U.S. Department of Energy

Washington, D.C.

ORDER

DOE O 522.1B

Approved: 08-05-2026

SUBJECT: PRICING OF DEPARTMENTAL MATERIALS AND SERVICES

1. PURPOSE. This Order establishes United States (U.S.) Department of Energy (DOE) requirements for prices and charges for materials and services sold or provided to non-DOE entities (e.g., other federal agencies, the private sector, or state, local, territorial, county, Tribal, or foreign governments).

2. CANCELLATION. This Order cancels/supersedes DOE O 522.1A, Chg. 1 (LtdChg), *Pricing of Departmental Materials and Services,* dated October 28, 2024. Cancellation of an Order does not, by itself, modify or otherwise affect any contractual obligation to comply with the Order. Canceled Orders incorporated by reference in a contract remain in effect until the contract is modified to remove or supersede those requirements.

3. APPLICABILITY.

   a. Departmental Elements. This Order applies to all DOE elements, including Management and Operating (M&O) contractors, except as provided by the exceptions and special provisions in this Order.

   b. DOE Contractors. The requirements of this Order shall be incorporated into applicable contracts, including M&O contracts. The contractor is responsible for flowing down the requirements of this Contractor Requirements Document (CRD), if applicable. Contractors shall comply with the requirements of applicable federal, state, and local laws and regulations in carrying out the requirements of this Order unless relief has been granted in writing. Omission of any applicable law or regulation from the Order does not affect the obligation of the contractor to comply with such law or regulation. Contractors must comply with the requirements of this Order, except to the extent modified by the equivalencies or exemptions identified herein or issued to the contractor in writing by DOE utilizing the process outlined in DOE O 251.1E, *Departmental Directives Program*, including as amended or updated.

      As applicable, contractors must flow down applicable requirements of this Order to subcontractors at any tier to the extent necessary to ensure contractor compliance.

4. EQUIVALENCIES AND EXEMPTIONS.

   a. Power Marketing Administrations (PMAs). Power marketing activities under PMA-specific authorities are exempt.

(1) Other PMA reimbursable work. Price to recover all direct costs plus an equitable share of indirect costs per PMA cost practices.

(2) PMA work under 42 U.S.C. § 2053, *Atomic Energy Act* §33. Apply the Federal Administrative Charge (FAC) per 42 U.S.C. § 7259a, Activities of Department of Energy facilities, in lieu of other federal overhead, depreciation, or imputed interest. PMA work not under the Atomic Energy Act (AEA) must not assess the FAC and must follow PMA full-cost practices.

b. General Exemptions. Where prices/charges are set or prohibited by statute/regulation, including:

(1) AEA charges for source/special nuclear/byproduct material (42 U.S.C. Ch. 23, Development and Control of Atomic Energy).

(2) Uranium inventory sales/transfers (42 U.S.C. § 2297h-10(d), Uranium transfers and sales).

(3) Freedom of Information Act (FOIA)/Privacy Act fees (5 U.S.C. § 552(a)(4)(A), Public Information Requirements; agency rules, opinions, orders, records, and proceedings; 10 Code of Federal Regulations (CFR) § 1004.9, Fees for Providing Records) and DOE Mandatory Declassification Reviews (10 CFR § 1045.200, Is there a cost for an MDR review?).

(4) EIA public data (42 U.S.C. § 7135(g), Availability of information to public).

(5) Strategic Petroleum Reserve sales (42 U.S.C. § 6241, Drawdown and sale of petroleum products).

(6) Sale of excess personal property (41 CFR § 109-45, Sale, Abandonment, or Destruction of Personal Property).

(7) Radioactive waste fees (42 U.S.C. § 10222, Nuclear Waste Fund).

(8) Isotope sales and services (42 U.S.C. § 2061, Production Facilities) Note that prices for isotopes and related products and services are independently set by the DOE Isotope Program.

(9) Contractor-set Intellectual Property (IP) royalties where contractor holds title.

(10) Real property transactions per DOE O 430.1C, *Real Property Asset Management*, by Certified Realty Specialists.

(11) Fees (including 18 CFR § 381, Fees).

(12) Cooperative projects under 42 U.S.C. § 7278, Availability of appropriations for Department of Energy for transportation, uniforms, security, and price support and loan guarantee programs; transfer of funds; acceptance of contributions.

(13) Intergovernmental Personnel Act assignments (DOE M 321.1-1, *Intergovernmental Personnel Act Assignments*).

(14) Work for Navy/DOE Naval Nuclear Propulsion Program.

(15) Elemental mercury management and storage fees (42 U.S.C. § 6939f, Long-Term Storage).

5. REQUIREMENTS.

a. General Pricing Policy.

(1) DOE elements and DOE contractors that provide materials or services to non-DOE entities must charge full cost as defined by 42 U.S.C. § 7259a.

