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**Department of Energy**

Richland Operations Office  
P.O. Box 550  
Richland, Washington 99352

**MAR 15 1996**

Dear Prospective Offerors:

RFP NO. DE-RP06-96RL13308, AMENDMENT NO. 001, QUESTIONS/ANSWERS AND LIST OF ATTENDEES AT THE PRE-PROPOSAL CONFERENCE

Enclosed you will find:

- 1. Amendment No. 001 to the subject RFP. See the attached Standard Form 30 and accompanying documents.

The amendment makes a number of changes to the technical and other provisions of the RFP and offerors should review it carefully. Offerors should particularly note that Amendment No. 001 revises Page L-2, Section L-2 to extend the due date for proposals to 4:00 p.m., Pacific Standard Time on May 10, 1996.

Offerors are to acknowledge receipt of this amendment as specified in Item 11 of Standard Form 30.

- 2. Copies of the questions received concerning the RFP and the answers thereto.

The answers provided are for questions received prior to and during the Pre-Proposal Conference. Offerors are cautioned that the questions and answers being provided are for informational purposes only and do not amend the written RFP. Only those items specified in Amendment No. 001 change the written RFP.

- 3. Listing of Pre-Proposal Conference Attendees.

Potential Offerors intending to submit a proposal in response to the subject RFP are reminded to complete and submit the form in Section L, Attachment 7, *Intention to Propose*.

Sincerely,

*P. E. Rasmussen*  
P. E. Rasmussen  
Contracting Officer

Attachments (3)



**TWRS PRIVATIZATION  
PRE-PROPOSAL CONFERENCE & TOUR ATTENDEES  
MARCH 7-8, 1996  
RICHLAND, WASHINGTON**

<u>Company</u>	<u>Name</u>
ADTECHS Corp.	James E. Day Howard Reading
Advanced Sciences Inc.	George D. Wolf Laurence N. Dean
AEA Technology	Tim Boorman
ALA, Inc.	Kishor R. Shah Bernard Ayers
ANSTO	Roger B. Gray
Apollo, Inc.	Clayton Oldham
Argonne National Laboratory	James E. Helt Deninis Strachan
Bechtel National	John C. Judd Craig D. Weaver
BNFL, Inc.	Maurice Bullock Steve Turner Bernard Reckman
B&W Federal Services Inc.	Thomas Crocker Robert J. Weiler
Chem-Nuclear Systems, Inc.	David L. Presley
Confederated Tribes of the Umatilla Indian Reservation	Joe E. Richards

<u>Company</u>	<u>Name</u>
Dames & Moore	Perry Campbell
Davis Wright Tremaine	Richard Hames Rich Elliott
Davy International	James R. Donnelly George J. Pierson Giles A. Gillett
Delta-21 Resources	Dil Samples
Duke Engineering	James S. Medford
Environmental Corp. of America	John Donnelly
Envitco, Inc.	Irving M. Williams, Jr.
Flour Daniel	Bill Becketl Donald H. Causey Henry Sindt
GTS Duratek	William G. Greenman
Hughey's Physical Reality Enterprises	Lewis R. Hughey
KKCS	Reed Kaldor
Lamb Associates	John Roecker
Lockhead Martin Corporation	Philip A. Craig
Los Alamos Technical Associates	Christopher Haecker Roger A. Mayes
M4 Environmental L.P.	Thomas A. Berg Claude E. Buttram Phillip M. Kannan Harry A. Nesteruk Jim Snider

<u>Company</u>	<u>Name</u>
MOJU Environmental	Phyllis Mulky
NTR Inc.	Barbara Trend
NUKEM Nuclear Technologies Corp.	James M. Janzen Detlef Schmidt
Numatec	Christopher Burke Sue J. Mitchell Robert H. Ihde Catherine M. Veyer
Oceaneering Hanford	John Propeck
PAI	Charles Boardman
Parsons Infrastructure & Technology, Inc.	Robert G. Smith John A. Scott Neil A. Norman
Private Consultant	John J. Keating
Roy F. Weston, Inc.	John B. Price
Rust Federal Services Inc.	Micheal J. Wolters
Sandia National Laboratories	Michael D. Ebben
Sciencetech, Inc.	Harold M. Burton
Spar Environmental Systems	Peter Kruse
Stir-Melter, Inc.	Kenneth H. Wetmore Kenneth R. Kormanyos
SAIC	Katheryn R. Pasco Peter K. Brockman Cecelia McCloy William G. Conn

Company

Name

Technical Resources  
International, Inc. Joseph D. Spencer  
Benjamin M. Johnson

The Park Corporation Daron J. Robertson  
Frank Velasquez

Valenzuela Engineering Stanley R. Roberts

Vectra Technologies  
Inc. Walter Bak  
William Taylor  
Yusuf Noorani  
John Mageski

Washington Dept.  
of Ecology John Grantham  
Toby Michelena

Washington State  
University David Lemak  
Richard Reed

Westinghouse Electric  
Corporation Howard W. Shaffer, Jr.  
Leonard F. Ermold

Westinghouse Savannah  
River Company Eugene T. Dailey  
Steven T. Wach  
John Plodinec

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**TWRS Privatization Request for Proposals  
DE-RP06-96RL13308**

**Questions and Resolutions**

March 15, 1996

Dear Prospective Offerors:

The attached document represents questions received in writing by the DOE Contracting Officer through March 15, 1996. The document also consists of questions received during the Pre-Proposal Conference and Site Tour on March 7-8, 1996. While the resolutions to these questions are DOE's official response, only an Amendment to the RFP can alter the language of the RFP.

