

Pre-Solicitation Conference for the Liquid Waste DRFP

Irma Brown
Contracting Officer
April 16, 2007



AGENDA

Registration

Welcome

Irma Brown

Overview of SRS

Terrel Spears

Overview Statement of Work

Terrel Spears

No Host Lunch

Special Features of DRFP

Irma Brown

Workforce Transition

Mary-Ellen Noone

Special Features of DRFP

Irma Brown

Cost Instructions

Ed Dias

Responses to Written Questions

Irma Brown

Closing Remarks

Irma Brown



Rules of Engagement

- Oral questions are not allowed
- No recording, copying or transcription devices (e.g., tape recorders, video camcorders, cellular phones, laptops, PDAs, pagers, etc.) are allowed
- Emergency telephone number is 803-507-4552
- Slides and tour script will be posted to the website



Preview of Upcoming Events

- April 17th – Site Tour of the LW Facilities
- April 18th – 20th – One-on-One Exchanges



REMINDERS FOR THE TOUR

- No questions will be entertained during the tour
- 3x5 cards will be available for the submission of written questions; responses will be posted to the SR Acquisition Webpage
- Wear comfortable cotton clothing and sturdy shoes (fully enclosed, flat shoes)
- Please inform the tour guide of any medical conditions (e.g. pacemaker) before the start of the tour
- Wear sunglasses



Today's Objectives

- Improve industry's understanding of the Government's requirements as set forth in the DRFP
- Questions submitted via IIPs have been considered in the development of this presentation
- Allow for written questions to be submitted through the morning with answers provided in the afternoon (to the extent feasible)



SPECIAL NOTICE

- This Pre-Solicitation Conference is for informational purposes only. All potential Offerors are cautioned that proposals must be based on the information provided in the final Request for Proposal (RFP) and any amendments thereto.
- In the event of any discrepancies between the information provided during this Conference and the final RFP, the final RFP shall take precedence.



U. S. Department of Energy Savannah River Operations Office

Savannah River Site Overview

Terrel J. Spears

Assistant Manager for Waste Disposition Project



April 16, 2007



EM Environmental Management
safety ♦ performance ♦ cleanup ♦ closure



Savannah River Site Characteristics

- 192,000 acres = 310 sq miles
- Over 1000 facilities encompass about 10% of the land area
- Operations will be concentrated in central core area buffered by surrounding land
- Total SRS Workforce ~10,500 people
- DOE/SR and NNSA/SRS provide oversight
- EM is the Site Landlord and responsible for the reduction of Site risks through safe stabilization, treatment, and disposition of legacy nuclear materials, spent nuclear fuel, and waste
- NNSA supports national security and non-proliferation programs



SRS Today

Corridor Area/Buffer Zone

A Area

- SRNL
- SREL
- Some D&D underway
- A Area Powerhouse operational

M Area

- D&D completed

TNX

- D&D and area closure completed

D Area

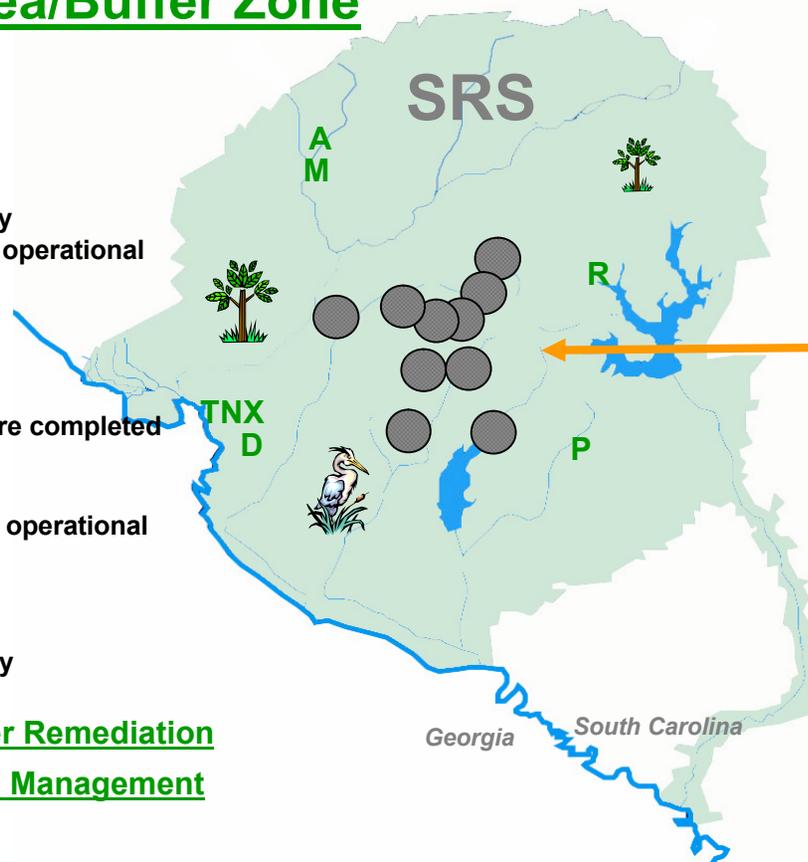
- D Area Powerhouse operational
- D&D completed

P & R Areas

- Some D&D underway

Soil & Groundwater Remediation

Natural Resources Management



Central Core Area

B Area

- Central Administration/Security

C Area

- Material storage

E Area

- Waste storage/processing/disposal

F Area

- F Canyon/FB Line deactivated
- Excess F Area facilities D&D'd
- F Tank Farm and 1 evaporator operational, 2 tanks operationally closed
- MFFF site preparation underway

H Area

- Nuclear materials processing facilities operational
- H Tank Farm and 2 evaporators operational
- Tritium processing operations

K Area

- Nuclear material storage

L Area

- SNF storage

N Area

- Industrial support/warehousing

S Area

- Radioactive liquid waste disposition (DWPF, GWSBs)

Z Area

- Saltstone



SRS Vision

- National asset with enduring national security missions contained within a core operations area
- Unencumbered by Cold War legacy materials storage, excess facilities, waste, and environmental cleanup
- Savannah River National Laboratory (SRNL) is an enduring laboratory
- Property boundaries are unchanged and under Federal control in perpetuity



SRS Missions

- Resolving the environmental legacy
 - Disposition nuclear materials and waste
 - Decommission and/or demolish excess facilities, buildings, and structures
 - Remediate soil and water contamination
- Meeting national security and nonproliferation challenges
 - Nuclear weapons stockpile maintenance, including tritium production
 - Blend down highly enriched uranium for use as fuel
 - Disassemble nuclear weapons components
 - Convert plutonium to mixed oxide for fuel



SRS Missions

- Investing in America's energy future
 - Develop hydrogen technology
- Advancing scientific understanding
 - Savannah River National Laboratory
- Enabling infrastructure
 - Safeguards and security, including property and information protection, and emergency management
 - Natural and cultural resources management
 - Maintenance/repair and recapitalization of DOE investment to achieve all missions



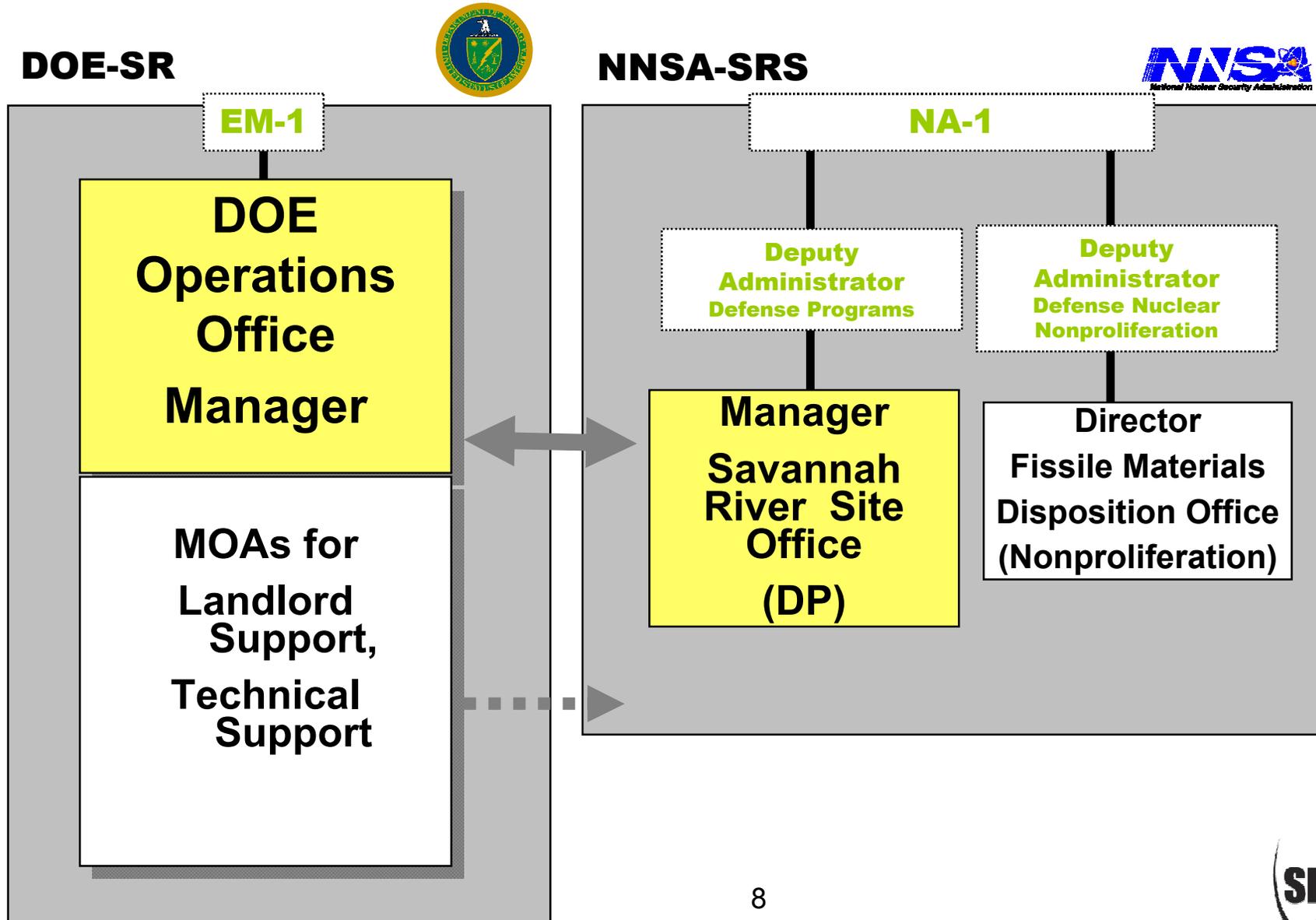
SRS Budget Summary (As of March, 2007)

	<u>FY 2007</u>	<u>FY 2008 (a)</u>
Environmental Cleanup	\$1,113	\$1,206
Federal Program Direction	49	51
Defense Programs	187	192
Defense Nuclear Nonproliferation (b)	482	511
Safeguards & Security - EM	149	149
Safeguards & Security – NNSA	13	13
Other Programs	44	45
Total Budget Authority	\$2,037	\$2,167

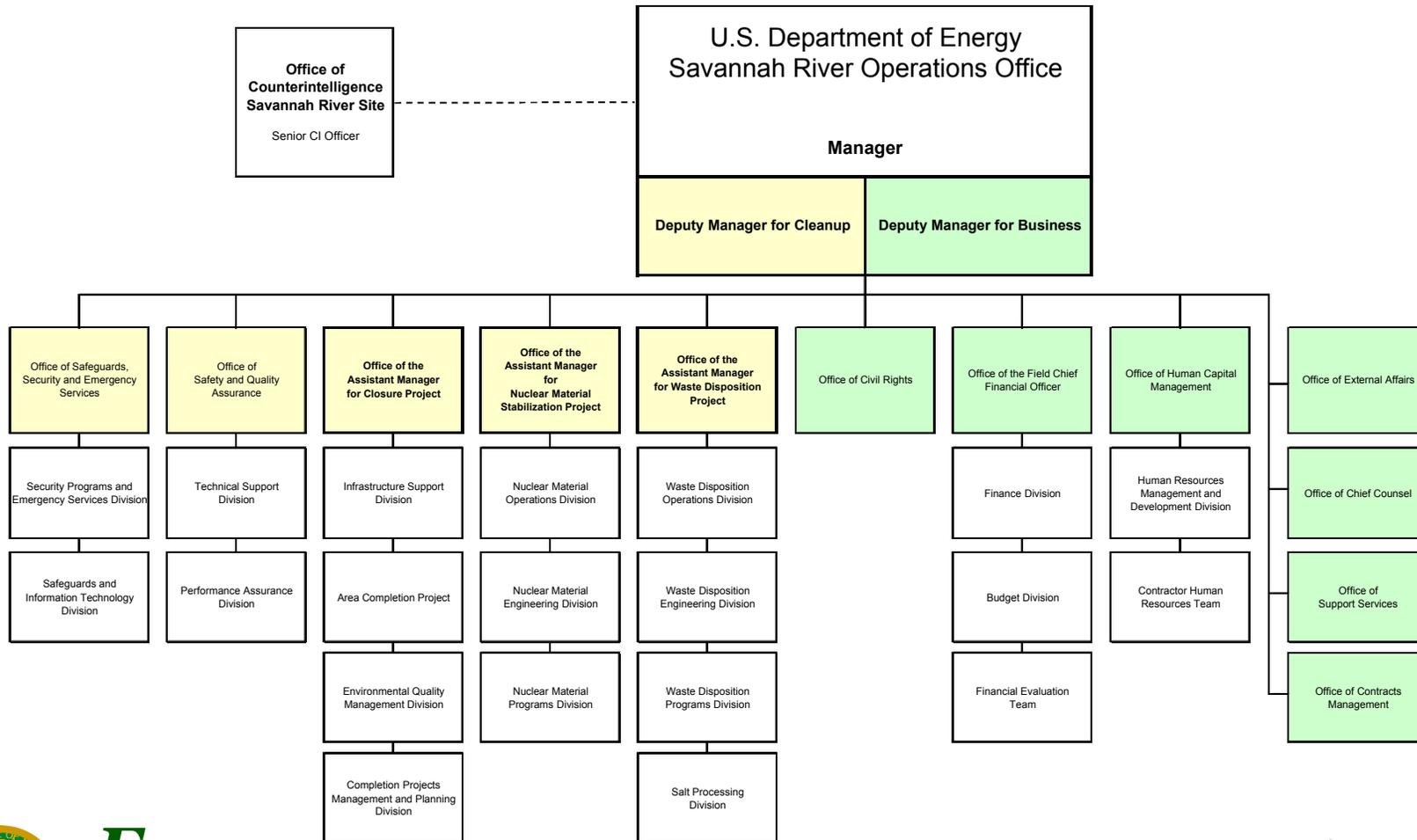
- (a) Reflects Congressional Budget Submittal
- (b) FY 2007 MOX funding of \$290 M is on hold by OMB pending project authorization



SRS Federal Organization



DOE-SR Organization



SR Acquisition Strategy

- Approved on December 5, 2005 by Deputy Secretary Clay Sell
- Two major acquisitions:
 - Site Management and Operating (M&O) Contract
 - Final Request for Proposal Issued
 - Liquid Waste Program Contract
 - Draft Request for Proposal Issued
 - Focus on this program as the critical path to close out the EM mission at SRS
- Seeks to use Indefinite Delivery/Indefinite Quantity contracts for discrete cleanup scope
- In addition to the Acquisition Strategy addressed above, DOE has initiated an approach to increase the amount of DOE-managed small business contracts



SR Challenges

- Maintaining and improving a focus on safety
- Managing interfaces
 - Disciplined interface management will be needed
 - Ensure effective implementation of site-wide programs (e.g., Integrated Safety and Security Management)
 - Providing landlord services to an increased number of tenant entities by an increased number of service providers
- Maintaining regulator, stakeholder, and community relationships
- Increasing national/regional collaborations with SRNL for future growth while meeting Site technical and R&D needs



U. S. Department of Energy Savannah River Operations Office

LIQUID WASTE SYSTEM STATEMENT OF WORK

Terrel J. Spears
Assistant Manager for Waste Disposition Project



April 16, 2007



Safety - #1 Priority

- DOE's first priority for all work performed at SRS is to ensure the safety of the public, the environment, and site workers
- DOE's acquisition strategy implements two key safety concepts
 - Ensure a consistent, site-wide approach to safety
 - Ensure a safe transition of operational responsibilities at time of contract turnover



Implementation of Safety Concepts

- Consistent, Site-wide Approach
 - Site M&O contractor will be responsible for maintaining an over-arching DOE-approved Integrated Safety Management System (ISMS) applicable to all site contractors
 - Individual contractors will be responsible for developing and implementing their own ISMS consistent with the overarching system and bear responsibility for subsequent updates/revisions thereto
 - Individual contractors will be held accountable by DOE for facility/contract-specific implementation



Implementation of Safety Concepts

- Safe Transition

- The incoming Liquid Waste Contractor shall adopt and implement the incumbent's ISMS process and procedures at time of transition
 - Ensures continuity of safe operations at a time of potential distraction due to contract transition
- The Liquid Waste Contractor's own ISMS System Description Document is not required until 6 months after contract award



Safety Evaluation Factors

- DOE WILL NOT evaluate an Offeror's safety management approach
 - Since DOE is requiring implementation of an overarching ISMS and associated procedures, Offerors will not be required to submit information on their approach to safety management as part of their proposal
- DOE WILL evaluate an Offeror's historical safety performance
 - This will be part of DOE's evaluation of an Offeror's Past Performance



Safety Evaluation Factors

- DOE WILL evaluate an Offeror's approach to meeting Safety Analysis requirements
 - Compliance with 10 CFR 830, including the preparation and maintenance of required documentation (Authorization Bases)
 - Not to be confused with the Safety Management approach previously discussed
 - Specific evaluation criteria applies
- Maintaining Safety Analysis and Authorization Bases rigor throughout and following the transition period is critically important



Section C - Statement of Work

- Liquid Waste Stabilization and Disposition
- Program Support
- Sponsorship, Management and Administration of Contractor Employee Pension and Other Benefit Plan



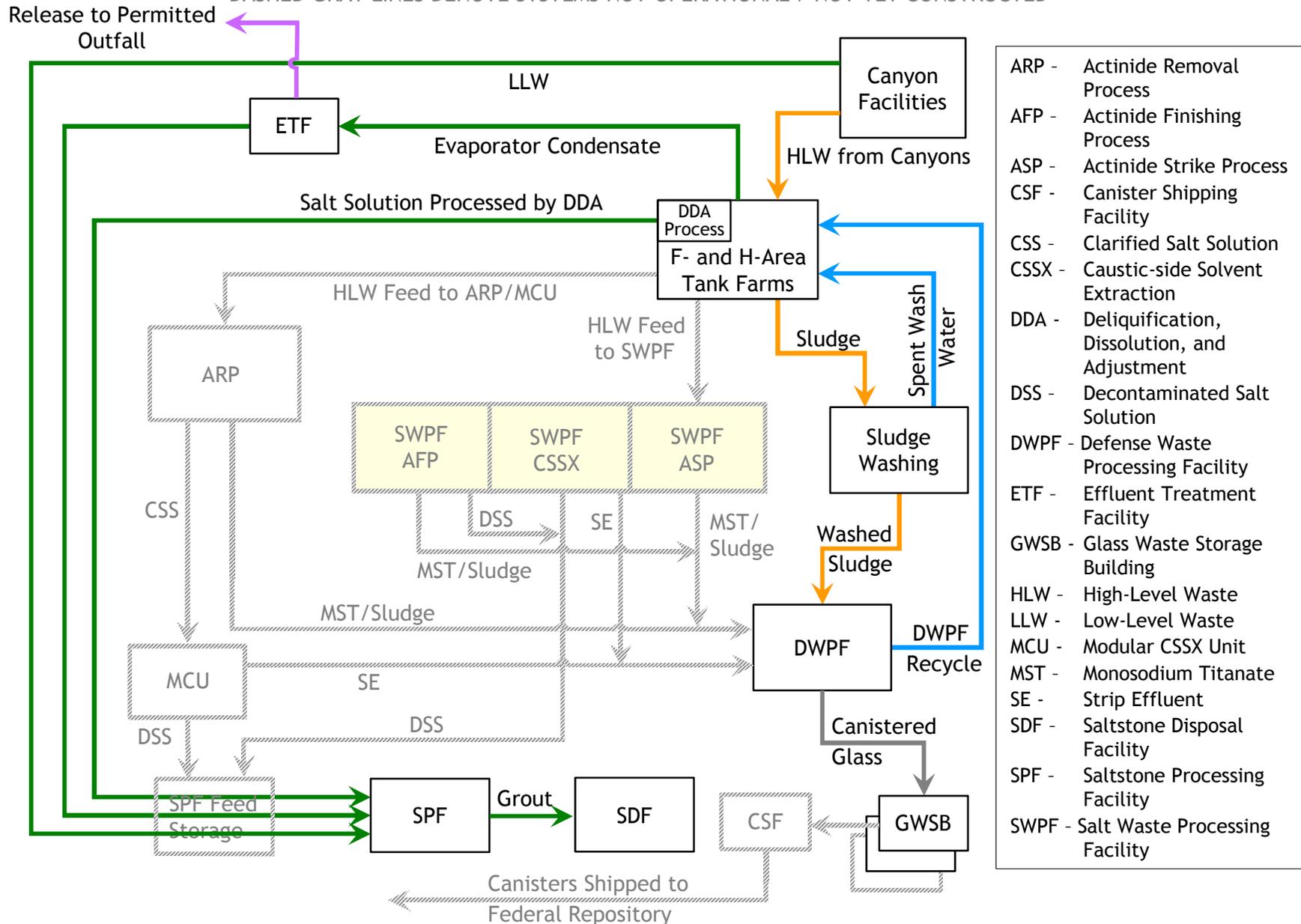
Liquid Waste Stabilization and Disposition

- Construct of the Statement of Work
 - Draft RFP incorporates Liquid Waste Disposition Processing Plan (Plan), May 2006
 - Contract End State Requirements drawn from Plan
 - Update to the Liquid Waste Disposition Processing Plan in progress
 - Updated Plan to be incorporated into Final RFP
 - Final RFP Contract End State Requirements will be drawn from the updated Plan



