



10th Annual U.S. Department of Energy Small Business Conference

Update on the Office of Environmental Management

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Deputy Assistant Secretary
Acquisition and Project Management

August 12, 2009



EM Environmental Management

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Presentation Topics

Example of Delivering Performance: Cleanup of Rocky Flats Site



- Mission and Priorities
- Delivering Performance
- Actions to Improve Performance
- Project Categorization
- Defining EM Programs, Projects, and Activities
- Focus Areas for Improvement
- Environmental Management Recovery Act Work
- EM's Small Business Program



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EM Mission and Priorities

Mission

“Complete the safe cleanup of the environmental legacy brought about from five decades of nuclear weapons development, production, and Government-sponsored nuclear energy research.”



Radioactive tank waste remains a top priority.

Our Priorities:

- Essential activities to maintain a safe and secure posture in the EM complex
- Radioactive tank waste stabilization, treatment, and disposal
- Spent nuclear fuel storage, receipt, and disposition
- Special nuclear material consolidation, stabilization, and disposition
- High priority groundwater remediation
- Transuranic and mixed/low-level waste disposition
- Soil and groundwater remediation
- Excess facilities deactivation and decommissioning (D&D)



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Journey to Excellence: Delivering Performance

19 EM soil/water remediation and waste disposition projects completed from 2005-present

- All projects met regulatory deadlines
- 95% completed on schedule
- 84% within 10% of budget



July 2, 2009 9:36 a.m. PT

Hanford worker injured in fall

THE ASSOCIATED PRESS

RICHLAND, Wash. -- A worker at south-central Washington's Hanford nuclear reservation was seriously injured when he fell through a catwalk access door 50 feet to the ground.

- EM has a solid performance record on cleanup projects
- However – EM must improve in delivering all projects within cost and schedule
- This performance must be achieved with Safety as an inherent part of our value system – not to be compromised
 - No schedule, milestone or cost consideration is worth any injury
- Two areas where there is heightened visibility and scrutiny
 - Construction projects
 - Recovery Act projects



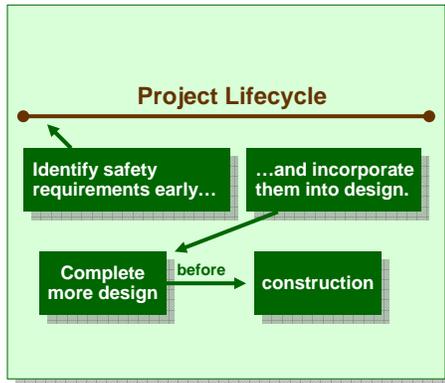
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Actions to Improve Performance



- Together we must look for ways to improve performance
- Some actions have already been identified:
 - Complete more design before construction (move away from design/build)
 - Identify safety requirements early and incorporate into design
 - Improve QA, including vendors
 - Implement improved corporate project reviews
 - Improve staff capabilities in key areas
 - Consider owner representative approach

One way to better position ourselves for improving is to more appropriately categorize EM work!



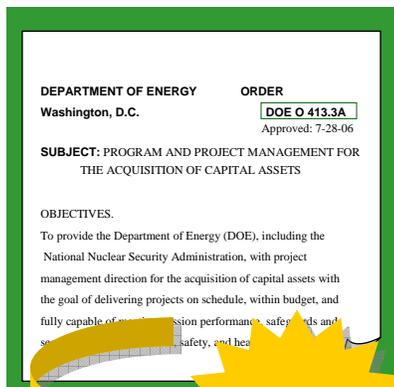
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Modify Project Categorization Approach



- Align projects better with DOE Order 413.3A
- Provide enhanced ability to tailor project management
- Create more manageable discrete blocks of work while still tracking life-cycle costs
- Break work into consistent categories:
 - Construction projects
 - Cleanup capital assets projects
 - Operational cleanup projects
 - Programs



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Defining EM Programs, Projects and Activities

CAPITAL ASSET PROJECTS

Construction Projects

- Line item construction projects
- Minor new construction projects with TPC* ≥ \$10M**

* DOE Manual 135.1-1A, Department of Energy Budget Execution-Funds Distribution and Control Manual, specifies total estimated cost (TEC).

