

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES
			1 1
2 AMENDMENT/MODIFICATION NO 099	3 EFFECTIVE DATE See Block 16C	4 REQUISITION/PURCHASE REQ NO 10EM003440	5 PROJECT NO (If applicable)
6 ISSUED BY Savannah River Operations U.S. Department of Energy Savannah River Operations P.O. Box A Aiken SC 29802	CODE 00901	7 ADMINISTERED BY (If other than Item 6) Savannah River Operations U.S. Department of Energy Savannah River Operations P.O. Box A Aiken SC 29802	CODE 00901
8 NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code) SAVANNAH RIVER NUCLEAR SOLUTIONS, LLC Attn: MARK COGGIN ONE FLUOR DANIEL DRIVE A-3-A ALISO VIEJO CA 926981000		(x) 9A AMENDMENT OF SOLICITATION NO	
CODE 798861048 FACILITY CODE		9B DATED (SEE ITEM 11)	
		X 10A MODIFICATION OF CONTRACT/ORDER NO DE-AC09-08SR22470	
		10B DATED (SEE ITEM 13) 01/10/2008	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended. is not extended
 Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods (a) By completing items 8 and 15, and returning _____ copies of the amendment, (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12 ACCOUNTING AND APPROPRIATION DATA (If required)

No change in accounting and appropriation data

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO IN ITEM 10A
	B THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43 103(b)
X	C THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause H-28 Performance Based Incentives
	D OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not. x is required to sign this document and return 2 copies to the issuing office

14 DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible)

A. The purpose of this modification is to incorporate the revised Fiscal Year 2010 Performance Evaluation and Measurement Plan, which is attached hereto.

B. All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect

15A NAME AND TITLE OF SIGNER (Type or print) JOHN W. TEMPLE DIRECTOR, CONTRACTS	16A NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Charlene Smith
15B CONTRACTOR/OFFEROR John W Temple (Signature of person authorized to sign)	15C DATE SIGNED 8/31/10
16B UNITED STATES OF AMERICA Charlene Smith (Signature of Contracting Officer)	16C DATE SIGNED 8/31/10



**U.S. Department of Energy
Savannah River Site**

**PERFORMANCE EVALUATION
MEASUREMENT PLAN, Rev. 4
Savannah River Nuclear Solutions, LLC
CONTRACT NO. DE-AC09-08SR22470**

**Performance Period:
October 1, 2009 through September 30, 2010**

Approval Page

Approval:

_____ *Charlene Smith* _____

8/31/2010

Charlene Smith
Contracting Officer (CO)
DOE - Savannah River Operations Office

Date

Revision Summary Page

Rev. #	Rev. Date	Affected Sections / Pages	Description of Revision
0	10/01/09	All	Initial Issue for this performance period
1	1/28/2010	Management Comprehensive Performance Fee Agreement Page 6 of 16 under Contract Output:	SRNS2010MGT-01: "Assistant Manager for Nuclear Material Stability Projects" (i.e. "Subjective PBI Criteria") Delete from description: Load at least 20 HEU trailer on or before schedule (Reason for deletion: HEU is not shipped in trailers) Load a minimum of 20 LEU trailers (Reason for deletion: This PBI because of its importance relating to external agency commitments (e.g. Tennessee Valley Authority Interagency Agreement) has been added as an "objective" PBI) Complete modification of SNF cask (Reason for deletion: already established in an "Objective" PBI) Complete rail spur upgrades to support transfer of SNF to H Canyon (Reason for deletion: already established in an "Objective" PBI) Complete preliminary design for cask loading modifications and procure engineered equipment and design materials required for cask loading modifications (Reason for deletion: already established in an "Objective" PBI)
1	1/28/2010	Nuclear Material Stability Performance Fee Agreement	Modify text as illustrated below: (Line through equals delete; line under text equals addition.)
1	1/28/2010	SRNS2010NMS -02.01A	The first 70 <u>65</u> kgs charged to H Area facilities dissolver; (1% of fee (up to 5% of PBI fee) for each 14 kgs- \$6,923 fee for each kg charged to the dissolver; invoiced quarterly) (Reason for changes: in consideration of the LAP material to also be processed in HBL, this Output is reduced by 5 kgs and added to output 02.01B; quarterly invoicing by the kg will greatly simplify validation. Fee {\$50,000} was moved to Output 02.01B to balance fee per kg paid) \$500,000 <u>\$450,000</u>
1	1/28/2010	SRNS2010NMS -02.01B	An additional 20 <u>45</u> kgs charged to H Area facilities dissolver; (1% of fee (up to 5% of PBI fee) for each 4 kgs- \$12,222 fee for each kg charged to the dissolver; invoiced quarterly) (Reason for changes: the 5 kgs from Output 02.01A and 20 kgs from Output 02.01C are added to this output. The 45 kgs in Output 02.01B is considered to be the "challenge" quantity) \$500,000 <u>\$550,000</u>
1	1/28/2010	SRNS2010NMS -02.01C	Delete whole incentive (Reason for changes: the fee per additional kg for Output 02.01C was inconsistent with (less than) Outputs 02.01A and B; Note: the fee associated with this Output has been reassigned to Contract Output: SRNS2010NMS-01) \$200,000
1	1/28/2010	SRNS2010NMS -02.02A	Complete first receipt readiness to receive LAP material in H-Area (5% of PBI fee) (Reason for changes: the Criteria inadvertently required "receipt" which is dependent upon Hanford, INL and OST support which are out of the control of SRS.)
1	1/28/2010	SRNS2010NMS -02.02B	Complete charging LAP material upon receipt of last shipment. (5% of PBI fee) <u>\$41,666 fee for each drum content charged to the dissolver; invoiced quarterly.</u> (Reason for changes: to pay for progress as each drum is dispositioned. Note: there are 12 drums total)
1	1/28/2010	SRNS2010NMS -01.02	Complete charging to the dissolver the balance/remainder of un-irradiated <u>highly enriched uranium (HEU)</u> . The material to be processed will be documented in a DOE letter of technical direction. Fee is prorated for each kg charged to the dissolver; invoiced quarterly. This quantity is currently estimated to be 600 kgs of HEU. (5% of fee (up to 15% of PBI fee) for each 200 kgs dissolved). If less than 600 kgs of HEU is available, up to 15% of this PBI fee will be paid upon completion of the remaining available HEU. (Reason for changes: to simplify fee language; quarterly invoicing by the kg will greatly simplify validation)

1	1/28/2010	SRNS2010NMS – 01.03	Create incentive: <u>For LEU trailers number 11 through 20 shipped in FY10, \$20,000 fee will be paid; invoiced quarterly.</u> (Reason for changes: Due to the high visibility of the HEU blend down program (external interagency agreement between TVA and DOE) a separate incentive for LEU shipments to TVA is justified. A total of 20 trailers are planned for shipment in FY10.) \$200,000
1	1/28/2010	Acceptance Criteria:	
1	1/28/2010	SRNS2010NMS -01.03	Add acceptance criteria for new incentive: Review MC&A form 741 (transfer documents) for each LEU trailer.
1	1/28/2010	SRNS2010NMS -02.01C	Delete: Physical inspection of dissolver log.
1	1/28/2010	SRNS2010NMS -02.02A	Complete physical inspection of shipment. Ascertain contractor readiness for LAP receipt through DOE oversight and document reviews.
1	1/28/2010	PEMP Attachment A	Modify text:
1	1/28/2010		6,500 6,700 Preparations and Initial Charge of SNF Material to H-Canyon SNF and HEU Processing 2,500 2,300 Plutonium Processing and Storage (Reason for changes: to account for fee movement (\$200,000) from SRNS2010NMS-02 to SRNS2010NMS-03 and correct inaccurate descriptions.)
1	1/28/2010	Nuclear Nonproliferation Program Performance Fee Agreement SRNS2010NNP Part B: Contract Output 3 Assumptions	Add Assumption Number 3
1	1/28/2010	Nuclear Nonproliferation Program Performance Fee Agreement	Add Section C: Multi-Year PBI
2	6/7/2010	Members of the IPT / Performance Fee Board	Changed Lance Schlag to TBD, Norm Powell to Beth Bilson, and Jeff Allison to Jack Craig.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT	Allocated Fee: \$10,000,000.00 \$10,285,000 (Subjective) \$3,800,000.00 \$3,300,000 (Objective)
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 1	Up to \$10,285,000 Million (this incentive does not allow progress and/or provisional payment) of the Comprehensive PBI will be paid for Contract Output 1.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 1	Assistant Manager for Integration and Planning: Modified for AMIP organization scope clarification
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 2	Up to 4.4% of the Comprehensive PBI will be paid for Contract Output 2.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 3	Up to 9 5.2% of the Comprehensive PBI will be paid for Contract Output 3. Description/Background/Justification: The FY10-15 baseline will be continuously enhanced based on internal and external feedback. EVMS reporting will be formalized and routine corporate reviews will be standardized. Furthermore, SRNS will use existing hardware and expand the Cobra functionality to the rest of M&O site users. This will include full replacement of ICTS and STARS forecast functionality.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT-03.02	SRNS2010MGT – 03.02 Date: 3/31/10 Fee: \$500,000 Expand COBRA cost processing application to all site users.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 4	Up to 9 8.8% of the Comprehensive PBI will be paid for Contract Output 4.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 5	Develop and implement an activity a scope based cost planning approach relative to the for budgeting and planning of SRNS overhead and indirect cost programs. Up to 4.4% of the Comprehensive PBI will be paid for Contract

			Output 5.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT Contract Output 6	Up to 2 1.5% of the Comprehensive PBI will be paid for Contract Output 6. Description/Background/Justification: As part of continual improvement of the Real Property Asset Management program, complete condition assessments on at least 20 percent of the SRNS mission critical structures by the end of fiscal year 2010. By the end of fiscal year 2010, have a condition assessment program in place to complete remaining SRNS FIMs facilities within five years.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT-06.01	Completion Criteria: Complete condition assessments on at least 20% of the SRNS mission critical structures (identified as of 10-1-2009). This is part of a phased approach to perform condition assessments on all SRNS FIMs structures within 5 years.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT-03.02 Acceptance Criteria	Demonstrate availability to all site users, and validation report on random sample testing of users.
2	6/7/2010	Management Comprehensive Performance Fee Agreement – SRNS2010MGT-06.01 Acceptance Criteria	<ol style="list-style-type: none"> 1. Evidence of Periodic Customer Reviews (e.g. meeting minutes, rosters, etc.) 2. SRS Condition Assessment Personnel Training Guide 3. List of qualified CAS Inspectors 4. Condition Assessment Survey Process Desktop Guide 5. List of sixty (60) Completed Inspections by Structure Number representing at least 20 percent of SRNS Mission Critical structures identified in the DOE Facility Information Management System (FIMS) as of 10/1/2009. This list shall include: <ol style="list-style-type: none"> a. Name of Lead Inspector b. Inspection Completion Date c. Name of Inspection Validator (CAIS Administrator or designee). 6. Supporting Inspection Reports present in the DOE CAIS database OR on hard copy Inspection Packages 7. Condition Assessment Program (documented approach for inspecting SRNS structures) 8. Proposed schedule listing the buildings to be inspected each year for the following four years to complete the five year cycle
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS Contract Output 1	Up to 65 67% of the allocated PBI fee will be paid for Contract Output 1 as follows:
2	6/7/2010	Nuclear Materials Storage and Disposition SRNS2010NMS-01.01B	Fee: \$1,500,000 \$4,000,000 Completion Criteria: Complete the following H Canyon preparations to receive and charge SNF based upon mutually agreed on scope of work. <ol style="list-style-type: none"> 1. Upgrade/Modify Analytical Lab for SNF & Declare Readiness (\$150,000) 2. Perform Design for H-Canyon SNF Processing Modifications (\$100,000) 3. Install Modifications for H-Canyon SNF Processing (\$1,000,000) 4. Install Tunnel and Airlock Improvements (\$195,000) 5. Revise and Approve Security and MC&A Documents (\$200,000) 6. Revise and Approve Procedures Based on SNF and 3009 DSA Changes (\$905,000) 7. Complete Training for SNF and 3009 DSA (\$950,000) 8. Complete RA and all Pre-start Items (\$100,000) 9. Charge first SNF material to H Canyon Dissolver. (\$400,000)
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS-01.01C	SRNS2010NMS-01.01C \$2,500,000 Charge first SNF material to H Canyon Dissolver
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS Contract Output 2	Up to 25 23% of the allocated PBI fee will be paid for Contract Output 2 as follows:
2	6/7/2010	Nuclear Materials Storage and	Dissolve Disposition Pu: material currently stored or received in K-

		Disposition – SRNS2010NMS-02.01	Area:
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS-02.01B	Date: 9/30/10 Fee: Up to \$550,000 \$220,000 Completion Criteria: An additional 45 30kgs charged to H Area facilities dissolver(s); \$7,333 42,222 fee for each kg charged to the dissolver; invoiced quarterly.
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS-02.01C	Date: 9/30/10 Fee: Up to \$55,000 Completion Criteria: Prepare 235-F Deactivation “Mission Need” Package
2	6/7/2010	Nuclear Materials Storage and Disposition – SRNS2010NMS-02.01D	Date: 9/30/10 Fee: Up to \$275,000 Completion Criteria: Implement Pu Processing improvements including: 1. Fabricate/test jumpers (4) for conversion of Tank 11.5 to a Pu Receipt Tank. (\$55,000) 2. Perform spray nozzle testing to support increase of eductor ratio (by minimum of 2x) for Pu transfers from HBL Product Hold Tanks to H-Canyon. (\$20,000) 3. Fabricate/test jumpers (6) for Tanks 16.1 and 15.3. (\$55,000) 4. Technology development for increased Pu throughput. (\$145,000)
2	6/7/2010	SRNS2010NMS-01.01B Acceptance Criteria	Verify H Area Authorization Agreement for spent fuel processing is approved prior to September 30, 2010. Validate completed work scopes as follows: 1) Assess FSA (or startup review as documented in the SNR) 2) Review design package(s), 3) Review completed work package(s), 4) Review completed work package(s), 5) Review revised approved Security and MC&A documents, 6) Review revised and approved procedures, 7) Review Qualification Records and assess selected Oral Boards and/or Written Exams as appropriate, 8) Assess Contractor RA (or startup review as documented in SNR) and 9) Review charging log.
2	6/7/2010	SRNS2010NMS-01.01C Acceptance Criteria	Documentation that a SNF shipment, stored in the L Area wet basin, was shipped from L Area in a refurbished 70 Ton Cask, and began dissolution in H Canyon by the end of FY10.
2	6/7/2010	SRNS2010NMS-02.01C Acceptance Criteria	Review completed package(s) approved by NMO that includes as a minimum: mission need statement, project scope, planning budget estimate, customer expectations, initial risk analysis and project estimate.
2	6/7/2010	SRNS2010NMS-02.01D Acceptance Criteria	(1) Review completed work package(s), (2) Witness spray nozzle demonstration, (3) Review completed work package(s), (4) Breakout of technology developments: (a) Witness Operation of Demonstration Model for Vacuum Salt Distillation [Fee = \$44.6K], (b) Review Technical Report for Peroxide Fusion Experiments [Fee = \$39.2K], (c) Review Conceptual Strategy for Limited Phase I DCS [Fee = \$25.1K], (d) Review Conceptual Strategy for Southline SOW [Fee = \$17.6K] and (e) Review VA for HBL/H-Canyon Rollup [Fee = \$18.5K].
2	6/7/2010	Nuclear Nonproliferation Program Performance Fee Agreement – SRNS2010NNP Contract Output 7A	Complete the PDCF Manipulator Final Design and issue the PDCF Manipulator Final Integrated Design, PDCF IPS Milestone W24502GBBZ, scheduled for May 26, 2010. Complete the PDC Manipulator RMG Test Bed Conceptual Design, PDC IPS Milestone WGGT4502GB00CI, scheduled for August 4, 2010.
2	6/7/2010	Nuclear Nonproliferation Program Performance Fee Agreement - SRNS2010NNP Contract Output 7A Completion Criteria	Changed Completion Criteria 3 and 4 3. Upon completion of the Preliminary Design, a Final Design of the PDCF manipulators will be developed, reviewed, review comments incorporated, and accepted by the IPT. 4. The Contract Measure will be satisfied when the manipulator Final Designs are accepted by the IPT. PDCF IPS Milestone W24502GBBZ, scheduled for May 26, 2010. 3. Upon completion of RMG preliminary designs for all process lines, the RMG vendor will complete sufficient detail design and modeling of RMG components and interfacing glovebox features

			<p>to support conceptual design of the RMG test bed, and complete test bed conceptual design and models.</p> <p>4. The contract measure will be satisfied when the manipulator test bed conceptual designs and models are presented by PaR Systems in a televised (I Link) presentation, and approved by the PDC RMG Design Authority: Complete the PDC Manipulator RMG Test Bed Conceptual Design, PDCF IPS Milestone WGGT4502GB00CI, scheduled for August 4, 2010 (\$152,250).</p>
2	6/7/2010	Nuclear Nonproliferation Program Performance Fee Agreement - SRNS2010NNP Contract Output 7A Assumptions	<p>3. The IPS includes eight URS review activities in parallel with eight LANL reviews, which must be completed to meet the Milestone date.</p> <p>3. The IPS contains concurrent reviews of PaR System designs and models by LANL, URS, and SRNS which must be completed to meet the milestone date.</p>
2	6/7/2010	Nuclear Nonproliferation Program Performance Fee Agreement - SRNS2010NNP Contract Output 7B	<p>7B. Satisfactorily complete 3013 qualification tests for the PDCF 3013 inner can with the results of the PDCF inner can qualification effort documented in a PDCF 3013 Inner Can Qualification Report and meet NQA 1 requirements. (PDCF IPS Activity W24501XDOL, scheduled for Sept 23, 2010.) SRNL is performing a re-qualification of the 3013 Inner can for the PDCF Project. This re-qualification is required because the PDCF 3013 inner can design required changes from the previously qualified design, to accommodate a larger PDCF Convenience Can. Satisfactorily Complete re-design of the PDC 3013 inner can, design, procurement, installation, and testing of Bagless welding, cutting, and glovebox sealing components for operation with the modified PDC Inner Can, SRNL POW schedule item RRBTS2180, Modified BTS System Checkout / Test, to be entered in PDC IPS with scheduled completion August 1, 2010. (\$304,500)</p>
2	6/7/2010	Nuclear Nonproliferation Program Performance Fee Agreement - SRNS2010NNP Contract Output 7B Completion Criteria	<p>2. SRNL will have procured, welded and preliminarily tested an initial complement of cans to exercise equipment and establish initial qualification parameters (e.g. drop height) in FY09.</p> <p>3. SRNL will procure a compliment of 3013 inner cans using a Compensatory Action Plan (CAP) to assure compliance with applicable NQA 1 requirements.</p> <p>4. The 3013 inner cans will be welded, inspected, and leak tested.</p> <p>5. Limited testing (visual examination, leak testing & drop test) of the welded 3013 inner cans will be performed to the 3013 Std. requirements identified by the DOE 3013 Design Authority.</p> <p>6. The results of this testing will be documented in a PDCF 3013 Inner Can Qualification Report.</p> <p>2. SRNL will have issued revised 3013 inner can designs, revised the can procurement to utilize the modified designs, and submitted the modified designs to LANL and URS to support modification of interfacing equipment.</p> <p>3. SRNL will have modified designs and procured modified components for cutter clamps and closure devices, welder tip and weld clamps, Bell Jar seals, glovebox sphincter seals, and the tool axis mount plate.</p> <p>4. SRNL will assemble modified components in the PDC Canning Development Lab on the prototype BTS System, perform tests of the modified components on the installed assembly, and write a BTS System Readiness Test Report.</p> <p>5. SRNS Product Canning System Design Authority will approve the BTS System Readiness Test Report.</p>
2	6/7/2010	Savannah River National Laboratory Performance Fee Agreement – SRNS2010SRNL Allocated Fee	Allocated Fee: \$3,500,000 \$3,215,000
2	6/7/2010	Savannah River National Laboratory Performance Fee Agreement – SRNS2010SRNL Contract Output 1	<p>Contract Output: SRNS2010SRNL -01</p> <p>Book new revenue (Total Project Cost) of at least \$60M in FY 2010. (Site M&O and LW work scope performed by SRNL will not be included)</p> <p>Up to 40 43.5% of the allocated PBI fee will be paid for Contract Output 1</p>
2	6/7/2010	Savannah River National	Contract Output: SRNS2010SRNL -02

		Laboratory Performance Fee Agreement – SRNS2010SRNL Contract Output 2	Up to 30 32.7% of the allocated PBI fee will be paid for Contract Output 2.
2	6/7/2010	Savannah River National Laboratory Performance Fee Agreement – SRNS2010SRNL Contract Output 3	<u>Contract Output: SRNS2010SRNL -03</u> Enhanced SRNL Infrastructure and Facility Safety Up to 30 23.8% of the allocated PBI fee will be paid for Contract Output 3.
2	6/7/2010	Savannah River National Laboratory Performance Fee Agreement Contract Output 3 Number SRNS2010SRNL-03.01	Fee: Up to \$240,000 Completion Criteria: Build, modernize, and/or maintain facilities and infrastructure to achieve mission goals and ensure a safe and secure workplace. Fee for this completion criteria is based on the range below: a. Replace 735-A, C Wing (new section) and D Wing Roofs and D160 HVAC (\$105K) b. Replace RREX-FAN-ER Regulated Exhaust Fan and install new glovebox and hood (773-A/B150) (\$15K) c. Complete annual DSA update and TSR to incorporate interim guidance and REEF operation. Complete DSA update and TSR to close out flash spray JCO by 6/30/10 (\$60K) d. Develop IGPP process and formally submit to DOE-SR for approval for implementation at SRS (\$51K) e. Seal exterior walls of E-Wing 773-A (\$9K) (Note: ventilation and elevator repairs were not funded for FY10 and may be moving to ARRA scope)
2	6/7/2010	Savannah River National Laboratory Performance Fee Agreement Acceptance Criteria SRNS2010SRNL-03.02	Review and evaluation of documents verifying additional SRNL-secured office and/or laboratory space suitable to support additional business scope
2	6/7/2010	Site Infrastructure Performance Fee Agreement	Allocated Fee: \$1,000,000.00 \$1,500,000 Performance Outcome: The Contractor shall pursue site infrastructure re-investment projects and support the biomass projects to achieve mission goals and ensure a safe and secure workplace for all SRS personnel. In addition, power house repairs and upgrades will be completed to ensure uninterrupted service for the power customers.
2	6/7/2010	Site Infrastructure Performance Fee Agreement – SRNS2010SI Add a new Contract Output	<u>Contract Output: SRNS2010SI-03</u> D Area Powerhouse Reliability: This scope will facilitate the continued, uninterrupted operation of the D-Area powerhouse by providing equipment upgrades, rebuilding and refurbishments, and replacements. It also provides a plan for the manpower and IT support necessary to manage and perform these tasks.
2	6/7/2010	Site Infrastructure Performance Fee Agreement add SRNS2010SI-03.01	Date: 8/31/10 Fee: \$300,000 Completion Criteria: Fee shall be awarded upon the successful completion of the following Power House work scope, as detailed in specific work packages: 1. Chemical Tanker Unloading Station (design and construct a new chemical tanker unloading station for D Area) 2. Service Water piping replacement (incrementally replace suspect sections of piping based on known deficiencies and water flow problems) 3. D3 Boiler Tube replacements (replace 91 tubes on the west wall, and partially replace 19 wall tubes that have less than minimal wall thickness) 4. D3 Boiler Air Pre-heater Tube replacement (replace damaged sections of tubes in the lower bank of the boiler air preheater section)
2	6/7/2010	Site Infrastructure Performance Fee Agreement add SRNS2010SI-03.02	Date: 9/30/10 Fee: \$200,000 Completion Criteria: Fee shall be awarded upon the successful

			<p>completion of the following Power House work scope, as detailed in specific work packages:</p> <ol style="list-style-type: none"> 1. Establish remote operation of the Ash Handling System control panel (move operational controls to the control room) 2. Precipitator Hoppers repairs (repair / replace plate metal if less than 50% remaining thickness) 3. D Area Administrative upgrades (replace HVAC for control room and upgrades for IT infrastructure) 4. 484-D Environmental Sump line replacement (Install new carbon steel pipe from the sump pumps to the south side of the asphalt road out side of the 484-D fence. The remaining discharge line will be converted to HDPE pipe. See detailed work package.)
2	6/7/2010	Site Infrastructure Performance Fee Agreement SRNS2010SI-03.01 Acceptance Criteria	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure project and/or completed work packages; in addition, the contractor will provide before and after pictures for validation documentation.
2	6/7/2010	Site Infrastructure Performance Fee Agreement SRNS2010SI-03.02 Acceptance Criteria	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure project and/or completed work packages; in addition, the contractor will provide before and after pictures for validation documentation.
2	6/7/2010	Tritium Programs Performance Fee Agreement – SRNS2010TP	Replaced percentage values with dollars.
2	6/7/2010	Tritium Programs Performance Fee Agreement – SRNS2010TP Contract Output 3	<p>Reduced Contract Output 3 R&D fee amount from \$347,400 to \$80,000 and defined completion criteria.</p> <p>Essential Fee</p> <ol style="list-style-type: none"> 1. \$20,000 available fee for Completion of Criterion 1. 2. \$60,000 available fee for Completion of Criterion 2. <p>Completion Criteria</p> <ol style="list-style-type: none"> 1. Develop design for Gen1 Hydride Bed with Thermal Enhancement Cartridge Heater modification (Tech Mod). By September 30, 2010 have an approved design calculation and engineering drawing for Gen1 Rev. 2 (Tech Mod) hydride bed. 2. Implement Automated Control System for Mini-TCAP in HRTL. Complete by September 30, 2010 a Mini-TCAP system which will function 24/7 under automatic control.
2	6/7/2010	Tritium Programs Performance Fee Agreement – SRNS2010TP Contract Output 4	<p>Increased Contract Output 4 essential fee amount from \$694,800 to \$769,800 and added Completion Criteria 5.</p> <p>Essential Fee</p> <ol style="list-style-type: none"> 1. \$231,600 available fee for Completion Criterion 1; \$115,800 for 1.a and \$115,800 for 1.b. 2. \$289,500 available fee of the Completion Criterion 2; \$57,900 for 2.a, \$57,900 for 2.b, \$57,900 for 2.c and \$57,900 for 2.d., \$28,950 for 2.e and \$28,950 for 2.f . 3. \$57,900 available fee for Completion Criterion 3 4. \$115,800 available fee for Completion Criterion 4; \$57,900 for 4.a and \$57,900 for 4.b. 5. \$75,000 available fee for Completion Criterion 5. <p>Completion Criteria</p> <ol style="list-style-type: none"> 5. For project Y548 TEF Warehouse, Mechanical Complete with no outstanding “A” punch-list items by September 30, 2010.
2	6/7/2010	Tritium Programs Performance Fee Agreement – SRNS2010TP Contract Output 8	<p>Increased Contract Output 8 essential fee amount from \$1,737,000 to \$1,929,400 and added Completion Criteria 2 and 3.</p> <p>Up to \$1,929,400 of the allocated Tritium Programs PBI fee may be earned by Contract Output 8 as follows.</p> <p>Essential Fee</p> <ol style="list-style-type: none"> 1. \$1,737,000 available fee of the Contract Output may be earned at the end of the assessment period for Completion Criterion 1 associated with Business Management. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.

