

SOLICITATION NO. DE-SOL-0003490, MANAGEMENT AND OPERATION OF THE STRATEGIC PETROLEUM RESERVE

Questions/Comments (Final RFP)

1. Question/Comment: Reference H.25, Environment, Safety and Health. Please provide in the reading room the incumbent's policies and procedures regarding ESH&Q.

Response: To the extent practicable, documents relevant to proposal preparation will be made available in the Reading Room.

2. Question/Comment: Reference H.7, Workforce Transition. The following incumbent key personnel are not listed as Discretionary Incumbent Management positions: (1) Executive Vice President and Assistant Project Manager for Management and Administration and (2) Director, Technical Assurance. Please confirm that the offeror will be required to offer employment to these individuals, or that these key positions no longer exist in the incumbent's organization.

Response: Offeror is not required to offer employment to positions identified in the RFP (H.7).

3. Question/Comment: Reference C.2.1.1, Drawdown Readiness. The response to Question #45 on the draft RFP indicated the DOE would add, as appropriate, the following relevant documents: Personal Computer Operations Model (PCOM), a Readiness and Capability Report (RECAP), and the SPR Exchange Capabilities Report (SPREX). Please confirm if examples will be provided in the reading room for use during preparation of the offeror's proposal.

Response: To the extent practicable, documents relevant to proposal preparation will be made available in the Reading Room.

4. Question/Comment: Reference C.2.1.1, Drawdown Readiness. What is the maximum drawdown rate SPR has achieved?

Response: The maximum design rate is 4.4 million barrels per day.

5. Question/Comment: Reference L.16(d), Transition Cost Proposal. For the transition costs, are home office overhead costs allowable since many of the transition staff could be on temporary assignment from the home office? If the home office overhead is an allowable cost, where should this be presented in accordance with Section L, Attachment H?

Response: Yes. Supporting details should be provided as attachments to cost proposal forms provided in the RFP.

6. Question/Comment: Reference H.17, Responsible Corporate Official and Corporate Board of Directors. Please clarify the obligations of the Responsible Corporate Official. Specifically, H.17 states that the Responsible Corporate Official “has sole corporate (parent company(s)) authority and accountability for Contractor performance.” Please confirm:

- a. The Contractor may have more than one parent company but only one Responsible Corporate Officer ; and
- b. The “authority and accountability” of the Contractor’s Responsible Corporate Officer is to serve as a single parent company point of contact for the DOE regarding Contractor performance, and that the Contractor’s Responsible Corporate Officer has no personal liability or obligations with respect to the Contractor’s performance.

Response: a. Yes.

b. The authority and accountability of the Responsible Corporate Official shall be governed by the terms and conditions of the contract.

7. Question/Comment: Reference H.38, Litigation Management Procedures. Please clarify DOE’s expectations with respect to who must participate in the Contractor’s Management of Litigation Procedure. Specifically, H.38 provides that the Contractor and other entities which “form” the performing entity shall prepare the Management of Litigation Procedure. There may be scenarios in which the Contractor and entities which “form” the “performing entity” have adverse interests in litigation. Please confirm the extent to which the Contractor has obligations, in connection with management of its litigation, under a Management of Litigation Procedure or otherwise, to any entity which “forms” the “performing entity.”

Response: A single procedure conforming to Code of Federal Regulations Title 10 Subpart 719 is required and must demonstrate that all elements of the performing entity shall be governed by it.

8. Question/Comment: Reference L.13(h)(1), Page Formatting and Restrictions. The RFP indicates that Times New Roman is the required font style. We recommend allowing a sans serif font (e.g., Arial) for graphs, figures, and charts to increase readability.

Response: A different font style for graphs, figures, and charts may be used. The RFP will be amended.

9. Question/Comment: Reference H.37, Recognition of Performing Entity. Please clarify the meaning of the term “Performing Entity”. Specifically, H.37 states that the parties identified in paragraph (a) form the “performing entity.” It does not say the parties identified in paragraph (a) “are” the performing entity. Please confirm:

- a. That the parent(s) of that Performing Entity are not included within the definition of “Performing Entity,” “Contractor” or “Offeror;” and
- b. That the parent(s) of the Contractor/Performing Entity:

- i. Are not in privity of contract with the government; and
- ii. Are not responsible for making or completing representations and certifications set forth in the RFP, or otherwise complying with the terms of RFP or resulting contract merely by virtue of the proposal.

Response: a. Correct. b. i. Correct. b. ii. Parents are required to complete Section K as stated in the RFP at L.14 (b)(2).

10. Question/Comment: Reference H.9, Performance Guarantee Agreement. We understand that the Performance Guarantee Agreement is in many respects like a payment and performance bond or other form of surety agreement, in that the obligations of the Guarantor are conditioned upon the occurrence of some future event (i.e., default by the Contractor). Please confirm:

- a. That merely by executing the Performance Guarantee Agreement that a guarantor is not deemed to be the “Contractor”, “Offeror”, or “Performing Entity”; and
- b. That in the event the obligations under the Performance Guarantee Agreement are triggered, the guarantor(s) may utilize and substitute additional parties acceptable to the Government to fulfill any remaining contractual obligations, subject to the guarantor(s) continuing obligation to ensure the work is completed and the terms and conditions of the contract are met by those substituted performing entities.

