

EM Response to EMAB Recommendations

Recommendation 1-1: Develop an overarching End State Contracting (ESC) Program Plan that defines the vision, how priorities are established, roles and responsibilities of each entity within the Department of Energy (DOE). This will provide the necessary strategic view to all stakeholders, helping to communicate the ‘why’ this approach is being undertaken. The plan should also include a decision map for ESC that sets out the key decisions required to implement the essential work streams and decisions in a timely and efficient fashion. These include: effective acquisition, contract management, regulatory interactions (e.g., Tri-Party Agreement revisions in the case of the State of Washington), Indefinite Delivery Indefinite Quantity (IDIQ) task order development, change management, requirements development or amendments, and workforce planning. We recommend that Environmental Management (EM) could develop RACI Matrix (Responsible, Accountable, Consulted, and Informed) for ESC that clarifies roles and responsibilities at every level of the organization. This clarity will enable EM to allocate resources where they are needed to support these work streams.

Status: Concur. EM is working to develop an ESC Program Plan consistent with the recommendations stated herein. This plan will serve as a comprehensive update to the initial December 2018 public notice regarding the ESC Model (https://www.emcbc.doe.gov/SEB/em_escm/News%20and%20Announcements.php).

Recommendation 1-2: As an accompanying step, we recommend that EM develop and implement ESC Project Execution Plans (PEP) at each site to guide the specific activities required to implement the ESC approach. The plans would treat each contract as a ‘project’, defining the objectives and communicating goals to both Headquarter (HQ) and Field Staff. The plans could also be used to cultivate the culture change and further explain the concept of ‘end state’ as it applies to the specific site.

Status: This recommendation is under active consideration by EM, with some similar documents already in place at EM sites such as Integrated Priority Lists and Ten-Year Site Plans.

Recommendation 1-3: Accompanying the PEP, we recommend forming an Integrated Project Team (IPT) for each site consisting of representatives from DOE HQ, Field Offices, and the EM Consolidated Business Center (CBC). IPTs could play a significant role in formulating task order scopes for the ensuing years, interacting with regulators, incorporating lessons learned in follow on tasks, and resolving problems. EMCBC representation could provide broader perspective as they will be involved in this contracting approach across multiple sites.

Status: Concur. EM plans to utilize an IPT approach for contract execution in Phase 2 of the ESCM.

Recommendation 1-4: Develop a timeline, considering the lessons learned from Hanford, which provides a schedule for future contracts (Phase 1 and Phase 2). This provides a means of communicating general expectations to all stakeholders.

Status: Concur. Standard process steps and timelines have been developed for both Phase 1 and Phase 2. These draft timelines for competitive contract actions in Phase 1 and task order awards in Phase 2 will be tailored by each IPT for the respective action, and will be updated based on lessons learned as the ESC Model matures.

Recommendation 2-1: Develop and implement a communications plan associated with the End State Contracting initiative. It is suggested the plan include general awareness communication to employees accompanied by an opportunity to submit questions. The communications plan could describe how ongoing communication up and down the Federal organization will take place to ensure full understanding of progress and issues as this new model is implemented. Consider additional ‘town hall’ or ‘all hands’ type meetings to reinforce the priority and importance of the approach and the key messages of the why, what and how related to end state contracting. These meetings will provide an opportunity to share and reinforce the shift in philosophy of EM to focus on contract management.

Status: Concur. EM is undergoing an extensive training and outreach program at the Hanford site in preparation for administration of the first two End State contracts (Central Plateau Cleanup Contract and Tank Closure Contract), and will do the same for other sites with future End State contracts. Additionally, EM’s communications strategy for implementation of ESC will include both DOE corporate communications and site-specific communications.

Recommendation 2-2: Consider the increased importance of continuous partnering among all of the parties who will be critical to execution of Phase 2 (i.e., follow-on task orders). This includes the Federal staff (HQ and the Field), the contractor, regulators, and local stakeholders.

Status: Concur. As stated in the December 2018 ESC Model announcement, “The proposed two-step ESC Model IDIQ model provides EM the needed flexibility to partner with industry and its stakeholders at this critical juncture of the Program to openly negotiate the right end states and regulatory framework to reach completion at many of our sites.” The respective End State contracts recognize the importance of the key stakeholders noted in the EMAB recommendation. This includes comprehensive partnering required between the Federal staff and the contractor, including a non-binding, signed Partnering Agreement for site cleanup. The agreement will establish a common vision with supporting goals and objectives, and expectations of doing business together in a manner that brings the best value to the Government. Partnering between DOE and the Contractor shall be conducted in a manner similar to the Department of Defense (DOD) Integrated Product and Process Development (IPPD) framework. The IPPD technique simultaneously integrates all essential activities to facilitate meeting cost and performance objectives. Additionally, Section C of the respective End State contracts

recognizes the importance of interactions with regulators and other local stakeholders in terms of engagement and compliance, and stakeholder partnering is a critically important aspect of current EM Phase 2 planning.

