

WP 08-PT.08  
Revision 2

# WIPP Centralized Procurement Program Plan

Cognizant Section: Packaging Engineering

Approved by: Mike Caviness



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**1.0 INTRODUCTION**

**1.1 Purpose**

The Centralized Procurement Program Plan (CPPP) identifies the elements required to provide a standardized, economical system of acquisition and distribution of common or critical transuranic (TRU) waste commodities (items) for the U.S. Department of Energy (DOE).

Overall, the CPPP describes and documents the process for procurement and acceptance of items manufactured for the Washington TRU Solutions LLC (WTS) Centralized Procurement Program. These actions establish inventory for TRU waste generator (user) sites.

**1.2 Scope**

The Centralized Procurement Program is designed to allow user sites to procure items manufactured to standardized WTS quality, procurement, and technical requirements. WTS is the design authority for all products in the program.

The CPPP includes provisions for the WTS Fabrication Oversight (FO) Section of Assurance Programs. FO conducts and oversees quality-related functions to support the Waste Isolation Pilot Plant (WIPP). FO follows WTS procedure WP 13-QA3020, Fabrication Oversight. FO accomplishes activities consistent with the supplier's planned inspections, examinations, or tests. WTS FO acts at intervals consistent with the importance and complexity of the commodity.

Packaging related items subject to reprocessing that were previously manufactured under provisions of the WIPP design basis are classified as "excess material." Excess material requires acceptance via an approved WTS Quality Assurance Inspection Plan (QAIP). All packaging related items eligible for reprocessing are acceptable for use after undergoing the process of a rework traveler and acceptance via an approved QAIP.

WTS issues Basic Ordering Agreements (BOAs) to meet the program objective. BOAs are binding agreements that establish the following between the supplier and WTS for the manufacture of TRU waste items:

- Scope of work
- Performance
- Funding
- Payment
- Delivery
- Pricing requirements

With BOAs in place, WTS and user sites (working through WTS) can buy items at fixed competitive prices.

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Inventory, established by WTS, is available for purchase by user sites for their immediate needs. User sites provide funds to replenish the inventory. If demand exceeds inventory, WTS will replenish inventory by ordering additional items from the supplier.

**2.0 RESPONSIBILITIES**

**2.1 General**

WTS provides procurement services to user sites as stated in WTS procedures. Procurement services shall include the following:

- | ● Performing procurement activities, including the preparation of BOAs, purchase orders, and technical requirements/statements of work in accordance with WP 15-PC3609, Preparation of Purchase Requisitions.
- | ● Evaluating suppliers for inclusion on the WTS Qualified Suppliers List (QSL).
- | ● Preparing fabrication specifications.
- | ● Providing in-process procurement, quality assurance, and engineering support.
- | ● Verifying manufacturing pedigree documentation (a data package) is given to user sites.
- | ● Recommending user site receipt/inspection requirements.
- | ● Maintaining inventory of commodities for sale at WIPP and other locations, as determined by DOE.

**2.2 Centralized Procurement Coordinator**

The Centralized Procurement Coordinator (CPC) performs the day-to-day tasks associated with the project. The CPC shall be responsible for the following:

- | ● Coordinating and monitoring activities of subcontracts, including delivery schedules.
- | ● Serving as the program point-of- contact.
- | ● Checking that WTS Procurement incorporates applicable technical and quality requirements.
- | ● Consulting with WTS Procurement on subcontract changes.
- | ● Monitoring suppliers' compliance with subcontract requirements.

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- | ● Verifying user site funding and flow-down requirements are available before shipping item(s) or placing an order.
- | ● Processing supplier approval/variation requests within three days of receipt from supplier (average).
- | ● Maintaining records to substantiate services rendered.
- | ● Maintaining a file of all reports, correspondence, memoranda, and other pertinent documentation for each BOA.
- | ● Maintaining and transmitting final data packages.
- | ● Processing user site nonconformances, when applicable, within five days of notification.
- | ● Maintaining the Centralized Procurement web page.
- | ● Compiling and combining user site orders; establish priorities for meeting the needs of multiple user sites.
- | ● Providing commodity as-built drawings to user sites.
- | ● Providing required documentation to Quality Assurance Inspection Services (QAIS) for item(s) receipt.
- | ● Notifying WTS Accounting of payment terms.
- | ● Invoicing user site(s), if applicable.
- | ● Generating warehouse store stock and shipping authorization documentation for items stored in inventory at WIPP and transmitting to Inventory Control for processing.
- | ● Checking that supplier(s) are paid timely.
- | ● Checking continuous program improvement.

