U.S. Department of Energy Office of Legacy Management

Bidders Conference and Site Visit

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November 15, 2011



U.S. Department of Energy (DOE) Photovoltaic Solar Project Bidders Conference Durango, Colorado

November 15, 2011

Office of Legacy Management
Office of Site Operations



Presentation Outline

Durango Disposal Site

- Durango Disposal Cell Background
- Disposal Cell Facts
- Disposal Cell Protectiveness
- Disposal Site: Long-Term Surveillance Plan



Durango Disposal Cell Background

- The Uranium Mill Tailings Radiation Control Act authorized DOE to clean up uranium mill tailings at 22 inactive mill sites from 1983 to 1998
- Tailings were removed from Smelter Mountain and placed in a new disposal site above the west end of Bodo Canyon
- The disposal cell was completed in 1991
- The Nuclear Regulatory Commission (NRC) licensed the site in 1996



Disposal Cell





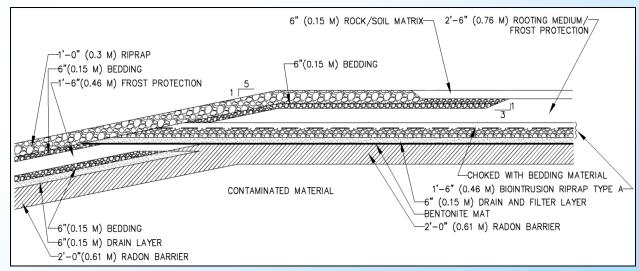
Disposal Cell Facts

- The property is bounded by the Colorado Division of Wildlife to the north, west, and east, and the Bureau of Reclamation Animas-LaPlata Project to the south
- DOE is responsible for the site's long-term surveillance and maintenance
- The 40-acre disposal cell sits on the 120-acre property
- The cell contains 2.5 million cubic yards of low-level radioactive uranium mill tailings and mill debris



Disposal Cell Facts (continued)

- The top of the cover slopes slightly at 1 to 2 percent; the top 6 inches is composed of gravel and soil to support some vegetation
- The cell is designed to be effective for 1,000 years, although DOE's responsibility has no end date
- The 7-foot thick cover contains multiple layers of clay, rock, and soil to minimize infiltration into the cell and prevent the release of radon from the cell
- DOE monitors groundwater at the site





Disposal Cell Protectiveness

- Radioactive material is safely contained within the disposal cell
- The primary purpose of the layers is to protect the clay radon barrier from frost and plant and animal intrusion
- The disposal cell was built with clean material
- DOE monitors for radon around the cell; all measurements have been nondetectable levels
- No monitoring requirements for workers

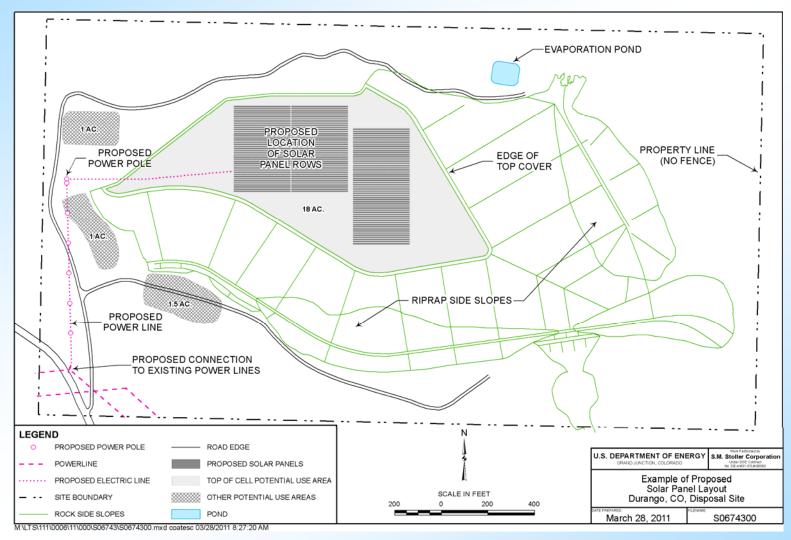


Disposal Site: Long-Term Surveillance Plan

- The NRC license requires that the site have a long-term surveillance plan (LTSP)
- DOE worked with the NRC and the Colorado Department of Public Health and Environment (CDPHE) to amend the original LTSP to allow for a beneficial reuse project
- NRC approved the revised LTSP on May 19, 2011;
 CDPHE approved it in October 2010
- DOE and CDPHE inspect the site annually, but monthly inspections will be conducted for the duration of the beneficial reuse project
- LTSP, Section 4, contains numerous technical requirements intended to protect the integrity of the cover during beneficial reuse
- LTSP and site documents are available online at http://www.lm.doe.gov/Durango/Disposal/Sites.aspx



