

**DEPARTMENT OF ENERGY
NATIONAL NUCLEAR SECURITY ADMINISTRATION
Management and Operation of Y-12 and Pantex Sites
Request for Proposal (RFP) No. 89233220RNA000002**

Draft RFP Questions & Answers

Answers to relevant questions received in response to NNSA Draft RFP are included below. NNSA has attempted to group questions by subject matter, including: Contents/Format of RFP/Proposals; Technical and Management Criteria – Generally; Past Performance Submission/Criterion; Site Organization and Key Personnel Submissions/Criterion; Small Business Issues; Price/Cost; Scope of Work; Labor Issues; and Conflicts of Interest. Some questions submitted by prospective offerors related to multiple topics; accordingly, prospective offerors should carefully read all responses in this document and not simply rely on topic headings. Finally, please note the answers are provided for the convenience of Offerors, and are not binding upon the Government. Notwithstanding the answers provided below, potential Offerors should refer to the final RFP released by NNSA.

Contents/Format of RFP/Proposals

1. RFP CONTENTS Reviewing the DRFP issues on 24 August we noticed that there are some documents missing:

All of the RFP sections other than J, L, and M
An Excel file in the format you would like comments back to you

Note. The absence of some of these critical sections, especially Sections B, (Supplies or Services and Price/Cost), H (Special Contract Requirements), and I (Contract Clauses), are of particular concern. There are clauses within these sections that are required for industry to perform its due diligence, provide feedback, and often determine a bid or no bid conditions. Industry cannot wait until the final RFP to conduct this diligence, request clarification, and submit a compliant and compelling proposal under this constrained environment.

Please consider publishing the missing RFP Sections so that industry can provide meaningful feedback and endeavor to provide the best responses to this solicitation.

ANSWER: NNSA does not intend to release other sections of the RFP as “drafts” for comment prior to issuance of the RFP. Relevant documents will be released with the RFP, and Offerors will have an opportunity to ask further questions concerning the RFP.

2. Also, recognizing the short turn-around before site visits, will you be issuing B, H, K, G sections in order that the One-on-One’s might be properly informed?

ANSWER: See response to #1 above.

3. The Section L-31 is missing the Attachment Samples, inclusive of the expected Key Personnel commitment (yrs). Could you please publish the expected Key Personnel commitment time?

ANSWER: Section L attachments are incorporated in the RFP. Key Personnel commitment time is stated as 3 years under B-4 KEY PERSONNEL REPLACEMENT, and “Sec L Attachment G- Letter of Commitment.”

4. Transmittal Letter, Missing sections of the DRFP, industry input timeline, limited the response pages, page 1

Comment. The DRFP excluded critical section of an RFP: Sections B, (Supplies or Services and Price/Cost), H (Special Contract Requirements), and I (Contract Clauses). The absence of these critical sections are of grave concern. There are clauses within these sections that are required for industry to perform its due diligence, provide feedback, and often determine a bid or no bid conditions. Industry cannot wait until the final RFP to conduct this diligence, request clarification, and submit a compliant and compelling proposal under this constrained environment. Limited the response time to two weeks. Limited the response to three (3) pages. Additionally, there are references to Section H-20. The current contract Section H does not extend that far, therefore using the current contract is not an accurate guide.

Recommendation. Please consider issuing a second RFI and publishing the missing RFP Sections so that industry can provide meaningful feedback and endeavor to provide the best responses to this solicitation and extend the review period in order for industry to provide feedback and extend the page count of the response.

ANSWER: Please refer to response to #1 above.

5. [REDACTED] reviewed sections L and M of the draft RFP and believe that the instructions are clear. To streamline the procurement, we offer 2 items for consideration. Both of these suggestions are to streamline the process and no changes are required to submit a compliant proposal.
 - i. We recommend that NNSA consider deleting the cross reference matrix (section L-11 and section L, attachment D). Cross reference matrices are generally associated with large complex proposals.
 - ii. We recommend that NNSA consider placing past performance information forms, resumes and letters of commitment in an appendix to the volume to place the page counted sections together.

ANSWER: The cross reference matrices are incorporated for ease of Government proposal review. Offerors shall arrange their proposals in accordance with the RFP instructions.

6. Would NNSA consider providing a draft past performance information form? In recent years, many agencies have made significant changes to past performance information requirements relating to affiliate information, as a result of GAO ruling in Language Select LLP, dba United Language Group B-415097, B-415097.2: Nov 14, 2017.

ANSWER: The past performance information form (PIIF) is provided with the RFP under Section L, Attachment E. Information related to affiliate past performance information is requested under Item 12b, if applicable.

7. Does NNSA plan to issue a full draft RFP? Will bidders have an opportunity to review and comment on the other sections of the RFP prior to the final RFP?

ANSWER: Please refer to the response to question #1 above.

8. The site visit includes sessions at both Y-12 and Pantex. Does NNSA envision different information presented at each site or are there 2 sessions with the same information to provide greater access by potential bidders?

ANSWER: Due to the amount of interest in this acquisition and COVID-related social distancing, the Government had to execute more site visit sessions in order to accommodate all interested parties safely. The same information was provided to all attendees during each site visit session and was also distributed publically on FedConnect, beta.sam.gov, and the NNSA RFP Website.

9. Discussions/Orals. L-15 states: “The Government reserves the right to engage in discussions with the proposed site manager and other key personnel as deemed appropriate.” Are these oral discussions referring to the weaknesses and deficiencies as presented earlier, or does the Government intend to hold additional discussions involving hypothetical questions (i.e., sample tasks) or other format?

Per L-14, NNSA intends to establish a competitive range and conduct discussions. Section L-12, however, states, “The Government reserves the right to request additional supporting information other than certified cost and pricing data if necessary to clarify the Government’s understanding of an offeror’s cost/price proposal. Such requests for additional information shall be considered “clarifications” as defined by FAR 15.306(a) and shall not be treated as “discussions” prior to the establishment of the competitive range.” Seeking supplemental cost/price information as “clarifications” is inconsistent with FAR 15.306, which states that clarifications may occur only when award without discussions is contemplated, and are for the purpose of clarifying certain aspects of proposals or to resolve minor or clerical errors. Since NNSA states that they intend to conduct discussions, to ensure compliance with FAR 15.306, we recommend that all references to “clarifications” be removed.

ANSWER: The Government does not intend to include hypothetical questions during discussions. Contrary to the assertions above, the Government may (if it chooses) seek clarifications.

10. Site Visits and One-on-One Meetings. While Industry appreciates the opportunity for a site visit, we have concerns about participation in light of the current pandemic environment, particularly with travel to two separate locations and the need for confined spaces, such as buses for the tour. As an alternative, we have participated in virtual tours (e.g., WebEx) and presentations (such as the site plan and facility-by-facility discussion) that have been proven quite successful on other recent DOE procurements. Allowing “attendees” to submit technical questions prior to the presentation will give the government time to prepare in advance. Regarding one-on-one meetings, we highly recommend that the government releases the remainder of the RFP so it can be considered during the discussion. In particular, Sections H, B, and L-31 Attachments would likely benefit the most from discussion in addition to what has already been released. These sections are also essential for planning, as certain items, like the duration of key personnel commitments, are important considerations.

ANSWER: Please refer to response to #1 above.

11. Announcement Y-12-Pantex IPT Process - Will the entire RFP be released as a draft before the final RFP? Allowing offerors to comment prior to the final RFP would be in the interest of both the Government and offeror.

ANSWER: Please refer to response to question #1 above.

12. Issue a Full Draft Solicitation to provide Industry the full view of what the NNSA Acquisition Strategy. This will provide Industry the ability to review, analyze, and make the necessary preparations to ensure a robust Competition.

ANSWER: Please refer to response to question #1 above.

13. General. Historically, One-on-One meetings with Industry after the Draft RFP have resulted in more clarity in the final RFP and provided industry and DOE with a perspective that is difficult to convey in a limited 3-page response. We suggest that NNSA conduct 1-hour industry one-on-one meetings to gather additional feedback and context to the draft review process.

ANSWER: The Government conducted one-on-one meetings with all interested parties on September 28-29, 2020.

14. "H Clause" COMMENT: The documents do not reference the "H" Clause for Business Systems but Sec J Appendix A does comment on 'business systems are efficiently and effectively operated and maintained'

ANSWER: The Draft RFP did not provide all RFP documents. Please refer to RFP Section B-H – Part I Schedule under H-11 ACCOUNTABILITY.

15. L-12 (b) SOW Technical inclusion - Will the oral discussions be teleconferenced using zoom-like technology? Or, could in fact, the orals be done by teleconference, correspondence/email?

ANSWER: The discussion method/platform has yet to be determined.

16. L-15 Orals - Details & Expectations - Section L-15 states that "Information discussed or presented during the Oral discussion will not be considered to be included in the Offeror's proposal". This is confusing since the Government earlier states during Oral discussions it intends to have an interactive dialogue with the Offeror to allow the Government to ask questions and discuss significant weakness, deficiencies and other aspects of an Offeror's proposal that could be altered to enhance materially the proposal's potential for award. Please clarify?

ANSWER: Information discussed or presented during the discussions will not be considered to be included in the Offeror's proposal unless specifically included in their final proposal revision submitted.

17. L-15 Orals Expectations - How long after oral will the final updated proposal be due?

ANSWER: Final Proposal Revision (FPR) timelines cannot be released at this time as they are dependent upon other milestones being met prior and may be altered to meet schedule requirements.

18. L-15 Orals Expectations - Does the 365-day commitment mean that the Contract transition will begin within 365 days and no later than the end of the 3rd qtr? ('22)?

ANSWER: L-16 OFFER ACCEPTANCE PERIOD states “The minimum offer acceptance period is 365 calendar days after the required date for receipt of Offers.” The Government expects to make an award within 365 days after the receipt of proposals. This language does

not mention contract transition. Contract transition is expected to be 4 months prior to the estimated start date of the contract.

19. L-15 IPT Process - What is the RFP Due Date?

ANSWER: All Offers and Proposal Information are due at the time (all times are Eastern) and date identified on the Standard Form (SF) 33 under block 9.

20. L-15 Oral Process - By releasing the draft RFP in sections, is NNSA planning on shortening the final RFP response time?

ANSWER: No; the Government does not intend to shorten the RFP response time.

21. L-15 IPT Process - When will the proposal debrief occur?

ANSWER: Proposal de-brief timelines cannot be released at this time as they are dependent upon other milestones being met.

22. L-16 IPT Process - When is the expected award date? Clarification Process for purpose of final award.

ANSWER: The Government requires the Offeror proposals to be valid for up to 365 days and the Government intends to make an award prior to the expiration of proposals, and without extending the current contract.

23. L-9 IPT Process - To clarify the timing, what is the IPT process for the purpose of getting to a final award?

ANSWER: The Government does not plan to share the individual steps “for the purpose of getting to a final award.” Please see response to #22 above.

24. L-9 IPT Process - How much time is NNSA planning to allow offerors to respond to the final RFP?

ANSWER: Currently, proposals are due date on January 04, 2021 which equates to approximately 56 days.

25. Announcement Y-12-Pantex IPT Process - Will the entire RFP be released as a draft before the final RFP? Allowing offerors to respond with comments before the final RFP and before the one-on-one's would be in the interest of both the Government and Offeror?

ANSWER: See response to #1 above.

26. Announcement Y-12-Pantex IPT Process - Should offerors expect other sections of the RFP, such as section B, H, I, and J details and K, to be released for comment and prior to the One-on-Ones?

ANSWER: Please refer to response under #1 above.

27. L - 30 IPT Process - Is submittal of intent to bid ten days prior to the due date of the RFP a requirement for the RFP? If so, why the requirement?

ANSWER: The submittal of intent to bid ten days prior to the due date of the RFP is not a requirement in order to bid. The Government has requested prospective offerors submit this information as it is helpful to provide the Government advanced notice of interested Offerors prior to the proposal due date.

28. L-12(b) Sharing in Savings - Please clarify whether the oral discussion that will not provide for written exchange means in this pandemic environment that the Oral discussions will take place in person, in the same room with all the necessary PPE and two weeks quarantining and rigorous testing required?

ANSWER: See response to #15 above.

29. L-12(b) SOW Inclusion or Incentive Fee - If there will be Orals, when / within how many days of the RFP due date?

ANSWER: NNSA notes that there will not be oral presentations under this RFP. The timing and method/platform for discussions has not yet been determined.

30. L-15 Orals - Details & Expectations - Wouldn't it make more sense for the Government to transmit any weaknesses and deficiencies in writing to each Offeror during the debrief, then allow them to respond though final enhancement to their offer (BAFO)? Holding orals, benefits neither the government nor Offeror. Creates an unnecessary exposure of teams and unnecessary costs in prep and travel.

ANSWER: In accordance with FAR 15, the Government will provide all required information to all Offerors in the competitive range prior to conducting oral discussions with each Offeror. The timing and method/platform for discussions has not yet been determined.

31. L-15 Orals Expectations - Given the Industry one-on-one schedule and without the complete draft RFP posted, we request that the one-on-one, be delayed until the other parts of importance (B, H, J & K) are released. And, then the one & one's be kept confidential as business sensitive?

ANSWER: The one-on-one discussions were held on September 28-29, 2020.

32. L-9 IPT Process - Can you explain the NNSA IPT evaluation process for developing its assessment of the strengths and weaknesses?

ANSWER: The Government has provided sufficient relevant information related to evaluation methodologies under RFP Section M.

33. L-9 IPT Process - When will the final evaluation be submitted to the SSA?

ANSWER: The Government does not plan to share individual milestone dates..

34. L – 2 Application of Fee - The "Hybrid Cost-Plus performance-based Award Fee, Cost-Plus Fixed Fee, and Firm-Fixed-Price" is unclear as to which and or what responsibilities the Government will apply to each area of the cost-plus performance base; Cost-Plus Fixed Fee and Firm-Fixed-Price" applies? Is the Government planning on releasing Section B of the RFP soon?

ANSWER: Section B will be included with the release of the RFP.

35. Section L-15: In order for Offerors to ensure all government concerns are properly addressed and folded into final proposal revisions, it is recommended that the government provide “details of the record” (video, audio, or written) to the Offeror within two business days of the Oral Discussions.

ANSWER: The discussion method/platform has yet to be determined, and NNSA does not intend to commit to providing “details of the record” within two business days of discussions.

36. CLIN 0004 is not included as a separate tab in the fee table at this time.

ANSWER: The Government did not provide a CLIN 0004 under the Draft RFP as there is no cost/pricing information required under that CLIN prior to contract award.

37. Section L, L-9(g), Volume II and Exec Summary page limit of 20 pages, Page 6

Comments. The proposal is limited to 20 pages. There are no individual Factor limitations – it is up to the Offeror to determine how to spend their 20 pages. If an Executive Summary is included, it counts towards the 20-page limit. In addition, Management Approach should include criteria regarding nuclear weapons manufacturing; integrated production scheduling; supply chain surety; integration of geographically dispersed sites; and transformation. These would take-up additional valuable and already needed space.