**2.3 Fabrication Oversight**

Quality Assurance (QA) FO shall be responsible for the following:

- | ● Developing and executing QAIPs for related items following WP 13-QA3020.
- | ● Providing FO during the manufacturing and/or reacceptance process.
- | ● Generating WTS Certificate of Conformance C of C) specified in respective QAIPs, if applicable.

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#### **2.4 User Sites**

User sites should qualify WTS as a provider of procurement services. They should place WTS on their QSL via an audit mechanism and review/approve standardized quality, procurement, and technical requirements, including QAIPs, drawings and fabrication specifications. User sites should perform receipt inspections or other methods of acceptance of items, and check for compliance with all applicable statutory and regulatory requirements governing their respective activities.

#### **3.0 PROGRAM ELEMENTS**

##### **3.1 Methodology**

Centralized Procurement activities shall be performed following implementing procedures that meet the requirements of WP 13-1, Washington TRU Solutions LLC Quality Assurance Program Description (QAPD).

Common items can be ordered from inventory on an as-needed basis with no minimum or maximum number of items needed. The associated BOA establishes pricing schedules. DOE Carlsbad Field Office (CBFO) guidance shall establish the availability of items, and the priorities. If an order exceeds the quantity of items in inventory, WTS shall order additional items to meet the demand.

The Centralized Procurement product line shall include common items that have one or more of these characteristics:

- Associated with the characterization, packaging, and handling of TRU waste
- Critical, single-point failure items that could inordinately delay shipments
- Significant level of quality and documentation required by safety analysis report
- Recurring orders placed throughout a one-year period
- Long-term need (multiple years)
- Large-volume usage

New items may be added to the program at 90-day intervals.

The associated BOA, other applicable Central Procurement Program documents, and related rules and regulations shall establish the terms and conditions governing services within WTS. This includes QA, Engineering, Procurement, and Accounting. It also establishes relationships between WTS, suppliers, and user sites. WTS shall maintain configuration of associated fabrication specifications, drawings, and QA inspection plans.

##### **3.2 Recurring Procurement**

Once user sites identify a need for a commodity, they should contact the CPC to start the ordering process steps. Contact information is published on the Central Procurement Program web page at <http://www.wipp.ws/library/cpp/cpp.htm>.

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User site orders shall include the following elements:

- Commodity description
- Commodity quantities
- Commodity manufacturing options, if applicable
- Commodity identification requirements (e.g., markings), if applicable
- Need date(s)

The user site's financial obligation shall include the following:

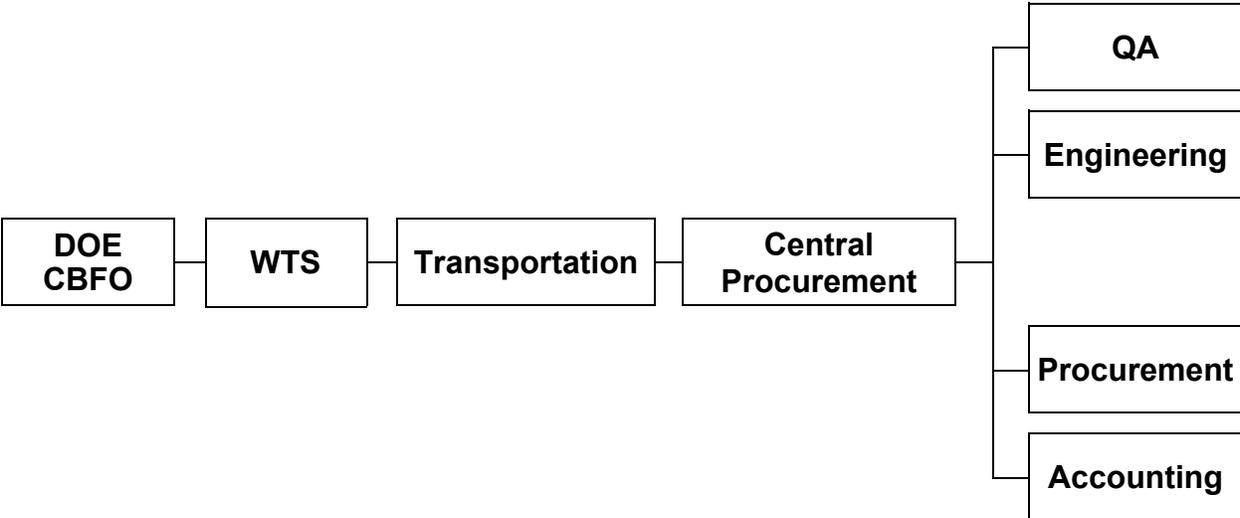
- The sum of the extended unit price from the BOA line item, plus the allocated transportation charge
- The state gross receipts tax, if applicable
- Any allocated tooling or other charges related to the order, as applicable

