

ORGANIZATIONAL CONFLICT OF INTEREST

The United States Department of Energy (DOE) is planning to solicit services for the Paducah Gaseous Diffusion Plant (GDP) Deactivation under the Department's Environmental Management Indefinite Delivery/Indefinite Quantity (EM IDIQ) Unrestricted Contracts to allow the Department to accept the GDP leased facilities back from the United States Enrichment Corporation (USEC). The major and critical subcontractors have already been established for each contract. However, pursuant to the Federal Acquisition Regulation (FAR), Subpart 9.5, the United States Department of Energy (DOE) Contracting Officer (CO) conducted an organizational conflict of interest (OCI) analysis. DOE has made a determination to exclude the USEC and any USEC affiliate from participating in the Paducah GDP Deactivation acquisition as a pre-award consultant or subcontractor. This determination is effective immediately.

As the holder of all current technical data describing the PGDP status, USEC has exclusive access to information such as facility drawings, procedures and policies that would provide an EM IDIQ contractor an unfair competitive advantage. In addition, an EM IDIQ Contractor consulting with USEC would have an unfair competitive advantage because of USEC's involvement in developing, updating, and revising PDGP facilities documents and the Contractor's exclusive use of that information. DOE's determination is that USEC and any of its affiliates are excluded from participating as a consultant or subcontractor contributing to any task order proposal due to the actual or apparent unfair competitive advantage based on unequal access to information it holds as the GDP Leaseholder.

Additionally, DOE has determined that USEC has conflicting roles with the potential to bias its judgment if performing as a post-award subcontractor under the PGDP Deactivation project. As long as USEC still possesses the power to make decisions about the timing of the turnover of the facilities and facility plans, there is a potential for its interests as the GDP lessee to influence its work as a subcontractor under the PGDP Deactivation Task Order. If USEC is teamed with an IDIQ Contractor in performing the PGDP deactivation work, there is a potential for its interests as a subcontractor to influence its decisions regarding the timing of the turnover of the facilities and facility plans.

DOE is of the view that USEC will continue to have a potential conflict of interest until USEC has turned over all leased facilities to DOE. DOE will consider mitigation information provided by the selected IDIQ Contractor prior to issuing a final determination on USEC's ability to participate as a post-award subcontractor.

Contractors are hereby on notice that any proposal submitted under the PGDP Deactivation project RTP that is prepared after consulting with USEC may be ineligible for award pursuant to FAR 9.5.