Peter Rasmussen, DOE-RL  
TWRS Privatization Contracting Officer

## Questions and Resolutions

### 1. Question:

Section 3.3.3 of DOE/RL-96-0003 states that for the authorization for construction to be issued, the Regulatory Unit will need to conclude that the Contractors's design properly accounts for the natural and man-made external events associated with the designated site. DOE and DOE contractors have already expended considerable effort in establishing and approving the seismic design spectra for the Hanford Site including the 200 East Area. Some of this is documented in WHC-SD-W236A-TI-002, "Probabilistic Seismic Hazard Analysis, DOE Hanford Site, Washington."

Will the TWRS Privatization project be able to take benefit of these efforts and any DOE approvals provided in: 1) establishing the seismic design criteria for the facility; and 2) describing the geology and seismology of the site?

This would be in lieu of defining and defending specific seismic response spectra for the facility, and in lieu of providing extensive discussions of geology and seismology in the various Safety Analysis Reports.

### Resolution:

Yes. Existing seismic characterization information for the Hanford Site, which has been approved by DOE/RL for use in safety analyses, would be an acceptable basis for the seismic design of TWRS Privatization facilities. The Offeror is responsible for performing any site-specific analyses that are required and for establishing specific seismic design criteria appropriate to the hazards of its facilities.

### 2. Question:

The Environmental Protection deliverables do not include preparation of Notices of Construction under the Clean Air Act. Section C.7 (page C-96 Interface Description 22: Air Emissions To Be Established During Part A:) indicates that during Part A, only source allocation, required environmental monitoring, and administrative interfaces will be established.

This would defer all permitting activities under the Clean Air Act to be performed during Part B. Deferring permitting activities to Part B could impact Part B schedules since a CAA permit will be needed prior to commencing construction (including entering into financial commitments to purchase equipment).

Should the Contractor include in its Part A scope and price, those permitting activities that the Contractor considers necessary to avoid any impact to the Part B schedules?

**Resolution:**

Yes. The two items noted in Interface Description 22, i.e., source allocation and required environmental monitoring, represent activities where DOE involvement is necessary. DOE will cooperate with the Contractor in additional activities if DOE involvement is necessary.

**3. Question:**

This section of the RFP states that during Part A, the Contractor shall prepare all required parts of the [RCRA Part B] permit application(s) to the lowest level of detail possible. Is it correct to assume that "the lowest level of detail possible" means as much detail as possible?

**Resolution:**

The RFP will be amended to reflect the following language on page C-24, Standard 4, paragraph c.3)(b)(2), last sentence:

During Part A, the Contractor shall prepare the permit application(s): 1) in accordance with the requirements of WAC 173-303-806, and 2) consistent with the level of technical information required by the Contract for Part A.

**4. Question:**

The Regulatory Approach content requirements for the proposal (p. L-13) requires a detailed description of the reasonably foreseeable environmental impacts from construction and operation of the proposed waste treatment services. This requirement is identical with the Part A deliverable "Environmental Report" described in Section C (p. C-25).

Is it correct to assume that the proposal should provide an approach to conducting the environmental impact analysis for the Part A deliverable "Environmental Report" and the assumptions regarding the level of NEPA documentation anticipated to be needed when that report is prepared during Part A, but the actual preparation of the environmental impact analysis will be performed during Part A?

**Resolution:**

As stated in Section L.6.d.8, a description of the environmental impacts from construction and operation of the proposed waste treatment services shall be provided in the proposal, and shall be limited to information that is reasonably available at the time of proposal. The environmental information provided with the proposal also may be used by DOE to perform environmental analyses in accordance with 10 CFR Part 1021. During Part A, additional environmental data will be provided by the Contractor in accordance with Standard 4.

**5. Question:**

Section L.6 d.4) requires "...a detailed description of ...preliminary hazards analysis for separations and immobilization technologies." DOE-STD-3009-94 applies a specific meaning to a preliminary hazards analysis and imposes specific requirements. These requirements go beyond what would normally be expected in a proposal and would normally evolve or develop out of early stages of design under the contract.

Would DOE please confirm that their intention is to receive in the proposal, sufficient information from the offeror to enable DOE to evaluate the degree of hazard and hazard mitigation capability associated with the offeror's technologies? Would DOE confirm that this interpretation is correct and that there is not a requirement to comply with DOE-STD-3009-94 for the information to be included in the proposal?

**Resolution:**

Yes. It is DOE's intention to receive in the proposal, sufficient information from the Offeror to enable DOE to evaluate the degree of hazard and hazard mitigation capability associated with the Offeror's technologies. Accordingly, there is not a requirement to comply with DOE STD-3009-94 at the time of proposal.

**6. Question:**

Section L.7.a.2).(a) requires the bidder to describe its financial development experience, demonstrating...financial closure of a major project (overall cost of at least \$100 million) during the past five years.

Is it correct to assume that the term "financial closure" means securing project financing to fund the project through construction completion?

**Resolution:**

Financial Closure means securing project financing to fund the project through construction completion, and retirement, conversion, or restructuring of the resultant debt.

**7. Question:**  
**Section C; paragraph c.**

Cs-137 has significant potential value for use within the radionuclide stream of commerce. Several possible vendors have been identified for Cs-137 and other radionuclides. Would DOE be receptive to reuse of this Cs-137 or other radionuclides as opposed to immobilizing these products as waste if appropriate terms and conditions can be defined?

**Resolution:**

The Offeror's proposal must show the approach to disposition of Cesium-137 and other radionuclides, as waste products, in accordance with Contract requirements. During Part A, DOE will consider reuse of Cesium-137 and other radionuclides, as an alternate to immobilizing them as waste products (as discussed in paragraph f. of Standard 2).

**8. Question:**  
**Section H; Clause H.13**

Restatement of two previously submitted comments of concern not addressed in the final RFP.

The indemnification DOE is requesting is broad. DOE should consider indemnification only in the event of Contractor's negligent acts. If DOE signs any permit application or submittal and incurs liability because of its status as the owner of the property or because of its past or present actions, there appears to be no equitable basis for the Contractor to indemnify DOE.