			<p>2. \$42,400 can be earned for Completion of Criterion 2. 3. \$150,000 can be earned for Completion of Criterion 3.</p> <p>Completion Criteria</p> <p>2. Review the SRNS Tritium Programs Contractor Assurance System (CAS) to Malcolm Baldrige Performance Excellence Criteria (MBPEC). SRNS will issue a report documenting CAS maturity to MBPEC.** The assessment will result in an overall scoring band for process and results with an executive summary listing the overarching key themes (i.e., cross-cutting key themes and OFIs based upon a “show me challenge”) by July 16, 2010.*</p> <p>* Not later than date- Actual date will be based on Steering Committee Finalization of the plan. ** Excellence in Missouri Foundation “Show Me Challenge” criteria.</p> <p>3. Accelerate a cost/forecasting module using the Enterprise Resource Planning (ERP) products. These reports will serve as Tritium’s cost management tools leading the way for site usage of the ERP system. By September 30, 2010 issue first set of reports with available data. Reports will include actual cost data as well as forecasting information. Report suite will include flow down of B&R information as well as functional query results.</p>
3	7/28/2010 8/17/2010	Management Comprehensive Performance Fee Agreement (page 6 of 17) under Contract Output 1 section for Assistant Manager for Nuclear Material Stability Projects.	<p>• Complete the procurement and receive 10 HFIR racks on or before schedule</p>
3	7/28/2010 8/17/2010	Nuclear Materials Storage and Disposition Performance Fee Agreement : SRNS2010NMS-01.03.	<p>Fee: Up to \$200,000 \$280,000</p> <p>Fore LEU trailers number 11 through number 20 24 shipped in FY10, \$20,000 fee will be paid; invoiced quarterly.</p>
3	7/28/2010 8/17/2010	Nuclear Materials Storage and Disposition Performance Fee Agreement : SRNS2010NMS-02.01B.	<p>Fee: Up to \$220,000 \$198,000</p> <p>An additional 30 27 kgs charged to H Area facilities dissolver(s); \$7,333 fee for each kg charged to the dissolver’ invoiced quarterly.</p>
3	7/28/2010 8/17/2010	Nuclear Materials Storage and Disposition Performance Fee Agreement : SRNS2010NMS-02.01D.	<p>Fee: Up to \$275,000 \$342,000</p> <p>Additional Completion Criteria:</p> <p>5. Disposition H Canyon Pu solution to DWPF Sludge Batch (at \$800 per kg – up to \$32,000)</p> <p>6. Complete the analytical work to develop proposed Criticality Safety Limits (CSLs) for EU/Pu dissolving and complete the criticality CHAP tables associated with receipt and dissolving of EU/Pu material. (\$35,000)</p>
3	7/28/2010 8/17/2010	Nuclear Materials Storage and Disposition Performance Fee Agreement : SRNS2010NMS-02.02B.	<p>Fee: Up to \$500,000 \$375,000</p>
3	7/28/2010 8/17/2010	Nuclear Materials Storage and Disposition Performance Fee Agreement : SRNS2010NMS-02.01D.	<p>New Acceptance Criteria: (5) Provide appropriate procedure and/or log reflecting Pu transfer to DWPF Feed Tank (i.e. Tank 51), (6) For the proposed Criticality Safety Limits (CSLs), verify that KENO VI runs demonstrate k-eff values are less than k-safe, and verify criticality CHAP tables completed for EU/Pu receipt and dissolution in accordance with SCD-3 (Nuclear Criticality Safety Program Manual) and SCD-11 (CHAP Methodology Manual).</p>
3	7/28/2010 8/17/2010	Added: SRNS2010NNP-7D	<p>FEE: \$450,000</p> <p>Prepare and submit for NNSA review a PDC CD-1 package by September 27, 2010.</p>
3	7/28/2010 8/17/2010	SRNS2010NNP: Nuclear Nonproliferation Program	<p>Allocated Fee: \$8,570,000 \$9,020,000</p>
3	7/28/2010	SRNS2010NNP: Nuclear	<p>\$1,500,000 \$1,950,000 of the Nuclear Nonproliferation PBI will be</p>

	8/17/2010	Nonproliferation Program Contract Output 7	<p>paid for executing assigned work related to the PDCF project activities.</p> <p>35% 50% (\$525,000 \$975,000) of the allocated fee for PDCF project activities will be earned as follows:</p>
3	7/28/2010 8/17/2010	Added: SRNS2010NNP-7D	<p>7D. The scope of this contract output includes the preparation and submittal of the PDC CD-1 report package to NNSA-SR in accordance with DOE O 413.3 (current version) and DOE S 1189. (\$450,000)</p> <p>Note: Support for NNSA-SR/NNSA-HQ reviews of the CD-1 package will extend into the first quarter of FY2011. This deliverable will be captured in the FY2011 NNP PBI currently under development.</p> <p>Completion Criteria:</p> <ol style="list-style-type: none"> Based on the accelerated strategy, submit complete and acceptable PDC CD-1 package to NNSA-SR by September 27, 2010. Early, preliminary copies of draft CD-1 documents are made available to NNSA in an organized format for parallel reviews. Quality of CD-1 documents is such that minimal revisions are identified and the content complies with DOE O 413.3 (current version) and DOE S 1189. <p>Assumptions:</p> <ol style="list-style-type: none"> Up to 100% of this award fee can be earned for up to 30 calendar days after the milestone date at the discretion of NNSA, after considering the circumstances leading to a late completion. Substantive changes or delays are outside of contractor's control. A CD-1 resource loaded schedule is available for NNS acceptance by 23 July 2010. Schedule is maintained to reflect actual status and it is aligned with ongoing work efforts. CD-1 documents will be delivered per the CD-1 document tree Rev E (or current) and 23 July 2010 project schedule. <p>Government Furnished Services / Items:</p> <ol style="list-style-type: none"> None identified
3	7/28/2010 8/17/2010	SRNS2010NNP: Nuclear Nonproliferation Program Contract Output 8	<p>65% 50% (\$975,000) of the allocated fee for PDCF project activities will be earned as follows</p>
4	8/31/2010	Attachment A, SRS Performance Fee Allocation Model (pages 29 – 30 of 41)	<p>Nuclear Materials 35.3% 33.6% of EM Fee Pool SRNL 44.4% 10.8% of EM Fee Pool Infrastructure 5.3% 5.0% of EM Fee Pool Management Comprehensive - Objective 44.7% 11.1% of EM Fee Pool; Subjective 40,285-36.3% 11,739,780 39.5% of EM Fee Pool Total EM 28,300 29,754,780 Total NNSA 20,600,000 Total Available Fee 48,900 50,354,780</p>
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 1 of 17)	Allocated Fee: \$40,285,000 \$11,739,780 (Subjective)
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 11 of 17) SRNS2010MGT-01.01	Fee: Up to \$40,285,000 \$11,739,780
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 11 of 17) SRNS2010MGT-02	Up to 4.4% 3.99% of the Comprehensive PBI will be paid for Contract Output 2.
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 12 of 17) SRNS2010MGT-03	Up to 5.2% 4.65% of the Comprehensive PBI will be paid for Contract Output 3.
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 12 of 17) SRNS2010MGT-04	Up to 8.8% 7.98% of the Comprehensive PBI will be paid for Contract Output 4.
4	8/31/2010	Management Comprehensive	Up to 4.4% 3.99% of the Comprehensive PBI will be paid for

		Performance Fee Agreement (page 13 of 17) SRNS2010MGT-05	Contract Output 5.
4	8/31/2010	Management Comprehensive Performance Fee Agreement (page 14 of 17) SRNS2010MGT-06	Up to 1.5% 1.33% of the Comprehensive PBI will be paid for Contract Output 6.

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Acronyms

AM	Assistant Manager
BCP	Baseline Change Proposal
CCB	Configuration Control Board
CMP	Contractor Management Plan
CPAF	Cost Plus Award Fee
DOE	U.S. Department of Energy
DEAR	Department of Energy Acquisition Regulations
EM	DOE Office of Environmental Management
EMAAB	Environmental Management Acquisition Advisory Board
EVMS	Earned Value Management System
FPD	Federal Project Director
FAR	Federal Acquisition Regulations
FY	Fiscal Year
FDO	Fee Determining Official
GFSI	Government Furnished Services & Items
IMP	Interface Management Plan
IPABS	Integrated Planning, Accountability, and Budgeting System
IPABS-IS	IPABS-Information System
IPT	Integrated Project Team
M&O	Management and Operating Contractor

NNSA	National Nuclear Security Administration
OD	Office Director
PBS	Project Baseline Summary
PBI	Performance Based Incentive
PEMP	Performance Evaluation and Measurement Plan
RMP	Risk Management Plan
SME	Subject Matter Expert
SOW	Statement of Work
SRNS	Savannah River Nuclear Solutions
WBS	Work Breakdown Structure

1. Purpose

This document serves as the fiscal year 2010 Performance Evaluation Measurement Plan (PEMP) identified in Section H-28, *Performance Based Incentives*, of Contract No. DE-AC09-08SR22470 between the U.S. Department of Energy (DOE) Environmental Management (EM) Savannah River (SR) and Savannah River Nuclear Solutions (SRNS) LLC, approved January 10, 2008.

This document was developed by DOE and SRNS to provide lessons learned from the previous performance period; illustrate performance improvements for this fiscal year, and identify performance incentives and metrics for all work performed by this contractor. Work in support of the American Recovery and Reinvestment Act (ARRA) is addressed in a separate PEMP.

The SRNS contract is a cost plus award fee (CPAF) performance-based management and operating (M&O) contract, regulated under Department of Energy Acquisition Regulation (DEAR), Subchapter I, *Agency Supplementary Regulations*, Part 970, *DOE Management and Operating contracts*.

This document addresses development of Performance Fee Agreements between DOE-SR and SRNS. This includes administration of performance measures, including Performance-Based Incentives (PBI), and award fee defined in the contract, Section B, *Supplies or Services and Prices/Costs*.

National Nuclear Security Administration (NNSA) and EM incentives established under the contract are contained in the PEMP as are provisions regarding payment of incentives and award fee. Specific provisions regarding payment of an incentive, or an award fee, may also be included in the incentive itself.

2. PEMP Integrated Project Team (IPT)

The PEMP Integrated Project Team (IPT) has been established in accordance with DOE O 413.3A, *Program and Project Management for the Acquisition of Capital Assets*. The team's charter defines specific roles and responsibilities of the IPT. The IPT consists of representation from DOE EM, NNSA, and SRNS. See Attachment C.

The IPT provides oversight of site contracts, monitoring performance against project baselines during all project phases, from contract award to contract completion, in order to satisfy mission need at Savannah River. Oversight is based on directive DOE O 226.1A, *Implementation of Department of Energy Oversight Policy*. Savannah River Site manual SRM 226.1.1B, *Integrated Performance Assurance Manual (IPAM)*, and procedure SRIP 430.1, *Facility Representative Program*, are used to document project status and identify performance issues.

IPT members who are federal employees also participate on the Performance Fee Board, assisting the Fee Determining Official (FDO) with final fee determination. The Board is described in the section of the PEMP discussing the payment process.

In establishing the IPT, the site has assembled a group of professionals representing diverse disciplines with knowledge, skills, and abilities necessary for successful execution of the project. IPT members are qualified for their respective positions and are assigned the proper level of authority to make decisions, with responsibility and accountability for their actions.

The Assistant Manager of Integration and Planning (AMIP) leads the IPT, supported by federal and contractor staff. The staff is supported as needed by Subject Matter Experts (SME) as well as matrix support personnel (both federal and contractor) who possess specific competencies and the skill and expertise required for successful execution of the projects.

3. The PEMP Process

The PEMP process for SRNS is based on fiscal year performance as identified in the contract.

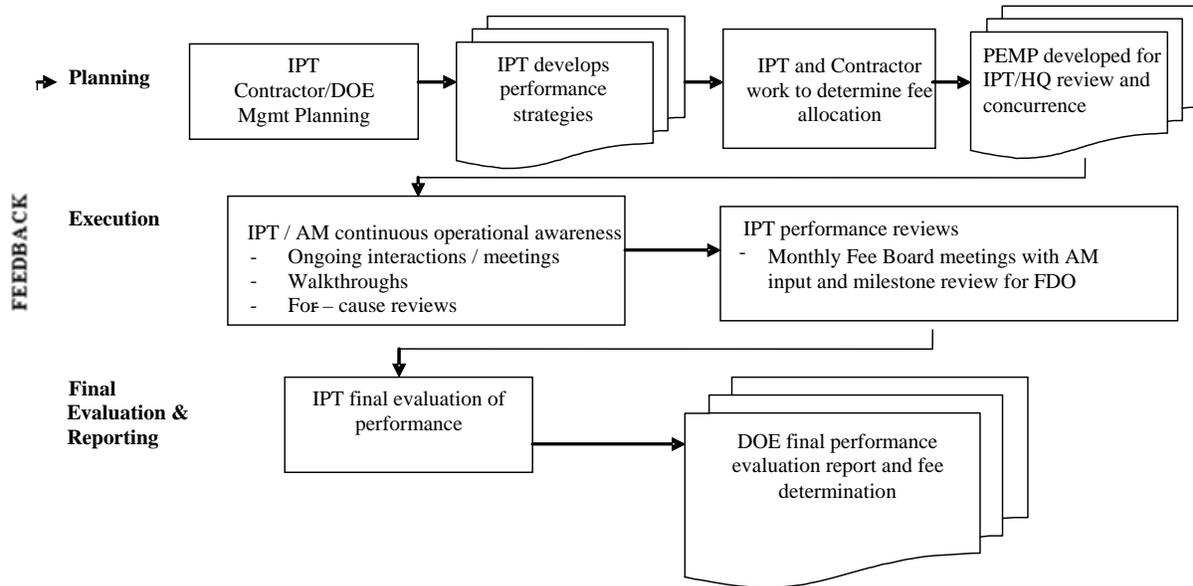


Figure 1: An example of a performance evaluation and measurement process

3.1. Fiscal Year 2010 IPT performance schedule

Development of the fiscal year 2010 PEMP performance schedule began in July of fiscal year 2009 allowing time for identification of milestones with agreement between DOE and SRNS.

Following is the fiscal year 2010 IPT monthly schedule:

October 2009	Monthly IPT meeting Contractor performs annual performance self-assessment appraisal for FY2009 Performance issues/resolution Contractor provides Statement of Costs Incurred and Claimed through September 30
November 2009	Monthly IPT meeting Performance issues/resolution FDO makes decision on FY2009 award 60 days after receipt of contractor assessment
December 2009	Monthly IPT meeting Performance issues/resolution

January 2010	Monthly IPT meeting Performance issues/resolution
February 2010	Monthly IPT meeting Performance issues/resolution
March 2010	Monthly IPT meeting Performance issues/resolution
April 2010	Monthly IPT meeting Performance issues/resolution
May 2010	Monthly IPT meeting Performance issues/resolution
June 2010	Monthly IPT meeting Performance issues/resolution Draft 2011 Performance Fee Agreement strategies
July 2010	Monthly IPT meeting Performance issues/resolution Identify revisions to PEMP Draft 2011 Performance Fee Agreement statements and measures
August 2010	Monthly IPT meeting Performance issues/resolution Draft 2011 Performance Fee Agreement payment plans and schedules Submit draft PEMP and Performance Fee Agreement to headquarters for review
September 2010	Monthly IPT meeting for fiscal year2010 milestones Performance issues/resolution Fiscal year 2011 PEMP / Performance Fee Agreement approved by HQs and issued to SRNS
October 2010	Monthly IPT meeting for fiscal year2010 and fiscal year2011, if applicable Contractor performs annual performance self-assessment appraisal for FY2010 Performance issues/resolution Contractor provides Statement of Costs Incurred and Claimed through September 30
November 2010	Monthly IPT meeting for fiscal year2011 milestones Performance issues/resolution FDO makes decision on FY2010 award 60 days after receipt of contractor assessment

3.2. Performance Document Hierarchy

The PEMP is subordinate to the prime contract. Therefore, where matters of interpretation are concerned the original contract supersedes the PEMP and represents the final decision. Any matters of interpretation are to be identified to the DOE-SR CO for resolution.

3.3. Performance Planning

The PEMP is developed with federal and contractor staff input. Both federal and contractor parties strive to reach mutual agreement on expected business, operational and technical performance and work together to develop incentives and award fee descriptions and associated measures tied to key end products, DOE strategic goals and objectives. Incentives and fee demonstrate direct flow down of DOE strategic goals and priorities.

The CO reserves the unilateral right to make final decisions on all performance objectives and incentives (including the associated measures and targets) used to evaluate contractor performance, including any modifications.

The PEMP is revised and approved prior to the beginning of each evaluation period. Only the CO can change the PEMP. No changes will occur to the PEMP in the last 60 days of the evaluation period, unless with bilateral agreement between the CO and the contractor.

The CO may mutually negotiate with the contractor additional available fee for additional work not covered by the available budget. The funds for such work and the associated available fee is funded through the contractor's efficiencies in accomplishing the otherwise funded work. The additional work must be performed in a safe manner meeting all necessary requirements; and the performance of the additional work cannot affect the safe, proper performance of the otherwise funded work. Any additional work will be authorized in accordance with provision in the contract Section H entitled, *Work Authorization System* and is considered Super Stretch scope. This additional work falls under the management of DOE O 412.1A, *Work Authorization System*.

Clause I.42 DEAR 970.5215-4, *Cost Reduction*, provides an opportunity for the contractor to identify areas where cost reductions may be affected and develop and submit a Cost Reduction Proposals (CRP) to the CO. If accepted by the CO, SRNS may share in any net savings in accordance with paragraph (g) of this clause.

3.4. Incorporating DOE, EM and Site Mission into strategic Outcome, Outputs and Measures

The Savannah River Site publishes a Strategic Plan each year in support of DOE-EM and NNSA missions. The Strategic Plan articulates the site vision and missions to successfully execute current missions while welcoming and preparing for new opportunities.

The 2009 Strategic Plan identified 82 strategies. During the past several months federal and contractor staff have worked together to define supporting performance measures for those

strategies in order to develop performance statements, metrics and milestones. As a result of this effort, EM, NNSA and site missions are tied to the contract statement of work.

Functional areas of the contract statement of work identify mission-critical outcomes. Outputs and measures define how work is performed in order to meet the outcomes. This framework is used to develop the detailed performance criteria in the Performance Fee Agreement.

3.5. Completion Criteria and Validation Documentation{tc "Completion Criteria and Initial Fee Consideration" \f C \l 3}

The IPT develops performance criteria to complete contract outputs. The criterion considers fee allocation based on risk assumptions, including Government Furnished Services/Items (GFS/I). Assumptions and GFS/I are identified in Work Breakdown Structure (WBS) Basis of Estimate (BOE), and are communicated to the DOE through the Contractor Performance Baseline (CPB).

Verification documentation is identified within the Performance Fee Agreement to ensure DOE and contractor agrees what constitutes completion of the performance. This documentation can take many forms such as a shipping manifest, completion of a walk-down, a report, etc. It is important that actual means of verification is agreed to and documented during the Performance Fee Agreement development.

NOTE: Performance language should reflect sensitivities relative to site activities and facilities, and operational security (OPSEC), according to DOE O 470.4A, *Safeguards and Security Program*.

3.6. Risk Management

DOE site management uses an integrated risk management process for the EM Life Cycle baseline. This process provides programmatic risk analyses of the EM Scope of Work, establishes a process for identification and management of risks within, and integrates risk data from prime contractors.

The SRS integrated approach to risk management ensures project teams and management are involved in the risk management process: risk identification, grading, handling, impact determination, and integration. The process concludes with preparation of the Risk Management Plan (RMP) and contingency estimates contained in the SRS Risk Summary and Integrated Contingency Analysis. Each project RMP provides a summary description of the integrated approach employed in the development of a project risk plan.

A risk and opportunity assessment process is used to identify risks and opportunities associated with each project. The risks and opportunities are analyzed and handling strategies developed to ensure risks are managed to acceptable levels and opportunities are availed to improve the probability of successful completion of the project work scope. A detailed description of the methodology employed for the risk and opportunity assessment conducted by each of the Integrated Project Risk Teams appears in *Systems Engineering Methodology Guidance Manual*.

3.7. Performance Fee Agreement

A Fee Allocation Model is developed by the IPT and used to demonstrate distribution of contract fee based on weighting of funding, priority and complexity. The Fee Allocation Model outcome is used to develop expected fee earning based on the Performance Fee Agreements.

A Performance Fee Agreement is an agreement between the federal government and a contractor identifying specific performance criteria that represents implementation of mission strategy and contains criteria for evaluating performance completion. The agreement identifies an amount of fee, used as an incentive, associated with completing and documenting performance.

There are several formats for developing Performance Fee Agreements. The following are definitions provided by EM:

OBJECTIVE INCENTIVES tend to be specific in nature and lend themselves to evaluation against quantifiable measures (i.e., objective performance measures). To the extent that a performance measure is defined and measured in objective terms, the fee associated with its achievement is earned based on the extent to which the contractor's performance meets those objective terms.

SUBJECTIVE INCENTIVES use adjectival measures related to quality of service or product. The success of a contractor against subjective measures is determined by the government, which will consider the related conditions under which the work was performed and the contractor's specific performance as measured against the government's objective.

HYBRID INCENTIVES contain both subjective and objective elements. An example of such an incentive might be the achievement of an acceptable Safety Program by a specific date. The extent to which it is acceptable will be determined subjectively, while the date of achievement will be determined objectively.

BASE INCENTIVE is associated with work to be performed under the scope of the contract and which is believed by the parties to be within available funding.

STRETCH INCENTIVE motivates the contractor to accelerate contractual work by achieving cost efficiencies, thereby accomplishing all work within the same work package at a cost less than that reflected in the approved baseline. The cost efficiencies achieved are normally within the range of the original estimate (budget) for the work or achievable through efficiencies in the performance of such work. Any fee associated with the acceleration of such work is part of the basic Total Estimated Fee Pool. By designation as a Stretch Performance Fee Agreement, the contractor is authorized to initiate activity at its discretion at the time the incentive is created. The Contractor does not need to obtain approval from the Change Control Board prior to beginning work on a Stretch Performance Fee Agreement.

SUPER-STRETCH INCENTIVE motivates the contractor to significantly accelerate and accomplish more work than that incentivized by "Stretch" incentives. When the work is identified and authorized, it will be tied to an appropriate fee that is entirely funded from the savings to be realized from the contractor's achieved cost efficiencies in the performance of the funded work. The authorization to perform "Super-stretch" work is controlled by a Change Control Board to ensure that critical work is performed utilizing fund savings and resources prior to undertaking the Super-stretch Performance Fee Agreements. The fee associated with a Super-

stretch Performance Fee Agreement is not included in the total available fee pool and is additive to it. Because the work and fee are entirely funded by Contractor identified savings, the fee amount established for a Super-stretch Performance Fee Agreement is generally higher than for a Base or Stretch Performance Fee Agreement. Super-stretch incentives require a cost model to demonstrate savings.

MULTI-YEAR or GATEWAY creates the requirement that previously incentivized work, usually in the same work package, is to be performed prior to any follow-on incentives being earned (these may be subsequent annual incentives or “Super Stretch” Incentives). Gateways are to be used to ensure that priority work will be performed and that necessary tasks are not deferred as contractors make decisions relative to the application of resources relative to potential fee.

INTEGRATED INCENTIVE is an incentive that appears in several contracts which has the same end goal and requires the various contractors to work together in achieving that goal. An example would be to include in all contracts addressing the shipment of TRU waste to WIPP an incentive to ship the TRU waste and to coordinate such shipments such that TRUPACTS and trucks would be available to the various contractors when needed.

The Performance Fee Agreement is documentation of objectives and completion criterion, which includes risk analysis and assumptions. An agreement should include:

- Consistent nomenclature
- Correlation to Work Breakdown Structure
- Performance period and allocated fee
- Federal and contractor points of contract, review and approval
- Performance outcome
- Contract output (from contract statement of work)
- Output requirement (from contract listing of directives and standards)
- Completion criteria, including specific criteria to demonstrate completion
- Evaluation criteria

The agreements represent formal and binding performance fee expectations on the part of DOE and SRNS and identify the fee allocation amount for each performance component.

The IPT may determine early fee payment is an appropriate incentive for work completed ahead of schedule, provided all other requirements for completing work are satisfied, and necessary change/configuration controls and risks have been addressed.

4. Change Control

All correspondence regarding proposed changes to Performance Fee Agreements shall be sent to the CO. The CO consults with the appropriate Assistant Manager/Office Director (AM/OD) to determine if the proposed change impacts the CPB. If the proposed change does not impact the baseline, the CO will issue correspondence to the contractor that incorporates the advice of a Subject Matter Expert concerning the proposal.

Action directed by CO correspondence is considered to be within scope of work of the existing contract. If the contractor considers that carrying out this direction may increase contract costs or delay any delivery, the contractor shall promptly notify the CO orally, confirming and explaining the notification in writing as soon as possible, but within no more than five (5) working days. Following oral notification and submission of the written notice of impacts, the Contractor shall await further direction from the CO prior to implementing the action.

If the proposed change impacts the baseline, then the CO will request the contractor to develop a Baseline Change Proposal (BCP) for review by the federal configuration control board. DOE has an established configuration control board (CCB) with assigned levels of approval authority based on change thresholds and/or contractual authority. This approach was designed to ensure changes can be addressed rapidly without compromising control. Both parties recognize that modified work scope may occur and change control actions will be processed in a timely manner.

5. Federal Oversight of Contractor Performance

Central to administration of the contract is assessment of contractor performance. All federal staff members performing assessments are expected to understand terms and conditions of the contract. In order to verify performance, a systematic process of assessment, analysis, documentation and feedback will be required. A range of assessment techniques from data/metric reviews and analysis, to review of self-assessments by the contractor, to formal multidisciplinary assessments will be employed. The assessments will be tailored based on the level of definition of the work requirements and complexity of the function.

Procedures for assessing contract performance are described in the SR Manual (SRM) 226.1.1, *Integrated Performance Assurance Manual*. The intent of the oversight processes described in the manual is to assure contractor compliance with contract requirements, provide for timely identification and correction of deficient conditions, verify effectiveness of completed corrective actions, and pursue excellence through continued improvement. Additionally, the manual is intended to assist DOE in implementing the site contractor oversight system (a management framework of related processes to determine whether federal and contractor assurance programs are performing effectively and/or complying with DOE requirements).

