Department of Energy
Washington, DC 20585

October 21, 2003

MEMORANDUM FOR DISTRIBUTION

FROM: for JAMES A. RISPOLI
DIRECTOR, OFFICE OF ENGINEERING AND
CONSTRUCTION MANAGEMENT/OMBE

SUBJECT: ACQUISITION STRATEGY - SAMPLE AND GUIDANCE TOOL

The attached Acquisition Strategy – Sample and Guidance Tool provides Federal Integrated Project Teams (IPTs) a sample format, situational scenarios and consolidated guidance that meet the Department's intent for project Acquisition Strategy development. DOE M 413.3-1, Project Management for the Acquisition of Capital Assets, was approved by the Deputy Secretary on March 28, 2003. Chapter 2 requires an Acquisition Strategy that accounts for project risks and mitigation strategies for each project as part of Critical Decision – 1, Approve Alternative Selection and Cost Range. Chapter 5 provides amplifying information on the implementation of the requirements for the Acquisition Strategy content and submission requirements.

The Acquisition Strategy should be tailored based on the size, risk, and complexity of the project. The greatest amount of tailoring will typically be applied to smaller, low-risk, and noncomplex projects. Tailoring may involve consolidated decisions, abbreviated documentation, or substituted equivalent documents. Tailoring does not imply the omission of essential elements in the acquisition process, such as risk and alternatives analysis, critical decisions, total project cost range, contract types, competition and major milestones, which are necessary for all projects. When an element is not applicable, include a brief explanation as to why.

The Office of Engineering and Construction Management (ME-90)/for Office of Management, Budget and Evaluation reviews Acquisition Strategies, resulting in a recommendation to the approving official. Draft Acquisition Strategies may be submitted to ESAAB SECRETARIAT @hq.doe.gov for early ME-90 review, after the Federal project director, contracting officer and program office project management support office staff have reviewed and concurred. Program offices and Federal IPTs may request training and further assistance with development of Acquisition Strategies from Walter Howes at (202) 586-8254 or Donette Cappello at (202) 586-4183 of my staff.

Attachment

October 21, 2003

Distribution. (Also available at http://oecm.energy.gov/)
Program Office Project Management Support Offices
Procurement Directors, ME-60
Program Secretarial Officers
NNSA Deputy Administrators, NA-63, NA-50, NA-11, NA-12

October 21, 2003

ACQUISITION STRATEGY
SAMPLE AND GUIDANCE TOOL

Project Title: **Advanced Material Synthesis (AMS) Project**
(**Note:** *If the Project Title has changed since CD-0 Approve Mission Need, reference prior title.*)

Lead Program & Project Office: **Energy Efficiency & Renewable Energy (EERE)**
Golden Field Office (GO)

Total Project Cost (TPC) Range: **$200 – 270 Million (M)**

CD – 0 Approve Mission Need - Approval Date, Approving Official and Material Changes
CD-0 approval of the DOE AMS Project was given by the EERE Program Secretarial Officer (PSO) – Mr. Robert James, on July 31, 1999, with a TPC range of $150 – 185M. In fiscal year (FY) 2000, three additional advanced materials research scenarios were identified by the National Academy of Science as critical to national security. These required additional state-of-the-art test and fabrication equipment and accelerated mission need from 2009 to 2007. These items were added to the EERE Program Requirements Document in October 2002. These additional technical requirements have increased the TPC range to $200 – 270M.