**Resolution:**

DOE believes the proposed Contract equitably allocates risk. DOE does not intend to limit indemnification to the case of the Contractor's negligent acts.

**9. Question:**  
**Section H, Clause H.25**

Restatement of two previously submitted comments of concern not addressed in the final RFP.

Paragraph b of Clause H.25 provides for the taking of proprietary property. Paragraph c of the clause limits the amount of consideration to the contract funded value less payment received. The Contractor must have the right to not surrender proprietary data or the right to license it under its commercial terms. Also, cost recovered for Termination for Convenience should include debt service, unamortized costs, and reasonable profit.

**Resolution:**

In the case of a termination, DOE must still have the ability to meet its Hanford obligations. Therefore, it may need to take possession of all property and data required to operate the facility. The Contractor's consideration shall be finalized in the termination settlement. The settlement shall be in accordance with Clause H.25, *Termination Settlement*, and as appropriate, FAR 52.249-2, *Termination for Convenience of the Government*, and all other appropriate terms and conditions of the Contract.

Note that in Clause H.25, *Termination Settlement*, DOE has included a deviation which includes certain financing costs. Moreover, the Termination Clause at FAR 52.249-2 allows for a reasonable profit on work performed.

**10. Question:**  
**Section C.5; Standard 8**

The requirement to plan for transfer of ownership of the Contractor's facility to DOE appears inconsistent with the Privatization concept. How does DOE propose to compensate the Contractor for patented processes, capital equipment, and other items of value associated the Contractor's world-wide business which may be part of the Contractor's TWRS facility?

**Resolution:**

At the point of facility turnover, the facility will be deactivated and made ready for D&D and RCRA closure. Any items not necessary for eventual D&D or RCRA closure may be removed in accordance with the approved Deactivation Plan. In addition, the Contractor will have been compensated for its performance of the Contract including this requirement, through the Part A payments, and payments the Contractor will have received during Part B. Any cost the Contractor is to recover must be obtained through these payments.

Note also that there is a provision (*see* Standard 8, paragraph a.1.g), allowing the Contractor to remove separable equipment, materials, and tools.

**11. Question:**  
**Page B-1**

CLIN 001 is for Deliverables for Low-Activity Waste Services Only and CLIN 002 is for Deliverables for Low-Activity Waste Services Only; and Low-Activity and High Level Waste Services. If the Offer is selected for CLIN 002, will this require two separate sets of plans and deliverables?

**Resolution:**

Yes. The Contractor will submit all specified deliverables for Low-Activity Waste Services and all required deliverables for Low-Activity and High-Level Waste Services.

**12. Question:**  
**Page C-23; Section C, Table S4-1**

This table shows as a deliverable the Quality Assurance Program (QAP), with a reference to 10 CFR 830.120. 10 CFR 831.120, section (b), states, "Within 180 days after May 5, 1994, a Contractor shall submit to DOE for approval a current QAP and an implementation plan." As this date has already passed, what is the due date for submittal of the QAP and implementation plan?

**Resolution:**

The RFP will be amended to include the following language on page C-23, Table S4-1, Note No. 5.:

An initial Quality Assurance Program that supports performance of Part A activities shall be submitted 45 days after Contract award (based on existing Contractor systems wherever possible); the DOE Regulatory Unit will provide comments within 15 days of submission.

**13. Question:**

Will Workers Compensation be covered under the Defense Rating Plan?

**Resolution:**

Workers Compensation will not be covered by the Defense Rating Plan.

**14. Question:**

If not, will DOE indemnify the TWRS Contractor for preexisting conditions related to workers notwithstanding state statutes which may otherwise hold the "last employer" responsible?

**Resolution:**

DOE will not indemnify the Contractor for pre-existing conditions relative to workers. The Contractor will have the same obligations with regard to workers compensation as would other private contractors in the State of Washington. Although the State of Washington

Department of Labor and Industries (DLI) may choose to base rates upon experience at Hanford under the Defense Rating Plan, it is DLI's responsibility to decide what the rating basis will be.

**15. Question:**

Will DOE indemnify the Contractor for both the nuclear and nonnuclear components of mixed waste under Price Anderson?

**Resolution:**

As to incidents involving mixed waste, Price-Anderson indemnification would provide coverage for public liability that resulted from DOE contract activity involving source, special nuclear, or byproduct nuclear materials. Damages resulting from the nonnuclear component of mixed waste, however, probably would not constitute a "nuclear incident" within the meaning of section 11q. of the Atomic Energy Act. Although it is reasonable to assume that, in the incident involving mixed waste, a court would attempt to provide coverage for that portion of liability resulting from the nuclear component, it is difficult to predict with any certainty how such an apportionment might be accomplished.

**16. Question:**

If not, will the nuclear liability be indemnified by DOE under the FAR provision, *Insurance Liability to Third Persons*?

**Resolution:**

FAR provision, *Insurance Liability to Third Persons*, is not part of the RFP.

**17. Question:**

If not, and commercial insurance is not available, can it be assumed that this uninsurable risk is covered under PL-804?

**Resolution:**

No.

**18. Question:**  
**Page C-3; Section C, paragraph C.2.b**

Who will chair the IPTs?

**Resolution:**

The RFP will be amended to include the following language on page C-3, Section C.2.b:

The Contractor shall establish the three IPTs described below and provide the necessary Contractor staff, administrative services, and technical support for each IPT. The initial meeting of each IPT will be chaired by DOE to facilitate formation of the IPT and to establish working relationships among the Contractor and other IPT members; each IPT will establish its internal processes including the responsibility for chairing meetings. The Contractor may propose other IPTs, if necessary, to implement the IPPD approach.

**19. Question:**  
**Page C-3; Section C; paragraph C.2.b**

What authority to enforce changes will the IPTs have?

**Resolution:**

None. Authority to make changes to the Contract rests with the Contracting Officer only.