The contractor oversight system is founded on an integrated safety management system (ISMS), emulating DOE P 450.4, *Safety Management System*. SRM 226.1.1 describes processes comprising the contractor oversight system, which enables DOE to: (1) clearly communicate requirements and expectations to contractors; (2) assess the quality, effectiveness, and efficiency of contractor assurance systems and resulting work products in complying with contract requirements; (3) effect continuous improvement in contractors' operations; and (4) enhance the effectiveness of DOE-SR oversight of contractor performance.

The contractor oversight system provides DOE site management information needed to make informed decisions regarding both contractor and DOE performance and to determine whether program corrections are necessary. Communicating requirements and expectations to the

contractor is an essential component in the contractor oversight system. Requirements and expectations are communicated through the Statement of Work, special clauses, contract modifications, and through technical direction by the CO or representative.

SRM 226.1.1 provides detailed requirements for standardized scheduling, planning, conducting, reporting, and follow-up and closure activities for Type 1, 2, and 3 Assessments. Assessments are designed to provide managers with meaningful, accurate, and current information on the status of program compliance, productivity, and quality. Use of standardized assessment methods is a key feature of DOE site performance assurance.

In accordance with DOE O 226.1A, *Implementation of Department of Energy Oversight Policy*, the site also uses independent and self-assessments to determine effectiveness of site assessment of the implementation of contractor assurance systems for environment, safety, and health; safeguards and security; emergency management; cyber security; and business practices systems and their sub elements. Results from these independent and self-assessments in addition to external assessments provide insight into areas where improvements in contractor oversight can be made. The end result is a management system regularly assessing performance, assuring comprehensive corrective action, and providing continuous improvement by identifying, correcting, and preventing problems hindering achievement of site missions.

DOE will dedicate resources to verify interface management and interface control activities, led by the M&O contractor, are the result of collaborative efforts on the part of all contractors who perform work at SRS to define system boundary and interfacing systems, document system boundaries and interfacing systems, and define interface functions and requirements. In addition to verifying all required documentation is in place, DOE will resolve disputes between and/or among contractors.

The DOE prime contractors will provide or receive services from other contractors and ensure deliverables, including Government-Furnished Services and Items (GFSI), are identified and documented in accordance with Interface Management plan/program. The Interface Management IPT will verify when the M&O contractor requests services from another contractor; they provide specifications, requirements, hazard information, quality assurance, technical, safety, and environmental requirements for the work to be performed. Contractors requesting services from the M&O contractor are responsible for oversight of requirements related to the specific work task(s) to ensure the performing contractor delivers a product or service meeting requirements of the requesting contractor. DOE is responsible for the oversight of the individual DOE prime contractors and ensuring they meet the requirements for delivery of services. The performing contractor is expected to consult DOE whenever requirements conflict with, or are greater than, its own baseline requirements.

6. Performance Evaluation

Upon completion of performance criteria described in the Performance Fee Agreement, the contractor will document completion in the Fee Invoicing System (FIS) and forward the documentation to the relevant DOE organization technical representative, who in turn will perform a verification of documentation to confirm output criterion has been met. This may also require an in-field validation.

Upon verification, recommendation is forwarded through management to the Performance Fee Board. The Board will verify documentation provided demonstrates satisfactory completion according to performance incentive requirements. Fee determination will be made in accordance with the PEMP based on fee identified in the Performance Fee Agreement.

The contractor may perform a self-assessment of their performance. The Board will review any assessment provided by the contractor. If the Board does not concur with the contractor's self-evaluation and recommendation, all such disagreements shall be expressed in a performance evaluation letter to the contractor. The contractor shall submit written comments and any supporting documentation to the Board within five (5) working days of receiving the evaluation letter. Within ten (10) working days of receiving any contractor comments or reclama, the Board shall provide the CO a recommendation, including amount, rationale, and justification.

When disputes occur during the verification process and resolution is not forth coming between the contractor and the appropriate AM, the IPT is the avenue for dispute resolution. The parties should request a special IPT review to present the case and the IPT should be responsible for making the determination on an appropriate path forward.

The IPT will routinely measure and report contractor:

Technical performance (quality of product/service)

Cost control

Adherence to schedule

Business relations

The survey is critical to record contract performance that is considered implicit, or subjective. Clear measures will be defined and consistent with standards of reporting contractor performance (FAR 42.15, FAR 15.3, FAR 9.1, and DEAR 909.1), The Federal Acquisition Streamlining Act of 1994, and the federal acquisition guide, chapter 42.15.

7. Payment of Fee

The contractor requests fee payment by submitting an invoice. Following verification by the relevant DOE organization manager/agreement owner, recommendation is forwarded to the Performance Fee Board and FDO. The FDO, in conjunction with the Performance Fee Board, concurs with the agreement owner on fee payment for each invoice, or recommends a reduction to the fee payment. Determination of performance incentive fee earned is the unilateral determination of the FDO.

The contractor will be advised in writing of the amount and basis of the performance incentive fee determination. Performance incentive fee not earned during the performance period will not be allocated to future performance periods. However, fee may be allocated to new performance-based incentives as developed by the IPT, as long as the completion of the newly developed incentive does not extend beyond the performance period.

Fee is considered provisional throughout the performance period. The FDO determines the total fee awarded to the contractor. Fee may be reduced per contract Section B.5 *DEAR 970.5215-3 Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (JAN 2004) ALTERNATE II (JAN 2004) (DEVIATION)*. Up to 20 percent of allocated fee may be reduced by the FDO if performance based incentive milestones are not completed during the performance period.

Total available fee amount earned payments are made by direct payment or withdrawn from funds advanced or available under the contract, as determined by the CO. The CO may offset against any such fee payment the amounts owed to the government by the contractor, including any amounts owed for disallowed costs under the contract. No base fee amount, or total available fee amount, payment may be withdrawn against the cleared payments financing arrangement without the prior written approval of the CO.

7.1. Fee Invoicing Process

The contractor has developed an automated Fee Invoicing System (FIS) that utilizes measurement data from each Performance Fee Agreement. The contractor works with DOE to identify appropriate DOE approvers. The system assigns responsibility to each output so that the routing process ensures appropriate review by federal and contractor staff. Time limits are assigned to each step to ensure smooth processing and timely approvals. The system notifies responsible approvers when the time limit has been exceeded.

8. Government Furnished Services/Items (GFS/I)

GFS/I are factored into the final fee determination for this incentive contract. GFS/I are identified in the Basis of Estimates (BOE) found in WBS dictionaries for specific tasks. The purpose of the GFS/I are to identify inherent government responsibilities and may pose some level of risk to the contractor in completing award fee or performance based incentives. GFS/I are the burden of the government, mutually accepted as part of the performance agreement. If the government fails to achieve GFS/I, equitable adjustment may be made specific to the incentive. These adjustments, however, cannot exceed the maximum available fee for the specific incentive.

9. Reporting Requirements

9.1. General Reporting

The contract requires each report must be accompanied by a letter or other document which:

- Identifies the contract number under which the item is being delivered; and
- Identifies the contract requirement or other instruction which requires the delivered item(s).

The contractor is responsible for maintaining all records and controlled documents related to the PEMP per DOE O 200.1, *Information Management Program*, and DOE Order 243.1, *Records Management Program*.

9.2. Performance Reporting Project Control System

The contractor will propose a project structure to achieve safe and accelerated clean up in the most cost-effective manner. The contractor will establish, maintain and use a project control system accurately reflecting project status relative to cost and schedule performance, and tracking changes to the baseline. This system will be integrated with financial accounting systems to ensure consistent reporting of costs.

The contractor will ensure the project control system employs a cost effective, graded application of controls. The existing project control system will be used and modified, as necessary, to achieve compliance with the requirements of the contract as established in this section.

Attachment A, SRS Performance Fee Allocation Model
2010 SRNS PBI Fee Structure Supporting EM

	Award Type	Avail Fee (000)	
<u>Nuclear Materials</u>	Objective	6,700 2,300 500 <u>500</u> 10,000	1. SNF and HEU Processing 2. Plutonium Processing and Storage 3. Non Destructive and Destructive Evaluations 4. Safely and Securely receive and unload FRR and DRR 35.3% of EM Fee Pool, 2.7% of BCWS 33.6%
<u>SRNL</u>	Objective	1,400 1,050 <u>765</u> 3,215	1. Book New Revenue & provide quality performance 2. Position SRNL to be a distinct Business Unit 3. Enhance SRNL Infrastructure 41.4% of EM Fee Pool, 4.5% of BCWS 10.8%
<u>Infrastructure</u>	Objective	1,000 <u>500</u> 1,500	1. Project Support for new ESPC Biomass Cogeneration Facility 3. D Area Powerhouse Reliability 5.3% of EM Fee Pool, .9% of BCWS 5.0%
<u>Management Comprehensive</u>	Objective		Security 1. Graded Security Protection (GSP) at K - Area 2. REEF project baseline ; Argus physical security system 3. Cyber Security- Edge NAC Switches
	Objective	500 200	Project Control Improvements 1. EVMS Compliance with ANSI standards 3. Risk Management Improvement
	Objective	200 1,000	Business System Improvements 1. Continuous Improvement System 2. Enterprise System for Project Controls, Procurement and Finance
	Objective	300 300	Activity Based Cost approach relative to Budgeting and Planning 1. Develop, document and deliver Overhead/ Indirect budget & planning process 2. Implement the revised budget and planning process & procedures
	Objective		Real Property Asset Management (RPAM) Improvements

	200		
	3,300		1. Completion of Condition Assessments on 20% of Site Facilities by FY2010
Tot MC			41.7% of Fee EM Pool , 3.2% of BCWS
Obj			11.1%
	40,285		Increase Management Effectiveness & Control
Subjective	11,739		36.3% of EM Fee Pool
			39.5%
Total EM	28,300		64% Objective
	29,754		61%
			36% Subjective
			39%
Total NNSA	20,600		
Total Available Fee	48,900		
	50,354		

Figure 2: Example of the 2010 EM Performance Fee Allocation Breakdown

Attachment B, Glossary

Award Fee. See Performance Fee Agreement. Award fee is performance fee developed using subjective criteria.

Base Incentive. An incentive associated with work to be performed under the scope of the contract and which is believed by the parties to be within available funding.

Baseline change proposal (BCP). The contractor normally generates the BCP for documenting baseline changes. It should provide a complete description of a proposed change and its resulting baseline impacts. The BCP serves as an audit tool for baseline changes. The BCP must be submitted in accordance with the baseline change control guidelines contained in the change control section of this document.

Baseline. The quantitative expression of the project scope, schedule, and cost against which the status of resources and progress can be measured. The field maintains the project baseline as a collection of documents, including resource loaded schedule networks, cost estimates, and documented assumptions. The baseline is the key component of the PCS because it documents the program plan for performing the work and provides the information required by DOE business practices for evaluating resources and program performance. For planning purposes, project baselines should reflect full regulatory compliance and should be based on reasonable out-year funding assumptions. The degree of baseline detail should be consistent with the project phase and should adopt the “rolling wave” approach, such as greatest level of detail for near-term (fiscal year plus 2 years) activities. The baseline is often referred to as the performance measurement baseline (PMB).

Change control. A documented process applying technical and management review and approval of changes to technical, schedule, and cost baselines.

Contractor. The term contractor as used in this document refers to management and operation (M&O) contractor unless otherwise stated. Synonymous with contractor and M&O contractor is site contractor.

Federal Project Director (FPD). The FPD resides at either the field or HQ and serves as the single point of contact between Federal and contractor staff for matters relating to the project and its execution. The Program Secretarial Officer may delegate certain authorities and responsibilities to the FPD.

Fee Determining Official (FDO). The Fee Determining Official is the DOE SRS Site Manager.

Fiscal year (fiscal year). The U.S. government fiscal year begins on October 1 and ends on the following September 30 of every year.

Gateway. A gateway creates the requirement that previously incentivized work, usually in the same work package, is to be performed prior to any follow-on incentives being earned (these may be subsequent annual incentives or “Super Stretch” Incentives). Gateways are to be used to

ensure that priority work will be performed and that necessary tasks are not deferred as contractors make decisions relative to the application of resources relative to potential fee.

Hybrid Incentives. Hybrid incentives contain both subjective and objective elements. An example of such an incentive might be the achievement of an acceptable Safety Program by a specific date. The extent to which it is acceptable will be determined subjectively, while the date of achievement will be determined objectively.

Integrated Incentive. An integrated incentive is an incentive that appears in several contracts which has the same end goal and requires the various contractors to work together in achieving that goal. An example would be to include in all contracts addressing the shipment of TRU waste to WIPP an incentive to ship the TRU waste and to coordinate such shipments such that TRUPACTS and trucks would be available to the various contractors when needed.

Integrated Planning, Accountability, and Budgeting System (IPABS). The objective of IPABS is to establish a single integrated EM corporate database to support budget, performance, technical analyses, and inquiries for eliminating redundant requirements and reporting systems and providing a single source for data management. IPABS-IS should correlate to baselines. The IPABS-IS is IPABS user interface for data input and reporting.

Life cycle. Project inception through project completion.

Management and operating (M&O). "Management and operating contract" means an agreement under which the Government contracts for the operation, maintenance, or support, on its behalf, of a Government-owned or -controlled research, development, special production, or testing establishment wholly or principally devoted to one or more major programs of the contracting Federal agency (Federal Acquisition Regulations System Section 17.601).

Milestone. A milestone is an important or critical event with no duration required for achieving project objective(s). Milestones are comprised of a noun; modifiers; active, results-oriented verb; and a date. Milestones can signify activity starts and completions.

Objective incentives. Objective incentives tend to be specific in nature and lend themselves to evaluation against quantifiable measures (i.e., objective performance measures). To the extent that a performance measure is defined and measured in objective terms, the fee associated with its achievement is earned based on the extent to which the contractor's performance meets those objective terms.

Office of Engineering and Construction Management (OECM). The OECM is a DOE HQ organization within the Office of the Chief Financial Officer. It serves as DOE principal point of contact relating to program and project management and develops policy and assists in the planning, programming, budgeting, and execution process for the acquisition of capital assets in coordination with the PSO and project management support offices.

Office of Environmental Management (EM). DOE created this organization in 1989 to mitigate the risks and hazards posed by the legacy of nuclear weapons production and research. Included

are an unprecedented amount of contaminated waste, water, and soil, and a vast number of contaminated structures remaining radioactive for thousands of years. EM is composed of the Offices of ER and Waste Management.

Organizational Breakdown Structure (OBS). The project's functional organization. Control accounts are identified at a natural intersection point of the WBS and OBS.

Performance Based Incentive (PBI). See Performance Fee Agreement.

Performance Evaluation Measurement Plan (PEMP). The PEMP, required by contract, illustrates the process management will use to identify strategic goals that can be achieved by contract, develop performance incentives to accomplish that strategy, and verify completion of invoiced incentives. The PEMP is related to other project documents, such as the Project Execution Plan (PEP), and the Quality Assurance Surveillance Plan (QASP).

Performance Fee Agreement. The Performance Fee Agreement is between the federal government and a contractor, and identifies specific performance criteria that can be documented when completed, and an amount of fee, used as an incentive, associated with completing and documenting performance. The contract defines performance fee can be an incentive fee component for objective performance requirements (e.g. Performance-Based Incentive), and/or an award fee component for subjective performance requirements.

Performance Fee Board. Federal staff members of the IPT who are responsible for reviewing all Performance Fee Agreement performance reporting, and providing recommendation to the Fee Determining Official concerning payment of fee.

Performance Measurement Baseline (PMB). The time-phased budget (BCWS) plan plus any undistributed budget against which project performance is measured.

Project Baseline Summary (PBS). The PBS is the main source of summary EM project information needed to support planning, budgeting, execution, and reporting/evaluation. IPABS-IS collects data by PBS, and EM funds projects by PBS. The majority of ERD and WMD projects have one PBS. PBS is the common denominator for the planning, budgeting, execution, and reporting/evaluation functions.

Project risk. A factor, element, constraint, or course of action on a project introducing an uncertainty of outcome and the possibility of technical deficiencies, inadequate performance, schedule delays, or cost overruns that could impact a mission. In the evaluation of project risk, the potential negative or positive impacts and the probability of occurrence must be considered.

Project. A unique effort supporting a program mission, having defined start and end points, undertaken to create a product, facility, or system, and containing interdependent activities planned to meet a common objective or mission. Project types include planning and execution of construction, renovation, modification, line items for maintenance and repair, environmental restoration, deactivation and decommissioning efforts, information technology, and large capital equipment or technology development activities. Tasks such as basic research, grants, ordinary

repairs, maintenance of facilities, and operations are not considered projects. For simplicity, this document uses “projects” when referring to both programs and projects.

Stretch. A Stretch incentive motivates the contractor to accelerate contractual work by achieving cost efficiencies, thereby accomplishing all work within the same work package at a cost less than that reflected in the approved baseline. The cost efficiencies achieved are normally within the range of the original estimate (budget) for the work or achievable through efficiencies in the performance of such work. Any fee associated with the acceleration of such work is part of the basic Total Estimated Fee Pool. By designation as a Stretch Performance Fee Agreement, the contractor is authorized to initiate activity at its discretion at the time the incentive is created. The Contractor does not need to obtain approval from the Change Control Board prior to beginning work on a Stretch Performance Fee Agreement.

Subjective incentives. Subjective incentives use adjectival measures related to quality of service or product. The success of a contractor against subjective measures is determined by the government, which will consider the related conditions under which the work was performed and the contractor’s specific performance as measured against the government’s objective.

Super-Stretch. A Super-Stretch incentive motivates the contractor to significantly accelerate and accomplish more work than that incentivized by “Stretch” incentives. When the work is identified and authorized, it will be tied to an appropriate fee that is entirely funded from the savings to be realized from the contractor’s achieved cost efficiencies in the performance of the funded work. The authorization to perform “Super-stretch” work is controlled by a Change Control Board to ensure that critical work is performed utilizing fund savings and resources prior to undertaking the Super-stretch Performance Fee Agreements. The fee associated with a Super-stretch Performance Fee Agreement is not included in the total available fee pool and is additive to it. Because the work and fee are entirely funded by Contractor identified savings, the fee amount established for a Super-stretch Performance Fee Agreement is generally higher than for a Base or Stretch Performance Fee Agreement. Super-stretch incentives require a cost model to demonstrate savings.

Validation. Validation is a method of comparison between a Performance Fee Agreement and physical completion of performance criteria. The comparison is evaluated to determine adequacy of meeting the intent of the Performance Fee Agreement.

Verification. Verification is a method of comparison between a Performance Fee Agreement and documentation of completion of performance criteria. The comparison is evaluated to determine adequacy of documenting completion of the Performance Fee Agreement.

Work Breakdown Structure (WBS). The WBS is a product-oriented family tree subdivision of the work required to produce the end product. The WBS is structured in accordance with the way work will be performed and reflects the way in which project costs and data will be summarized and eventually reported.

Attachment C, Integrated Project Team (IPT) Charter

INTEGRATED PROJECT TEAM (IPT) CHARTER

IPT NAME: PEMP Integrated Project Team (IPT)
LEVEL OF IPT: Savannah River Operations Office, Deputy Manager for Business Operations
IPT MISSION/OBJECTIVES
<p>The purpose of the PEMP IPT is to provide DOE SR with a process for performance evaluation and measurement. This charter will define the processes that will be utilized to establish, monitor performance, and validate Performance Fee Agreements for the current contract period with SRNS. The mission of the IPT is to lead performance, and help avoid potential barriers to success.</p> <p>The DOE-SR Executive Sponsor for the IPT is the Deputy Manager for Business (DMB). The IPT Lead is the Assistant Manager for Integration and Planning (AMIP). The IPT will be composed of both federal and contractor employees. Federal members will include the Deputy Manager for Cleanup Operations, the M&O Manager of Contract and Subcontract Management, Technical Leads, NNSA SRNSO Manager and NNSA NA-262. Contractor members will include the Management and Operations (M&O) Vice President for Site Integration, the SRNS Manager of Contracts and Subcontract Management, and Technical Leads. The IPT will be augmented, as necessary, with Subject Matter Experts as well as matrix support personnel (both federal and contractor) who possess specific competencies and the skill and expertise required for successful execution of the projects.</p> <p>The Performance Fee Board will be comprised of select Federal IPT members responsible for reviewing all submitted invoices for payment determination, and making recommendations to the Fee Determining Official (FDO).</p>
BACKGROUND
<p>SRNS was selected as the Savannah River Site (SRS) Management and Operations (M&O) contractor in May 2008 and assumed the role in August 2008. The SRNS contract is a cost plus award fee performance-based contract. Performance fee evaluation and measurement is documented in the PEMP.</p> <p>Once approved, the Performance Based Incentives are documentation of objectives and completion criterion, which includes risk analysis and assumptions. The Performance Fee Agreement represents formal and binding performance fee expectations on the part of DOE and SRNS. The Performance Fee Agreement will identify the fee allocation amount for each performance component. Each Performance Fee Agreement contains an overall Performance Outcome, along with specific Contract Outputs, Completion Criteria and Validation Criteria.</p>
METRICS
<ol style="list-style-type: none"> 1. Submittal and approval of Performance Fee Agreements

2. Identification and delivery of Government Furnished Services and Items (GFSI) on the schedule needed to allow the contractor to meet defined outcomes
3. Completion of the Performance Fee Agreement criteria
4. Verification and payment of received invoices for completed outcome criteria

SCOPE OF IPT RESPONSIBILITIES

The IPT will provide input to the process to develop and approve Performance Fee Agreements, monitor progress made in performing work towards completion, and support the invoicing, validation and approval process. The IPT will accomplish oversight by tracking schedule progress, payment projections, and invoice validations.

The IPT shall meet monthly and monitor progress of submitted invoices for payment, and look ahead for Performance Fee Agreement and/or tasks that will be complete in the next 30 days. Additionally, the IPT will monitor delivery of GFSI and look ahead for deliverables required in the next 30 days. Information from the automated invoicing system will be used to perform this review.

SRNS will develop a schedule and set of schedule tools to monitor performance. If requested by the IPT, these tools will be used to provide additional information for the forecast review. For Completion Criteria that depend on GFSI to complete, the schedule will define a need date to support the Performance Fee Agreement due date. These dates shall be clearly communicated to DOE. Where possible, the financial performance of progress towards completion of each Performance Fee Agreement will be measured by tracking cost in the Work Breakdown Structure.

Validation (Invoice Processing)

A Lotus Notes application has been developed to support this process to facilitate routing, tracking and approvals. A process flow diagram has been developed to illustrate the validation path and is attached for information.

Upon completion of criteria described in the Performance Fee Agreement, the Contractor Input Coordinator (CIC) will route a Performance Fee Agreement Completion Form along with evidentiary documents and recommendation for payment to the Responsible Manager followed by the responsible Vice President for their review. Upon their concurrence, the form will be sent to the SRNS Manager of Contract and Subcontract Management to submit to the DOE CO. It will be sent in parallel to the DOE POC and routed through a technical reviewer and division manager to the appropriate Assistant Manager for information. Upon verification, the functional DOE AM will present a recommendation to the DOE Performance Fee Board.

The DOE Performance Fee Board will meet monthly to review submitted invoices that have completed DOE AM review. The Board will verify documentation provided demonstrates satisfactory completion according to the defined criteria and requirements. Performance fee determination will be made in accordance with the PEMP and/or specific criteria within the Performance Fee Agreement. If the Board concurs with the contractor's self-evaluation and recommendation, the DOE Fee Determining Official (FDO) determines the fee amount and authorizes payment of the invoice.

The IPT will review cases where the contractor identifies they will not complete the Performance Fee Agreement by the due date or within the performance period. The contractor will propose a path

forward which could include processing the late completion invoice through the established invoicing and validation process, or performing change control. Change control will be performed utilizing existing processes as described in the PEMP. The IPT will routinely involve subject-matter experts and the Senior Management Team, managers, and supervisors in resolving issues.

IPT Executive Sponsor

The IPT Executive Sponsor will provide performance input to the IPT Lead and members. The IPT Executive Sponsor will also be the senior DOE member on the Performance Fee Board.

IPT Lead

The IPT Lead is the federal official responsible for project success. In accordance with DOE O 413.3A and DOE M 413.3-1, the IPT Lead shall perform the following:

- Charter and lead the PEM IPT
- Schedule and hold PEM IPT meetings
- Request support from the DOE functional resources as required to resolve issues
- Assess contractor performance
- Identify and resolve critical issues
- Present any performance evaluation and measurement issues that cannot be resolved by the PEM IPT to the appropriate SR authority for final decision

IPT Members

IPT members are responsible for supporting the IPT Lead in fulfilling technical and project management responsibilities during project execution. Members conduct and/or coordinate activities for their respective organizational element or functional area of responsibility. The members are assigned specific roles and responsibilities for project success and report to the IPT Lead for execution of these responsibilities. IPT members shall perform the following generic responsibilities:

- Ensure interfaces are identified, defined, and documented
- Review and assess performance and project status against parameters, baselines, milestones, and deliverables
- Support the IPT Lead
- Review and comment on deliverables

The names of IPT members are current as of the issue date of this charter. Names or functional responsibilities may change at the discretion of the IPT Lead without having to modify or update this

charter. The Table identifies the members of the IPT, the Performance Fee Board and the Technical Leads.		
NAME	FUNCTION	ORGANIZATION
SCHWIER, Jean	IPT Executive Sponsor Performance Fee Board Lead	Deputy Manager for Business Operations
JOHNSON, Sandra	Alternate Performance Fee Board Lead Performance Fee Board Member	Deputy Manager for Cleanup Operations
HINTZE, Doug	IPT Lead Performance Fee Board Member	Assistant Manager for Integration and Planning
TBD	Alternate IPT Lead Alternate Performance Fee Board Member	Director of Mission Planning Division
DEAROLPH, Douglas	NNSA Performance Fee Board Member IPT Member	Manager NNSA SRSO
CLARK, William	NNSA Alternate Performance Fee Board Member IPT Member	Manager NNSA NA-262
LOVETT, James	IPT Member	DOE M&O Contracting Officer
BILSON, Beth	IPT Member	SRNS VP Business Services
TEMPLE, John	IPT Member	SRNS M&O Manager of Contract and Subcontract Management
CHRISTIAN, John	DOE IPT Technical Lead	Mission Planning Division
PENNINGTON, Michele	SRNS IPT Technical Lead	SRNS M&O Program Integration Office
CRAIG, Jack	DOE Fee Determining Official	DOE Site Manager (Acting)
CUSTOMERS/INTERFACES		
<ul style="list-style-type: none"> • Leadership Team • Contracting Offices • M&O Contractor • NNSA Savannah River Site Office 		

Attachment D, Lessons Learned

As fiscal year 2010 performance was being planned in July 2009, federal and contractor staff met to discuss Lessons Learned from the fiscal year 2009 performance period. The following issues were discussed and incorporated in this performance period.