Liquid Waste Disposition - Current

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL / NOT YET CONSTRUCTED



- ARP - Actinide Removal Process
- AFP - Actinide Finishing Process
- ASP - Actinide Strike Process
- CSF - Canister Shipping Facility
- CSS - Clarified Salt Solution
- CSSX - Caustic-side Solvent Extraction
- DDA - Deliquification, Dissolution, and Adjustment
- DSS - Decontaminated Salt Solution
- DWPWF - Defense Waste Processing Facility
- ETF - Effluent Treatment Facility
- GWSB - Glass Waste Storage Building
- HLW - High-Level Waste
- LLW - Low-Level Waste
- MCU - Modular CSSX Unit
- MST - Monosodium Titanate
- SE - Strip Effluent
- SDF - Saltstone Disposal Facility
- SPF - Saltstone Processing Facility
- SWPF - Salt Waste Processing Facility

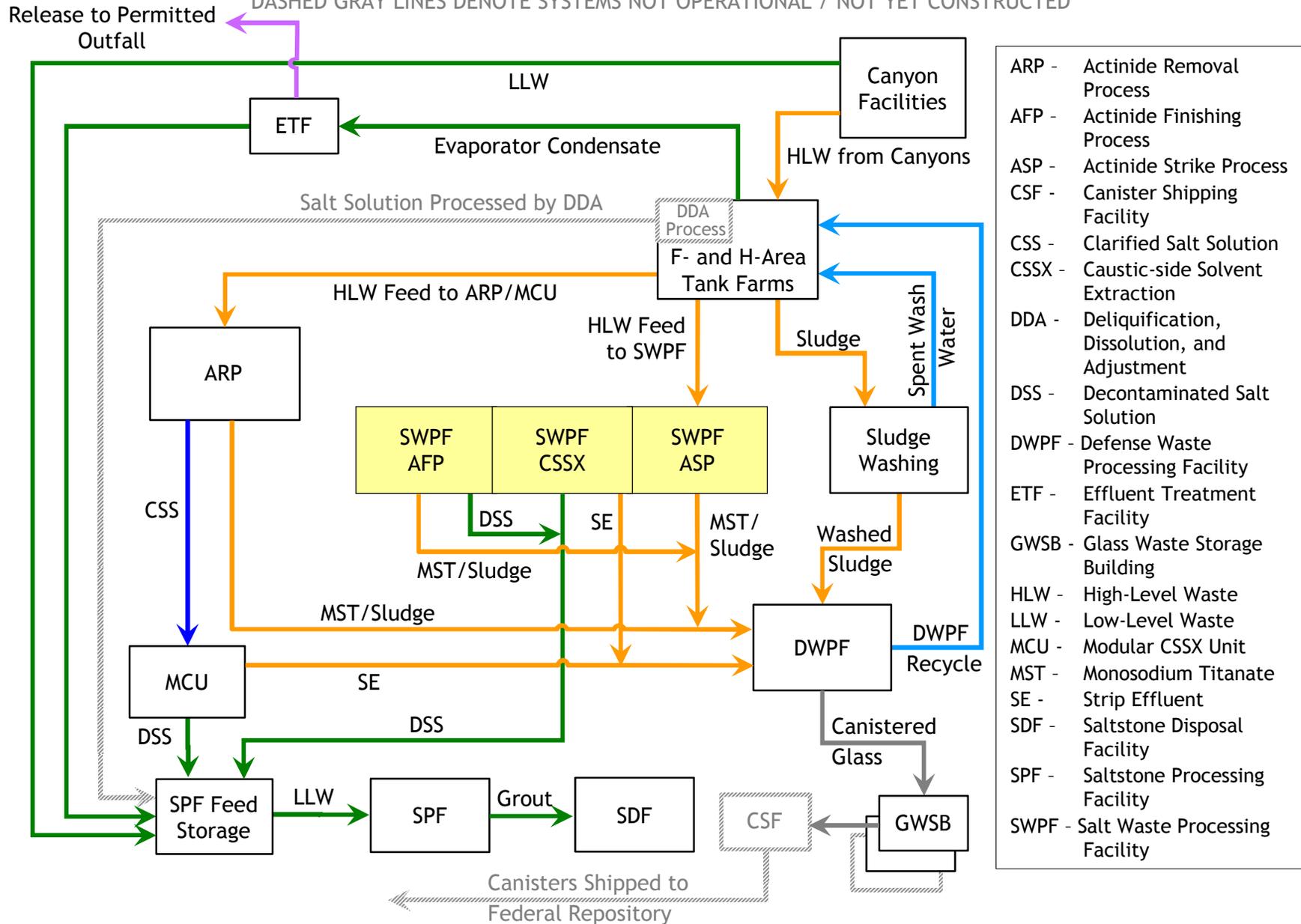
Liquid Waste Disposition - Current

- DWPF is and will continue to process sludge waste only pending startup of the ARP/MCU process which will supply a salt waste feed to DWPF
- DDA processing of salt waste began March 7, 2007 and was subsequently suspended due to a Court-issued stay resulting from a court filing
- DDA will be applied to the salt waste in Tank 41 only and is projected to complete before the award of this contract; therefore it is not included in the acquisition Scope of Work



Liquid Waste Disposition - Contract

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- SWPF - Salt Waste Processing Facility

Liquid Waste Disposition - Contract

- All Liquid Waste System facilities and processes operational except DDA
- ARP/MCU will commence operation before the award of this contract and supply salt waste feed to DWPF
- SWPF is expected to startup during the basic term of the contract and supply salt waste feed to DWPF
- Liquid Waste contractor responsible for operation and maintenance of all facilities and processes except:
 - Canyons
 - SWPF (unless contract Options 2 or 3 are invoked)
 - Facilities & processes shown as not operational/not yet constructed

NOTE: SWPF startup and first year of operation is included in the scope of a separate contract



Program Planning

- Effective planning is critical to the success of the EM mission for the Liquid Waste System
- Current strategy is to develop and maintain two documents
 - Liquid Waste Disposition Processing Plan
 - 10 year \pm look-ahead
 - Liquid Waste System Plan
 - high level planning document for successful mission achievement (lifecycle)



Liquid Waste Statement of Work Program Planning

- Maintain an interactive program/system planning process for Liquid Waste Disposition project milestone and execution schedules



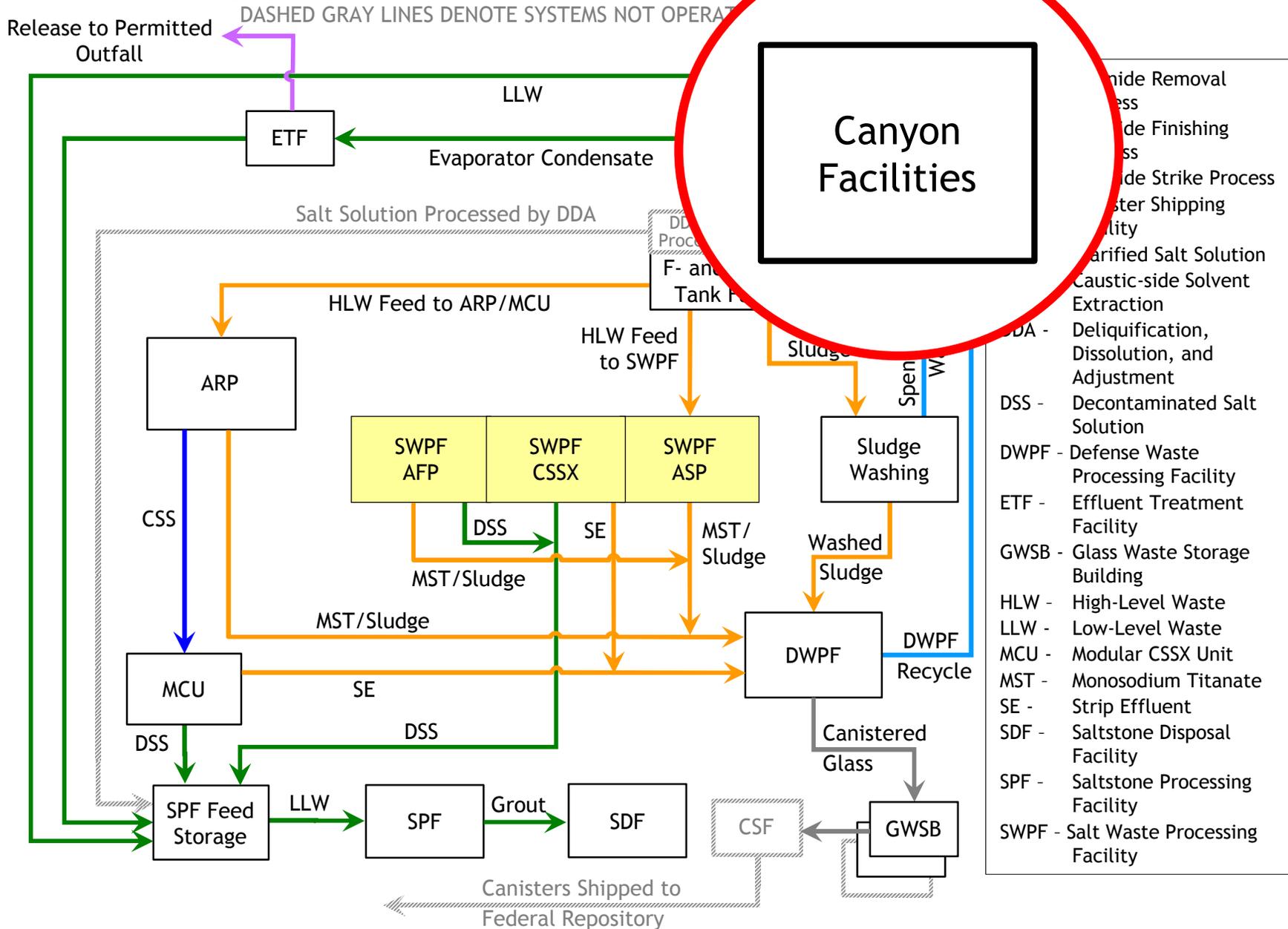
Contract End State Requirement

Program Planning

- Same requirements apply for both the Basic term and Option 1 of the contract
 - Biannual delivery of a System Plan for successful mission achievement
 - Annual delivery of a Liquid Waste Disposition Processing Plan
- RFP calls for initial delivery of both plans by October 1, 2008



Liquid Waste Disposition Contract



Canyon Facilities

Waste Removal
 Waste Finishing
 Waste Strike Process
 Waste Shipping
 Waste Utility
 Purified Salt Solution
 Caustic-side Solvent
 Extraction
 DDA - Deliquification,
 Dissolution, and
 Adjustment
 DSS - Decontaminated Salt
 Solution
 DWPf - Defense Waste
 Processing Facility
 ETF - Effluent Treatment
 Facility
 GWSB - Glass Waste Storage
 Building
 HLW - High-Level Waste
 LLW - Low-Level Waste
 MCU - Modular CSSX Unit
 MST - Monosodium Titanate
 SE - Strip Effluent
 SDF - Saltstone Disposal
 Facility
 SPF - Saltstone Processing
 Facility
 SWPF - Salt Waste Processing
 Facility

Liquid Waste Statement of Work

Canyon Waste Receipt

- Accept waste from H Canyon nuclear materials stabilization activities







89-2076-18

Typical Interior View of Separations Canyon



Canyons

- Canyons NOT PART of Liquid Waste System or the Liquid Waste Scope of Work
- Canyons were the major source of influents to the tank farms in the past
- F Canyon deactivated
- H Canyon being maintained in a high state of readiness
- Current sources of influents to tank farms include:
 - DWPF recycle
 - Continuing H Canyon nuclear materials stabilization activities
 - ETF processed waste not suitable for release
 - Water used for sludge washing, salt dissolution, system flushes, etc.
- New H Canyon missions will be a potential source of new influents
 - Initiatives to reduce influents from new missions
 - Treat at source
 - Alternate disposition paths

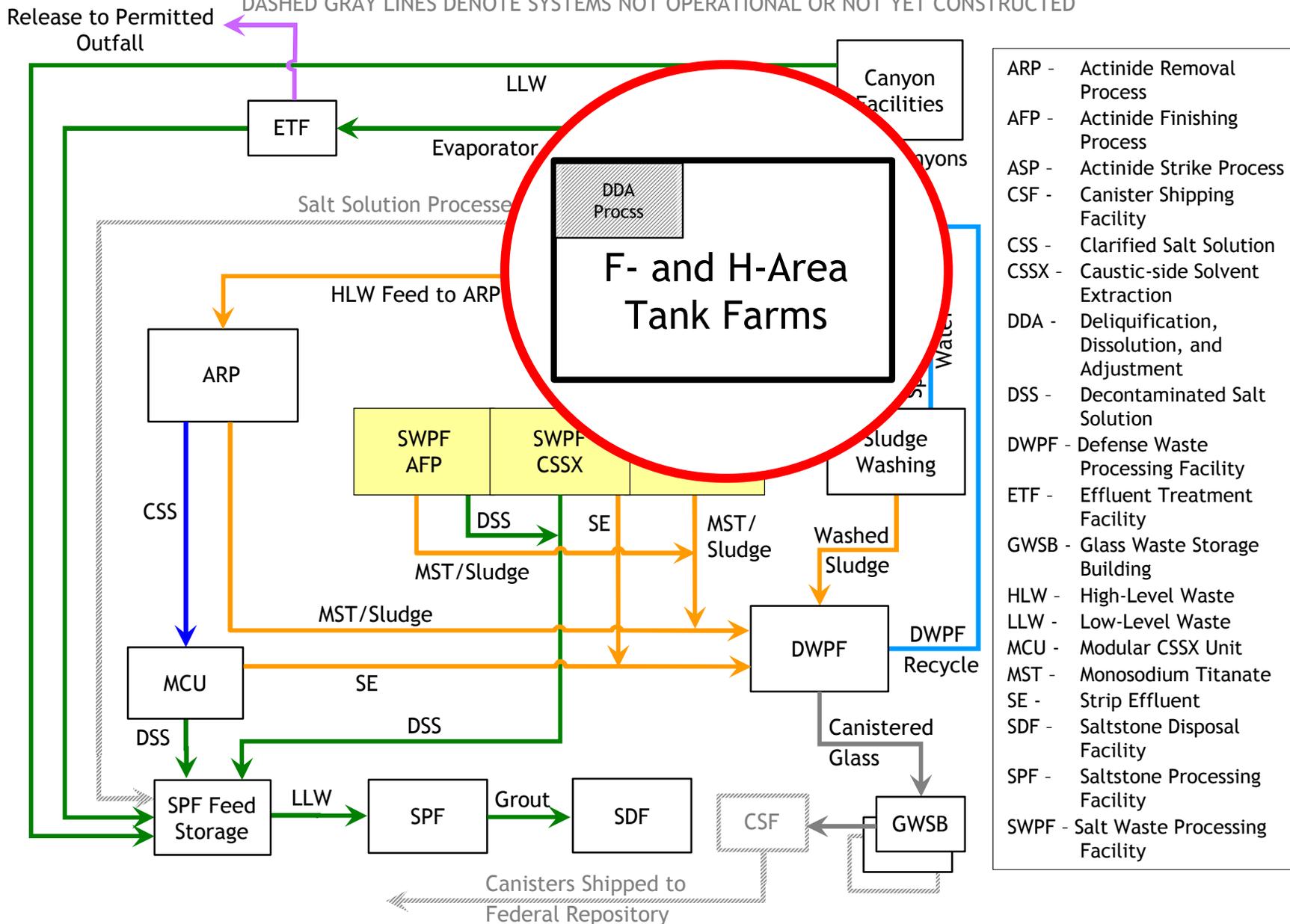


LIQUID WASTE FACILITIES

AERIAL PHOTOGRAPH
REMOVED

Liquid Waste Disposition - Contract

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- SWPF - Salt Waste Processing Facility

F- and H-Area Tank Farms

- 51 tanks, two closed leaving 49 active tanks
- Primary function: waste receipt, storage and concentration
- Concentration accomplished through evaporation
- Many of the facilities and processes shown as separate blocks on this slide are located within H-Tank Farm:
 - Sludge Washing
 - ARP & MCU
 - ETF



Liquid Waste Statement of Work

Tank Farms

- Operate and maintain F- and H-Area Tank Farms
- Conduct waste removal operations to remove radioactive sludge and salt waste from tanks
- Operationally close noncompliant liquid waste storage tanks and associated facilities on or ahead of approved FFA tank closure schedule
- Complete removal and disposition of Tank 48 waste and complete all steps necessary to return Tank 48 to unrestricted tank farm service



F TANK FARM

AERIAL PHOTOGRAPH
REMOVED



H-TANK FARM & OTHER LIQUID WASTE FACILITIES

AERIAL PHOTOGRAPH
REMOVED

F- and H-Area Tank Farms

- All tanks underground for shielding purposes
- F-Tank Farm
 - 22 tanks, 10 compliant and 12 noncompliant
 - Type 3 compliant tanks shown in foreground
 - Noncompliant tank tops obscured by steel superstructure for past waste removal operations
 - Larger building in upper lefthand corner of photo currently houses the spare melter for DWPF (building itself not part of Liquid Waste System facilities)
- H-Tank Farm
 - 29 tanks, 12 compliant and 17 noncompliant



Tank Under Construction

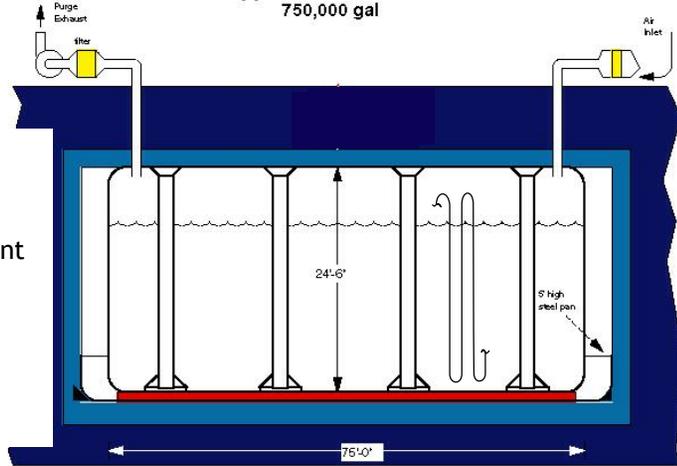


Tanks were built at grade and then backfilled with dirt to provide shielding



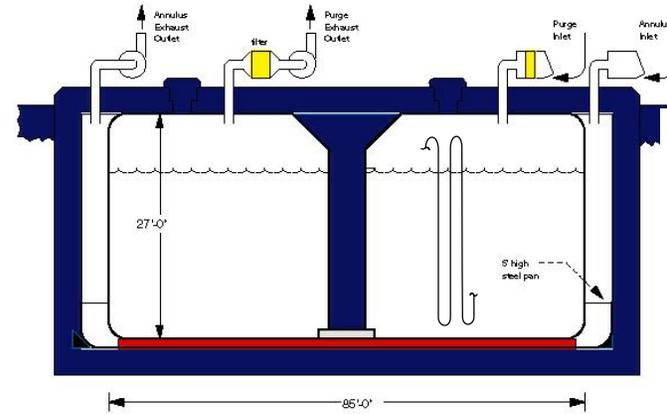
SRS Liquid Waste Tanks

Type I Waste Tank
750,000 gal



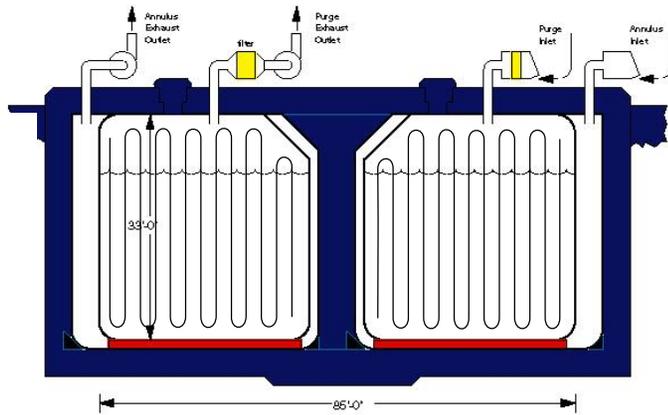
- 12 Tanks
- Built 1951 - 1953
- Non-Compliant
- Only 5 foot Secondary

Type II Waste Tank
1,030,000 gal



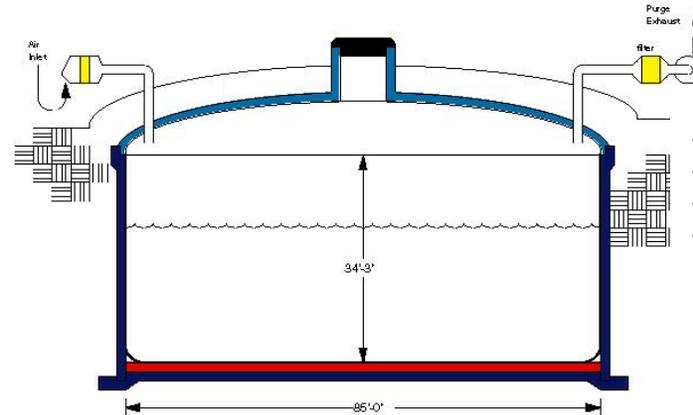
- 4 Tanks
- Built 1955-1956
- Non-Compliant
- Only 5 foot Secondary