1. Desired Outcome and Requirements Definition

Project Description
This AMS laboratory will support research efforts in the DOE mission area of advanced material synthesis research, which is a single EERE Program specific area of advanced materials research and prototype fabrication for efficient buildings security. This will support national goals of energy independence, reduced dependence on fossil fuels and increased use of sustainable, low environmental impact energy. The AMS Project will enable DOE research and development (R&D) and prototype fabrication of advanced materials not currently available. Standard equipment for the AMS Project will include ultra-precise measuring and characterization equipment used for the research and prototype fabrication of the new advanced materials. Most of the equipment will be commercially available. One major item of equipment will be shipped from Princeton Plasma Physics Lab (PPPL). Another major item of equipment for prototype fabrication requires special building design layout for proper cooling and venting. The project also includes commercial office furniture for approximately 125 staff.
(**NOTE:** *Another example for a facility modification might be a list of items included and/or specifically not included such as: demolition of areas necessary for site preparation; installation of a heating and air conditioning system; and upgrade of the overhead crane system.*)

Performance Parameters Required to Obtain Desired Outcome
The research goal is to generate needed information supporting the next generation of solar cell collection and power generation. It is expected that materials and products resulting from this research will be in commercial testing or utilization in 2009. The close exchange of data with Solar Energy Research Facility (SERF) will expedite the investigative processes estimated to cut research time by 50% within 2 years. The DOE AMS Project will consolidate the various advanced material research areas currently located in three separate labs at GO and numerous secondary laboratories scattered throughout the United States into a common and efficiently

structured facility. The upgraded major items of equipment for the AMS Project will contribute significantly to reducing the research time and prototyping of new materials.

The AMS Project is approximately 75,000 square foot (SF) new construction facility containing a laboratory, 3 clean rooms, offices for approximately 125 staff, mechanical/electrical spaces, and located adjacent to the SERF at GO. The adjacency of SERF and AMS will enhance capabilities of both facilities and consolidate existing research activities, prototype fabrication and materials synthesis. The project will contain a 21,000 SF reinforced concrete laboratory for AMS, which is critical to the overall accomplishment of the DOE and the Program office mission area for efficient buildings security. Reinforced concrete dividing walls will separate the three main operating areas. Excess buildings 12-86 and 12-87 from the 1940s occupying approximately 75,000 SF at GO SERF area will be demolished in FY2004 as part of the AMS TPC and scope.

2. Cost and Schedule Range

Total Project Cost Range

Work Breakdown Structure Tasks	Estimate Minimum (M)	Estimate Maximum (M)
Prelim. & Final A&E Design		
Project Management		
Bldg. Construction (Incl. Demolition)		
Post Const. A&E Support		
Const. Management		
Equipment		
Contingency		
Total Estimated Cost		
Other Project Cost (e.g., Disposition/D&D, Start up Testing)		
Total Project Cost	$200	$270

Table 1: Total Project Cost Range
(**NOTE:** *Depending on the nature of the project, the tasks will be more or less detailed.*)

The TPC range was developed for the preferred alternative with the support of an independent government estimate (IGE) prepared for the project in FY 2003. The IGE includes the costs of demolition of Buildings 12-86 and 12-87 located on the site as part of site preparation construction costs.

Alternatives	5 years Operating	15 Years Operating	25 Years Operating
Bldg. Operation 12-86,12-87 & Baseline Security			
Bldg. Maintenance 12-86 and 12-87			
Modification to upgrade Bldgs. 12-86 and 12-87			
Lease Space			
Location: Livermore, CA			
Location: Golden, CO			

Location: Princeton, NJ			
AMS New Building			
Location: Livermore, CA			
Location: Golden, CO			
Location: Princeton, NJ			

Table 2: Summary Life Cycle Costs

The AMS Project Life Cycle Analysis, EERE-7095, dated February 2003, provides detailed information on the considerations used; includes operating and non-operating costs for the new facility; costs for D&D of two existing facilities; and is risk adjusted.
(NOTE: This analysis should also include a summary of the technical and acquisition management alternatives. New projects must be justified i.a.w. OMB Circular No. A-11, Part 7, Planning, Budgeting, Acquisition & Management of Capital Assets (OMB A-11), and based on the need to fill a gap in DOE's ability to meet strategic goals with the least life-cycle costs of all the various possible solutions and provide risk-adjusted cost and schedule goals and measurable performance benefits.)