Recommendation. Allow 10-15 additional pages that allow for an Executive Summary pre-amble. This would allow both the offeror and the SEB/IPT to understand the context and vision of the rest of the proposal for ease of review and assessment.

ANSWER: The Government has determined that the limit of 20 pages is sufficient and additional pages will not be allowed.

38. Section J Contract Financing for Reimbursable Costs - Most M&O contracts have a special financing agreement between the Government, a bank, and the contractor effecting a check’s paid letter of credit drawn against the U.S. Treasury for costs reimbursable under the contract. Such agreements are usually contained in an Appendix to Section J. Will this be the case with this M&O contract?

ANSWER: Yes; a special financing agreement template is attached to the RFP under Section J.

Technical and Management Criteria - Generally

39. L-9 IPT Process TECHNICAL AND MANAGEMENT CRITERIA - states, "The following criteria are listed with degrees of importance. Criterion 1 is slightly more important than Criterion 2, and each is significantly more important than Criterion 3. The individual items or evaluation considerations within a Technical and Management Criterion are not listed in order of importance and will not be individually weighted, but rather will be considered as a whole in developing an overall adjectival rating for each criterion." This wording is confusing and unclear; would you please clarify?

ANSWER: Individual items or evaluation considerations *within* a Technical and Management Criterion are not listed in order of importance and will not be individually weighted. For example, under Criterion 2 (the second Technical and Management Criterion) there are multiple aspects of a proposal that will be considered (e.g., organization chart, description of individual roles, responsibilities and lines of authority, resumes, etc.); none of these sub-items/considerations will be individually weighted.

40. Section M, M-4 Technical and Management Criteria, page 3

Comment. Currently Past Performance (~45-50%) is slightly more important than Org/KP (~35-40%) and each are significantly more important than SB participation (~20-10%). It can be argued that having the right organizational structure and leadership team in place is a critical factor for success on this contract, have significant successful past performance in management complex management & operating contracts is more than "slightly" more important.

Recommendation. Respectfully recommend that the qualifier of "slightly" to "significantly more important" than Criteria 2.

ANSWER: Please see revised § M.

41. L.11 (b) Criterion 2: Site Organization and Key Personnel Feedback: We were pleased to see that NNSA added a requirement (Clause H-20, Organizational Culture Change) into this section of the RFP. Based on our experience with the site, it is our strong belief that a continued need exists to enhance the culture of the sites to bolster concept of operations while also driving improvements in safety, heightened IT/Cyber posture and driving modernization and transparency across the enterprise. We believe this requirement is significant enough in NNSA's evaluation for the next site contractor that Organizational Culture Change should be a standalone technical criterion.

Recommendation: Create a new section L response requirement (evaluated above Small Business but equal to Site Organization and Key Personnel) to provide a vision and approach for site modernization and the improvement of the organizational culture. This could be achieved through promoting the current H-20 response requirement to a separate criterion describing how an offeror would address the elements of culture, modernization, continuation of the successful cost savings program, and how it will employ the corporate parents to inject innovation into the enterprise. This ensures that NNSA can discretely discriminate between the various industry teams and ensure that the offeror's specific strategy and plan are consistent with NNSA's own vision and goals associated with enterprise success for Y-12/Pantex. Not evaluating this strategy and vision creates a large organizational risk for the NNSA and reduces the value achieved by the procurement.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

42. In Section L-11 (c), add a new Criterion 3: Organizational Culture Change and Modernization Vision and rename current Criterion 3: Small Business Participation to Criterion 4: Small Business Participation:

(1) How the Offeror will lead and implement organizational culture change as described in clause H-20, Organizational Culture Change (provided below for reference) and their vision for modernization of the enterprise. The vision should include the offeror's overall strategy for achieving modernization, how they will integrate with NNSA/NPO to successfully advance modernization, and their measures of effectiveness, to include specific recommendations for performance evaluation elements (for both modernization and organizational culture change).

Associated with this recommendation, NNSA should consider an increase to the page count for this section, once final page counts are provided.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

43. L-9 IPT Process - What is the BASIS FOR CONTRACT AWARD Per this paragraph, "The Technical and Management Criteria in M-4 will be adjectivally rated?" What is the rating scale to be used, and how will it be applied? Will the subsequent ratings be open for clarification discussions?

ANSWER: The adjectival rating definitions/scale are not included under the RFP, and will not be provided to the Offerors. The Government does not intend to discuss how the adjectival ratings will be applied.

44. L-9 IPT Process - How can the three criteria have degrees of importance and a comparative ranking and not be individually weighted?

ANSWER: Please see response to question #39.

45. M-2(b) - How can they be listed in ranked order, but not be listed in order of importance? Please clarify.

ANSWER: Please see response to question #39.

46. Section L:

Criterion 1: Past Performance - Given the importance of "H-20 Organizational Culture Change" it is recommended that Criterion 1: Past Performance also require the Offeror to demonstrate within each PPIF how the offeror or teammate's efforts were able to contribute to accomplishing similar outcomes and objectives as those described in clause H-20 Organizational Culture Change.

Criterion 2: Key Personnel – Given the role each Key Person will play in the success of this program, we also recommend that resumes for Key Personnel also illustrate, where applicable, the individuals' contributions to helping similar programs accomplish similar outcomes and objectives as those described in clause H-20 Organizational Culture Change.

Criterion 2: Site Organization – It is suggested that the Offeror describe how it will identify and integrate the resources from across its team to accomplish the full scope of work identified in the

PWS as well as to achieve the desired outcomes and objectives as described in clause H-20 Organizational Culture Change. The description should include the rationale behind why companies (Large and Small) were selected, a description of any workshare or swim lane commitments, unique capabilities, and how the collective companies will be applied in order to accomplish the work on this program.

- a. Criterion 2: Site Organization and Key Personnel (iii) – In addition to leading and implementing organizational change, it is also suggested that the Offeror identify how they will measure, evaluate and report performance.
- b. Criterion 3: Small Business Participation – in addition to describing its approach to using small businesses it is recommended that the Offeror also be required to describe how they will monitor and report performance against proposed small business goals and efforts to ensure the total planned subcontracted dollars and percentages are met or exceeded.
- c. Criterion 3: Small Business Participation – in order to demonstrate confidence in the ability to meet Small Business goals it is recommended that Offerors provide copies of Teaming Agreements for all Small Business partners that will be utilized in the execution of this program.
- d. Given the size and complexity of this program and the need to successfully transition to a new M&O Prime Contractor, it is recommended that the government include a new Criterion for a Transition Plan that defines the activities, milestones and anticipated outcomes of efforts to transition all work elements outlined in the PWS. In the event the government does not desire a separate Criterion for a Transition Plan then another solution would be to fold relevant elements into Criterion 2: Site Organization and Key Personnel and to require Offerors to differentiate how their Organizational Structure and Key Personnel would be configured for the Post Award Transition Period and for the Execution Phase that follows a Transition Readiness Review and Approval.

ANSWER: The Government notes the preferences, but declines to alter its solicitation.

47. Recommendation: Add a new Section M-4(c) and add the following language.
“(C) Criterion 3: Organizational Culture Change and Modernization Vision

The Government will evaluate the likelihood and degree to which the Offeror’s long-range approach for achieving NNSA’s desires for Organizational Culture Change and their modernization strategy achieves the envisioned outcomes as outlined in the Performance Work Statement (PWS). The offeror’s strategy should provide an effective and coherent strategy to ensure that they key elements of the culture and modernization are properly balanced with the day-to-day mission of Y-12/Pantex.

Alternatively, this language could be applied to the current criterion.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

48. Section M: The government should consider incorporate language that maps to above recommendations into Section M. For example:

Criterion 1: Past Performance - Given the importance of “H-20 Organizational Culture Change” it is recommended that the government include criteria to evaluate each PPIF to

consider or give additional credit for Offerors who demonstrate that their efforts on the contributed to accomplishing similar outcomes and objectives as those described in clause H-20 Organizational Culture Change.

- i. We recommend the Government release their defined evaluation methodology in the RFP to further reduce the number of unqualified bids received and lower the likelihood for protest following award. An example of technical and management volume ratings methodology for Criterion 1:

Ratings	Description
Substantial Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a high expectation that the Offeror will successfully perform the required effort and achieve the desired outcomes and objectives of H-2 Organizational Culture Change.
Satisfactory Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a reasonable expectation that the Offeror will successfully perform the required effort and achieve some of the desired outcomes and objectives of H-2 Organizational Culture Change.
Limited Confidence	Based on the Offeror’s recent/relevant performance record, the Government has a low expectation that the Offeror will successfully perform the required effort.
No Confidence	Based on the Offeror’s recent/relevant performance record, the Government has no expectation that the Offeror will be able to successfully perform the required effort or any of the desired outcomes and objectives of H-2 Organizational Culture Change.
Unknown Confidence (Neutral)	No recent/relevant performance record is available or the Offeror’s performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned.

Similarly an example of technical and management volume ratings methodology for Criterion 2: Site Organization and Key Personnel may include:

Ratings	Description
BLUE (OUTSTANDING)	Offeror’s proposal meets requirements, indicates an exceptional approach and understanding of the requirements and proposed several innovations that have high likelihood of improving results, realizing efficiencies, enhancing safety and security, and decreasing program risk and costs. Strengths far outweigh any weaknesses. Risk of unsuccessful performance is very low. Ability to achieve the majority of the desired outcomes and objectives of H-2 Organizational Culture Changes is considered very high.
PURPLE (GOOD)	Offeror’s proposal meets requirements, indicates a thorough approach and understanding of the requirements and proposed innovations that have high likelihood of improving results, realizing efficiencies, enhancing safety and security, and decreasing program risk and costs. Proposal contains strengths which outweigh any weaknesses. Risk of unsuccessful performance is low. Demonstrates ability to achieve many of the desired outcomes and objectives of H-2 Organizational Culture Changes.
GREEN (ACCEPTABLE)	Offeror’s Management and Technical proposal meets requirements, indicates an adequate approach and understanding of the requirements and proposed innovations that have high likelihood of improving results, realizing efficiencies,

	enhancing safety and security, and decreasing program risk and costs. Strengths and weaknesses are offsetting or will have little or no impact on contract performance. Risk of unsuccessful performance is no worse than moderate. Demonstrates ability to achieve the some of the desired outcomes and objectives of H-2 Organizational Culture Changes.
YELLOW (MARGINAL)	Offeror's Management and Technical proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements. The proposal has one or more weaknesses which are not offset by strengths. Risk of unsuccessful performance is high.
RED (UNACCEPTABLE)	Offeror's Management and Technical proposal does not meet requirements and contains one or more deficiencies. Proposal is un-awardable.

The government should consider including the following in Section M-4(a): Criterion 1: Past Performance: "...and transitioning capital asset construction projects to full operations. In addition, pursuant to Section 3.1(xi) of Section J, each Offeror should demonstrate past performance in executive-level cross-organizational supply chain management and logistical scheduling through a rigorous and effective process to the development and maintenance of cross-site master production schedules. Finally, each Offeror should specifically demonstrate in detail..."

ANSWER: The Government notes the preferences, but declines to alter its solicitation.

49. Concern: While the RFP rightly introduces the need for culture change within the organization and key personnel section, the draft RFP does not provide adequate space or breadth to allow offerors to describe a meaningful approach to address the known challenges and for National Nuclear Security Administration (NNSA) to discriminate between these vendor approaches. Given the significance of this need and the complexity of the ask, we believe it warrants an expanded technical approach section or a separate evaluation criterion.

ANSWER: The Government notes the preferences, but declines to alter its solicitation.

Past Performance Submission/Criterion

50. Section M, Page 3 M-4 Technical and Management Criteria; (a) Criterion 1: Past Performance

The Government will not apportion past performance under a DOE, NNSA, or other contract differently among parent companies that have teamed for the purposes of said contract. Rather, all parent companies under a contract will be equally credited (positively and negatively) for past performance for that contract. Is it also NNSA's intent to give equal credit for past performance from a subcontractor as it would for the Offeror?

ANSWER: Relevance of a subcontractor's past performance will be determined in relation to the work scope the subcontractor is proposed to perform. The Government does not understand what is meant by "equal credit for past performance from a subcontractor." How the qualitative assessments of Offeror and subcontractor past performance come together to present an overall picture of the Offeror's past performance is very much dependent on what the qualitative assessments are in relation to the entity's proposed responsibility in performing work.

51. Is it acceptable for a pre-named or critical subcontractor to submit a Past Performance Questionnaire (PPQ) for work performed for a member of the prime contract bidding team?

Please note that this question on small business participation is anticipatory, in that it is not specifically in response to information in the Draft RFP, but we believe that addressing this question prior to the final RFP is essential to provide actionable information to enable an adequate response to the final RFP. In that spirit we implore that this question be addressed prior to issuance of the final RFP.

ANSWER: Yes. In a circumstance where the relevant past performance was on a subcontract to a member of the proposed prime contractor entity, the Government would accept a PPQ completed by the relevant member of the proposed prime contractor entity. However, as identified in § M-4(a), the Government may consider the source of the information and context of the data in its evaluation.

52. Background: It is becoming more difficult for small businesses to obtain PPQs for work of similar nature, size, and complexity to the work they are proposed for in the bidder's proposal and small business subcontracting plan. Three factors are contributing to this dilemma: Top-tier firms often form bidding entities (LLCs) of two, three, or more firms for large complex opportunities such as the Y-12/Pantex contract. A small business entity selected as a pre-named or critical subcontractor may have performed similar work for several of the members of the prime team. The bidding team members have told us that DOE/NNSA prefers PPQs for work not performed for members of the bidding team. This seems counter intuitive as the quality of the work we perform for members of the bidding team is often the basis of selection as a pre-named or critical subcontractor. It is logical that the bidding team would want only the best performing small businesses to be included in the proposal as the contributions of the small businesses will contribute to the performance on the subject contract. Further, not being able to use work for any member of a two or three-member bidding entity may exclude several examples of work that would be ideal for a PPQ.

Over the past few years DOE/NNSA prime contractors have established policies that they will not provide PPQs for subcontractors. Consolidated Nuclear Services (CNS) has informed us that by

policy, they will not provide PPQs for subcontractors. Not being able to obtain a PPQ from the incumbent contractor is a tremendous disadvantage, especially when the work is clearly germane to the subject bid.

The Y-12/Pantex opportunity has attracted the interest from a large number of top-tier firms. Small businesses are hesitant to request a PPQ from a client that is not part of the Y-12/Pantex bidding team with which they are associated. Small businesses are concerned that they are (a) taking risk that they may not receive a fair review, as it would disadvantage the client's team proposing on the Y-12/Pantex opportunity and (b) revealing that they are bidding with another top-tier firm may affect future work with the client. While we would hope that all will be treated fairly, it is unfortunately a risk for small businesses on a very important opportunity.

Given these circumstances, a well-qualified small business may be left with no good option to obtain the needed PPQ, despite being a high-performing and well-qualified firm.