** Congress raised the cost threshold for GPP and IGPP from \$5M to \$10M in Omnibus Appropriations Act of 2009 (H.R. 1105).

Cleanup Projects

- Environmental restoration of soils such as construction of caps and engineering covering systems; excavation of contaminated soils and waste materials; and *in situ* grouting
- Environmental restoration of groundwater such as construction of treatment units; installation of sampling, monitoring and sentry wells; installation of barrier systems; and construction of phytoremediation systems
- Nuclear facility decommissioning
- Non-nuclear facility demolition and removal

NON-CAPITAL ASSET ACTIVITIES

EM Operational Activities

- Stabilization, packaging, storage, transportation, and disposition of: (1) solid waste, including transuranic waste; (2) liquid waste, including high level waste and radioactive tank waste; and (3) nuclear materials, including special nuclear materials and spent nuclear fuel
- Operation of waste processing facilities
- Operation of environmental remediation systems such as groundwater treatment systems
- Post-construction and post-closure care of remediated land burial sites
- Long-term environmental stewardship including environmental monitoring and institutional controls
- Facility shutdown and deactivation activities in preparation for final decommissioning

EM Programs

- Landlord activities and site services
- Safeguards and security
- Emergency management
- Land management
- Fleet management
- Technology research, development, demonstration and deployment
- Community-support grants
- Public outreach and regulator oversight grants
- Preservation of cultural resources
- Program management

Focus Areas for Improvement



Construction only after 90% design



Enhanced Project Management and Federal Oversight (aka Owner Representative)



Restructure the EM portfolio (including acquisition strategy, scope flexibility, and chunking)



Improve Headquarters and Field interaction with better communication



Corporate functions – Improve MA, GC, OEM, and contracts management interaction



Improved external communication and outreach to stakeholders, communities, other agencies, etc.



Critical review of Project Improvement Initiative – (Acquisition and Project Management Corrective Action Plan)



Improved reporting – evaluate current reporting needs and methods and implement better methods for the future



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Recovery Act: Sound Business Practices and Investments

Highlights So Far



- >4,000 jobs saved/created in 12 states
- \$5.7 of the \$6 billion provided to EM has already been allocated to EM sites
- Nearly 2/3 of EM Recovery Act funds have been obligated to EM contracts
- Over \$134M of Recovery Act have been spent to create jobs and accelerate cleanup

- \$6 billion in Recovery Act funding
- Scope that is most readily accelerated
 - Soil and groundwater remediation
 - Radioactive solid waste disposition
 - Facility decontamination & decommissioning
- “Shovel Ready”
 - Fully defined cost, scope and schedule
 - Established regulatory framework
 - Proven technology
 - Proven performance and safety standards
 - Existing contract vehicles
- Focus on EM completion and footprint reduction
- Recovery Act funding will accelerate approximately 70 compliance milestones
- Demonstrate EM's increased commitment to deliver quality work on schedule and within cost



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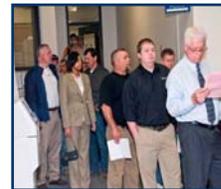
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Over 4,000 Jobs Created and Saved Nationwide!