General

1. Develop a schedule (with durations) and flowchart for the development of Performance Fee Agreements
 - a. Start development early (10 weeks) so there is time for adequate negotiation on wording of contract output, completion criteria and validation criteria and leave adequate time for approval cycle. Last minute changes need to be reviewed by owners before finalization and approval.
 - b. Include both DOE EM and NNSA in the entire process
2. Develop and communicate the "corporate strategy" for use in development of performance milestones (aggressive vs. realistic, objective vs. subjective etc.) Use the site strategic plans (both DOE and SRNS) to help us develop incentives.
3. Create a standard form or template that captures consistent information for Performance Fee Agreements (owners, completion criteria, validation documents, DOE AM etc.)
 - a. Use a standard numbering sequence
 - b. Identify GFSI from WBS BOE and need date (or duration) with each specific contract output
 - c. Tie validation criteria and evidentiary documentation to specific outputs
4. Reach agreement on evidentiary documentation that will be used to document completion before finalizing the Performance Fee Agreement.
5. Be as specific as possible (i.e. which design is needed, what phase of design is required, what systems will be completed etc.)
6. Develop subjective incentives into more meaningful performance indicators
 - a. Where there are subjective incentives, establish the grading and payment criteria in advance
7. Eliminate non-fee bearing milestones
8. Minimize the number of Performance Fee Agreements that require DOE action (GFSI) to complete.
9. Utilize progress payments for deliverables that span the entire performance period rather than a lump sum at the end of the period
10. Stagger completion dates throughout the performance period and try to avoid a large amount due in the final month, because there is no way to reallocate unearned funds at the end of the performance period
11. Develop process to enable super-stretch and/or reconcile with cost savings contract clause.
12. Standardize a change control process
13. Develop a procedure and communicate DOE R2A2 with respect to the performance process
14. Communicate fee perspective throughout the DOE organization, especially to technical reviewers.
15. Establish stream-lined subjective grading criteria and process, especially for Management Systems

Fee Invoicing System (FIS)

Identify SRNS and DOE reviewers/approvers in advance, so that the system will be populated initially

Identify DOE administrative POC

Offer training sessions on the Performance Fee Agreements and the FIS to new players so there is no confusion

Provide wider FIS access to enable completion input coordinators to view the entire database (what is currently due and what is coming due in their area)

Tracking/Reporting

1. Create an integrated schedule that shows upcoming items due, status and GFSI by linking individual project/facility schedules to a master schedule so that management has a convenient tool to monitor real-time status of all fee bearing milestones
2. Decide on the correct forum/meeting to status progress on all business and operations Performance Fee Agreements and raise issues
3. Establish tracking/reporting ownership within the organization
4. Establish protocol for addressing items due that will not be met
5. Develop cost performance reports for SRNS/DOE management.

Attachment E, Performance Fee Agreements

The Performance Fee Agreements for FY2010 are attached.



Performance Fee Agreement

PBI Number: SRNS2010MGT

Activity Name: Management Comprehensive

WBS Number: Multiple

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee: ~~\$10,285,000~~ \$11,739,780 (Subjective)
\$3,300,000 (Objective)

Revision Number: 4

Senior level manager name:
Doug Hintze

Senior level supervisor/division manager name:

Performance Outcome:

Implement management processes and systems that provide timely, accurate and traceable information to enable more transparent and efficient execution of SRS missions.

This incentive is a hybrid incentive. Hybrid incentives contain both subjective and objective elements. The extent to which it is acceptable will be determined subjectively, using an adjectival rating. Contract outputs that have identified completion criteria will be validated with explicit criteria.

Contract Output: SRNS2010MGT-01

Increase management effectiveness and control of SRNS contractual work activities.

This Contract Output will receive an adjectival grade and numerical score. The following table will be used to define the different levels of performance and the corresponding grade/score that goes with the evaluation thereof.

Adjectival Rating	Percent of allocable fee	Definition
Exceptional	90-100	<p>Technical – Met all performance requirements/Exceeded 20% or more; Minor problems/Highly effective corrective actions/Improved performance and quality results Cost Control – Significant reductions while meeting all contract requirements; Use of value engineering or other innovative management techniques; Quickly resolved cost issues/Effective corrective actions facilitated cost reductions Schedule (Timeliness) – Significantly exceeded delivery requirements (All on-time with many early deliveries to the Government’s benefit); Quickly resolved delivery issues/Effective corrective actions Business Relations/Management – Highly professional/Responsive/Proactive; Significantly exceeded expectations; High user satisfaction; Significantly exceeded SB/SDB subcontractor goals; Minor changes implemented without cost impact/Limited change proposals/Timely definitization of change proposals; number and significance of audit findings, response to audits and associated corrective actions.</p>
Very Good	81-90	<p>Technical –Met all performance requirements/Exceeded 5% or more; Minor problems/Effective corrective actions Cost Control – Reduction in overall cost/price while meeting all contract requirements; Use of value engineering or other innovative management techniques; Quickly resolved cost/price issues/Effective corrective actions to facilitate overall cost/price reductions Schedule (Timeliness) – On-time deliveries/Some early deliveries to the Government’s benefit; Quickly resolved delivery issues/Effective corrective actions Business Relations/Management – Professional/Responsive; Exceeded expectations; User satisfaction; Exceeded subcontractor goals; Limited change proposals/Timely definitization of change proposals; number and significance of audit findings, response to audits and associated corrective actions.</p>
Satisfactory	50-80	<p>Technical – Met all performance requirements; Minor problems/Satisfactory corrective actions Cost Control – Met overall cost/price estimates while meeting all contract requirements Schedule (Timeliness) – On-time deliveries; Minor problems/Did not effect delivery schedule Business Relations/Management – Professional/Reasonably responsive; Met expectations; Adequate user satisfaction; Met</p>

		subcontractor goals; Reasonable change proposals/Reasonable definitization schedule; number and significance of audit findings, response to audits and associated corrective actions.
Marginal	26-49	<p>Technical – Some performance requirements not met; Performance reflects serious problems/Ineffective corrective actions</p> <p>Cost Control – DO not meet cost/price estimates; Inadequate corrective action plans/No innovative techniques to bring overall expenditures within limits</p> <p>Schedule (Timeliness) – Some late deliveries; No corrective actions</p> <p>Business Relations/Management – Less professionalism and responsiveness; Lower user satisfaction/No attempts to improve relations; Unsuccessful in meeting subcontractor goals; Unnecessary change proposals/Untimely definitization of change proposals; number and significance of audit findings, response to audits and associated corrective actions.</p>
Unsatisfactory	0-25	<p>Technical – Most performance requirements are not met; Recovery not likely</p> <p>Cost Control – Significant cost overruns; Not likely to recover cost control</p> <p>Schedule (Timeliness) – Many late deliveries; Negative cost impact/Loss of capability for the Government; Ineffective corrective actions/Not likely to recover</p> <p>Business Relations/Management – Delinquent responses/Lack of cooperative spirit; Unsatisfied user/Unable to improve relations; Significantly under subcontractor goals; Excessive unnecessary change proposals to correct poor management; Significantly untimely definitization of change proposals; number and significance of audit findings, response to audits and associated corrective actions.</p>

Up to ~~\$10,285,000~~ **\$11,739,780** (this incentive does not allow progress and/or provisional payment) of the Comprehensive PBI will be paid for Contract Output 1.

Description/Background/Justification:

Lessons Learned:

DOE is implementing lessons learned through this approach. Lessons learned from FY2009, as reported in the FY2010 PEMP include:

1. Develop and communicate the "corporate strategy" for use in development of performance milestones (aggressive vs. realistic, objective vs. subjective etc.) Use the site strategic plans (both DOE and SRNS) to help us develop incentives.
2. Develop subjective incentives into more meaningful performance indicators
 - a. Where there are subjective incentives, establish the grading and payment criteria in advance
3. Establish stream-lined subjective grading criteria and process, especially for Management Systems

To achieve its vision and implement all desired management improvement efforts will require an organized, systematic approach to project execution. EM has developed and implemented the EM Program Management System (EMPMS) to clarify roles and responsibilities, to provide for more integrated operations, and to further establish a solid baseline for workforce planning.

The EMPMS is a performance-based management system. Performance-based management uses performance measurement information to help set agreed-upon performance goals, to allocate and prioritize

resources, to inform managers so they can manage program activities to meet those goals, and to report on their status. It also offers opportunity to learn from any failures in performance and to continuously improve management practices.

The Performance Fee Board, as identified in the Performance Evaluation Measurement Plan (PEMP) will survey the following organizations:

Deputy Manager of Business

- Office of External Affairs
- Office of Chief Counsel
- Office of Support Services
- Office of Civil Rights
- Chief Financial Officer
- Office of Human Capital Management
- Assistant Manager for Integration and Planning

Deputy Manager of Closure

- Assistant Manager for Closure Projects
- Assistant Manager for Nuclear Material Stability Projects
- Assistant Manager for Waste Disposition Projects
- Office of Safety and Quality Assurance
- Office of Safety, Safeguards and Emergency Services
- Office of Acquisition Management
- Office of Laboratory Oversight

The organizations will be surveyed routinely throughout the performance period to solicit feedback in cross-cutting areas of contractor performance, such as safety, efficient use of trained and qualified human capital, quality, continuous improvement, cost effectiveness, timeliness of deliverables, compliance with contract, etc. Performance will be measured in whole, as well as separately by organizational function.

The organizational survey will be provided routinely to measure and report contractor technical performance (quality of product/service), Cost control, Adherence to schedule, and Business Relations/Management as these relate to the contractor support of the individual and collective DOE organization.

The survey is critical to record contract performance that is considered implicit, or subjective. Clear measures will be defined and consistent with standards of reporting contractor performance (FAR 42.15, FAR 15.3, FAR 9.1, and DEAR 909.1), The Federal Acquisition Streamlining Act of 1994, and the federal acquisition guide, chapter 42.15.

Subjective incentives use adjectival measures related to quality of service or product. The success of a contractor against subjective measures is determined by the government, which will consider the related conditions under which the work was performed and the contractor's specific performance as measured against the government's objective.

What follows is a listing of organizations and suggested performance measures that will be subject to survey on a regular periodic basis. The listing represents only a sample of performance measures; customer service is an implicit performance expectation. Both federal and contractor employees will strive to reach mutual expectations and conduct beneficial communications in support of site missions.

Office of External Affairs:

- The Contractor shall provide general planning, management and administrative services for all its public affairs activities and for other organizations as directed by the CO.

Office of Chief Counsel:

- The Contractor shall provide general planning, management and administrative services for all its legal affairs activities and for other organizations as directed by the CO.

Office of Support Services:

- The Contractor shall provide general planning, management and administrative services for all its business activities and for other organizations as directed by the CO.

Office of Civil Rights:

- Maintain essential elements of a Model Equal Employment Opportunity program
- Demonstrate firm commitment to equality of opportunity for all employees and applicants for employment.
- Strive to meet DOE-SR expectations to be model employers in the area of workforce equal employment opportunity and diversity, and provide policies, procedures, and assign responsibilities and authorities for the oversight of contractor equal employment opportunity and affirmative action at the site as specified in applicable state and federal laws and regulations.

Chief Financial Officer:

- Provide timely and accurate submittal of monthly Spend Plans for all major and minor Budget and Reporting (B&R) codes prior to issuance of DOE-SR monthly FinPlan. Submittal shall include all funds control points and should be received by DOE-SR on or before the 15th day of each month.
- Manage overhead (G&A, ESS, Dept. O/H) consistent with DOE-SR's Program Execution Guidance (PEG) letters.
- Provide timely and accurate performance of SRNS internal audits consistent with Approved Audit Plan.
- Provide timely and accurate communications to DOE-SR of emerging budget and financial issues.
- Provide timely and accurate reporting of contractor (SRNS) financial data to DOE corporate financial systems. Monthly submission of Integrated Contractor accounting data is due by noon (local time) on the 2nd business day following the end of the accounting period. Data includes the "Statement of Cash Activity" and the IC Interface.
- Provide timely and accurate response to all scheduled monthly, quarterly and annual financial statement/financial reporting requirements. Requirements will be defined and transmitted to SRNS via DOE accounting schedule maintained by the DOE CFO Finance Division. Ad hoc requirements will be transmitted and scheduled on a case-by-case basis.
- Provide timely and accurate responses as required to support and satisfy DOE IG/KPMG financial statement audit requirements. Requirements will generally be scheduled within known audit schedules; however, requirements may be ad hoc at times.
- Perform self-assessment of selected contractor financial/accounting policies/procedures to update, incorporate best practices, and insure continued compliance with DOE requirements. Or, provide assurance that policies/procedures are current and in compliance.
- Report monthly by the 15th day current and cumulative costing actuals by all major and minor Budget and Reporting (B&R) codes for cost actuals tracking and variance analysis against the Spend Plan. This is a measure of cost planning accuracy to costing actuals. The cost variance metric is to stay within plus or minus 5%.
- In FY10, SRNS will implement total indirect reporting to include G&A, ESS, the various DOH's as well as absence and the Taxes and Plan expenses. Monthly Indirect Briefings will be conducted with the client. SRNS will also implement a Unit billing system to move usage based services out of the overheads and into usage based unit billing to users. Full implementation of the billing system for usage will be accomplished by June 30, 2010. Actual billing for the services will be contingent upon PBS impact and approval of the accounting practice change.

Office of Human Capital Management:

- Effective contractor support for scheduling and communicating federal employee training per OHCM guidance.

Assistant Manager for Closure Projects:

- Technical Performance
 - Continue project field performance, including technology deployment
 - Continue progress towards meeting DOE energy intensity reduction goal
 - Contribute toward achieving all high performance sustainable building goals
 - Continue successful operation of aged equipment and systems
 - Safety metrics (TRC, DART, etc.)
 - Implement effective feedback and improvement (e.g., MFO, BBS, lessons learned, etc.)
 - Submit quality reports/key documents (e.g., ORPS reports, annual and quarterly reports, planning documents, RODs, etc.)
 - Comply with regulatory requirements, permits, inspections
 - Operate and improve various infrastructure systems
- Cost Control
 - Develop and maintain an infrastructure IPL
 - Complete additional tasks through effective cost management practices
 - Perform projects within baseline cost (EVMS)
 - Reduce project cost
- Schedule (timeliness)
 - Complete annual environmental reports on time
 - Provide timely notifications to DOE regarding abnormal field events
 - Conduct prompt, effective, fact finding meetings and thorough investigations
 - Customer support to others
 - Corporate support
 - Perform projects within baseline schedules (EVMS)
- Business Relations/Management
 - Identify and implement effective, auditable corrective actions that correct the deficiency, and track them to closure
 - Maintain regulatory documents

Assistant Manager for Nuclear Material Stability Projects:

- Submit PAV CD-1 on or before schedule
- Complete preliminary design for MTS rack/support structure on or before schedule
- ~~• Complete the procurement and receive 10 HFIR racks on or before schedule~~
- Timely delivery of quality engineering & safety documentation
- Support programmatic studies on an as needed basis
- Train, acquire, etc., sufficient critical scientific and engineering resources to provide timely support to the Nuclear Materials mission
- Complete and submit Nuclear Materials System Plan

Assistant Manager for Waste Disposition Projects:

- The Contractor shall manage the Solid Waste Program to safely and effectively prevent and/or minimize the generation of solid waste to include hazardous, low level, transuranic, mixed, and municipal sanitary wastes. The Contractor shall ensure that the handling, treatment, storage, transportation and disposal of existing "legacy" and future solid waste is environmentally sound and in compliance with DOE Directives, and applicable regulations and requirements.
- The Contractor shall manage and integrate site-wide solid waste recycling, treatment, storage, disposal and transportation activities and implement waste minimization/pollution prevention

initiatives. The Contractor shall also provide on-site/off-site waste generators with technical support and verification of compliance with waste acceptance criteria, including Safety Basis and Performance Assessment objectives.

Assistant Manager for Integration and Planning:

Project Management and Project Controls (DOE O 413.1B)

Provide support to federal project management and project controls systems (Earned Value Management System, Risk Management, Baseline and Budget Planning, Environmental Liability) as described below:

Earned Value Management System

- Certification and maintenance of EVMS
- Development and implementation of a robust EVMS surveillance program
- Provide timely and accurate detailed explanation of EVM variances
- Provide timely resolution and/or well developed proposals to improve negative trends or errors
- Institutionalize DOE Order 413 across all projects

Risk Management

- Full integration of Risk Management into the Project Management process
- Assist DOE with the development/integration of the risk management process throughout the site and with other DOE prime contracts
- Improve Risk Management communication process between SRNS and DOE
- Complete integration of SRNS risk process with a single point of contact for technical, estimate, and schedule risks
- Provide risk documentation in a timely manner to support the DOE mission.
- During the risk assessment process make sure that the risk analysis is thoroughly documented (e.g., assumptions, risk impact, basis of calculations, etc.) with input from all stakeholders
- Hold regularly scheduled meetings that involve DOE to discuss and track (monitor) the project risk status

Baseline and Budget Planning

- Be responsive to and actively participate in developing integrated and defensible site wide budgets as requested by DOE
- Provide accurate and timely turnaround of data to develop credible planning estimates.
- Propose cost effective alternatives to the budget
- Maintain integrated contract performance baseline
- Effectively communicate changes in direct and indirect work scope and rate changes to all Project Management Staff (DOE and SRNS) and how those changes impact the cost and schedule of other site or departmental programs

Environmental Liability

- Timely delivery of actual cost and out year cost estimate and any known changes or adjustments to the cost estimates as requested by DOE
- Provide assistance during the annual headquarters environmental liability audit by being available to discuss the methodology of the cost estimates to the auditors when requested
- Have sufficient documentation to support and defend the cost estimates that are submitted to book the environmental liability in the official DOE accounting system

Site Planning & Real Property (DOE 430.1B)

Provide support to federal program management of site planning & real property as described below:

Site Strategic Planning

- Coordinate strategic planning process for the Savannah River Site (SRS)
- Publish strategic planning documents as identified by federal program management
- Develop and document horizontal and vertical linkage within and between SRS strategic performance measures and metrics
- Support the development of the EM Program Management Plan (PMP).

Real Property Asset Management

- Manage integrated site real property process in accordance to DOE Order 430.1B
- Enhance and deliver Ten Year Site Plan which incorporates an integrated landlord approach to assess real property assets with respect to mission requirements, a 10 year IFI crosscut budget that identifies projects and funding requirements necessary to sustain mission requirements, and designation of facilities according to mission criticality with projections when facilities will become excess and available for disposition.
- Assist federal program management with the integrated real property asset management process

Cost Management

- Assist federal project management with the development of the monthly cost reporting of ECES data into EM ECAS system.

Site Integration and Performance Management

Provide support to federal program management of site integration and performance as described below:

Site Interface Management

- Develop and maintain site interface process, policy and procedures, and communication of the interface process, procedures and issues
- Develop interface agreements and issue resolution metrics

Performance Measurement Development & Tracking

- Develop performance measures aligned with the site strategic plan
- Develop, analyze and report performance metrics that are associated with goals and objectives outlined in management and measurement plans
- Develop and track performance-based incentives
- Develop and provide training to evaluators and staff responsible for administering the program on a daily basis.

Continuous Improvement System

- Supply centralized resources that provide effective support for implementing the CIS and facilitating CI Growth
- Facilitate identification of divisional goals related to Continuous Improvement (CI) Growth, Leadership Commitment to CI, and CI Quality that promote maturity of the CIS
- Develop and report performance metrics associated with implementation of the Continuous Improvement System (CIS)

Business Systems

- Effectively manage project resources to maximizes value and return on investment for project funding
- Implement concurrent process improvements in business processes and systems that assure the modernization project captures best practices, and prevents the automation of an existing ineffective or outdated process

- Identify key personnel required for system operation and maintenance following installation and start-up of new process. Manage project and support staffing to prepare personnel to fill roles identified for system operation and maintenance.

Business Transformation

- Evaluate impacts of proposed project changes on operating costs following project completion. Identify and present opportunities for improvement that reduce future operating costs while improving stakeholder satisfaction.
- Develop BPMP system architecture with provisions for integration of additional business systems that also require modernization and may be established in future business system improvements
- Develop strategies to minimize the degree of customization required for implementation of selected vendor software

Stakeholder Involvement

- Maintain project transparency that provides visibility of project goals, scope changes and key performance metrics for DOE and other stakeholders.
- Establish assessment criteria and performance measures to address stakeholder involvement, reengineering core business functions, and establishing improved business processes.

Office of Safety and Quality Assurance:

- Improve the safety culture at SRS through enhancements in Key site-wide initiatives
- Implement and maintain effective (contractor/ agency) assurance programs
- Advance the SRS position as a leader in Integrated Safety Management throughout the DOE Complex
- Enhance and improve safety performance through various measures and commitments

Office of Safety, Safeguards and Emergency Services:

- Access Authorization Policy outlined in the DOE Personnel Security Manual, 470.4-5 approved August 26, 2005, states that proper justification for the need for an access authorization has to be provided by the sponsoring entity. SRNS will update all clearance justifications for SRR and SRNS employees such that the clearance justifications are current.

Office of Acquisition Management:

- Work with M&O to interface their existing automated property pass system into the DOE-SR personal property program. Establish a mechanism for internal reviews and approval that will ensure the proper authority and need to move property off site. In order to streamline the property pass process and increase efficiency the CAAMT is working with the M&O to adopt their automated property pass system. The system will require process routing modifications and authority recognitions in order to work under the current DOE-SR system.
- Working with Headquarters, DOE-SR can increase efficiency on annual reporting requirements by providing contractor's access to the Federal Automotive Statistical Tool (FAST). Once the contractors are trained and provide password to the system this will prevent duplication of effort and reduce operating error on reporting.
- Measure the extent to which sensitive and high risks personal property subject to physical inventory is located during annual inventory. Inventory data is tabulated either manually or by an automated system and extracted for sensitive and high risk items. The amount that was physically located divided by the amount of formal accountable items subject to physical inventory. Annual Inventories are required of both Federal and contractor entities in order to ensure the accountability and system integrity of the personal property management program. The improper handling of sensitive and high risk items poses a considerable risk to the Department. Inventories of these types of items are conducted annually and require discipline.

- Personal Property Monthly Walk Through Program
- Management of subcontracting and purchasing
- Develop, as required by the clause in Section 1 entitled, DEAR 970.5244-1 "Contractor Purchasing System," procedures for evaluating the ES&H records of companies submitting offers/bids/proposals for performing subcontract work in Government-owned or leased facilities under the contract.
- To improve performance and recognize cost savings, the current Retirement Plan Financial Advisors and Actuarial Services contracts will be competitively bid.
- To improve performance and recognize cost savings, the Long Term Disability plan will be overhauled and the current retiree medical plan for non-incumbents will be developed.
- To improve efficiencies and performance, and recognize cost savings, in addition to transforming the business, a single performance management system will be implemented, better management of recruiting efforts will be achieved and developmental programs will be created. An electronic employee training monitoring system will also be developed.
- Currently craft employees that are assigned to SAA or ARRA divisions are evaluated and scored in accordance with the Craft Performance Evaluation (CPEP). The results of these evaluations are then combined with direct hire forces yielding an overall ranking within each craft. While CPEP has proven to be the best resource to maintain the most diverse work force here at SRS, there is a need to provide separate rankings for direct hire execution versus support of SAA or ARRA, which includes craft functioning in a staff augmentation position.

Office of Laboratory Oversight:

Overall, SRNL is expected to produce high-quality, original, and creative results that advance science and technology; demonstrate sustained scientific progress and impact; meet customer expectations; and contribute to the overall mission goals of DOE. SRNL is expected to provide effective program vision and leadership; strategic planning and development of initiatives; recruit and retain a quality scientific workforce; and provide outstanding research processes, which improve research productivity and quality while maintaining a safe and healthy work environment. Progress towards the development of SRNL into the Nation's premier applied science laboratory in EM, National and Homeland Security and Energy Security by delivering world-class innovative performance in national defense and homeland security technologies, hydrogen technology and cleanup will be monitored by DOE.

- Specific areas that will be monitored by DOE include:
- Meet environment, safety, and health requirements for SRNL and demonstrate commitment to a world-class safety culture
- Maintain a robust LDRD program
- Expand SRNL's technical portfolio
- Aggressively work actions in the SRNL Strategic Plan, Infrastructure Plan, Separate and Distinct Business Unit Plan and update the plans as needed to maintain their relevancy
- Develop and implement plans to enhance SRNL computational infrastructure
- Make progress towards establishment of a National Center for Applied Separations Science
- Establish a broad-based coalition of university partners to expand the laboratory's capabilities and provide a source of talented scientists and engineers for the future.
- In partnership with DOE, develop funding strategies that aggressively pursue projects to meet the needs identified in the SRNL Infrastructure Plan.
- Establish educational programs at all levels to form a long-term human capital pipeline for SRNL and SRS while advancing the overall skill base for the region.
- Provide agile business systems that can support the required rapid growth of SRNL.
- Provide a comprehensive communications program that will effectively and consistently market SRNL capabilities and ensure appropriate recognition of contributions.
- Work with DOE-SR and contractor organizations to reduce the time required to process WFOs and Interagency Agreements.

- Enhance university relations through increased partnerships, joint appointments, and planned opportunities for more post docs at SRNL.
- Make effective use of the SRNL Advisory Board

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010MGT - 01.01	9/30/2010	Up to \$10,285,000 \$11,739,780	Provide a monthly report measuring technical, cost, and schedule performance in accordance with contract requirements. The report will include trending data and analysis.

Contract Output: SRNS2010MGT-02

The contractor will comply with terms and conditions of the contract relating to safeguarding information, and comply with security requirements of the contract. This includes oversight of security systems.

Up to 4.4% 3.99% of the Comprehensive PBI will be paid for Contract Output 2.

Description/Background/Justification:

1. Graded Security Protection (GSP) Policy (DOE Order 470.3B), approved August 12, 2008, replaces the 2005 Design Basis Threat (DBT). GSP provides the threat parameters and performance metrics for protection of nuclear weapons, components, special nuclear material (SNM) and other Departmental assets. SRNS developed a schedule and resource loaded schedule for implementation of GSP. This schedule was approved by DOE-SR OSSES and DOE-HQ EM. The incentive is applied to the final activities to complete SRS implementation of Graded Security Protection (GSP) policy at K Area Complex (KAC).
2. The REEF Project baseline includes installation of Argus physical security system components in the field necessary for building operations, but does not establish the Argus infrastructure within A-Area. The Argus project was authorized to establish the needed infrastructure to support A-Area including REEF, but funding has not been allocated for this effort in FY10. The subset of the A-Area Argus effort necessary to support security system operations within REEF is estimated to cost \$716K including overheads. This primarily consists of the installation of the Argus console at the Central Alarm Station, configuration of Argus host and sub-host computers, associated maps and database work, establishment of the A-Area Argus network, and the start-up and testing of the overall effort.
3. It is the desire of SRNS to significantly improve the SRS site's cyber security posture by continuing a phased implementation of the site's network switches by providing enhanced network admissions capability. Edge NAC switches will be installed in 126 buildings in FY2010.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010MGT - 02.01	5/31/10	\$100,000	Submit final KAC Site Safeguards and Security Plan (SSSP) to DOE-SR OSSES
SRNS2010MGT - 02.02	7/31/10	\$200,000	Install and startup the Argus components per the 8/2009 design required to manage the REEF physical security system
SRNS2010MGT - 02.03	9/30/10	Up to \$300,000	Fee will be paid as follows: 10% for each group of 25 buildings up to 100 buildings; and 60% for the remaining 26 buildings

Contract Output: SRNS2010MGT-03

The contractor is required to maintain and manage to an accurate multi-year performance baseline, and

provide a systematic project management system which provides cost estimating, scheduling, and risk for establishment and maintenance of an appropriate technical baseline.