Recommendation 2-3: Because of the importance of lessons learned from the first contract awards, it is suggested the plan consider ways to document and communicate lessons learned in a formal manner with the opportunity for staff to ask questions and/or receive additional training. Lessons learned should consider input from contractors, HQ, EMCBC and regulators in order to capture the broad learning.

Status: Concur. EM is actively capturing lessons learned while working to implement an effective lessons learned database for ESC. From a pre-award standpoint, lessons learned will include input from contractors gained during award debriefings. From a post-award standpoint, lessons learned will be documented between DOE and the contractor consistent with the partnering requirement, as well as on a continuous basis with applicable regulators and other stakeholders.

Recommendation 3-1: Conduct a more detailed human resource needs analysis to identify the critical resources required at HQ, at EMCBC, and at each site queued for near-term implementation of the End State Contracting model. This analysis should be conducted consistent with clear delineation of roles and responsibilities at each level of the organization. However, there appear to be critical contract management resources required immediately. Therefore, near-term needs should not be held up awaiting this action to be completed.

Status: EM agrees in principle with this recommendation. An ongoing staffing analysis by the Office of Personnel Management is underway as well as the utilization of Direct Hire authorities for applicable occupational categories. Additionally, see discussion below regarding the contemplated EM Acquisition Corps as a mechanism to leverage existing resources to the extent possible to cover any critical resource gaps.

Recommendation 3-2: Seek blanket approval to hire externally for positions specifically needed to achieve success and efficiency in implementing the ESC model. This, however, should consider the broader roles within the umbrella of contract management required to implement, such as technical staff required for defining scope and supporting the contract effort and those with expertise in cost and budget analysis, program management, etc.

Status: This recommendation is under active consideration by EM depending on the resource needs for applicable occupational categories.

Recommendation 3-3: Consider sharing critical resources across sites, with the understanding that resources will be needed for the duration of the assigned task. Any use of shared resources should include provision for firm commitments that cannot be withdrawn until agreed tasks or time period are complete.

Status: EM agrees in principle with this recommendation, and is currently contemplating an EM Acquisition Corps concept to maintain a cadre of experienced and knowledgeable support from contracting and non-contracting disciplines to ensure the development of core acquisition capabilities, continuous improvement, and timely execution of major procurements.

Recommendation 3-4: Explore ways to build/develop Contract Management as an identified mission critical career path within EM. These types of positions require a full range of expertise such as technical, business, and communications and will be critical especially in implementation of ESC Phase 2 in the Field.

Status: EM agrees in principle with this recommendation; see prior discussion of contemplated EM Acquisition Corps.

Recommendation 3-5: EM should also consider how to make it more career enhancing for Federal employees to participate in critical temporary assignments (e.g., assignments in support of the acquisition process such as serving on or as Chair of a Source Selection Board (SSB)), such as making participation a prerequisite for certain EM leadership positions. These assignments are high priority, labor intensive, and carry great responsibility. They also typically come with a requirement to step away from routine responsibilities.

Status: EM agrees in principle with this recommendation; see prior discussion of contemplated EM Acquisition Corps. This was an important consideration in the development of the EM Acquisition Corps.

Recommendation 3-6: Review and revise existing support services contracts to ensure they contain the scope necessary to provide the resources and skills needed to fill the gaps at the sites.

Status: EM agrees in principle with this recommendation, and is working to ensure that appropriate support service resources are available as needed. Support service contractors will be required on a continuing basis to support both Phase 1 and Phase 2 contracting activities.

Recommendation 3-7: Conduct a training gap analysis to ensure technical competence is maintained and increased in critical contract management skill areas. The gap analysis should also consider training required for technical, subject-matter-expert staff to grow their competence in contract management.

Status: EM agrees in principle with this recommendation, and is actively implementing training solutions where gaps exist.

Recommendation 4-1: EM should consider reaching out to top level contracting officials in DOD (specifically the U.S. Army Corps of Engineers (USACE) and the Naval Facilities Engineering Command) to learn about their proven model for Procuring

Contracting Officer and Administrative Contracting Officer functions and to obtain their recommendations on applicable training for the equivalent EM contracting personnel, in support of the ESC approach.

Status: Concur. EM held a benchmarking session with USACE during March 2020. In the past, EM has successfully engaged with both USACE and the Navy to obtain their input regarding best practices for contracting activities.

Recommendation 4-2: Specifically, EM should evaluate the professional development and training approach for leaders/managers and technical staff to incorporate an appropriate level of acquisition and contract management training into the plans for site personnel who will be responsible for the planning, execution, and oversight of Phase 2 IDIQ activities.

Status: EM agrees in principle with this recommendation, and has engaged in an extensive training and outreach program at the Hanford site in preparation for administration of the first two End State contracts. EM has developed training on the topic of Partnering and is working with a vendor on IDIQ/Cost Plus Incentive Fee training, as well as training on writing Performance Work Statements.