Response: a. Correct. b. The obligations are set forth in the clauses and the agreement in the RFP.

11. Question/Comment: Reference L.15(b)(2), Oral Presentation. The RFP presents the instructions and schedule for an Oral Presentation by the Key Personnel of the offeror. It states that the “DOE will provide a sample problem and interview questions on the day of the Oral Presentation. The sample problem will be provided for resolution to the entire key personnel team. Interview questions will be provided to each of the proposed key personnel.” It also follows with a schedule of the Oral Presentation. We have the following questions concerning this information:

- a. The Oral Presentation schedule does not indicate when DOE will provide the Sample Problem in the Agenda. Will it be provided in advance of the 2 hour Sample Problem period? If so, when?

Response: No.

- b. The proposed schedule shows 2 hours for Key Personnel Interviews and Sample Problem. Are these time periods concurrent with the Key Personnel being interview being removed from the Sample Problem deliberations and effort or will the Interviews precede the Sample Problem Period?

Response: Time periods are not concurrent.

- c. The instructions indicate that the interview questions will be provided to the offeror on the day of Oral Presentation. When in the Agenda will DOE provide the interview questions? Will they be provided to the entire team?

Response: Questions will be posed one at a time during the interview segment. Some questions will be directed to the entire team and the offeror may collaborate and choose which member(s) will answer them. Questions directed to specific Key Personnel must be answered by that individual without consultation. All answers will be timed.

- d. Section L.15(b)(2) last paragraph informs offerors that DOE will "...provide at least two weeks prior notice of the date, time, location, and other instructions related to its Oral Presentation." In order to ensure that all Key Personnel are available for the Oral Presentation could the DOE indicate an approximate time period after the submission of the Proposals that the notice would be given?

Response: The notice will be provided within two weeks of the RFP closing date.

12. Question/Comment: Reference L.15(b)(1), Key Personnel. This section identifies the DOE specified key personnel. The response to question #64 on the draft RFP indicated that "...Proposers will not be permitted to vary the list." However, Attachment B (Listing of Key Personnel) in Section L has a note that indicates offerors can add/subtract extra lines if needed, implying that key positions can be deleted and/or added. The positions established by DOE are clearly key to the management and leadership of the SPR M&O Mission. At the same time, offerors (and even the current M&O contractor) have other positions that are critical to the management of important areas of the program and could also be considered key personnel. We recommend that the DOE allow the offerors to identify up to three additional key personnel at their discretion. This will allow the DOE to evaluate the offeror's understanding of the key aspects of the SPR mission as well as the viability of their proposed management concepts.

Response: Offerors may not vary the Key Personnel list. Attachment B will be amended to remove the note.

13. Question/Comment: Reference B.2(b)(2), Total Available Award Fee. The RFP stipulates that "The total Available Award Fee will be equal to or less than the Total Available Award Fee set forth in Column E." Please confirm that the figures presented in the tables of B.2 and B.6 are not locked for the duration of the contract and as such, there will be annual adjustments made to this table and the contract to reflect the complexity, difficulty, cost effectiveness, and risk of the work.

Response: See Section B.2(b)(4) of the RFP.

14. Question/Comment: Reference L.13(h)(1), Page Formatting and Restrictions. The RFP states that "the cost data in the cost proposal be submitted in Excel." Does DOE wish to have the Excel cost data submitted with working formulas and accessibility to all cells or in Adobe Acrobat PDF format?

Response: Cost data should be submitted in Excel with working formulas and accessibility to all cells.

15. Question/Comment: Reference L.33(b), Site Tour/Preproposal Conference. The RFP states that a preproposal conference is planned in New Orleans with a date and time to be determined. Does the DOE still intend to hold this conference? If yes, we request the conference be held as soon as possible to allow offerors adequate time to respond of the RFP requirements.

Response: Information has been posted on the M&O Competition website.

16. Question/Comment: Will DOE be adding the SPR Site Sustainability Plan to the reading room as a reference document?

Response: No.

17. Question/Comment: Reference L.15(e), Relevant Experience – Per DOE’s answer to draft RFP contractor question # 18, DOE added the following sentence to this proposal instruction: “The Offeror may expand upon its relevant experience in its Volume II proposal subject to the overall page count limitation.” However, no additions were made to the evaluation criterion in M.5(e). Will DOE add the same language in Section M.5(e) so that the evaluation criterion reads: “For each of the contracts, DOE will evaluate the relevant experience information on Relevant Experience and Past Performance Reference Information Form submitted by the Offeror, and expanded experience discussed in Volume II subject to the overall page count limitation.”

Response: Section M.5(e) will be appropriately amended.