	Applicants	Saved Jobs	New Jobs	Total
Argonne (IL)	494	4	20	24
Brookhaven (NY)	TBD	45	34	79
ETEC (CA)	1	2	1	3
Hanford-ORP (WA)	6,393	56	150	206
Hanford-Richland (WA)	10,395	300	855	1,155
Idaho (ID)	4,567	240	168	408
Moab (UT)	1,227	0	42	42
Nevada (NV)	21	6	9	15
Oak Ridge (TN)	6,500	44	421	465
Paducah (KY)	1,942	0	19	19
Portsmouth (OH)	1,497	8	42	50
Savannah River (SC)	10,300	798	612	1,410
SLAC (CA)	80	19	3	22
West Valley (NY)	1,128	0	76	76
WIPP (NM)	TBD	16	97	113
TOTALS	44,545	1,538	2,549	4,087



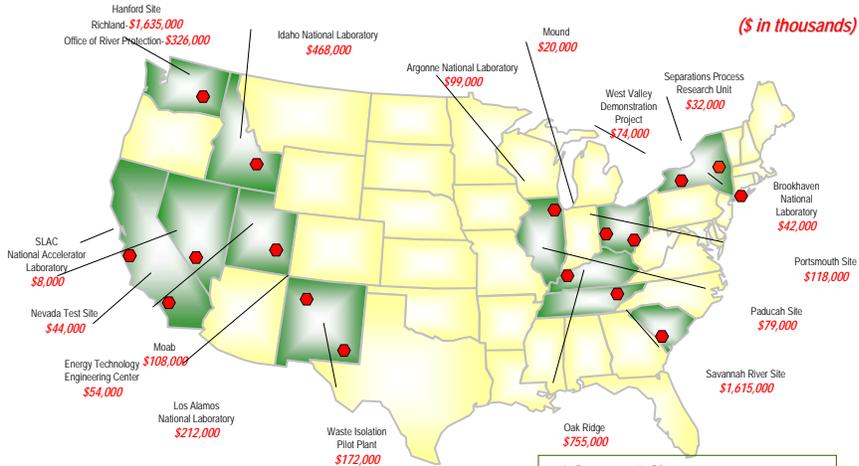
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\$6 Billion – Making a Difference in Communities Across the Country



12 States, 17 Sites
 Uranium/Thorium \$69 million
 Management & Oversight \$70 million



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Learn More About the EM Recovery Act Program



EM Recovery Act Program Office

<http://www.em.doe.gov/emrecovery>

Email: EMRecovery@em.doe.gov

Office of Environmental Management Web Site

(with links to Site and Contractor web pages)

<http://www.em.doe.gov/>



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Transuranic Waste Processing Center Oak Ridge, Tennessee

Scope of Work

- Process Contact Handled
Transuranic Debris and Soils Waste
- Process Remote Handled
Transuranic Debris and Soils Waste
- Process Remote Handled
Transuranic Sludge Waste
- Ship Transuranic Waste to Waste
Isolation Pilot Plant



Estimated Value

3-year base, 2-year option: \$150M-\$200M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
Apr 2, 2008	Jun 16, 2008	Oct-Nov-Dec 2009



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ORP 222-S Laboratory Analytical Services

Scope of Work

- Analytical services production functions
- Receiving, handling, analyzing, storing samples
- Performing special tests
- Reporting results to DOE Hanford Site contractors

222-S Analytical Lab complex



Buildings identified above are used by small business and shared with Tank Operations Contractor.

Estimated Value

5-years: \$30M -\$45M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
March 13, 2009	April 16, 2009	Oct-Nov-Dec 2009



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Portsmouth Facility Support Services

Scope of Work

- Maintenance of grounds, roads and rails
- Janitorial Services
- Mail Services
- Surveillance and maintenance of Department of Energy facilities



Estimated Value

5-year base: \$35 -\$50M (Small Business Set Aside)

Request for Proposals	Industry Proposal Due	Award
June 4, 2009	August 4, 2009	Jan-Feb-Mar 2010



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Paducah Remediation

Scope of Work

- Facilities Decontamination and Decommissioning
- Material Disposition and Waste Management
- Ground Water, Surface Water and Soils Remediation
- Site Burial Ground Source Removal, Treatment and Containment



