

WM2015 Conference Panel Report

Panel Session 077: US DOE Procurement and Contracting Opportunities

Session Co-Chair: Cathy Hickey, CH2M HILL
John Longenecker, Longenecker & Associates

Panel Reporter: Shannon Farrell, CH2M HILL

Panelists:

- **Jack Surash**, Deputy Assistant Secretary (DAS) for Acquisition and Project Management, US DOE EM
- **Greg Gonzales**, Small Business Program Manager, US DOE NNSA
- **Chris Honkomp**, Assistant Secretary and Director of Project Assessment, US DOE EM

The Panel consisted of DOE representatives and focused on US DOE procurement and contracting activities and initiatives currently underway in the Environmental Management and the National Nuclear Security Administration Programs. The Panelists provided a status update on current and future procurement opportunities. Approximately, 50 people attended the session.

Jack Surash, Deputy Assistant Secretary for Acquisition and Project Management US DOE EM, updated the audience on DOE Emerging Policy Implementation, including: 1) Ensuring contracts align with taxpayer interests, 2) Structuring contracts so contractors bear the responsibility, 3) Improving upfront planning and requirements definitions, 4) Considering Firm-Fixed-Price contracts first, 5) Using objective performance based incentives for non-FFP contracts, 6) Using provisional fee, hard cost caps, or cost share approaches to ensure parties bear responsibility for their actions, and 7) Documenting performance to hold contractors accountable.

Mr. Surash also focused on DOE's Partnering initiative. Partnering establishes a collaborative approach among DOE and the Contractor to achieve results, including open communication, collaboration, and commitment to joint success. Surash presented and updated the audience on 12 open procurement opportunities, including 5 in the source selection stage (A-E Services for Transuranic Sludge Treatment Facility Project, Hanford 222-S Lab Services, DOE Low-Level and Mixed Low-Level Waste Treatment Services, Paducah Infrastructure, and Transuranic Waste Processing Center) and 7 to be procured (Portsmouth Infrastructure, Idaho NRC Licensed Facilities Management Cleanup, Portsmouth/Paducah Gaseous Diffusion Plant DUF6, Idaho Cleanup Project Core, Idaho Calcine Disposition Project and Spent Fuel Repackaging, Environmental Management Headquarters Information Technology Support, and the Los Alamos National Laboratory Legacy Cleanup Completion Project).

Surash discussed small business prime contracting trends and funding. Over the last 8 years, DOE awarded the most small business prime contracts in 2010, valued at approx. \$712.2M. DOE plans to award approximately \$400-\$600M in small business prime contracts in 2015. DOE's Acquisition Forecast can be found at: <http://hqInc.doe.gov/Forecast>.

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Greg Gonzales, Small Business Program Manager US DOE NNSA, updated the audience on Contracting Opportunities in the NNSA. There are 11 NNSA site offices across the U.S. and 1 service center located in Albuquerque, NM. The NNSA spent approximately \$1.7 Billion in small business subcontracting across the NNSA complex in 2014. The FY2015 NNSA budget is \$11.7 Billion – 24.6% going to Managing the Nuclear Weapons Stockpile, 20.3% Modernizing the Infrastructure, 14.7% Strengthening the Science, Technology & Engineering Base, 14.6% Reducing Nuclear Dangers, 11.8% Advancing Naval Nuclear Propulsion, 6.6% Security, 3.7% Driving an Integrated and Effective Enterprise, and 3.5% Legacy Contractor Pensions.

Upcoming NNSA small business subcontracting opportunities include: the Uranium Processing Facility in Tennessee, NEPA Environmental Services, Nuclear Nonproliferation Program DICCE II, Information Technology Support Services Contract. The NNSA Acquisition Forecast is located on the NNSA website: <https://hqlnc.doe.gov/support/nnsaforecast.nsf> <http://hqlnc.doe.gov/forecast>. Gonzales' Tip of the Day: “send an email to the contracting officer requesting an RFP”.

Chris Honkomp, Assistant Secretary and Director of Project Assessment US DOE EM, discussed the DOE process for evaluating recurring work. When evaluating recurring work, DOE looks at contract types, periods of performance, and small business set aside possibilities. DOE looks ahead, approximately 2 years in advance of the contract expiring, to decide whether or not to extend the option period on the incumbent contractor or re-compete the contract. DOE is leaning more toward fixed unit rate and fixed price type contracts versus cost plus type contracts. Contract durations are dependent on the nature of work, however 5 years is a typical contract duration.