**20. Question:**  
**Page C-3; Section C; paragraph C.2.b**

Will process or procedures change required by the IPTs after Contract award be considered changes in the scope of work?

**Resolution:**

No. To be considered scope-of-work changes, changes must be directed by the Contracting Officer. The IPTs may act to recommend changes to the Contracting Officer.

**21. Question:**  
**Page C-3; Section C; paragraph C.2.b**

Will the IPTs be separate entities in that the staff, administrative services, and technical support required to be supplied by the Contractor would be a separate line item devoted to the IPT?

**Resolution:**

No. IPT contractor staff is intended to be working staff. The IPT provides a cooperative mechanism for working staff to resolve management, safety, health, environmental and interface issues.

**22. Question:**  
**Section L; paragraph L.2.a.2**

The RFP requires submittal of two full and separate proposals by Offerors desiring to bid the High-Activity services CLIN in addition to the Low-Activity CLIN. This seems to violate the spirit of avoiding "unnecessarily elaborate" proposals as well as the language of Para L.2.a.4, which cautions against "repetitious" submittals. With the exception of specific technical details and the requested pricing information, there will be a very large degree of redundancy between the two documents (including a complete recapitulation of the LA material).

This could be avoided by using a commercial approach to proposing the optional scope (i.e., a single proposal including the baseline and the option, with discrete pricing and an integrated presentation of experience, qualifications, management approach, etc.). This would be consistent with the commercial intent of the privatization initiative and also consistent with the RFP Section B designation of the High-Activity element as a discrete "option."

**Resolution:**

All Offerors are required to provide a proposal for the Low-Activity Waste services. If an Offeror also chooses to propose Low-Activity and High-Level Waste Services, it shall provide a separate, stand-alone proposal.

**23. Question:**

Do the feed tanks that will be provided to the Contractor currently meet RCRA Part B permit standards, including 40 CFR 264, Subparts J, AA, and BB?

**Resolution:**

The tanks are designed with double containment and leak detection as required by Subpart J. DOE is in the process of demonstrating compliance with the Tank Integrity portions of Subpart J. This activity is planned for completion in FY99.

Subparts AA and BB are not applicable.

**24. Question:**

Can DOE confirm whether representative non-active simulants (or recipes) are available for the waste envelopes A, B, C, D?

**Resolution:**

DOE will not provide simulants or their recipes for waste envelopes A, B, C, or D.

**25. Question:**

At which extreme sodium concentrations do the TOC concentrations given apply?

**Resolution:**

Table TS-7.1, page C-57, of the RFP will be amended to express Total Organic Carbon concentrations in moles Carbon compared to moles Sodium.

**26. Question:**

Please identify what work has been undertaken to characterize the TIC and TOC components? How much activity and radionuclides would be helpful?

**Resolution:**

Individual Tank Characterization information is available on the Internet as provided on page L-37. Tank Characterization Reports and Tank Quadrant Reports are cited in the TWRS Privatization Bibliography in the DOE Public Reading Room.

**27. Question:**

What are the specific criteria of acceptance of Part A Deliverables for payment?

**28. Question:**

Payments for Parts A, B are determined by acceptance of deliverables by CO in accordance with the terms or conditions of the Contract. Please clarify acceptability in the context of Part 1A.

**Resolution:**

Deliverables for Part A are identified in Section C.4.1. For each deliverable required for Part A, acceptance will occur when the deliverable is determined by the Contracting Officer (CO) to have been provided in accordance with the terms and conditions of the Contract.

**29.1 Question:**

What Liability will the Contractor have if he is unable to complete Phase A Deliverables within the 16 month period?

**Resolution to 29.1:**

The Government will have all remedies specified under the terms and conditions of the Contract including FAR 52.249-8, *Default (Fixed-Price Supply and Service)*.

**29.2 Question:**

Will he be considered in breach of the Contract? What will be his recourse for payment for partial completion of Part A Deliverables?

**Resolution to 29.2:**

It would depend upon the circumstances surrounding the Contractor's inability to complete the Part A deliverables within the 16-month time period. There is no recourse for partial payment. A single payment is made upon timely delivery and acceptance of all deliverables.

**30. Question:**

What provisions are DOE making for acceptance of off specifications products?

**Resolution:**

The RFP has been amended to clarify the conditions under which DOE will receive non-conforming products by adding a new Section on page E-2.

**31. Question:**

Please identify baseline life cycle costs and time required to treat Hanford tank waste referred to?

**Resolution:**

Baseline life-cycle costs will not be provided. The time required to treat Hanford tank waste is identified in the TPA.

**32. Question:**

Please confirm value for OH Envelope A is 1.0E+1 as written.

**37. Question:**

Should the maximum ratio, OH analyte (mole) to sodium (mole) in envelope A be 0.1 as in envelopes B and C, as opposed to 10 as shown.

**Resolution to 32 and 37:**

Table TS-7.1, page C-57, of the RFP will be amended to correct the hydroxide value.

**33. Question:**

In the requirements for Borosilicate glass, it is stated that no credit will be given in the product loading for Na<sub>2</sub>O, Si<sub>2</sub>O and other materials that result from LAW envelope processing. All insolubles as entrained solids already in envelopes A, B, and C can be significant and if loaded in TRU or Sr or Cs or Tc are likely to be sent to HLW vitrification. In this likely case, if insolubles are sent to HLW vitrification, credit must be given for their waste oxide mass in the 25% weight loading for IHLW. Does DOE agree with this statement?

**34. Question:**

If the products/entrained solids (Cs, Sr, Tc, TRU) are sent to HLW vitrification, the volume of IHLW will be affected and credit must be given in the 25 percent weight loading?

Does DOE agree with this statement?

**Resolution:**

DOE believes that sufficient information is provided in the waste feed envelope definitions and product specifications to establish a mass balance for the system.