Up to ~~5.2%~~ 4.65% of the Comprehensive PBI will be paid for Contract Output 3.

Description/Background/Justification:

The FY10-15 baseline will be continuously enhanced based on internal and external feedback. EVMS reporting will be formalized and routine corporate reviews will be standardized.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010MGT - 03.01	12/31/09	\$500,000	Develop a contractor’s EVMS that is in conformance with DOE O 413.3A and the American National Standards Institute/Electronic Industries Alliance (ANSI/EIA)-748, Earned Value Management System.
SRNS2010MGT - 03.03	9/30/10	\$200,000	Develop an integrated formal process that fully addresses risk management at SRNS.

Contract Output: SRNS2010MGT-04

The contractor will develop and implement innovative approaches and adopt practices that foster continuous improvement in accomplishing missions of the site. DOE expects the Contractor to produce effective and efficient business and technical management structures, systems, and operations that maintain high levels of safety and quality in accomplishing the work required under this contract.

The contractor will use a disciplined system of management and internal business controls to assure safeguarding of government funds and assets.

Up to ~~8.8%~~ 7.98% of the Comprehensive PBI will be paid for Contract Output 4.

Description/Background/Justification:

Continuous Improvement System

SRNS Process Excellence Department will provide comprehensive approach to define, prioritize, evaluate, and improve processes at SRS. CI is integral to the management strategy which will ensure the longevity and the viability of new missions at SRS. The execution of SRNS's Continuous Improvement Strategy turns an overwhelming collection of possibilities into a positive and actionable approach. A maturing CI culture will create a better place to work, a better use of taxpayer resources, and a more environmentally responsible, safe, secure, and energy efficient site.

Business Management Systems enabling Enterprise Integrated functionality

To support SRNS' site business transformation initiatives along with the multi-contractor environment, including the management service agreements, enhanced financial transparency is needed to support both operations and DOE reporting. The current IT technology and architecture have significant issues, which have been identified in the annual OMB-A-11 risk assessment results the past four years. In addition, there are significant needs for system changes to support the business changes required for the

project execution of the FY10-15 baseline management.

Current software and hardware implementations are not cost effective, have continuing risk of failure, are inflexible, and are not aligned with the Office of Management and Budget (OMB) Federal Enterprise Architecture guidelines. These legacy applications developed over twenty years ago no longer support efficient, business processes compared to today's industry standards. To further exacerbate the situation, with the average age of the workforce over 51, technology risks increase when the existing technology experts retire, impacting the ability to sustain operations over the near future. Current systems require substantial resources to accommodate delivery of real time data in support of project schedule, financial budget and forecast decision making.

SRNS has planned a phased approach during FY10 and FY11 for these systems to include a path forward that will maximize risk reduction and cost savings. SRNS will analyze Business Systems for replacement to include Financial Management, Procurement/ Supply Chain, and Project Controls systems. DOE Records Management requirements will be integrated into new systems to mitigate risk from a functional and Vital Records perspective. SRNS has included this scope along with productivity improvements in the FY10 execution rates. The achievement of business driven productivity improvements supported by new technologies will be planned and executed where a positive return on investment can be demonstrated. SRNS will proceed in alignment with SRS Strategic Vision in support of the business mission, goals, and objectives. SRNS will include business stakeholders, organizations and processes. SRNS will reengineer core business functions to enhance strategic, supportable, and integrated business-enabling solutions.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010MGT - 04.01	9/30/10	Up to \$200,000	Implement formal continuous improvement program.
SRNS2010MGT - 04.02	9/30/10	\$1,000,000	Attain System Design Stage Exit business system upgrade project

Contract Output: SRNS2010MGT -05

Develop and implement a scope based planning approach for budgeting of SRNS overhead and indirect cost programs.

Up to ~~4.4%~~ 3.99% of the Comprehensive PBI will be paid for Contract Output 5.

Description/Background/Justification:

Improve the development of budget and planning estimates for the SRNS overhead/indirect programs.

During FY09, the Environmental Management program office commissioned a review of the SRNS overhead/indirect cost programs. The review resulted in several observations/recommendations relative to the planning, budgeting, and management of the SRNS overhead/indirect programs. Most notably, the team identified concern with the level of effort approach to developing budget/planning estimates, the use of unconstrained funding assumptions, lack of standardized methodology across overhead/indirect organizations, and lack of consistency/correlation with changes in the estimated direct work load.

Develop an overhead/indirect program budgeting and planning approach where cost estimates are developed using an activity based cost approach. Insure that cost estimates are developed consistently across all overhead/indirect organizations/pools. Insure that overhead/indirect programs are right-sized and cost estimates are developed consistent with and validated against planned contractual funding levels and expected future site direct workload requirements. Identify any resulting overhead/indirect funding shortfall and impact on program execution.

Number	Exact date, periodicity, frequency	Percent Fee	Completion Criteria
SRNS2010MGT - 05.01	5/31/10	\$300,000	Develop, document, and deliver an overhead/indirect budget and planning process to DOE-SR
SRNS2010MGT - 05.02	7/31/10	\$300,000	Implement the revised budget and planning process

Contract Output: SRNS2010MGT -06

Provide general planning, management and administrative services for all its activities and for other organizations as directed by the CO, including Real and personal property management.

Up to ~~1.5%~~ **1.33%** of the Comprehensive PBI will be paid for Contract Output 6.

Description/Background/Justification:

As part of continual improvement of the Real Property Asset Management program, complete condition assessments on at least 20 percent of the SRNS mission critical structures by the end of fiscal year 2010. By the end of fiscal year 2010, have a condition assessment program in place to complete remaining SRNS FIMs facilities within five years.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010MGT - 06.01	9/30/10	\$200,000	Complete condition assessments on at least 20% of the SRNS mission critical structures (identified as of 10-1-2009). This is part of a phased approach to perform condition assessments on all SRNS FIMs structures within 5 years.

Acceptance Criteria

SRNS2010MGT - 01.01	Contractor monthly report measuring technical, cost, and schedule performance in accordance with contract requirements. The report will include identification of issues related to the above measurements, root cause analysis of those issues, corrective actions planned to remedy the issues, trending data and analysis.
SRNS2010MGT - 02.01	SRNS will provide the final KAC SSSP to DOE-SR
SRNS2010MGT - 02.02	SRNS will provide a copy of the Argus REEF acceptance test to DOE-SR
SRNS2010MGT - 02.03	SRNS will provide documentation of switch function testing.
SRNS2010MGT - 03.01	Validation of compliance with DOE O 413.3A and the American National Standards Institute/Electronic Industries Alliance (ANSI/EIA)-748, Earned Value Management System.
SRNS2010MGT -03.03	<ol style="list-style-type: none">1. Provide a revised Procedure: 2.62, Rev. 10 Project Risk and Opportunity Analysis from Manual E11 Conduct of Project Management and Control that addresses in detail the integration into the baseline of technical, programmatic, cost and schedule contingency.2. Provide Risk Management Plans per DOE G 4.13.3-7 Risk Management Guide as required to support the revised Risk Management Process.3. Provide a backup (validation) report and an integrated schedule that has both schedule and cost contingency incorporated.4. Report important risk and opportunities through the SRNS Risk Program to DOE.<ol style="list-style-type: none">a.) Provide on a monthly basis a list of risk and opportunities on the "watch list."b.) Provide summary report of Quarterly Meetings (e.g., PowerPoint presentations and meeting minutes).5. Provide a flow chart/organizational chart that shows a single organization (group) has overall responsibility for risk management.
SRNS2010MGT - 04.01	<ol style="list-style-type: none">1. Divisional Continuous Improvement Experts (DCIE) Mentoring Model Established2. DCIEs Deployed3. Performance Dashboard for Key Business Metrics Created4. Continuous Improvement (CI) Equipping IPT Established5. CI Project Tracking System Implemented6. Continuous Improvement Agents (CIA) Training Curriculum Established7. CIAs Identified and Deployed8. CI Web Portal Containing Tools, Methods, and Resources for all CI Roles9. Cost Savings Validation Process Established and Implemented10. Financial validation and categorization of savings resulting from CI projects11. Baseline changes incorporated as required12. Contract implications coordinated through Contracting Officers13. FY10 Annual CI Assessment14. Complete Reintegration of 1st wave of DCIEs

- SRNS2010MGT - 04.02
1. Conceptual Design Report has been completed and delivered to DOE for review
 2. Complete Acquisition Strategy- Review acquisition strategy to ensure it includes necessary requirements analysis, alternative analysis, and procurement and contract plans. Ensure there is sufficient information to make management decisions and evaluate vendor proposals.
 3. Ensure the full scope of the project has been adequately described in the Exhibit 300 Business Case and the High-level requirements meet the business need.
 4. Ensure requirements account for DOE Records Management Specifications
 5. A recommend solution has been selected from a range of alternatives. In accordance with DOE 413.3-14 Guidance.
 6. Approval of Cost, Schedule, and Performance Baselines from DOE
 - a. Scope – WBS contains all project scope defined to levels sufficient to support detailed cost and schedule estimates.
 - b. Cost – Total Project Cost (TPC) established with 80-90 percent confidence of achieving cost baseline.
 - c. Schedule – Project completion date established with 80-90 percent confidence of achieving baseline completion date.
 - d. Design – Approximately 25- 30 percent of the total project design complete (with clear understanding of actions needed to complete final design).
 - e. Documentation – All baseline documentation should be complete and included in PEP.
 7. Complete Functional Design Document template, submit for DOE Review
 8. Complete System Design Document template , submit for DOE Review
 9. Submit formal review of the System Design and supporting documentation for DOE Review
 10. Provide all **applicable documentation** to validate System Design Phase completion.
Applicable Documentation Defined:
 - a. Requirements Traceability Matrix (Draft and Expanded)
 - b. Continuity of Operations Statement Plan
 - c. Data Dictionary (Draft and Expanded)
 - d. Requirements Specification
 - e. Acceptance Test Plan (Draft)
 - f. Project Plan (revised as applicable for each stage of Software Engineering Methodology/Software Development Life Cycle)
 - g. Structured Walkthroughs
 - h. Meet all conditions for Requirements Definition Stage Exit
 - i. Logical Model
 - j. Functional Design Document
 - k. Complete Functional Design In-Stage Assessment
 - l. Meet all conditions for Functional Design Stage Exit
 - m. Physical Model
 - n. Integration Test Plan
 - o. System Test Plan
 - p. Conversion Plan
 - q. System Design Document
 - r. Program Specifications
 - s. Programming Standards
 - t. Complete System Design In-Stage Assessment
 - u. Meet all conditions for System Design Stage Exit
- SRNS2010MGT - 05.01
- DOE receipt and acceptance of the revised overhead/indirect budget and planning process.

- SRNS2010MGT - 05.02 Demonstrate implementation of the revised overhead/indirect budget and planning process.
- SRNS2010MGT - 06.01 1. Evidence of Periodic Customer Reviews (e.g. meeting minutes, rosters, etc.)
2. SRS Condition Assessment Personnel Training Guide
3. List of qualified CAS Inspectors
4. Condition Assessment Survey Process Desktop Guide
5. List of sixty (60) Completed Inspections by Structure Number representing at least 20 percent of SRNS Mission Critical structures identified in the DOE Facility Information Management System (FIMS) as of 10/1/2009. This list shall include:
 a. Name of Lead Inspector
 b. Inspection Completion Date
 c. Name of Inspection Validator (CAIS Administrator or designee).
6. Supporting Inspection Reports present in the DOE CAIS database OR on hard copy Inspection Packages
7. Condition Assessment Program (documented approach for inspecting SRNS structures)
8. Proposed schedule listing the buildings to be inspected each year for the following four years to complete the five year cycle



Performance Fee Agreement

PBI Number: SRNS2010SI

Activity Name: Site Infrastructure

WBS Number: 1.29.01.04.02, 1.29.01.05.06.01, 1.29.01.05.06.02, 88.35.01.01.01.01,
88.35.05.01.01.04.04

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee: ~~\$1,000,000.00~~ \$1,500,000

Revision Number: 1

Senior level manager name:
Karen Guevara

Senior level supervisor/division manager name:
Ben Gould

Performance Outcome:

The Contractor shall pursue site infrastructure re-investment projects and support the biomass projects to achieve mission goals and ensure a safe and secure workplace for all SRS personnel. **In addition, power house repairs and upgrades will be completed to ensure uninterrupted service for the power customers.**

Contract Output: SRNS2010SI-01

Biomass Project Support. Meet all SRNS agreed upon scheduled milestones, activities and reviews to ensure successful construction and startup of the Biomass Cogeneration Facility and the K and L Area Heating Plants.

Description/Background/Justification:

The purpose of the new Biomass Cogeneration Facility and Heating Plants is to provide reliable steam while maximizing the use of a renewable energy source. The impacts associated with not successfully constructing and starting up these new facilities in a timely manner risk: (1) the inability to provide reliable steam to facilities such as the Tank Farms, DWPF, and K and L Areas, (2) not meeting target dates for deactivation of the 484-D powerhouse, and (3) additional delays in achievement of renewable energy goals outlined in current federal legislation. Site Infrastructure will be utilized as a technical agency to provide operational, technical, and logistical input on matters associated with the

multitude of utility services, interfaces, and impediments to help ensure successful execution of the project.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010SI-01.01A	9/30/2010	\$100,000	Facilitate onsite permit development and approval process
SRNS2010SI-01.01B	9/30/2010	\$400,000	Provide infrastructure liaison support (SME, CTM, etc.) that facilitates Ameresco’s schedule by identifying, eliminating or mitigating impediments and facilitating GFSI
SRNS2010SI-01.01C	9/30/2010	\$400,000	Complete all scheduled infrastructure tie-ins/modifications per agreed to schedule
SRNS2010SI-01.01D	9/30/2010	\$100,000	Document reviews requested by DOE will be completed within agreed upon timeframe

Contract Output: SRNS2010SI-02

Site Infrastructure Re-Investment. This output uses a Super Stretch incentive to build, modernize, and/or maintain facilities and infrastructure to achieve mission goals and ensure and safe and secure workplace for all SRS personnel.

NOTE: The Performance Evaluation Measurement Plan (PEMP) defines Super Stretch as: A Super Stretch incentive motivates the contractor to significantly accelerate and accomplish more work than that incentivized by “Stretch” incentives. When the work is identified and authorized, it will be tied to an appropriate fee that is entirely funded from the savings to be realized from the contractor’s achieved cost efficiencies in the performance of the funded work. The authorization to perform “Super-stretch” work is controlled by a Change Control Board to ensure that critical work is performed utilizing fund savings and resources prior to undertaking the Super-stretch Performance Fee Agreements. The fee associated with a Super-stretch Performance Fee Agreement is not included in the total available fee pool and is additive to it. Because the work and fee are entirely funded by Contractor identified savings, the fee amount established for a Super-stretch Performance Fee Agreement is generally higher than for a Base or Stretch Performance Fee Agreement. Super-stretch incentives require a cost model to demonstrate savings.

Description/Background/Justification:

The infrastructure mission is to efficiently configure and optimize SRS infrastructure to meet the 21st century stewardship programs. Although SRS is gaining new missions, the infrastructure is approaching 60 years old. In addition, over the past 10 years, funding for infrastructure repairs/replacements has declined considerably as budget pressures increased and funds were needed to support direct mission activities. New and existing missions can only be performed safely and efficiently with a reliable infrastructure in place. The Contractor will re-invest in Site Infrastructure through the implementation of upgrades as identified in the approved Infrastructure Mission Alignment Plans. The upgrades will include projects from the FY10 Infrastructure Systems List which are currently identified in the SRS FY10-FY15 baseline and emergent work that is performed relative to the improvement of the site infrastructure.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010SI-02.01	Each	Up to 20% of estimated cost	Fee shall be awarded for each infrastructure project completed above the FY 10 funded infrastructure scope of work. These projects will be documented in a DOE letter of technical direction. For each completed project, fee will be awarded up to 20% of the estimated direct cost of the work.

Contract Output: SRNS2010SI-03

D Area Powerhouse Reliability:

This scope will facilitate the continued, uninterrupted operation of the D-Area powerhouse by providing equipment upgrades, rebuilding and refurbishments, and replacements. It also provides a plan for the manpower and IT support necessary to manage and perform these tasks.

Description/Background/Justification:

The D-Area 484-D Powerhouse serves SRS facilities by exporting both steam and electrical power, thereby providing benefit to the entire site. The powerhouse currently contains four coal-fired boilers, seven turbine generators, and support systems / equipment. Mission-critical steam is exported to: H Canyon, F&H Tank Farms, Tritium, DWPF and F&H Analytical Laboratory. Additionally, electrical power is generated at 484-D and exported to the Site 115KV grid for sitewide use, thereby offsetting the requirement to purchase electricity.

This powerhouse has been in operation since the early 1950s, and a need for the facility beyond 2005 was not anticipated as a result of a planned replacement powerhouse. Based on this plan, a patch / corrective maintenance strategy with little or no preventive maintenance was employed by SCE&G during the ten years the powerhouse was under their jurisdiction (1995 to 2005). The replacement powerhouse has since been delayed until FY2012, and therefore, the D-Area 484-D powerhouse must continue to meet the site missions until this new powerhouse is constructed and operational. Due to the age of the equipment and this maintenance strategy, the reliability of the powerhouse has become degraded to the point of failure. Continued operation of the power house is mission critical. The risk of failure results not only in shut down of nuclear material stabilization, waste processing, and national laboratory operations, but also the need to purchase additional power from SCE&G as well as incur additional fees (ratchet penalty for over usage).

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010SI-03.01	8/31/10	\$300,000	<p>Fee shall be awarded upon the successful completion of the following Power House work scope, as detailed in specific work packages:</p> <ol style="list-style-type: none">1. Chemical Tanker Unloading Station (design and construct a new chemical tanker unloading station for D Area)2. Service Water piping replacement (incrementally replace suspect sections of piping based on known deficiencies and water flow problems)3. D3 Boiler Tube replacements (replace 91 tubes on the west wall, and partially replace 19 wall tubes that have less than minimal wall thickness)4. D3 Boiler Air Pre-heater Tube replacement (replace damaged sections of tubes in the lower bank of the boiler air preheater section)
SRNS2010SI-03.02	9/30/10	\$200,000	<p>Fee shall be awarded upon the successful completion of the following Power House work scope, as detailed in specific work packages:</p> <ol style="list-style-type: none">1. Establish remote operation of the Ash Handling System control panel (move operational controls to the control room)2. Precipitator Hoppers repairs (repair / replace plate metal if less than 50% remaining thickness)3. D Area Administrative upgrades (replace HVAC for control room and upgrades for IT infrastructure)4. 484-D Environmental Sump line replacement (Install new carbon steel pipe from the sump pumps to the south side of the asphalt road out side of the 484-D fence. The remaining discharge line will be converted to HDPE pipe. See detailed work package.)

Acceptance Criteria

- SRNS2010SI-01.01A DOE-SR will review SRNS document log of completed permit documentation activities
- SRNS2010SI-01.01B DOE-SR will review SRNS document log of reviewed impediments that have been identified and overcome, including documentation of specific mitigation activities
- SRNS2010SI-01.01C DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure tie-ins/modifications
- SRNS2010SI-01.01D DOE-SR will review SRNS document log of completed document reviews, including resulting feedback/recommendations/assistance
- SRNS2010SI-02.01 DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure project and/or completed work packages; additionally, the contractor shall provide documentation of cost estimating with analysis, and cost avoidance/savings scenarios identifying benefit to the government.
- SRNS2010SI-03.01 DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure project and/or completed work packages; in addition, the contractor will provide before and after pictures for validation documentation.
- SRNS2010SI-03.02 DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure project and/or completed work packages; in addition, the contractor will provide before and after pictures for validation documentation.



Performance Fee Agreement

PBI Number: SRNS2010NMS

Activity Name: Nuclear Materials Storage and Disposition

WBS Number: 1.29.20.01.01.02,1.29.20.01.03.02,1.29.20.02.01.01,
1.29.08.01.01

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee: \$10,000,000.00

Revision Number: 3

Senior level manager name:

Patrick McGuire

Senior level supervisor/division manager name:

Brenda Mills

Performance Outcome:

Receive, store, disposition and ship nuclear materials in a safe, secure, and stable form with the objective of reducing risk in DOE complex-wide facilities, foreign and domestic research facilities through non-proliferation, consolidation (plutonium [Pu], uranium [U], spent nuclear fuel [SNF]), stabilization and surveillance of nuclear materials.

Contract Output: SRNS2010NMS-01

Receive, store, characterize, and disposition surplus uranium materials and SNF.

Description/Background/Justification:

The Enriched Uranium Disposition (EUD) project is responsible for receiving, dissolving, processing, and blending the highly enriched uranium (HEU) metals, oxides, and SNF down to low enriched uranium (LEU). A significant amount of HEU processing and preparations for SNF processing will need to occur in FY10 in order to disposition 26 metric tons (MT) of heavy metal by 2019.

Up to 67% of the allocated PBI fee will be paid for Contract Output 1 as follows:

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010NMS-01.01			Begin dissolving irradiated spent nuclear fuel (SNF):

SRNS2010NMS -01.01A	9/30/10	\$1,000,000	Complete L-Area preparations to ship SNF from L- Area to H-Canyon based upon a DOE letter of technical direction.
SRNS2010NMS -01.01B	9/30/10	\$4,000,000	<p>Complete the following H Canyon preparations to receive and charge SNF based upon mutually agreed on scope of work.</p> <ol style="list-style-type: none"> 1. Upgrade/Modify Analytical Lab for SNF & Declare Readiness (\$150,000) 2. Perform Design for H-Canyon SNF Processing Modifications (\$100,000) 3. Install Modifications for H-Canyon SNF Processing (\$1,000,000) 4. Install Tunnel and Airlock Improvements (\$195,000) 5. Revise and Approve Security and MC&A Documents (\$200,000) 6. Revise and Approve Procedures Based on SNF and 3009 DSA Changes (\$905,000) 7. Complete Training for SNF and 3009 DSA (\$950,000) 8. Complete RA and all Pre-start Items (\$100,000) 9. Charge first SNF material to H Canyon Dissolver. (\$400,000)
SRNS2010NMS -01.02	9/30/10	Up to \$1,500,000	Complete charging to the dissolver the balance/remainder of highly enriched uranium (HEU). The material to be processed will be documented in a DOE letter of technical direction. Fee is prorated for each kg charged to the dissolver; invoiced quarterly.
SRNS2010NMS- 01.03	9/30/10	Up to \$200,000 \$280,000	For LEU trailers number 11 through number 20 24 shipped in FY10, \$20,000 fee will be paid; invoiced quarterly.

Contract Output: SRNS2010NMS-02

Receive, store, characterize, and disposition surplus plutonium materials.

Description/Background/Justification:

H Area facilities is scheduled to process surplus plutonium materials and transfer the plutonium solution to the Defense Waste Processing Facility for disposition. Plutonium oxide removed from 3013 container is repackaged and temporarily stored in K-Area until it is shipped to H Area facilities for processing. H Area facilities will also process other surplus plutonium materials.

Up to 23% of the allocated PBI fee will be paid for Contract Output 2 as follows:

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010NMS-02.01			Disposition Pu:
SRNS2010NMS-02.01A	9/30/10	Up to \$450,000	The first 65kgs charged to H Area facilities dissolver; \$6,923 fee for each kg charged to the dissolver; invoiced quarterly.
SRNS2010NMS-02.01B	9/30/10	Up to \$220,000 \$198,000	An additional 30 27 kgs charged to H Area facilities dissolver(s); \$7,333 fee for each kg charged to the dissolver; invoiced quarterly.
SRNS2010NMS-02.01C	9/30/10	Up to \$55,000	Prepare 235-F Deactivation “Mission Need” Package.
SRNS2010NMS-02.01D	9/30/10	Up to \$275,000 \$342,000	Implement Pu Processing improvements including: <ol style="list-style-type: none"> 1. Fabricate/test jumpers (4) for conversion of Tank 11.5 to a Pu Receipt Tank. (\$55,000) 2. Perform spray nozzle testing to support increase of eductor ratio (by minimum of 2x) for Pu transfers from HBL Product Hold Tanks to H-Canyon. (\$20,000) 3. Fabricate/test jumpers (6) for Tanks 16.1 and 15.3. (\$55,000) 4. Technology development for increased Pu throughput. (\$145,000) 5. Disposition H Canyon Pu solution to DWPF Sludge Batch. (at \$800 per kg - up to \$32,000) 6. Complete the analytical work to develop proposed Criticality Safety Limits (CSLs) for EU/Pu dissolving and complete the criticality CHAP tables associated with

receipt and dissolving of EU/Pu material.
 (\$35,000)

SRNS2010NMS -02.02			Receive and disposition Hanford Low Activity (LAP) materials
SRNS2010NMS -02.02A	11/30/09	\$500,000	Complete readiness to receive LAP material in H-Area
SRNS2010NMS -02.02B	9/30/10	\$500,000 \$375,000	Complete charging LAP material. \$41,666 fee for each drum content charged to the dissolver; invoiced quarterly.
SRNS2010NMS -02.03			K-Area Purification Area Vault (PAV)
SRNS2010NMS -02.03A	9/30/10	\$300,000	Submit CD2B &3B in accordance with DOE 413.3A Chg. 1 requirements.

Contract Output: SRNS2010NMS-03

Execute the 9975/3013 Surveillance Program.

Description/Background/Justification:

The SRS 9975/3013 surveillance program includes the K-Area Interim Surveillance (KIS) process and provides the capability to perform non-destructive evaluations (NDE) and destructive evaluations (DE) capabilities of 9975/3013 containers. The NDEs and DEs provide objective evidence that Pu can be safely stored in accordance with DOE standards.

Up to 5% of the allocated PBI fee will be paid for Contract Output 3 as follows:

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010NMS -03.01	9/30/10	4 groups of 10 surv., and 1 group of 12 surv. @ \$100,000 Up to \$500,000 for 52 surv.	Complete 18 DE surveillances and 34 NDE surveillances. 1% of fee {up to 5% of PBI fee} for each of the first four groups of 10 surveillances completed, and a final group of 12 surveillances (52 total surveillances are planned for FY10).

Contract Output: SRNS2010NMS-04

Receive and store Foreign and Domestic Research Reactor SNF.