Funding Profile

The funding profile has a direct impact on the planned AS. The funding for the design phases are funded from the Project Engineering and Design (PED) funds. Since PED funds will be received in FY 04 and 05, the design services contract will be structured to allow for incremental awards and funding of preliminary, final and post construction architect-engineer (A&E) design support consistent with expected funding. Total funding requirements are consistent with the FY 04 Project Data Sheet. The funding profile falls within the Program's out-year budget targets.
(**NOTE:** *If funds will be obtained from outside sources, identify the source, expected date of receipt and the DOE Integrated Project Team (IPT) member responsible for obtaining the funds.*)

	FY04	FY05	FY06	FY07	Total ($M)
PED	XX	XX			XX
Engineering		XX	XX		XX
PM/Other		XX	XX		XX
Construction			XX	XX	XX
Total	XX	XX	XX	XX	$250

Table 3: Planned Funding Profile

Key Milestones and Events

The following are major milestones planned for this project:

Description	Planned	Completed/Approved Calendar Date
CD-0 Approve Mission Need	7/1999	7/31/999
CD-1 Approve Alternative Selection & Cost Range	10/2003	
Award A&E Contract	10/2003	
NEPA Approval	1/2004	
Complete Preliminary Design	3Q2004	
CD-2 Approve Performance Baseline	3Q2004	

Complete Final Design	1Q2004	
CD-3 Approve Start of Construction	2Q2005	
Award Construction Contract	2Q2005	
Award of Major Equipment & Long Lead Contracts	2Q2005	
Construction Completed	1Q2007	
CD-4 Approve Start of Operations/Project Closeout	3Q2007	

Table 4: Major Project Milestones

3. Major Applicable Conditions

Environmental, Regulatory and Political Sensitivities
The proposed action includes surface disturbance and new construction activities that are not sufficiently addressed in the existing South Table Mountain Environmental Assessment (DOE NO. 88). The proposed project will be reviewed and updated under the National Environmental Policy Act (NEPA) with expected approval by January 2004.

Others
The initial security requirements for this project have been coordinated with the GO Security Office. The IPT will continue working with DOE GO Security to incorporate appropriate requirements into the contracts. The general security requirements are listed in Table 5.

Prior to Design – A&E Surveyor – Access to site	**During Design and Construction**
Q/ L cleared DOE GO M&O contractor escorts uncleared staff on site	Q/ L cleared DOE GO M&O contractor escorts uncleared staff on site Only Q/L cleared in specific designated areas and picture badges after 3/2004

Table 5 – General Security Requirements

Integrated safety management programs currently in place for GO and the Management and Operating (M&O) contractor will be applied to the design and construction of this project.

There are no additional important laws or agreements which significantly influence the project.

4. Risk and Alternatives (Technical, Location, & Acquisition Approach)

(**NOTE:** *This element should summarize the rigorous evaluation of the possible alternatives across all key risk discriminators. A numerical weighting or ranking approach is often very useful as a methodology for documenting the Federal IPT's process and conclusion. First, summarize the major technical, site location and acquisition alternatives pros and cons for the range of solutions considered. Second, discuss the associated range of risks for the selected alternative. The depth of analysis for each risk category will vary by project type, ranging from not applicable to very extensive. Project planning conducted after CD-0 and prior to CD-1 is intended to support the Exhibit 300 submitted requesting construction funds. OMB A-11 also requires a description of alternative solutions the IPT considered for accomplishing DOE's strategic goals that the project was expected to address; a description of the results of the feasibility/performance/benefits analysis; and a comparison of the returns (financial and other)*

for each alternative. Additionally, OMB A-11 requires the alternative analysis to include three viable alternatives, that alternatives be compared consistently, and alternative chosen must provide benefit and a summary of the reasons.)

Table 6 is a picture summary of the alternatives and risk analyses for illustrative purposes.