Type III Waste Tank
1,300,000 gal



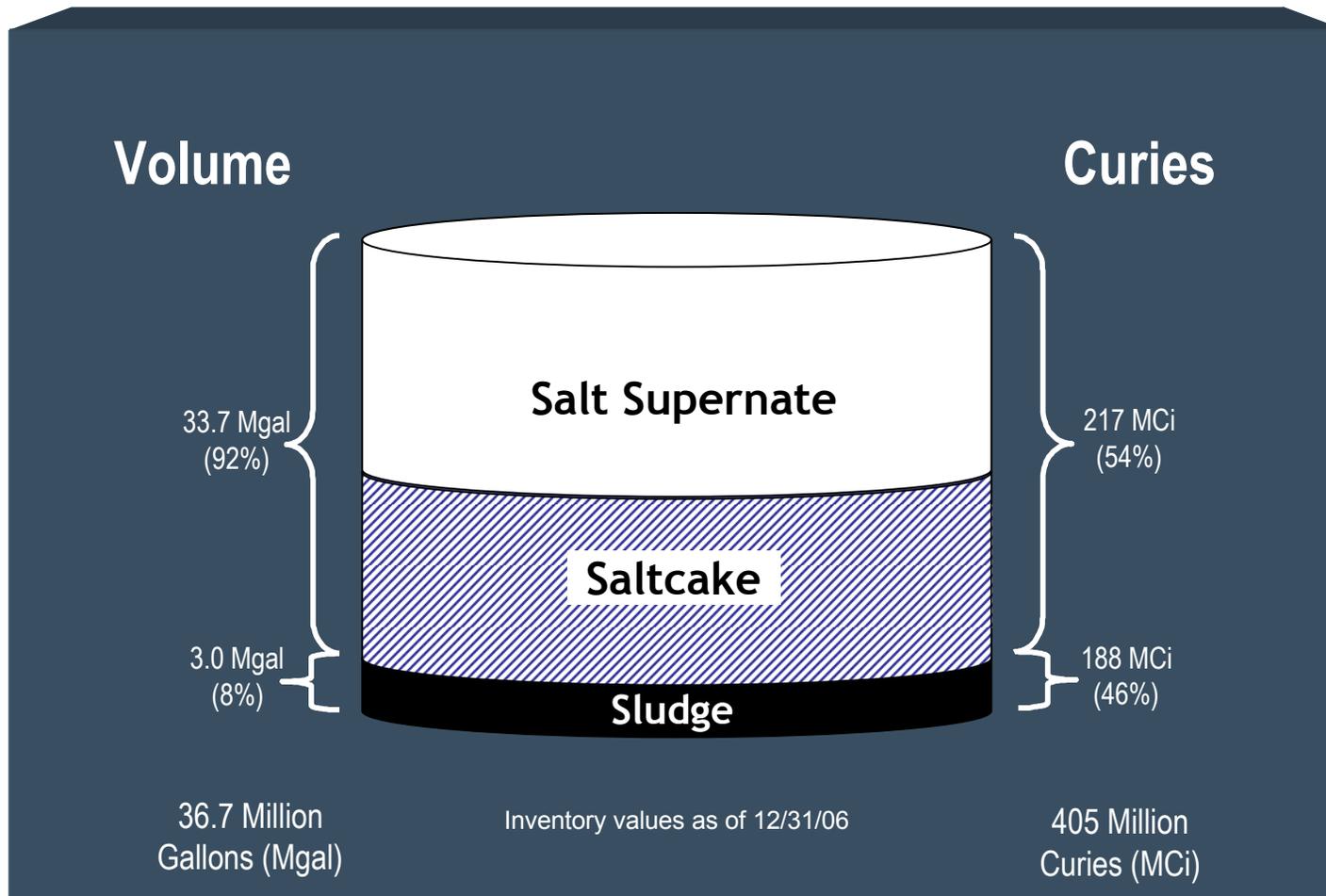
- 27 Tanks
- Built 1967-1981
- Compliant
- Full Secondary

Type IV Waste Tank
1,300,000 gal



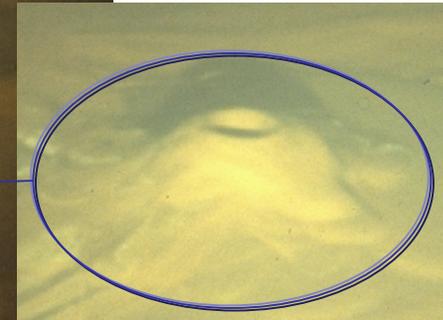
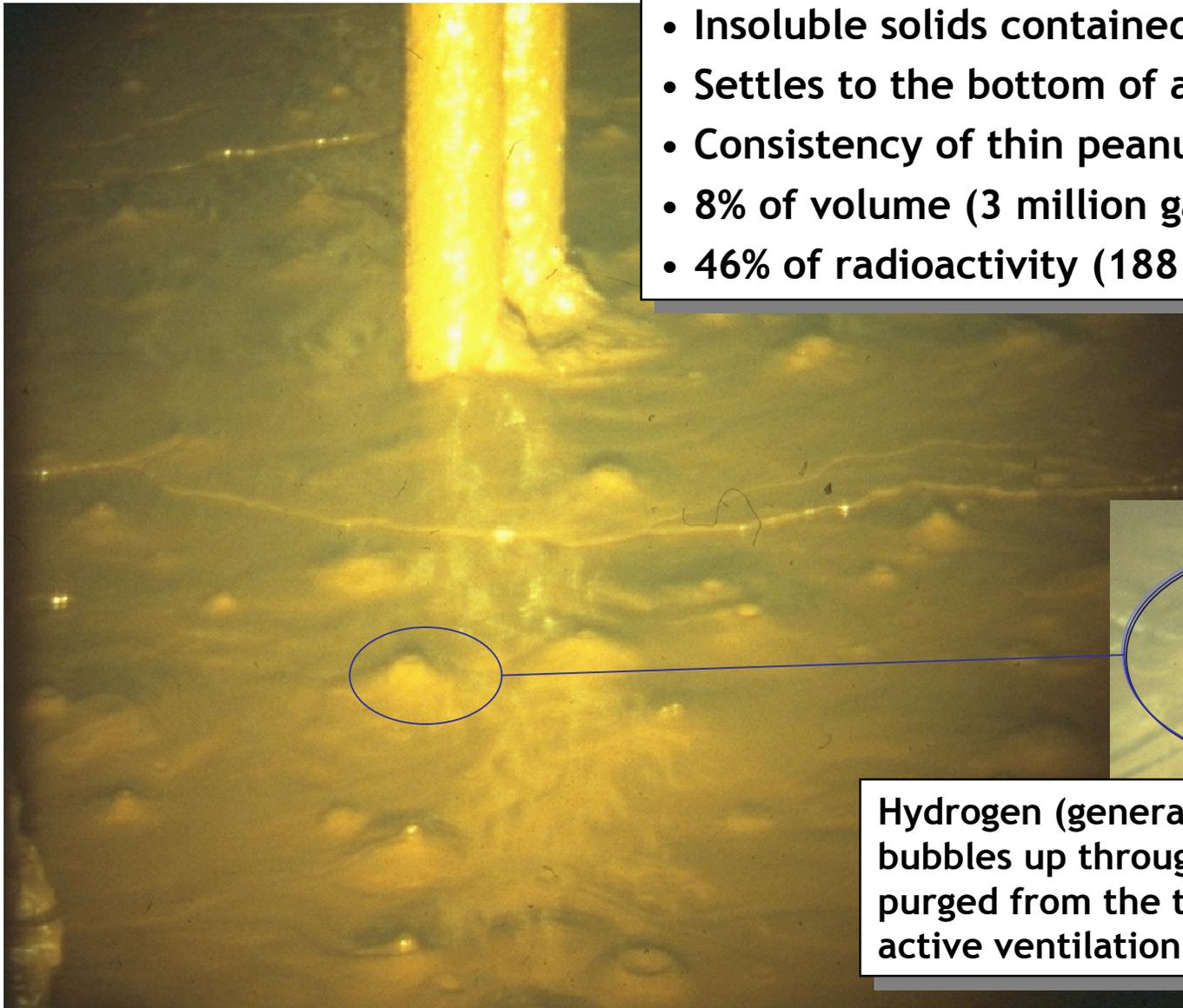
- 8 Tanks
- Built 1958-1962
- Non-Compliant
- No Secondary

SRS Composite Inventory



Sludge Stored in a Waste Tank

- Insoluble solids contained in the waste
- Settles to the bottom of a tank
- Consistency of thin peanut butter
- 8% of volume (3 million gallons)
- 46% of radioactivity (188 million curies [Ci])



Hydrogen (generated from radiolysis) bubbles up through the sludge and is purged from the tank via the tank's active ventilation system

Salt Stored in a Waste Tank



Concentrated Supernate



Salt Cake

- Waste arrived at Tank Farms as unconcentrated liquid
- Processed through tank farm evaporators to yield:
 - Concentrated liquid supernate
 - Saltcake (solid salt crystallized out of solution)
- 92% of volume (33.7 million gallons)
- 54% of radioactivity (217 million curies)
- Primarily Cesium-137

Waste Removal Equipment

Old Style - Long Shaft Slurry Pumps



**3 to 4 Slurry
Pumps and 1
Transfer Pump**

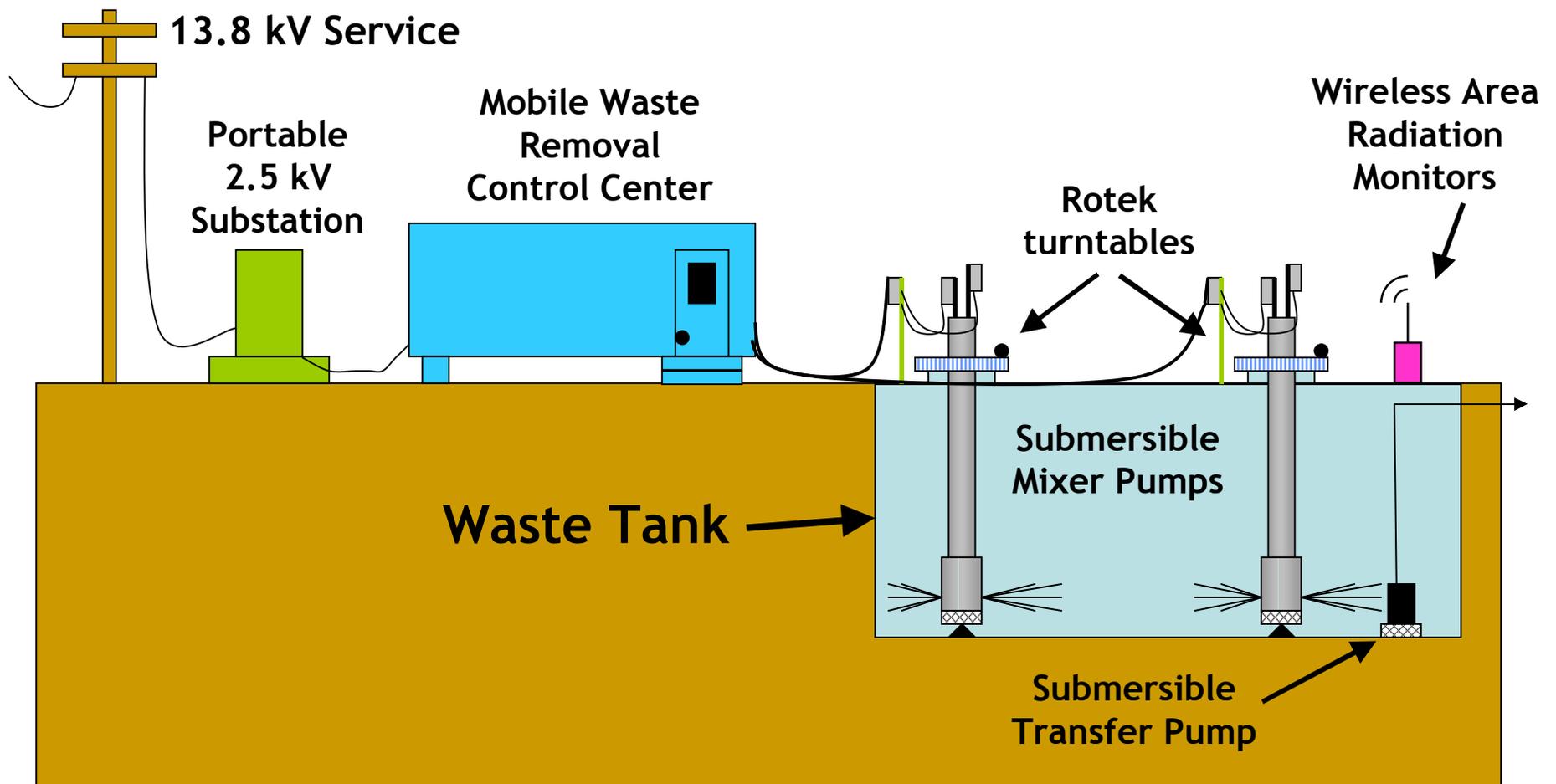
Slurry Pumps are 45' tall
- approximately 8' to 35'
above the tank

Substantial structural
steel is required to
support the pump loads



Waste Removal Equipment

New Style - Submersible Mixer Pumps

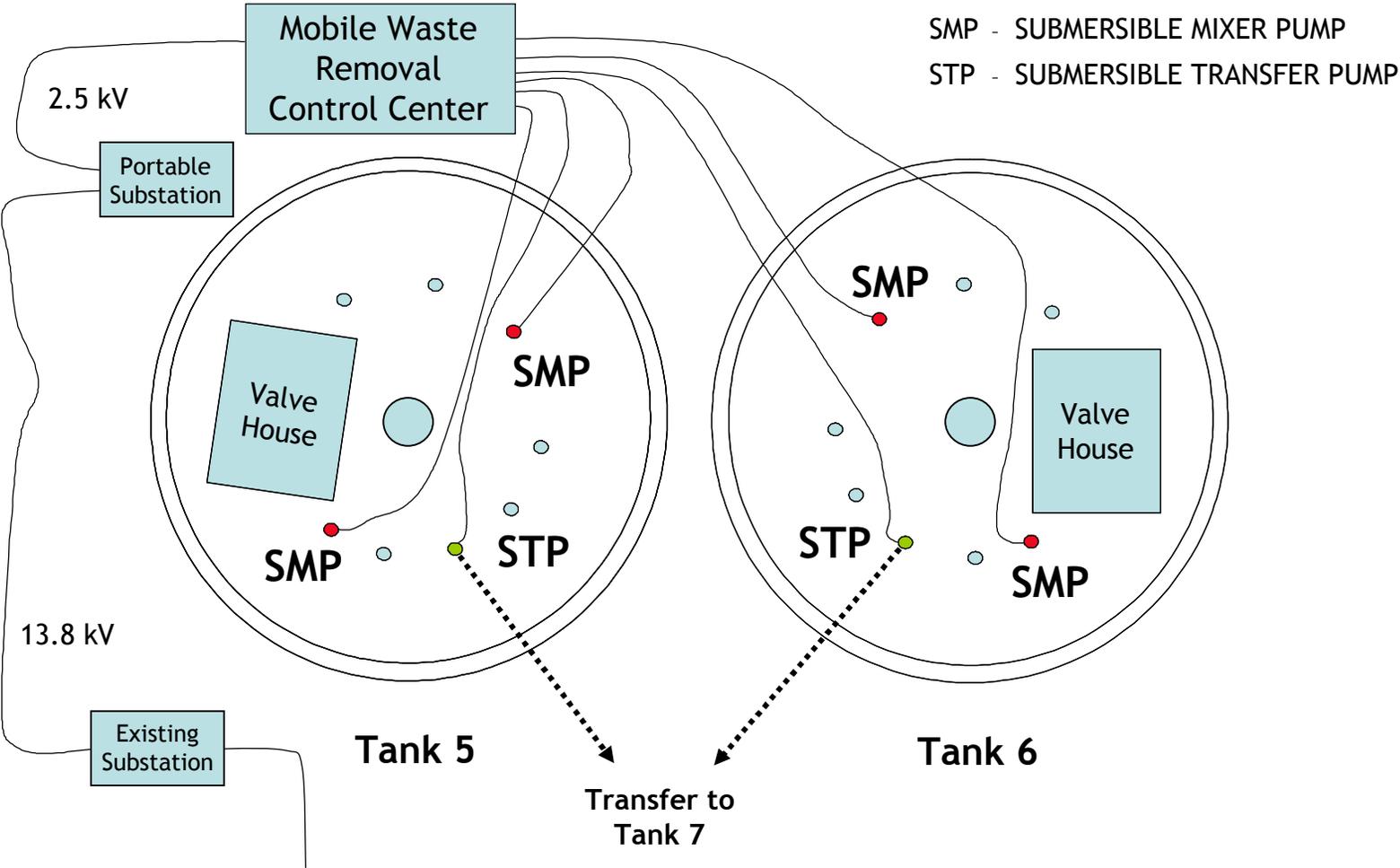


Waste Removal Equipment

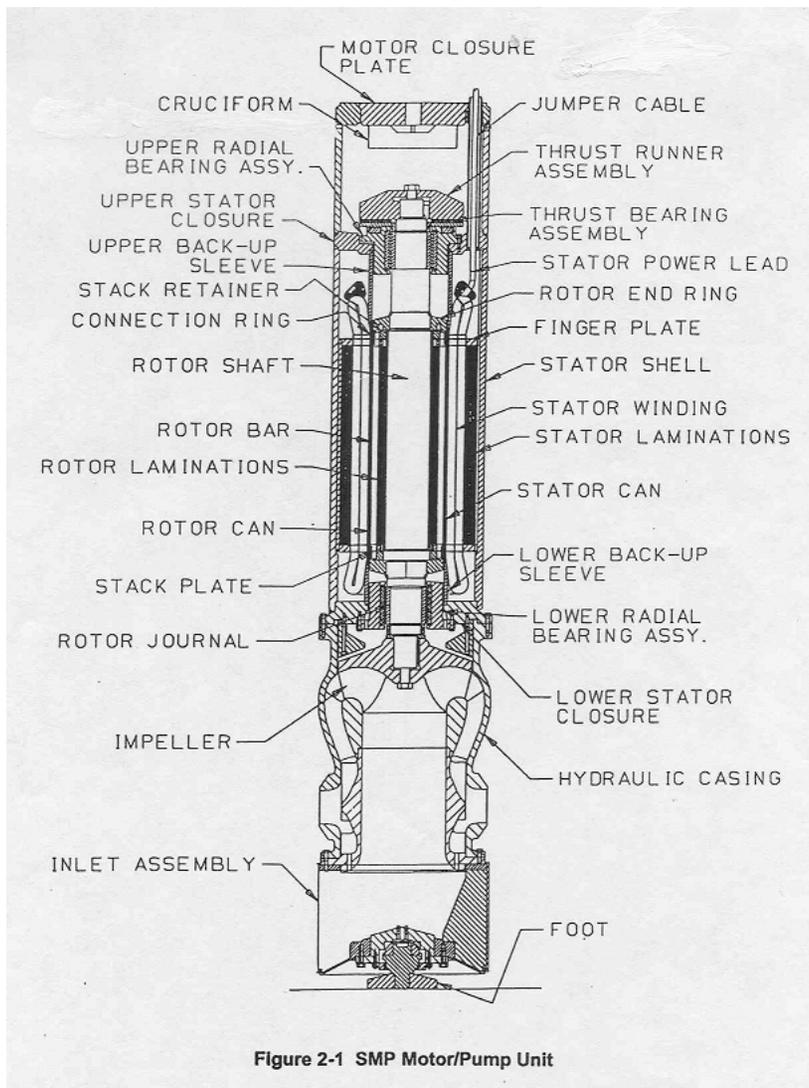
- Old Style - Long Shaft Slurry Pumps
 - Required substantial steel superstructure
 - Required 3 - 4 long shaft slurry pumps
 - Too expensive
- New Approach - “Waste on Wheels” Submersible Mixer Pumps
 - Applied for waste removal in Tanks 5 and 6 and to be applied next in Tank 4
 - No steel superstructure
 - Mobile control center
 - 2 - 3 reusable submersible mixer pumps
 - Tank floor bears weight of pumps
 - “Rotek” turntables permit indexing (“aiming”) pumps



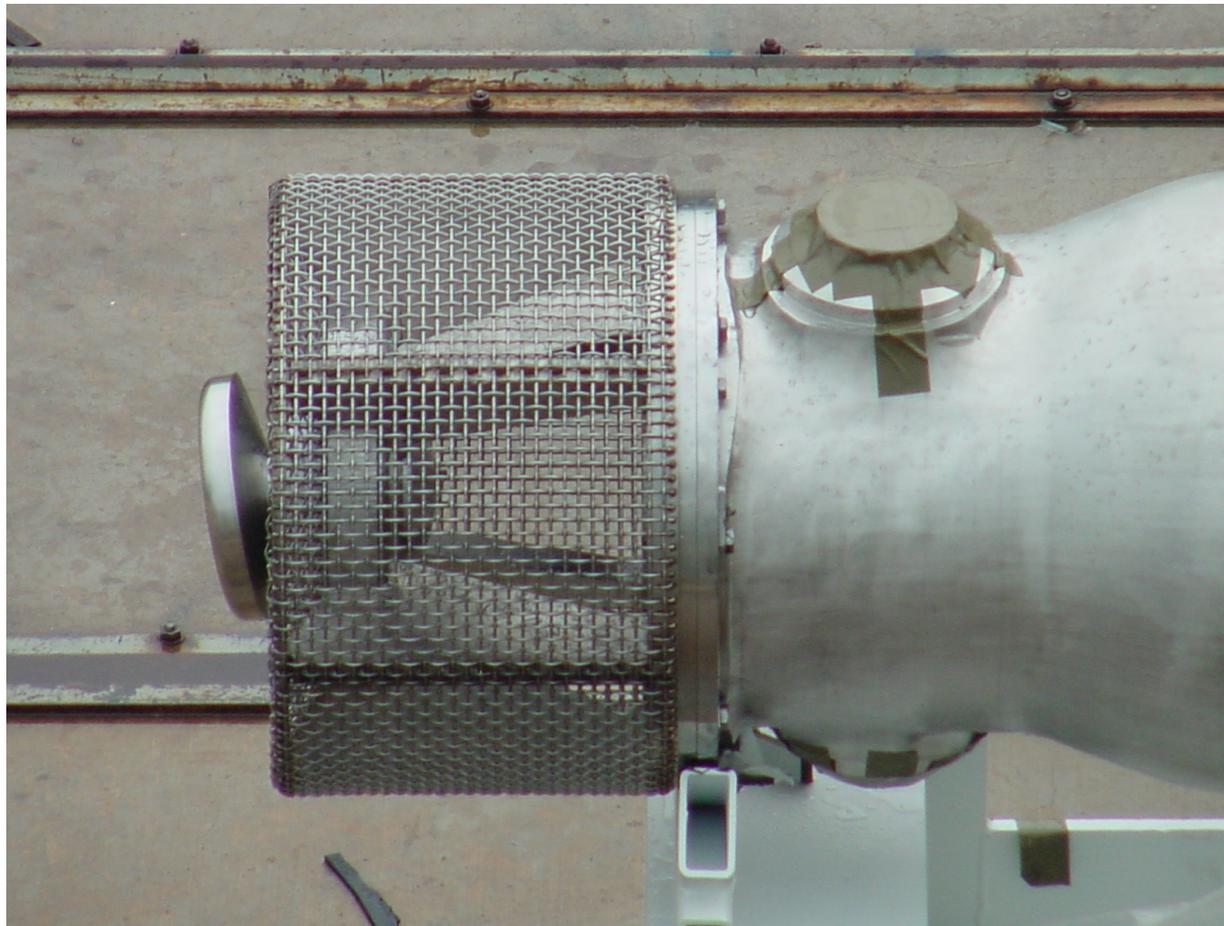
Tanks 5 & 6 Bulk Waste Removal Utilizing Submersible Mixer Pumps



