



U.S. DEPARTMENT OF
ENERGY

Environmental Management Advisory Board

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Deputy Assistant Secretary

Acquisition and Project Management

September 30, 2009



EM Environmental Management

safety ❖ performance ❖ cleanup ❖ closure

www.em.doe.gov

AGENDA

- Procurement Update
- Project Categorization/Restructuring



EM *Environmental Management*

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Transuranic Waste Processing Center Oak Ridge, Tennessee

Scope of Work

- Process Contact Handled
Transuranic Debris and Soils Waste
- Process Remote Handled
Transuranic Debris and Soils Waste
- Process Remote Handled
Transuranic Sludge Waste
- Ship Transuranic Waste to Waste
Isolation Pilot Plant



Estimated Value

3-year base, 2-year option: \$150M-\$200M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
Apr 2, 2008	Jun 16, 2008	Oct-Nov-Dec 2009

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Savannah River Security Operations

Scope of Work

- Protective Force Operations
- Special Operations
- Security Support Functions
- Training
- Program Support



Estimated Value

5-year base, 3-year option, 2-year option: >\$1B

Request for Proposals	Industry Proposal Due	Award
Sep 26, 2008	Feb 18, 2009	Jan-Feb-Mar 2010

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Idaho Advanced Mixed Waste Treatment Project

Scope of Work

- Waste Processing of Transuranic And Special Requirements Wastes
- Includes Retrieval, Characterization, Treatment, Storage, Packaging Transportation and Disposal



Estimated Value

6-year: \$600M - \$800M

Request for Proposals	Industry Proposal Due	Award
Oct 28, 2008	Jan 14, 2009	Jan-Feb-Mar 2010

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ORP 222-S Laboratory Analytical Services

Scope of Work

- Analytical services production functions
- Receiving, handling, analyzing storing samples
- Performing special tests
- Reporting results to DOE Hanford Site contractors

222-S Analytical Lab complex



Buildings identified above are used by small business and shared with Tank Operations Contractor.

Estimated Value

5-years: \$30M - \$45M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
March 13, 2009	April 16, 2009	Oct-Nov-Dec 2009

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Portsmouth Gaseous Diffusion Plant Decontamination and Decommissioning

Scope of Work

- Overall Gaseous Diffusion Plant Decontamination and Decommissioning Planning
- Facility Surveillance and Maintenance
- Site-wide Remediation
- Decontamination and Decommissioning of Department of Energy Facilities



Estimated Value

5-year base, 5-year option: \$1B-\$1.5B

Request for Proposals	Industry Proposal Due	Award
June 24, 2009	October 30, 2009	Oct-Nov-Dec 2010

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Portsmouth Facility Support Services

Scope of Work

- Maintenance of grounds, roads and rails
- Janitorial Services
- Mail Services
- Surveillance and maintenance of Department of Energy facilities



Estimated Value

5-year base: \$35 - \$50M (Small Business Set Aside)

Request for Proposals	Industry Proposal Due	Award
June 4, 2009	August 4, 2009	Jan-Feb-Mar 2010

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Paducah Remediation

Scope of Work

- Facilities Decontamination and Decommissioning
- Material Disposition and Waste Management
- Ground Water, Surface Water and Soils Remediation
- Site Burial Ground Source Removal, Treatment and Containment



Estimated Value

5-years: \$400M-\$600M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
Jan 16, 2009	Mar 31, 2009	Apr-May-Jun 2010

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Paducah Infrastructure Services

Scope of Work

- Surveillance and Maintenance of Facilities
- Roads and Grounds
- Janitorial Services
- Computing/Telecommunications Security Services
- Fleet, Property and Records Management



Estimated Value

5-years: \$60M - \$75M (Small Business Set-Aside)

Request for Proposals	Industry Proposal Due	Award
May 13, 2009	June 14, 2009	Apr-May-Jun 2010

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Depleted Uranium Hexafluoride Operations Portsmouth, OH and Paducah, KY

Scope of Work

- Operate Conversion Facilities to convert Depleted Uranium Hexafluoride to Depleted Uranium Oxide
- Reuse and/or transport and dispose of end products and wastes
- Provide surveillance & maintenance for Conversion Facilities and cylinder yards