Key Risk Discriminators	**Technical Alternatives**	**Site Locations & Methods (modify a facility, lease, build new facility)**	**Acquisition Management Alternatives (e.g. DOE direct, M&O contractor, Corps of Engineers, Combination, Design Build, Design-Bid-Build)**
	Pros/Cons	Pros/Cons	Pros/Cons
Cost			
Schedule			
Funding/Budget Mgmt.			
Technology & Eng.			
Interfaces & Integration			
Safeguards & Security			
Location/Site Condition			
Legal and Regulatory			
ES&H			
Stakeholder			

Table 6: Summary of Alternatives Analysis

(NOTE: The IPT may have conducted a separate Alternatives Assessment – reference and summarize. Additionally, the Conceptual Design Report may address a more detailed review of project risks, but their summary level discussion here is a core aspect of the AS. Risks are sometimes also referred to as discriminators or selection criteria. Table 6 is a picture summary of the alternatives risk analysis for illustrative purposes.)

The detailed AMS Project Alternatives Analysis report EE-89, dated April 2003, is summarized below.

Technical Alternatives Analysis

The technical alternative of DOE sponsoring the research at a university was analyzed and determined that of the top 5 leading universities in materials research do not have the ultra-precise measurement, characterization and prototype fabrication equipment required for this project. Additionally, none planned to expand their capabilities in this research area in the next 5 years. Another technical alternative of performing the research and fabrication at another national laboratory was analyzed and market research by the Project Director indicated no Federal laboratory was equipped with the state-of-the-art major items of equipment required for the success of this project. Therefore, using DOE to manage the project with support from the Army Corps of Engineers (COE) resulted in the best technical alternative.

Location Alternatives Analysis

The location alternatives analysis included 4 DOE sites, 2 non-federal leased sites, new

construction and no additional space. The ensuing detailed analysis focused on only DOE GO; Livermore, CA; and Princeton, NJ because they resulted in far more operational efficiencies during the life cycle of research, materials analysis, and prototype fabrication. The DOE GO location was determined the best location because of its central geographical location for interfacing with the six supporting laboratories and shipping samples and data among the labs; and proximity to existing major interfacing research facilities, testing fields and research personnel already located at GO.

The new facility scenario in the life cycle analysis at GO resulted in over $500K/yr of quantifiable savings after a 15 year operational period when compared to new and lease facilities in Livermore, CA, Princeton, NJ, and modification and lease facilities in Golden, CO areas. Leasing would also decrease operational efficiencies; require staff to commute further; and increased shipping costs and time among facilities; and special redesign requirements for cooling and venting for the prototype fabrication equipment.

Acquisition Alternatives Analysis
First the IPT considered whether to use the current M&O contractor, the Army Corps of Engineers (COE), a new DOE direct competition contract, and a combination DOE and the COE managing the project.

Based on the AMS Project Alternatives Analysis dated April 2003, risk, life cycle costs and most benefits to DOE, the alternative selected is for DOE direct management by GO to award and administer a new competitive contract for this project. The COE will assist DOE GO in contract administration by providing construction management services in areas DOE GO does not have the technical staffing or infrastructure for adequate acquisition management. The COE personnel will inspect construction work in progress to ensure compliance with the design drawings and specifications, to ensure that required field tests are conducted and meet acceptance criteria, and to ensure that all proposed field changes are reviewed and approved by the DOE Design Authority. DOE GO will also manage the site contractor for the interface tie-ins (e.g., electrical, communication, storm water run-off).

Second, the Federal IPT considered two different acquisition approaches that could be used to achieve the program objectives. The IPT considered the use of the traditional design-bid-build process, awarding an A&E contract for the design with a second competitive procurement for the construction contract. The IPT also considered the use of the Two-Phase Design-Build process as outlined in FAR 36.301 and the use of a Design-Build contract for both the design and construction of the DOE AMS Project. Using the sequential approach of first awarding a design contract to an A&E firm, receiving and approving the design, procuring construction services using the updated design and finally constructing the facility offers the best technical approach. However, using this approach delays the schedule five months longer than the Design-Build method. The Design-Bid-Build approach was selected as it reduces performance risks and provides the best opportunity for successful completion of the project on time and within cost. In addition, because of the complex design aspects of the state-of-the-art fabrication equipment, we selected Design-Bid-Build expecting to mitigate cost risks.