Request of NNSA:

We respectfully request that NNSA consider the following actions:

Clearly state that NNSA will accept and indeed encourage PPQs for pre-named small business subcontractors provided by the prime contractor bidder. The prime contractor bidder is accountable for the performance on the eventual contract and has every incentive to select only those subcontractors that will deliver the best value to eventual performance.

Require all current NNSA prime contractors to provide PPQs for their subcontractors in response to requests in support of the government's procurement process. We would suggest that each bidding team submit the requests for a PPQs from their pre-named subcontractors to NNSA prior to submission of the Y-12 Pantex proposals. NNSA can then send the PPQs to the subject prime contractor and request a timely response to support Y-12 Pantex proposal evaluation.

Consider allowing small businesses to obtain references from government personnel responsible for the work performed for a prime contractor. At many sites the NNSA personnel are aware of the work performed by the small business subcontractors to the site prime contractor. The NNSA personnel may be ideally positioned to provide a reference. Note we call this a reference because the work is not performed directly for the government and the government personnel may not be positioned to provide a complete evaluation.

Consider using CPARS from a small business' direct work with the government to supplement the PPQs. While the work for the government may not be a strong match with the role that the small business is being proposed for, the CPAR will provide evidence of the ability of the small business to reliably and successfully deliver high quality work.

ANSWER: In a circumstance where the relevant past performance was on a subcontract to a member of the proposed prime contractor entity, the Government would accept a PPQ completed by the relevant member of the proposed prime contractor entity. However, as identified in § M-4(a), the Government may consider the source of the information and context of the data in its evaluation. The Government will not direct its current contractors to fill out PPQs.

Comments. The essence of this contract have some very specific requirement that demand past performance that clearly demonstrate an ability to perform and experience delivering: advanced manufacturing processes and techniques; integrating disparate sites, both nationally and internationally; integrating production scheduling across sites and contracts; ensuring the security of supply chain components; delivering transformation; and a culture of continuous improvement.

Recommendation. Include as part of the past performance criteria an emphasis on the areas such as: delivering advanced manufacturing processes and techniques; integrating disparate sites, both nationally and internationally; integrating production scheduling across sites and contracts; ensuring the security of supply chain components; delivering transformation; and a culture of continuous improvement.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

54. Section M, M-4(a) Criteria 1: Past Performance, page 3

Comment. In the definition of relevant past performance, the following critical areas are identified: "(i) work on other major weapons systems; (ii) work relating to nonproliferation of nuclear, radiological, chemical or biological weapons and related programs around the world;(iii) work relating to safeguards and security technology programs involving high hazard nuclear materials or other high hazard materials; and (iv) work relating to Capital Asset Projects, Line Item Projects, Major Items of Equipment, and transitioning capital asset construction projects to full operations."

Recommendation. Include as part of the past performance criteria an emphasis on the areas such as: delivering advanced manufacturing processes and techniques; integrating disparate sites, both nationally and internationally; integrating production scheduling across sites and contracts; ensuring the security of supply chain components; delivering transformation; and a culture of continuous improvement.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

55. Past Performance – *RFP Section Reference: L-11(a), M-4(a)(1)*

Section M, Page 4 states: “(1) Recent Past Performance. In order to be considered recent, a contract or subcontract must have at least nine months of performance within the five years preceding the proposal due date. To the extent that performance evaluations are divisible, the Government will only evaluate performance that occurred within the five-year period preceding the proposal due date.” We understand the benefit of having at least nine months in duration for new contracts so as to provide a basis for evaluating performance. Limiting the evaluation to only within the five-year window, however, will result in practical challenges to bidders creating a response in addition to being overly restrictive. For example, the available window created by 5 years from the due date will be a moving target, subject to change with amendments and extensions, and something that is acceptable today can fall out of the window by the time the Final RFP comes out. Furthermore, M&O contracts are, by their nature, relatively consistent in size and scope over their period of performance, which typically run as long as 10 years. Thus, the length of most relevant contracts – even Pantex/Y-12 itself – are inconsistent with the window. Improvements and innovations made over the course of the contract become inadmissible in this scheme. Similarly, PPQs going to clients do not reflect this limitation. If directed to do so, it would be an onerous request asking an Evaluator to constrain themselves to evaluating 9 months on a 10-year contract.

For the reasons stated above, we recommend making the nine-month duration a minimum requirement for new contracts but removing the limitation on evaluating performance within only 5 years.

ANSWER: The Government has written the past performance criterion to only include evaluation of past performance contracts and timeframes that we believe will provide the most meaningful discrimination among Offerors. Please see revised RFP § L-11(a), § L Attachment F, and § M-4(a).

56. Section M-4 Technical and Management Criteria (a) Criterion 1: Past Performance – Please clarify the first two paragraphs on page Section M, Page 4.

- a. The first paragraph indicates "where an Offeror has proposed a team member to perform or be responsible for only specific section of the SOW, the relevance of the entity's past performance contracts will be determined based on the specific actions of the SOW the team member is proposed to perform or be responsible for, as opposed to the entire SOW."
- b. The second paragraph states "The Government will not apportion past performance under a DOE, NNSA, or other contract differently among parent companies that have teamed for the purposes of said contract. Rather, all parent companies under a contract will be equally credited (positively and negatively) for past performance under that contract."
- c. An interpretation could be that these two paragraphs appear to be contradictory in nature and could be viewed as "double jeopardy". On one hand the specific Past Performance of scope to be performed or responsible for from a specific Company is evaluated, but on the other hand all the scope even that outside of what a specific Company performed or was responsible for is evaluated against that Company. For consistency purposes and for instance of where it can be clearly defined, it is recommended that a Company's specific performance or responsibility in a similar proposed scope area be considered.

ANSWER: The Government does not agree with the interpretation provided, and declines to alter its solicitation. The Government believes the language under (a) discusses how "relevancy" will be applied for each team member, and (b) discusses the evaluation of the quality of the work under the referenced contract.

57. Section M-4 Technical and Management Criteria (a) Criterion 1: Past Performance – Please clarify the first two paragraphs on page Section M, Page 4.

- The second paragraph states "the Government will evaluate the relevance of any analogous past performance such as (i) work on other major weapons systems; (ii) work relating to nonproliferation of nuclear, radiological, chemical or biological weapons and related programs around the world; (iii) work relating to safeguards and security technology programs involving high hazard nuclear materials or other high hazard materials."
- Please elaborate on what would be considered analogous to ensure there is more specificity for potential Offerors. This is recommended to ensure there is a common understanding and level playing field for the evaluation.

ANSWER: NNSA believes the language in the RFP is sufficient.

58. Section M, Page 4, M-4, Criterion 1 (1) Recent Past Performance. In order to be considered recent, a contract or subcontract must have at least nine months of performance within the five years preceding the proposal due date. To the extent that performance evaluations are divisible, the Government will only evaluate performance that occurred within the five-year period preceding the proposal due date. Relevant past performance is performance that is similar in size, scope and complexity to the requirements in the Statement of Work.

Is there the same 5-year window on Relevant Past Performance as there is on Recent Past Performance?

ANSWER: Past performance must be both “relevant” and “recent” to be considered for evaluation (i.e., the performance must have occurred within the last 5 years and must be similar in size, scope and complexity to the requirements in the Statement of Work). See RFP Section M for more information.

59. The evaluation criteria for Criterion 1: Past Performance seem to be in conflict. The first paragraph indicates that the offerors in a teaming arrangement will be evaluated based on their performance of their specific scope areas. The second paragraph seems to indicate that teaming partners will be evaluated equally on past performance contracts, regardless of their assigned scope on that contract. In order to provide the Government best value, this industry forms many different teaming arrangements developed according to contract work requirements. Evaluating using the second paragraph may unduly level out the evaluation across all competitors as many serve together on sites across the complex.

It seems that the Government would be best informed by evaluating company past performance in the specific scope areas that will be assigned to the team member for the Management and Operation of Y-12 and Pantex. Will the Government consider deleting paragraph 2 of the Criteria 1 evaluation criteria and consider evaluating Criteria 1 solely on the offeror’s past performance of the scope they will be performing on this contract?

ANSWER: Please refer to the response to question #56.

60. Past Performance Questionnaire. We appreciate NNSA’s efforts to broaden the applicability of past performance questionnaire (PPQ) questions to the broader set of elements desired in the RFP. However, given the breadth of teammates that may support this RFP, there are elements that may not apply to a particular teammate, given their scope of work envisioned under the SOW. We suggest that NNSA clarify that those areas not relevant to teammate scope can be marked as N/A or left blank, without penalty to the teammate in the PPQ review/evaluation. This should include clarification in the instructions to the preparer to ensure there is clarity around their ability to leave sections blank that are not directly relevant.

ANSWER: Please see revised Past Performance Questionnaire Form attached to the RFP.

61. L-11(a) IPT Process - With regard to Past Performance (last five years through the 3rd QTR '21) are the PPIF due by or postmarked by or on the RFP Due Date? (This question is due to the problems with the USPS and other carrier problems resulting from the Coronavirus disease. The carriers do not guarantee timely delivery.)

ANSWER: PPIFs must be received by the RFP due date in order to be included for evaluation. PPQ’s may be received after the RFP due date at the discretion of the Contracting Officer.

62. M-2(b) IPT Process Criterion 1: PAST PERFORMANCE As cost will be evaluated in determining 'best value' (per M-3), will cost performance be evaluated as part of Past Performance, and if so, how?

ANSWER: To the extent that relevant and recent past performance information reviewed contains information concerning an Offeror's cost performance, that information may be considered in the evaluation.

63. M-2(b) IPT Process - With regard to Individual Subcontract Reports and Summary Subcontract Reports is the department seeking the most recent reports are sufficient or if NNSA needs the reports year-by-year to see if contractor met goals every year and not just cumulatively for each contract?

ANSWER: When applicable, the Offerors shall provide all ISRs and SSRs for recent performance (i.e., the five years preceding the RFQ issuance date).

64. L-11(a) C1 IPT Process - As audit and reviews are often completed after contract performance and should be considered by the IPT. Should / will any audit or investigation within the last five years that discover or reveal issues regarding an offeror's performance be considered even if the contract performance period was greater than five years?

ANSWER: The Government will only evaluate past performance that falls within the criteria definitions for recent and relevant established under RFP Section L.

Site Organization and Key Personnel Submissions/Criterion

65. L-12 (b) SOW Technical inclusion - Does the Government want bidders to include ProForce as part of their approach to culture change?

ANSWER: The Government instructed Offerors to address organizational culture change under Criterion 2. It is up to each Offeror to decide how it will address Criterion 2.

66. L-12(b) Incen. Award Fee - Proforce element is not addressed as a key problem, nor-identified as a significant problem. Culture change requires total campus participation and buy-in. Is it reasonable that the Government shares this view and wishes the contractor would speak to its' theory and approach for Proforce and how it relates and is woven throughout the culture approach?

ANSWER: The Government instructed Offerors to address organizational culture change under Criterion 2. It is up to each Offeror to decide how it will address the Criterion.

67. Section L, L-11(b)(2) Clarification on "Site Manager," Page 13 and 14

Comments. Key Personnel are identified as "the Site Manager" and other KP who report directly to the Site Manager with direct responsibility for performance of the SOW. KP can also be defined by "leading and/or managing" scopes of similar size, scope, and complexity or "leading and implementing" organizational culture change. There is no limit to the number of KPs. I believe that most of the LANL M&O Offerors proposed on the order of 8-10 total KPs. The reference to "Site Manager" is unclear. This position is normally reserved for the respective Site Managers for Pantex and Y12. But the implication that it is a single position would seemingly mean that they are referring to the overall President/ CEO/General Manager of the overall contract and not to site-specific managers.

Recommendation. We assume that the RFP reference to "the Site Manager" is referring to the overall lead for the contract (i.e., General Manager) and not site-specific managers such as Y12 Site Manager and/or Pantex Site Manager. Replace the "Site Manager" with President/CEO/Program Management.

ANSWER: Please see RFP § L-10(b).

68. Section M, Page 5, Criterion 3: Site Organization and Key Personnel - Proposed key personnel who are under a service commitment for the performance of another NNSA M&O contract at the projected time of contract award (i.e. 3rd Quarter \, FY 21) will not be considered, which may negatively impact the Offeror's evaluation or make the proposal unacceptable.

Can the government confirm that "another NNSA M&O" is the same as "an NNSA M&O other than Pantex/Y-12"?

ANSWER: Yes; "another NNSA M&O" is the same as "an NNSA M&O other than Pantex/Y-12." Offerors are able to propose key personnel that currently hold positions under the current Y-12/Pantex M&O contract.

69. Section M, M.4 (b) Criterion 2: Site Organization and Key Personnel Feedback: Based on the current Criterion 2, there is no effective means to measure and distinguish between different offeror's approach to Organizational Culture Change other than how it shows up in the organization chart and the key personnel resumes. We recommend establishing a separate evaluation criterion to enable a concrete manner to measure the difference between offeror's approach.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

70. Issue: The Key Personnel requirement identified in L-11(b)(2), that "Key Personnel consist of the Site Manager and other key personnel who report directly to the site manager with direct responsibility for performance of the Statement of Work, could be interpreted multiple ways.

Recommendation: We recommend clarifying this statement by providing examples of those positions reporting to the Site Manager that may not be considered Key Personnel, depending on the bidder's technical approach.

ANSWER: Please see RFP § L-10(b).

Small Business Issues

71. Please refer to Section L, Clause L-11 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME II, TECHNICAL AND MANAGEMENT INFORMATION, item (c) Criterion 3: SMALL BUSINESS PARTICIPATION on page 16. The small business community appreciates NNSA including small business participation as a management approach discussion item and evaluation factor. We would like to suggest that NNSA include a small business contracting goal similar to the goal that is stated in the Oak Ridge Reservation Cleanup DRAFT REQUEST FOR PROPOSAL (RFP) NO. 89303319REM000047.

In this RFP, DOE-EM states “(c) Small Business Participation. The Offeror shall describe its approach to meet or exceed the small business subcontracting requirement of twenty-two (22) percent of the cumulative value of Task Orders, including subcontracting of meaningful work scope.”

It is suggested that the Offerors for Request for Proposal No. 89233220RNA000002 be required to subcontract eighteen (18) percent of the total contract value to small businesses and that that this subcontracting consist of meaningful task-based work scopes.

ANSWER: In general, the Federal Acquisition Regulation (FAR) does not encourage Agencies to identify a specific subcontracting percentage including the Small Business Administration (see FAR 19.707(b)). NNSA is providing information under RFP Section L that will guide Offerors in regards to subcontracting expectations. Historically, the Y-12 and Pantex incumbent contractor has subcontracted between 49% - 69% of subcontracting dollars annually to small business concerns.

The historical small business goals and accomplishments under the Y-12 and Pantex M&O contract are provided for use in developing a proposed subcontracting plan.