To address the impact of the high-level fraction on the Immobilized High-Level Waste product loading, the RFP has been amended to request return of Entrained Solids as an intermediate waste product; and, to request a description of the Contractor's capability to treat

and immobilize the HLW feed and the Entrained Solids in the high-level fraction (*see* paragraph f, Standard 2).

No credit will be given in the product loading for the  $\text{Na}_2\text{O}$ ,  $\text{SiO}_2$ , and other materials that result from processing Low-Activity Waste, including Cesium-137, Technetium-99, and Strontium-90, and Transuranics.

**35. Question:**

Will compositions of waste envelopes A, B, C, and D be the same throughout the duration of processing. If not, to what extent is it possible to foresee the sequence of delivery and characteristics (volume, nominal and range of compositions, physical-chemical and radiological data, etc.) of each sub stream of each waste envelope at the start of Part A?

**Resolution:**

No. Specification 7, *Low-Activity Waste Envelopes Definition*, provides the Compositional range of chemical and radioactive constituents in the waste feed envelopes. Clause, H.9 *Ordering and Contract Order Quantities*, provides minimum and maximum order quantities and sequence of the waste feed envelopes.

**36. Question:**

The RFP states waste feeds will have a sodium concentration between 3M and 14M. In the draft RFP it states concentrations of between 3M and 7M. Which is correct? 14M appears difficult for transfer.

**Resolution:**

Three to fourteen molar sodium concentration is correct.

**37. See Question 32.**

**38. Question:**

The requirements can not be met without knowing more on the insolubles and contaminants present in envelopes A, B, and C. Why are the requirements so stringent?

**Resolution:**

The requirements are designed to limit the impact to Immobilized High-Level Waste product quantity.

**39. Question:**

Envelope D is representative of the tank waste sludges, A, B and C of the tank waste supernatant. If this is the case why are insolubles up to 5 percent by volume planned to be sent to the pretreatment facilities?

**Resolution:**

Specification 7, *Low-Activity Waste Envelopes Definition*, accurately describes the insoluble solids content of the Low-Activity Waste envelopes.

**40. Question:**

Radioactive R and D should be done based on Contractor requirements but is DOE's responsibility and located in the U.S. such as sampling, characterization, sensitivity tests, inactive R and D validation and simulant validation.

Inactive R and D with surrogates and possible tracers is the Contractors responsibility.

Are the two statements shown above correct?

**Resolution:**

The RFP does not require research and development (R&D). If the Contractor believes its approach requires R&D, it is the Contractor's responsibility.

**41. Question:**

Will a list of all pre-proposal conference attendees be made available? If so, when and how (mailed out; by request; on the Internet...)?

**Resolution:**

Yes. The list of Pre-Proposal Conference attendees will be provided at the time of a planned RFP amendment. It will also be posted on the Internet.

**42. Question:**

When will DOE define the point of attachment with the sludge transfer system? Will need this attachment point to be defined during the 20 month Part A design period. Need line size, flow rate, etc.

**Resolution:**

As stated in Interface Description 20: *High-Level Waste Feed*, High-Level Waste Feed physical interface locations between among DOE and Contractor systems will be established during Part A. DOE will identify the point of connection to the DOE transfer system in Part A, once the Contractor provides preliminary transfer line design information (e.g., transfer line configuration, size, etc.)

Please note that Part A deliverables are required no later than 16 months after Contract award. Also see Question and Resolution 70.

**43. Question:**

The RFP states that the HLW solids will be delivered at 31 g/l including Na and Si. The first transfer will be for 5 MT of solids. This will require a sludge receiver tank of about 75,000 gallons. Is this interpretation correct?

**Resolution:**

In the spirit of Privatization, we have not specified the technical solution. Design of any component of the Privatized facilities is the responsibility of the Contractor. Please refer to Specification 8, paragraph 8.2, for the correct concentration for this waste feed envelope.

**44. Question:**

The response to a question on the return of limited quantities of off specification products to DOE is problematic. We acknowledge that DOE will not pay for off-specification products. However, whether off-specification or not, the title to the waste belongs to DOE. Will DOE confirm that after the contractor's best endeavors to remediate the off specification product, if these endeavors are unsuccessful, DOE will accept return of the off specification waste?

**Resolution:**

DOE will agree to take possession of the non-conforming product. Section E, page E-2, of the RFP will be amended to clarify the process for DOE receipt of non-conforming product.

**45. Question:**

IPTs

The draft RFP indicated that the Privatizing Contractor would establish and run the IPTs. The final RFP is silent in this respect. Can you please confirm that it is still the Contractor's responsibility to set up and run these groups?

**Resolution:**

The Contractor shall be responsible for establishing the IPT. DOE will chair the initial meeting of this group to bring the required members together to facilitate the IPPD approach.

**46. Question:**

The RFP work scope Standard 3 requires demonstrations using actual waste samples during Part A. Given the relatively short duration of Part A and the Contractor's need to manage its own schedule, would DOE confirm that these samples will be available at the start of Part A?

**47. Question:**

Process performance must be demonstrated using actual waste samples. This will require the shipment of waste samples off-site to characterize and perform lab-scale tests. How will the DOE assure that these shipments will be expedited?

**Resolution:**

DOE will prepare samples as early as possible to allow shipment to the Contractor early in Part A.

**48. Question:**

Westinghouse Hanford Company coordinated a Low-level Waste Melter test program in 1994-1995. In that program, a feed simulant was provided to each vendor for testing and demonstration. Can you provide left over simulant to an offeror of this proposal for testing, if requested? If yes, what procedure will be required to follow?

**Resolution:**

Past simulants may not be fully representative of waste feed envelopes A, B, and C, and will not be provided to the Offeror to assist in proposal preparation.