Description/Background/Justification:

The Savannah River Site (SRS) L-Area Complex (LAC) receives and stores spent nuclear fuel in L Basin in support of the Department’s non-proliferation mission. In addition to the fuel already stored onsite, the Sent Fuel Program will receive SNF from foreign and domestic reactors. SRNS will support the receipt of spent nuclear fuel per the Receipt and Unloading Schedule Agreement signed by SRNS and DOE. See Attachment E, Receipt and Unloading Schedule Agreement.

Up to 5% of the allocated PBI fee will be paid for Contract Output 4 as follows:

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010NMS -04.01	Quarterly	Up to \$125,000 (quarterly); Up to \$500,000 (annually)	Safely and securely receive and unload FRR and DRR fuel with up to 1.25% fee to be paid every quarter (up to 5% annual) that the mutually agreed upon receipt and handling schedule agreement is met for delivery or unloading is completed during the quarter.

Contract Output: SRNS2010NMS -05

Facility life extension: This will be a Super Stretch incentive.

NOTE: The Performance Evaluation Measurement Plan (PEMP) defines Super Stretch as: A Super-Stretch incentive motivates the contractor to significantly accelerate and accomplish more work than that incentivized by “Stretch” incentives. When the work is identified and authorized, it will be tied to an appropriate fee that is entirely funded from the savings to be realized from the contractor’s achieved cost efficiencies in the performance of the funded work. The authorization to perform “Super-stretch” work is controlled by a Change Control Board to ensure that critical work is performed utilizing fund savings and resources prior to undertaking the Super-stretch Performance Fee Agreements. The fee associated with a Super-stretch Performance Fee Agreement is not included in the total available fee pool and is additive to it. Because the work and fee are entirely funded by Contractor identified savings, the fee amount established for a Super-stretch Performance Fee Agreement is generally higher than for a Base or Stretch Performance Fee Agreement. Super-stretch incentives require a cost model to demonstrate savings.

Description/Background/Justification:

Continuing operations increases the risk that an unplanned failure of a system, structure or component (SSC) that support nuclear material operations. Many SSCs are old and are very expensive to replace and flat funding for infrastructure upgrades has limited the amount of spares that can be kept in inventory.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010NMS -05.01	Each	Up to 20% of estimated cost	Fee shall be awarded for each system, structure or component (SSC)

replaced/upgraded above the FY10 baseline scope of work. These SSCs and estimated cost will be documented in a DOE letter of technical direction. For each SSC completed, fee will be awarded up to 20% of the estimated direct cost of the work.

Acceptance Criteria

SRNS2010NMS -01.01A	Verify L-Area Authorization Agreement for SNF shipments to H-Area is approved prior to September 30, 2010.
SRNS2010NMS -01.01B	Validate completed work scopes as follows: 1) Assess FSA (or startup review as documented in the SNR) 2) Review design package(s), 3) Review completed work package(s), 4) Review completed work package(s), 5) Review revised approved Security and MC&A documents, 6) Review revised and approved procedures, 7) Review Qualification Records and assess selected Oral Boards and/or Written Exams as appropriate, 8) Assess Contractor RA (or startup review as documented in SNR) and 9) Review charging log.
SRNS2010NMS -01.02	Physical inspection of charging log.
SRNS2010NMS -01.03	Review MC&A form 741 (transfer documents) for each LEU trailer.
SRNS2010NMS -02.01A	Physical inspection of dissolver log.
SRNS2010NMS -02.01B	Physical inspection of dissolver log.
SRNS2010NMS -02.01C	Review completed package(s) approved by NMO that includes as a minimum: mission need statement, project scope, planning budget estimate, customer expectations, initial risk analysis and project estimate.
SRNS2010NMS -02.01D	(1) Review completed work package(s), (2) Witness spray nozzle demonstration, (3) Review completed work package(s), (4) Breakout of technology developments: (a) Witness Operation of Demonstration Model for Vacuum Salt Distillation [Fee = \$44.6K], (b) Review Technical Report for Peroxide Fusion Experiments [Fee = \$39.2K], (c) Review Conceptual Strategy for Limited Phase I DCS [Fee = \$25.1K], (d) Review Conceptual Strategy for Southline SOW [Fee = \$17.6K] and (e) Review VA for HBL/H-Canyon Rollup [Fee = \$18.5K], (5) Provide appropriate procedure and/or log reflecting Pu transfer to DWPF Feed Tank (i.e. Tank 51), (6) For the proposed Criticality Safety Limits (CSLs), verify that KENO VI runs demonstrate k-eff values are less than k-safe, and verify criticality CHAP tables completed for EU/Pu receipt and dissolution in accordance with SCD-3 (Nuclear Criticality Safety Program Manual) and SCD-11 (CHAP Methodology Manual).
SRNS2010NMS	Ascertain contractor readiness for LAP receipt through DOE oversight

- 02.02A and document reviews.
- SRNS2010NMS Physical inspection of dissolver log.
- 02.02B
- SRNS2010NMS Submittal of CDs to DOE-SR
- 02.03A
- SRNS2010NMS Completion includes validation operations log of DE and NDE
- 03.01 completed and validation of Surveillance Program Authority (SPA)
Data Set 1 parameters for the DE samples.
- SRNS2010NMS Validation of Cask Data Sheets for casks received and unloaded
- 04.01 against the Receipt and Unloading Schedule Agreement.

- SRNS2010NMS Physical walk down of installed, of SSC and / or evaluation of work
- 05.01 completed packages; additionally, the contractor shall provide
documentation of cost estimating with analysis, and cost avoidance/savings
scenarios identifying benefit to the government.



Performance Fee Agreement

PBI Number: SRNS2010SRNL

Activity Name: Savannah River National Laboratory (SRNL)

WBS Number: Multiple

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee: ~~\$3,500,000~~ **\$3,215,000**

Revision Number: **1**

Senior level manager name:

Karen Hooker

Senior level supervisor/division manager name:

Patrick Jackson

Performance Outcome:

SRNL's three-fold mission is to enable the success of SRS and the Office of Environmental Management (EM) operations and projects, to provide technical leadership for future site missions, and to utilize its technical expertise to provide vital national and regional support in achieving the broader goals of DOE and the federal government. The vision for SRNL is to be the nation's premier applied science laboratory in Environmental Management, National & Homeland Security, and Energy Security. A primary goal is to position SRNL into a financially sustaining, distinct business unit.

Contract Output: SRNS2010SRNL -01

Book new revenue (Total Project Cost) of at least \$60M in FY 2010. (Site M&O and LW work scope performed by SRNL will not be included)

Up to 40 **43.5% of the allocated PBI fee will be paid for Contract Output 1**

Description/Background/Justification:

In order to make progress towards become a financially sustaining entity and to stimulate growth, SRNL must increase its funding. SRNL is expected to increase their effectiveness as EM's Corporate Laboratory across the EM complex. As a National Laboratory, SRNL is also expected to use their technical expertise to provide vital regional and national support in promoting the broad goals of the Department and the Federal Government. SRNL is expected to increase its revenue in the areas of Environmental Management, National and Homeland Security, and Energy Security as well as new emerging areas in R&D.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010SRNL-01.01	9/30/2010	Up to: \$900,000	The contractor shall provide quarterly summary reports demonstrating revenue. Fee for this completion criteria is based on the range below: <ul style="list-style-type: none"> • New Booked Revenue of at least \$60M (55%) • New Booked Revenue of at least \$63M (70%) • New Booked Revenue of at least \$66M (85%) • New Booked Revenue of at least \$70M (100%)
SRNS2010SRNL-01.02	9/30/2010	\$500,000	The contractor shall provide objective evidence demonstrating satisfactory completion of quality products and provision of services (such as flow sheets, technology development and deployment) to reduce the technical risks of EM operations and projects.

Contract Output: SRNS2010SRNL -02

Position SRNL to be a distinct business unit and increase laboratory activities to stimulate growth of the Laboratory.

Up to ~~30~~ 32.7% of the allocated PBI fee will be paid for Contract Output 2.

Description/Background/Justification:

Growth will support SRNL evolution to a sustainable, stand-alone business unit. The Contractor shall operate SRNL as a defined work activity within the overall contract structure so that it will be positioned to be responsive to future DOE requirements. The defined work activity shall include, but not be limited to, budget, real estate, personnel resources, quality assurance, engineering, radiological control and program controls necessary to conduct research and development, technology transfer, operations, and maintenance. The Action Plan had a number of actions that are included in the Completion Criteria below. SRNL shall become the premier applied science laboratory in areas of Environmental Management, National and Homeland Security, and Energy Security by delivering world class innovative performance. A Strategic Plan and Action Plan were developed to plan and implement growth for SRNL and delivered to DOE-SR in July, 2009 as an FY09 PBI.

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
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	periodicity, frequency		
SRNS2010SRNL -02.01	9/30/2010	\$420,000	Accelerate Phase 2 of the Separate and Distinct Business Plan by completing seven make vs. buy analyses from list of ten in Attachment 1 and show physical progress by reversing matrix organization alignment
SRNS2010SRNL -02.02	9/30/2010	\$315,000	Complete all FY 2010 milestones identified in the Integrated Action Plan (Attachment 2)
SRNS2010SRNL -02.03	9/30/2010	\$315,000	Complete the following FY 2011 milestones identified in the Integrated Action Plan <ul style="list-style-type: none"> • Plan for Joint Appointments • Plan to facilitate appropriate interactions with foreign nationals and benchmark National Laboratory practices for interfacing with foreign nationals

Contract Output: SRNS2010SRNL -03

Enhanced SRNL Infrastructure and Facility Safety

Up to ~~30~~ 23.8% of the allocated PBI fee will be paid for Contract Output 3.

Description/Background/Justification:

Number	Exact date, periodicity, frequency	Fee	Completion Criteria
SRNS2010SRNL -03.01	9/30/2010	Up to \$240,000	Build, modernize, and/or maintain facilities and infrastructure to achieve mission goals and ensure a safe and secure workplace. Fee for this completion criteria is based on the range below: <ol style="list-style-type: none"> a. Replace 735-A, C Wing (new section) and D Wing Roofs and D160 HVAC (\$105K) b. Replace RREX-FAN-ER Regulated Exhaust Fan and install new glovebox and hood (773-A/B150) (\$15K) c. Complete annual DSA update and TSR to incorporate interim guidance and REEF operation. Complete DSA update and TSR to close out flash spray JCO by 6/30/10 (\$60K) d. Develop IGPP process and formally submit to DOE-SR for approval for implementation at SRS (\$51K) e. Seal exterior walls of E-Wing 773-A (\$9K) <p>(Note: ventilation and elevator repairs were not funded for FY10 and may be moving to ARRA scope)</p>

SRNS2010SRNL -03.02	9/30/2010	\$175,000	Secure for SRNL use an additional 7,000 sq ft of office and/or laboratory space suitable to support additional business scope
SRNS2010SRNL -03.03	9/30/2010	\$350,000	In preparation for an FY2012 project start, complete the following documents for a proposed capital project as identified in the SRNL Infrastructure Plan (July 2009): a. Statement of Mission Need b. Estimate and Budgets for Pre-Conceptual Design c. Systems Engineering Study of the High-Level Functions and Requirements d. Technical Task Request e. Pre-Conceptual Design Schedule and Range of Assumptions f. Preliminary Risk and Opportunity Analysis

Acceptance Criteria

SRNS2010SRNL -01.01	Review and evaluate all work authorization documentation quarterly with SR CFO Organization. Work authorized by DOE Contracting Officer and funds obligated to the contract.
SRNS2010SRNL -02.01	Review and evaluation of all completed documents supporting milestone completion
SRNS2010SRNL -02.02	Physical validation of completion and document in SIMTAS
SRNS2010SRNL -02.03	Review and evaluation of all completed documents supporting milestone completion
SRNS2010SRNL -03.01	DOE-SR review of Final Acceptance Inspection
SRNS2010SRNL -03.02	Review and evaluation of documents verifying additional SRNL- secured office and/or laboratory space suitable to support additional business scope
SRNS2010SRNL -03.03	Review and evaluation of submitted documents to support line item project

ATTACHMENT 1:

1. Computing Infrastructure
 - a. PC/Help Desk/Network
 - b. Main Frame/UNIX
 - c. Programming Support
2. Infrastructure O&M
 - a. Specialty Test and Repair
 - b. Diesel/Breaker Maintenance
 - c. Rigging/Load Inspections
 - d. Design/Construction Services
 - e. Specialty Services
3. Transportation and Trucking
 - a. Waste hauling/Heavy Equipment
 - b. PECMC/General Transportation
4. Site General Services
 - a. Procurement
 - b. Asset Management
 - c. Facility Specific Training
 - d. Food/Janitorial/Laundry
5. Safeguards and Security
 - a. Material Control and Accountability
6. Environmental Services
 - a. Regulatory Compliance
 - b. Waste Management
 - c. NEPA/NPDES
 - d. Environmental Monitoring
 - e. Air Quality
7. Management & Business Services
 - a. Financial
 - b. Planning and Estimating
 - c. Legal
 - d. Contracts/Subcontracts
 - e. Human Capital
 - f. Public Relations
 - g. Records Management
 - h. Publications
 - i. Site Policies and Procedures
 - j. Oversight
8. Safety & Health
 - a. Site Safety/IH
 - b. Industrial Hygiene
 - c. Respiratory Protection
9. Radiological Protection
 - a. Regulatory Technology
 - b. Training/Field Support
10. Engineering Services
 - a. Design Engineering
 - b. Policies/Procedures
 - c. Safety/Criticality
 - d. Geotechnical Services
 - e. Fire Protection Services
 - f. Systems Engineering
 - g. Process Hazards

ATTACHMENT 2:

Detailed completion criteria for Contract Output 2 from the Integrated Action Plan

Actions to be completed by 12/31/2009:

1. NRC Business Plan for technical support.
2. Complete Modular Secure Facility.
3. Plan for benchmarking technology transfer.
4. Start metrics reporting for technology transfer.
5. Establish SRNL visual branding.
6. Start metrics reporting for University relations.
7. Start metrics reporting for Research Recruiting.

Actions to be completed by 3/31/2010:

1. Develop proposal to establish an integrating/coordinating role for EM Performance Assessments.
2. SRNL Human Capital Plan.
3. 5 Year High Performance Computing Strategic Plan.

Actions to be completed by 6/30/2010:

1. CRADA Process Improvement Plan.
2. Update Deferred Maintenance List.

Action to be field work complete by 7/31/2010 (does not include paper closeout):

1. Complete REEF FBI Forensics Facility. Project # Y486

Actions to be completed by 9/30/2010:

1. Complete initial demonstration of at-tank/near-tank HLW treatment technology.
2. Complete fermentation studies for cellulosic ethanol pilot plant.
3. Collaboration agreements established with universities.
4. Update Infrastructure Plan.
5. Status and update Separate and Distinct Business Unit Plan for Phase 2.



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Part A: Description of performance

PBI Number: SRNS2010NNP

Activity Name: Nuclear Nonproliferation Program

WBS Number:

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee: Objective Amount: Subjective Amount:
~~\$8.57M~~ \$9.02M

Revision Number: 3

Contractor	U.S. Department of Energy
Senior level manager name:	Senior level manager name: Bill Clark
Senior level supervisor name:	Senior level supervisor/division manager name:
Technical Representative name:	Technical Reviewer: Virginia Kay, Clay Ramsey, Scott Cannon, Tom Cantey
Administrative POC:	Administrative POC: Lauren Wabbersen, Alejandro Baez

Performance Outcome:

Provide cost-effective management and technical support to the Nuclear Non-proliferation Programs so that the program is executed within the Performance Management Baselines and in accordance with DOE Order 413.3A and other applicable DOE directives, regulations, and requirements. Specific Contract Output measures and completion criteria are contained in the PBI description (Part B). A Multi-Year PBI for performance on the WSB project is described in Part C.

Contract Output: SRNS2010NNP-01

Safely execute the construction of the Waste Solidification Building (WSB) in accordance with the approved Performance Management Baseline, on a schedule which supports the need date of the Mixed Oxide Fuel Fabrication Facility, and in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).



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<u>Number</u>	<u>Value</u>	<u>Indicator</u>
SRNS2010NNP-1A	\$640,000	a. Complete the Final Basement Pour for the main structure of the Waste Solidification Building by March 31, 2010.
SRNS2010NNP-1B	\$960,000	Complete wall placement for the main structure of the Waste Solidification Building in accordance with the BOP subcontractor's placement schedule by September 30, 2010.

Contract Output 2: SRNS2010NNM-02

Oversee the fabrication, delivery and interim storage of the following SRNS procured long lead equipment such that the items are available to support the Balance of Plant subcontractor's installation schedule and are procured in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

SRNS2010NNP-2A	\$650,000	Key SRNS procured long lead equipment will be fabricated and delivered to SRS by December 31, 2009.
SRNS2010NNP-2B	\$650,000	Key SRNS procured long lead equipment will be fabricated and delivered to SRS by March 31, 2010.
SRNS2010NNP-2C	\$940,000	Key SRNS procured long lead equipment will be fabricated and delivered to SRS by September 30, 2010.

Contract Output 3: SRNS2010NNP-3

Safely execute the Waste Solidification Building project activities in a cost effective manner and on the schedule necessary to meet the MFFF need date and in accordance with the requirements of ASMS NQA-1-2000 (or successor as invoked).

SRNS2010NNP-3A	\$512,000	Engineering support, coordination and response for the BOP subcontractor are provided in a timely manner and ensure the project is constructed to appropriate codes and standards. \$128,000 at the end of each quarter.
SRNS2010NNP-3B	\$512,000	The WSB Project is executed with a Cost Performance Index (cumulative) of 0.93 or greater. \$128,000 at the end of each quarterly.
SRNS2010NNP-3C	\$512,000	The WSB Project is executed with a Schedule Performance Index (cumulative) of 0.93 or greater. \$128,000 at the end of each quarter.



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Contract Output 4: SRNS2010NNP-4

Oversee the design, fabrication, delivery and interim storage of the cementation process equipment. Ensure the equipment is available to support the Balance Plant subcontractor's installation schedule and is procured in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

SRNS2010NNP-4A	\$380,000	Complete the design of the cementation equipment by September 30, 2010.
SRNS2010NNP-4B	\$380,000	Progress on the fabrication and delivery of the cementation equipment supports the Balance of Plant subcontractor's schedule by September 30, 2010.
SRNS2010NNP-4C	\$132,000	The cementation drum handling equipment will be fabricated and delivered to SRS on a schedule which supports installation, by September 30, 2010.
SRNS2010NNP-4D	\$132,000	Testing of the DOT-7A drums is completed by September 30, 2010.

Contract Output 5: SRNS2010NNP-5

Safely execute SRNS assigned work on the MOX Fuel Fabrication Facility (MFFF) project in accordance with approved cost and schedule baselines for the PDP electrical substation or contained in authorized Work Task Agreements.

SRNS2010NNP-5	\$600,000	Fee will be paid providing timely support for the MFFF project in accordance with the integrated project schedule.
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Contract Output 6: SRNS2010NNP-6

Execute SRNS assigned work related to NNP Common Technologies and associated work activities by providing cost-effective support for those activities common to the nonproliferation program and projects.

SRNS2010NNP-6	\$70,000	Fee will be paid for executing assigned work related to the Nuclear Nonproliferation Common Technologies and associated work activities.
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Contract Output 7: The SRNS PDCF manipulator, canning and system integration efforts extend beyond FY10 as they deliver products which are tied to construction and testing activities in the Integrated Project Schedule (IPS). For Fy10, this Contract Output supports the longer range, multi-year efforts, by establishing and meeting near term (FY10) milestones.



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SRNS2010NNP-7A	\$152,250	Complete the PDC Manipulator RMG Test Bed Conceptual Design, PDC IPS Milestone WGGT4502GB00CI, scheduled for August 4, 2010.
SRNS2010NNP-7B	\$304,500	Completion of design, procurement, installation, and testing of Bagless welding, cutting, and glovebox sealing components for operation with the modified PDC Inner Can, SRNL POW schedule item RRBT2180, Modified BTS System Checkout / Test, to be entered in PDC IPS with scheduled completion August 1, 2010.
SRNS2010NNP-7C	\$68,250	Establish the Safety Control System Standardization and Quality Assurance tools and document them in a report to NNSA. Reference IPS activity W45505DE20 scheduled for completion on May 7, 2010.
SRNS2010NNP-7D	\$450,000	Prepare and submit for NNSA review a PDC CD-1 package by September 27, 2010.

Contract Output 8: SRNS2010NNP-8

Execute the SRNS PDCF activities in compliance with DOE Order 413.3a and assistance from DOE O 413.3 guides, along with all contractual requirements in a quality, responsive, cost effective manner in accordance with the PDCF Integrated Project Schedule (IPS).

SRNS2010NNP-8A	\$195,000	Safety and Security: Completion Criteria in PBI
SRNS2010NNP-8B	\$195,000	Customer/Stakeholder Responsiveness: Completion Criteria in PBI
SRNS2010NNP-8C	\$195,000	Contractor Assurance: Completion Criteria in PBI
SRNS2010NNP-8D	\$195,000	Conduct of Project Management: Completion Criteria in PBI
SRNS2010NNP-8E	\$195,000	Conduct of Engineering: Completion Criteria in PBI

SRNS2010NNP

Complete objective evaluation criteria prior to approval. Objective and subjective evaluation criteria will be used to document review and acceptance of this performance fee agreement.

Evaluation Criteria:



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(Objective)

Evaluation Criteria:

(Subjective)

Description



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Part B: Specific Contract Measures/Criteria for NNP Activities

PBI: **SRNS2010NNP: Nuclear Nonproliferation Program**
Performance Period: October 1, 2009 – September 30, 2010
Allocated Fee: ~~\$8,570,000~~ **\$9,020,000**

Rev. 3: July 14, 2010

Performance Outcome: Provide cost-effective management and technical support to the Nuclear Nonproliferation Programs so that the program is executed within the Performance Management Baselines and in accordance with DOE Order 413.3A and other applicable DOE directives, regulations, and requirements.

\$6,400,000 of the Nuclear Nonproliferation PBI will be paid for the construction of the WSB.

WBS: 01.25.60.01.02

Contract Output 1: Safely execute the construction of the Waste Solidification Building (WSB) in accordance with the approved Performance Management Baseline, on a schedule which supports the need date of the Mixed Oxide Fuel Fabrication Facility, and in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

25% (\$1,600,000) of the allocated fee for the construction of the WSB will be earned as follows:

1A. Complete the Final Basemat Pour for the main structure of the Waste Solidification Building by March 31, 2010 (\$640,000)

Completion Criteria:

1. Correctly install all reinforcing steel mats, embedded piping, and plate embeds.
2. Remove all concrete forms for the basemat and complete backfill where required.
3. Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

Assumptions:

1. Funding is available to support the Balance of Plant (BOP) contract execution.
2. Block-outs are allowed for equipment installation and ease of construction.



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3. The scope does not include any concrete pours associated with adjacent structures or facilities, i.e., diesel generator pad, chemical unloading, etc.
4. The completion date is based on the construction subcontractor's submitted 60-day schedule. Should the subcontractor propose a schedule modification that does not impact the construction critical path, the fee associated with this contract measure will be paid upon completion of basemat construction.

Government Furnished Services / Items:

1. None identified

1B. Complete wall placements for the main structure of the Waste Solidification Building in accordance with the BOP subcontractor's placement schedule by September 30, 2010. (\$960,000)

Completion Criteria:

1. Correctly install all reinforcing steel mats, embedded piping, and plate embeds.
2. Remove all concrete forms where required.
3. Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

Assumptions:

1. Funding is available to support the Balance of Plant contract execution.
2. Block-outs are allowed for equipment installation and ease of construction.
3. The scope does not include any concrete pours associated with adjacent structures or facilities, i.e., diesel generator pad, chemical unloading, etc.
4. The completion date is based on the construction subcontractor's submitted 60-day schedule. Should the subcontractor later propose a schedule modification that does not impact the construction critical path; e.g., leaving a construction opening not previously planned, this contract measure will be considered complete.

Government Furnished Services / Items:

1. None identified

Contract Output 2: Oversee the fabrication, delivery and interim storage of the following SRNS procured long lead equipment such that the items are available to support the Balance of Plant subcontractor's installation schedule and are procured in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).



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35% (\$2,240,000) of the allocated fee for the construction of the WSB will be earned as follows:

2A. Key SRNS procured long lead equipment will be fabricated and delivered to SRS by December 31, 2009 (\$650,000)

Completion Criteria:

1. All reinforcing steel required for the Waste Solidification Building main structure basemat will be received for the Balance of Plant subcontractor use to support the installation schedule.
2. The floor drain tank will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor to support the subcontractor's installation schedule.
3. The substation will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor by 12/31/2009

Assumptions:

1. The reinforcing steel received will only be that reinforcing steel required for the current approved design. This will not include additional reinforcing steel procured over and above the current design requirements or reinforcing steel required for approved design modifications unless required by the Balance of Plant subcontract.
2. The floor drain tank will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.
3. The substation will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule. In addition,



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receipt must be accomplished by 12/31/2009, or prior to revised energy efficiency requirements entering into effect, such that there is no cost impact to the project.

Government Furnished Services / Items:

1. None identified

2B. Key SRNS procured long lead equipment will be fabricated and delivered to SRS by March 31, 2010 (\$650,000)

Completion Criteria:

1. All laboratory and sampling gloveboxes for the Waste Solidification Building will be received and receipt inspected for the Balance of Plant subcontractor use to support the installation schedule.
2. The HEPA filter housings will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor to support the subcontractor's installation schedule.
3. The active confinement ventilation system (ACVS) exhaust fans will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor to support the subcontractor's installation schedule.

Assumptions:

1. The laboratory and sampling gloveboxes will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.
2. The HEPA filter housings will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that



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receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.

3. The ACVS exhaust fans will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.

Government Furnished Services / Items:

1. None identified

2C. Key SRNS procured long lead equipment will be fabricated and delivered to SRS by September 30, 2010 (\$940,000)

Completion Criteria:

1. All process tanks, including in-tank process equipment, for the Waste Solidification Building will be received and receipt inspected for the Balance of Plant subcontractor use to support the installation schedule.
2. Both evaporators will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor to support the subcontractor's installation schedule.
3. The motor control centers will be fabricated, delivered and receipt inspected for the Balance of Plant subcontractor to support the subcontractor's installation schedule.

Assumptions:

1. The process tanks will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.



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2. Both evaporators will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.
3. The motor control centers will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery to the Balance of Plant subcontractor if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure will be deferred until such time that receipt inspection is complete and the equipment is available to be provided to the Balance of Plant subcontractor on the needed schedule.

Government Furnished Services / Items:

1. None identified
-

Contract Output 3: Safely execute the Waste Solidification Building project activities in a cost effective manner and on the schedule necessary to meet the MFFF need date and in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

24% (\$1,536,000) of the allocated fee for the construction of the WSB will be earned as follows:

1. \$512,000 of the allocated fee for this contract output may be earned for completion of criteria 1. NNSA will provide a periodic evaluation of SRNS' performance with respect to this completion criterion as part of the normal contractor evaluation process. Award fee payments will be made quarterly based on an overall acceptable performance for the quarter as determined by NNSA.
2. \$512,000 of the allocated fee for this contract output may be earned for completion of criteria 2. The cumulative Project Cost Performance Index will



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be reviewed by NNSA monthly. Award fee payments will be made quarterly based on cumulative Project Cost Performance Index at the end of each quarter.

