Department of Energy

Environmental Management
Consolidated Business Center
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Cincinnati, Ohio 45202
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OCT 13 2010

EMCBC-00076-11

Dear Prospective Offerors:

FINAL REQUEST FOR PROPOSALS (RFP) NO. DE-SOL-0002084 FOR THE WEST VALLEY DEMONSTRATION PROJECT (WVDP) PHASE 1 DECOMMISSIONING – FACILITY DISPOSITION PROCUREMENT

This letter hereby serves as the official notice to prospective Offerors that the U.S. Department of Energy (DOE) is releasing Final RFP No. DE-SOL-0002084 for the WVDP Phase 1 Decommissioning – Facility Disposition procurement through its Environmental Management Consolidated Business Center (EMCBC). The RFP can be found on the EMCBC acquisition web site at http://www.emcbc.doe.gov/WVDP_Phase_I_Decommissioning/. Any questions pertaining to the Final RFP should be submitted in writing via the e-mail address at wvdpphase1@emcbc.doe.gov by 5:00 p.m. Eastern Standard Time on Monday, November 22, 2010. The Government will post any amendments issued to the Final RFP, responses to questions (if required), and other official communications from the Contracting Officer to the EMCBC acquisition web site. Prospective Offerors are encouraged to conduct a thorough review of the Final RFP and to submit any questions pertaining to the Final RFP as early as possible, but no later than the date and time mentioned above to allow for adequate response time to all questions and comments submitted.

Background

On August 30, 2010, DOE issued RFP No. DE-SOL-0002084 in its draft form to facilitate Industry's understanding of the Government's requirements and to provide Industry with the opportunity to submit comments and to provide feedback pertaining to the Draft RFP. During the week of September 13, 2010, DOE held a pre-solicitation conference, site tours, and one-on-one sessions with Industry. DOE carefully considered all comments received on the Draft RFP and made appropriate changes. The Final RFP posted on the EMCBC acquisition web site is the result of these changes. However, many questions submitted regarding the Draft RFP that did not result in RFP changes, such as requests for reports or data, are worthy of response and clarification now that the Final RFP is released. The DOE encourages prospective Offerors to resubmit those questions.

This cover letter highlights some of the changes that have been made to the RFP as a result of comments submitted by Industry in response to the Draft RFP. The Final RFP itself specifies all of the requirements for the WVDP Phase 1 Decommissioning – Facility Disposition

procurement, and any information contained in this cover letter shall not be construed as being part of the Final RFP. Prospective Offerors shall prepare their proposals based solely on the requirements specified in the Final RFP and in any accompanying amendments.

Pre-Proposal Site Tour

As noted above, site tours of the WVDP were conducted during the week of September 13, 2010, in which attendees were given introductory driving tours of the site. In response to comments received from Interested Parties, DOE has decided to conduct pre-proposal site tours during the week of November 1, 2010. The pre-proposal site tours will be more detailed and will provide prospective Offerors with the opportunity to tour the inside of facilities at the WVDP. The instructions for requesting attendance on the pre-proposal site tours will be posted to the EMCBC acquisition web site at http://www.emcbc.doe.gov/WVDP_Phase_I_Decommissioning/ once all of the details are finalized. All participants must pre-register using the forms and following the instructions posted on the EMCBC acquisition web site to attend the pre-proposal site tour of the WVDP. Attendance will be limited to no more than **two** people per company.

Notable Changes from the Draft RFP

Section B:

In Clause B.2, the Contract Line Item (CLIN) numbering system has been revised and the Performance Work Statement (PWS) elements have been grouped under the CLINs to make the CLIN structure easier for prospective Offerors to understand. In addition, the Government/ Contractor split for cost savings and cost overruns have been revised from 90/10 to 80/20. Language has also been added to Clause B.2 to assure prospective Offerors that there will be a ceiling on the amounts of any cost overruns that the Contractor will be responsible for. For example, the Contractor's fee may be decreased down to the Minimum Cost Incentive Fee for cost overruns. However, the Contractor will not be required to cover the cost of any overruns beyond this reduction in fee.

Section C:

The CLIN numbering system has been revised in the PWS. In addition, clarifying language has been added throughout the PWS that pertains to waste disposal, facility disposition, etc. For example, the PWS now states that all Transuranic (TRU) waste generated in the performance of the contract shall be packaged in accordance with the Waste Acceptance Criteria, as well as, the contact handled TRU and remote handled TRU packaging instructions for the Waste Isolation Pilot Plant. The requirements for High Level Waste (HLW) canister storage in Section C.5.0 have been revised to allow the use of **any** dry-cask system similar to technology currently used to store Spent Nuclear Fuel from operating electric generating utilities in dry-cask systems. Elements of the PWS under C.10.0, Safeguards and Security, have been reconfigured and now include: C.10.1, Physical Protection; C.10.2, Information Security; and C.10.3, Program Management. In Attachment C-1, Definitions of Terms, the definition for "Disposed" has been revised so that the Contractor will be required to provide a certificate of disposal for each type of hazardous, mixed, and radioactive waste instead of for each type of waste shipped.