Estimated Value

5-years: \$400M - \$600M

Request for Proposals	Industry Proposal Due	Award
June 17, 2009	August 17, 1009	Jul-Aug-Sep 2010

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Multiple Award IDIQ Set-Aside Contract for Nationwide Environmental Services

Scope of Work

- Environmental Remediation Services
- Waste Management (WM) Services
- Facility Deactivation, Decommissioning, Decontamination, and Demolition (D&D) services
- Regulatory Services



Estimated Value

5-years: \$926M

Request for Proposals	Industry Proposal Due	Award
August 6, 2009	October 14, 2009	Jan-Feb-Mar 2010



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Multiple Award IDIQ Unrestricted Contract for Nationwide Environmental Services

Scope of Work

- Environmental Remediation Services
- Waste Management (WM) Services
- Facility Deactivation, Decommissioning, Decontamination, and Demolition (D&D) services
- Regulatory Services



Estimated Value

5-years: \$907M

Request for Proposals	Industry Proposal Due	Award
Oct-Nov-Dec 2009	Oct-Nov-Dec 2009	Apr-May-Jun 2010

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Project Categorization/Restructuring

Why restructure now?

- Projectizing our PBSs has resulted in:
 - Clearer scope definition
 - Defensible project and lifecycle cost estimates
 - Executable schedules with real end dates
 - Greater understanding of uncertainties and risks
 - Performance-based program
- Ready for the next evolutionary step



Tenants of the Portfolio Restructuring Strategy

- Only capital asset projects are managed in accordance with DOE Order 413.3A
 - Break up work into smaller, discrete efforts
 - Achieve more project completions
- Create portfolio flexibility
 - More control over operations and programs
 - Allow financial nimbleness in environment of increasingly challenging economic times
- Streamline our management processes



What is a capital asset?

➤ Assets

Items of value DOE owns

➤ Real Property and Related Personal Property Assets

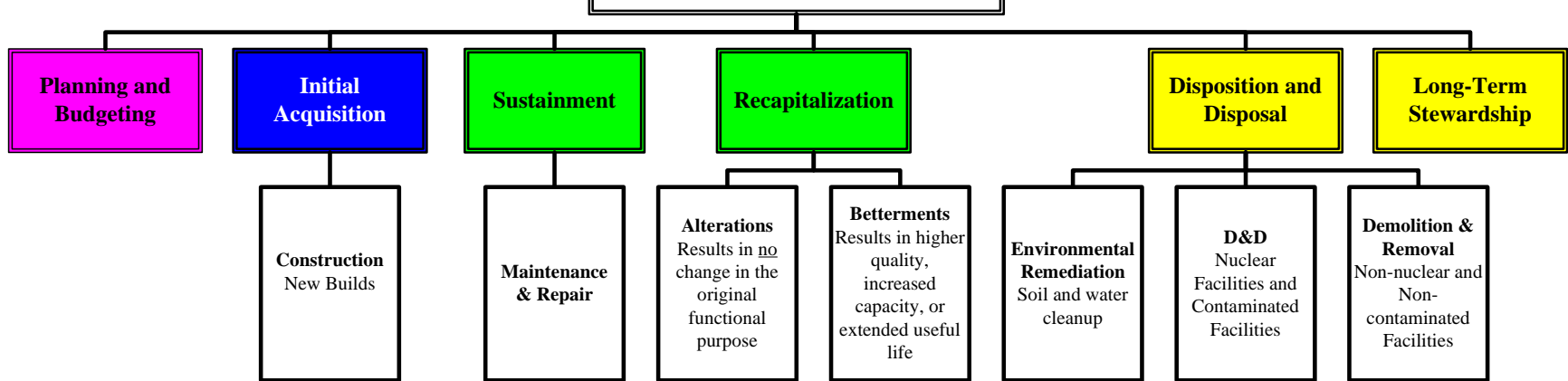
Items, under DOE control, that are affixed to, attached to, or installed onto a plant facility, or portions thereof, such that mechanical means are needed to render it movable.

➤ Capital Assets

Real property, related personal property, personal property, and equipment that have a service life of 2 years or more and a cost of \$25,000 or more.



LIFECYCLE OF CAPITAL ASSETS



Construction, recapitalization, environmental remediation, nuclear facility decontamination & decommissioning, and non-nuclear facility demolition and removal with a total project cost of \$10 million or more are executed as capital asset projects in accordance with DOE O 413.3A.