72. Section L, Atch H – Transition Price & Fee Summary

Section L, Page 14 L-3 (c) Small Business Participation The small business participation section does not stipulate subcontracting goals nor does it establish criteria for various socio-economic concerns. With a contract of this size and complexity, it would be prudent to set some level of expectation for small business participation including minimum participation and socio-economic goals. Since there are numerous diverse and highly skilled firms available to support commitment to the small business community at this stage would be prudent.

ANSWER: The RFP includes documentation regarding historical and DOE/SBA negotiated subcontracting expectations. The historical small business goals and accomplishments under the Y-12/Pantex M&O contract are provided for use in developing a proposed subcontracting plan.

73. L.11 (d) Criterion 3: Small Business Participation Feedback: We understand that Small Businesses are the backbone of the economy and the engine that creates job growth and sparks innovation. The support and survival of Small Businesses has become even more crucial during this pandemic. Booz Allen is committed to increase Small Businesses participation in support of Y-12/Pantex mission. Focus should be on how to increase small business participation while avoiding disruption to the current small businesses supporting Y12 / Pantex. Evaluation on how the corporate parents treat small businesses historically will provide meaningful insight in how

they will act in the future. Ongoing performance in small business subcontracting can be considered as part of the award fee by adding an additional criterion to paragraph B-7; tying small business subcontracting performance to fee will showcase NNSA's commitment to promoting small businesses.

Recommendation: NNSA has the ability to evaluate how the offeror will promote small businesses in accordance with FAR 52.219-8 with Criterion 3. In order to best present the chances of long-term success, we suggest NNSA modify Criterion 3 to request the historical performance data of all core partners along with the approach as currently requested in Section L. Historical past performance data could be obtained through submission of data from the Electronic Subcontractor Reporting System (eSRS). The Small Business Subcontracting Plan should be submitted after award, during the transition period and not as part of the proposal.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

74. M.4 (c) Criterion 3: Small Business Participation Feedback: Criterion 3 states that the Government will evaluate "the effectiveness of the Offeror's approach in using small business concerns and the extent of the Offeror will use small business concerns... in the performance of the contract. This information shall not contradict the information provided in the offeror's subcontracting plan found in Section L, L-10(e)." While past performance is the most important evaluation criteria in other areas of the RFP, it is striking that there is no mention of evaluating a company's past performance in using small businesses in the criterion 3 evaluation factor. Recommendation: To best evaluate small business participation, [REDACTED] recommends NNSA modify Criterion 3 to include the historical performance data of all core partners along with the approach in the narrative. Additional favorable consideration could be given to offerors that are enrolled as mentors in DOE's Mentor-Protégé program (DEAR 952.219-70). The Small Business Subcontracting Plan should be submitted after award, during the transition period and not as part of the proposal. NNSA also needs to clarify that an offeror with a small business on their core team will not receive any additional advantage in scoring.

ANSWER: The Government requires the submittal of a subcontracting plan as part of the Offeror's proposal.

75. Concern: We found that the draft RFP's evaluation criteria regarding small business participation places the emphasis on the wrong measures for the successful long-term development and promotion of small businesses and elevates this factor to a level of significance that is inconsistent with the balance of the requirements for the solicitation.

ANSWER: The majority of NNSA small business opportunities and funding are through M&O subcontracting. In addition, M&O small business subcontracting achievements are included as part of DOE's prime small business achievements in SBA's Small Business Scorecard by statute. Consequently, encouraging Offerors to provide maximum practicable opportunities through subcontracting with small business concerns is reasonable and in keeping with NNSA's small business commitments. The Government notes the preference, but declines to alter its solicitation.

Price/Cost

76. Section L, Page 16 L-12 Proposal

Preparation Instructions – Volume III, Cost Information Alternative 1: The proposed fee amounts for the base periods of the contract shall be incorporated into the contract and shall not be subject to future revision unless there is at least 25% magnitude of change in scope or character of the work in accordance with the changes clause.

Is the scope baselined on the volume of work the contract is currently advertising? Further definition or context around “scope” would be helpful to bidders.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Because this question relates to Alternative 1, it is assumed utilization of Alternative 2 sufficiently resolves this question.

77. Section L, L-12(b) and Attachment H Alternative CLIN 002 Fee Calculation Pages 15, 16, and Tabs "CLIN 0002 Fee"

Comment. In addition to the foregoing language in section L(12)(b), the Government intends to incorporate one of the following alternatives for the CLIN 0002 fee calculation in the final request for proposal. Alternative 1: The proposed fee amounts for the base periods of the contract shall be incorporated into the contract and shall not be subject to future revision unless there is at least 25% magnitude of change in scope or character of the work in accordance with the changes clause. Alternative 2: The proposed fee percentage(s) will be incorporated into the contract and shall not be subject to future revision. The proposed fee amounts will be used for evaluation purposes only. The actual available fee amounts will be established annually prior to commencement of each performance period and are only subject to change as a result of an approved baseline change. If Alternative One is selected, we believe the 25% threshold is too high of a bar for a future adjustment. 15% is the Federal Acquisition Regulations standard (see FAR 52.211-18 Variation in Estimated Quantity). Likewise, in DEAR 97-1504-1-3(c)(5), a change of more than 10% to the budget in laboratory contracts mandates that an equitable adjustment be made. A change in a magnitude of 25%, or a quarter of the current contract level of effort, brings on considerable additional risk bot to the Government and Industry that must be recognized.

Recommendation: Alternative Two is preferred and provides flexibility with the Government as the mission and the budgets fluctuate. This approach allows for timely adjustment to available fee to reflect changes in budgets and work, and utilizes an efficient and collaborative process that avoids the need for equitable adjustments. Also, recommend that the threshold for change remain 10-15% that is within the DEAR/FAR standard. The formula for the fee calculations in the L.12(b) write up appear inconsistent with the Attachment H formulas . It appears that the fee % should be in the numerator, not the denominator and stated as the fee % alone instead of 1 + proposed fee%.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L-12. Please see RFP Section L for more information.

The formulas stated in the draft RFP for both Alternatives 1 & 2 inadvertently excluded the application of the proposed fee percentage.

To compute available fee, the intended formula for Alternative 2 is updated under the RFP Section L-11.

78. Section L, L-12 (b)-(d) and Attachment H Fee is not to exceed 2.5%, Page 15 and Tabs "CLIN 0002 Fee" and "CLIN 0003 Fee"

Comments. The fee limitations of 2.5% for both basic operations and SPP are not consistent with production-type contract. NNSA has consistently maintained a fee limitation of 5% for production-type contracts in the past. For lab M&Os, where risk and the delivery requirements are different, those have been reserved for fees at this level. This Draft RFP approach also puts all fee at risk as award fee. There is a heightened level of risk associated with this contract based on significant demonstrated performance issues and the need for substantial culture change (as evidenced by the Draft RFP requirements). Typically increased risk requires increased reward to create a business model to attract competition. In the relatively recent past, NNSA has recognized the inherent risk of high-hazard production contracts by allowing a fee limitation of 5%, as opposed to the lower fees generally associated with laboratory operations. It appears that the 2.5% fee limitation for CLINs 0002 and 0003 are a carryover from the more recent laboratory M&O contract for LANL. In light of a) the inherent risks associated with the complex production operations at Y12 and Pantex, b) the risks associated with clear performance issues that exist today and that led to NNSA's decision to proceed with the contract competition at this time, and c) the risk associated with implementation of substantial culture change as repeatedly requested in NNSA's Draft RFP. Also, The formula for the fee calculations in the L. 12(b) write up appear inconsistent with the Attachment H formulas. It appears that the fee % should be in the numerator, not the denominator and stated as the fee % alone instead of $1 + \text{proposed fee}\%$.

Recommendation. Consider our comments regarding raising fee levels relative to the risk. We respectfully request that NNSA adjust the fee limitation for this contract to 5%, consistent with other NNSA complex production contracts. Also, at least 50% of the fee for Management & Operation of the NPO be fixed and the remainder of the fee be fixed.

ANSWER: Please see revised Section L-11.

79. Section L, Attachment H NNSA Forecasted Fee Base Tabs "Forecasted Budget", "CLIN 0002 Fee", and "CLIN 0003 Fee"

Comment. The figures on the tab are labeled as "Forecasted Fee Base" and may not represent the actual base upon award and through the base period and options.

Recommendation. Since the figures will be forecasted and not actuals, when the contract is bid and awarded, the fee base and associated fees for CLIN 0002 and 0003 will also reflect an estimate based on a forecast and not the actual contract fee and the associated fees.

ANSWER: Because the Government has determined it will employ Alternative 2 in the RFP, the proposed fee amounts will be relied upon for proposal evaluation purposes only. The proposed fee percentage(s) for CLIN 0002 and 0003 will be incorporated into the contract and will be used to compute available fee amounts on an annual basis.

80. Comment: Regarding the Alternatives identified for the CLIN 0002 fee calculation in the Note following L-12(b), we recommend inclusion of Alternative 2. We believe this alternative fairly compensates the contractor for additions to scope as the contract progresses and, likewise, fairly reduces fee associated with the contract if scope and funding for the contract are reduced. Some of the possible advantages, disadvantages, and major obstacle for each alternative are provided below:

Alternative 1

Advantages: Reduces contract administration as fee amounts are only revised if there is at least 25% magnitude of change in scope.

Disadvantages: May not fairly compensate the contractor for additions in scope less than 25% magnitude, nor adequately protect the government for reductions in scope of funding.

Major Obstacles: None identified.

Alternative 2

Advantages: Fairly compensates the contractor for additions in scope less than 25% magnitude, and adequately protects the government for reductions in scope of funding. Also enables the fee amounts to be established annually based on funding realities and approved baseline changes

Disadvantages: Increases contract administration as fee amounts are revised annually.

Major Obstacles: None identified.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Please see RFP Section L for more information.

81. It is unclear how the contractor will earn fee under the tailored cost savings program and if it is envisioned as part of the maximum fee rates of 2.5% for the award fee and fixed fee scopes of work under CLINS 2 and 3. We recommend that NNSA consider providing an opportunity, similar to the current contract, to earn an additional cost saving incentive fee each year that is in addition to the award and fixed fees. We believe that such an incentive would stimulate cost savings. We recommend that the cost savings fee be a smaller fraction of the total fee than what is in the current contract. In the current contract the proportion of cost savings fee to total fee took into account the significant cost savings that was to be achieved from consolidating the two sites, which has already occurred. Therefore, leaving less opportunity for significant savings in the new contract.

ANSWER: Please refer to the revised RFP Cost Reduction clause for detailed information related to the cost savings program.

82. We recommend that NNSA establish a higher maximum award fee consistent with the high risk activities that take place at each of these sites. Other NNSA M&O contracts, that arguably involve lesser risks, e.g., Nevada National Security Site, Kansas City Nuclear Security Campus, have award fees that are in the 4% to 5% range. A higher award fee percentage seems to more appropriately align with the risks associated with manufacturing of uranium and high explosive components, nuclear weapon assembly and other critical operations at the Y-12 and Pantex plants.

ANSWER: Please refer to the Government's response to #78.

83. With respect to the alternatives presented in L-12(b), we find either approach acceptable and likely to yield an equitable outcome. We would consider the second alternative slightly preferable

as it settles the question of fee percentage for the term of the contract, represents fair compensation available to be earned by the contractor for managing and operating Y-12/Pantex, and eliminates the potential for further distractions (albeit minor) from accomplishing the mission.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Please see RFP Section L for more information.

84. Max Fee Rate – *RFP Section Reference: L-12(b)*

Summary: Per DEAR 1504-1-9, the scope of work for this RFP is classified as a Facility/Task Category A, because the main focus of the effort is related to the manufacture, assembly, retrieval, disassembly, or disposal of nuclear weapons with explosive potential. Based on this and the other factors of 1504-1-3, we request NNSA consider a fee between 5% and 5.5% for CLIN 0002, Management and Operations of NPO.

Background: DOE/NNSA fee determination factors for a production site differ substantially from those used for a national laboratory. Most national laboratories have a lower fee potential, which is based on continual research and development performance by a not-for-profit organization. By contrast, DOE/NNSA typically offers a greater fee potential to for-profit companies operating production sites. Ultimately, earned fee is based on performance against production objectives and achieving that performance within a specified budget. The fee identified in this RFP (2.5%) offers 18% less fee than the current contract to manage 56% more work (based on funding), while little has changed from the scope of work under today's contract. When determining fee based on the scope of work, the historical and traditional methods of the AEC, ERDA, DOE, and NNSA have considered:

(1) The nature and extent of financial or other liability or risk to be assumed – Even though the government reimburses a substantial portion of cost, both direct and indirect, the contractor is expected to use fee to cover unallowable costs required by the contract. This puts the contractor at risk financially and opens the door to other liabilities that fall under the normal operations of a M&O contract (e.g., community support, cost of money used by the contractor prior to government reimbursement, Board expenses, employee fee sharing, and cost of salaries above the contract salary cap in order to obtain the best leadership).

(2) Facilities capital or capital equipment acquisition plans – Most NNSA facilities were constructed in the 1950s and require upgrades or extensive repairs. Aging facilities at both sites pose an increased risk of deliverable delays and the corresponding loss of fee for contractors.

(3) Other funding needs – This includes out of pocket funding, working capital funding, and provision for funding unreimbursed costs deemed ordinary and necessary. Examples would be unallowable cost, fee sharing with the community, fee sharing with employees, and cost of corporate oversight expense.

(4) The use of fee as a performance incentive.

(5) The need for fee to attract qualified contractors, organizations, and institutions.

The proportion of retained earnings used to fund the above elements for the Y-12/Pantex contract is 2.5% to 3.0%. Using the fee cap specified in the RFP, the ultimate fee earned by the contractor

will be between 0% and minus 0.5%. After reviewing DEAR 970.1504-1-1 per the RFP, we recommend a fair and reasonable fee for industry would be between 5% and 5.5%.

ANSWER: Please refer to the response to question #78 above.

85. Fee Calculation – *RFP Section Reference: L-12(b)*

[REDACTED] identified advantages, disadvantages, and major obstacles associated with Alternatives 1 and 2 for the CLIN 0002 fee calculation, summarized in the table below. Based upon our understanding and analysis, we recommend Alternative 1 as the more reasonable alternative for NNSA, provided the changes clause is revised to a 10% change in the magnitude or scope of work rather than a 25% change.

Alternative 1

1. Provides a stable fee pool over the base period. More predictable and supports NNSA funding requests to Congress of a steady fee cost stream.
2. Eliminates annual fee proposal/negotiation providing focus on work execution.
3. Should a material change in budget occur, but it is within the 25% band, NNSA can adjust the PEMP to accommodate the implied difference in available fee. Large budget changes (e.g., range of 10%-24.9%) can result in windfalls for the government or the contractor. Change criteria of 25% is comparable to requiring people to work 50 hours while being paid for 40. Suggest that 10% is more reasonable.

Alternative 2

1. Establishing fee each year will better align fee to the latest budget profile, thus mitigating significant budget swings within the 25% band of Alternative 1.
2. Changes to available fee occur only through NNSA approved Baseline Changes. Requires significantly more administration for what may be immaterial changes over the ten-year performance period.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L.