Estimated Value

5-years: \$400M-\$600M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
January 16, 2009	March 31, 2009	Apr-May-Jun 2010



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Paducah Infrastructure Services

Scope of Work

- Surveillance and Maintenance of Facilities
- Roads and Grounds
- Janitorial Services
- Computing/Telecommunications Security Services
- Fleet, Property and Records Management



Estimated Value

5-years: \$60M - \$75M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
May 13, 2009	July 14, 2009	April-May-Jun 2010



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Multiple Award IDIQ Contracts for Nationwide Environmental Services

Scope of Work

- > Environmental Remediation Services
- > Waste Management (WM) Services
- > Facility Deactivation, Decommissioning, Decontamination, and Demolition (D&D) services for non-contaminated facilities



Estimated Value

5-years: \$926M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
August 6, 2009	September 21, 2009	Jan-Feb-Mar 2010

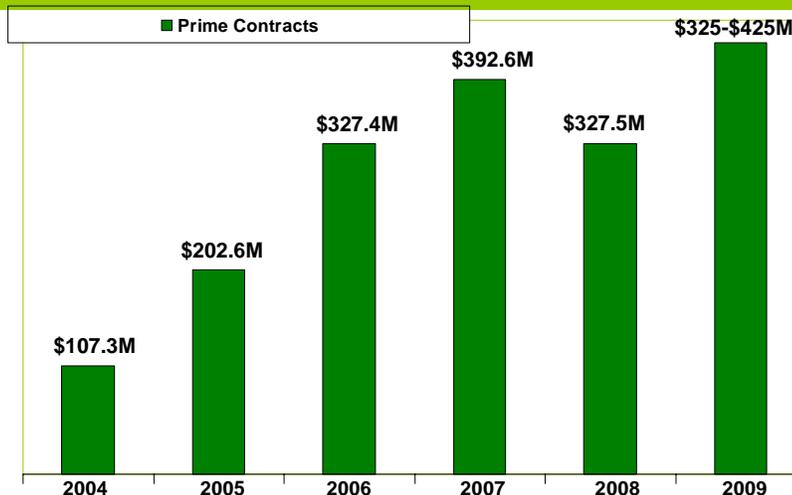


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EM Total Small Business Base Funding

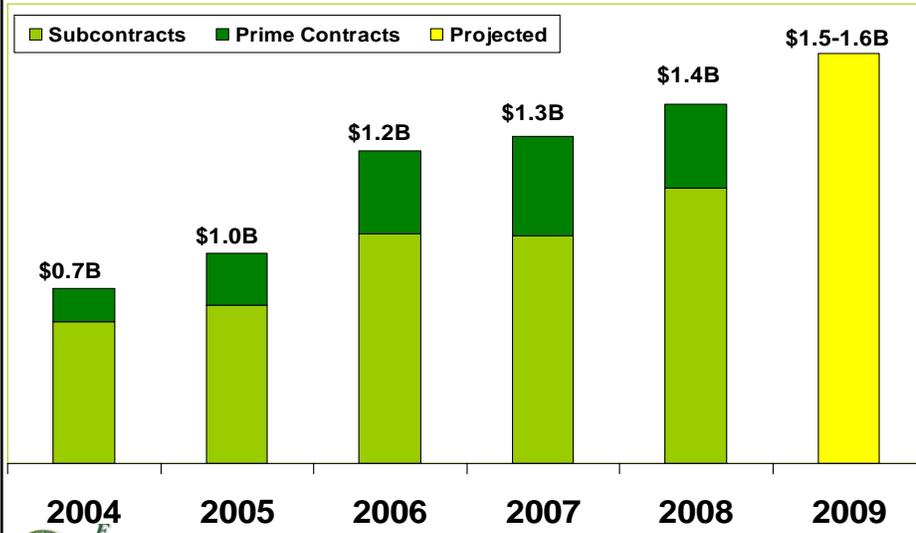


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EM Total Small Business Funding



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