(2) Full-cost pricing must include the following elements:

(a) Direct cost incurred.

(b) Indirect costs, including general and administrative expenses and other allocated overheads (including, as applicable, Laboratory-Directed Research and Development incurred by a site/facility management contractor that performs work on behalf of non-DOE entities).

(c) A FAC that:

1 Includes charges for federal administrative overhead, depreciation, and imputed interest;

2 Must not exceed 3% of direct and indirect costs; and

3 Must be set at 1% of direct and indirect costs for funding obligated for reimbursable work on or after October 1, 2025.

(3) The FAC must apply to all work priced under this General Pricing Policy unless an exception or exemption in this Order applies.

(4) Separate depreciation or imputed interest may not be assessed.

(5) Only materials/services authorized by law may be provided.

(6) This policy applies to all non-DOE entities (including foreign), unless subject to exemptions. Applying FAC to foreign work satisfies recovery for federal overhead, depreciation, and imputed interest.

b. Exceptions—Federal Administrative Charge.

(1) DOE elements and DOE contractors must not assess the 1% FAC for reimbursable work performed for a non-DOE entity when an FAC exception in this section applies.

(2) The FAC will not be assessed for:

(a) Domestic small businesses, higher education institutions, nonprofits, and state/local/Tribal governments.

(b) Department of Homeland Security.

(c) Navy/DOE Naval Nuclear Propulsion Program.

(d) Federal Energy Management Program services under 42 U.S.C. § 8287, Authority to Enter into Contracts.

(e) Loan program fees under 42 U.S.C. § 16512(h), Terms and Conditions.

(3) Pricing exceptions are based on the primary customer to DOE, regardless of funding source.

c. Cosponsored Work, Cooperative Research and Development Agreement (CRADA), ACT, FedACT.

(1) Assess FAC on all costs reimbursed by non-DOE entities (including foreign), except as applicable.

(2) In-kind contributions are not subject to FAC.

(3) FAC applies to ACT and FedACT reimbursed costs.

d. Activities Requiring Special Pricing Consideration.

(1) Information Dissemination. Follow the White House Office of Management and Budget (OMB) Circular A-130, Managing Information as a Strategic Resource. Avoid fees/royalties or restrictions beyond dissemination cost; no charge for access to DOE public websites.

(2) Foreign Research Reactor Spent Nuclear Fuel. Less than full cost per 61 FR 26507 (May 28, 1996), Establishment of the Fee Policy for Acceptance of Foreign Research Reactor Spent Nuclear Fuel, and 77 FR 4807 (January 31, 2012), Revised Fee Policy for Acceptance of Foreign Research Reactor Spent Nuclear Fuel from High-Income Economy Countries. High-income economies pay DOE fees excluding preparation/shipping to DOE; DOE funds full costs for other economies.

(3) Research Reactor Infrastructure Program (AEA §31). DOE may provide support/services at no charge to participating domestic research reactors. If operations also support commercial applications, operators pay a proportional share of DOE support costs.

(4) Access permits (10 CFR § 725, Permits for Access to Restricted Data). Price per regulation, including services (e.g., personnel clearances, consulting, publications).

(5) Museums/Exhibits. No admission fees unless specifically authorized.

(6) User Facilities:

(a) Designation. DOE program-managed facilities intended for broad user access; includes those under 42 U.S.C. § 13503(a)(2), User Facilities in Basic Energy Sciences, National Nuclear Security Administration (NNSA) Defense Program centers, and other DOE-designated facilities.

(b) Eligibility for special pricing at NNSA designated user facility is charged on a cost-reimbursable basis (50 U.S.C. § 2464, Use of Capabilities of National Security Laboratories by Entities Outside the Administration).

(c) Non-NNSA user facilities not designated by statute must meet the following criteria: approved by cognizant Under Secretary; non-DOE users not required to pay full operating cost; public disclosure of designation and availability; IP arrangements approved by General Counsel.

(d) Non-proprietary Research. No access charge; facility manager may charge incremental costs; classified research publishable in classified venues counts as non-proprietary.

(e) Proprietary Research. Full-cost recovery; during start-up, may charge a modified annual rate equivalent to estimated full cost at planned practical capacity, recalculated annually; charge incremental costs.

(7) Royalties for DOE-owned IP. DOE negotiates with licensee based on future commercial value, not cost of development.

(8) Federal Emergency Management Plan Services to Other Federal Agencies. Prices/payment schedules set by Assistant Secretary for Energy Efficiency and Renewable Energy; not limited to full-cost recovery (42 U.S.C. § 8287d, Assistance to Federal agencies in achieving energy efficiency in Federal facilities and operations).