86. Chapter IV, 3.0 Transition to Operations, Turnover and Operation of UPF - The DRFP states that, "the Contractor shall be responsible for training operators for UPF ..." Will this be scope in CLIN 0002, 0003, or part of the capital line item (CLIN 0004)?

ANSWER: Please see updated RFP. NNSA has provided the UPF framework and integrated services under Section J, Appendix Q - UPF Interfaces and Services Plan. The Contractor's responsibility for UPF will be performed under CLIN 0002, but segregated into its own cost center in order to manage the Total Project Cost.

87. L.12 Volume III, Cost Information - For CLIN 0004, it is not clear how NNSA intends to negotiate the separate fee/price structures for capital projects. Will FAR Part 15 procedures be used or DEAR 915.404-4-71 Profit and fee-system for construction and construction management contracts?

ANSWER: Future capital project fee/price structures incorporated under CLIN 0004 will be negotiated separately, and incorporated via contract modification.

88. L.12 Volume III, Cost Information - The affiliate contractor fee restrictions contained in the reference paragraph include the following exception: "(3) a competitively awarded firm-fixed price or firm-fixed unit price subcontract." This fee restriction conflicts with DEAR 970.4402-3 Purchasing from Contractor-Affiliated Sources. which states: (a) A management and operating contractor may purchase from sources affiliated with the contractor in the same manner as from other sources, provided four conditions exist. There is no restriction to only fixed-price contracts. Please remove these restrictions and apply the DEAR 970.4402-3 standards.

ANSWER: This RFP Cost Information under L-12 mirrors the language in B-3. B-3 stipulates that all team members share in all the fee pools, separate additional subcontractor fee for teaming partners is not allowable, and fee or profit earned by affiliates is not allowable under the contract unless one of the enumerated exceptions in B-3 applies. The fee pools under the contract are intended to cover the fee and profit earned by affiliates except for in the limited fee restriction exceptions identified in B-3.

89. M.5 Volume III, Cost Information - It is not clear why NNSA is limiting itself to the price analysis techniques specified in FAR 15.404-1(b) to determine reasonableness. It would seem more appropriate to state, "The Government may use any of the proposal analysis techniques specified in FAR 15.404-1 to determine reasonableness," which then covers the use of price and/or cost analysis.

ANSWER: The Government notes the preference, but declines to alter its solicitation.

90. Additional details regarding the tailored Cost Saving Program are needed to fully understand the financial picture associated with the Y-12/Pantex contract. We suggest additional details be provided prior to the Final RFP so companies can assess the implications of the program. Further, we suggest that the Offeror share of the cost savings be 35%, consistent with the current Merger Transformation Plan.

ANSWER: Please see provisions regarding the Cost Savings Program in the RFP.

91. Issue: The fee structure in the DRFP poses challenges for best-in-class corporations considering management and performance of the Y-12/Pantex work scope. Available fee should be commensurate with risks incurred. Significant portions of the scope are nuclear-production oriented, and expected increases in production rates will be extremely challenging to achieve. Similar NNSA production sites have fees in the 4%-5% range. The winning M&O entity is expected to assume command of some of the most challenging work in the Complex and to accept the associated brand risk that comes with it.

Additionally, the DRFP requires that the winning contractor bring to bear Key Personnel and Past Performance that demonstrate the ability to change the culture. Driving the desired culture change requires significant unallowable investment by the contractor. For example, the caliber of Key Personnel required to drive the culture change will have salaries and incentives above the reimbursable limits. Furthermore, Corporate reach back efforts to support the culture change will include unallowable costs, including costs associated with subject matter experts to support culture change initiatives as well as active, engaged corporate management oversight to assess and guide the culture change.

In short, the DRFP is asking the winning bidder to perform at a higher level than has been demonstrated in recent history, for less than half the financial return. The fee structure should encourage the desired operational and culture improvements.

Recommendation: Increase the maximum award fee for CLIN 0002 from 2.5 % to 5% to allow a higher level of security to bidders assuming the difficult task of culture change and site-wide process improvement to acknowledge future nuclear production expectations and to reward improvements in capabilities and throughput.

ANSWER: Please refer to the response to question #78 above.

92. Section L, Page 16, L-12, C (c) Fee for Strategic Partnership Projects (CLIN 0003 – Fixed Fee): The Offeror shall use Section L, Attachment H Transition Price and Fee Summary, CLIN 0003 Fee Excel Tab to display its proposed fixed fee rate(s) that will be applied to the forecasted annual fee bases to arrive at an estimated total fee amount for evaluation purposes. The proposed fixed fee rate shall not exceed 2.5% of the estimated fee base for each Contract Period.

Is the 2.5% fee discussed in the draft RFP the TOTAL fee consideration for this award or is the fixed fee discussed under SSP an added exception?

ANSWER: The up-to-3.5% Award Fee is applicable to CLIN 0002, and an up-to-2.5% Fixed Fee is applicable to CLIN 0003 as described under the RFP.

93. Section L, Page 15/16 footnote, L-12: The deduction for exclusions represents 13% of the total annual budget based on historical cost incurrence under the existing Y-12/Pantex contract. The excludable costs consist of taxes, utilities, facility leases, and 30% of subcontracts and procurements. This exclusion rate will be set for the entirety of the contract and is not subject to change based on actual performance costs; including possible advantages, disadvantages, and any major obstacles associated with either alternative.

What is the rationale for excluding a percentage of subcontracts and procurements from the fee basis?

ANSWER: The rationale is demonstrated under DEAR 970.1504-1-7(b).

94. Section L, Page 16, Alternative 1: The proposed fee amounts for the base periods of the contract shall be incorporated into the contract and shall not be subject to future revision unless there is at least 25% magnitude of change in scope or character of the work in accordance with the changes clause. The proposed fee amounts for the option periods will be used for proposal evaluation purposes only and will be established and incorporated in the contract prior to commencement of the Option 1 performance period and shall be calculated using the following formula: How will the 25% change be measured? Is it cumulative or measured a year at a time (e.g. year over year)?

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Please see RFP Section L for more information.

95. Section L, Page 16, Alternative 1: The proposed fee amounts for the base periods of the contract shall be incorporated into the contract and shall not be subject to future revision unless there is at least 25% magnitude of change in scope or character of the work in accordance with the changes clause. The proposed fee amounts for the option periods will be used for proposal evaluation purposes only and will be established and incorporated in the contract prior to commencement of the Option 1 performance period and shall be calculated using the following formula:

Provide clarification if "scope" is synonymous with "amount" as the changes clause states "change in amount or character of the work" not scope."

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Please see RFP Section L for more information.

96. Section L, Page 16, Alternative 2: The proposed fee percentage(s) will be incorporated into the contract and shall not be subject to future revision. The proposed fee amounts will be used for evaluation purposes only. The actual available fee amounts will be established annually prior to commencement of each performance period and are only subject to change as a result of an approved baseline change. The available fee amount will be established using the following formula:

Alternative 2 seems fairer to both parties as it is based on the yearly budgeted work.

ANSWER: Based on all feedback provided from the Draft RFP, the Government has determined that Alternative 2 is the best approach to utilize under RFP Section L. Please see RFP Section L for more information.

97. Section L, Section L-12 Feedback: We were surprised to see that the award fee pool was set at 2.5% given the current fee structure including both a ~3% base performance fee plus a significant cost savings incentive fee structure. The potential fee provided in the current incumbent contract from total fixed, performance, and cost savings incentive fees totals \$662M. This fee is based on an artificially low annual funding base of \$1.399B that has been cited in requests for equitable adjustment, still equates to an effective fee rate of 4.7%. The ceiling of 2.5% for award fee and the provided forecasted annual fee bases would result in the next contractor having a fee potential 18% less than the current contract while continuing to manage significantly greater and more complex scope as evidenced by multiple ongoing life extension programs and material sustainment initiatives and a 56% higher budget. Given the historic fee prior to the current contract and current fees at the Kansas City Plant (4.95% M&O, 4.6% SPP) and Nevada Nuclear Security Site (4.4% M&O, 4.25% SPP) and due to the increased complexity of the Y12 Pantex complex, industry was expecting the potential range of maximum performance fee in the RFP to be between 5% and 5.5%. There are several considerations that companies factor into their bidding strategy that are critical to the assumption of risk associated with a venture this complex. Industry considerations include the ability to attract and retain critical key personnel (given DOE caps on allowable salary); the ability to provide contributions to highly valuable community commitments; and, the ability to provide timely and impactful corporate reach back.

Recommendation: We recommend NNSA increase in the maximum fee potential in order to provide industry with the flexibility and tools to provide NNSA with the greatest breadth of senior leadership talent and corporate reach back necessary, especially given the increased emphasis on the envisioned culture change. Based on our analysis, we suggest increasing the maximum award fee to the equivalent of 5% of the projected budgets. NNSA should consider the addition of a cost savings performance related fee (described below) in lieu of an award fee increase; this will incentivize greater involvement from the Response to Draft Solicitation – 89233220RNA000002 for the Management and Operations of the Y-12 National Security Complex and the Pantex Plant parent organization and help to ensure that leading corporate capabilities are driven into the enterprise. It also provides the means to attract the right talent from industry and the DOE complex to accomplish this important mission.

We are encouraged that NNSA intends to retain the efficiency and transparency benefits of a cost savings program on the Y12/Pantex contract. Based on the lessons learned, many of the benefits achieved under the existing cost savings program could be retained with significantly less administrative burden under a different cost savings approach. A revised approach would also allow the M&O contractor to more effectively balance economic efficiency with mission resiliency and responsiveness. Rather than relying on a “share-in-savings” construct as a separate fee structure, a more straightforward approach would simply establish a performance measure in the annual performance plan related to the achievement of agreed upon cost savings goals. The contractor could be allowed to propose a supplement to the annual performance fee is associated with and funded by cost savings in an annual Cost Reduction Proposal. NNSA could then evaluate this proposal and establish cost savings goals based on budget needs and mission requirements annually in the Performance Evaluation and Measurement Plan (PEMP). To broaden the program to modernization initiatives and projects while further ensuring that cost savings do not limit mission responsiveness, the requirements contained in I-19 DEAR 970.5215-4 of Contract No. DE-NA0001942 could further be adjusted to explicitly allow for the recognition of one-time savings and cost avoidances. This would allow NNSA to self-fund a portion of the performance fee pool while reducing the administrative and accounting burdens.

Additional benefits of the current Nuclear Production Contract could be retained by requiring the follow-on contractor use a multi-year Annual Control Baseline (ACB). The ACB would ensure that the financial transparency, as recognized to have significant value by both General Accounting Office (GAO) and NNSA, is made enduring and expanded to future contracts. In addition, a multi-year ACB would reduce the effort required to establish each year’s baseline, a concern noted to GAO by NNSA’s Office of Acquisition and Project Management – while retaining the attributes of a scope-based contract NNSA is seeking. Further, standardizing the annual work execution planning and reporting between other NNSA sites by requiring an ACB would benefit NNSA with collecting and analyzing consistent financial data between sites, which is another identified challenge. Eliminating requirements to reserve cost savings and allowing the savings to manifest as underruns in the ACB as demonstrated cost reductions (or savings) simplifying accounting requirements for both parties. This limits the cost to NNSA for their own oversight and the contractor’s resources dedicated to cost savings, allowing both parties to focus on mission.

As noted above, creating an annual measure dedicated to cost efficiency would also result in a portion of the fee pool being self-funded, allowing NNSA to enjoy a significantly lower “tax” in their M&O contracts. This would allow NNSA to continue to make needed investments in modernization in the face of increasing future budget uncertainty. NNSA could also review and revise this portion on an annual basis to ensure that their contractors incentives match each year’s unique mission and budgetary considerations, further improving flexibility.

ANSWER: Please refer to the response to question #78 above.

98. L-12(a) Transition - Do we understand correctly that the \$15M FFP for the transition is the ceiling? Are you asking the Offeror to propose a discount to the cost of transition?

ANSWER: Yes, the proposed price of transition shall not exceed \$15 million, and offerors are encouraged to propose lower amounts that correlate to their transition approaches.

99. L-12(b) Forecasted Fee Base - Is there a fixed fee of the forecast Base Fee available for work performed under CLIN002? Is the Government considering using both a fixed fee and award fee for CLIN002 in order to allow companies to justify the cost of bidding to their stockholders?

ANSWER: No base fee will be available under CLIN 0002.

100. L-12(b) Incen. Award Fee - If the contractor can find additional savings in cost, how will the share in saving be applied to the contract and the fee? Is the Government considering the same cost-sharing arrangement as the current contract?

ANSWER: The cost sharing arrangement has been revised from the incumbent contract to this RFP. Please see updated cost savings clause and information provided under the RFP.

101. L-12(b) Sharing in Savings - Will work covered under Chapter IV and V of the SOW be included in the fee-based or have its own fee incentives? Does the government agree Chapters IV and V should have its own fee based on the nature of the work and to incentivize the contractor to deliver early and under budget?

ANSWER: Please see Cost Savings information under the RFP.

102. L Attachment H Assurance of open available information - Given that the current operator has access to this business confidential information, what steps have been taken to ensure the initial NNSA Forecasted Fee Base estimate is precise and accurate, and that others bidding other than the incumbent have the knowledge to allow a fair and representative bid and process? Is the Government planning to release the initial NNSA forecasted fee base and other documents to the reading room in order to allow for offerors to have access to the same information as the incumbent?

ANSWER: The Government did not provide the incumbent contractor the detail behind the NNSA forecasted fee base estimates. Furthermore, the incumbent would not have a competitive advantage since the actual estimates were provided in the Draft RFP to all Offerors. Since the Government has decided to utilize Alternative 2, the proposed fee amounts are only being used for price analysis evaluation purposes. The forecasted fee bases are provided under RFP Attachment H.

103. Section 4.4.3 Parent Org - Please clarify the cost treatment for Corporate Support under this provision.

ANSWER: Please refer to DEAR 970.3102-3-70 for reimbursement of home office expenses related to corporate support, and RFP Section B-H – Part I Schedule under H-17 PARENT OVERSIGHT PLAN (b) and (c). The cost of Corporate Support activities are not typically an allowable cost to the contract.

104. Section 4.4.3 Allowable Costs The SOW addresses the role of the Parent Organization and what is expected from them. Is the cost for the activities of the board an allowable cost to the contract?

ANSWER: Please refer to response under #103 above.

105. J Appendix A 4.4.3 Costs - The SOW addresses the role of the Parent Organization and what is expected from them. Is the cost for the activities of the governing board an allowable cost to the contract? Would the Government consider the cost for a governing board as part of Cost Criterion?

ANSWER: Please refer to response under #103.

106. L Attachment H Pandemic Impact - With the last six months of disrupted operations due to the National emergency, how precise and accurate is this NNSA Forecasted Fee Base estimate?

ANSWER: COVID-19 has not impacted the identified NNSA Forecasted Fee Base estimate.

