

Smith, Ralph N - DNR

From: Smith, Ralph N - DNR
Sent: Tuesday, January 23, 2018 7:39 AM
To: 'Dave Larsen'
Subject: RE: Four Corners

Hi Dave,

You're welcome.

The mob/demob issue for scopes of work for PECFA work are sticking with the UCCS rates which were designed to be universal state-wide. Short mob/demobs get the same amount as longer mob/demobs on the UCCS. There were inconsistencies with state codes when PECFA merged with DNR, and that was the crux of the issue, and last year notice was given that mob/demobs (and incremental mob/demobs) were to be approved at UCCS rates.

The Change Order Request was denied because there is no significant change in the scope of work, well abandonments were next in line, the time to figure out that well abandonments were needed and how to go about them is minimal – so no change order costs approval is necessary – a regulatory correspondence rate applies for the costs estimate and not a change order.

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Visit our survey at <http://dnr.wi.gov/customersurvey> to evaluate how I did.

Ralph N. Smith

Northern Region Hydrogeologist

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From: Dave Larsen [<mailto:dlarsen@reiengineering.com>]
Sent: Monday, January 22, 2018 3:48 PM
To: Smith, Ralph N - DNR
Subject: Four Corners

Hello Ralph, thank you for the quick response on the well abandonment approval for Four Corners.

I am looking for a clarification on a few of the cost denials. Costs were denied for variance mobilizations charges. I'm sure you are aware that U&C mob fees were historically based on "bundling" sites. With PECFA being closed to new sites and a strong push to close existing sites, it is becoming more difficult to conduct U&C scope of services with long mobilization for the allowable U&C rates. For this site REI used the federal mileage rate (\$0.545/mile) and our historically approved PECFA travel time rate of \$75/hour and came up with \$613.50. This is \$251.25 more than the allowable U&C rate for this scope of services and why we chose the variance approach.

REI is also curious why the change order request was denied. REI has a long history of requesting, and being approved, a change order request for well abandonment activities. Was this a site specific denial, or is PECFA changing how they issue well abandonment approvals?

Thank you,

David N. Larsen P.G




Senior Hydrogeologist / Professional Geologist



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