**49. Question:**

What protection does the Contractor have for delays caused by the DOE, including the IPTs, during Part A? Will a clause providing for a schedule extension and compensation for delays during Part A caused by DOE be added to the final contract?

**Resolution:**

The terms and conditions contained in the RFP address the subject of delays. Accordingly, DOE does not contemplate any changes to the RFP in this area.

**50. Question:**

Given the complexity of the process route to achieve the requirements of Part A it is unrealistic to expect that all of the necessary steps (including proof of concept tests) can be achieved within the 16 month time period specified for Part A. Will DOE accept a proposal that takes exception to the 16 month period and proposes a more reasonable and achievable time frame for Part A while still committing to meet the Part B dates?

**Resolution:**

The Offeror must be responsive to the RFP. The 16-month period specified for Part A is an essential term.

**51. Question:**

The terms and conditions of the contract documents in the RFP do not clearly set forth specific definable acceptance criteria for the Part A deliverables but leaves the "definitions" in the hands of the Contracting Officer. This puts an unacceptable and unquantifiable risk on the contractor. It leaves the determinations of acceptability strictly in the hands of the Contracting Officer - What if he has a bad day? What will be the Contractor's recourse to get paid for their work? Can/Will DOE provide a defined set of specific objective acceptance criteria for the Part A deliverables?

**55. Question:**

Will the DOE consider inclusion in the final contract of detailed, objectively measurable criteria for acceptance of each deliverable during Part A if such criteria are drafted and submitted by the Contractor as a condition of its proposal? If a proposal is so conditioned, will it be rejected without consideration as non-responsive? The current language for acceptance leaves entirely too much discretion to the Contracting Officer to decide whether the Contractor is compensated for months of work and millions of dollars of expenditures.

**Resolution to 51 and 55:**

The Contracting Officer will determine the acceptability of Part A deliverables based on the requirements of Section C of this RFP.

**52a. Question:**

The RFP only states that DOE will take up to four (4) months to review and accept or reject the Part A deliverables. Does DOE expect this to be a one-shot effort or does DOE expect this process to be an interactive process where the Contractor will be given guidance and/or directions on changes needed in the Part A deliverables? If so, what will be the procedures to be followed? What kind of review time periods would be utilized?

**Resolution:**

DOE expects one-time submission of these deliverables. It is anticipated that there will be limited interaction during the evaluation process.

**52b. Question:**

What type and extent of negotiations does DOE envision to get to Part B?

**Resolution:**

It is anticipated that negotiations will be conducted prior to initiation of Part B work. However, the extent of such negotiation is unknown at this time.

**53a. Question:**

Standard 7, paragraph C, provides that "differences between fixed-unit-prices and target unit prices shall not be based upon elements of cost or aspects of Contract performance that were known, or should reasonably have been known, by the Contractor at the time of Contract award." This paragraph does not allow changes in the Part B fixed unit rates based upon further refinement of the process to be used. Is it the intent of DOE to restrict changes in the Part B fixed unit rates to reasons occasioned by new data or information not supplied or available to the Contractor prior to submittal of the proposal?

**Resolution:**

Fixed-unit prices may reflect the experience and knowledge gained by the Contractor in the performance of Part A.

**53b. Question:**

If the Contractor wishes to adjust the fixed unit prices due to invalid assumptions used to develop those prices as discovered during Part A, will the DOE allow such an adjustment and will the language of standard 7, paragraph C be altered to reflect that intent?

**Resolution:**

Adjustments will not be permitted if based on information that was known, or should reasonably have been known, by the Contractor at the time of Contract award.

**54. Question:**

The \$19 Million and \$27 Million Phase 1A ceiling(s) are based, no doubt, on an estimate of the number of anticipated bidders. If fewer than expected bids are received, will DOE allow bids and award contracts if a bids exceed the ceiling price?

**Resolution:**

No. The ceiling prices will be maintained.

**55. See Question 51.****56a. Question:**

Will the \$27 Million (\$19 Million) ceiling be increased to fund substantiated claims during the conduct of this contract?

**Resolution:**

It is conceivable that a substantiated claim or approved change could cause the Part A fixed-price to be paid to the Contractor to be increased above the original Contract price.

**56b. Question:**

Could the \$27 (\$19) Million ceiling be increased if less than 3 awards are made?

**Resolution:**

No. There are no plans to increase the \$27 (\$19) Million ceiling.

**57a. Question:**

We believe the technical risks associated with this project clearly establish it as a first of a kind. Let's face it, DOE (including all its contractors) would have solved it by now if it were straight forward. Notwithstanding input provided to DOE, financial viability of this project under reasonable and acceptable conditions is a major concern. Does DOE expect us to provide a guarantee of financing at reasonable and acceptable terms as a condition of an acceptable financing plan?

**Resolution:**

DOE does expect financing commitments from equity participants and letters of intent with contingencies from investors/lenders as a condition of an acceptable Finance Plan as a deliverable under Part A.

**57b. Question:**

If we can not, would this be a basis for DOE's non-payment of Part A?

**Resolution:**

Yes – it possibly could.

**57c. Question:**

Has a criteria been established for an acceptable financing plan regarding financing terms, rates, and conditions?

**Resolution:**

The Finance Plan must meet the requirements of Standard 6. Standard 6 of the RFP, page C-29, paragraph b.5), will be amended.

**58a. Question:**

Given the developmental nature of the treatability portion of this project? what relief is there to the 16 mos. performance period of Part A. Recognizing that it is in both DOE and our interests to complete Part A as quickly as possible, what flexibility does DOE have in extending Part A? What if during performance of Part A we discover we need additional time to develop the project to the level required to enhance financeability? If our performance of Part A exceeds 16 mos., will we forfeit all payment for Part A?

**Resolution:**

It is not anticipated that there will be an extension granted for the completion of Part A.

**58b. Question:**

Certainly constraining both cost and schedule significantly increases our risks. Would DOE consider a proposal that exceeds 16 months, or would it be automatically rejected as non-responsive?