107. L-12(b) Extraordinary Costs - Given that the future will encompass undefined extraordinary costs, how can the contractor anticipate costs and manage them with a 2.5% annual adjustment? While consistent with a Lab fee it is unreasonable for an M&O. Please clarify and correct?

ANSWER: Please see response to #78 above.

108. L-12(b) 2.5%. (See Background Attached) - In accordance with DEAR 1504-1-9, the fee commensurate with the scope of work is considered to be a Facility/Task Category A. As the main focus of effort performed is related to the manufacture, assembly, retrieval, disassembly, or disposal of nuclear weapons with explosive potential. Given all the other factors in accordance with 1504-1-3. Will the department consider a reasonable fee between 5 and 5.5%?

ANSWER: Please refer to response #78 above.

109. L-12(b) Forecasted Fee Base - Are there any incentive award fees to be shared? What is the Government plan for a cost-sharing incentive?

ANSWER: Please refer to Cost Savings clause under the RFP.

110. L Attachment H Contract Period / Fee - Is the actual number from the FPR of the Contract Period, NNSA Forecasted Fee Base Period (Year 1) '20 to be, \$ 54,549,000?

ANSWER: The Government is unsure of the interpretation of this comment based on the conflicting information provided. However, the NNSA Forecasted Fee Base Period (Year 1) for FY 22 is estimated at \$2.054 Billion under CLIN 0002.

111. L Attachment H Fee Base - Does the NNSA forecasted Fee Base period incorporate actual costs or estimates due to these extraordinary conditions? Has the Government considered a 10% plus or minus fee adjustment based on the annual budget? Has the Budget climate and funding availability been considered?

ANSWER: Please refer to RFP § B for detailed information regarding fee base.

112. M-2(b) IPT Process Cost Criterion - In this paragraph, it states that Transition Price will be evaluated as part of Total Evaluated Price in determining 'best value', yet the Transition Plan is not evaluated technically for adequacy, timeliness or as part of past performance. How can Transition Price be included in the 'best value' determination if it is not evaluated technically?

ANSWER: The Transition Price will be included as part of "Total Evaluated Price." The Transition Plan will not be evaluated separately. Only the Criterion 1-4 under Section L and M will be utilized by the Government.

113. Issue: The requirement in L-12(a), that the "All relocation related costs/expenses for the proposed management team shall be funded by the FFP transition CLIN" will negatively affect bidders that

propose a higher number of Key Personnel as this cost is included in the Price evaluation for the contract.

Recommendation: Recommend that NNSA take into account the differences in the number of prospective key personnel that each bidder identifies.

ANSWER: This is a best value acquisition. Please refer to RFP Section M for more information.

114. Concern: The maximum available performance fee is significantly lower than the current fee potential for the incumbent contract, the historic fee percentages for the Y12/Pantex sites, and is inconsistent with the complexity, risks, and historic challenges of delivering nuclear missions.

ANSWER: Please see response to #78 above.

Scope of Work

115. Public Comments Re: - Draft RFP _ M & O Contractor Bid for Y-12/Pantex- NNSA Facilities

Although I retired from Y-12 (May 2007- 38 years of service - BWXT Y-12) before the current combined Y-12 - Pantex M&O contract was awarded it is clear from news reports and anecdotal discussions I have had with colleagues that this combined operation is unsatisfactory to say the least. Decisions made by management who have never visited the other plant much less work there daily, results in inefficiencies and poorly informed policy. My impression is that the morale, quality, and professionalism of the Y-12 workforce has not benefited by the joint senior management arrangement. Resulting in unnecessary operating costs and inefficiencies.

This and the fact that the City of Oak Ridge had until the combined contract, a unified partnership with Y-12 Management. Now ownership of simplest of issues is too often delegated 1000 miles away to be dealt with by a manager that is at best responsive only through email. A very frustrating experience for our community that shares much of the infrastructure and is home to many employees and their families.

This combined contract has also been inefficient and frustrating even for NNSA staff being expected to perform oversight to daily operations that are being performed by workforce's with differing program objectives, cultures, and environment - where safety and security are of the highest priority.

The "economy of scale" doesn't work well in this management structure and simply has not been realized on many levels.

Please give careful consideration to fully separating these into two contracts even if the same bidder is awarded both. As I prepare this public comment on the RFP I glance above my computer screen and on the wall is my Retirement Certificate "in recognition of 38 years of loyal service". Employees (retirees too) have been loyal and proud of the Y-12 independence for decades -- to see some of that delegated 1000 miles away has been difficult to accept.

ANSWER: The Government appreciates your feedback. The DOE/NNSA Administrator and the DOE Secretary approved this M&O RFP to result in the award of a consolidated M&O contract for the management and operation of both Y-12 and Pantex.

116. Section L, Page 17, Paragraph (d): The contract will include CLIN 0004 (Capital Construction Projects) to enable NNSA and the successful Contractor to negotiate Capital Construction Projects as individual subCLINs under CLIN 0004 with separate fee/price structures based on project risk and complexity. No cost or pricing information related to CLIN 004 is required with the Offeror's proposal. The Government will select individual Capital Construction Projects for inclusion under this CLIN after award of the contract resulting from this solicitation.

What \$\$ threshold will be used to determine what projects will be included in CLIN0004?

ANSWER: Please refer to the revised RFP Section L.

117. Please refer to Section J, Appendix A, Statement of Work (SOW) for DOE/NNSA Management and Operations Pantex Plant and Y-12 National Security Complex Sites. In addition, please refer to Clause 1.2.6 Cyber Security on page 20.

This SOW and the clause on cyber security do not specifically refer to President Obama's Executive Order 13587 which directs United States Government executive branch departments and agencies to establish, implement, monitor, and report on the effectiveness of insider threat programs to protect classified national security information, and requires the development of an executive branch program for the deterrence, detection, and mitigation of insider threats, including the safeguarding of classified information from exploitation, compromise, or other unauthorized disclosure.

Consistent with Executive Orders 13587 and 12968, this policy is applicable to all executive branch departments and agencies with access to classified information, or that operate or access classified computer networks; all employees with access to classified information, including classified computer networks (and including **contractors** and others who access classified information, or operate or access classified computer networks controlled by the federal government); and all classified information on those networks.

This policy:

1) Establishes a program for deterring, detecting, and mitigating insider threat; leveraging counterintelligence (CI), security, information assurance, and other relevant functions and resources to identify and counter the insider threat.

2) Establishes an integrated capability to monitor and audit information for insider threat detection and mitigation. Critical program requirements include but are not limited to: (a) monitoring user activity on classified computer networks controlled by the Federal Government; (b) evaluation of personnel security information; (c) employee awareness training of the insider threat and employees' reporting responsibilities; and (d) gathering information for a centralized analysis, reporting, and response capability.

3) Develop and implement sharing policies and procedures whereby the organization's insider threat program accesses, shares, and integrates information and data derived from offices across the organization, including CI, security, information assurance, and human resources offices.

4) Designate a senior official(s) with authority to provide management, accountability, and oversight of the organization's insider threat program and make resource recommendations to the appropriate agency official.

5) Consult with records management, legal counsel, and civil liberties and privacy officials to ensure any legal, privacy, civil rights, civil liberties issues (including use of personally identifiable information) are appropriately addressed.

6) Promulgate additional department and agency guidance, if needed, to reflect unique mission requirements, but not inhibit meeting the minimum standards issued by the Insider Threat Task Force (ITTF) pursuant to this policy.

7) Perform self-assessments of compliance with insider threat policies and standards; the results of which shall be reported to the Senior Information Sharing and Safeguarding Steering Committee (Steering Committee).

8) Enable independent assessments, in accordance with Section 2.1 (d) of Executive Order 13587, of compliance with established insider threat policy and standards by providing information and access to personnel of the ITTF. C. Insider Threat Task Force roles and responsibilities.

The requirement for an Insider Threat Program in compliance with Executive Order 13587 should be included in the final SOW. In addition, the Insider Threat Program Management should be discussed in the Management Approach and Organizational Structure under Section L, Volume II, (b) Criterion 2: SITE ORGANIZATION AND KEY PERSONNEL.

ANSWER: This Executive Order (E.O.) is incorporated in the contract by DOE Orders 470.5 and 205.1 under Section J, Appendix B – List of Applicable Directives. These represent the agency implementing requirements for E.O. 13587.

118. Section J, Page 8 4.3 Information Technology

The NNSA seeks to deliver a modern, secure computing environment that improves communication and aligns the current and future IT service delivery model. It would be helpful for NNSA to expand upon the classified IT and Cyber objectives within this plan. Furthermore, will NNSA please clarify the expectations of a modern IT system?

ANSWER: DOE O 205.1, Department of Energy Cybersecurity Program, and NNSA Supplemental Directive (SD) 205.1, Baseline Cybersecurity Program, define specific requirements applicable to the contract. The term “modern IT system” was used to allow for maximum flexibility in the response, realizing that modern indicates that systems are within lifecycle and accepted within modern industry use.

119. Section J, Page 8 4.3 Information Technology

The Contractor shall allow full, unfettered access to security logs and cyber security sensor data to the Integrated Joint Cyber Coordination Center (IJC3) to provide cyber security situational awareness for the NSE. Is the government interested in the two sites having an integrated SOC/NOC and/or integrated with the NNSA IJC3?

ANSWER: The integration technically occurs with the NNSA monitoring function, currently the Information Assurance and Response Center (IARC), not iJC3. The IARC is responsible for reporting to iJC3, unless specifically identified separately. This is for enterprise level monitoring and will provide more depth of monitoring in the future, but the Government is interested in both the site monitoring capability and enterprise-level monitoring. The site has primary responsibility for responding to events, whether identified by the IARC or locally.

120. Section J, 17 (iii) Project Management; E.

Should Material Staging Facility (MSF) be a line item list in sub-section E?

ANSWER: The Material Staging Facility Project is not specifically listed under the RFP Statement of Work at this time.

121. Section J, 17 (iv) Management and disposition waste generated at the site
Additional details or specifics about the waste (e.g. normal, hazardous, etc.) and what types of waste would be helpful to bidders.

ANSWER: For PANTEX (Source: 2019 Final Annual Site Environmental Report for Pantex Plant) as follows -

The types of wastes generated at Pantex Plant include:

- Hazardous waste,
- Universal waste,
- Non-hazardous industrial solid waste,

- Waste regulated by the TSCA,
- Low-level radioactive waste,
- Mixed low-level radioactive waste, and
- Sanitary waste.

Table 2.6 summarizes wastes generated from the operation, maintenance, and environmental cleanup at Pantex Plant in CY 2019. Overall, the amount of waste generated in 2019 increased 70.0 percent from 2018. This is due primarily to increased activity in the environmental restoration projects and the deactivation and decommissioning of excess facilities and construction projects.

Table 2.6 – Waste Volumes Generated at Pantex Plant (in cubic meters)

Waste Type	1993	2016	2017	2018	2019	Percent Increase or (Decrease) from	Percent Increase or (Decrease) from
Non-hazardous	10,885	3,641	2,693	3,420	6,621.9	(39.2)	93.6
Sanitary	612	965.2	927.3	927.3	794.9	29.9	(14.3)
Hazardous	369.6	460.2	398.9	387.3	935.1	153	141
Low-Level	287	36.2	47.6	16.1	17.8	(93.8)	10.6
Mixed Waste	37.5	0.12	0.45	0.0	1.1	(97.1)	100
TSCA Waste	112.9	3.3	430.9	245.8	138.6	22.8	(43.6)
Universal	-	13.8	13.2	16.7	15.1	-	(9.6)
Total	12,30	5,119.	4,511.	5,013.	8,524.	(30.7)	70.0

^a In 2001, Pantex Plant began managing some hazardous waste under the Universal Waste Rules.

During 2019, 935.1 cubic meters (m³) of hazardous waste was generated at Pantex Plant. Typical hazardous wastes generated included:

- Explosives-contaminated solids,
- Spent organic solvents, and
- Solids contaminated with spent organic solvents, metals, and/or explosives.

Hazardous wastes were managed in satellite accumulation areas (less than 55-gal waste accumulation sites), central accumulation areas, or permitted waste management units. Some hazardous wastes, such as explosives, were processed on-site before the process residues were shipped off-site for final treatment and disposal. Environmental restoration projects, construction projects, and deactivation and decommissioning of excess facilities contributed 54.3 percent of the total hazardous waste generated. For 2019, 507.7 m³ of the hazardous wastes from environmental restoration projects, construction projects, and deactivation and decommissioning of excess facilities were RCRA exempt hazardous scrap metal. Hazardous wastes and residues from hazardous waste processing are shipped to commercial facilities authorized for final treatment and disposal or, as applicable, recycling.

Pantex Plant generated 6,621.9 m³ of non-hazardous industrial solid waste in 2019. Generated non-hazardous industrial solid wastes were characterized as either Class 1 non-hazardous industrial solid waste or Class 2 non-hazardous industrial solid waste, as defined by 30 TAC 335. Class 1 non-hazardous industrial solid wastes generated at Pantex Plant were managed in a similar manner as hazardous waste, including shipment to off-site treatment and/or disposal facilities. Some Class 2 non-hazardous industrial solid wastes (inert and insoluble materials such as bricks, concrete, glass, dirt, and certain plastics and rubber items that are not readily degradable) were disposed in an on-site Class 2 non-hazardous industrial solid waste landfill. Other Class 2 non-hazardous industrial solid wastes, generally liquids, were shipped to commercial facilities for treatment and disposal.

Pantex Plant's environmental restoration projects, construction projects, and deactivation and decommissioning of excess facilities contributed 64.9 percent of the total non-hazardous industrial solid waste generated during 2019. In addition, 794.9 m³ of sanitary waste (cafeteria waste and general office trash) was generated at Pantex Plant. Sanitary wastes were also characterized as Class 2 non-hazardous industrial solid wastes and disposed of at authorized off-site landfills.

Pantex Plant generated 138.6 m³ of waste regulated by TSCA during 2019. These wastes include asbestos, asbestos-containing material, and materials containing or contaminated by PCBs. During the year, environmental restoration projects, construction projects, and deactivation and decommissioning of excess facilities contributed to 99.3 percent of the total TSCA waste generated. All TSCA wastes were shipped off-site for final treatment and disposal.

During 2019, 15.1 m³ of waste that were managed as universal wastes was generated at Pantex Plant. Universal wastes are defined as hazardous wastes that are subject to alternative management standards in lieu of regulation, except as provided in applicable sections of the TAC. Universal wastes include batteries, pesticides, paint and paint-related waste, and fluorescent lamps. During the year, environmental restoration projects contributed to 5.1 percent of the total universal waste generated. These wastes are shipped off-site for final treatment, disposal, or, as applicable, recycling.

Pantex Plant generated 17.8 m³ of low-level radioactive waste during 2019. The low-level radioactive wastes were generated by weapons-related activities.

Assembly and disassembly of weapons can result in some wastes that include both radioactive and hazardous constituents, which are referred to as "mixed waste." The hazardous portion of the mixed waste is regulated by the TCEQ pursuant to RCRA regulations. The radioactive portion is regulated pursuant to the Atomic Energy Act. During 2019, 1.1 m³ of mixed waste was generated at Pantex Plant.