Submersible Mixer Pump



Submersible Mixer Pump Suction Screen and Foot



Submersible Mixer Pump Installation Photos



SMP Installation Photos



Tank 5, SMP Placement

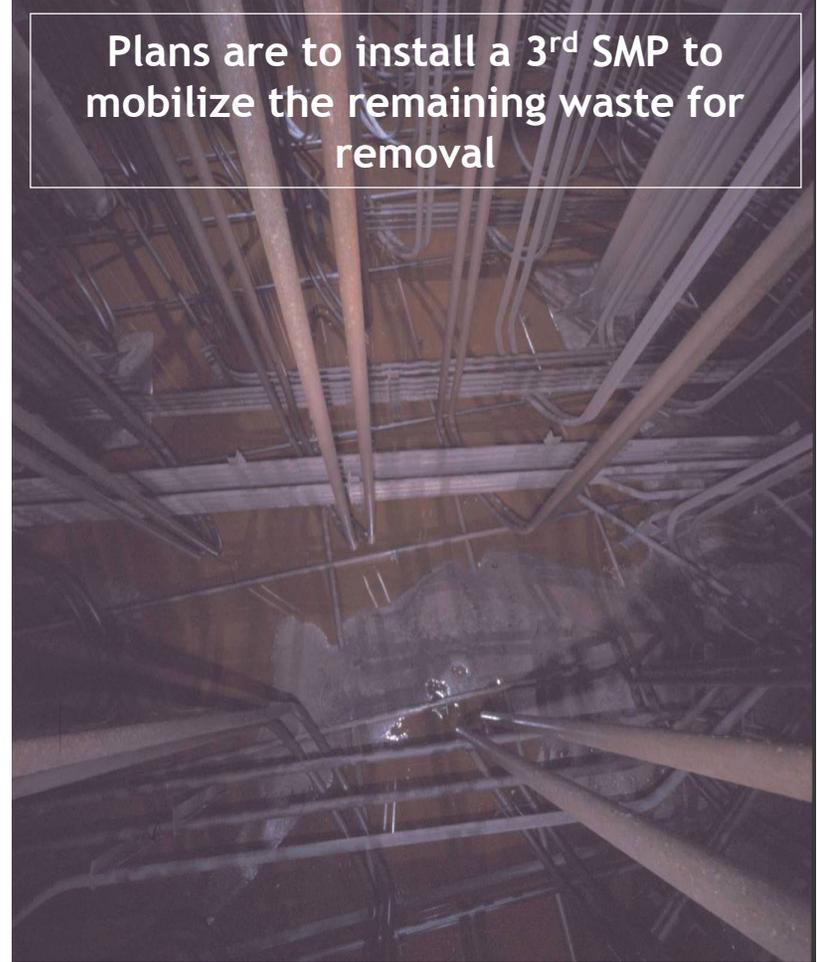
Submersible Mixer Pump Operation in Tank 5

Interior of Tank 5 showing 9-10 inches of sludge on tank bottom prior to start of SMP operations in October 2005



Interior of Tank 5 showing effectiveness of SMP operations in removing much of the waste from the tank by December 2005

Plans are to install a 3rd SMP to mobilize the remaining waste for removal



Contract End State Requirement

Waste Removal

- Same requirement applies for both the Basic term and Option 1 of the contract
 - Waste removal operations planned and conducted to maintain a constant source of waste feed to Liquid Waste processing facilities in keeping with each facility's capability to receive and process waste
 - Planned and staged to support waste feed to Liquid Waste processing facilities into option and post-contract periods



Tank Closure

- Liquid Waste contractor responsible for operational closure of noncompliant tanks
- Operational closure means:
 - Removal of tank waste leading to a Section 3116 Determination and State-approved closure plan
 - Removing the tank from operational service by disabling tank waste transfer lines and ventilation systems; filling the tank, tank annulus, and cooling coils with grout; and capping all tank risers



Tank Closure - Current Activity

- Initiated consultation with the Nuclear Regulatory Commission under Section 3116 of the NDAA for closure of 2 tanks (Tanks 18 & 19) in September 2005
- Applying lessons-learned to pursue efficiencies for completing Section 3116 determinations
- 2 tanks not yet closed per FFA commitments (2006 and 2007)



Tanks Closed	Fiscal Year	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
1	Closure Complete - Tank 20																					
2	Closure Complete - Tank 17																					
3			★ 10/31/06																			
4			★ 2/28/07																			
5						★ 9/30/10																
6						★ 9/30/10																
7							★ 9/30/11															
8								★ 9/30/12														
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24																		★ 9/30/22				

FFA Tank Closure Commitment Dates

Federal Facilities Agreement

- Noncompliant tanks covered by Federal Facilities Agreement between DOE and EPA and the South Carolina Department of Health and Environmental Control
- FFA requires commitment dates for closure of noncompliant tanks
- Milestone dates shown on chart are the current tank closure commitment dates



Current Tank Closure Strategy

- Re-sequence noncompliant tank closures to focus on F Tank Farm Tanks 1-8 and 17-20 to operationally close all F Tank Farm noncompliant tanks by FY 2014



F Tank Farm Today

FY07



F Tank Farm Vision for FY2014

FY12-14: Tanks 17-20 and surrounding area closed

AERIAL PHOTOGRAPH
REMOVED



F Tank Farm Vision for FY2016

FY14-16: Tanks 1-8, 17-20, and surrounding area closed



F-Tank Farm Vision

Noncompliant Tank Closure

The artist renderings of noncompliant tank closure activities in F-Tank Farm shown on the preceding two slides depict closure activities beyond those associated with the Liquid Waste Scope of Work. In addition to depicting the operational closure of the tanks, these artist renderings also depict the removal of above ground superstructure, utility services and tank support systems. The Contract End State associated with the Liquid Waste Scope of Work calls for operational closure of noncompliant tanks only. The additional closure activities depicted on these two slides would be scope associated with the separate M&O contract and are not part of Liquid Waste acquisition.



Tank Closure Challenges

Regulatory

- Waste removal to the Maximum Extent Practical to meet NDAA Section 3116 requirement
- Manage storage space through waste treatment and disposal to facilitate tank closures per the FFA commitments
- Efficiently complete closure activities with three external agencies to support FFA commitments
- Development of closure techniques and performance modeling for Transfer Lines, Cooling Coils and Tank Annuli



Tank Closure Challenges

Technical

- Sludge Tank Heel Removal
 - Effective use of SMPs to clean obstructed regions of tanks
 - Reduce sludge volume as much as possible prior to start of chemical cleaning
 - Continuing search for technologies for improved sludge heel removal
- Salt Tank Heel Removal
 - Mobilize insoluble solids
 - Enhance dissolution rate at tank bottom



Tank Closure Challenges

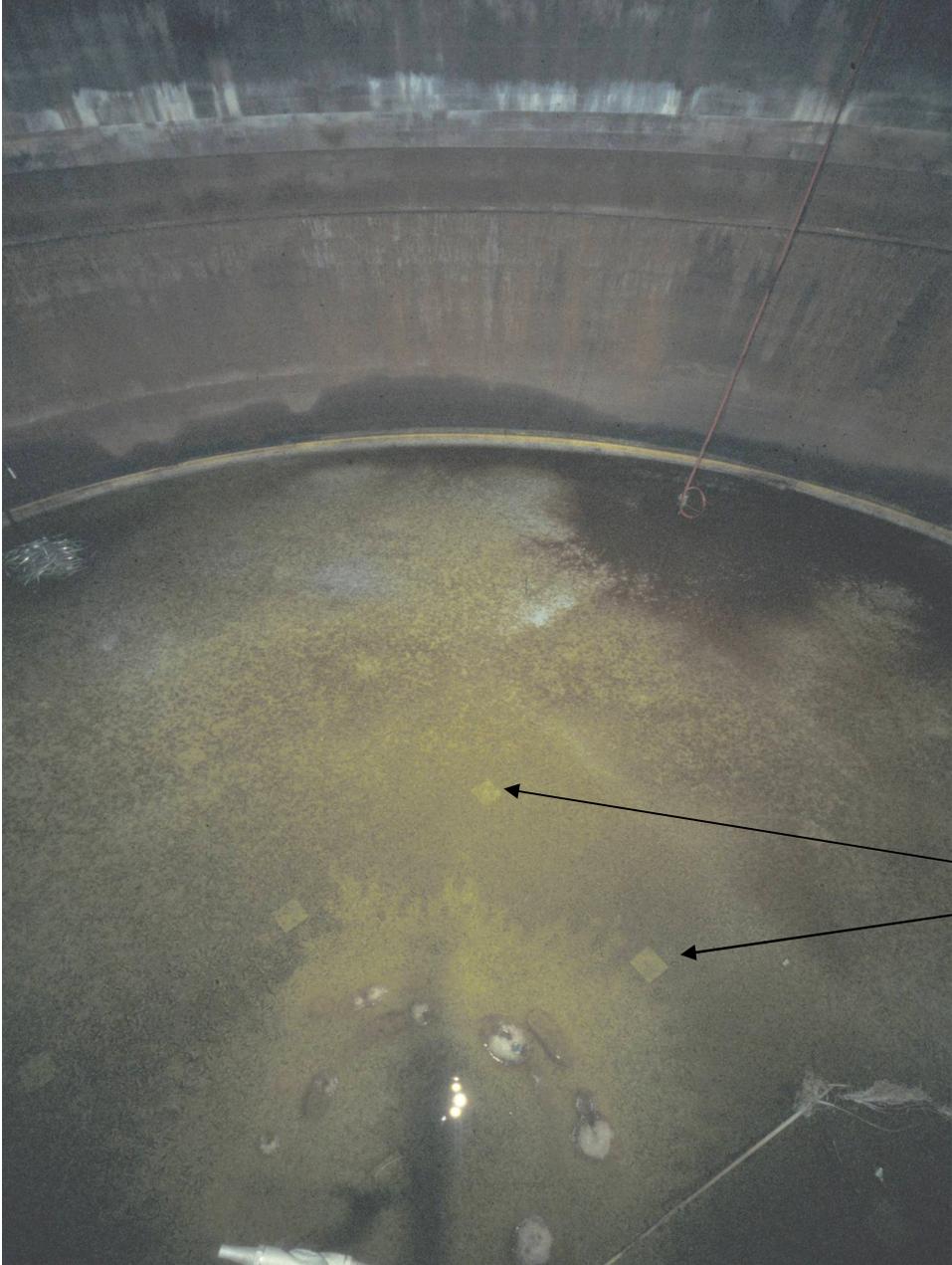
Technical

- Develop enhanced chemical cleaning techniques
- Removal of expected hardened deposits (e.g., sludge tanks with high temperature history - Tanks 1-3)
- Minimize volume of spent cleaning solutions sent to the tank farm



Past Tank Closure Success

Photograph of Tank 20
interior following
waste removal, heel
removal and chemical
cleaning



12x12x3/8-inch
construction plates
visible on tank
bottom

July 16, 1996

Future Tank Closure Challenges

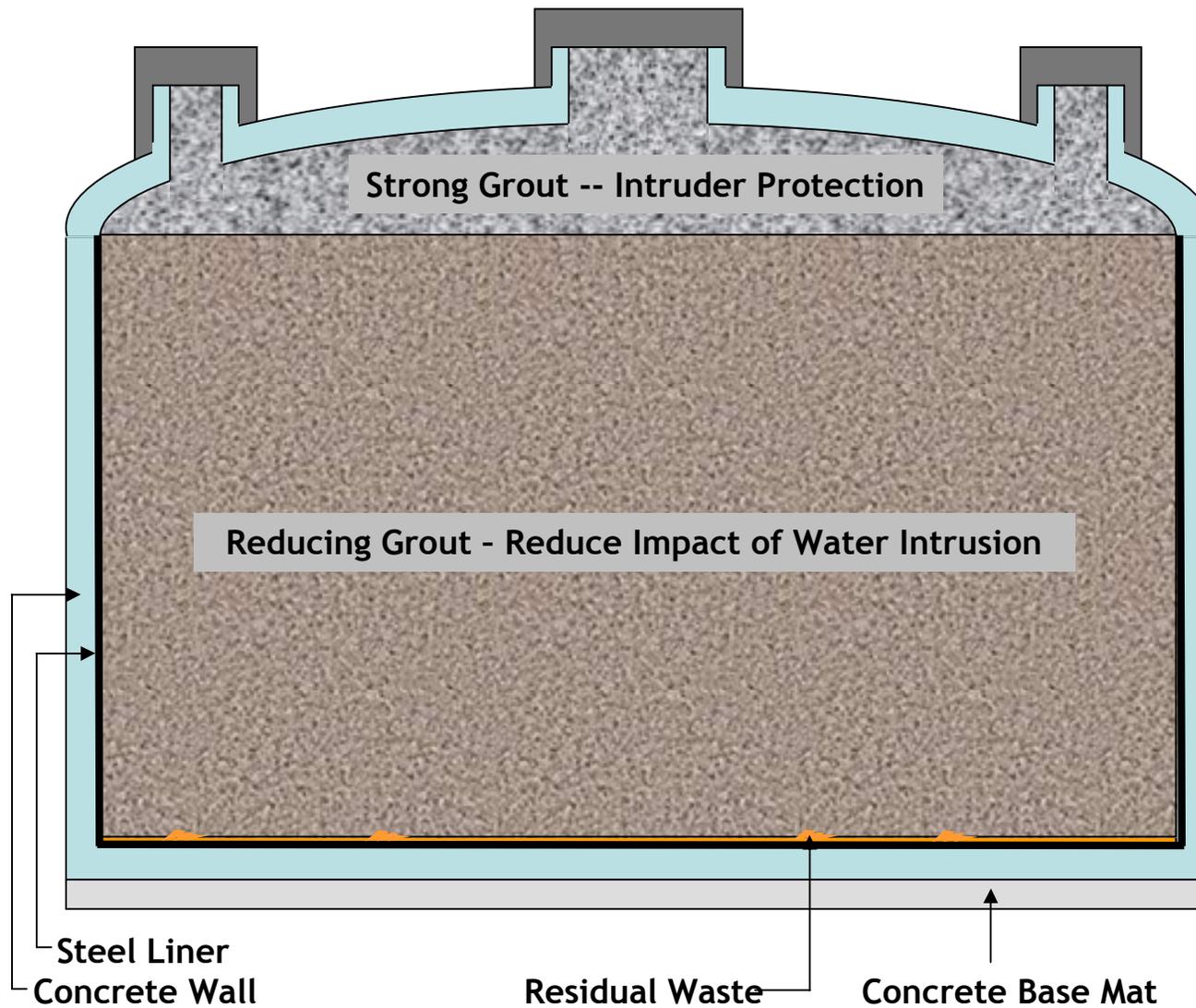


Future Tank Closure Challenges

- Most tanks have internal obstructions such as cooling coils
- Internal obstructions reduce the effective cleaning range of submersible mixer pumps
- Waste needs be removed from internal tank cooling coils as well as tank walls and bottom



Physical Closure of a Type IV Tank



Contract End State Requirement

Tank Closure

- Basic Term
 - Operational closure of at least 6 non-compliant liquid waste storage tanks per FFA schedule
 - Planning and execution of activities to support future closure of non-compliant liquid waste storage tanks per FFA schedule
- Option 1
 - Operational closure of at least 4 non-compliant liquid waste storage tanks per FFA schedule
 - Planning and execution of activities to support future non-compliant liquid waste storage tank closures per FFA schedule



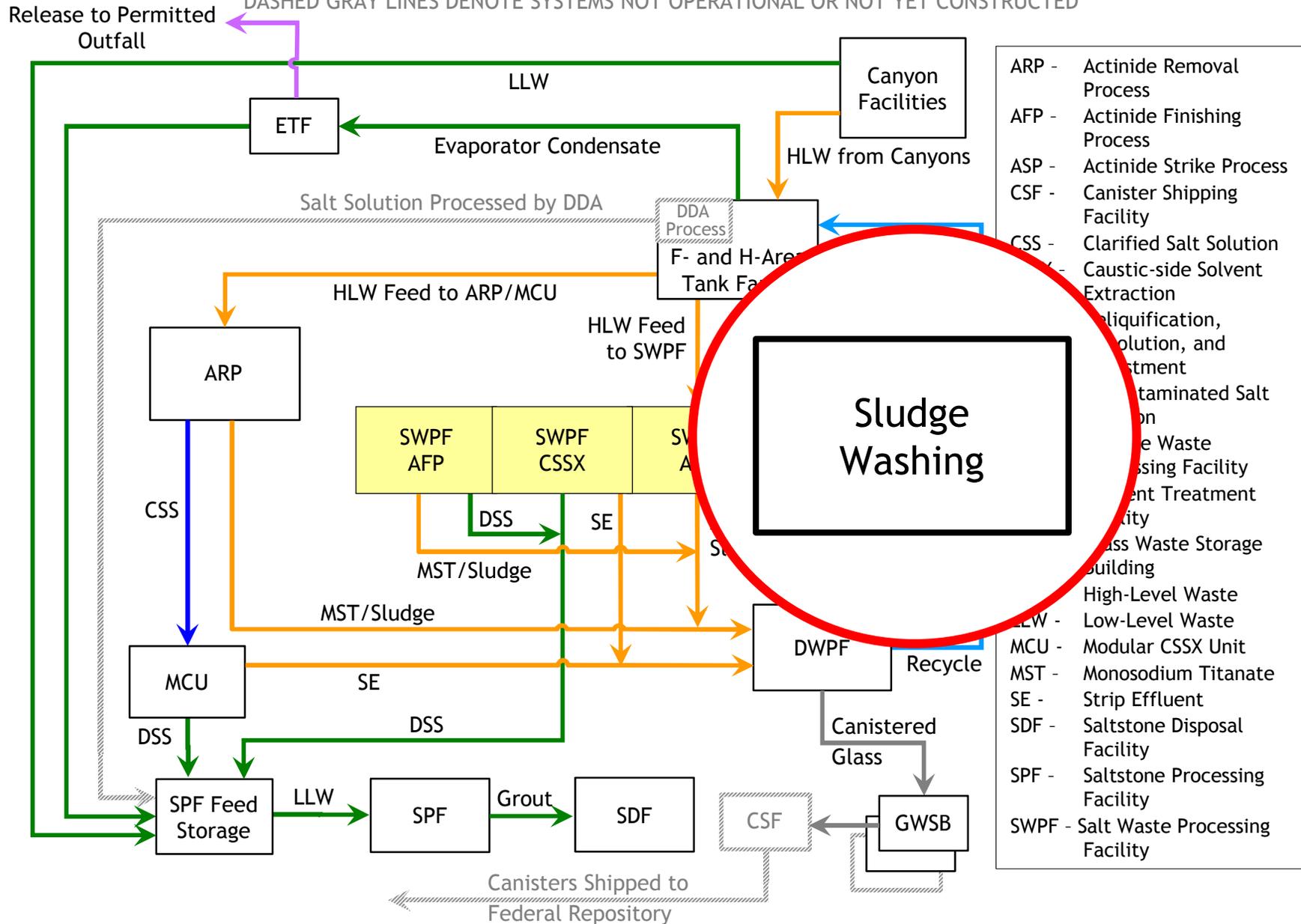
Tank 48 Recovery

- Presently Tank 48, a compliant tank, contains salt waste processed using tetraphenylborate, an organic, as part of a previous effort at salt processing known as In-Tank Precipitation
- Tank is needed to support waste retrieval and tank closure efforts
- Two technologies are currently under evaluation for treating Tank 48 waste
 - Wet Air Oxidation
 - Fluidized Bed Steam Reforming
- DOE evaluating path-forward
 - Strategy to be reflected in updated LWDPP



Liquid Waste Disposition - Contract

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL OR NOT YET CONSTRUCTED



Liquid Waste Statement of Work

Sludge Washing

- Conduct Sludge Washing to prepare sludge waste feed for the Defense Waste Processing Facility (DWPF)



Sludge Washing

- Two Dedicated Compliant Waste Tanks
- One tank used for sludge washing
 - Receive sludge slurry from waste removal tanks
 - Equipped with four slurry pumps for washing
- One tank used for storing and transferring washed sludge to DWPF for processing



Sludge Washing Process

- Sludge from waste removal operations fed to sludge wash tank
- Water added to sludge wash tank
- Slurry pumps operate to separate soluble non-sludge solids (mainly salts) from solid sludge compounds by putting them into solution
- Pumps turned off to allow sludge solids to settle
- Wash water containing soluble materials decanted from tank and routed to tank farm evaporators
- Wash/decant cycle repeated multiple times until washed sludge meets DWPF waste acceptance criteria