**Resolution:**

The Offeror must be responsive to the RFP. The 16-month period specified for Part A is an essential term.

**59a. Question:**

Will DOE guarantee that all documents referenced by the RFP are available and accessible in the public domain? If not, will DOE provide copies? When could these copies be provided?

**Resolution:**

All documents referenced in the RFP are available either in the public domain or the DOE Public Reading Room (*see* Section J, Attachment 1, *List of RFP References*).

**59b. Question:**

If we identify additional documentation of relevant studies not in the public domain, will DOE expedite providing us copies of these reports without a requirement for us to use FOIA? Can DOE provide a list of unpublished reports relevant to this project?

**Resolution:**

Please refer to Attachment 6 of Section L. Bibliographies containing documents the SEB believes may be of interest to the Offerors are identified on page L-36, items 9, 10, and 11. Revision 1 of the TWRS Privatization Bibliography, containing numerous recently released documents, is available in the DOE Public Reading Room.

**60a. Question:**

This RFP represents a significant shift of risks from the Government to the Contractor for payment for Part A. Is payment for Part A an all or nothing proposition?

**Resolution:**

Payment for Part A is an all-or-nothing proposition.

**60b. Question:**

Are some partial progress payments possible?

**Resolution:**

No.

**60c. Question:**

Our most significant concern is definition of acceptable deliverables prior to contract initiation. With this objective in mind will there be negotiations prior to contract award?

**Resolution:**

Discussions are anticipated prior to Contract award, but DOE reserves the right to award without discussions.

**60d. Question:**

Can our proposal and minutes of negotiation be included as part of the contract? The intent would be for these documents to clearly define our expected deliverables as well as a point of departure for future contract management.

**Resolution:**

It is not anticipated that your proposal or minutes of negotiations will be made part of the Contract.

**60e. Question:**

What feedback will we get on acceptability of deliverables prior to final submittal?

**Resolution:**

There are mechanisms in the Contract, e.g., IPTs, review of documents, which will provide feedback on the adequacy or quality of deliverables prior to final submission.

**61a. Question:**

We believe the RFP is ambiguous on the role and responsibilities of the management IPT. Our observation is that the TWRS Privatization Contractor is the only member of this IPT not on a cost reimbursable contract. Can the TWRS Privatization Contractor's participation on these IPTs be on a cost reimbursable basis, including responding to action requests and questions of these IPTs?

**Resolution:**

Contractor participation on the IPTs is a part of the scope-of-work of the fixed-price Contract.

**61b. Question:**

If not, how will this potential "conflict-of-interest" be mitigated?

**Resolution:**

DOE's participation in the IPT process is designed to mitigate any concerns in this area.

**61c. Question:**

How many people does DOE, including contractors, have budgeted for management of this contract?

**Resolution:**

The Hanford Site is committed to providing the required resources to make the IPT process a success.

**61d. Question:**

Will we be expected to formalize our responses to these IPTs?

**Resolution:**

As stated in Section C, the IPTs will be established to facilitate the Contractor's performance and the manner in which it functions will be determined by each individual IPT.

**62. Question:**

Proposal Evaluation

Within a privatized contract using best commercial practices, the bid evaluation process would employ a "meaningful discussions" process between DOE and vendors rather than the more traditional DOE "orals" approach. The "meaningful discussions" approach is more effective for both parties in evaluating the best overall commercial bid. Would DOE confirm that they will adopt the more usual commercial practice of meaningful discussions on this procurement?

**Resolution:**

The basis for Contract award is set forth in Sections L and M of the RFP.

**63. Question:**

How much slope is there for the North site? Estimate the number of yds<sup>3</sup> of earth to be removed to provide a "level" site?

**Resolution:**

Attachment 3, Siting Plan, provides topographical information. An original version of the Siting Plan is available upon request (to more clearly read contour information).

**64. Question:**

Standard 5, subpart a(2) requires a material control and accountability plan. Such plans are generally applied to special nuclear materials. Are the quantities and form of these materials such as to justify such a plan and its cost?

Table 1 of DOE-RL-96-004 describes a process to "Develop Standards." This process is hardly conducive to a fixed price contract.

**Resolution:**

A limited amount of Special Nuclear Material may be present in the waste feed envelopes, and a graded approach may be applied to develop the plan.

**65a. Question:**

Section 3.1 of DOE/RL-96-003 states "The Regulatory unit will use internally specified review procedures and acceptance criteria appropriate to the regulatory function. The NRC has standard Review Plans to tell the applicant what is expected and acceptance criteria. It appears the DOE could use arbitrary acceptance criteria to judge products under its own fixed price contractor. Isn't this a serious conflict of interest and what recourse does the Contractor have to resolve disagreements on acceptance criteria?"

**Resolution:**

DOE recognizes the potential and plan to eliminate or mitigate conflict of interest. The Regulatory Unit expects, well before the conclusion of Part A work, to prepare its review plans and acceptance criteria with which to judge the products delivered by the Contractor. These will be shared with the Contractors at the earliest possible date. The structure of the Regulatory Unit is designed to mitigate an actual, or appearance of, a conflict of interest.

**65b. Question:**

Section 3.3.2 of DOE/RL-96-003 uses words "the degree to which the Contractors. . . ." These are very non-specific acceptance criteria. Wouldn't a contractor claim full compliance with the SRD, ISMP, etc., so as to be able to qualify for Part B work?

**Resolution:**

At this stage of developing the approach, this is the best statement possible. The Contractor will have a major role in selecting standards and requirements and specifying the Safety Plan, because its technology and processes are best known to the Contractor. The criteria for acceptable performance can be stipulated as these basic requirements are put in place. A Contractor, experienced and capable in the nuclear safety arena, is expected to understand the nature and degree of compliance for the commitments it must make and to participate in defining its basis for success.