Risk Analysis:
The formal AMS Risk Management Plan dated January 2003, will be updated through the life of

the project as part of the Project Execution Plan (PEP) and is summarized below for the preferred alternative:

- **Cost Range -** The major cost risk would be significant budget authorization delays. The construction, design and foundation work are standard. The risk is low.

- **Schedule Range** - Contingency for weather and potential shortages of craft labor have been included in the current TPC. An additional risk to full stand up of operations comes from the timely delivery of special fabrication equipment that will be installed in the facility. This would not impact completion of construction, only conduct of operations. This risk is low to moderate.

- **Funding and Budget Management -** The funding range of an estimated TPC of $200 to $270M is currently built into the EERE five year budget as a PED project. Next FY an OMB A-11 Exhibit 300 will be prepared with the site budget plan. The Program has briefed both Hill appropriation staffs and OMB. If DOE were to suffer an over-all budget reduction there are several other projects considered less mission critical that would absorb funding reductions first. Thus, the probability of disruption due to lack of funding availability is low to medium. This would cause a potentially large increase in construction costs and have other collateral impacts on the program and site. Our principal mitigation is to have frequent dialogue with OMB, Congress and DOE HQ Office of Management, Budget and Evaluation. This risk is low.

- **Technology and Engineering –** No alternatives considered new technologies or engineering for the facility construction. All alternatives for facility equipment entail new system operations technologies. It is expected that these systems will require a six month work-in period which is planned for start-up and facility systems check-out testing. The risk is low.

- **Interfaces and Integration Requirements -** The most critical interfaces for all alternatives are with the JC Lab, DOE Golden site contractor, and PPPL. Lack of full and clear communications with these entities could degrade the performance baseline and impact TPC. The IPT has spent time with all of these groups but until construction is underway it is hard to predict their degree of cooperation and responsiveness. Timely receipt of the high tech materials and proper building interfaces are critical to the project. The GO location carries less risk than other alternatives because of its central geographical location for interfacing with the other labs. We will be increasing the number of joint project meetings as the project matures to keep this risk medium.

- **Safeguards and Security –**This facility requires safeguards and security similar to the rest of the site, requiring Q or L clearances for specified areas for all alternatives. Risk of impact to TPC from this area is low using the M&O contractor and moderate to obtain the required staff with appropriate clearances.

- **Location and Site Conditions -** The preferred site location is well understood by current site contractors. Other construction adjacent to the site provides a good starting point for soil and ground conditions. Some risk comes from the need to move existing water lines, but this is known and considered a very low risk to TPC. The alternative to lease carried a higher risk of unknown site conditions. Should we encounter old burial grounds we would stop work to allow further excavation and assessment. Again, this risk is considered very low.

- **Legal and Regulatory -** All required regulatory permits have been received without issue to-date. The site has a good working relationship with the State and local regulators who see no issues at this time. As the Lab will provide an additional 200 jobs for the area, the State has been providing good support. The risk of impact for the new facility scenario are higher than lease, however, these risks are seen and low.

- **Environmental, Safety and Health (ES&H) -** The site has a very good ES&H record. The risk will vary by contractor selected, and will be a selection factor for the construction contractors. The risk of impact is seen and low.
(NOTE: *If the project supports the nuclear weapons complex operated by DOE, then any Defense Nuclear Facilities Safety Board issues for adequate protection for the public, workers and the environment may be addressed as risks.)*

- **Stakeholder Issues -** The local community has been invited to 3 sessions explaining plans and timetable. A parking and traffic concern was raised. We are addressing this with additional planned parking and traffic lights included in the TPC. This risk is considered low.