Contract End State Requirement

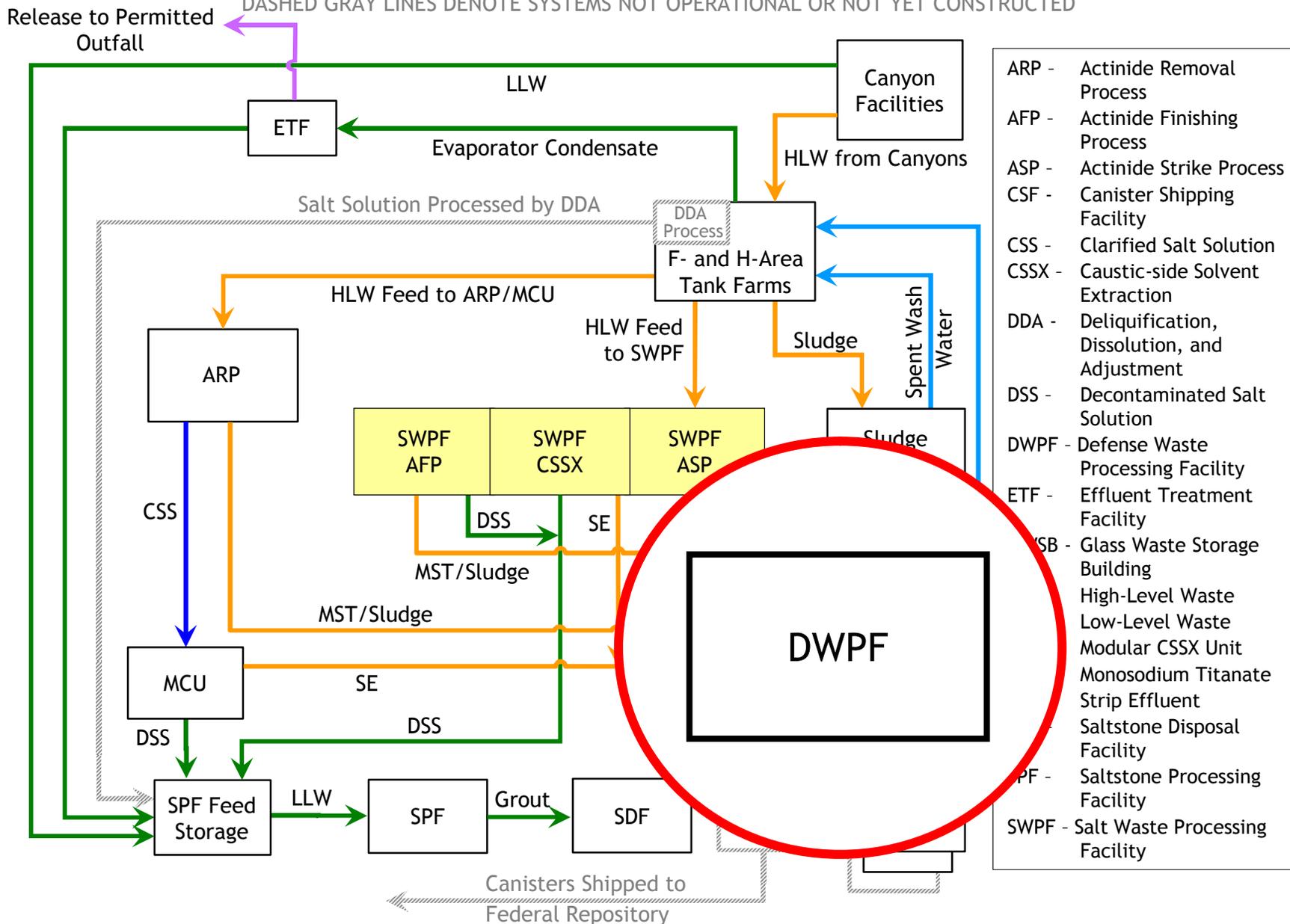
Sludge Waste Feed Processing

- Same requirement applies for both the Basic term and Option 1 of the contract
 - Sludge waste feed processing adequate to maximize waste throughput at DWPF in keeping with DWPF's capability to receive and process waste
 - Sludge waste feed processing planned and staged to maximize waste throughput at DWPF into option and post-contract periods



Liquid Waste Disposition - Contract

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL OR NOT YET CONSTRUCTED



- ARP - Actinide Removal Process
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- ASP - Actinide Strike Process
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- CSS - Clarified Salt Solution
- CSSX - Caustic-side Solvent Extraction
- DDA - Deliquification, Dissolution, and Adjustment
- DSS - Decontaminated Salt Solution
- DWPF - Defense Waste Processing Facility
- ETF - Effluent Treatment Facility
- GSB - Glass Waste Storage Building
- HLW - High-Level Waste
- LLW - Low-Level Waste
- MCU - Modular CSSX Unit
- MST - Monosodium Titanate Strip Effluent
- SE - Saltstone Disposal Facility
- SPF - Saltstone Processing Facility
- SWPF - Salt Waste Processing Facility

Liquid Waste Statement of Work

DWPF

- Operate and maintain the Defense Waste Processing Facility (DWPF), including operations in support of the DOE plutonium vitrification nonproliferation initiative

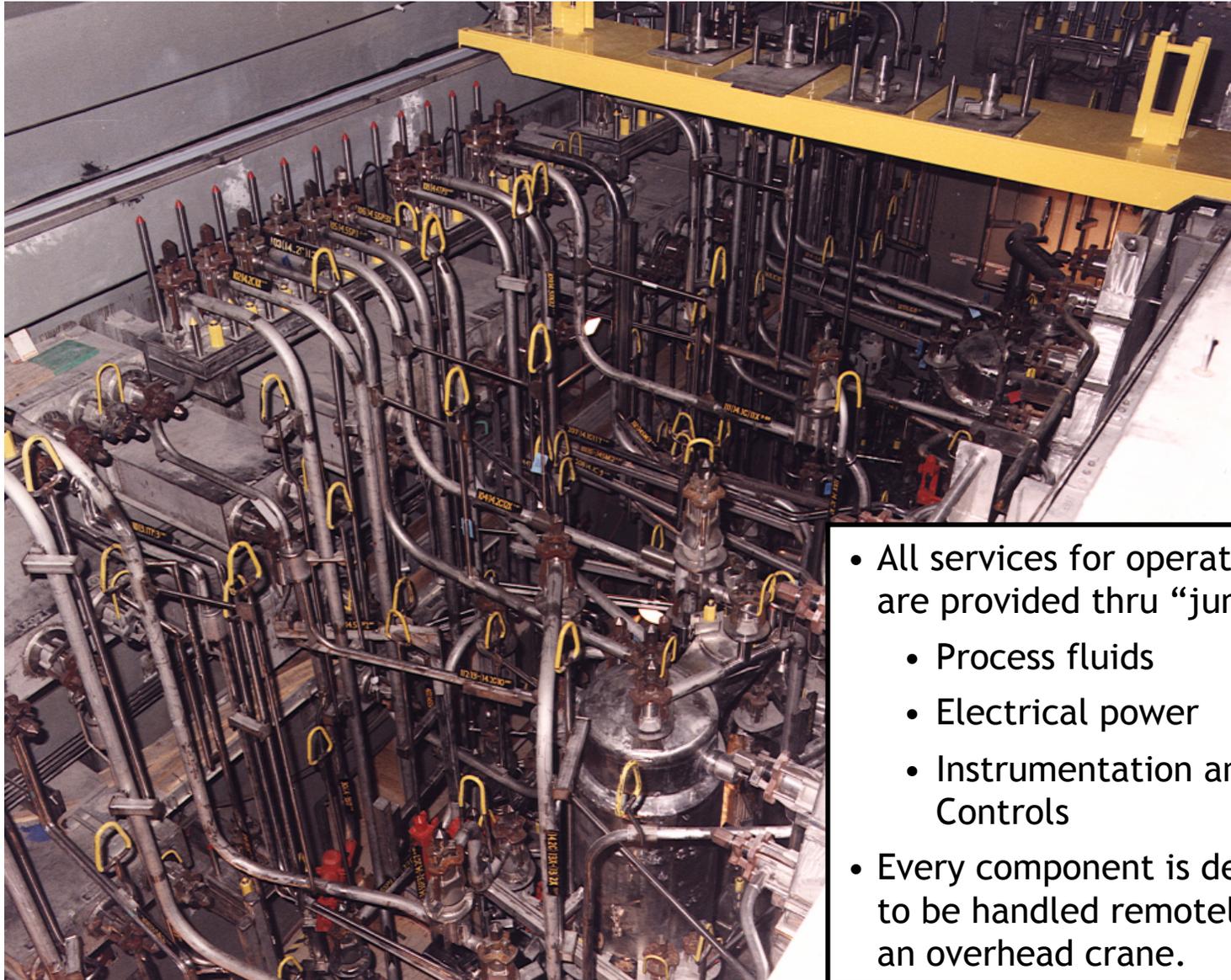


Defense Waste Processing Facility



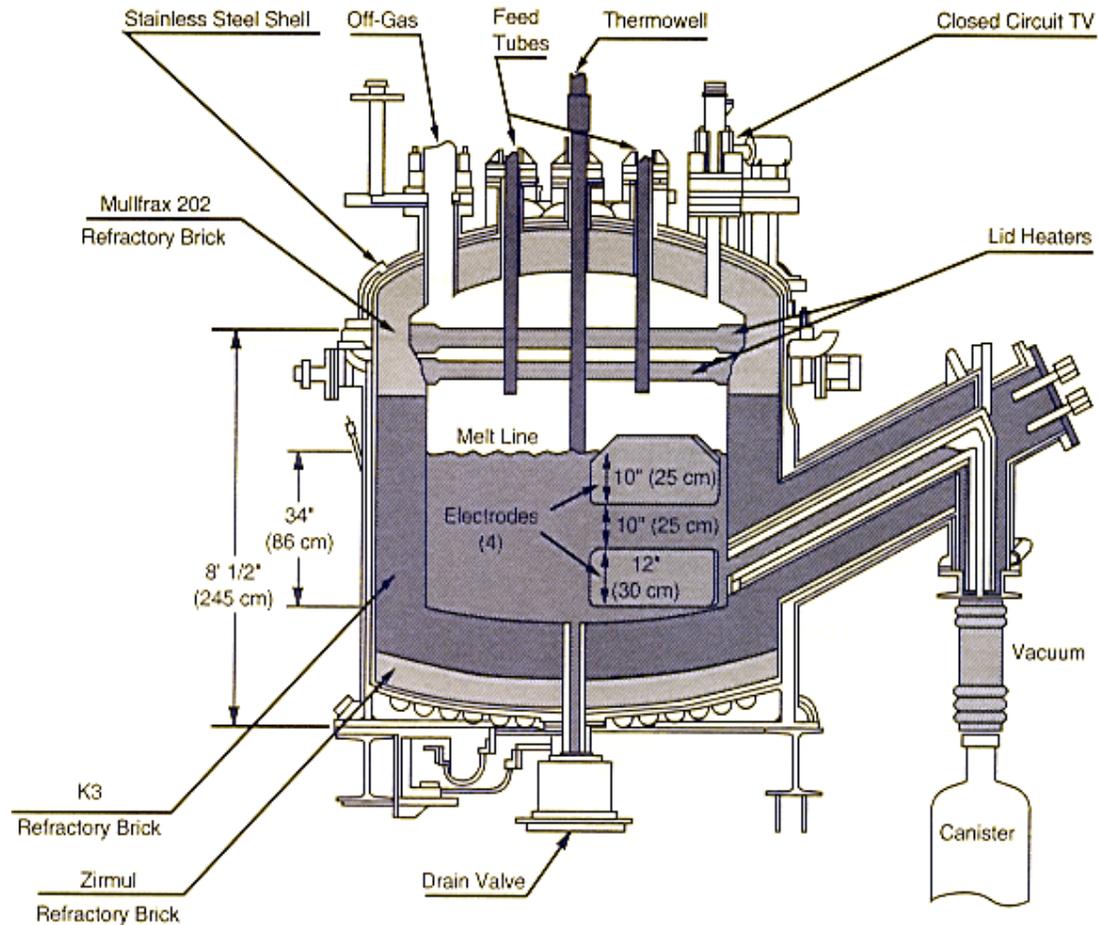
DWPF receives waste for processing from H Tank Farm. The waste is vitrified and poured into stainless steel canisters that are sealed and decontaminated.

DWPF Canyon

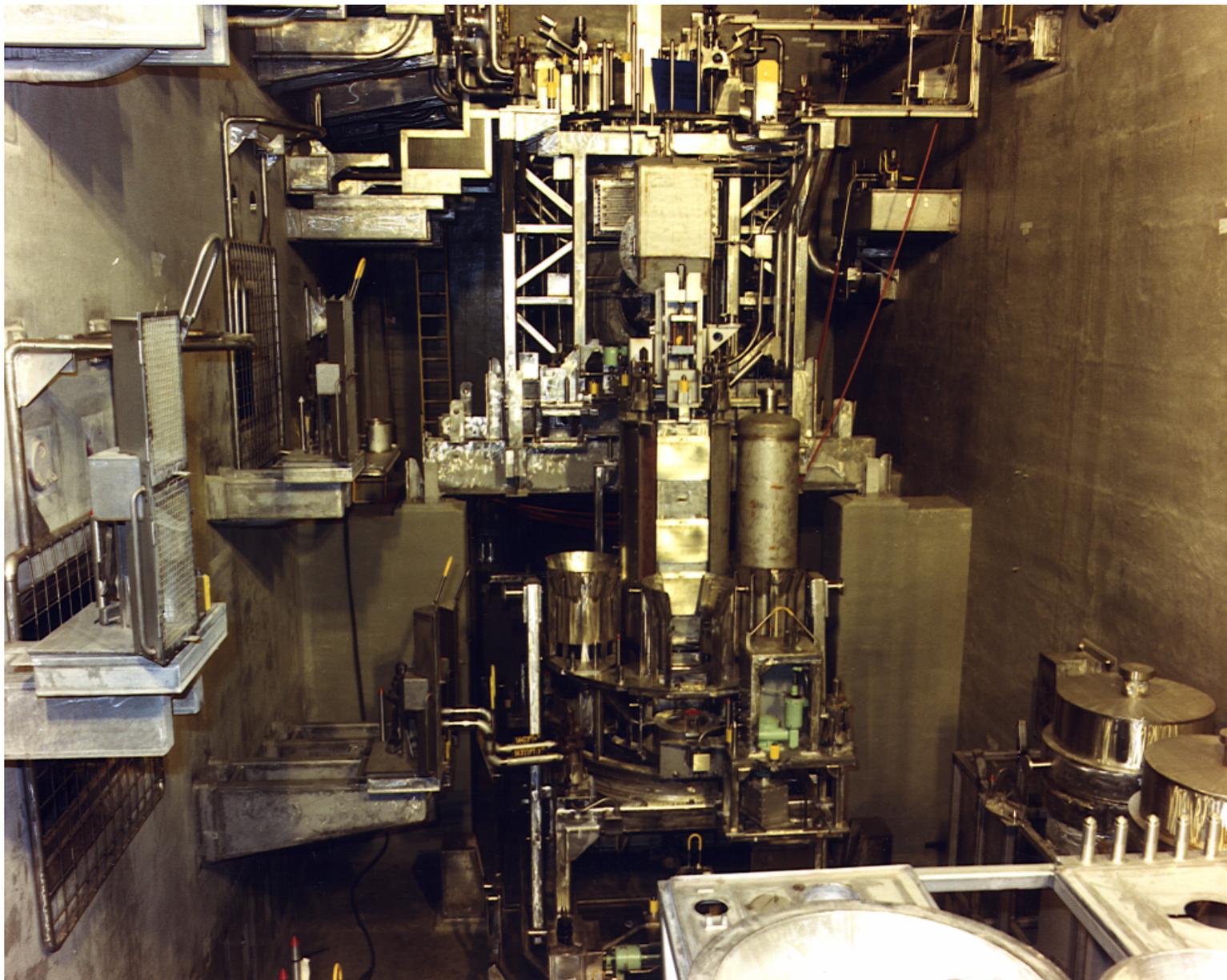


- All services for operation are provided thru “jumpers”
 - Process fluids
 - Electrical power
 - Instrumentation and Controls
- Every component is designed to be handled remotely with an overhead crane.

Melter



Melt Cell



Vitrification Process

- Sludge mixed with glass formers (frit)
- Sludge/frit slurry fed to melter
- Slurry resides in melter at 1150° C for about 65 hours to permit thorough melting and mixing
- Melter heats melt pool by passing an electric current through it, i.e., “Joule” heating
- Molten glass is drawn from the melter through the melter pour spout to fill a canister
- Pour spout directs the molten pour stream into a canister while a connecting bellows provides a leak-tight seal
- Empty canisters are placed on a pour turn-table and rotated beneath the melter pour spout for filling



DWPF Melter Replacement



DWPF expended Melter #1 being placed into the Melter Storage Box to be removed from the Vitrification Building

Melter # 1 was started-up in May 1994 and was de-energized and de-inventoried in November 2002

Melter Storage Box containing the DWPF expended Melter #1 being lifted off a flat railcar at the Failed Equipment Storage Vault



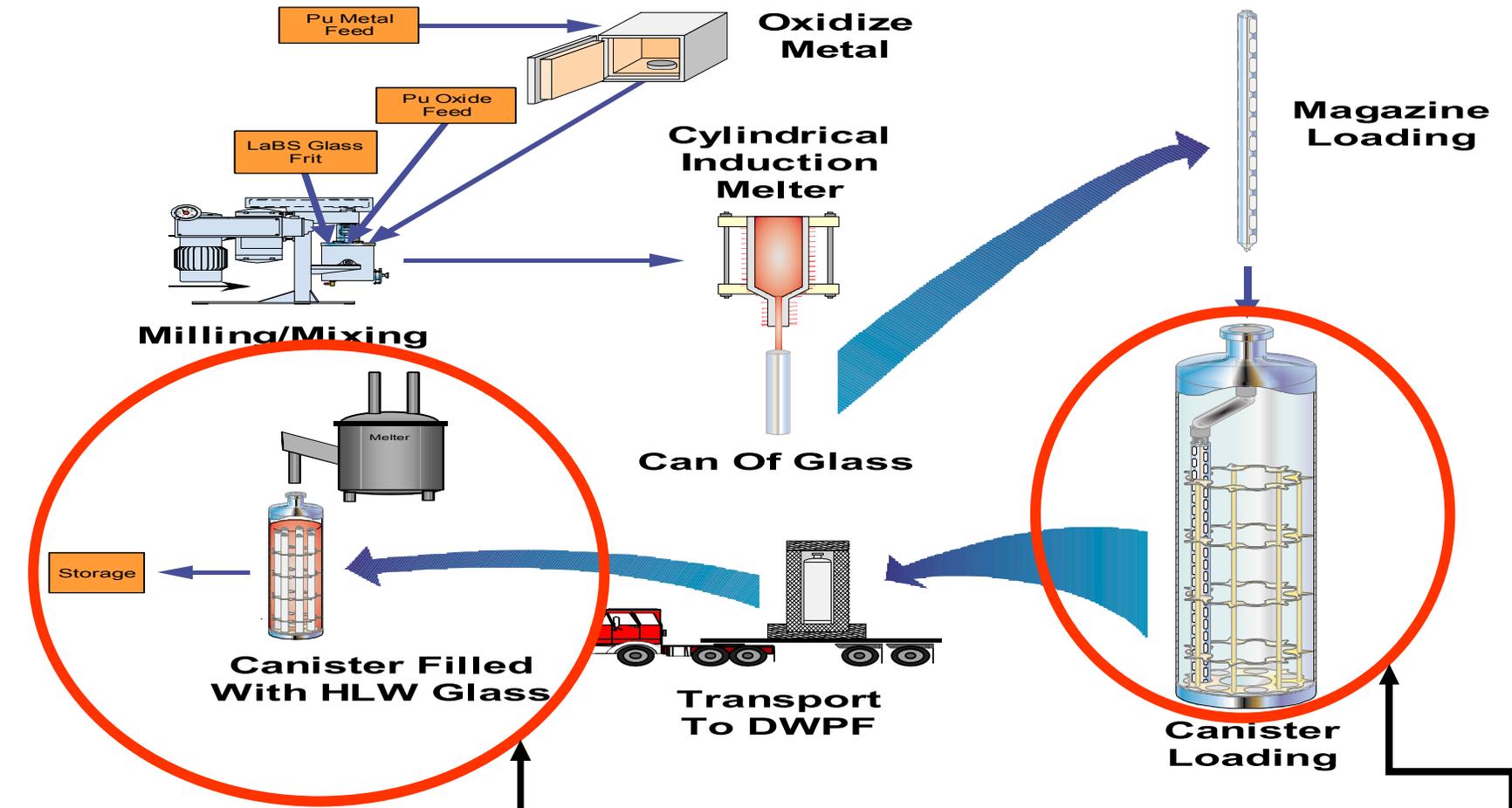
Melter Storage Box containing the DWPF expended Melter #1 being placed into the Failed Equipment Storage Vault which has space for one more melter

Support to Plutonium Disposition Project

- National Defense Authorization Act for FY 2002 requires a disposition pathway out of South Carolina for all plutonium transferred to SRS
 - Site M&O Contractor responsible for overall plutonium vitrification project
- Liquid Waste contractor bears responsibility for plutonium vitrification operational activities within its facilities
 - Coordination with Site M&O Contractor on installation of any DWPF upgrades to support overall project
 - Development of necessary safety basis and procedural upgrades for affected Liquid Waste facilities
 - Procurement and delivery of DWPF canisters equipped with specified magazines
 - Receipt, pouring and storage of plutonium-bearing DWPF canisters
- Disposition of plutonium at DWPF cannot begin until DWPF begins processing highly radioactive salt waste