3. \$512,000 of the allocated fee for this contract output may be earned for completion of criteria 3. The cumulative Project Schedule Performance Index will be reviewed by NNSA monthly. Award fee payments will be made quarterly based on cumulative Project Schedule Performance Index at the end of each quarter.

Completion Criteria:

1. Engineering support, coordination and responses for the BOP subcontractor are provided in a timely manner and ensure the project is constructed to appropriate codes and standards (\$128,000 at the end of each quarter)
2. The WSB Project is executed with a Cost Performance Index (cumulative) of 0.93 or greater (\$128,000 at the end of each quarter)
3. The WSB Project is executed with a Schedule Performance Index (cumulative) of 0.93 or greater (\$128,000 at the end of each quarter)

Assumptions:

1. Construction activities associated with other NNSA contractors will not unduly affect the work on the Waste Solidification Building. SRNS has the responsibility for adequately coordinating and integrating the WSB scope of work with other entities on-site.
2. Funding is available to complete the task.
3. It is recognized that CPI and SPI may fluctuate for a variety of reasons, some of which do not accurately reflect project performance. In the event that the CPI and/or SPI falls below the threshold value at the end of a quarter, the quarterly payments for the affected CPI and/or SPI will be withheld. However, the performance fee for a previous quarter under this measure may be earned at the end of a subsequent quarter if the cumulative CPI and/or SPI increase above the required threshold. At the conclusion of FY2010, however, any performance fee for the 4th or previous quarters not yet earned will not be paid. Available fee under this measure is not eligible to be earned in FY2011.

Government Furnished Services / Items:

1. None identified.

Contract Output 4: Oversee the design, fabrication, delivery and interim storage of the cementation process equipment. Ensure the equipment is available to support the



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Balance of Plant subcontractor's installation schedule and is procured in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

16% (\$1,024,000) of the allocated fee for the construction of the WSB will be earned as follows:

4A. Complete the design of the cementation equipment by September 30, 2010 (\$380,000)

Completion Criteria:

1. The design of the cementation equipment meets the requirements of the applicable performance specification, codes and standards.
2. All comments and changes identified during design reviews have been incorporated and/or resolved.
3. Completion of the design supports subsequent contract activities consistent with the Balance of Plant subcontractor's schedule.

Assumptions:

1. None

Government Furnished Services / Items:

1. None identified

4B. Progress on the fabrication and delivery of the cementation equipment supports the Balance of Plant subcontractor's construction schedule by September 30, 2010 (\$380,000)

Completion Criteria:

1. Fabrication of the cementation equipment is proceeding on schedule to support testing, receipt and installation by September 30, 2010 (\$380,000)

Assumptions:

1. The cementation equipment (4 units) will be fabricated and delivered based on the Balance of Plant subcontractor's schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract



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measure may be deferred until such time that receipt inspection is complete and the equipment is available on the needed schedule.

2. Should delivery of the cementation not occur during FY2010, NNSA will determine the adequacy of progress at the end of FY2010 and based on this determination award an equivalent progress payment against the PBI fee pool. It should be noted that a key point of that determination will be potential cost impacts on the Balance of Plant subcontract based on evaluation of the to-go activities and anticipated receipt of equipment.

Government Furnished Services / Items:

1. None identified

4C. The cementation drum handling equipment will be fabricated and delivered to SRS on a schedule which supports installation, by September 30, 2010 (\$132,000)

Completion Criteria:

1. The cementation equipment vendor has submitted the detailed design for review.
2. A formal design review has been completed and comments transmitted to the vendor.
3. Comments have been incorporated and the design accepted by SRNS.
4. The equipment has been fabricated, delivered and receipt inspected to support the Balance of Plant subcontractor's construction schedule.

Assumptions:

1. The drum handling equipment will be fabricated and delivered based on the Balance of Plant subcontractor's construction schedule, providing that date is no sooner than the scheduled delivery date in the approved CD2/3 package submittal. There will be no award fee penalty for late delivery if the delivery date is rescheduled at the request of the Balance of Plant subcontractor and/or if the rescheduled date does not impact project cost or the critical path completion. However, in the event of a rescheduled date, payment under this contract measure may be deferred until such time that receipt inspection is complete and the equipment is available on the needed schedule

Government Furnished Services / Items:

1. None identified



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4D. Testing of the DOT-7A drums is completed by September 30, 2010
(\$132,000)

Completion Criteria:

1. All testing requirements have been identified.
2. All necessary testing has been completed and satisfactorily meets applicable requirements.

Assumptions:

1. None

Government Furnished Services / Items:

1. None

\$600,000 of the Nuclear Nonproliferation PBI will be paid providing timely support for the MFFF project in accordance with the integrated project schedule.

WBS: 01.25.60.03

Contract Output 5: Safely execute SRNS assigned work on the MOX Fuel Fabrication Facility (MFFF) project in accordance with approved cost and schedule baselines for the PDP electrical substation or contained in authorized Work Task Agreements.

Completion Criteria:

1. Oversee the safety, quality and environmental compliance of work performed on the PDP electrical substation by South Carolina Electric and Gas to ensure compliance with subcontract requirements. Prompt action will be taken to address issues and violations. Complete construction of the PDP electrical substation by September 30, 2010
2. Execute assigned support tasks in accordance with approved Work Task Agreements with Shaw AREVA MOX Services in a timely and efficient manner by September 30, 2010
 - a. Construction support (badging, training, utilities, waste hauling/disposal)
 - b. Instrument calibration
 - c. Analytical lab instrument design
3. Execute assigned tasks as requested by NNSA in support of the MFFF project in a timely and efficient manner by September 30, 2010
 - a. Feed materials characterization
 - b. Alternate Feed Stock (AFS) studies



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- c. MOX Early Option 2 proposal reviews

Assumptions:

1. Funding will be adequate to support the scope.

Government Furnished Services / Items:

1. None identified

\$70,000 of the Nuclear Nonproliferation PBI will be paid for executing assigned work related to the Nuclear Nonproliferation Common Technologies and associated work activities.

WBS: 01.25.60.05

Contract Output 6: Execute SRNS assigned work related to NNP Common Technologies and associated work activities by providing cost-effective support for those activities common to the nonproliferation program and projects.

Completion Criteria:

1. Prepare a review quality draft of an updated Plutonium Disposition Program Execution Plan within 60 days of receiving written guidance from NNSA on content and major programmatic assumptions. For planning purposes, assume delivery of product in the 4th quarter of FY 2010.
2. The Plutonium Disposition Integrated Program schedule is updated and issued not less than quarterly.
3. Support two semi-annual project and program reviews consistent with the content and format requested by NNSA-HQ.
4. Execute site logistics for the PDP such as the following:
 - a. Developing and approving site use permits
 - b. Establishing lay-down areas to support the NNP projects
 - c. Performing utility studies as required
 - d. Establishing and maintaining Memoranda of Understanding
 - e. Developing and coordinating interface control documents between EM, NNSA, and the NNP Projects.

Assumptions:

1. Funding will be adequate to support the scope.

Government Furnished Services / Items:

1. None identified



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~~\$1,500,000~~ **\$1,950,000** of the Nuclear Nonproliferation PBI will be paid for executing assigned work related to the PDCF project activities.

WBS: 01.25.60.01.01

Contract Output 7: The SRNS PDCF manipulator, canning and system integration efforts extend beyond FY10 as they deliver products which are tied to construction and testing activities in the Integrated Project Schedule (IPS). For FY10, this Contract Output supports the longer range, multi-year efforts, by establishing and meeting near term (FY10) milestones.

~~35%~~ 50% (~~\$525,000~~ \$975,000) of the allocated fee for PDCF project activities will be earned as follows:

7A. Complete the PDC Manipulator RMG Test Bed Conceptual Design, PDCF IPS Milestone WGGT4502GB00CI, scheduled for August 4, 2010 (\$152,250).

Completion Criteria:

1. The PDCF manipulator Conceptual Design for the 18 PDCF manipulators will be completed in FY09.
2. Upon completion of the Conceptual Design, a Preliminary Design for the PDCF manipulators will be developed, reviewed, review comments incorporated, and accepted by the IPT.
3. Upon completion of RMG preliminary designs for all process lines, the RMG vendor will complete sufficient detail design and modeling of RMG components and interfacing glovebox features to support conceptual design of the RMG test bed, and complete test bed conceptual design and models.
4. The contract measure will be satisfied when the manipulator test bed conceptual designs and models are presented by PaR Systems in a televised (I Link) presentation, and approved by the PDC RMG Design Authority:
Complete the PDC Manipulator RMG Test Bed Conceptual Design, PDCF IPS Milestone WGGT4502GB00CI, scheduled for August 4, 2010.

Assumptions:

1. Funding will be available to support this scope.
2. The PDCF Project is awaiting a decision from DOE/NNSA on a recommendation resulting from the recently completed PDCF Alternative Evaluation. It is assumed that this decision will not alter the scheduled timeframe for this effort because the effort is required regardless of the alternative decision.



3. The IPS contains concurrent reviews of PaR System designs and models by LANL, URS, and SRNS which must be completed to meet the milestone date.
4. Up to 75% of this award fee can be earned for up to 30 calendar days after the milestone date at the discretion of NNSA, after considering the circumstances leading to a late completion.

Government Furnished Services / Items:

1. None identified

7B. Satisfactorily Complete re-design of the PDC 3013 inner can, design, procurement, installation, and testing of Bagless welding, cutting, and glovebox sealing components for operation with the modified PDC Inner Can, SRNL POW schedule item RRBTS2180, Modified BTS System Checkout / Test, to be entered in PDC IPS with scheduled completion August 1, 2010. (\$304,500)

Completion Criteria:

1. To satisfy this completion criteria, all items will be performed in accordance with NQA-1 requirements
2. SRNL will have issued revised 3013 inner can designs, revised the can procurement to utilize the modified designs, and submitted the modified designs to LANL and URS to support modification of interfacing equipment.
3. SRNL will have modified designs and procured modified components for cutter clamps and closure devices, welder tip and weld clamps, Bell Jar seals, glovebox sphincter seals, and the tool axis mount plate.
4. SRNL will assemble modified components in the PDC Canning Development Lab on the prototype BTS System, perform tests of the modified components on the installed assembly, and write a BTS System Readiness Test Report.
5. SRNS Product Canning System Design Authority will approve the BTS System Readiness Test Report.

Assumptions:

1. Funding will be available to support this scope.
2. The PDCF Project is awaiting a decision from DOE/NNSA on a recommendation resulting from the recently completed PDCF Alternative Evaluation. It is assumed that this decision will not alter the scheduled timeframe for this effort because the effort is required regardless of the alternative decision.
3. The DOE Design Authority for Std. 3013 has previously identified specific inner can qualification testing and criteria that must be satisfied based on the changes from the previously qualified 3013 can (*Meeting Minutes in E-Mail*,



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Stimac to Mcalhaney, dated 12/18/06). It is assumed that there are no changes to this previously established re-qualification criteria for the PDCF 3013 inner can.

4. The report will be developed and approved through SRNL/SRNS. The report will be submitted to DOE for review and comment on schedule.
5. Up to 75% of this award fee can be earned for up to 30 calendar days after the milestone date at the discretion of NNSA, after considering the circumstances leading to a late completion.

Government Furnished Services / Items:

1. None identified

7C. Establish the Safety Control System Standardization and Quality Assurance tools and document them in a report to NNSA. Reference IPS activity W45505DE20 scheduled for completion on May 7, 2010. (\$68,250)

Completion Criteria:

1. Identify and document to tools necessary to establish the standards, procedures, and QA tools for safety systems.
2. Procure and perform a Factory Acceptance Test on the standardization tools.
3. Receive, perform Site Acceptance Test, and document on the standardization tools.
4. Integrate the safety system tools with the PDCF development system and test.
5. Document the results of the above actions in a report to be submitted to NNSA.

Assumptions:

1. Funding will be available to support this scope.
2. The PDCF Project is awaiting a decision from DOE/NNSA on a recommendation resulting from the recently completed PDCF Alternative Evaluation. It is assumed that this decision will not alter the scheduled timeframe for this effort because the effort is required regardless of the alternative decision.
3. Up to 75% of this award fee can be earned for up to 30 calendar days after the milestone date at the discretion of NNSA, after considering the circumstances leading to a late completion.

Government Furnished Services / Items:

1. None identified



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7D. The scope of this contract output includes the preparation and submittal of the PDC CD-1 report package to NNSA-SR in accordance with DOE O 413.3 (current version) and DOE S 1189. (\$450,000)

Note: Support for NNSA-SR/NNSA-HQ reviews of the CD-1 package will extend into the first quarter of FY2011. This deliverable will be captured in the FY2011 NNP PBI currently under development.

Completion Criteria:

1. Based on the accelerated strategy, submit complete and acceptable PDC CD-1 package to NNSA-SR by September 27, 2010.
2. Early, preliminary copies of draft CD-1 documents are made available to NNSA in an organized format for parallel reviews.
3. Quality of CD-1 documents is such that minimal revisions are identified and the content complies with DOE O 413.3 (current version) and DOE S 1189.

Assumptions:

1. Up to 100% of this award fee can be earned for up to 30 calendar days after the milestone date at the discretion of NNSA, after considering the circumstances leading to a late completion.
2. Substantive changes or delays are outside of contractor's control.
3. A CD-1 resource loaded schedule is available for NNSA acceptance by 23 July 2010. Schedule is maintained to reflect actual status and it is aligned with ongoing work efforts.
4. CD-1 documents will be delivered per the CD-1 document tree Rev E (or current) and 23 July 2010 project schedule.

Government Furnished Services / Items:

1. None identified

Contract Output 8: Execute the SRNS PDCF activities in compliance with DOE Order 413.3a and assistance from the DOE O 413.3 guides, along with all contractual requirements in a quality, responsive, cost effective manner in accordance with the PDCF Integrated Project Schedule (IPS).



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65% 50% (\$975,000) of the allocated fee for PDCF project activities will be earned as follows:

13% of the maximum fee for this contract output may be earned for each of the completion of criteria 8.A, 8.B, 8.C, 8.D, and 8.E. NNSA will provide a periodic evaluation of SRNS' performance with respect to these completion criteria as part of the normal contractor feedback process. Award fee payments will be made quarterly based on an overall acceptable performance for the quarter as determined by NNSA

8A. Safety and Security (\$195,000)

Completion Criteria:

1. No safety incidents, issues, or concerns during the performance period.
2. No safeguards and security incidents, issues, or concerns during the performance period.
3. Any incidents, issues, or concerns will be properly communicated and be addressed in a timely manner and evaluated to avoid reoccurrence.
4. All written communications on PDCF activities comply with contractually prescribed requirements.

8B. Customer/Stakeholder Responsiveness (\$195,000)

Completion Criteria:

1. Provide integrated, timely, constructive, quality support and responses to the FPD, Deputy, and the Federal IPT members, NNSA, DOE, DNFSB, GAO, IG, and other external review teams.
2. Support current and out year budget, funding, and planning activities as needed.

8C. Contractor Assurance (\$195,000)

Completion Criteria:

1. Implement and institutionalize a Contractor Assurance Program for SRNS on the PDCF project.
2. During the 1st quarter of FY10, complete CY09 planned assessments, and by October 30, 2009, submit an approved FY10 SRNS PDCF Contractor Assurance Plan for the remainder of FY10.
3. Execute the FY10 SRNS PDCF Contractor Assurance Plan through the remainder of FY10.
4. Submit an approved FY11 SRNS Contractor Assurance Plan for FY11 during the 4th quarter of FY10.
5. Institutionalize a lessons learned program for SRNS on the PDCF project and provide regular reports..



8D. Conduct of Project Management (\$195,000)

Completion Criteria:

1. Institutionalize good project management practices across all PDCF activities.
2. Designate a qualified PDCF project manager for SRNS activities.
3. Fully support the implementation of a trend program for PDCF.
4. Institutionalize the use of an earned value management system using best practice schedule management with utilization of a resource loaded schedule with well defined work activities, minimizing "level of effort" tasks, with logic ties to other SRNS and IPT activities.
5. Strictly manage SRNS activities related to PDCF critical path or near critical path. Maintain Cost and Schedule Performance (CPI/SPI) between 0.95 and 1.10. Provide quality variance analysis in the monthly report that discuss causes/effects and corrective measures to recover cost or schedule impact, Variance reports should also integrate with other organizations when SRNS performance impacts other IPT organizations.
6. Continue the PDCF Risk Management program and work with IPT to identify and capitalize on opportunities. Look for opportunities to improve the Risk Management Plan and processes.
7. Provide accurate monthly reports that demonstrate prudent project management and ownership.

8E. Conduct of Engineering (\$195,000)

Completion Criteria:

1. Actively participate and provide integrated, timely, constructive, and quality support to the Technical Oversight Group (TOG) and the Integrated Project Team (IPT).
2. SRNS activities and support should enhance, not adversely impact, other IPT activities.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. None identified



Part C: Nuclear Nonproliferation Multi-year PBI

Time Period: October 1, 2009 – September 30, 2013

Allocated Fee: \$TBD (see *Available Fee* below)

Rev. A

Performance Outcome: Provide cost-effective management and technical support to the Nuclear Nonproliferation Programs so that the WSB project is completed within the cost and schedule baselines and in accordance with DOE Order 413.3A and other applicable DOE directives, regulations, and requirements.

Contract Output 1: Safely execute the construction of the Waste Solidification Building in accordance with the approved project baseline, on a schedule which supports the need date of the Mixed Oxide Fuel Fabrication Facility, and in accordance with the requirements of ASME NQA-1-2000 (or successor as invoked).

Available Fee: The fee available for this contract output is structured as an incentive for the sharing of cost under-runs. The fee to be earned will be provided by WSB line-item funds and is in addition to the potential fees earned through the annual award fee pool as delineated in the M&O contract. The fee earned will be 50% of the funds remaining after project closeout. NNSA OPC costs are not included in this determination; therefore, the final actualized TPC will be subtracted from a ceiling of \$341,555,000 for the purpose of calculating fee.

Contract Measure: Up to 100% of the allocated incentive fee may be earned by Contract Output as follows:

1. Complete the WSB project, through project and contract closeout, at a Total Project Cost of less than \$341,555,000.
2. The approval of Critical Decision 4 must be on a schedule to support the need date of the Mixed Oxide Fuel Fabrication Facility and does not result in cost impacts to that project due to WSB schedule delays.

Completion Criteria:

1. Critical Decision 4 is approved by NNSA.
2. All costs have completed the accrual process.
3. All contracts and subcontracts have been closed out and any required DOE reviews completed.
4. All claims for equitable adjustments and contract disputes have been resolved to a point that no further financial liability would be provided from project funds (see *Conditions* below).
5. All records documenting the completion of the subject activities in accordance with the applicable requirements are complete.



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6. The Critical Decision 4 completion date is currently forecast for 3rd quarter FY13 (see *Conditions* below).

Cost Overruns: In the event that project costs exceed the approved WSB project baseline (currently \$341,555,000), SRNS will be responsible for a portion of the actualized overrun. The overrun will be shared with the government at a ratio of 80% (NNSA) – 20% (SRNS). The maximum amount that SRNS will be liable for is capped at \$6,000,000.

Assumptions:

1. Funding is available to support the project execution.
2. In the event that NNSA directed scope changes result in an increase to the project baseline; i.e., additional funds provided for the line-item, the total available fee will be calculated based on the revised cost ceiling. This provision does not apply to a project baseline increased due to project performance.
3. It is anticipated that changes will be experienced. Potential changes have been allocated for in project contingency analyses. These changes will be funded through available management reserve/contingency. SRNS should not assume that additional funds will be added to the line item and should expect that all changes will be provided for by current project funds (see *Scope Changes* below).
4. Critical Decision 4 will be approved by NNSA in a timely manner to support the WSB schedule. SRNS is not responsible for delays in CD-4 approval, provided:
 - i. The request for approval is submitted in accordance with the WSB schedule and provides the necessary time for the NNSA review process.
 - ii. The reason for delay is not attributable to SRNS performance or execution.

Conditions:

1. Fee under this incentive will be paid in its entirety upon project completion as delineated above.
2. Completion is based on the Early Finish date, with the overriding goal of not impacting the MFFF schedule. There will be no penalty to SRNS should the MFFF need-date be delayed. In that event, the WSB project may have additional opportunities to save costs by adjusting schedule; e.g., less overtime required. Exceeding the Late Finish date does not necessarily eliminate the ability to earn fee under this incentive provided that Critical Decision 4 is approved prior to the MFFF need-date.
3. Should the MFFF need-date be earlier, but within the baseline WSB schedule contingency window, the WSB project will expend the funds necessary to meet the need-date. See *Contract Measure 2* above.



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4. Upon payment to SRNS under this incentive, any additional late claims from a subcontractor related to the WSB scope will be paid by SRNS unless specifically accepted by NNSA.
5. The project is expected to complete within the base period of SRNS prime contract. However, in the event the SRNS prime contract completes before project completion, the parties will negotiate cost or savings sharing on a pro-rata basis based on the project status at the time of SRNS' prime contract completion date. Any payment to or from SRNS under this incentive will not take place until final project closeout (consistent with the completion criteria discussed above) even if this takes place after the SRNS prime contract is complete.

Scope Changes: The TPC includes contingency funds to address anticipated events. However, it is expected that the project will be expected to absorb any new scope (including directed scope) using contingency funds. Examples of such scope changes that could impact project cost and/or schedule include, but are not limited to, new or revised DOE Orders/Standards, DNFSB Recommendations, or new laws issued by Congress. Because the only funds available for this incentive are within the project baseline, the contingency currently available will be used to support project needs and will reduce the fee available as those funds are expended. It is not the intent of NNSA to penalize SRNS potential fee that it could have earned if additional funding had been provided, however fee is available only *as long as a surplus is maintained*. NNSA will make an equitable determination of "new and significant" scope items at the completion of the project for the purposes of identifying those funds available to be earned under this PBI. In this eventuality, costs for these scope increases will be provided first from the NNSA half of any under run to the extent available. If new and significant changes result in cost impacts greater than half of the surplus that would have been available, then NNSA would receive \$0 and the contractor's fee would be reduced to cover the difference. The potential exists that should project costs rise to the current TPC ceiling, little if any funds may remain available for this incentive. Any adjustment is intended to cover new and significant additions to scope that are driven by external conditions and not addressed by existing risk analyses and will be made at the discretion of NNSA. Finally, if in NNSA's determination, the WSB project would have been completed within the approved baseline except for such new and significant scope, and the scope resulted in exceeding the TPC, SRNS will not be liable for the cost overrun.

In the event that additional funding is obtained to address new scope, the WSB Performance Measurement Baseline will be revised. Any additional contingency commensurate with the new scope will not necessarily be considered as additional available fee. This PBI will be evaluated at that time to determine if an adjustment to the incentive is warranted.

Multi-year PBI – Annual Assessment



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As part of the Nuclear Nonproliferation multi-year PBI for the Waste Solidification Building, an annual assessment will be performed and documented at the conclusion of each fiscal year to status all Project related financial transactions affecting the overall Project baseline cost contingency. This annual assessment allows for early identification of concerns or issues by either party to ensure prompt resolution. The annual assessment also ensures consistent interpretation of cost impacts by both parties. The annual assessment will include the following:

1. Statement of the Project contingency at the beginning of the fiscal year.
2. Statement of any and all additional Project contingency (if any) generated during the fiscal year.
3. Statement documenting all project Change Orders approved during the fiscal year that impacted Project contingency. Each Project Change Order will be listed with a summary level discussion of the reason for the change and the cost for the change. Any approved Project Change Orders that are directly the result of an NNSA directed change to the Project will be so noted.
4. Statement listing all Project Change Orders and the costs that are directly the result of an NNSA directed change since the initial approval of the multi-year PBI.
5. Statement of the Project contingency at the end of the fiscal year.

Government Furnished Services / Items:

- Approval of Critical Decision 4



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PBI Number: SRNS2010TP

Activity Name: Tritium Programs

WBS Number: 1.03

Performance Period: October 1, 2009 - September 30, 2010

Allocated Fee:	Objective Amount: <i>(50% of allocated fee)</i> \$5,790,000	Subjective Amount: <i>(50% of allocated fee)</i> \$5,790,000
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Revision Number: **1**

Senior level manager name:
Douglas Dearolph

Senior level supervisor/division manager name:
Tim Fischer

Performance Outcome:

The Contractor shall manage the Tritium program as a defined severable work activity within the M&O contract structure so that it will be positioned to be responsive to any future direction with the NNSA Nuclear Security Enterprise.

Contract Output: SRNS2010TP

The Tritium Performance Fee Agreement has eight contract outputs which are fully developed in the Tritium PBI pages 5 - 34. A summary of each contract output is provided below. The Performance Outcome and associated Contract Outputs and Completion Criteria are based on anticipated fully-funded NNSA-HQ program level Work Authorizations. In the event there are any substantive differences identified in work scope or funding, this PBI will be modified in a timely manner to allow the allocated fee to be earned in FY 2010. The PBI includes both objective and subjective performance elements. The subjective elements will receive an adjectival rating using the enclosed Subjective Rating and Criteria Description table.



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Number	Value	Indicator
SRNS2010TP-01	\$2,895,000	Support the nuclear weapons stockpile by safely providing tritium and non-tritium loaded reservoirs to the Department of Defense in accordance with NNSA guidance and direction. Provides incentive to the contractor to meet all requirements associated with the Helium 3 mission. This output also provides the contractor incentive to facilitate a reduction in the number of classified parts to reduce inventory of legacy classified materials. Provide the contractor incentive to achieve NNSA Reservoir Surveillance Operations work scope that is required for continuing Stockpile certification, Life Extension Program, First Production Unit and related functions.
SRNS2010TP-02	\$694,800	Extract tritium from irradiated Tritium-Producing Absorber Rods.
SRNS2010TP-03	\$80,000	Conduct research and development activities that solve complex problems related to mission of SRSO and the NNSA
SRNS2010TP-04	\$769,800	Support the Tritium Programs mission by safe and efficient execution of projects. <ol style="list-style-type: none">1) He-3 projects (Y504, Y505)2) Project Support Building and facility projects (Y549, Y547, Y522, Y430, Y470)3) Stretch: Project Support Building Mechanical Complete. (Y547)4) Stretch: ARMS post project scope and additional processing units.5) TEF Warehouse Mechanical Complete (Y548)



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SRNS2010TP-05	\$1,737,000	Participate in the NNSA multi-site and Enterprise incentives to achieve Complex-wide goals.
SRNS2010TP-06	\$1,737,000	Maintain the Tritium Facilities in a safe, secure and responsive operating condition. (Operations) Facility and Site Management Maintenance Effectiveness Operations and Work Planning Quality Assurance Engineering Nuclear Security and Fire Protection Radiation Protection
SRNS2010TP-07	\$1,737,000	Maintain the Tritium Facilities in a safe, secure and responsive operating condition. (ES&H/S&S) Training and Qualification Emergency Management Health & Safety (excludes fire protection) Environmental Management Waste Management Safeguards and Security Cyber Security
SRNS2010TP-08	\$1,929,400	Maintain the Tritium Facilities in a safe, secure and responsive operating condition. (Business) Fiscal Management Contractor Assurance System Program Management Project Management Information Technology/Process Control



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SRNS2010TP Complete objective evaluation criteria prior to approval. Objective and subjective evaluation criteria will be used to document review and acceptance of this performance fee agreement.