5. Business and Acquisition Approach

Acquisition and Contract Types
Due to the importance to other DOE operational areas of making schedule and the availability of experienced acquisition personnel in GO, this acquisition will be managed directly by the federal staff. This approach will also allow the existing M&O contractor to compete for the work without an inherent conflict of interest.

The A&E contract will be placed on a firm-fixed-price basis for Preliminary and Final design with a time-and-material option for post construction A&E support. The construction contract will be placed on a firm-fixed-price basis. All are based on the risk analysis. It is expected that the design specifications will be sufficiently detailed to allow prospective constructors to formulate firm-fixed-price offers without excessive contingency and allowances. Standard commercial equipment will be procured on a firm-fixed-price basis.

The design and construction contracts will be incrementally funded by FY. Offerors will be required to submit a funding profile in their construction proposals, so any necessary adjustments to the budget can be identified.

Incentive Approach/Linkage to Performance Metrics
Performance-based contracting methods are preferred for acquiring services and will be used to the maximum extent practicable iaw FAR 37.102.

It is anticipated that there will be only a few minor pieces of government furnished equipment turned over to the construction contractor for installation in the DOE AMS Project such as components for the proprietary security alarm equipment. The construction contractor will be furnished electricity and water through the site M&O contractor. For the A&E to perform its design services, DOE will turn over the following site documentation: Telecommunications

cabling (voice, data, and security in communications manholes, duct banks and service entrances); Topographical features of the proposed site; Exterior utilities profiles; and PEP and other project management documents.

Competition
The major contracts will be competitively solicited and awarded. Historically, construction and A&E contacts of this size and complexity have attracted approximately 7 contractors. Based on market research, Program officials have determined that the A&E and construction requirements are suitable for a set aside for small businesses. The U.S Small Business Administration's database, PRO-Net and FedBizOps notification will be utilized to seek prospective sources. Industry participation will be encouraged through the use of a draft solicitation and one-on-one meetings. Communication with offerors will be conducted through the GO and the U.S. DOE Industry Interactive Procurement System web sites. The award of the A&E and construction contracts will be made on the best value determined from an evaluation of technical criteria such as technical qualifications, past performance and experience, as well as cost.

6. Management Structure and Approach

Identify IPT, Organization Structure and Staffing Skills
The Federal IPT with * indicating participants who prepared the AS are as follows:

Name	Title	Organization	Phone Number	E-mail
*M Harris	Federal Project Director, IPT Lead	DOE Golden- Materials Branch	712-435-9876	mharris@doegolden
*H. Thomas	Contracting Officer	DOE Golden – Acquisition		
J. Mills	General Counsel	DOE Golden - General Counsel		
*G. Owens	Facility Manager	DOE Golden - Real Property		
A. Dixon	Security Manager	DOE Golden - Security Div.		
E. Ballard	ES&H Manager	DOE Golden - ES&H Div.		
R. Hilliard	Budget Officer	DOE Golden - CFO's Office		
S. Jahgoory	Program Site Liaison	DOE HQ EERE Project Management Support Office		

Table 7: Federal IPT

Approach to Performance Evaluation and Validation (i.e., EVMS)
The EERE Project Management Support Office conducted a Value Management Assessment in December 2002, and recommended a Value Engineering study be conducted. The Value Engineering study is planned for September 2003. The DOE HQ Office of Engineering and Construction Management (OECM) will conduct an External Independent Review of the project prior to CD-2.

The earned value approach to manage this project will be used and approved by the Federal Project Director. Earned Value reporting will be accomplished using the DOE Project Assessment and Reporting System (PARS). This project has been in PARS since August 1999, after CD-0 approval.

Project changes will be identified, controlled and managed through a traceable, documented change control process defined in the PEP.