Plutonium Disposition Project

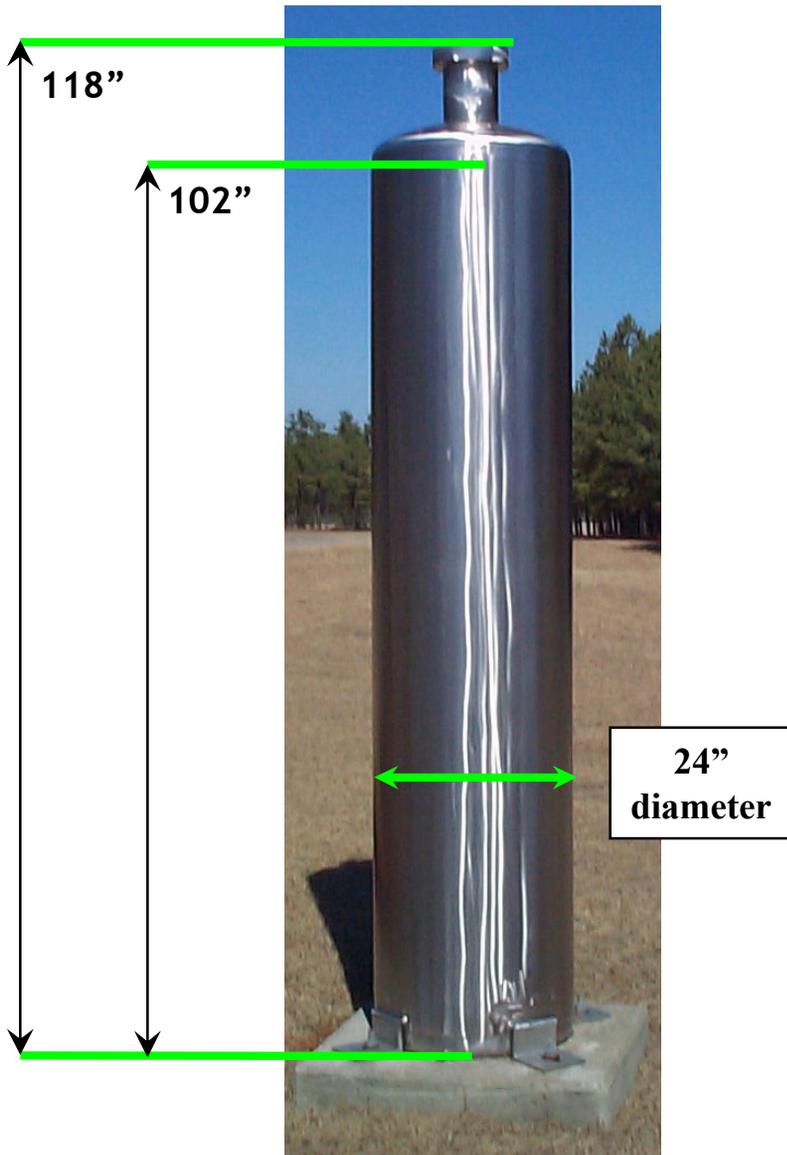


Liquid Waste
Scope of Work:

Process and store
plutonium-bearing
canisters

Provide magazine-
equipped canisters

DWPF Canister



Materials: 304L Stainless Steel
Empty Weight: 1100 lbs
Glass Weight: 4000 lbs





DWPF Canister Decontamination, Welding and Storage

- Heat from the molten glass produces an oxide layer on the outside of the canister
- Potential radioactive contamination present in the Melt Cell can be trapped in this oxide layer
- Oxide layer abraded from canister in the DWPF Canister Decontamination Cell to prevent the spread of contamination
- Canister welded closed in DWPF Weld Cell
- Sealed canister moved from the DWPF vitrification facility to a Glass Waste Storage Building by the Shielded Canister Transporter
- Once inside a Glass Waste Storage Building, the transporter lowers each canister into an individual storage position in the below ground vault



Contract End State Requirement

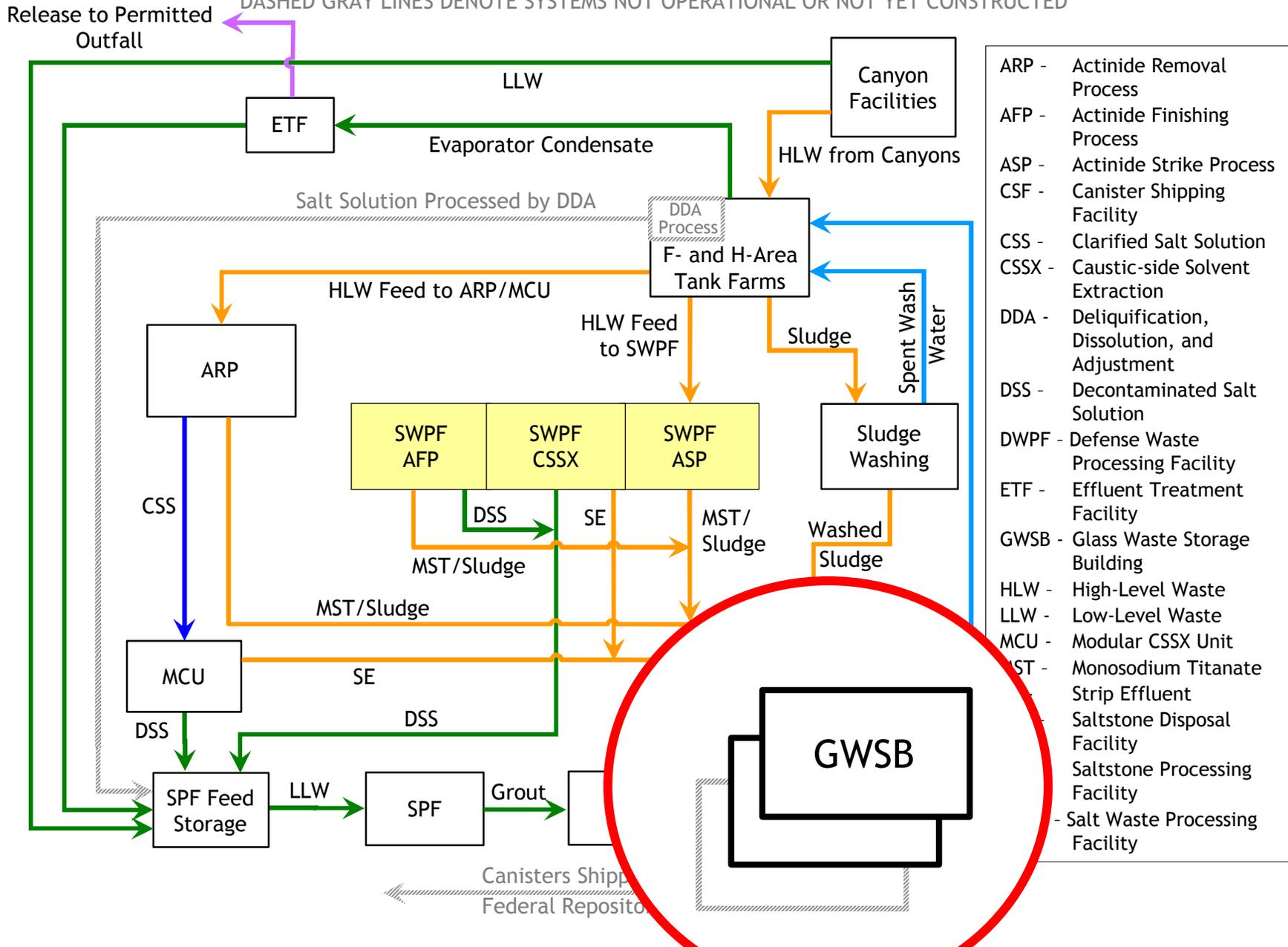
DWPF Canister Production

- Basic Term
 - Produce at least 1050 canisters
- Option 1
 - Produce at least 390 canisters
- Both Basic Term and Option 1
 - Optimize sludge oxide and salt waste loadings
 - Includes production of canisters containing vitrified plutonium
 - Procure and deliver special “magazine” equipped canisters to M&O Contractor in support of vitrified plutonium disposition



Liquid Waste Disposition - Contract

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL OR NOT YET CONSTRUCTED



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- GWSB - Glass Waste Storage Building
- HLW - High-Level Waste
- LLW - Low-Level Waste
- MCU - Modular CSSX Unit
- MST - Monosodium Titanate Strip Effluent
- Saltstone Disposal Facility
- Saltstone Processing Facility
- Salt Waste Processing Facility

Glass Waste Storage Buildings



Glass Waste Storage Building #1 provides safe interim storage for 2,252 radioactive waste canisters and is nearly full



Glass Waste Storage Building #2 provides safe interim storage for an additional 2,340 radioactive waste canisters



Liquid Waste Statement of Work

GWSB

- Operate and maintain Glass Waste Storage Building (GWSB) #1 and #2 and support any project that is initiated to construct an additional GWSB



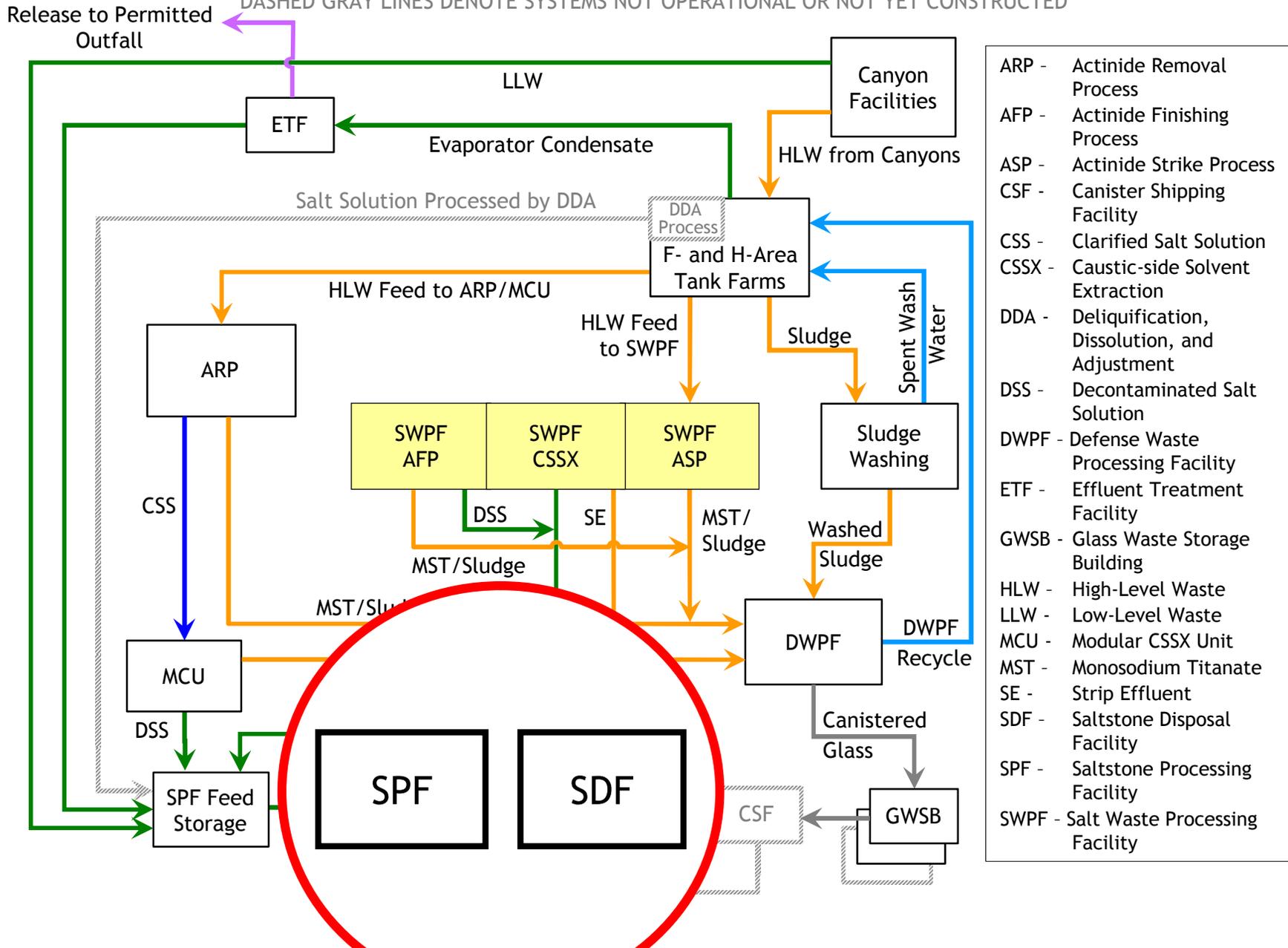
Glass Waste Storage Buildings

- GWSB designed for safe interim storage of filled glass waste canisters in earthquake-resistant storage vaults pending shipment to a federal repository for permanent disposal
- First GWSB nearly full
- Second GWSB recently began receiving canisters for storage
- Third GWSB project may be initiated as a separate project outside of this scope of work
- Liquid Waste contractor would be required to fulfill interface responsibilities with the performing contractor for any GWSB construction project



Liquid Waste Disposition - Contract

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL OR NOT YET CONSTRUCTED



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- SWPF - Salt Waste Processing Facility

Liquid Waste Statement of Work

Saltstone Facility

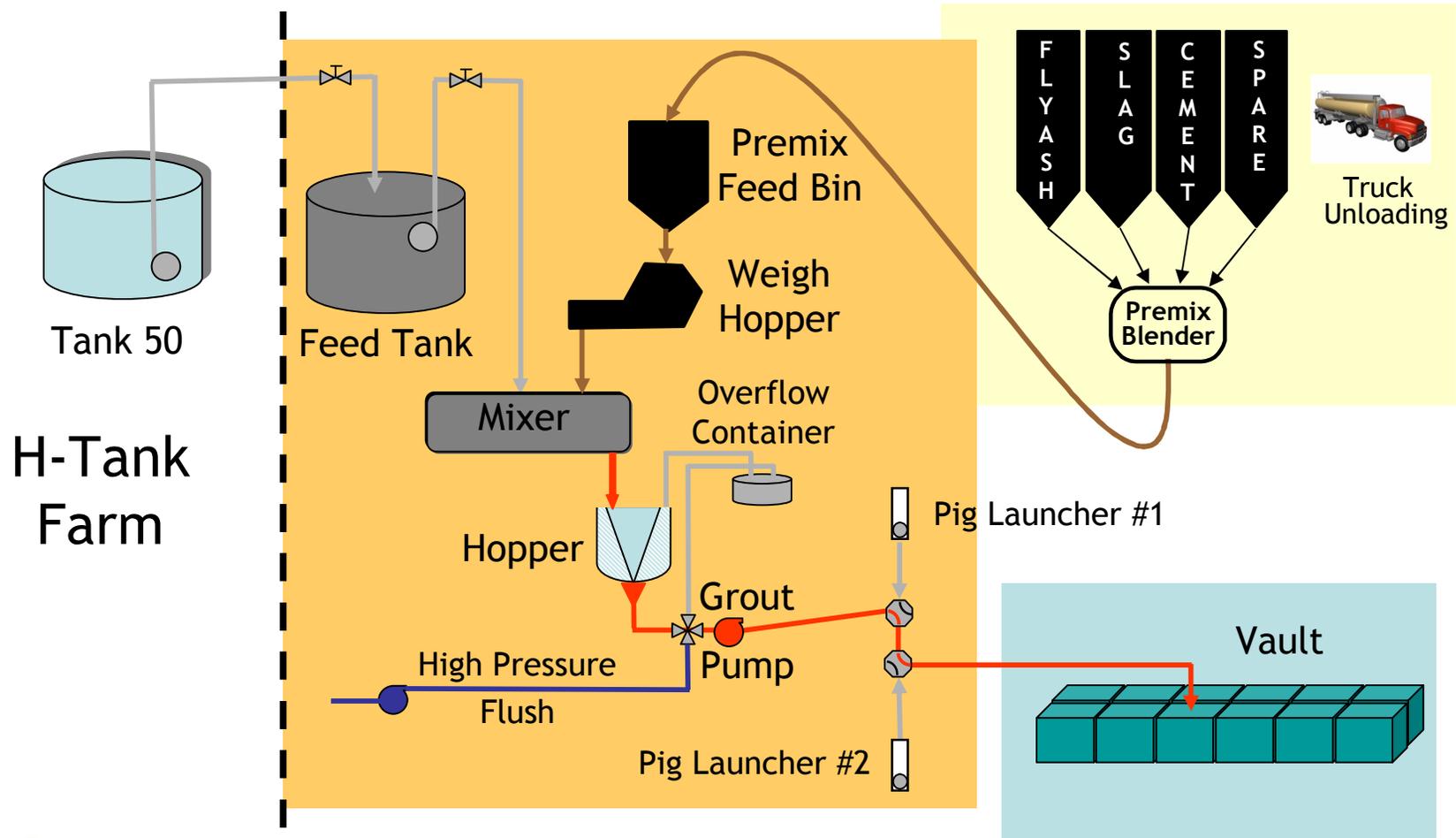
- Operate and maintain the Saltstone Facility consisting of the Saltstone Processing Facility (SPF) and the Saltstone Disposal Facility (SDF)



Saltstone Facility



Saltstone Facility



Saltstone Facility

- Tank 50 currently serves as the tank farm feed tank for Saltstone Processing Facility
- Aqueous waste feed from Tank 50 to Saltstone Processing Facility feed tank
- Waste from feed tank fed to Mixer along with flyash, furnace slag and cement to form a liquid grout mixture the consistency of latex paint
- From the mixer, waste is fed to a hopper which feeds a Grout pump
- Grout pump pumps mixture to a vault in the Saltstone Disposal Facility where the grout solidifies
- High pressure flush line and pig launchers clear the grout line after each processing run



Saltstone Vaults - Existing

- Two existing vaults - Vault #1 (6 cells) and Vault #4 (12 cells)
- Cells are 100' long x 100' wide x 25' high
- Vault walls are 15 inch thick concrete
- Each cell can hold about 1 million gallons of salt waste
- Three of the six cells of Vault #1 are full. Two cells are full and two are partially filled in Vault #4.



Saltstone Vaults - New Design

- Circular design: 150' diameter X 20' high
- 1.5 million gallons each
- Design similar to concrete water tanks
- Design and construction proven for 40 yrs
- Precast vertical panels are pretensioned for strength and water tightness
- Cast in place roof with interior support columns
- Utilizes existing grout process equipment
- Expect to start construction of first vault this summer



Contract End State Requirement

SDF Vault Construction

- Same requirements apply for both the Basic term and Option 1 of the contract
 - Vault construction at Saltstone Disposal Facility conducted in full support of sustained disposal of salt waste at the Saltstone Facility
 - Vault construction activities staged to sustain disposal of salt waste into option and post-contract periods



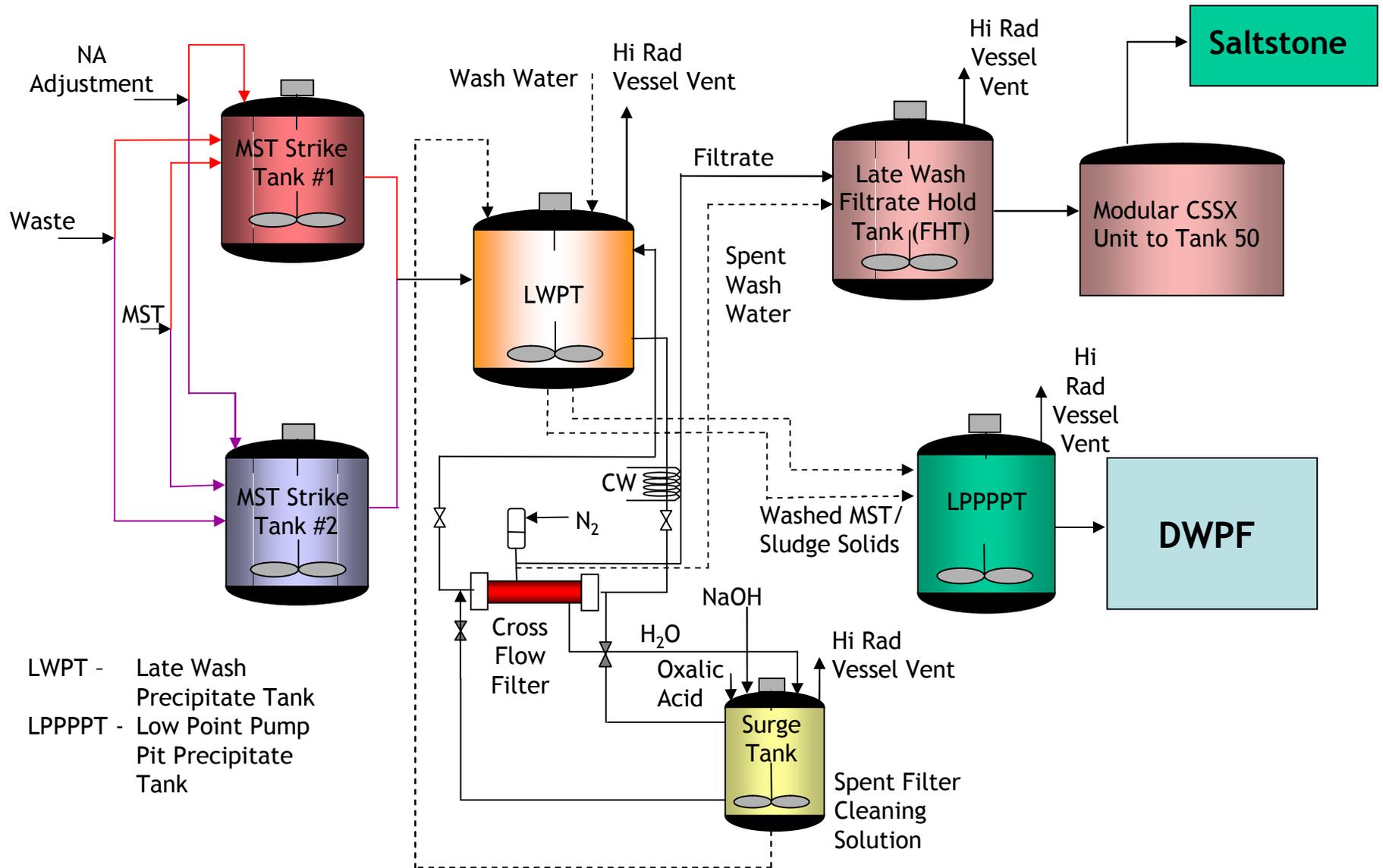
Liquid Waste Statement of Work

ARP & MCU

- Operate and maintain the Actinide Removal Process (ARP) and the Modular Caustic Side Solvent Extraction Process (MCU) pending the start of Salt Waste Processing Facility (SWPF) operations



ARP Process Flow



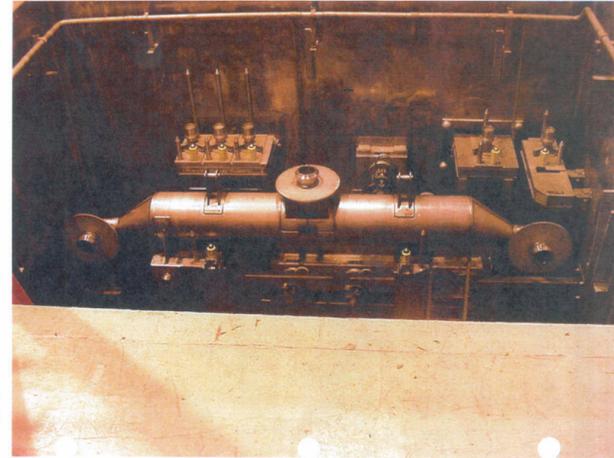
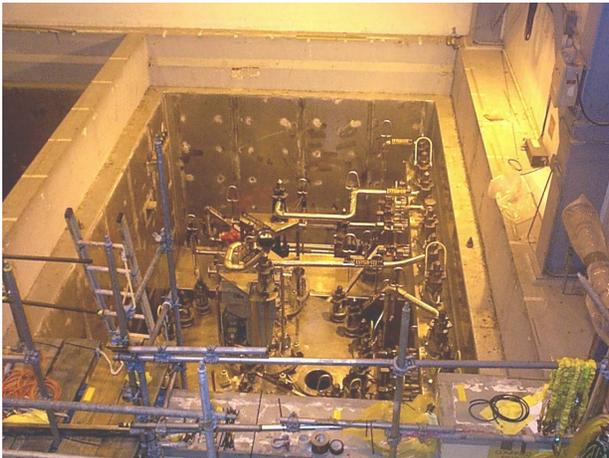
Actinide Removal Process (ARP)

