



Department of Energy
Savannah River Operations Office
P.O. Box A
Aiken, South Carolina 29802

SEP 12 2007

Dear Prospective Offerors:

SUBJECT: Final Request for Proposals (RFP) No. DE-RP09-07SR22505 for the Savannah River Liquid Waste (LW) Program

The Savannah River Operations Office (SR) is releasing the Final RFP for the LW Program with proposals due by December 10, 2007. The RFP can be found on the Industry Interactive Procurement System (IIPS) at <http://e-center.doe.gov> and the SR Acquisition Web Site at <http://professionals.pr.doe.gov/srs/>. Any clarifying questions about the RFP should be submitted by October 12, 2007, through the "Submit Questions" feature on IIPS. The Government asks that this process be used rather than letters, emails, and/or telephone calls. Any amendments issued, responses to questions (if required), and other official communications from the Contracting Officer will be posted to IIPS and the SR Acquisition Web Site. Potential Offerors are encouraged to diligently conduct a thorough review of the RFP upon receipt, and if there are any questions concerning any aspect of the RFP, please submit them as early as possible, but no later than 30 days after issuance of the RFP, so that the acquisition process can proceed in a timely manner.

Background:

On March 08, 2007, the Department of Energy (DOE) issued a Draft Request for Proposals (DRFP) to industry to promote an understanding of the Government's requirements and to provide for industry comment and/or feedback. During the week of April 16, 2007, DOE held a Pre-Solicitation Conference followed by site tours of the LW facilities and concluded the week with one-on-one exchanges with industry. DOE carefully considered all comments received on the DRFP and made appropriate changes to the RFP. Responses to industry comments on the DRFP will be posted within the next few weeks.

This cover letter highlights some of the changes made from the DRFP. The RFP provides all requirements for the LW Program. Information in this cover letter shall not be construed as being a part of the RFP. Prospective Offerors are to submit their proposals based solely on the requirements in the RFP.

Additional Tour:

As noted above, tours of the LW facilities were held in April 2007. In response to comments received, SR has decided to host a tour of the Savannah River National Laboratory (SRNL) and associated analytical facilities which support the LW Program approximately 30 days following the release of the RFP. Registration information for the tour will be posted to the acquisition websites shortly. All participants must be pre-registered to participate in the SRNL tour. Pre-registration information can be found at <http://professionals.pr.doe.gov/srs/>.

Major Changes from the DRFP:

Section B:

The option period for the operation of the Salt Waste Processing Facility (SWPF) during the basic term of the contract performance period has been eliminated. The option for operation of

SWPF during the 2-year option period remains. DOE has provided estimated SWPF operating costs for the 2-year option period for proposal purposes.

The Anticipated Funding Profile provided in Table B.1 has been more discretely identified.

A provision for monthly provisional payments of fee, as authorized by the Contracting Officer, has been added to B.2(h).

DEAR Clause 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (Alternate II) (JAN 2004) (Deviation) has been added to this Section.

Section C:

The Statement of Work has been revised to align with current planning assumptions. Current planning assumptions have led to changes to some contract workscope and end-state requirements. Please note, DOE had intended to provide an update to the FY06-FY12 Liquid Waste Disposition Processing Plan (LWDPP), Revision 0, which had been included as an attachment to Section C in the DRFP; however, an update to this document is not available. DOE has prepared and posted to the SR Acquisition Web Site an Update to LWDPP, Revision 0 (Update), which provides a status update on currently projected key LW program activities.

A new section, C.2.1 – Waste Determinations, has been added to require conformity with the Secretary of Energy's *Section 3116 Determination for Salt Waste Disposal at the Savannah River Site* (DOE-WD-2005-001, January 2006) ("3116 Determination"); the DOE's *Basis for Section 3116 Determination for Salt Waste Disposal at the Savannah River Site* (DOE-WD-225-001, January 2006) ("3116 Basis"); the Modified Permit for the Savannah River Site (SRS) .Z-Area Saltstone Disposal Facility, Facility ID No. 02550-1603, January 23, 2007 ("Permit"); and applicable paragraphs, including paragraphs 4, 5, and 6, of the August 7, 2007 Consent Order of Dismissal in Natural Resources Defense Council et al. v. South Carolina Department of Health and Environmental Control, et al. (South Carolina Administrative Law Court, August 7, 2007) "(Consent Order)". The intent of Section C.2.1.1 – Conformity with Section 3116 Determination, Permit, and Other Matters, is to make clear that DOE has no intention to amend the existing 3116 Determination.

Section G:

The use of the Letter of Credit has been added with some very specific conditions.

Section H:

Changes have been made to the Human Resources clause, H.9, Employee Compensation: Pay and Benefits. A new clause, H.46, entitled Incumbent Employees, Benefit Plans, and Approval for Subcontractors to Participate in the Multiple Employer Pension Plan, has been added.

Changes have been made to Section H.28, Performance Evaluation Measurement Plan (PEMP), to incorporate commitments made in the proposal by the Awardee into the PEMP.

Special provisions have been added as a result of the availability of the letter of credit: H.19, Special Financial Institution Account Agreement; H.47, Payments and Advances; and H.48, Accounts, Records and Inspection.

Section J:

Appendix C, Special Financial Institution Account Agreement has been added.

Appendix J, U. S. Department of Labor Wage Determination has been added.

Substantial changes have been made to Appendix N, SR Services & Contract Interface Requirements Matrix.

Section L:

L.3 (p), Proposal Preparation Instructions – Volume I: Offer and Other Documents – a new requirement has been added: Offerors are to provide a description of the role of the Corporate Board of Directors in providing corporate oversight, corporate assurances, and resource commitments to ensure that the proposed organizational structure and key personnel effectively manage and accomplish the work.

L.4 (a) – Technical Approach: The Offeror's proposal must comply with Section C.2.1.1 – Conformity with Section 3116 Determination, Permit, and Other Matters.

L.5, Proposal Preparation Instruction – Volume III: Cost Proposal – clarification has been made to some of the cost instructions. Offerors are advised to read this section thoroughly.

Section L, Attachment E, Work Breakdown Structure/Cost Data, has been added. This Attachment is provided for informational purposes only and to assist Offerors in preparing cost proposals.

Section L, Attachment F – refinements have been made to the cost templates.

Section M:

Section M.2, Basis for Contract Award, minor changes have been made to address the issue of risk.

Section M.5.1, Technical Approach - M.5.1 - Technical Approach: DOE will evaluate the Offeror's technical approach to determine whether the technical approach complies with section C.2.1.1 – Conformity with Section 3116 Determination, Permit, and Other Matters.

Notice:

In order to further the Government's policy of maximizing electronic commerce and making the acquisition process optimally cost effective, electronic media will be the primary method of communication regarding this solicitation. The solicitation, any amendments issued, responses to questions, and other official communications from the Government will be posted on IIPS and the SR Acquisition Web Site. Additional background information is posted at <http://professionals.pr.doe.gov/srs/>. Prospective Offerors are responsible for checking IIPS and the SRS Acquisition Web Site frequently for information, notices, and updates regarding this solicitation.

We look forward to receiving your proposals and moving on to the next phase of this procurement.

Sincerely,



Irma Brown
Contracting Officer