**65c. Question:**

Section 3.3.2, 3.3.3, and 3.3.4 of DOE/RL-96-003 is a three step licensing process which has been found to be unacceptable in terms of financial risk to builders of nuclear plants. This is also not the process used by NRC per 10 CFR 60 for fuel cycle facilities. Why did the DOE choose this process, which adds significant risk of uncontrolled changes during construction?

**Resolution:**

The three-step process was developed to provide the greatest flexibility in evaluating varying waste treatment technologies proposed by Contractors. This process is considered to be the least intrusive, yet most sufficient, means of ensuring that adequate safety is maintained.

**66a. Question:**

Table 1 of DOE/RL-96-006 has a number of limits to be derived by the Contractor. Suppose one contractor proposes X and the other 10X and the third 100X. How will DOE decide upon the standard? What if the contractor proposing 100X cannot meet 10X, and that becomes the adopted DOE standard? Will that subcontractor be paid for Part A deliverables?

Will that subcontractor be precluded from Part B work?

**Resolution:**

The Contractor shall propose radiation exposure standards based on established requirements and the risk and hazards associated with technologies selected by the Contractor. If radiation exposure standards do not provide an adequate level of protection, the Contractor may not be authorized to proceed with Part B.

**66b. Question:**

Section 4.2.2.4 of DOE/RL-96-006 implies that specification of codes & standards be supplemented by conservative engineering practices. How will DOE review & approve the application of conservative design parameters? Suppose DOE disagrees with the Contractor's margins of conservatism? Will this become a basis for contract change? If not, how will disagreements be resolved when regulatory requirements impose changes in cost?

**Resolution:**

Section 4.2.2.4 is under the heading of General Radiological and Nuclear Safety Principles. This section is intended to provide a prudent approach to ensuring a sufficient safety margin. DOE will review and approve the total approach proposed by the Contractor to develop and implement a Standards Based Safety program.

**67a. Question:**

**Section C.5 Standard 2  
Objective Evidence, b.c, page C-17**

Will the organization and performance of the demonstration on actual radioactive samples be the sole responsibility of the Contractor?

**Resolution:**

Yes.

**67b. Question:**

Will there be any transfer of title for the samples and returned product samples?

**Resolution:**

It is not anticipated that there will be a transfer of title for the samples or the returned product.

**67c. Question:**

What are the dispositions for the waste resulting from the demonstration on actual samples?

**Resolution:**

Waste shall be dispositioned by the Contractor, unless waste cannot be disposed in a commercial facility.

**67d. Question:**

Has a procedure been designed for the whole operation?

**Resolution:**

The development of the testing program is the responsibility of the Contractor.

**68. Question:  
Part 1, Section C, Standard 3**

For HLW glass qualification, WASRD and WAPS require a set of documents (Waste Compliance Plan and Waste Qualification Reports) that seem to address the same issues as the Products & Secondary Plan. Will both sets of documents be required for IHLW?

**Resolution:**

For Part A, the Products and Secondary Wastes Plan is the required documentation. For Part B, the Contractor implements the approved Products and Secondary Wastes Plan and submits the documentation required by Specification 1, *Immobilized High-Level Waste*.

**69. Question:**

C.5 Standard 2, g

Does scale-up testing refer to implementation of Part B production activities or does it refer to eventual scale-up from Part B to Phase II production?

**Resolution:**

Scale-up testing refers to Part A testing that leads to Part B waste treatment services.

**70a. Question:**

Where does the "contractor-provided transfer system" for HLW envelope D start from?

**Resolution:**

A point of connection adjacent to the AP Tank Farm as described in Interface Description 20: *High-Level Waste Feed*.

**70b. Question:**

Does it include retrieval operations?

**Resolution:**

For High-Level Waste, the answer is no.

**71. Question:**

Would there be an incentive to produce lower than Class B immobilized LAW product?

**Resolution:**

DOE will consider any incentive that reduces radionuclide concentration in the Immobilized Low-Activity Waste product. Maximum radionuclide concentration limits are provided in Specification 2, paragraph 2.2.2.8. Alternative waste products with improved performance, may be presented as a technical or operational performance improvement as described in Standard 2, paragraph f.

**72. Question:**

Section C.6, Specification 1, Part 1.2.2.2.1

Does the phrase "other materials that result from processing LAW" refer to materials initially present in and separated from waste envelopes A, B, and C, or do they refer to materials that are added by the Contractor during the processing of envelopes A, B, and C?

**Resolution:**

"Other materials that result from processing LAW" refers to material removed from waste envelopes A, B, and C, additions, and the intermediate waste products excluding Entrained Solids. The RFP will be amended to clarify this requirement.

**73. Question:**

During the "answer to questions" session of March 7th, it was said that all the characteristics of the waste would be found in characterization reports of Hanford tanks. Will there be any treatment other than retrieval performed before dispatching the waste to the Contractors (e.g., addition of chemicals)?

**Resolution:**

The composition of the waste feed envelopes are provided in Specifications 7, *Low-Activity Waste Envelopes Definition*, and 8, *High-Level Waste Envelope Definition*, and includes any chemical additions necessary to manage storage of the waste. There will be no further chemical additions for treatment of the waste.

**74. Question:**

If LLW and HLW are addressed, is the document's total length going to be 300 or 500 pages?

**Resolution:**

If LAW and HLW are proposed, the page total for volumes IIIA and IV is 300, see page L-7.

If LAW only is proposed, the page total for volumes IIIA and IV is 200, see page L-7.

The combined page total if both LAW only, and LAW and HLW proposals are submitted, for volumes IIIA and IV is 500 pages (*see page L-7*).

**75. Question:**

Where could we find a description of the "optional services" (laboratories and other services) listed in the handout?

**Resolution:**

A description of the Optional Services is not available. The hand-out is not a part of the RFP.