

April 17, 2000

The Honorable Aida Alvarez
Administrator
Small Business Administration
Washington Office Center, Suite 7000
Washington, DC 20416

SUBJECT: REQUEST FOR AUTHORITY TO WAIVE COMMERCE BUSINESS DAILY
NOTICE REQUIREMENT FOR TECHNICAL ASSISTANCE
AND CONFIRMATORY RESEARCH PROCUREMENTS

Dear Ms. Alvarez:

I am writing to request that you approve an extension of the waiver authority previously granted by the Office of Federal Procurement Policy (OFPP), Office of Management and Budget, and the Small Business Administration (SBA) to allow the Nuclear Regulatory Commission (NRC) to continue use of this authority under its Procurement Reinvention Laboratory (PRL) indefinitely.

In her July 14, 1998, letter to L. Joseph Callan, former Executive Director for Operations, NRC, Judith Roussel, then Associate Administrator, Office of Government Contracting, SBA, approved NRC's request for authority to waive the Commerce Business Daily (CBD) synopsis for a third two-year period, under our PRL, to allow NRC to continue testing the hypothesis that the procurement process can be significantly improved with a streamlined procedure for certain technical assistance and research procurements. The Administrator of OFPP also approved the extension of this waiver authority on September 28, 1998. Because of the continued success of this innovation over a six-year period, we are seeking to give permanence to this authority and we believe that an indefinite waiver authority is merited. Therefore, we are submitting this letter to provide you with our assessment of the impact of this important component of our PRL and to request that you approve this extension.

We have awarded 258 contracts to date under our reinvention laboratory. One hundred forty of these awards resulted from competitions. Use of procurement innovations has reduced lead times for these awards by over 6,500 days. Savings from individual streamlining initiatives ranged from a few hours up to 35 days for each of these procurements.

Thus far, we have waived the CBD synopsis requirement for 30 competitive solicitations on the basis of the unique nature of the work and relatively small cadre of qualified contractors available to perform that work. Use of this innovation resulted in total lead time savings of over sixteen months for these procurements.

We have received no protests on these procurements for which the waiver authority was used, and feedback from our NRC customers has been positive with respect to the efficiencies achieved with this streamlining technique.

We found that use of the waiver has not been detrimental to the interests of small businesses. Small business firms submitted proposals in response to 15 of the 30 (50%) procurements for which the waiver authority was used and received 24 of the 52 (46%) awards that resulted from these competitive solicitations. Ten of these requirements were repetitive in nature. For eight of these repetitive requirements, large businesses were awarded both the previous and current contracts. Small businesses were awarded both the previous and current contracts for the other two repetitive requirements.

With respect to technical assistance and research work in general, NRC has maintained or exceeded the level of small business participation achieved in FY 1994. Procurements for technical assistance or research resulted in six awards to small businesses in FY 1994, eight in FY 1995, 20 in FY 1996 (including 11 awards made under two solicitations), six in FY 1997, four in FY 1998, nine in FY 1999 (including 6 awards under one solicitation), and two in FY 2000 (to date). We are also pleased to report that since FY 1997, NRC has increased the total dollars awarded to small businesses and small-disadvantaged firms, exceeding its goals for these two important procurement preference program categories.

The benefits of this waiver authority were recently recognized by the National Partnership for Reinventing Government (NPR). The NPR presented NRC with a prestigious Hammer Award on April 8, 1999, in recognition of the success of this innovation and other streamlining measures under NRC's PRL.

We believe that use of this waiver authority for certain technical assistance and research procurements will continue to provide a more efficient procurement process while adequately preserving small business interests.

Therefore, we request that you extend this waiver authority indefinitely. In accordance with Federal Acquisition Regulation 5.202(b), we are also requesting that the Administrator, OFPP, concur in this extension.

We look forward to your response. Timothy F. Hagan, Director, Division of Contracts and Property Management, Office of Administration, is available on (301) 415-7305 to answer any questions your staff may have regarding our request or other aspects of our reinvention laboratory.

Sincerely,
/RA by Frank Miraglia Acting For/
 William D. Travers
 Executive Director
 for Operations

cc: Barry Meltz, SBA
 Deidre A. Lee, OFPP

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