



NEWS

News Media Contact(s):
NNSA Public Affairs (202) 586-7371

For Immediate Release
March 26, 2010

NNSA Announces New Contracting and Acquisition Strategy

Proposal would consolidate operation of Y-12, Pantex and Savannah River Tritium Operations into one contract, extend Kansas City Plant contract, and launch new Integration, Management and Execution Construction Management Contract

WASHINGTON, D.C. – After more than two years of review, the Department of Energy’s National Nuclear Security Administration today announced its new acquisition strategy decision for key contracts. Consistent with all Departmental and Federal contract competition policies, NNSA will conduct a competition resulting in a single contract for the management of the Y-12 National Security Complex and the Pantex Plant, with an option for the phase-in of Tritium Operations performed at the Savannah River Site.

NNSA also announced today that it is contemplating noncompetitively extending the contract for the management and operation of the Kansas City Plant, located in Kansas City, Missouri, for up to five years. Consistent with Federal regulations, NNSA is notifying industry regarding the agency’s intent to noncompetitively extend the Kansas City Plant contract and NNSA is also seeking expressions of interest from industry regarding the consolidation competition. Formal synopses of these actions can be found on the FEDBIZOPPs website.

Finally, NNSA announced today that it will be competitively awarding a new Integration, Management and Execution Construction Management Contract. This will allow NNSA’s M&O contractors across the enterprise to provide greater focus on the Nuclear Security Enterprise mission work while enabling project planning and execution efforts to be performed by design and construction experts. It will lead to improved construction management and reduced costs at all of NNSA’s laboratories and production sites.

The IME Construction Management Contract(s) will provide the appropriate expertise, processes and systems in the management of all aspects of construction, including design development, procurement of materials and cost estimating. The new plant contracts will begin the implementation of this program within NNSA and be phased into other NNSA contracts. The M&O contractors will retain the nuclear/chemical safety authority for NNSA projects and facilities as well as their normal operating and maintenance responsibilities. In addition, the M&O contractors will be an instrumental part of the design development for each project and will have the responsibility to ensure that the design satisfies the designated design criteria.

The Kansas City Plant is managed by Honeywell Federal Manufacturing and Technologies,

LLC. This contract currently expires on December 31, 2010. The proposed five-year extension would allow for the Kansas City Responsive Infrastructure, Manufacturing and Sourcing (KCRIMS) to be completed successfully, providing for a steady state of operations and less risk. NNSA anticipates that this contract will be competed at a later date, after the completion of KCRIMS, which will provide for a more robust and focused competition.

The Y-12 National Security Complex is managed by Babcock and Wilcox (B&W) Technical Services Y-12, LLC which is comprised of B&W Technical Services and Bechtel National, Inc. The Pantex Plant is managed by Babcock and Wilcox Technical Services Pantex, LLC which is comprised of B&W Technical Services, Bechtel National, Inc., and Honeywell International, Incorporated.

The Savannah River Tritium Operations are managed as a defined, severable work activity within the Savannah River Site management and operation contract structure. The Savannah River Site is managed by Savannah River Nuclear Solutions, LLC, which is comprised of Fluor Federal Services, Inc., Northrup Grumman Corp., and Honeywell International, Inc.

The proposed single contract award will further strengthen DOE/NNSA's ability to achieve the ambitious goals set by the President in his proposed FY2011-2015 budget and is consistent with the DOE/NNSA vision to move toward a fully integrated and interdependent enterprise which will enhance mission performance, reduce costs, strengthen partnerships and improve stakeholder confidence. It is also consistent with Departmental and federal competition policies. Comments were received and considered from a number of potential industrial participants. Given industry comments and interest, NNSA anticipates robust competition.

NNSA will conduct the competition for management of the Y-12, Pantex and Tritium Operations. The current contracts and other information applicable to this competition are located at <http://www.doeal.gov/MOContracts/>. The Y-12 and Pantex contracts expire this September. Given NNSA's interest in obtaining robust competition, the agency will seek and consider industry's feedback regarding the ability to respond to such an aggressive acquisition schedule.

Follow NNSA News on [Facebook](#), [Twitter](#), [YouTube](#), and [Flickr](#).

Established by Congress in 2000, NNSA is a semi-autonomous agency within the U.S. Department of Energy responsible for enhancing national security through the military application of nuclear science. NNSA maintains and enhances the safety, security, reliability and performance of the U.S. nuclear weapons stockpile without nuclear testing; works to reduce global danger from weapons of mass destruction; provides the U.S. Navy with safe and effective nuclear propulsion; and responds to nuclear and radiological emergencies in the United States and abroad.