



CHAIRMAN

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

February 13, 1990

PDR

The Honorable Wendell H. Ford  
Chairman, Joint Committee on Printing  
United States Senate  
Washington, D. C. 20510-6650

Dear Mr. Chairman:

I am responding to your letter of December 19, 1989, concerning the Nuclear Regulatory Commission's (NRC's) acquisition of an electronic publishing system without the prior approval of the Joint Committee on Printing (JCP). I sincerely regret any oversight on NRC's part in obtaining JCP approval and want to assure you that we did not intend to circumvent the Committee.

As I understand the situation, the NRC staff did provide early notice of our intent to purchase equipment that would interface with the agency's word processing equipment to produce composed, camera-ready copy, especially for its technical reports, on June 10, 1986, when the Director of NRC's Office of Administration submitted the "Comprehensive Printing Program Plan for the Nuclear Regulatory Commission" (see Enclosure 1, item 9, page 7). Prior to issuing the Request for Proposals (RFP's) to obtain this equipment on December 23, 1987, the staff had interpreted amendments to the Federal Acquisition Regulation published in the Federal Register on March 20, 1987 (52 FR 9036) (Enclosure 2), to mean that an agency need not seek JCP approval for the procurement of composition equipment as long as it provided notice of its acquisition to the Committee. NRC's Office of the General Counsel confirmed that interpretation with the Office of Federal Procurement Policy. Not until our RFP's had been issued for over a month did the NRC staff learn of JCP Chairman Annunzio's January 21, 1988 letter (Enclosure 3) advising that Section 309 of the Legislative Appropriations Act was amended to revise again the definition of printing to "maintain the status that existed prior to implementation of the recent change in the Federal Acquisition Regulation (52 FR 9036)" and to include "composition" within the definition of printing. When the acquisition process was completed, the equipment was installed in January 1989 and placed under the control of our Central Printing and Publications Management Organization. The NRC staff reported the acquisition to the JCP in its first annual inventory report following the procurement (Enclosure 4).

After reviewing this matter, I have concluded that the NRC initiated the acquisition process under the prior guidelines contained in the March 1987 Federal Register Notice and experienced considerable confusion about reporting requirements following receipt of Chairman Annunzio's letter in January 1988. After amended regulations were promulgated, the NRC should have advised the JCP in early 1988 that we had an acquisition of printing equipment in progress and sought the Committee's advice on how to proceed.

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The Honorable Wendell H. Ford

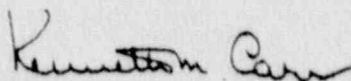
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With respect to our use of the electronic publishing system since its acquisition, the system became operational in May 1989, following installation, testing, and staff training. The equipment is used to compose camera-ready originals from text transmitted to the system from the agency's word processing equipment. Consequently, the material entering the system is not keystroked, and the composed output is not printed by the NRC, but rather by Government Printing Office (GPO) contract printers under established GPO print programs. Based on the initial eight months (May to December 1989) of operating the electronic publishing system in this manner, I am providing the following information in response to your request:

1. The cost of the equipment was \$176,387.
2. Total number of initial pages composed was 8,847.
3. The total number of pages reproduced from the 8,847 composed original pages was 4,220,436 pages.
4. The average cost of reproducing the 4.2 million pages was \$11.56 per thousand pages.
5. The savings achieved in composition costs was \$27,425. These savings were calculated by comparing the costs of composition on the system with the average cost of \$15.00 per page for composition performed by GPA contractors. In addition to these savings, \$20,801 was saved in printing costs as a result of data compaction achieved by utilizing the equipment.

I hope this information will assist the Committee in its review of the validity of this acquisition. If you or the members of the Committee staff have any further questions on this matter, please contact me or Mr. Donnie H. Grimsley, NRC's Central Printing and Publications Manager. Mr. Grimsley can be reached by telephone on 492-7211.

Sincerely,



Kenneth M. Carr

Enclosures: As stated

cc: Rep. Frank Annunzio  
Senator Ted Stevens  
Rep. Pat Roberts