PROJECT CATEGORIZATION – DEFINING EM’S PROGRAMS, PROJECTS, AND ACTIVITIES

CAPITAL ASSET PROJECTS

Construction Projects

- Line item construction projects
- Minor new construction projects with TPC* ≥ \$10M**

* DOE Manual 135.1-1A, *Department of Energy Budget Execution-Funds Distribution and Control Manual*, specifies total estimated cost (TEC).

** Congress raised the cost threshold for GPP and IGPP from \$5M to \$10M in *Omnibus Appropriations Act of 2009* (H.R. 1105).

Cleanup Projects

- Environmental restoration of soils such as construction of caps and engineering covering systems; excavation of contaminated soils and waste materials; and *in situ* grouting
- Environmental restoration of groundwater such as construction of treatment units; installation of sampling, monitoring and sentry wells; installation of barrier systems; and construction of phyto-remediation systems
- Nuclear facility decommissioning
- Non-nuclear facility demolition and removal

NON-CAPITAL ASSET ACTIVITIES

EM Operational Activities

- Stabilization, packaging, storage, transportation, and disposition of: (1) solid waste, including transuranic waste; (2) liquid waste, including high level waste and radioactive tank waste; and (3) nuclear materials, including special nuclear materials and spent nuclear fuel
- Operation of waste processing facilities
- Operation of environmental remediation systems such as groundwater treatment systems
- Post-construction and post-closure care of remediated land burial sites
- Long-term environmental stewardship including environmental monitoring and institutional controls
- Facility shutdown and deactivation activities in preparation for final decommissioning

EM Programs

- Landlord activities and site services
- Safeguards and security
- Emergency management
- Land management
- Fleet management
- Technology research, development, demonstration and deployment
- Community-support grants
- Public outreach and regulator oversight grants
- Preservation of cultural resources
- Program management

Corporate Work Breakdown Structure (CWBS) Level 1: EM

Environmental Management Program

CWBS Level 2: Site

SITE

Attributes

**XX-0013
Solid Waste Stabilization and Disposition**

**XX-0030
Soil & Water Remediation**

**XX-0040
Nuclear Facility D&D**

Other EM Program (Base-Funded) PBSs

**XX-0013.R1
ARRA-Funded Solid Waste**

**XX-0030.R1
ARRA-Funded SWMU Remediation**

**XX-0040.R1
ARRA-Funded D&D**

**XX-0011
Nuclear Materials Stabilization and Disposition**

CWBS Level 3: Project

**XX-0013.R1.1
CH & RH TRU Disposition**

**CH TRU
ABB**

**RH TRU
ABB**

**XX-0013
Base-Funded Solid Waste**

**XX-0030.R1.1
Characterization & Alternatives Selection**

**XX-0030
Base-Funded S&W Remediation**

**XX-0040.R1.1
Deactivation & Stabilization**

**XX-0040
Base-Funded D&D**

**XX-0012
Spent Nuclear Fuel Disposition**

**XX-0013.R1.2
Solid Waste Disposition**

**LLRW
ABB**

**MLLW
ABB**

**XX-0030.R1.2
Remedial Design & Action**

**XX-0040.R1.2
D&D**

**XX-0014
Liquid Waste Stabilization and Disposition**

**XX-0013.R1.3
Trench Expansion**

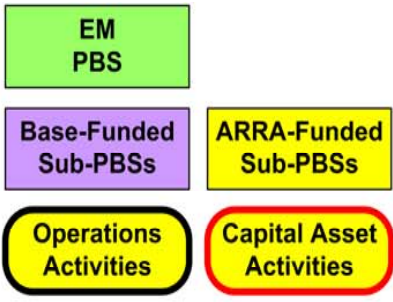
**XX-0030.R1.3
Long-Term Operations & Monitoring**

**XX-0020
Safeguards and Security**

**XX-0100
Community & Regulatory Support**

CWBS Level 4: ABB

Key:



Path Forward

- Incremental roll-out to the base program
 - Early transitions and planning can start now
 - Program roll-out will begin in October 2009
- Develop PBS structure that distinguishes
 - Capital asset projects from operations and program activities
 - Recovery Act work from base program work
 - Current lifecycle work from new work