122. Section J, 41 3.0 Transition to Operations, Turnover and Operation of UPF

It would be helpful for NNSA to further delineate the expectations for services provided to UPF and any other supporting framework that may assist in a smooth transition. Will maintenance, supply chain, logistics, ES&H (Rad Techs) also be required to support the operations of UPF?

ANSWER: Please refer to updated RFP Section J Appendix Q, and Section J Appendix A - Statement of Work.

123. Section J, 41 3.0 Transition to Operations, Turnover and Operation of UPF

The fee structure and incentives regarding CLIN 0004 (capital construction projects) is to be determined upon contract award; any additional insight on performance incentive structure and/or projects that may fit within this CLIN would be helpful to bidders.

ANSWER: Please refer to the RFP and attachments regarding capital projects for more information.

124. Section J Attachment A, Responsibility for other capital projects is unclear, page 41

Comments. The status of other major capital projects is unclear. The transmittal letter talks about a "Construction CLIN" but the SOW (in Chapter V, page 41) indicates that other major capital projects (such as Lithium Processing Facility) "may be added" to the M&O scope at a later date. Responsibility for other capital projects (e.g., Lithium Processing Facility which does not reach CD-4 until FY31) is unclear. It indicates that these "may be added" as SubCLINs to CLIN004 at a later date, but who has responsibility for advancing these projects in the meantime. Does CNS retain responsibility for all of these capital projects for now?

Recommendation. Provide more clarity on when they foresee these projects included and account for that in Section B. Will the responsibility for the capital projects in Section J, Attachment A, Chapter V remain with CNS until they reach CD-4, as is the case with UPF?

ANSWER: All ongoing capital projects, except for the Uranium Processing Facility (UPF) Project, will be the responsibility of the successful Offeror and will be transitioned accordingly after award. Please see updated RFP Section J, Statement of Work and Appendix Q. NNSA will consider the best value to the Government as scope is transitioned to CLIN 0004.

125. Introduction UPF Contractor The RFP states that, "The Uranium Processing Facility (UPF) project will continue to be completed by Consolidated Nuclear Security, LLC under Contract Line Item Number (CLIN) 0002 of the current Contract DENA0001942. Will NNSA maintain direct supervision of the UPF construction through the CNS contract?"

ANSWER: Yes; the NNSA will continue to provide direct oversight of the UPF project through the Incumbent contract. However, there are key integrations and services the new M&O will provide to UPF per the Statement of Work and Appendix Q.

126. N/A RMDC - What is the current document control system and record management/retention system in use at Pantex and Y-12? Are the Records Management/Document Control (RMDC) systems currently acceptable or considered outdated with needed updates? What is the annual volume of documents processed for Y-12 and Pantex?

ANSWER: Pantex and Y-12 both use Versatile Electronic Records Management System. The system is accredited and up-to-date. The cumulative volume of documents processed to date and numbers for each Fiscal Year (FY) are provided in the following tables for Offeror reference.

Total Electronic (in documents)

Pantex	3,433,651
Y-12	3,154,540
NPO	61,756
TOTAL	6,649,947

Total Hardcopy (in cubic feet)

Pantex	35,384
Y-12	49,233
NPO	571
TOTAL	85,188

Electronic (in documents)

	FY2018		FY2019		FY2020	
	Number/%		Number/%		Number/%	
Pantex	91241	44.2%	241619	51.4%	248685	35.8%
Y-12	114700	55.6%	226940	48.3%	444234	63.9%
NPO	530	0.3%	1202	0.3%	2622	0.4%
TOTAL	206471	-	469761	-	695541	-

Hardcopy (in cubic feet)

	FY2018		FY2019		FY2020	
	Number/%		Number/%		Number/%	
Pantex	653	69%	193	27%	362	61%
Y-12	266	28%	525	73%	198	33%
NPO	27	3%	6	1%	35	6%
Total	946	-	724	-	595	-

127. Section 4.3 Information Technology (IT) - Suggest the terms of the license referred to at the last paragraph of this section be referenced to an applicable FAR or DEAR clause outlining in greater detail the terms of any license (e.g., perpetual or limited term, will a successor contractor be required to enter into a license with the incumbent or a sublicense with the client).

ANSWER: The Government believes the information provided under RFP Statement of Work Section 4.3 is sufficient.

128. Section 4.6(iv) Env. Permits and Applications - Clarify that the referenced certification(s) will not be required before completion of the transition period provided under the terms of the RFP.

ANSWER: All referenced certifications (i.e. permits and applications) will be required in order to perform the work once full responsibility of the contract is assumed by the successful Offeror.

129. Section J, Page 12, Section 4.6 Environmental Permits and Applications: the Contractor is responsible for signing environmental permits and applications as "operator or co-operator" at the sites.

What permits and ISO certifications are transferable to the new contractor and what must be obtained by new awardee?

ANSWER: Please reference tables below for permits issued to the Pantex Plant and Y-12 sites that will be transferrable to the successful Offeror during the transition period prior to full performance (as allowable based on expiration date). ISO certifications will need to be obtained by the successful Offeror during transition prior to full performance. Some UPF related permits may require operator or co-operator responsibility at Y-12, and these should be identified when developing the UPF Interface Management Plan covered under RFP Appendix Q.

Permits/Authorizations and Agreements - Pantex Plant

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
Air					
Air Quality Permit	84802	TCEQ	03/29/2029	Notice to State but no transfer necessary.	30 days is suggested.
All other small sources	Standard Exemptions & Permit-by Rule	TCEQ	When changes occur to the process that modify the character or nature of the air emission, or modify the process so that the Permit-by-Rule may no longer be used.	Notice to State. Transfer of some PBRs may be necessary.	60 days is suggested because some of the registrations are assigned to B&W.
Clean Air Act Title V Declaration, 30 TAC 122	N/A	TCEQ	None	Notice to State but no transfer necessary.	30 days is suggested.
Annual Notification of Consolidated Small Operations Removing Asbestos Containing Material at the Pantex Plant for Calendar Year	N/A	TDSHS		Amended notification is necessary. Filed each year- to verify operations are consistent with notification, PX keeps log of all affected maintenance activities	10 or more working days is suggested.
Solid Waste					

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
Solid Waste Registration Number	TX4890110 527 30459	EPA TCEQ	None None	Transfer notification necessary.	30 days is suggested.
Industrial and Solid Waste Management Site Permit; RCRA Compliance Plan	HW-50284	TCEQ	5/30/2024	Notice to State but no transfer necessary.	30 days is suggested.
Pollution Prevention Planning	5 Year Plan, Hazardous Waste Permit, HW-50284	TCEQ	When closed.	No transfer necessary.	N/A
UIC TLAP associated	5W2000017	TCEQ	When cancelled.	Notice to State but no transfer necessary.	30 days is suggested.
UIC- Environmental Restoration Program	5X2600215	TCEQ	When cancelled.		
UIC - Environmental Restoration Program	5X2500106	TCEQ	When cancelled.		
Pantex Plant Mixed Waste Site Treatment Plan	95-1371-IHW-E	TCEQ	When cancelled.	Notice to State but no transfer necessary.	30 days is suggested.
CERCLA Interagency Agreement and Record of Decision	CERCLA-06-13-07	EPA/TCEQ/DOE	When cancelled.	No transfer necessary.	N/A
Regulated Petroleum Storage Tanks					
Underground Storage Tank Registration		TCEQ	*** Last annual registration submitted 5/12/2020 for tanks 1-5		30 days is suggested.
Regulated Storage Tank Operator/Contractor	Tank owner ID No. 19546 TCEQ facility/registration ID: 42177	TCEQ	***	Submit form TCEQ-0724 to change M&O	30 days is suggested.

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
	Listed operator/contractor is CNS, LLC.				
Water					
Texas Water Quality Permit	WQ0002296000	TCEQ	12/01/2020	Minor modification permit application required.	30 TAC 305.64 - Either the transferee or the permittee shall submit to the executive director an application for transfer at least 30 days before the proposed transfer date. 45 days is suggested.
Texas Land Application Permit	WQ000439700	TCEQ	01/01/2020	Minor modification permit application required.	30 TAC 305.64 - Either the transferee or the permittee shall submit to the executive director an application for transfer at least 30 days before the proposed transfer date. 45 days is suggested.
TPDES Multi-Sector (Industrial) Storm Water Permit	TXR05CD31	TCEQ	08/14/2021	Transfer of permit coverage is not allowed. New permit coverage will be necessary by filing a NOI. NOT will be required by B&W.	14 days is suggested.
TPDES Storm Water General Permit for Construction Activities	TXR150000	TCEQ	03	Transfer of permits is not allowed. New permits will be necessary by filing NOIs. NOTs for each will be required by B&W.	14 days is suggested.
Southeast Well Extension Project	TXR15491V	TCEQ	05/14/2019	None	

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
Building Removal Project	TXR15884 X	TCEQ	Upon completion	None	
On-site Sewage Facility	0330223 0330224 0330245 0330274 0330294 033057 033079	TCEQ	When closed.	Notification necessary.	30 days is suggested.
Public Water System/ Supply (Public Drinking Water System)	TX0330007	TCEQ/EP A	When closed.	DOE/Pantex Plant is listed and the Owner. CNS is listed as managing operator.	14 days is suggested.
Natural/Cultural Resources					
Scientific Permit	SPR-1296-844	TXPWD	12/05/2020 Renewed triennially	No transfer necessary.	N/A
Agricultural Water Quality Management Plan	TWQMP-156-03-044	Texas Soil & Water Conservation Board	Revised as needed	No transfer necessary.	N/A
Letter of Authorization: Trap and Release Fur-bearing Animals	None	TXPWD	Renewed annually.	No transfer necessary.	N/A
Bee Removal Permit	TX-6-18-07	Texas Apiary Inspection Service	Renewed annually.	No transfer necessary.	N/A
Intrastate Bee and	01/12/2003	Texas Apiary	Renewed annually.	No transfer necessary.	N/A

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
Equipment Permit		Inspection Service			
Texas Tech Service Agreement	N/A	Texas Tech/DOE	10/31/2021***	Reassignment necessary.	30 days is suggested.
Texas Tech Operating Agreement	N/A	B&W/Texas Tech	10/31/2021***	Reassignment necessary.	
National Wildlife Refuge System Research and Monitoring Special Use Application and Permit	SRP-1296-844 TX-7-28-00	Texas Parks and Wildlife Department	Renewed by annual letter	No transfer necessary	N/A
Cultural Resources Programmatic Agreement	N/A	U.S. DOE, B&W, Texas Historical Commission and Advisory Council on Historic Preservation	When cancelled.	Transfer is necessary. New signature submittal.	30 days is suggested.
Change of Responsible Corporate Officer and Notification of Delegation of Duty Authorized Representatives					30 days is suggested.
Form OP-DEL – Delegation of Responsible Official					30 days is suggested.

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
Authority, Federal Operating Permit Program					
Form OP-CR02 – Change of Responsible Official Information, Federal Operating Permit Program					30 days is suggested.
Form APD-CERT – Certification of Potential Emissions					30 days is suggested
Discharge Monitoring Report Address and Signatory Form					30 days is suggested.
STEERS (State of Texas Electronic Environmental Reporting System) Participation Agreements will need to be completed for electronic submittal of air events, storm water, industrial and hazardous waste and petroleum storage tanks.					30 days is suggested.
Need to change the current Storm Water Pollution Prevention Plan for Industrial activities • Prepare and certify modified Storm Water Pollution					30 days is suggested.

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
<p>Prevention Plan- must be done before submit NOI</p> <ul style="list-style-type: none"> • New Notice of Intent for Coverage under the Texas Multi-Sector Industrial Permit is needed for CNS (coverage begins seven days after filing) • Notice of Termination is needed from B&W 					
<p>Form TCEQ – 10400 – TCEQ Core Data Form; One for each proposed program role (owner, operator or owner/operator)</p>					<p>Needed ASAP - get CN from TCEQ for use in following documents</p>
<p>All appropriate application pages from authorizations will accompany the Core Data Form in addition to Notice of Change Letter</p>					<p>30 days is suggested.</p>
<ul style="list-style-type: none"> • UST Contractor <ul style="list-style-type: none"> ○ provide proof of commercial liability insurance designating the commission as the certificate holder in an amount of not less than \$1,000,000 and of a type approved by the 					<p>30 days is suggested.</p>

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
<ul style="list-style-type: none"> ○ executive director; ○ provide a financial statement (balance sheet) prepared in conformity with accounting principles as defined by the American Institute of Public Accountants, documenting an applicant's current net worth of not less than \$25,000; or a letter from a certified public accountant who is not employed by the applicant or does not receive payment from the applicant on a regular basis verifying that the applicant's current net worth is not less than \$25,000; ○ provide documentation of at least one year of quality underground storage tank construction, public underground utility work or engineered construction from at least three clients; and ○ pay an application fee. ○ Will need exact date of proposed authorization transfer 					

Building or Activity	Permit Number	Issuing Agency	Expiration Date	Action Needed	Lead Time Required
<ul style="list-style-type: none"> ○ Will need exact company name that is verifiable with the Texas Secretary of State ○ Will need Federal Tax Identification Number ○ Will need Texas State Franchise Tax Identification Number ○ Will need DUNS Number ○ Will need Texas Secretary of State Filing Number 					
<p>A letter from Babcock & Wilcox addressed to each Program area will be necessary to inform the State that is no longer the Customer for the DOE/NNSA/Pantex Regulated Entity Number</p>					30 days is suggested.
<p>General Permit for Stormwater Discharge – Construction:</p> <ul style="list-style-type: none"> • Modify current General SWPPP and certify; • Modify Project Specific SWPPP and get certified • Submit NOI for CNS on active C-GP for Stormwater 					30 days is suggested.