The user site(s) and supplier shall negotiate delivery schedules on orders that exceed inventory. Schedules are not binding until a release order(s) is accepted by the supplier and user site(s). WTS shall monitor the delivery schedule during the manufacturing process. It will advise user sites of issues it identifies, if any, during WTS's monitoring activities.

If the combined delivery requests surpass the capacity of a supplier or impacts existing delivery schedules, the CPC shall seek methods of relief. If relief cannot be obtained, the affected user sites, WTS, and CBFO shall develop priorities and allocate stock.

During production, WTS shall provide in-process procurement, quality, and engineering support, including data package review. WTS shall provide a C of C showing that its procurement process applied to any particular purchase order or delivery complied with the QAPD.

An established integrated team implements the project. The program structure is shown below:



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WTS shall review, and when appropriate, provisionally accept the data package for procured items. When WTS determines that the submitted data package is acceptable, it shall authorize the supplier to ship item(s) (to include a copy of the data package) to the receiving site. User sites should perform a receiving inspection using site-specific procedures and applicable rules and regulations.

Suppliers shall make shipments F.O.B. (freight on board) Destination with shipments Freight Collect. WTS shall ensure that the most cost effective method of shipping is utilized by suppliers.

**3.3 Inventory Procurement**

Procurement of items from Central Procurement inventory will be limited to the following conditions:

- Commodities will be supplied to user site(s) in "as-built" condition.
- Certification of items shall be based on Central Procurement documentation "as-is," including supplier and WTS C of Cs.
- Deviations from the above conditions are outside the scope and responsibility of the Centralized Procurement Program.

**3.4 WIPP Inventory Management**

WTS shall maintain commodity inventory at WIPP in either the warehouse or auxiliary warehouse. These items shall be available for CPPP use only.

WTS shall not perform preventative maintenance on equipment items in inventory. User sites shall be responsible for performing prescribed preventative maintenance and validation testing on equipment.

Items shall be stored and shipped in their original packaging.

**3.4.1 Certificate of Compliance**

FO will initiate a C of C according to the provisions of WP 13-QA3020 for inventory items, including "spares."

Initiation of the C of C is controlled through the applicable QAIP or QA Verification Plan (QAVP).

**NOTE:** The size of the data package may range from a few pages consisting of a supplier's C of C and nonconformance reports to documentation including, but not limited to, inspection reports, test reports (including non-destructive examination reports), manufacturing and inspection travelers, checklists, performance data, installation procedures, operating procedures, maintenance procedures, as-built drawings, and specifications.

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### **3.5 Product Line Additions**

Three months before a known need, user sites, CBFO, or WTS should propose through the CPC, additional common or failure significant items to be added to the list of contracted items. The CPC shall survey the sites to project the needs of the complex in terms of quantities, deliveries, and unique requirements.

If a commodity fabrication specification exists, WTS shall review the specification and update it, if needed, before requesting supplier proposals.

If a commodity specification does not exist, WTS shall compile a draft specification, in coordination with WTS QA, and route it to the user sites for endorsement. Each specification shall include quality and technical requirements and deliverables.

After compiling each site's specific needs and reconciling the resulting differences, conflicts, or concerns, the CPC shall request supplier proposals per WTS procurement procedures. Options for multi-year procurement shall be included. Selection of a supplier shall include, but not be limited to, an evaluation of the supplier's quality program and competency using the requirements of the WTS quality program. WTS shall not place purchase orders until a supplier is placed on the WTS QSL and meets the prerequisites of this plan.

### **3.6 Excess Material**

Excess material is packaging related items previously manufactured under provisions of the WIPP design basis. This material is subject to reprocessing. If reprocessed, they require acceptance via an approved WTS QAIP.

Items shall be identified as acceptable for use only after undergoing the process of a supplier rework traveler, if required, and acceptance via a QAIP. The supplier shall modify final data package records accordingly. Only acceptable material shall be stored in inventory and made available to user sites.

