

August 13, 2020

CHPRC-2002661

Ms. Jenise C. Connerly, Contracting Officer
 U.S. Department of Energy
 Richland Operations Office
 Post Office Box 550
 Richland, Washington 99352

Dear Ms. Connerly:

**CONTRACT NUMBER DE-AC06-08RL14788 – PROPOSED FISCAL YEAR 2021 CHPRC
 OVERHEAD, GENERAL AND ADMINISTRATIVE, LABOR, AND WASTE RATES**

This letter submits, for RL review and approval, CHPRC fiscal year (FY) 2021 proposed overhead, general and administrative (G&A), labor, and waste rates, as well as documentation of the assumptions and calculations to support the proposed rates. The overhead, G&A, and labor rates were established based on practices identified in the CHPRC Disclosure Statement.

The overhead and G&A rates were built based on assumptions provided in Attachment 1. The specific overhead rates (Attachments 2 and 3) included in this submittal are:

Title	Description	FY2020 Provisional Rate	FY2021 Proposed Rate
Absence Adder	Liquidates non-work time paid to employees (i.e., vacation, military, jury duty, bereavement, etc.)	17.71%	17.31%
Continuity of Service - Regular Work	Liquidates company-provided benefits (i.e., medical, dental, vision, 401K savings, etc.)	35.74%	34.75%
Continuity of Service - Overtime	Liquidates costs applicable to overtime payment (i.e., employment related taxes)	13.65%	13.82%
Continuity of Pension	Liquidates company pension contribution and retiree medical insurance premiums	20.24%	20.74%
General and Administrative	Liquidates estimated general and administrative cost	16.50%	17.36%

Document transmitted contains OOU information.

When separated from attachment(s), handle this document as non-sensitive information.

Attachment 4 provides the proposed labor rates by the Common Occupational Classification System.

Listed below is a summary of the current waste billing rates and proposed waste rates for FY2021. Additional supporting documentation is available upon request. A description of each waste type and assumptions used to build waste rates are included in Attachment 5.

Waste Type	Description	FY2020 Provisional Rate	FY2021 Proposed Rate
WC	LLW*/MLLW** -01	\$5,207 / m ³	\$5,850 / m ³
WD	MLLW-04, -05, -07, -09 Non-Thermal Treatment	\$12,188 / m ³	\$10,697 / m ³
WE	MLLW-03 Thermal Treatment	\$55,140 / m ³	\$28,024 / m ³
WF	TRU***/TRUM**** and LLW/MLLW Storage	\$8,757 / m ³	\$10,325 / m ³
WH	LLW Volume Reduction	\$10,045 / m ³	\$9,778 / m ³
WK	LLW/MLLW Radiological Stabilization	\$25,550 / m ³	\$25,063 / m ³
WL	Solid MLLW Treatment	\$19,757 / m ³	\$24,144 / m ³
WS	Clean Building Debris	\$94 / ton	\$127 / ton
WZ	Hazardous Waste	\$7,463 / m ³	\$7,121 / m ³

*Low Level Waste (LLW)

**Mixed Low Level Waste (MLLW)

***Transuranic Waste (TRU)

****Transuranic Mixed Waste (TRUM)

Note: The proposed FY2021 WE rate of \$28,024 per cubic meter unit cost went down \$27,117 compared to FY2020 provisional rate of \$55,140. This reduction can be attributed to an increase of three units proposed in FY2021 based on a 12 month rolling period from April 2019 to March 2020 compared to only one unit in FY2020 provisional submission.

The Environmental Restoration Disposal Facility (ERDF) waste rates were built based on assumptions provided in Attachment 6. Additional supporting documentation is available upon request. Listed below are the specific unburdened ERDF billing rates included in this submittal:

	FY2020 Provisional Rate	FY2021 Proposed Rate
ERDF Transportation	\$37.16 / ton	\$44.84 / ton
ERDF Disposal	\$112.74 / ton	\$137.27 / ton

The effectiveness of the rates will be reviewed periodically throughout FY2021 and discussed with the RL Financial Management Division regarding potential revision as necessary.

CHPRC Change Proposals generated after the date of this letter will utilize the attached information and reference this letter as basis information for rates.

Ms. Jenise C. Connerly
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RL provisional approval of the attached is requested by October 1, 2020.

Technical questions should be directed to R. A. Cook at 376-0901, and contractual questions to L. J. Horton at 376-6986.

Sincerely,

L. Ty Blackford
President and
Chief Executive Officer

sma/dlm

Attachments 6

RL - L. K. Jarnagin
G. A. Jones
T. L. Toon
B. S. Valadez
H. R. Weber
A. H. Wirkkala

SYNRG - K. L. Reis

Electronically Approved by:



UserName: Blackford, Ty (Leonard) (h0074390)

Title: President and Chief Executive Officer

Date: Monday, 17 August 2020, 05:31 AM Pacific Time

Meaning: Sign as L. Ty Blackford

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