Permits/Authorizations and Agreements – Y-12

Regulatory driver	Title/description	Permit number	Issue date	Expiration date	Owner	Operator	Responsible contractor	Permit modification?	Required modification	Lead time/timeframe
CAA	Title V Major Source Operating Permit	502767	1/8/2012	1/8/2017	DOE	DOE	B&W Y-12	No - permit in DOE's name	Change in responsible official and company. Submitted by contractor to TDEC and will cover green house gas reporting as well.	Recommended submittal within 30 days after transition (July 30) but required prior to any permit modification or November semiannual report.
CAA	UPF Construction Permit	967550P	3/1/2014	3/1/2015	DOE	DOE	B&W Y-12	No - permit in DOE's name	Change in responsible official and company. Submitted by contractor to TDEC.	Recommended submittal within 30 days after transition (July 30) but required prior to any permit modification.
CWA	Industrial & Commercial User Wastewater Discharge (Sanitary Sewer) Permit	Jan-91	4/1/2010	3/31/2015	DOE	DOE	B&W Y-12	No - permit in DOE's name	Change in responsible official and company. Submitted by contractor to City of Oak Ridge.	Recommended submittal with the 2nd Quarter 2014 Oak Ridge Sewer Use Ordinance Report (mid-July)
CWA	NPDES Permit	TN0002968	10/31/2011	11/30/2016	DOE	DOE	B&W Y-12	No - permit in DOE's name	Change in responsible official and company. Submitted by contractor to TDEC.	Recommended submittal with the July Discharge Monitoring Report (July 28)
CWA	401 Water Quality Certification/ARAP Access/Haul Road (UPF)	NRS10.083	6/10/2010	6/9/2015	B&W Y-12	DOE	DOE	No - permit in DOE's name	Change in primary contractor.	Recommended submittal 30 days prior to transition date (June 1).
CWA	Department of Army Permit (UPF)	2010-00366	9/2/2010	9/2/2015	DOE, B&W Y-12	DOE	DOE	No - permit in DOE's name	Change in primary contractor.	Recommended submittal 30 days prior to transition date (June 1).
CWA	General Storm Water Permit Y-12 Complex (41.7 hectares/103 acres)	TNR 134022	10/27/2011	5/23/2016	DOE	B&W Y-12	B&W Y-12	Yes	Permit modification changing responsible company. Modification will include an NOI for CNS and potentially a NOT for B&W	Recommended submittal 30 days prior to transition date (June 1) - must have modification submitted prior to July 1
RCRA	Hazardous Waste Transporter Permit	TNS89009001	1/17/2014	1/31/2015	DOE	DOE	B&W Y-12	No - permit in DOE's name	Nothing required	Nothing required
RCRA	Hazardous Waste Corrective Action Permit	TNHW-121	9/28/2004	9/28/2014	DOE	DOE, NNSA, and all ORR cooperators of hazardous waste permits	UCOR	No (permit will automatically be updated when TNHW-122 and 127 are updated)	Nothing required	Nothing required
RCRA	Hazardous Waste Container Storage Units	TNHW-122	8/31/2005	8/31/2015	DOE	DOE/B&W Y-12	B&W Y-12/Navarro co-operator	Yes	Permit modification required 90-days in advance of transition (submitted by April 1) changing co-operator from B&W to CNS	90-days in advance of transition (submitted by April 1) \$3000 modification
RCRA	Hazardous Waste Container Storage and Treatment Units	TNHW-127	10/6/2005	10/6/2015	DOE	DOE/B&W Y-12	B&W Y-12 Co-operator	Yes	Permit modification required 90-days in advance of transition (submitted by April 1) changing co-operator from B&W to CNS	90-days in advance of transition (submitted by April 1) \$3000 modification
RCRA	RCRA Postclosure Permit for the Chestnut Ridge Hydrogeologic Regime	TNHW-128	9/29/2006	9/29/2016	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
RCRA	RCRA Postclosure Permit for the Bear Creek Hydrogeologic Regime	TNHW-116	12/10/2003 Permit re-application submitted to TDEC on 1/31/13	12/10/2013	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
RCRA	RCRA Postclosure Permit for the Upper East Fork Poplar Creek Hydrogeologic Regime	TNHW-113	9/23/2003 Permit re-application submitted to TDEC on 1/31/13	9/23/2013	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Industrial Landfill IV (Operating, Class II)	IDL-01-103-0075	Permitted in 1988—most recent modification approved 1/13/1994	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Industrial Landfill V (Operating, Class II)	IDL-01-103-0083	Initial permit 4/26/1993	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Construction and Demolition Landfill (Overfilled, Class IV Subject to CERCLA ROD)	DML-01-103-0012	Initial permit 1/15/1986	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Construction and Demolition Landfill VI (Postclosure care and maintenance)	DML-01-103-0036	Permit terminated by TDEC 3/15/2007	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Construction and Demolition Landfill VII (Operating, Class IV)	DML-01-103-0045	Initial permit 12/13/1993	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Solid Waste	Centralized Industrial Landfill II (Postclosure care and maintenance)	IDL-01-103-0189	Most recent modification approved 5/8/1992	N/A	DOE	DOE/UCOR	UCOR	No - permit in DOE and UCOR names (does not apply to B&W or CNS)	Nothing required	Nothing required
Other - CNS should submit to NNSA a list of permits/documents they want to be signature authority for for NNSA. These should include Title V Operating permit (TDEC), UPF Construction permit (TDEC), Sanitary Sewer permit (City of Oak Ridge), NPDES/DMR/BMAP/stormwater (TDEC). This should be done soon so NNSA can submit to regulators allowing such documents to be modified during transition by CNS.										
Abbreviations										
ARAP = Aquatic Resource Alteration Permit										
B&W Y-12 = B&W Technical Services Y-12 L.L.C.										
CAA = Clean Air Act										
CERCLA = Comprehensive Environmental Response, Compensation, and Liability Act										
CWA = Clean Water Act										
DOE = US Department of Energy										
Navarro = Navarro Research and Engineering, Inc.										
NNSA = National Nuclear Security Administration										
NPDES = National Pollutant Discharge Elimination System										
ORR = Oak Ridge Reservation										
RCRA = Resource Conservation and Recovery Act										
ROD = record of decision										
TDEC = Tennessee Department of Environment and Conservation										
UPF = Uranium Processing Facility										
UCOR = URS CHEM Oak Ridge LLC										
Y-12 Complex = Y-12 National Security Complex										

130. Section L, Page 16, L-12, D: The contract will include CLIN 0004 (Capital Construction Projects) to enable NNSA and the successful Contractor to negotiate Capital Construction Projects as individual subCLINs under CLIN 0004 with separate fee/price structures based on project risk and complexity. No cost or pricing information related to CLIN 0004 is required with the Offeror's proposal. The Government will select individual Capital Construction Projects for inclusion under this CLIN after award of the contract resulting from this solicitation.

Will the M&O operator be permitted to offer self-performing CLIN 0004 projects in this process?

ANSWER: All ongoing capital projects, except for UPF, will be the responsibility of the successful Offeror and will be transitioned accordingly after award. Please see updated RFP Section J, Statement of Work and Appendix Q. NNSA will consider the best value to the Government as scope is added to CLIN 0004.

131. M-3, M-4 Rating Scale - Is the Contractor to provide design/construction for all < \$20mm projects?

ANSWER: Design/construction projects may be put under CLIN 0002 to be performed by the new M&O contractor, or may be put under CLIN 0004 as a separately negotiated project at the Government's discretion. Please refer to the RFP for more detailed information.

132. M-4 Rating Scale - Clarify whether the selected contractor will assume designer of record responsibility for all current design efforts?

ANSWER: Yes; the selected contractor will assume designer of record responsibility for all current design efforts, excluding UPF. Please refer to Section J Appendix Q for more detailed information.

133. EVMS No specific reference to EVMS - again, Sec J Appendix A talks about ACWP, BCWP ETC, EAC, compare actual cost of work performed to budgeted cost of work performed... all of which are related to EVMS. What or will all capital projects require EVMS, across the board, even on the O&M scope.

ANSWER: EVMS is required on all projects greater than \$50M in accordance with DOE O 413.3B, Change 5. Small projects are tailored for project reporting using EVMS terms and principles. Tailoring is based on the value and visibility of the project.

134. RMDC What is the current record management / retention system in use at PANTEX and Y-12?

ANSWER: Pantex and Y-12 both use Versatile Electronic Records Management System.

135. RMDC Are the RMDC (Records Management/Document Control) systems currently acceptable or considered outdated with needed updates at Y-12 and PANTEX?

ANSWER: The system is accredited and up-to-date.

136. RMDC Does the current Record Management system manage hard copy or electronic documents or both Y-12 and PANTEX?

ANSWER: The Records Management System manages both hard copy and electronic documents.

137. Section J Chapter II. 1.2.2 The Nuclear Counterterrorism Incident Response (NCTIR) – Indemnification, Page 19

Comments. The Nuclear Counterterrorism Incident Response (NCTIR) program ensures that capabilities are in place to respond to any DOE/NNSA facility emergency, nuclear, or radiological incident within the United States or abroad, and to provide operational planning and training to counter both domestic and international nuclear terrorism and assure that DOE can carry out its mission- essential functions. This includes DOE’s radiological assistance program, NNSA’s worldwide weapons accident response management, and other investigations or advisory groups. If this requirement could place Y-12 and/or Pantex personnel abroad in support of nuclear/rad needs, Price Anderson Act would not provide indemnification but PL 85-804 indemnification would.

Recommendation. This section and the international aspect of the support presupposes that we are granted PL 85-804. We recommend that in this section or Section H that this is addressed up-front that that these tasks would not be issued without this indemnification granted first.

ANSWER: The successful M&O Contractor must submit an indemnification request and the Secretary of Energy must approve the request for the M&O Contractor to receive indemnification under Pub. L. No. 85-804. The M&O Contractor is expected to perform all tasks identified in the SOW.

138. J Appendix A 1.0 CLIN Options - Has NNSA considered an option to add the NNSA scope of the Savannah River Site at a later date similar to the past RFP? Given that there are multiple companies with the ability to respond to the SRNS scope of work similar to the past Px Y-12 competition. Would this eliminate the need for multiple procurement action saving the government expense, time and effort?

ANSWER: The scope of the Savannah River Site will not be added to this RFP.

139. L Attachment H Transition - It is difficult to determine the number of days needed when developing an estimated cost of transition based on four months and time of transition start date. Would it make more sense to use a specific number, such as 120 days for the transition?

ANSWER: The Statement of Work for transition is the primary driver of the proposed cost. The difference between 120 days and four months is immaterial.

140. L Attachment H Transition - It is difficult to determine the number of days needed when developing an estimated cost of transition based on four months and time of transition start date. Would it make more sense to use a specific number, such as 120 days for the transition?

ANSWER: Please see response to #139 above.

141. M-3, M-4 Rating Scale RISK: Since the UPF designer of record is CNS and the Contractor is responsible for supporting turnover, commissioning, training of operators and operation of the faculty... does the government believe it is critical that the development of the “division of responsibility and interaction protocol” between Contractor and CNS be carefully crafted and updated to ensure a safe and effective facility start up and operation?

ANSWER: Please see updated RFP Section J, Appendix Q, which will be incorporated into the contract award that details interaction and division of responsibilities with respect to UPF.

142. J Statement of Work RISK: Since the UPF designer of record is CNS and the Contractor is responsible for supporting turnover, commissioning, training of operators and operation of the facility... it is critical that the development of the “division of responsibility and interaction protocol” between Contractor and CNS be carefully crafted and updated to ensure a safe and effective facility start up and operation. What is the government’s position on “division of responsibility and interaction protocol” relative to this RFP?

ANSWER: Please see response to #141 above.

143. J Appendix A 1.0 Tritium CLIN Option - In the previous Px Y-12 M&O RFP there was an NNSA Tritium CLIN option that was not exercised. In this draft, there is a Construction CLIN option included with Sub-CLINs for individual construction projects. Is there any consideration for adding back the Tritium/NNSA option in this Px Y-12 RFP?

ANSWER: The Tritium option will not be added to the current RFP.

144. RMDC What is the annual volume of documents processed for Y-12 and PANTEX?

ANSWER: Please see response to Question #126.

Labor Issues

145. Section J, Page 17 (iii) Project Management; C.

The Contractor shall recognize existing Construction Labor Agreements and shall require subs engaged in construction on the construction project to recognize the Construction Labor Agreement. Will NNSA please clarify if the Construction Labor Agreements are only at one-site or at both sites?

ANSWER: Construction Labor Agreements (CLAs) are established only at the Y-12 site. Pantex does not have any CLAs in place.

146. Section J, Chapter III 4.4.7 Pension Plans. Post Contract Responsibilities for Pension and Other Benefit Plans, Page 33.

Comment. Recently, at the Nevada National Security Site (NNSS) the transition of controls from one LLC (NSTec) to the new LLC (MSTS) triggered what the litigants put into question the funding calculations/obligations and withdrawal transfer liabilities under ERISA. Under the regulations when an employer withdraws/transitions AND the plan is unfunded, there can be withdrawal liability triggered. Government's pension plan withdrawal liability upon contract transition can trigger a lawsuit suit by the pension plan members for the amount that is gapped between what the pension plan holds and 100% of what the full value should be. That can translate in hundreds of millions of dollars of liabilities to the US Government triggered by a contract transition, which very well may happen here. There are current similar civil lawsuits pending and at least one within the NNSA. There is a likelihood that these can become more common within the DOE.

Recommendation. 1) DOE should recognition in the government regulations that a withdrawal liability is not triggered when the funding source has remained the same (even if the "employer" has changed). 2) Revisit the status of its funding obligations that will be triggered upon transition of the contract to avoid potential withdrawal transfer liabilities under ERISA, and 3) Either ensure that the plan meets all of its funding obligations before a new contract start/end and clarify that any withdrawal liability borne by the contractor because of inadequate funding is an allowable cost. Address procedures in the section that will mitigate this liability by directing the following actions before transition or termination of the contract.

ANSWER: (1) The Government understands this comment to reference withdrawal liability that is triggered upon withdrawal or partial withdrawal of a contributing employer to a multiemployer pension plan, which is often referred to as a Taft-Hartley pension plan. To be clear, with respect to the first recommendation, after contract transition, the trustees of a Taft-Hartley pension plan to which the incumbent contractor is obligated to contribute pursuant to the Y-12 Construction Labor Agreement, may assert that a withdrawal occurred because the incumbent contractor diminished contributions to the particular Taft-Hartley plan. However, the Department of Energy/National Nuclear Security Administration has no role in "recognition [sic] in the government regulations that a withdrawal liability is not triggered." As far as Recommendation (2) and (3) are concerned, if a Taft-Hartley plan claimed that a withdrawal occurred, and the incumbent contractor was not successful in asserting that no withdrawal occurred under the plan and the law, the terms of the incumbent contractor's contract apply to reimbursement of the resultant costs.

Conflicts of Interest

147. Section M, M-2(e) Organizational Conflict of Interest (OCI), page 2

Comment. The interpretation of OCI can be interpreted very broadly. All member of the Nuclear Security Establishment (NSE) have interactions and direct relationships with this with this contract. Therefore, there it is possible that an offeror can unknowingly have a perceived OCI by the SSA and not be aware of it until award.

Recommendation. Provide specific guidance and cite specific examples within Section M where the SSA would determine that an OCI exists.

ANSWER: The Government is unable to provide further guidance or cite specific examples within Section M where “the SSA would determine that an OCI exists” since it is based on an Offeror’s specific circumstances. The Government will determine if an OCI exists based on the information provided on a case by case basis.

148. Section 4.8 Interfaces with Other Site Users - Clarify that if a potential OCI is mitigated to the approval of the CO, the contractor will not be disqualified from participating in the described activity - suggest the following (per the bolded text): The Government will not consider such input if one contractor has any potential Organizational Conflict of Interest with the other contractor “that is not adequately mitigated to the satisfaction of the Contracting Officer in an approved OCI mitigation plan.”

ANSWER: Please see updated RFP Statement of Work under Chapter I § 4.8.