### **3.7 Price-Anderson Amendments Act**

The DOE's Price-Anderson Amendments Act rules are generally applicable to contractors, subcontractors, and other suppliers who are responsible for performing activities or supplying services or products that are subject to DOE nuclear safety requirements.

### **3.8 Finance and Payment**

User sites shall use an Interoffice Work Order to provide source funding for commodity procurement before orders are placed on their behalf. For lower dollar procurement, user sites may use a memorandum purchase order. Exceptions (e.g., direct invoicing of user site) may be allowed if arranged in advance.

For new items or new suppliers, certain nonrecurring costs for tooling apply. WTS shall encourage the supplier to amortize such costs on a per unit basis over the first year's

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production. However, when separate funding is necessary, CBFO and WTS may choose to fund the tooling up-front. In this case, the CBFO expects to recoup nonrecurring tooling costs by adding the unitized amortization amount to the supplier's price to arrive at the price user sites must pay. The DOE retains title for all tooling acquired through the BOA.

Following receipt of item(s), WTS Accounting shall make payment to the supplier. If source funding involves direct invoicing of user site, the CPC shall invoice the user site and verify payment is received.

### **3.9 Performance Measures**

To achieve continuous program improvement, the following areas shall be monitored on a continuous basis:

- Customer Satisfaction - a function of participant satisfaction with the program.
- Delivery Schedule - a function of how well delivery schedules are being met.
- Product Quality - a function of manufacturing quality and user site acceptance.

### **3.10 Change Control**

The associated BOAs establish provisions for BOA and release order amendments.

### **3.11 Contingency Plan**

The WTS shall create release order contingency measures in each BOA. Within the terms and conditions of each BOA, established performance metrics shall identify early warning of schedule delay, contract termination, and quality discrepancies. Also, identified corrective action measures shall exist should performance metrics be needed.

## **4.0 CURRENT PRODUCTS**

The Centralized Procurement Program currently provides the following items. The list also identifies the respective fabrication specification, drawings, and QAIPs. Centralized Procurement may expand this list as needed.

### **4.1 Standard Waste Box**

- Specification - E-I-343
- Drawings - 165-F-001 Series
- WP 13-QA.19, Quality Assurance Inspection Plan for Standard Waste Box Inventory
- BOA - 32653

### **4.2 Ten-Drum Overpack**

- Specification - E-I-430

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- Drawings -165-F-010 Series
- WP 13-QA.20, Quality Assurance Inspection Plan for Ten-drum Overpack Inventory
- BOA - 32651

**4.3 Adjustable Center-of-Gravity Lift Fixture**

- Specification - E-I-441
- Drawings -
  - 412-L-078 Series
  - 412-L-079 Series
  - 412-L-080 Series
  - 412-L-081 Series
  - 412-L-082 Series
  - 412-L-083 Series
  - 412-L-084 Series
  - 412-L-085 Series
  - 412-L-086 Series
- WP 13-QA.11, Quality Assurance Inspection Plan for the Adjustable Center of Gravity Lift Fixture (ACGLF) Inventory
- BOA - 3265

**4.4 Standard Waste Box Lift Fixture Adapter**

- Specification - E-I-336
- Drawing - 412-N-003 Series
- WP 13-QA.10, Quality Assurance Inspection Plan for the Standard Waste Box Lift Fixture Adaptor Inventory
- BOA - 3265

**4.5 Ten-Drum Overpack Lift Fixture Adapter**

- Specification - E-I-422 Series
- Drawing - 41-L-004 Series
- WP 13-QA.12, Quality Assurance Inspection Plan for the Ten-Drum Overpack Lift Fixture Adaptor Inventory
- BOA - 3265

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**5.0 REFERENCES**

- Price-Anderson Amendments Act
- WP 13-1, Washington TRU Solutions LLC Quality Assurance Program Description
- WP 13-QA.10, Quality Assurance Inspection Plan for the Standard Waste Box Lift Fixture Adaptor Inventory
- WP 13-QA.11, Quality Assurance Inspection Plan for the Adjustable Center of Gravity Lift Fixture (ACGLF) Inventory
- WP 13-QA.12, Quality Assurance Inspection Plan for the Ten-Drum Overpack Lift Fixture Adaptor Inventory
- WP 13-QA.19, Quality Assurance Inspection Plan for Standard Waste Box Inventory
- WP 13-QA.20, Quality Assurance Inspection Plan for Ten-Drum Overpack Inventory
- WP 13-QA3020, Fabrication Oversight
- | ● WP 15-PC3609, Preparation of Purchase Requisitions