Example of Proposed Solar Panel Layout





U.S. Department of Energy Office of Legacy Management

Bidders' Conference

Surface Land Lease for Development and Operation of a Photovoltaic (PV) Solar Generating Facility in Durango, Colorado

November 15, 2011



Welcome

- This presentation will
 - Answer potential bidders' questions
 - Ensure a clear understanding of the Solicitation for Offers (SFO)
- The answers will be formally documented and distributed
 - As part of the solicitation documents
 - Prior to the submission of offer deadlines

Statement of Work

- The U.S. Department of Energy (DOE) is seeking to lease approximately 21.5 acres of the surface of the Durango, Colorado, Disposal Site cell for the construction and operation of a PV solar electric generating plant
- The lease term is 20 years
- At the option of DOE, the lease may be renewed for 5 years



Solicitation For Proposal Instructions

- Submit questions and offers to Contracts@Im.doe.gov
- Offers are due no later than January 6, 2012, at 4:00 p.m. Mountain Time
- Award factors
 - Award will be made to the company offering the "Best Value" to DOE, based on the award factors listed below.
 DOE reserves the right to reject any or all proposals and to waive informalities and minor irregularities to proposals received.
 - The following four award factors will be used by DOE to evaluate proposals and are listed in descending order of importance



Award Factors

1. Technical Approach

Offers will be evaluated on the following technical factors:

- Offers will be evaluated on the approach to meeting the minimum technical requirements stipulated in APPENDIX A of this Solicitation.
- Offers will be evaluated on the approach to the frame and anchor system to ensure that the disposal cell cover will not be disturbed.
- Offers will be evaluated on the amount of surface trenching and excavation of the disposal cell cover required for installation and operation of the system (within the limits stated in the technical requirements).



Award Factors

- 1. Technical Approach (continued)
 - Offers will be evaluated on the size of the system in megawatts, preliminary system footprint, and the phasing of the system.
 - Offers will be evaluated on the basis of the preliminary schedule, including time frame for utility negotiation, utility studies, system design, and construction and inspections.
 - Offers will be evaluated on the approach to providing storm water erosion protection.
 - Offers will be evaluated on the approach to providing Premises protection.
 - Offers will be evaluated on satisfactory evidence of Offeror's experience working with utility companies, preparing interconnection studies, and negotiating power purchase agreements.



Award Factors (continued)

2. Project Experience

Offers will be evaluated on the following project experience factors:

- Offers will be evaluated on the basis of satisfactory evidence of number of similar size non-rooftop PV solar electric construction and operating projects the offeror has performed.
- Offers will be evaluated on the basis of satisfactory evidence of number of years' experience the offeror has constructing and operating PV solar electric generating systems.



Award Factors (continued)

3. Financial Qualifications

Offers will be evaluated on the following financial factors:

- Offers will be evaluated on the basis of satisfactory evidence of at least a conditional commitment of funds in an amount necessary to construct a PV solar electric generating facility signed by an authorized bank officer or other legally authorized financing official. If the funds are in the form of a loan, state the amount of the loan, term of the loan in years, annual percentage rate, and length of loan commitment.
- Offers will be evaluated on the basis of satisfactory evidence of the ability to bond and provide insurance.



Award Factors (continued)

4. Lease Royalty Payment

Offers will be evaluated on the following payment factors:

- Offers will be evaluated on the basis of Renewable Energy Credits, in lieu of cash, up to 6% of Renewable Energy Credits generated by the project annually.
- Offers will be evaluated on the basis of annual rent payment.



Negotiations

- Negotiations will be conducted by the realty officer
- Negotiations with all offerors that meet the technical requirements of the SFO will be written
- Offerors will be provided the opportunity to submit revisions to their offers that may result from the negotiations
- Negotiations will be closed with submission of Final Proposal Revisions ("Best and Final Offers")



Any Questions Concerning the Presentation or the SFO?

As previously noted all answers will be formally documented and distributed as part of the solicitation documents prior to the submission of offer deadlines



Information

Information concerning Solar Photovoltaic Project at the Durango, Colorado, Disposal Site is posted at

http://www.lm.doe.gov/Durango_Solar_Photovoltaic.pdf

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