

March 7, 2019

## WVDP exceeds cost-savings goal in three months



*Photo provided*

**A Buffalo Fuel Corporation truck leaves the West Valley Demonstration Project with a shipment of low-level legacy waste. This contract was obtained through the use of SCMC's eSourcing tool.**

The West Valley Demonstration Project Site saved more than \$600,000 in the first quarter of fiscal 2019 by utilizing procurement tools provided by the Supply Chain Management Center. SCMC is a Department of Energy program that helps Office of Environmental Management contractors find better prices for goods and services and makes the buying process easier, more efficient and more effective.

Cleanup contractor CH2M HILL BWXT West Valley has already exceeded its fiscal 2019 SCMC strategic sourcing cost savings goal by 10 percent as it applied sourcing tools such as real-time online reverse auction software to obtain transportation services for offsite waste disposal and a mobile generator.

"Our Procurement Team does an excellent job in preparing requests for proposals that obtain the best results for our cleanup efforts and taxpayers," said David Pritchard, Manager of Prime Contract, Procurement and Records. "They are always finding creative ways to utilize the SCMC eSourcing tool to ensure the best price from qualified subcontractors and suppliers. It is truly a team effort."

CHBWV and other prime contractors across the DOE complex use SCMC tools to lower costs and create efficiencies. EM's WVDP site achieved

93 percent of its latest savings through the eSourcing tool, which is used for reverse and forward auctions. In the past six years, CHBWV has conducted 52 auctions for equipment rentals, waste containers, laboratory services and other items and services — and used the other SCMC tools for a total savings of nearly \$5.6 million.

In employing the eSourcing tool, CHBWV's Procurement Team sends out a request for proposal to prospective bidders. Auction details are provided and on the date of the event, the bidders actively compete for the requested products and services. The purchase order is then awarded to the lowest priced supplier that meets the minimum technical requirements.

The majority of EM WVDP's remaining savings for the first quarter of fiscal 2019 came from credit card transactions by CHBWV cardholders who purchase items that cost less than \$3,000 and blanket purchase order releases for recurring needs through agreements with suppliers. Those two tools allow for up to \$50,000 in savings per quarter.

Additionally, the site benefits from the utilization of SCMC multi-site and enterprise-wide commodity agreements and an online marketplace with electronic catalogs. These tools represent less than one percent of the overall savings.