cost/Pricing
Fee Incentive	Base Fee (3-8%)	At Risk Fee (6-15%)
Contract Modifications	Few (broad scope)	Frequent (specific scope/cost)
Accounting System	Integrated with DOE	Separate Certified System
Contracting Officers Role	Low: Few Contract Changes	High: Many Contract Changes
Workforce	Remains Intact	Based on Proposal

Scope of Work

- Design, construction, operation, and maintenance of a new Biomass Cogeneration Facility
- Energy Savings Performance Contract
- Firm-Fixed-Price Task Order



Value at Award

\$795 million

Request for Proposals	Award
NA	May 15, 2009

Oak Ridge Building K-33 Demolition

Scope of Work

- Demolition and disposition activities to include siding removal and building demolition to the slab
- Packaging and transportation of all associated wastes to onsite waste disposal facilities operated by DOE.



Value at Award

\$51 million

Request for Proposals	Award
February 5, 2010	April 6, 2010

Scope of Work

- Cleanup of radioactive mill tailings.
- Safe and secure transportation of mill tailings to disposal site.
- Disposal of radioactive mill tailings at engineered disposal site.
- 5 Year Term



Value at Award

\$124.5 million

Request for Proposals	Award
December 17, 2010	November 4, 2011

Waste Isolation Pilot Plant Transportation

Scope of Work

- Two contracts
- Safely transport Transuranic waste across United States
- Transport will be from various DOE sites to the Waste Isolation Pilot Plant
- 5 Year Term + One 5 Year Option



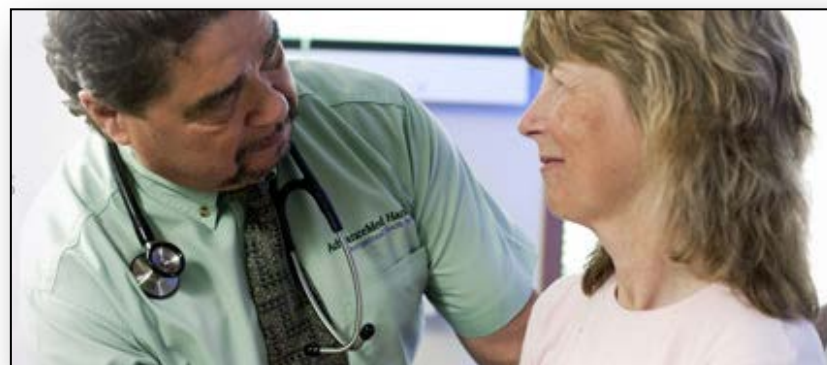
Value at Award

(1) \$ 21.5 million (2) \$21.2 million

Request for Proposals	Award
March 30, 2011	January 9, 2012

Scope of Work

- Integral component of the site safety management system
- Fitness-for-duty evaluations, first aid services, drug screening, medical qualifications and monitoring
- Emergency preparedness planning
- Support epidemiological studies and programs such as the Chronic Beryllium Disease Prevention and Energy Employees Occupational Illness Compensation Program
- 2 Year Term + Four 1 Year Options



Value at Award

\$ 98.6 million

Request for Proposals	Award
November 14, 2011	June 8, 2012

Scope of Work

- Environmental Monitoring, Surveillance and Maintenance Activities, and Project Support activities
- Option for D&D work plans, process work plan approval
- Firm-Fixed-Price Task Order with Fixed Unit Pricing under existing Nationwide Small Business IDIQ– Set-Aside Contracts
- 3 Year Term + One 2 Year Option



Value at Award

\$25.7 million

Request for Proposals	Award
January 3, 2014	June 26, 2014

Scope of Work

- Provide analytical services and testing of various samples
- Majority of samples come from the Tank Farms
- Samples may be liquid or sludge, salt cake or a mixture
- Support also includes industrial hygiene and ground water monitoring
- This will be a fixed priced, small business set-aside procurement with limited cost-reimbursable portion
- 2 Year Term + Three 1-Year Options