(9) Loan Program Fees. Established per 42 U.S.C. § 16512(h), EPAct 2005 § 1702(h), Fees, and OMB Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables.

e. Pricing Reviews.

(1) Required by Public Law 101–576, Chief Financial Officers Act of 1990 (31 U.S.C. § 902, Authority and functions of agency Chief Financial Officers). DOE Chief Financial Officer (CFO) oversees; collects reviews and assists elements.

(2) Reports due to CFO Office of Finance and Accounting include assurance of compliance with OMB A-25, Memorandum for Heads of Executive Departments and Establishments, and Departmental pricing, noting exemptions/disclosures.

(3) Pricing reviews are not required where prices are continually adjusted to reflect cost

(4) Special provisions:

(a) DOE M&O Contractors. Annual, independently performed incurred cost audits of M&O contractors in accordance with their prime contract terms are determined to satisfy the pricing review requirements required of the DOE by 31 U.S.C. § 902.

(b) Strategic Petroleum Reserve (SPR) sales (42 U.S.C. § 6241). Annual SPR Report may satisfy review; provide biennial pricing assurance or statement of no sales.

(c) Nuclear Waste Fund (42 U.S.C. § 10222). Annual independent audit satisfies review.

(d) Uranium Enrichment Decontamination and Decommissioning Fund/stockpile Management (42 U.S.C. § 2297h-10(d)). Office of Environmental Management provides biennial assurance; annual consolidated financial audit may satisfy review.

(e) Isotope Program. Annual cost review and price list updates may satisfy review; Office of Science provides biennial assurance.

(f) Loan Program Fees. Energy Dominance Financing Director reviews biennially and provides assurance of consistency with 42 U.S.C. § 16512(h) and OMB Circular No. A-129.

6. RESPONSIBILITIES.

a. Office of the Chief Financial Officer.

(1) Develop and interpret DOE pricing policy.

(2) Approve requests to waive costs incurred on behalf of non-DOE entities. Waivers beyond the exceptions in this order are referred to the Secretary. The Secretary is also the final approver for pricing exception requests to the FAC.

(3) Oversee the biennial pricing review.

b. Heads of DOE Headquarters Organizations.

(1) Ensure prices for materials and services, waivers, and biennial pricing reviews are carried out in accordance with requirements of this Order.

c. Heads of Field Organizations.

(1) Ensure the policies, procedures, and reporting requirements contained in this Order are followed.

(2) Develop and approve prices for materials and/or services when the prices are based on full-cost recovery.

(3) Disseminate new and revised prices and charges.

d. Cognizant Designated Financial Officers or Equivalent.

(1) Through the cognizant Head of the Contracting Activity, notify contracting officers when site/facility management contracts are affected by requirements of this Order.

(2) Conduct the biennial pricing review for all materials and services provided by facilities.

(3) Support the site/facility management contractors and DOE contracting officers on pricing matters.

(4) Review and concur with exceptions to the general pricing policy prior to submitting them to the Departmental Office of the CFO for approval.

e. Contracting Officers.

(1) For all applicable contracts and upon notification that a site/facility management contract is affected by this order, the contracting officer(s) shall incorporate the requirements into the affected contract(s) via the “Laws, Regulations, and DOE Directives” clause of the contract, or through negotiation and modification, as appropriate.

(2) Work with the cognizant Designated Financial Officer (DFO) to ensure that site/facility management contractors price reimbursable work in accordance with Departmental policy, as specified by this Order.

(3) Works with the cognizant DFO to ensure that site/facility management contractors address any issues identified by the biennial pricing reviews.

(4) Consults with the cognizant DFO or equivalent on pricing matters.

f. General. Authority and responsibility for establishing prices and charges for materials or services being provided by DOE or through a DOE contractor to a third party cannot be delegated to a non-DOE official.

7. INVOKED STANDARDS. This Order does not invoke any DOE technical standards or industry standards as required methods. Any technical standard or industry standard that is mentioned in or referenced by this Order is not invoked by this Order. Note: DOE 251.1D, Appendix J provides a definition for “invoked technical standard.”

8. DEFINITIONS.

a. Contractor/Contract. Contract or contractor includes site/facility management contracts or contractors, M&O contracts or contractors, and any other contracts or contractors that require the establishment of prices for materials and services provided to non-DOE entities.

b. Federal Administrative Charge. A charge that includes federal administrative overhead, depreciation, and imputed interest, and must not exceed 3% of direct and indirect costs for work performed on behalf of non-DOE entities.

c. Full Cost. For purposes of this Order, “full cost” is as defined by 42 U.S.C. § 7259a and includes direct cost incurred, indirect costs/overhead, and the FAC.

9. CONTACT. For information about this Order, contact the CFO Office of Finance and Accounting.

BY ORDER OF THE SECRETARY OF ENERGY:

JAMES P. DANLY
Deputy Secretary