Scope: Provide near term capability to remove actinides and strontium from salt waste at a minimum rate of 1.2 million gallons per year

- Process to be conducted in two existing modified site facilities
- The actinide removal process involves introduction of monosodium titanate (MST) into the strike tanks filled with salt solution from Tank 49
- Tanks are agitated and cooled to ensure full reaction of the MST
- Strike tanks transfer salt waste alternately every 12 hours for filtration
- Filtered solids are accumulated in the Late Wash Precipitate Tank until a minimum of 5 wt% solids is achieved
- Solids will be transferred to DWPF for vitrification
- Clarified salt solution will be transferred to Modular Caustic Side Solvent Extraction Unit (MCU) for cesium removal



ARP Project



Modular Caustic Side Solvent Extraction Unit (MCU) Process

Scope: Provide near term capability to remove Cesium-137 from salt waste with an approximate decontamination factor of 12 for Cesium at a minimum rate of 1.2 million gallons per year

- MCU utilizes the same technologies and types of equipment as will be used in the SWPF
- An organic solvent is used to complex with (tie up) Cesium atoms in the waste stream
- Solvent and waste solution mixture is fed to a bank of centrifugal contactors to ensure complete mixing
- Cesium is stripped from the solvent in another bank of contactors and sent to DWPF for vitrification, solvent is recycled
- Decontaminated Salt Solution (DSS) resulting from solvent extraction will be sent to the Saltstone Facility feed tank



MCU Project



Contract End State Requirement

ARP/MCU Salt Processing

- Basic Term
 - Processing of at least 4,100,000 gallons of salt waste through ARP/MCU achieving a decontamination factor of 10 or higher
- Option 1
 - No requirement (ARP/MCU mission completes with start of SWPF operations)



Liquid Waste Statement of Work

ETF

- Operate and maintain the Effluent Treatment Facility (ETF)



Effluent Treatment Facility (ETF)

- Treats low-level radioactive waste that was formerly sent to seepage basins. Treated streams include:
 - Evaporator overheads
 - Segregated cooling water
 - Contaminated surface water runoff
- Began operations in 1988
- Processes approximately 20 million gallons per year utilizing:
 - pH adjustment
 - Filtration
 - Organic removal
 - Reverse osmosis
 - Ion exchange
- Treated streams are released to permitted outfall
- Provides service to other site customers



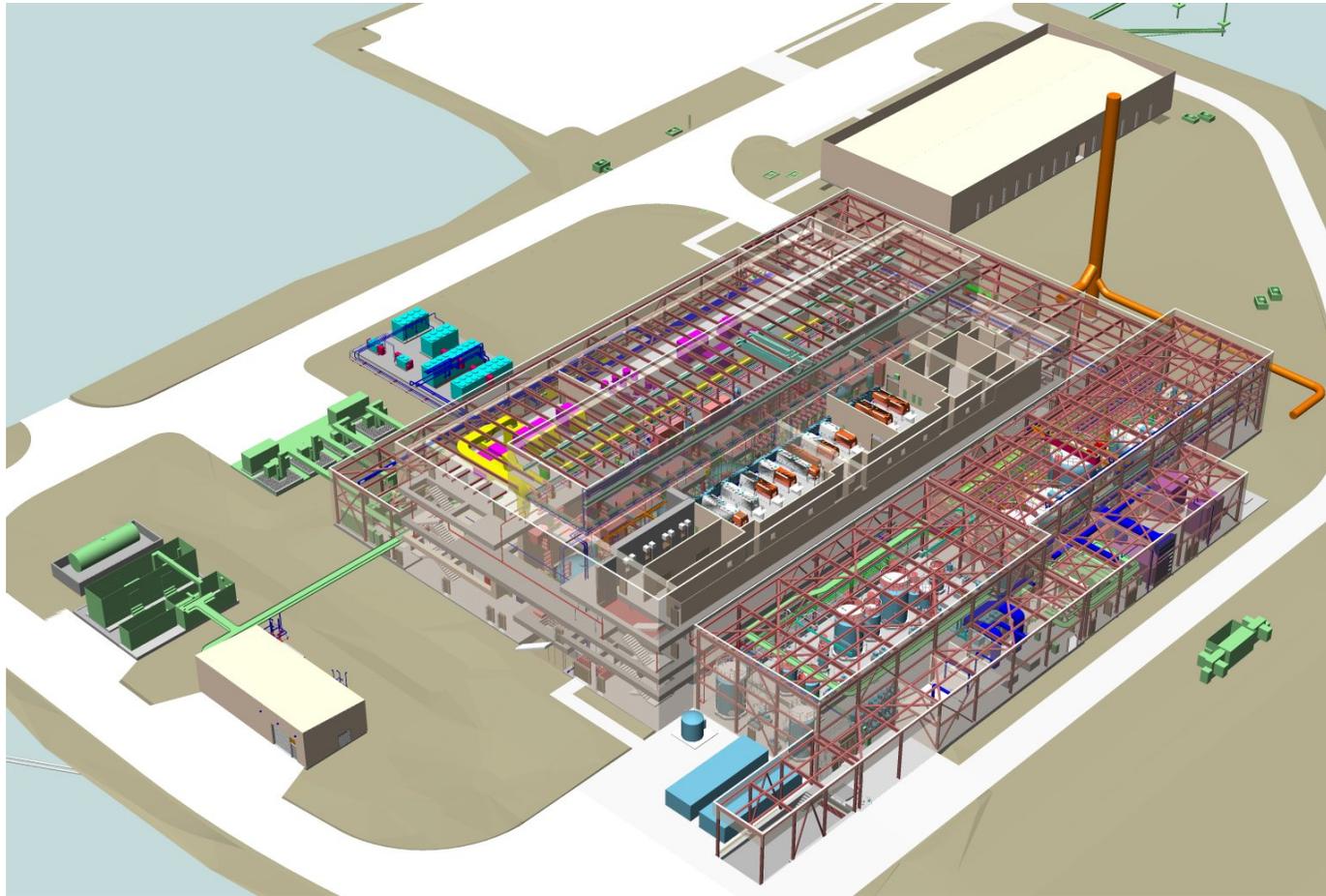
Liquid Waste Statement of Work

SWPF

- Basic Term
 - Support the timely completion, startup and operation of the Salt Waste Processing Facility (SWPF) by fulfilling all interface responsibilities
 - Ensure sufficient salt waste feed supplied to SWPF from tank farm waste removal operations to support its maximum operating capacity once SWPF becomes operational
 - Receive and process the low-volume curie-concentrated salt waste output stream from SWPF at DWPF
 - Receive and process the high-volume decontaminated salt waste output stream from SWPF at Saltstone Facility
- Contract Options
 - Operate and maintain the SWPF (if Contract Options 2 and/or 3 exercised)



Salt Waste Processing Facility (SWPF) Project



SWPF Project Objectives

- Provide high capacity salt treatment capability
 - 6-9 MGal/year throughput
- Treat salt waste to yield two output streams:
 - Low-volume curie-concentrated salt waste stream
 - High-volume decontaminated salt waste stream
- Achieve a Decontamination Factor of 40,000 for cesium removal



SWPF Process Description

- Monosodium titanate process for actinide/strontium removal
- Caustic Side Solvent Extraction (CSSX) process for cesium removal
- Actinide/strontium removal steps at front and back end of process
 - Actinide Strike Process before CSSX
 - Actinide Finishing Process after CSSX



SWPF Project Status

- Enhanced Preliminary Design completed September 2006
- Development of the SWPF cost and schedule baseline is in progress
 - Schedule aimed at September 2011 start-up
 - Construction Plan based on two shifts per day & overtime
 - Testing and commissioning schedule revised to achieve early startup
- Defense Nuclear Facilities Safety Board (DNFSB) issues with the SWPF seismic analysis are being worked, resolution anticipated May 2007
 - Risk of impact to SWPF schedule



Contract End State Requirement

SWPF Salt Processing

- **Basic Term**
 - Delivery of at least 14,400,000 gallons of salt waste to SWPF in keeping with SWPF's capability to receive and process salt waste
- **Option 1**
 - Delivery of at least 10,300,000 gallons of salt waste to SWPF in keeping with SWPF's capability to receive and process salt waste
- **Option 2**
 - Processing of at least 9,400,000 gallons of salt waste at SWPF to yield feed streams meeting waste feed acceptance criteria for processing at DWPF and the Saltstone Facility
- **Option 3**
 - Processing of at least 10,300,000 gallons of salt waste at SWPF to yield feed streams meeting waste feed acceptance criteria for processing at DWPF and the Saltstone Facility



Liquid Waste Statement of Work

SPF Feed Storage

- Complete construction of new lag storage tanks to store waste feed to be processed at the Saltstone Facility



Saltstone Processing Facility Feed Storage

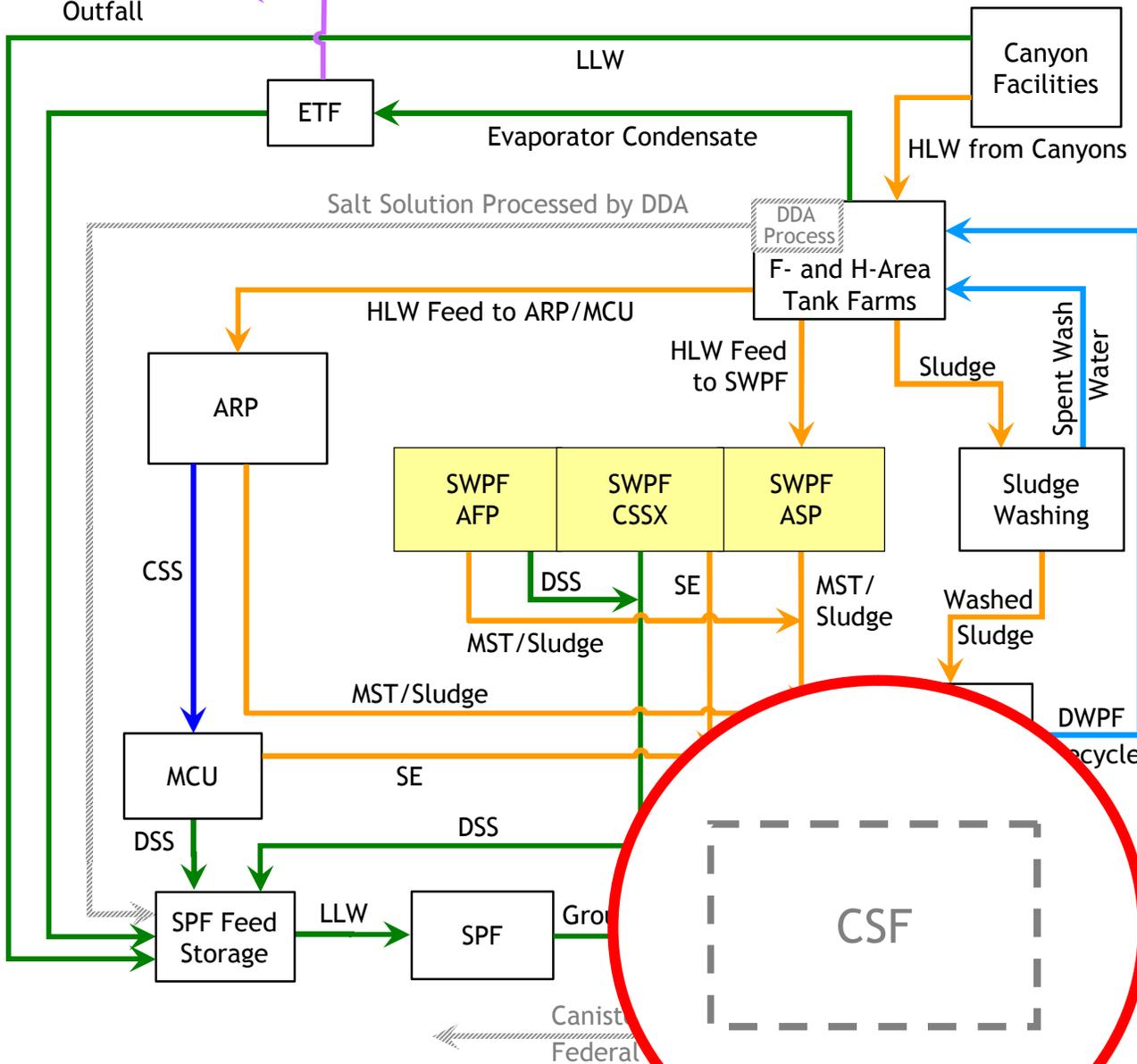
- Presently Tank 50, a compliant tank, provides feed storage for the Saltstone Facility
- Tank 50 is needed to support waste retrieval and tank closure efforts
- SPF Feed Storage would be tanks specially dedicated to provide a lag feed storage capability for the Saltstone Processing Facility thus freeing up Tank 50
- Project expected to be initiated prior to award of Liquid Waste contract
- Scope of Work calls for Liquid Waste contractor to complete project if not complete prior to end of transition period



Liquid Waste Disposition - Contract

DASHED GRAY LINES DENOTE SYSTEMS NOT OPERATIONAL OR NOT YET CONSTRUCTED

Release to Permitted Outfall



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- SE - Strip Effluent
- SDF - Saltstone Disposal Facility
- SPF - Saltstone Processing Facility
- SWPF - Salt Waste Processing Facility

Liquid Waste Statement of Work

Canister Shipping Facility

- Support execution of any Canister Shipping Facility (CSF) project initiated during the basic term or Option 1 of the Contract by fulfilling all interface responsibilities and be prepared to potentially assume responsibility for CSF operation and maintenance
- DOE anticipates that the CSF construction project, when initiated, will be executed under a separate contract



Liquid Waste Stabilization and Disposition Scope of Work

In closing:

- Draft RFP incorporates Liquid Waste Disposition Processing Plan (Plan), May 2006
- Contract End State Requirements drawn from Plan
- Update to the Liquid Waste Disposition Processing Plan in progress
- Updated Plan to be incorporated into Final RFP
- Final RFP Contract End State Requirements will be drawn from the updated Plan



AGENDA

Registration

Welcome

Irma Brown

Overview of SRS

Terrel Spears

Overview Statement of Work

Terrel Spears

No Host Lunch

Special Features of DRFP

Irma Brown

Workforce Transition

Mary-Ellen Noone

Special Features of DRFP

Irma Brown

Cost Instructions

Ed Dias

Responses to Written Questions

Irma Brown

Closing Remarks

Irma Brown



Special Features of LW DRFP

- Section B - Supplies or Services and Price/Costs:
 - Type of Contract: CPAF with zero base fee
 - Transition period: 3 months with zero fee
 - Contract Term:
 - Basic Term – 7/2008 – 6/2014 (6 years)
 - Option 1 – 7/2014 – 6/2016 (2 years)
 - Option 2 for SWPF: 10/2012 – 6/2014
 - Option 3 for SWPF: 7/2014 – 6/2016



Special Features of LW DRFP

- Section B – Supplies or Services and Price/Costs (continued):
 - Fee shall not exceed 10% of total estimated contract costs
 - Provisional fees will not be paid unless approved by the CO
 - No fee will be paid until Contract Performance Baseline (due 6 months after award) is approved by the CO



Special Features of LW DRFP

- Section B – Supplies or Services and Price/Costs (continued):
 - Fee
 - Total Available Fee Proposed by the Offeror shall not exceed 10% of the Total Estimated Contract Cost
 - As provided in B.2(h),
 - If a Contractor is a consortium, joint venture or other teaming arrangement, fee earned may be distributed by the Contractor among the teaming members,
 - If a separate subcontractor, supplier, or lower-tier subcontractor is a wholly-owned, majority owned or affiliate of any team member, any fee or profit earned by such entity shall not be considered an allowable cost under this contract unless approved by the CO.



Special Features of LW DRFP

- Section B – Supplies or Services and Price/Costs (continued):
 - Fee (continued):
 - The subcontractor fee restriction does not apply to members of the Contractor's team that are:
 - Small Business
 - Protégé firms as part of an approved Mentor-Protégé relationship as set out in Clause H.30
 - Subcontractors under competitively awarded firm-fixed price or firm-fixed unit price subcontractors
 - Commercial items as defined in FAR Subpart 2.1



Special Features of LW DRFP

- Section B – Supplies or Services and Price/Costs (continued):
 - Fee (continued):
 - Fee determination will be based upon a Performance Evaluation and Measurement Plan (PEMP) to be provided to the Contractor upon approval of the Contract Performance Baseline
 - PEMP will establish evaluation periods, fee bearing activities, and criteria
 - The Fee Determination Official may also consider any information available which relates to the Contractor's performance
 - Payment of Fee will also be subject to:
 - DEAR 952.204-76 Conditional Payment of Fee or Profit – Safeguarding Restricted Data and other Classified Information (Jan 2004)
 - FAR 52.246-5 Inspection of Services – Cost Reimbursement (APRIL 1984)



Special Features of LW DRFP

- Section G – Contract Administration Data:
- Self Finance
- G.7 - Cost Invoicing
 - Invoices submitted monthly
 - Payments made NLT than 14 business days
- G.7 - Fee Invoicing
 - Semi-annual fee payments with CO Consent
 - Payment made within 30 business days of acceptable invoice



Special Features of LW DRFP

- Section H – Special Contract Requirements:
 - H.5 – Key Personnel
 - H.13 – Access to DOE-Owned or Leased Facilities (soon to be released FAR clause)
 - H.15 – Stakeholder Interaction
 - H.29 – Cooperation With Other Site Contractors
 - H.35 – Community Commitment
 - H.39 – Transition Activities



Workforce Transition and Employee Compensation (Pay and Benefits)

Mary-Ellen Noone
Office of the Chief Counsel



Workforce

- Currently ~8500 employees work for the “Performing Entity.” The Performing Entity is:
 - Washington Savannah River Company (WSRC)
 - Bechtel Savannah River Company
 - BWXT
 - BNG America (formerly British Nuclear Fuels, Ltd.)
- Of the 8500, approximately 2500 employees are associated with work which will become the new Liquid Waste (“LW”) Contract
- Of the 8500, approximately 6000 employees are associated with work (i) which will become the new Site Management and Operating (“M&O”) Contract or (ii) to be performed by small business
- Status of employees (M&O or LW) will be fixed on date of award of the M&O Contract; after that date, no movement of M&O and LW employees between the two contracts will be permitted



Workforce Transition (H.8)

- Transition period to be used to make hiring decisions and to establish the management structures necessary to conduct an employee relations program
- “First Preference in Hiring”:
 - Given to Incumbent Employees for vacancies in non-managerial positions
 - Priority over the hiring preference in DEAR 952.226-74
 - Not applicable to the hiring of management staff (i.e., first line supervisors and above)



First Preference in Hiring (H.8)

- **First Preference in Hiring DOES mean:**
 - For vacant positions that the Incumbent Employee meets the qualifications or may qualify with reasonable training, the Incumbent Employee is to be given a first preference in selection for the position over a similarly qualified Non-Incumbent Employee by the LW Contractor
- **First Preference in Hiring DOES NOT mean:**
 - An Incumbent Employee's position and/or employment with the new LW Contractor is absolutely guaranteed
- **With First Preference in Hiring, the LW Contractor may select a Non-Incumbent Employee instead of an Incumbent Employee, if:**
 - The LW Contractor documents (i) a clear and significant difference in the credentials of the Non-Incumbent Employee, or (ii) a viable reason such as documented performance problems; and,
 - The LW Contractor's Human Resource Director approves the selection



EMPLOYEE COMPENSATION: PAY AND BENEFITS (H.9)

- LW Contractor Deliverables
 - Human Resources Compensation Plan
 - Annual Contractor Salary-Wage Increase Expenditure Report
 - List of top five most highly compensated executives and their total cash compensation
 - Annual Report of Contractor Expenditures for Employee Supplemental Compensation
 - Performance self-assessment of the Total Compensation System implementation and results
- TOTAL COMPENSATION SYSTEM
 - The LW Contractor shall develop, implement and maintain formal policies, practices and procedures to be used in the administration of its compensation system
 - DOE standards, if any, shall be applied
 - The System shall meet the tests of allowability, and be fully documented, consistently applied, and acceptable to the CO
 - DOE will conduct periodic appraisals of the LW Contractor performance with respect to Total Compensation System implementation



EMPLOYEE COMPENSATION: PAY AND BENEFITS (H.9)

- **INCUMBENT EMPLOYEES:**

- The LW Contractor shall:
 - Provide **Equivalent** (i.e., the same) pay as compared to pay provided by WSRC, LLC for at least the first year of the term of the LW contract
 - Carry over the length of service credit and leave balances accrued as of the date of the LW Contractor's assumption of Contract performance
 - Provide a total package of benefits **Comparable** to that provided by WSRC, LLC. (**Comparable DOES NOT** mean the same.) **Comparability** of the total benefit package shall be determined by the Contracting Officer in his/her sole discretion.