Revisions have also been made to Attachment C-2, Facility Disposition and Status, to provide the most up-to-date information on the facilities at the site. In addition, Attachment C-8, Transition Plan Instructions, previously found in Section L, has been added to Section C.

Section E:

Clauses E.4, Inspection, and E.5, Acceptance, have been added to clarify the Government's inspection and acceptance criteria for all work performed under the contract.

Section F:

Federal Acquisition Regulation (FAR) Clause 52.242-15, Stop-Work Order, in its Alternate I has been added.

Section G:

Only minor changes and corrections have been made to this section including the newest link for the Contractor to obtain General Services Administration (GSA) Standard Forms (SF), including SF1034 which the Contractor shall submit regarding invoices.

Section H:

The most notable change for this section is the deletion of Clause H.55, Self Performed Work. Clause H.8, Key Personnel Replacement, has been revised to show the minimum Key Personnel requirements for the contract including a General Manager, Deputy General Manager, and ESH&Q Manager. In addition, the title of the individual responsible for the overall contract has been revised in Clause H.9 to General Manager. Clause H.16, Personnel Security Clearances, has been revised to clarify the "L" clearance requirements for the Contractor. Several other clauses have been removed from this section. These clauses include, most notably: H.29, Notice Regarding the Purchase of American-Made Equipment and Products – Intent of Congress; H.39, Confidentiality of Information; H.44, Services of Consultants; H.52, Site Investigation and Conditions Affecting the Work.

Section I:

Various clauses have been updated to show the most current versions. In addition, FAR 52.219-10, Incentive Subcontracting Program, has been removed.

Section J:

Various DOE orders in Attachment J-2, List of Applicable DOE Directives (List B) have been revised or updated. In addition, several deliverables have been added to Attachment J-3, Deliverables. These include, most notably, the completion documents specified for CLINs 002, 003 and 006 in Section B. Attachment J-3 has also been updated to reflect the most current

directives that serve as the drivers for each deliverable. It should also be noted that Attachment J-12, Transition Plan, has been added to Section J to incorporate the Contractor's transition plan into the contract upon award.

Section K:

The most notable change for this section is the replacement of Provision K.5, Organizational Conflicts of Interest, with DEAR 952.209-8, Organizational Conflicts of Interest Disclosure – Advisory and Assistance Services. In addition, language has been added above the Table of Contents regarding the requirement for Offerors to complete the annual certifications and representations electronically via the Online Representations and Certifications Application (ORCA) web site.

Section L:

Various minor revisions have been made to this section to provide clarification to prospective Offerors in the preparation of their proposals. For example, in Provision L.2, Proposal Preparation Instructions – General, these include: the definition of the term "major subcontractor"; page count exceptions; Table of Contents requirements for proposals; and the availability of an electronic reading room. In Provision L.3, Proposal Preparation Instructions – Volume I: Offer and Other Documents, minor changes were also made that include: clarification of the term "critical subcontracts"; clarification of the requirement to submit annual certifications and representations electronically through ORCA; and removal of language pertaining to the Offeror's Small Business Subcontracting Plan. The most notable changes in this section pertain to the Technical Evaluation Factors specified in L.4, Proposal Preparation Instructions – Volume II: Technical Proposal. Under Factor 1, Technical Approach, the requirement for Offerors to provide an approach to transition has been removed. Under Factor 2, Key Personnel and Organization Structure, Key Personnel oral presentations have been added. In addition, Offerors will be asked to propose five (5) Key Personnel including a General Manager, a Deputy General Manager, and an ESH&Q Manager. The other two positions will be at the discretion of the Offerors. In L.5, Proposal Preparation Instructions – Volume III: Cost and Fee Proposal, additional plug numbers have been provided under the DOE Provided Costs. In addition, a revised Attachment L-6, Past Performance Questionnaire, has been incorporated into Section L. The Project Work Breakdown Structure is also being provided as Attachment L-14.

Section M:

Under Factor 1, Technical Approach, language has been added that the Government will evaluate the realism of the Offeror's critical path schedule for accomplishing the PWS. For Factor 2, Key Personnel and Organizational Structure, language has also been added regarding the elements of the Offerors' oral presentations that the Government will evaluate. The weighting of the factors in M.5, Overall Relative Importance of the Evaluation Factors, has also been revised so that Past Performance and Relevant Experience are considered equally important. In addition, language has been added that Key Personnel Resumes and Organizational Structure will be considered equal in importance to the oral presentations under Factor 2.

Notice:

In order to further the Government's policy of maximizing electronic commerce, electronic media will be the primary method of communication regarding this procurement. The Final RFP, any amendments issued, responses to questions received from prospective Offerors, and other official communications from the Government will be posted on the EMCBC acquisition web site. Prospective Offerors shall be responsible for reviewing this web site regularly for information, notices, and updates regarding the Final RFP.

The Government intends to answer any questions pertaining to the Final RFP as thoroughly and efficiently as possible, and we look forward to receiving your proposals in response to the Final RFP.

Sincerely,

Barry M. Page

Barry M. Page
Contracting Officer

Enclosure: RFP DE-SOL-0002084