18. Question/Comment: Reference L.15(e), Relevant Experience – Per DOE’s answer to draft RFP contractor question # 18, DOE added the following sentence to this proposal instruction: “The Offeror may expand upon its relevant experience in its Volume II proposal subject to the overall page count limitation.” Can this expanded experience discussion include experience on other contracts, projects, or programs that are not discussed in the Relevant Experience and Past Performance Information Forms?

Response: No.

19. Question/Comment: Reference Clause I.76 FAR 52.234-4 Earned Value Management System (JUL 2006). In what time frame does DOE anticipate requiring the contractor to obtain EVMS certification?

Response: There are no identified tasks that would require this system at this time.

20. Question/Comment: Reference C.2.7.9 Safety and Health: “The Contractor shall commit to Occupational Safety and Health Administration (OSHA) Voluntary Protection Program

(VPP) criteria plus achieve and maintain VPP status at each SPR operating site.” Will the government please clarify if the VPP criteria is for DOE VPP or OSHA VPP?

Response: OSHA

21. Question/Comment: Will the government provide a list of government furnished equipment/property (GFE/P) that the SPR M&O contractor will be responsible for at each site?

Response: This information will be provided during transition.

22. Question/Comment: Are any of the incumbent SPR M&O contractor's business systems considered to be government furnished equipment? If so, what are they and will they be available for use by the new SPR M&O contractor?

Response: No.

23. Question/Comment: Is the Assessment Tracking System (ATS) that is managed by the M&O contractor a government furnished system?

Response: No.

24. Question/Comment: How many and which incumbent contractor SPR employees are currently required to have security clearances and what positions do they have?

Response: This information will be provided during transition.

25. Question/Comment: Are all SPR M&O key personnel required to have security clearances?

Response: Yes

26. Question/Comment: Several documents within the reading room refer to classified matter or classified information. What types of elements, documents, or information are considered to be classified under the SPR M&O contract?

Response: The M&O Contractor maintains very little classified material. Relevant details will be provided during transition.

27. Question/Comment: Will bidding contractors be given access to the incumbent SPR M&O contractor's written procedures to implement the requirements of Department of Energy (DOE) Order 422.1 (Conduct of Operations)?

Response: To the extent practicable, documents relevant to proposal preparation will be made available in the Reading Room. Further details will be provided during transition.

28. Question/Comment: After transition, does the winning SPR M&O contractor have to secure its own office space at all locations, or will DOE provide office space for the contractor?

Response: DOE will provide office space at all locations after transition.

29. Question/Comment: Reference C.2.7.4 Information Systems and Knowledge Management: Will the contractor be responsible for managing and maintaining government IT assets?

Response: Yes.

30. Question/Comment: Reference H.17 Responsible Corporate Official and Corporate Board of Directors H.17(a) states "... The individual signing the "Performance Guarantee Agreement" for the parent company(s) should be the Responsible Corporate Official." H.17(b) states "The Responsible Corporate Official is the person who has the sole corporate (parent company(s)) authority and accountability for Corporate performance ..."

Comment: Per our internal policy, our Legal Department executes all performance guarantees and our general managers are delegated the sole corporate authority and accountability for Corporate performance for contracts in their business unit.

Recommendation: Would DOE consider revising the H.17 Special Contract Clause to delete the sentence stating 'The individual signing the "Performance Guarantee Agreement" for the parent company(s) should be the Responsible Corporate Official.', giving Offerors the flexibility to operate within the roles and responsibilities as defined by their corporations but still meeting the requirements of the request for proposal.

Response: No.

31. Question/Comment: Will DOE please provide a list of the current environmental permits for the SPR?

Response: To the extent practicable, documents relevant to proposal preparation will be made available in the Reading Room. Further details will be provided during transition.

32. Question/Comment: Reference F.1, Period of Performance, states that the SPR contract base period of performance runs from April 1, 2013 (FY13) through March 30, 2017 (FY18) and the option period runs from April 1, 2017 (FY18) through March 30, 2023 (FY23). Section L Attachment H summarizes the Key Personnel and Transition Costs for each of these periods. As presented, Attachment H does not allow to capture the costs associated in the Base Period for FY18 (Sept 2017 – March 2018) and the Option Period costs for FY23 (Sept 2022 – March 2023) which results in an underestimate of the Key Personnel and Transition Costs. Would DOE update the Section L Attachment H form to include such columns in the Base and Option periods so that the offeror can reflect total costs for the Base and Option Periods?

Response: The form will be corrected.

33. Question/Comment: Reference H.12 Transition Activities, (b) “The Contractor shall submit a transition plan consistent with the approach in the proposal as the basis for beginning the transition activities immediately upon award of the contract. The Contractor shall submit a transition plan and budget to the Contracting Officer for approval within 7 days after award of the contract.” To clarify, is the transition plan due immediately upon award or 7 days after award of the contract?

Response: The plan is due within 7 days after award.

34. Question/Comment: Does DOE own the license for the SAP system?

Response: The incumbent M&O contractor acquired its SAP license under a GSA contract. This license would be transferrable to a successor contractor.