Estimated Value

\$40-\$60 million



Request for Proposals	Receipt of Industry Proposals	Award
June 4, 2014	August 7, 2014	Apr-Jun 2015

Scope of Work

- Infrastructure support services in support of the Paducah Site.
- Services will include, but will not be limited to, Computer and Telecommunication Services, Security, Maintenance of Grounds, Roads, and Parking Lots including snow removal, Training Services, Environmental, Safety, Health, and Quality Program, Facility Maintenance, Property Management, Janitorial Services, Records Management, and Mail Services.
- Small Business set-aside, fixed price with IDIQ
- 3 Year Term + One 22 Month Option

Estimated Value

\$45-\$60 million



Request for Proposals	Receipt of Industry Proposals	Award
October 6, 2014	December 12, 2014	Apr-Jun 2015

Scope of Work

- Manage and operate the TWPC Category II nuclear facility in support of processing Remote-Handled and Contact-Handled Transuranic waste
- Provide support to Central Characterization Project for final certification and disposition to the Waste Isolation Pilot Plant
- Perform facility surveillance and maintenance activities
- Fixed price with one CPAF CLIN
- 3 Year Term + One 2 Year Option



Estimated Value

\$150 - \$200 million

Request for Proposals	Receipt of Industry Proposals	Award
October 14, 2014	December 23, 2014	Jun-Aug 2015

Scope of Work

- Infrastructure support services in support of the Portsmouth Site.
- Services will include, but will not be limited to, Computer and Telecommunication Services, Security, Maintenance of Grounds, Roads, and Parking Lots including snow removal, Training Services, Environmental, Safety, Health, and Quality Program, Facility Maintenance, Property Management, Janitorial Services, Records Management, and Mail Services.
- Small Business set-aside, fixed price procurement
- 1 Year Term + Four 1 Year Options

Estimated Value

\$130-\$150 million



Request for Proposals	Receipt of Industry Proposals	Award
Dec 9, 2014	Mar 12, 2015	Aug-Oct 2015

Idaho NRC Licensed Facilities Management Cleanup

Scope of Work

- Management and operation of the Fort Saint Vrain (FSV) Independent Spent Fuel Storage Installation (ISFSI) facility in Colorado (including security)
- Management, operation and oversight of the Three Mile Island-2 (TMI-2) ISFSI facility at the Idaho Nuclear Technology and Engineering Center (INTEC) in Idaho
- Management of the Idaho Spent Fuel Facility (ISFF) license.
- Small business set-aside
- 4 Year Term + One 12 Month Option

Estimated Value

\$25-\$50 million



Request for Proposals	Receipt of Industry Proposals	Award
Jan-Mar 2015	Feb-Apr 2015	Sept-Nov 2015

EM Portfolio Overview

- **4 Line Item Construction Projects (post CD-2)**
 - Waste Treatment and Immobilization Project (WTP) - \$12.3B TPC
 - Salt Waste Processing Facility (SWPF) - \$2.3B TPC
 - Other Line Item Projects – \$451.4M Combined TPC

- **8 EM Cleanup Projects (post CD-2) – \$3.4B combined TPC**

- Facility Construction / Modification
- Soil and Groundwater Remediation
- Decontamination & Decommissioning

