



Department of Energy

Portsmouth/Paducah Project Office
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Lexington, Kentucky 40513
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OCT 15 2009

PPPO-02-696-09

Ms. Judy Clayton, Chair
Paducah Citizens Advisory Board
111 Memorial Drive
Paducah KY 42001

Dear Ms. Clayton:

RESPONSE TO CITIZENS ADVISORY BOARD CONSENSUS RECOMMENDATION 09-03 - INCLUSION OF OPTIONS IN DEPARTMENT OF ENERGY REQUESTS FOR PROPOSALS

The Portsmouth/Paducah Project Office (PPPO) forwarded Citizens Advisory Board recommendation 09-03: *Inclusion of Options in Department of Energy (DOE) Requests for Proposals* to the Environmental Management Deputy Assistant Secretary for Acquisition and Project Management (APM) for consideration. APM has reviewed your recommendation and based on this input, PPPO offers the following response to your recommendation.

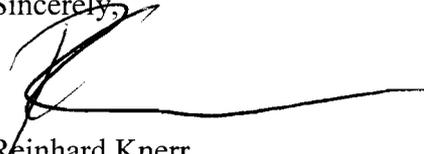
There are many factors that must be taken into consideration in determining whether to include options in a contract. These factors include:

- An expectation that the work requirements will continue beyond the contract base period.
- A reasonable expectation that funding will be available for the option periods.
- A determination that inclusion of options is in the best interest of the Government.
- Statutory mandates that require competition.
- Ensuring price reasonableness over the life of the contract.

Due to the uncertainties associated with changing programmatic priorities and technological advances and the factors listed above, it is difficult to project work requirements with a high degree of certainty beyond a five year period. After much consideration, DOE is unable to include multi-year options in our current procurement activities at the Paducah Gaseous Diffusion Plant (PGDP). DOE will reevaluate these factors for subsequent procurements at the PGDP.

Thank you for your input and continued support as we continue our efforts to remediate PGDP. If you have questions or require additional information, please contact Buz Smith at (270) 441-6821.

Sincerely,



Reinhard Knerr
Paducah Site Lead
Portsmouth/Paducah Project Office

cc:

DMC/Kevil

Jack Surash, EM-50/FORS

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