



U.S. DEPARTMENT OF
ENERGY

OFFICE OF
ENVIRONMENTAL
MANAGEMENT

DOE EM End State Contracting

Aaron Deckard, Acquisition Integration Lead, DOE-EMCBC
Joe Franco, Deputy Manager, DOE-RL

May 15, 2019

- § Concerted effort within EM to reinvigorate the nuclear waste cleanup completion mindset

- § ESCM employs a **Two-Step** Process:
 - 1) Competitive qualifications-based Single Award Indefinite Delivery/Indefinite Quantity (IDIQ) Request for Proposal (RFP)
 - 2) Post-award negotiation of discrete scopes of work through effective partnering on a Task Order (TO) basis (Firm Fixed Price or Cost Reimbursement)

- § Provides EM the ability to partner with industry and stakeholders at this critical juncture of the Program to openly negotiate the right, risk-based Interim and Final End States to reach completion at many of our sites

- § Developed with detailed consideration of industry feedback on the Draft RFP issued last year on the Hanford Central Plateau Cleanup Contract and Nevada Environmental Program Services Contract

Financial Liability & Environmental Risk Reduction

Step 1: Competitive IDIQ RFP

- § Up to 10-year Ordering Period with Minimum Guarantee established
- § Technical Evaluation Criteria in order of importance
 - § Key Personnel (entire scope)
 - § Resumes
 - § Oral presentation
 - § Program Manager interview
 - § Technical and Management Approach
 - § Cost Plus Incentive Fee (CPIF) representative TO(s) covering actual work to be performed the first 6-12 months
 - § Provide meaningful work to Small Business concerns for entire scope
 - § Past Performance (entire scope)
- § Cost reasonableness and realism evaluation of representative TO(s)
- § Best Value decision where Technical Evaluation Criteria are significantly more important than the Evaluated Price

Step 2: Additional Task Order(s) Negotiated Post Award

- § During transition negotiate TO(s) for balance of remaining scope of work for the first 12 months (not evaluated during pre-award)
 - § Identify total Site workforce eligible to transition
- § Partner with contractor and regulators (as necessary) to agree on next discrete, scope segment(s) to negotiate
 - § Risk-based approach for site closure or end states resulting in:
 - § More realistic, reliable pricing of higher fidelity scope
 - § Appropriate incentive structure with balanced risk/reward
 - § Improved contractor accountability
 - § Preference for CPIF TOs (if FFP not appropriate)
- “Off Ramp” - If cannot agree on reasonable prices and/or contractor performance is subpar, contract can be ended with no termination liability after minimum ordering guarantee is satisfied.

ESCM Benefits



ESC Acquisitions

Hanford Central
Plateau Cleanup
Contract

Hanford Tank
Closure Contract

Nevada
Environmental
Program
Services

West Valley
Decommissioning

Oak Ridge
Reservation
Cleanup

Portsmouth
D&D

Idaho Cleanup
Project

***Information is subject to change.**

- § ESCM achieves EM objective
 - Reinvigorates nuclear waste cleanup completion mindset
 - Focuses on reducing financial liability and environmental risks
- § ESCM Acquisition Strategy
 - Aligned with DOE Leadership Direction
 - Single Award IDIQ contract – Task Orders
 - Cost Plus Incentive Fee (CPIF) (or FFP)
 - Ordering Period vs. Period of Performance
 - Agile, Flexible, Responsive to Changes
- § Bolsters efforts to get off the GAO High Risk List for Contract Management
- § Paradigm Change in Contracting



ESCM is an Agile, Cost-effective Approach