EMPLOYEE COMPENSATION: PAY AND BENEFITS (H.9)

- The total package of benefits provided by WSRC, LLC includes:
 - i. medical, dental and vision benefit plans
 - ii. flexible spending accounts
 - iii. disability income plans (i.e., short-term disability benefits, total and permanent disability benefits, special benefits for occupational related disabilities, and incapability benefits)
 - iv. non-contributory life insurance plans (i.e., non-contributory life insurance and non-contributory occupational accidental death insurance)
 - v. work/life benefits (i.e., time off with pay, U.S. savings bond program, matching gifts program, scholarship programs, special survivor benefits, and employee assistance program)
 - vi. optional programs (i.e., contributory life insurance, dependent life insurance, accidental death and dismemberment insurance, savings and investment plan, and employee stock purchase plan)



EMPLOYEE COMPENSATION: PAY AND BENEFITS (H.9)

- **Incumbent Employees (cont'd.):**
 - Shall remain in their existing pension plans (or comparable successor plans)
 - The LW Contractor shall become a sponsor of the Multiple Employer Pension Plan and shall also sponsor and be responsible for management and administration of welfare benefit plans (C.3)
 - The LW Contractor shall become a sponsor of other benefit plans, including post-retirement benefit plans, as applicable, for Incumbent Employees and retired plan participants, with responsibility for management and administration of the plans



EMPLOYEE COMPENSATION: PAY AND BENEFITS (H.9)

- **Non-Incumbent Employees (new hires)**
 - The LW Contractor shall sponsor and be responsible for management and administration of the pension and medical benefit plans (C.3)
 - Shall receive a total pay and benefits package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the LW Contractor recruits its employees and in accordance with Contract requirements



Special Features of LW DRFP

- Section I – Contract Clauses:
 - I-86 FAR 52.234-4 Earned Value Management System (Jul 2006)
- Section L – Instructions, Conditions, and Notices to Offerors:
 - L.6 - FAR 52.234-3 Notice of EVMS - Submit documentation with the proposal that demonstrates compliance with EVMS guidelines or a plan for compliance



Special Features of LW DRFP

- Section I DEAR Deviations:
 - DEAR 970.5204-2 Laws, Regulations, and DOE Directives (DEC 2000) Deviation
 - See also Special Contract Requirements - Section H.42 - Application of DOE Contractor Requirements Documents
 - DEAR 970.5227-1 Rights in Data – Facilities (DEC 2000) Deviation



Special Features of LW DRFP

- Section J – Sample List of Attachments:
 - Appendix D, Applicable DOE Directives, Orders, Laws and Regulations
 - Appendix I, Environmental Permits
 - A list of Environmental Permits is available through the SR Acquisition Web Site
 - Appendix L, Government Furnished Services and Items



Special Features of LW DRFP

- Section J - List of Attachments (continued):
 - Appendix M, Deliverables
 - Transition Plan – 5 Days
 - Contract Performance Baseline – 6 Months
 - Worker Safety and Health Plan – 60 Days
 - Project Control System Description – 60 Days
 - Liquid Waste Disposition Processing Plan – Oct 2008
 - Liquid Waste System Plan – Oct 2008



Section J, Appendix N

SR Services & Contract Interface Requirements Matrix

- The purpose of this Matrix is to identify which services are provided by which contractor, the associated general interface obligations and cost allocations.
- The Matrix is not an all inclusive listing; SR contractors are expected to prepare a complete listing of interfaces along with the necessary MOUs.
- DOE-SR is implementing an initiative to increase its direct contracting with small businesses. Therefore, some of the activities identified as M&O responsibilities will change. A revision to Section J, Appendix N reflecting these changes and others will be included in the final RFP.



Special Features of LW DRFP

- Section L – Instructions, Conditions, and Notices to Offerors:
- L.2 – Proposal Prep. Instructions:
 - Volume I – Offer and Other Documents
 - 3 Originals, 5 copies, and 5 CD-ROM
 - Volume II – Technical Proposal
 - 1 Original, 15 copies, and 10 CD-ROM
 - Excluding Past Performance, Vol. II shall not exceed 250 pages



Special Features of LW DRFP

- L.2 – Proposal Prep. Instructions (continued):
 - Volume III – Cost and Fee Proposal
 - 1 Original, 15 copies, and 10 CD-ROM
 - No page limitations



Special Features of LW DRFP

- L.2 (q) Proposal Prep. Instructions (continued):
 - Joint Ventures and/or LLCs and/or Any Other Teaming Arrangements:
 - Offerors may propose any arrangement
 - Provide full and complete information on each of the members/companies, as well as itself
 - Provide copies or drafts of applicable Joint Venture and/or LLC agreements, any mentor-protégé agreements and any arrangements with subcontractors regarding the nature and extent of work to be performed under this solicitation



Special Features of LW DRFP

- L.4 – Proposal Prep. Instructions – Volume II – Technical Proposal
 - Provide written information that demonstrates Offeror’s understanding, capabilities, and approach to satisfy the SOW
 - The format and content should address each technical evaluation criteria
 - Volume II shall not exceed 250 pages (excluding past performance)
 - No cost information shall be included



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award:**
 - **Basis of Contract Award**
 - DOE Intends to award one contract to the responsible Offeror whose proposal is responsive to the solicitation and determined to be the best value to the Government
 - Selection of the best value to the Government will be achieved through a process of evaluating strengths and weaknesses of each Offeror’s proposal in accordance with the technical evaluation criteria
 - In determining best value, the technical evaluation criteria are significantly more important than the evaluated price



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria**
 - Technical Approach
 - Key Personnel
 - Risk Management
 - Safety Analysis
 - Relevant Experience
 - Past Performance



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria**
 - Technical Approach
 - Management and execution of the SOW, including transition activities and feasibility to meet or exceed end state requirements
 - Work Breakdown Structure, integrated critical path and the sequence of work activities will be reviewed to ensure a safe, efficient execution of work scope
 - Optimization of system performance to maximize waste throughput at DWPF and tank closure while ensuring sufficient tank space for long term operations
 - Management Organization and Structure, including Subcontractors, Small Business and others



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**

- **Technical Evaluation Criteria (continued):**

- Key Personnel

- Evaluated for experience, including demonstrated leadership, demonstrated experience in performing work similar in size and complexity, and qualifications
- Rationale for selection of Key Personnel positions and the personnel chosen will be reviewed
- Project Manager will be considered more important
- Assessment as to whether the Offeror has proposed the appropriate mix of Key Personnel positions and skills to successfully perform the scope of work



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria (continued)**
 - Risk Management
 - The Offeror’s risk management approach for currently identified and emerging risks will be evaluated
 - The Offeror’s assessment and mitigation of the significant risks associated specifically with the Offeror’s proposed approach to optimizing the LW system performance to maximize waste throughput at DWPF and tank closure rates while ensuring sufficient tanks space will be evaluated
 - Specific Risks and their mitigation previously identified in the Risk Management Plan do not need to be included, unless uniquely included in the proposal



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria (continued)**
 - Safety Analysis
 - The Offeror’s approach to establish a viable capability to accomplish the safety analysis work required by the SOW and 10 CFR 830 will be evaluated



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria (continued)**
 - Relevant Experience
 - Experience in performing relevant work similar in size and complexity
 - DOE will evaluate the experience of the Offeror, each subcontractor, and any other performing entities with respect to the work to be performed by each entity
 - For a newly formed entity, the experience of the parent organization or other members will be evaluated
 - Experience in using corporate capability, dealing with stakeholders and working with regulatory agencies, and managing and integrating regulatory requirements or agreements will be evaluated



Special Features of LW DRFP

- **Section M – Evaluation Factors for Award (continued):**
 - **Technical Evaluation Criteria (continued)**
 - Past Performance
 - DOE will evaluate and assess the quality of the Offeror's past performance to determine whether the Offeror demonstrates the ability to successfully perform the SOW
 - Information to be reviewed includes:
 - » Environment, Safety, and Health Performance
 - » Small business subcontracting goals/accomplishments
 - » References
 - » Independent Data



Cost Instructions

Ed Dias
Cost/Price Analyst



Cost Proposal – Volume III

- All cost information in Volume III only –
 - No cost information in Technical Proposal
 - All pages numbered including forms, tables, and exhibits
 - Include a table of contents
 - No page limit for cost volume
 - Total proposed costs and fee must agree with Sections B.2 and B.3



Cost Proposal – Volume III

- Provide the following:
 - Original, 15 paper copies, & 10 CD-ROM
 - Identify original with stamp or markings
 - Complete paper copies (all documents, spreadsheets, etc. must be printed out)
 - A heading on each column and row of the printed out spreadsheets
 - Working/unprotected Excel© files on CD-ROM
 - An Adobe Acrobat (PDF) version of the Cost Proposal, which is searchable



Detailed Cost by Cost Element

DETAILED COSTS BY COST ELEMENT WORKSHEET

WBS Element: (Identify WBS Number, Fiscal Year, and Title)

FISCAL YEAR:

	Direct Labor Hours	Direct Labor Rate	Direct Labor Cost	Proposed Cost
Direct Labor: (Insert Direct Labor Categories Proposed Expand as Needed)				
Subtotal of Direct Labor Costs:				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
Joint Venture/LLC Member/Subcontractor (Equal or > \$25M) (Complete for Each Entry)				
Direct Labor				
(Insert Direct Labor Categories Proposed Expand as Needed)				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
G&A Costs (JV/LLC/Subcontractor)				
JV/LLC Member/Subcontractor Total				
General & Administrative Costs (prime)				
Total Cost				

**Handout
Page 1**

- Separate worksheet for:
 - Each entry on the WBS section of the Summary of Costs Worksheet
 - Each fiscal year for the base period and options (two sheets for each WBS in FY14)
 - Each noncompliant tank proposed for removal and operational closure
 - All amounts in FY 07 – Constant Dollars
 - Identify cost only – not fee – in the Detailed Cost by Cost Element Worksheets



Detailed Cost by Cost Element

DETAILED COSTS BY COST ELEMENT WORKSHEET

WBS Element: (Identify WBS Number, Fiscal Year, and Title) _____

FISCAL YEAR: _____

	Direct Labor Hours	Direct Labor Rate	Direct Labor Cost	Proposed Cost
Direct Labor: (Insert Direct Labor Categories Proposed Expand as Needed)				
Subtotal of Direct Labor Costs:				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
Joint Venture/LLC Member/Subcontractor (Equal or > \$25M) (Complete for Each Entity)				
Direct Labor				
(Insert Direct Labor Categories Proposed Expand as Needed)				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
G&A Costs (JV/LLC/Subcontractor)				
JV/LLC Member/Subcontractor Total				
General & Administrative Costs (prime)				
Total Cost				

**Handout
Page 1**

- Must expand labor category rows to identify all categories of labor proposed
- May expand cost elements for significant sub-elements
- Must expand Joint Venture/ LLC Member/ Subcontractor section for each entity with proposed amounts equal or > \$25M for entire contract
- All direct and indirect amounts and rates must be fully supported



Detailed Cost by Cost Element

DETAILED COSTS BY COST ELEMENT WORKSHEET

WBS Element: (Identify WBS Number, Fiscal Year, and Title) _____

FISCAL YEAR: _____

	Direct Labor Hours	Direct Labor Rate	Direct Labor Cost	Proposed Cost
Direct Labor:				
Insert Direct Labor Categories Proposed				
Expand as Needed				
Subtotal of Direct Labor Costs:				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
Joint Venture/LLC Member/Subcontractor				
(Equal or > \$25M) (Complete for Each Entity)				
Direct Labor				
Insert Direct Labor Categories Proposed				
Expand as Needed				
Fringe Benefits				
Pension & Post Retirement Costs				
Direct Labor Overhead				
Materials				
Material Handling Overhead (if applicable)				
Equipment				
Subcontract Costs (under \$25M)				
Supplies				
Travel				
Relocation				
Other Direct Costs				
G&A Costs (JV/LLC/Subcontractor)				
JV/LLC Member/Subcontractor Total				
General & Administrative Costs (prime)				
Total Cost				

**Handout
Page 1**

- For incumbent employees, use information shown on the website <http://professionals.pr.doe.gov/srs/> for:
 - Direct Labor Rates
 - Fringe Benefit Rates
 - Pension & Post Retirement Rates
 - Employee Demographic Information
- Identify incumbent and non-incumbent employees. Provide rate support for incumbent and non-incumbent employees as discussed in DRFP
- Separate worksheet required for the transition period April 1 – June 30 2008 (Handout page 2)



Summary of Cost Worksheets

SUMMARY OF COST WORKSHEETS - BASIC PERIOD

COSTS BY COST ELEMENT

Direct Labor
 Fringe Benefits
 Pension and Post Retirement Costs
 Direct Labor Overhead
 Materials
 Material Handling Overhead (if applicable)
 Equipment
 Subcontract Costs (under \$25M)
 Supplies
 Travel
 Relocation
 Other Direct Costs
 Joint Venture/LLC Member/Subcontractor (Equal or > \$25M)
 General & Administrative Costs (prime)

Basic Period July 1, 2008 - June 30, 2014

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Total
---------	---------	---------	---------	---------	---------	---------	-------

Handout
Page 3

Total Cost - FY 2007-Constant Dollars (for each FY, and total basic period)

Escalation Percentage (3.7% per year from FY 2007 dollars)
Escalation Dollars (applied to all costs)

3.70%	7.64%	11.62%	15.64%	19.92%	24.38%	28.96%	
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Total Cost (then year dollars - for each FY, and total basic period)

Total cost should agree with Section B.2 (b)(1).

Total Available Award Fee (spread to each FY)

Total available award fee should agree with Section B.2 (b) (2).

- Provide one summary sheet for the basic period and one summary sheet for each option (transition period costs not reported on summary worksheet)
- Total Cost – FY 07 Constant Dollars – represents the total of the Detailed Cost by Cost Element Worksheets
- Escalation is applied to all costs at the rates shown on the spreadsheet
- The “Total Costs (then year dollars...)” must agree with the amounts proposed in Section B.2 and with the totals in the Costs by WBS Worksheet section
- Proposed Total Available Award Fee is distributed **only** on the designated row of the summary worksheets and must agree with Sections B.2 and B.3



Summary of Cost Worksheets

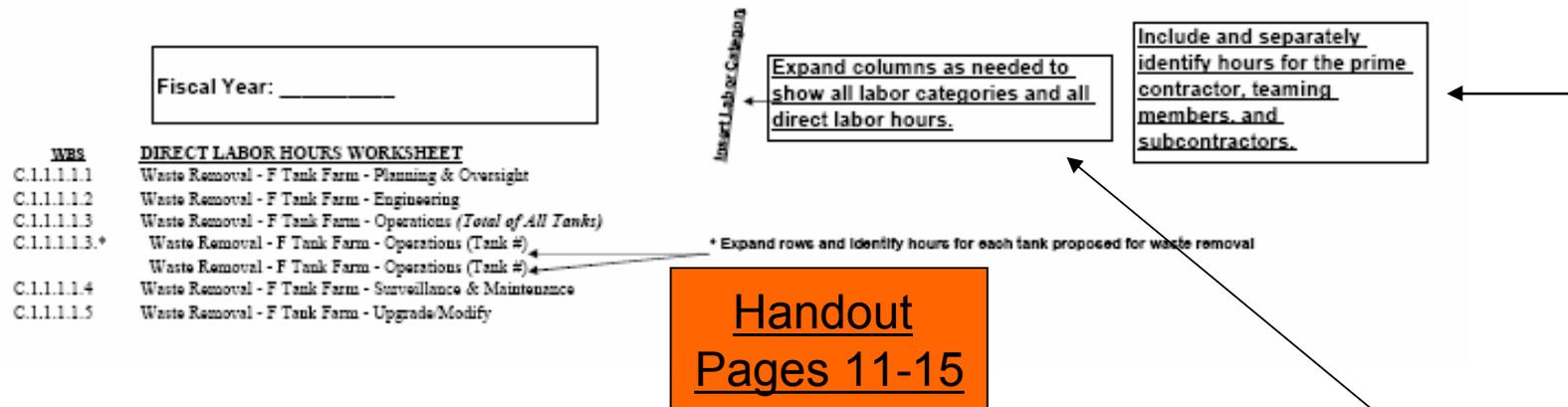
COSTS BY WBS WORKSHEET		Basic Period July 1, 2008 - June 30, 2014							Total
		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
C.1.1.1.1.1	Waste Removal - F Tank Farm - Planning & Oversight								
C.1.1.1.1.2	Waste Removal - F Tank Farm - Engineering								
C.1.1.1.1.3	Waste Removal - F Tank Farm - Operations (Total of All Tanks)								
C.1.1.1.1.3.*	Waste Removal - F Tank Farm - Operations (Tank #)(sep line ea tank)								
	Waste Removal - F Tank Farm - Operations (Tank #)(sep line ea tank)								
C.1.1.1.1.4	Waste Removal - F Tank Farm - Surveillance & Maintenance								
C.1.1.1.1.5	Waste Removal - F Tank Farm - Upgrade/Modify								
Rows hidden for illustration									
Total Cost - FY 2007-Constant Dollars (for each FY, and total basic period)									
Escalation Percentage (3.7% per year from FY 2007 dollars)		3.70%	7.64%	11.52%	15.84%	19.92%	24.38%	28.96%	
Escalation Dollars (applied to all costs)									
Total Cost (When year dollars - for each FY, and total basic period)									
Total cost should agree with Section B.2 (b)(1).									

Handout
Pages 3 - 5

- Propose costs to the WBS levels identified in the Summary of Cost Worksheets
- Expand to provide a separate row for each noncompliant tank proposed for removal or operational closure work
- A WBS Dictionary will be provided at <http://professionals.pr.doe.gov/srs/> to assist in identification of costs to particular WBS lines
- A separate Detailed Cost by Cost Element Worksheet must be provided to support each amount in the WBS section of the Summary of Cost Worksheet



Direct Labor Hours Worksheet



- Expand columns to show all labor categories and all direct labor hours
- Include and separately identify hours for the prime contractor, teaming members, and subcontractors
- Expand to provide a separate row for each noncompliant tank proposed for removal or operational closure work – format must agree with Summary of Costs by WBS Worksheet
- Proposed direct labor hours must agree with the hours reported on the Detailed Cost by Cost Element worksheets for each WBS and fiscal year



Direct Labor Hours Worksheet

- A separate set of Direct Labor Hours Worksheets is required for each of the following periods (Total of 15 sets of worksheets):
 - Basic Term of the Contract
 - July 1, 2008 – September 30, 2008
 - October 1, 2008 – September 30, 2009
 - October 1, 2009 – September 30, 2010
 - October 1, 2010 – September 30, 2011
 - October 1, 2011 – September 30, 2012
 - October 1, 2012 – September 30, 2013
 - October 1, 2013 – June 30, 2014
 - Option 1 – 2 Year Period
 - July 1, 2014 – September 30, 2014
 - October 1, 2014 – September 30, 2015
 - October 1, 2015 – June 30, 2016
 - Option 2 – Operation of SWPF During Basic Term
 - October 1, 2012 – September 30, 2013
 - October 1, 2013 – June 30, 2014
 - Option 3 – Operation of SWPF During 2-Year Option Period
 - July 1, 2014 – September 30, 2014
 - October 1, 2014 – September 30, 2015
 - October 1, 2015 – June 30, 2016

Handout
Page 15



Other Cost Reminders

- Funding Profile
 - Will be identified in Final RFP
 - See Section M.6
 - Transition costs are included in FY 08 funding profile
 - Funding profile includes costs and fee
- Basis of Estimates
 - Clearly and fully explain the basis of all cost estimates (direct and indirect) and provide all back-up
- Contingency
 - Offeror shall not separately propose contingency or management reserve



Other Cost Reminders

- Escalation
 - Develop estimates in FY 07 – Constant Dollars
 - 3.7 percent applied to all costs
 - Escalation applied to totals in the Summary of Cost Element Worksheets



AGENDA

Registration

Welcome

Irma Brown

Overview of SRS

Terrel Spears

Overview Statement of Work

Terrel Spears

No Host Lunch

Special Features of DRFP

Irma Brown

Workforce Transition

Mary-Ellen Noone

Special Features of DRFP

Irma Brown

Cost Instructions

Ed Dias

Responses to Written Questions

Irma Brown

Closing Remarks

Irma Brown



SPECIAL NOTICE

- This Pre-Solicitation Conference is for informational purposes only. All potential Offerors are cautioned that proposals must be based on the information provided in the final Request for Proposal (RFP) and any amendments thereto.
- In the event of any discrepancies between the information provided during this Conference and the final RFP, the final RFP shall take precedence.



Submitted questions



Are tennis shoes allowed during
site tour walk on 4/17/07?

- Yes

Have SEB members been selected? If so, please provide names of members

- Yes the SEB has been named.
- It is the current policy of DOE-EM that the members of the SEB other than the Contracting Officer are not identified.

What is the size of the LW workforce and what is this breakout of white collar vs blue collar workers?

- The size of the workforce is approximately 2500 employees.
- The breakout of above first-line supervisors and below first-line supervisors will be posted to the website prior to final RFP.

Who will be responsible for maintaining all existing infrastructure at the LW sites such as roads, water, steam, etc.?

- Section J, Appendix N of the DRFP identifies interface responsibilities between the site contractors.
- This appendix will be updated in the Final RFP to reflect recent small business initiatives.
- In general, “inside the fence” activities will be the responsibility of the LW contractor.

Will MCU be maintained as a backup facility to SWPF or will D&D be required for MCU?

- MCU status post-SWPF startup TBD, and will be defined in the Final RFP
- Note, D&D of facilities is not part of the LW Statement of Work

What are the typical costs of a submersible mixer pump for retrieval?

- The SEB will review this question and consider posting the answer to the web prior to the Final RFP.

What are the typical costs of a submersible mixer pump campaign (2-3 month duration)?

- The SEB will review this question and consider posting the answer to the web prior to the Final RFP.

What are the limitations of this approach e.g., SG limitations of sludge retrieval?

- This will be reviewed and posted to the web as background information as appropriate.

What are the typical dilution factors needed e.g., how many gallons of water needed to mobilize and retrieve a gallon of sludge?

- This will be reviewed and posted to the web as background information as appropriate.

Is the Waste on Wheels system the 'favored' retrieval approach?

- Waste on Wheels is the currently identified approach.
- Other options can be considered.

What constitutes an acceptable level of waste retrieval i.e., what are the regulatory requirements?

- The tank end state requirement will be determined through the 3116 process.
- Please review the regulatory information provided on the website.

Closing Remarks

An important objective is to award without discussions to the Contractor that offers the best value to the Government:

- Upon issuance of the final RFP, conduct a thorough review and submit any questions early so that timely responses (as appropriate) may be provided
- Responsible Offerors should submit responsive proposals that comply with all requirements of the final RFP
- Provide your best terms from both a technical and cost standpoint in your proposal