GO will administer the prime contracts. The COE will assist DOE in contract administration by providing construction management services. The COE personnel will inspect construction work in progress to ensure compliance with the design drawings and specifications, to ensure that required field tests are conducted and meet acceptance criteria, and to ensure that all proposed field changes are reviewed and approved by the DOE Design Authority. GO will also manage the site contractor for the interface tie-ins (e.g., electrical, communication, etc.).

The prime contractors will be monitored by the DOE Contracting Officer, the Contracting Officer's Representative, Project Director and other DOE technical support staff through surveillance of work, field visits and a variety of status reports and meetings. Annual appraisals of the contractor's performance will also be conducted.

Interdependencies and Interfaces

The contractors will be required to work closely and coordinate with other DOE contractors at the site. In particular, the contractors must obtain safeguards and security support from the M&O contractor and certain essential services, e.g., utilities and water. In addition storage of material for the project will need to be closely coordinated with the Federal Project Director. Due to the close proximity to SERF and other Golden research facilities and to work around current research, the following matrix summarizes the major interfaces with other projects. These interfaces with the DOE AMS Project will be considered and updated by the Project Director as their respective planning, design and construction phases progress to minimize disruption to above ground infrastructure and to avoid the design and construction of incompatible components. This could present the opportunity to integrate some features from one project into another and potentially reduce overall costs and disruption at GO. In addition, these interfaces to DOE AMS Project have to be coordinated to prevent project schedule risks.

Project	**Description**	**Schedule**	**DOE AMS Project Interface**
JC Lab.	R&D space for high performance communications.	Site construction to begin in Q3FY03 and end in Q4FY04	Coordination of access through the JC construction site .
DOE Golden site contractor	On-site utilities, security, & water.	Performance is through 4QFY 08.	Coordinate access to site utilities, water and security
Princeton Plasma Physics Lab	Lab analysis of materials	Performance is through 4Q2005	Transfer high tech materials equipment 2006.

Table 8 – Interdependencies and Interfaces

DOE GO has a Site Utilization and Management Plan signed by the EERE, Environmental Management and Office of Science programs and dated June 2003, which considers program activities at the site in the context of all programs at the site and is a master strategy for the site's long term mission. This is in accordance with DOE Acquisition Letter 2000-08 of August 18, 2000.

October 21, 2003

SIGNATURES

We believe this report accurately represents the best thinking and efforts of the Project IPT to understand the full range project risks and alternatives available to accomplish the Project Mission.

We know of no barriers or impediments to executing the AS, as detailed, at this time and believe the recommended AS is in the best interest of the Department and National Policy.

If new information or facts arise which could have significant impact on the project's cost, schedule or performance we will make the PSO and OECM aware of this on a timely basis.

The AS may be changed if it makes good business sense to do so. Any changes will be justified and documented. Material changes to the AS such as changes in contract type, competition or major milestones will be approved at the same approval level as the original and properly documented.

(**NOTE:** *Approval of this AS does not constitute approvals required by DOE HQ Office of Procurement and Assistance Management for specific contract clearance purposes, including contract acquisition plans under Federal Acquisition Regulation Part 7.*)

Recommend Approval:

_____	_____	_____	_____
Mr. Michael Harris	Date	Ms. Helen Thomas	Date
Project Director		Contracting Officer	

_____ _____
Ms. Carol Miller, Program Office Project Management Support Office Date

Approval:

_____
DOE PSO/National Nuclear Security Administration Deputy/Associate Administrator Date

(**NOTE:** *The Program Office Project Management Support Office electronically submits the AS in Microsoft Word format to ESAAB.SECRETARIAT@hq.doe.gov as least 3 weeks prior to any scheduled decisional briefings. OECM/for OMBE will provide a recommendation memo to the approving official. Additionally, OECM is available to review draft ASs after the Project Director, Contracting Officer and Program Office Project Management Support Office staff have reviewed the Draft AS.*)