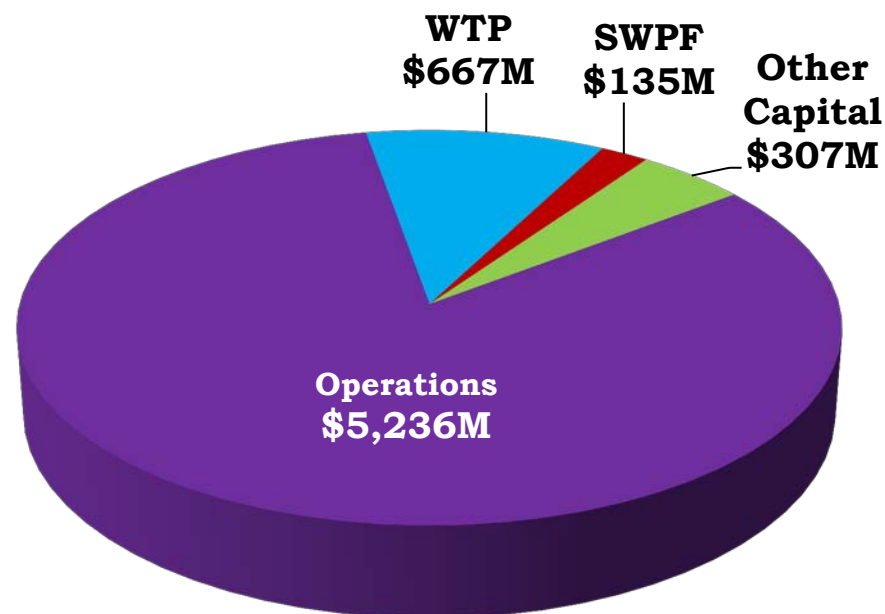
- **11 Active pre CD-2 Projects**

- Cost Range: \$12.1B - \$31.6B
- Waste Disposition
- Soil and Groundwater Remediation
- Decontamination & Decommissioning

- **43 Operations Activities, \$5.2B**

- Solid Waste Stabilization
- Deactivation
- Tank Operations
- Spent Fuel Stabilization
- Safeguards and Security
- Technology Development

Capital Projects Funding \$1.11B

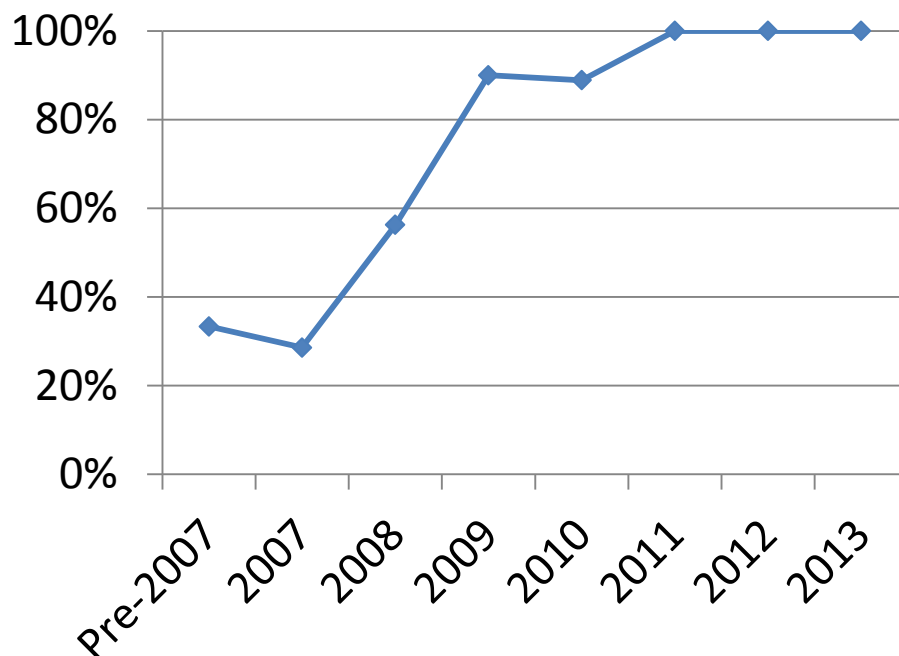


FY 2015 Total Funding \$6.34B

EM Project Success Trend

- EM projects baselined since 2008 have been more successful
- Several factors contributing to improved success
 - Smaller, well-defined projects
 - More design maturity prior to CD-2
 - Use of peer reviews

**Project Success* by
Fiscal Year Baselined (CD-2)**



Fiscal Year Baselined	Pre-2007	2007	2008	2009	2010	2011	2012	2013
% Successful Projects	33% 1 of 3	29% 2 of 7	56% 9 of 16	90% 9 of 10	89% 24 of 27	100% 4 of 4	100% 1 of 1	100% 1 of 1

* Using the DOE Project Success criteria