Objective Evaluation Criteria: Completion will require: Will be evaluated as performance is completed and will be discussed and documented in the monthly SRSO and contractor performance meeting.

Subjective Rating Criteria	Subjective Rating Evaluation Criteria Description
Outstanding	Contractor has <u>exceeded almost all</u> of the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Very Good	Contractor has <u>exceeded many</u> of the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Good	Contractor has <u>exceeded some of</u> the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Satisfactory	Contractor has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Unsatisfactory	Contractor has failed to meet overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.

Note: Due to the introduction of the “very good” category, the gateway will require achieving “very good” to access the stretch fee.



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PBI: **SRNS2010TP: Tritium Programs**
 Performance Period: October 1, 2009 - September 30, 2010
 Allocated Fee: \$11,580,000

Performance Outcome:

The Contractor shall manage Tritium Programs as a defined, severable work activity within the M&O contract structure so that it will be positioned to be responsive to any future direction within the NNSA Nuclear Security Enterprise.

The Performance Outcome and associated Contract Outputs and Completion Criteria are based on anticipated fully funded NNSA-HQ program level Work Authorizations. In the event there are any substantive differences identified in work scope or funding, this PBI will be modified in a timely manner to allow the allocated fee to be earned in FY 2010.

Subjective Adjectival Rating Criteria:

For those Completion Criteria that receive an adjectival grade and numerical score the following table will be used to define the different levels of performance and the corresponding grade/score that goes with the evaluation thereof.

Subjective Rating Criteria	Subjective Rating Evaluation Criteria Description
Outstanding	Contractor has <u>exceeded almost all</u> of the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Very Good	Contractor has <u>exceeded many</u> of the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Good	Contractor has <u>exceeded some of</u> the significant award fee criteria and has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Satisfactory	Contractor has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.
Unsatisfactory	Contractor has failed to meet overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period.

Note: Due to the introduction of the “very good” category, the gateway will require achieving “very good” to access the stretch fee.



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Contract Output 1. Support the nuclear weapons stockpile by safely providing tritium and non-tritium loaded reservoirs to the Department of Defense in accordance with NNSA guidance and direction.

This work is the highest priority Stockpile Stewardship mission at the Savannah River Site. This Contract Output provides the contractor incentive to meet all Production Directive and shipping commitments on schedule. The work covered by this Contract Output is to accomplish the DSW mission to provide loaded reservoirs in support of the nuclear weapons stockpile, and to meet all monthly directive commitments for delivery of Limited Life Components (LLC) to the Department of Defense and Pantex Plant.

In addition to providing reservoirs to meet LLC directive commitments, a goal of this PBI is to drive the improvement of reservoir quality for each weapon system. The improvement goal will be that the total reservoir product of each system will have a facility Tritium Production Acceptance Group (TPAG) high quality acceptance rate.

This Contract Output provides contractor incentive to meet all requirements associated with the Helium-3 mission.

This Contract Output provides contractor incentive to facilitate a reduction in the number of classified parts to reduce inventory of legacy classified materials. The decrease of classified parts is accomplished by unloading and disposing of non-reclaimable reservoirs.

This Contract Output also provides the contractor incentive to achieve National Nuclear Security Administration (NNSA) Reservoir Surveillance Operations work scope that is required for continuing Stockpile certification, Life Extension Program (LEP) First Production Unit (FPU) and related functions. The Gas Transfer System (GTS) testing program is a key activity in the Nuclear Weapons Stockpile Surveillance Program. The NNSA and Design Agencies have placed a high priority on timely GTS testing and reporting. The on-time delivery of GTS test data will provide key information on the performance and aging effects of GTS components, and support decisions for future weapon design.

The work scope consists of function testing, burst testing, and metallographic examination of Stockpile Laboratory Tests and similar testing of units from the Life Storage Program. The work scope also includes testing of production samples. Other activities in support of the surveillance program include loading, unloading, reclamation and storage of LSP reservoirs. Work scope is considered complete when GTS performance data is documented in RAPTOR reports and destructive examination results



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are documented in RAISIN reports for SLT units and Metallurgical reports for LSP units. Specific work scope is documented and tracked to completion in the RSO schedule.

Up to \$2,895,000 of the allocated Tritium Programs PBI fee may be earned by Contract Output 1 as follows.

Essential Fee

1. **\$579,000** available fee for Completion Criterion 1. Monthly fee payments (1/12th of the available fee) will be earned, consistent with successful monthly performance of Completion Criterion 1.
2. **\$579,000** available fee of the Contract Output may be earned at the end of the assessment period for the completion of Completion Criterion 2.
3. **\$231,600** available fee of the Contract Output may be earned at the end of the assessment period for the completion of Completion Criterion 3.
4. **\$231,600** available fee of the Contract Output may be earned at the end of the assessment period for the completion of Completion Criterion 4.
5. **\$463,200** available fee of this Contract Output may be earned for the completion of Completion Criterion 5.
6. **\$347,400** available fee for Completion Criterion 6. Fee payments will be made quarterly consistent with completed performance of Completion Criterion 6 at the end of each quarter (December 31, 2009; March 31, 2010; June 30, 2010 and September 30, 2010).
7. **\$115,800** available fee of the Contract Output may be earned at the end of the assessment period for Completion Criterion 7.
8. **\$347,400** available fee for Completion Criterion 8. Fee payments will be made quarterly consistent with completed performance of Completion Criterion 8 at the end of each quarter (December 31, 2009; March 31, 2010; June 30, 2010 and September 30, 2010).

Completion Criteria

1. Complete the monthly loading, packaging and shipping of reservoirs per SRSO Production Directive and the monthly shipping schedule.
2. The total reservoir product of all weapon systems will have a facility TPAG (by Submittal) acceptance rate of 98.5% or greater. The weapon systems to be measured are B61, W76-0, W76-1, W78, W80, B83, W87, and W88. The calculation will be annualized such that the defect rate will be based on the total number of reservoirs submitted for inspection during the year. If TPAG acceptance rate performance is 98.5% or greater, then 100% of the available fee will be earned. In all cases, the monthly Cost of Nonconformance will be 2% or less. If TPAG acceptance rate performance is less than 98.5%, then fee earned for this Completion Criterion will be reduced as follows, provided the Cost of Nonconformance meets requirements:



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- TPAG acceptance rate equal to 98.0% but less than 98.5%, fee earned will be 75% of the available fee.
 - TPAG acceptance rate equal to 97.0% but less than 98.0%, fee earned will be 50% of the available fee.
 - TPAG acceptance rate less than 97.0%. No fee will be earned for this Completion Criterion.
3. The Helium-3 program is executed to support the Memorandum of Understanding between the NNSA-SRSO and the DOE Isotope Program. Process Helium-3 byproduct so that it is available for sale through the DOE Isotope Program while minimizing the amount of Helium-3 that is lost through stack releases. This is to be accomplished without adverse impact to the central mission of the HANM facility.
 4. Packaging and Shipping / OST Support.
 - a. Provide loading/off-loading support to OST according to the schedule.
 - b. Maintain inventory records, as required.
 - c. Maintain shipping and receiving records, as required.
 5. Dispose of 2671 reservoirs as part of the Classified Parts Reduction program. Criterion is met when reservoirs are stored in waste containers (e.g., B-12/B-25/RD-100) for disposal.
 6. Function Testing. Completion of 150 Function Test Equivalent (FTEs) with test data documented in RAPTOR reports.
 7. Reporting. For reports issued during the PBI period, the annual average RAPTOR-to-RAISIN report goal duration times for Stockpile Lab Tests will be 5 months for Type A (B61, W78, W80, W87) reservoirs and 10 months for Type B (W76, B83, W88) reservoirs. One month will be allowed for Ultrasonic Testing of certain systems, as directed by the Design Agencies (currently applies to the B61 and W78), but will not count towards the determination of the RAPTOR-to-RAISIN duration. Delays pending Design Agency (DA) or NNSA direction are excluded from the RAPTOR-to-RAISIN report duration times, unless the delay is due to SRNS error. Changes to scope by the Design Agencies will require negotiation of new duration goals.
 8. Post-Function Testing. Completion of destructive examinations of 27 LSP units and documentation of results in Metallurgical reports.

Assumptions

1. For Completion Criterion 1.
 - a. The basis for evaluation will be loading/shipping of Production Directive requirements as specified to the contractor by the National Nuclear Security Administration Savannah River Site Office (NNSA-SRSO) in a three month "look ahead" Production Directive schedule. A new Production Directive will be issued by NNSA-SRSO each month. If Savannah River Nuclear Solutions (SRNS) considers



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that the specified schedule changes will increase costs or delay any delivery, SRNS shall promptly notify the NNSA-SRSO Contracting Officer, orally, confirming and explaining the notification in writing within five (5) working days. Following submission of the written notice of impacts, SRNS shall await further direction. Shipping is done per a monthly shipping schedule. If packaging is completed, but a shipment is missed for some reason beyond SRNS control, the Completion Criteria shall be considered complete.

b. Performance is evaluated monthly. Any missed shipment as a result of SRNS performance will result in nonpayment for that month's portion of this Contract Output.

c. Failure to maintain acceptable quality performance, as indicated by the following established metrics will subject SRNS to the following described fee reductions.

1. Cost of Non-Conformance (CONC) - Evaluates the Tritium Facilities cost of nonconformance as compared to the Tritium Facilities total product cost. A fee deduction may be imposed if cost exceeds 2.0% in any month.
2. The maximum total fee deduction associated with any month's reservoir shipment, cannot exceed the monthly maximum fee payment.
2. This PBI will use the Function Test Equivalents which have been developed and jointly agreed upon by SRSO and SRNS. Test equivalents may be modified to respond to changes in testing requirements or methodology by SRSO or the Design Agencies.
3. Completion of W88 RAISIN reports is dependent upon the Design Agency's timely resolution of hydroburst issues.
4. Completion Criteria delays resulting from a function test system or environmental conditioning system malfunction not attributable to SRNS performance will allow the adjustment of the Completion Criteria and reallocation of the fee. SRSO has accepted risk for single-point failure in lieu of additional costs to provide redundant and backup capability.

Government Furnished Services / Items

1. War Reserve components required from other sites to support the Production Directive must be received at SR, free of defects, a minimum of 90 days in advance of the scheduled ship date. Processing and shipping of components not meeting these requirements, and/or due to changes to the Production Directive less than ninety days in advance of the ship date, will be accomplished in a "best efforts" manner, and SRNS will not be penalized for failure to meet the scheduled date.
2. The number of reservoirs to prepare for disposal was based upon current direction as to which reservoirs were authorized for disposal. In the event that SRNS is directed to delay disposal of additional reservoir types, the number of reservoirs



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established in Completion Criterion 4 will be reduced consistent with delayed quantities.

3. Timely delivery of components required for testing.
4. No delay in testing from the Design Agencies due to systematic anomaly, not associated with SRNS negligence.



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Contract Output 2. Extract tritium from irradiated Tritium-Producing Burnable Absorber Rods.

This Contract Output provides the contractor incentive to complete selected tritium production-related milestones that are significant to support the Tritium Readiness Program and operation of the Tritium Extraction Facility (TEF) to receive and extract TPBARs. The TEF will be operated in accordance with the TEF Annual Operating Plan and the Responsive Operations Plan.

Completion of the activities cited in this Contract Output will replenish the Nuclear Security Enterprise inventory of tritium. Meeting these work requirements is dependent upon the proper functioning and availability of a one-of-a-kind facility, many complex pieces of equipment, and the availability of a knowledgeable staff for operation and maintenance.

Up to \$694,800 of the allocated Tritium Programs PBI fee may be earned by Contract Output 2 as follows.

Essential Fee

1. **\$115,800** maximum fee of the Contract Output may be earned at the completion of Completion Criterion 1.
2. **\$115,800** maximum fee of the Contract Output may be earned at the completion of Completion Criterion 2.
3. **\$463,200** maximum fee of the Contract Output may be earned at the completion of Completion Criterion 3.

Completion Criteria

1. Receive Cycle 9A TPBARs and place in storage by March 29, 2010. Activity is complete when cycle 9A TPBARs are in storage location in TEF Remote Handling Building.
2. Receive Cycle 9B TPBARs and place in storage by May 28, 2010. Activity is complete when cycle 9B TPBARs are in storage location in TEF Remote Handling Building.
3. Extract Cycle 9A TPBARs by June 30, 2010. Tritium extraction activity is complete when gas has been extracted from the Cycle 9A TPBARs and is accounted for in ARMS.

Assumptions

None.



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Government Furnished Services / Items

1. For Completion Criterion 1 and 3, the Cycle 9A TPBARs must be received on the property of SRS from TVA and NAC by March 1, 2010. If the cask is received beyond this date, there will be a day-to-day slip in the completion date for this activity.
2. For Completion Criterion 2, the Cycle 9B TPBARs must be received on the property of SRS from TVA and NAC by April 30, 2010. If the cask is received beyond this date, there will be a day-to-day slip in the completion date for this activity.



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Contract Output 3. Conduct research and development activities that solve complex problems related to the mission of SRSO and the NNSA.

Research and development activities are conducted to solve complex problems related to the mission of SRSO and the NNSA.

A focused research and development program advances the design and manufacture of Gas Transfer System components and manufacturing methods. These activities are sponsored by the Readiness Campaign, Enhanced Surveillance Campaign, as well as the core mission programs (RTBF and DSW). This Contract Output provides the contractor incentive to complete research and development activities that support NNSA missions at Savannah River and other NNSA sites.

Up to \$80,000 of the allocated Tritium Programs PBI fee may be earned by Contract Output 3 as follows.

Essential Fee

1. \$20,000 available fee for Completion of Criterion 1.
2. \$60,000 available fee for Completion of Criterion 2.

Completion Criteria

1. Develop design for Gen1 Hydride Bed with Thermal Enhancement Cartridge Heater modification (Tech Mod). By September 30, 2010 have an approved design calculation and engineering drawing for Gen1 Rev. 2 (Tech Mod) hydride bed.
2. Implement Automated Control System for Mini-TCAP in HRTL. Complete by September 30, 2010 a Mini-TCAP system which will function 24/7 under automatic control.

Assumptions

None

Government Furnished Services / Items

None.



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Contract Output 4. Support the Tritium Programs missions by safe and efficient execution of projects.

Up to \$769,800 of the allocated Tritium Programs PBI fee may be earned by Contract Output 4 as follows.

Essential Fee

1. **\$231,600** available fee for Completion Criterion 1; **\$115,800** for 1.a and **\$115,800** for 1.b.
2. **\$289,500** available fee of the Completion Criterion 2; **\$57,900** for 2.a, **\$57,900** for 2.b, **\$57,900** for 2.c and **\$57,900** for 2.d., **\$28,950** for 2.e and **\$28,950** for 2.f .
3. **\$57,900** available fee for Completion Criterion 3
4. **\$115,800** available fee for Completion Criterion 4; **\$57,900** for 4.a and **\$57,900** for 4.b.
5. **\$75,000** available fee for Completion Criterion 5.

Completion Criteria

1. He-3 Projects. The Helium-3 program is executed to support the Memorandum of Understanding between the NNSA-SRSO and the DOE Isotope Program.
 - a. For Project Y504 He-3 Separation and Bottling Process, a satisfactory completed design will be submitted to SRSO by July 31, 2010.
 - b. For Project Y505 Byproduct Decontamination Process, installation, start-up testing, resolution of pre-start issues, and turnover to Operations will be completed by May 31, 2010.
2. Project Support Building and Facility Projects
 - a. For Project Y549 Tritium Site Preparation & Utilities, Mechanical Complete with no outstanding "A" or "B" punch-list items will be accomplished by June 10, 2010.
 - b. For Project Y547 Tritium Office/Shop Building, Design Complete will be accomplished by April 29, 2010.
 - c. For Project Y522 P1 Piping Modifications, Mechanical Complete will be accomplished 19 weeks after P1 OGM start.
 - d. For Project Y430 HAOM Air Monitoring, Mechanical Complete will be accomplished by January 31, 2010. If HAOM legacy configuration issues require schedule delays then SRSO will discuss with SRNS and there may be a renegotiation on the completion date.



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- e. For Project Y470 Automated Reservoir Management System (ARMS) Modernization, complete Code Development of the 1K Inert reservoir by May 31, 2010.
 - f. For Project Y470 Automated Reservoir Management System (ARMS) Modernization, complete Integrated Testing of Inert Reservoirs by September 30, 2010.
3. STRETCH: Complete Mechanical Completion for Project Y547 Tritium Office/Shop Building with no outstanding "A" punch list items by September 15, 2010. (0.5%).
 4. STRETCH: ARMS post-project scope:
 - a) Complete ARMS post-project scope modifications to the new ARMS system for the RUC processing, HSV processing and TCV processing by September 30, 2010.
 - b) Complete additional processing units/reservoirs by September 30, 2010.Completion, reduction and/or elimination of any ARMS post-project scope in FY10 in addition to items identified in a) is considered successful completion of this stretch criterion.
 5. For project Y548 TEF Warehouse, Mechanical Complete with no outstanding "A" punch-list items by September 30, 2010.

Assumptions

Assumptions are included in the individual Completion Criteria.

Government Furnished Services / Items

None



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Contract Output 5. Participate in the NNSA Multi-Site Incentives and NNSA Nuclear Security Enterprise Initiatives.

Participate in the NNSA Multi-Site Incentives (MSIs) by working with Nuclear Security Enterprise partners to achieve Enterprise-wide goals. Although SRS Tritium Programs' level of participation will vary across the individual Multi-Site Incentives, the distribution of available fee according to Assumption 1 encourages partnership with other Nuclear Security Enterprise (NSE) sites to achieve NNSA's objectives. This is the purpose of Multi-Site Incentives.

NNSA has been analyzing ways to lower the cost of business and has been actively evaluating ways to consolidate contracts. For the plan to be effective in the future, NNSA must know the actual costs of work performed by Tritium Programs and other site resources and specific deliverables that are produced by the workforce. This requires implementation of the Tritium Programs Severability plan with EM partners on site to achieve NNSA goals.

Participate in actions needed by the Nuclear Security Enterprise to support Record of Decision requirements. This may require working with internal partners such as SRNL and working with Nuclear Security Enterprise partners to achieve the goals to consolidate the missions of the NNSA and reduce the cost of the NSE. This requires Tritium Programs to seek ways to reduce the cost of the business by reducing the size of the infrastructure.

Participate in the Governance Changes requested by the NNSA Administrator in July 2009. This requires working with Enterprise partners and NNSA to achieve the goals of Directive Reform and other governance changes. Tritium Programs will also lead the effort to develop and implement plans to reduce the cost of business internally as well.

Up to \$1,737,000 of the allocated Tritium Programs PBI fee may be earned by Contract Output 5 as follows.

Essential Fee

1. **\$1,158,000** available fee of this Contract Output may be earned at the completion of Completion Criterion 1. The fee is distributed per Assumptions 1 and 2.
2. **\$231,600** available fee of this Contract Output may be earned at the end of the assessment period for Completion Criterion 2. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.
3. **\$231,600** available fee (~~4%~~ **\$115,800** for 3.a. and ~~4%~~ **\$115,800** for 3. b.) of this Contract Output may be earned at the end of the assessment period for Completion Criterion 3. Fee will be determined at the end of the assessment



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period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.

4. **\$115,800** available fee of this Contract Output may be earned at the end of the assessment period for Completion Criterion 4. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.

Completion Criteria

1. Participate in the FY 2010 MSIs cited in the NNSA Milestone Reporting Tool (MRT) by working with Nuclear Security Enterprise (NSE) partners to achieve NSE-wide goals. Successful completion for each individual milestone within the overall MSI is assigned by NNSA Headquarters.
2. Tritium Program Severability. The facility has been directed to implement the Severability Plan. This will include planning, development, and implementation of an effective and comprehensive schedule consistent with NNSA direction for severability in a timely manner. This initiative will move Tritium Programs toward a goal of becoming a semi-autonomous entity within the M&O.
3. Modernization
 - a. Record of Decision (ROD) Activities. Participate and ensure support for implementation of the NNSA Complex Transformation strategies and goals that are applicable to SRNS. Facilitate communication and contractor support for overall Complex Transformation ROD integrating activities to develop efficient business practices and systems integration processes with Tritium and the Nuclear Security Enterprise.

Completion criteria include:

Support key modernization and strategic planning initiatives, such as the Enterprise Reengineering Team, NNSA Directives Review, and Tritium R&D Consolidation.

- b. Facility Efficiency or Footprint Reduction. Demonstrate support for implementation of the Tritium Facility Transformation strategies and goals per NNSA direction and additional required funding.

Completion criteria include:

- I. Support key facility modernization and strategic planning initiatives, such as the Tritium Programs Strategic Plan, Human Capital Management Plan, and Business Transformation Plan
- II. Specific activities may include implementing Innovation/Technological Advancement and Footprint Reduction.



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4. Governance. Evaluate and analyze the business to develop ideas to meet the Tritium Transformational Business Plan \$6M target. This includes issuance of plans and schedules for implementation to support the Tritium Transformational Business Plan \$6M target utilizing efforts such as NNSA Directive Reforms.

Multi-Site Target Assumptions

1. Letter, Harencak to Distribution, FY2010 Multi-Site Targets and Success Criteria, August 20, 2009.
 - Minimum percentage fee structure for the major categories (items) is: 30% for Stockpile; 10% for Enterprise Integration; 10% for Science & Engineering. The remaining 50% is allocated per Site Office Manager's discretion.
 - Sites not participating in a multi-site target will have their fee rolled up within the same major category (items 1, or 2, or 3)
 - Sites not participating in a major category (item) will have their fee distributed within remaining major categories (item) at the Site Office Manager's discretion.
 - The HQ "Champion" shall evaluate quarterly whether the multi-site target was achieved on a pass/fail basis taking into account inputs from the "Owners." At completion of 4th Quarter, NA-10 shall sign a Memo to Site Office Managers that contains the final evaluation ratings for each Multi-Site target; this Memo is used by the FDO for ultimate fee determination.
2. Inclusion of specific scope and fee distribution into this PBI will be accomplished through a letter issued by the National Nuclear Security Administration Savannah River Site Office (NNSA-SRSO) Manager to Savannah River Nuclear Solutions, LLC (SRNS).

Government Furnished Services / Items

1. NNSA Headquarters defines the FY 2010 Multi-Site Incentives with associated completion criteria and fee distribution method.



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Contract Output 6. Maintain the Tritium Facilities in a safe, secure and responsive operating condition. (Operations)

This Contract Output emphasizes Operations programs that provide the physical infrastructure and operational capabilities required to conduct Directed Stockpile and Campaign activities.

This Contract Output has a single Completion Criteria associated with Operations in the following areas:

- Facility and Site Management
- Maintenance Effectiveness
- Operations and Work Planning
- Quality Assurance
- Engineering
- Nuclear Safety and Fire Protection
- Radiation Protection

Up to \$1,737,000 of the allocated Tritium Programs PBI fee may be earned by Contract Output 6 as follows.

Essential Fee

1. **\$1,737,000** available fee of the Contract Output may be earned at the end of the assessment period for Completion Criterion 1 associated with Operations. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.

Completion Criteria

1. Operations

A. Facility and Site Management. SRNS will comprehensively manage the Tritium Facilities and will continuously assess and report on all aspects of the health and condition of Tritium Operations facilities to ensure that issues and problems are raised to the appropriate level for resolution through submittal of appropriate metrics.

Completion Criteria include:

1. The ten year site plan for the Tritium Facilities, as required by NNSA and RPAM, will be updated annually to reflect the facility improvements, replacements-in-kind, and general facility maintenance required to support the active programs and missions. This document will comply with the format, content, and schedule provided by NNSA/HQ.



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2. Health and condition of the major production facilities, as evidenced by facility assessments and the monthly facility availability metric, will be accurately reported each month and will demonstrate that the facilities are available to meet the mission deliverables.
3. Real property assets will be maintained in a cost-effective manner that includes management of Deferred Maintenance (reported yearly), facility improvements, and RIK to ensure facilities and equipment are available to meet mission deliverables. The Facility Information Management System (FIMS) reporting requirements are timely, accurate, and complete by September 30, 2010 to include the Facility Condition Index (FCI).
4. Concurrent with the budget cycle and ten year site plan for the Tritium Facilities, provide NNSA/SRSO an analysis of the Tritium Facilities deferred maintenance, replacement plant value and FCI. Include funding needs to stabilize and improve the FCI along with maintenance and project recommendations.
5. Develop an energy management program for the Tritium Facilities and develop metrics to establish baseline.

B. Maintenance Effectiveness. Maintenance Effectiveness reviews and metrics will demonstrate effective performance and a commitment to contractor assurance. These metrics shall provide an accurate representation of performance, and will identify areas for improvement.

1. Aggregate evaluation of review results shows that the Maintenance Program is in compliance with the requirements of DOE O 433.1 and the site Maintenance Implementation Plan.
2. Locked-In Completion, as evidenced by the Locked-In Completion metric, will be accurately reported each month and will demonstrate the performance of work scheduled.
3. Open Work Activities, as evidenced by the Open Work Activities metric, will be accurately reported each month and will demonstrate adequate manpower availability.
4. Corrective Maintenance (CM) Backlog, as evidenced by the CM Backlog metric, will be accurately reported each month and will demonstrate that the condition of the plant equipment is not degrading.
5. Mechanic Utilization, as evidenced by the Mechanic Utilization metric, will be accurately reported each month and will demonstrate that efficiency of the mechanic's utilization in performing work.
6. Actual Hours versus Estimated Hours Ratio, as evidenced by the Actual Hours versus Estimated Hours Ratio metric, will be accurately reported each month and will demonstrate the efficient performance of the work planned.



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7. Critical Spare Parts, as evidenced by the Critical Spare Parts metric, will be accurately reported each month and will demonstrate that the critical spare parts are in inventory when needed.
8. Planning Effectiveness, as evidenced by the Planning Effectiveness metric, will be accurately reported each month and will demonstrate the effectiveness of having activities “ready to work” prior to the time they are scheduled.

C. Operations and Work Planning. SRNS Tritium Programs’ work will be effectively executed in accordance with Conduct of Operations practices and requirements as defined in the S/RIDs and work will be effectively planned and coordinated.

Completion criteria include:

1. Effective Operations and Work Planning implementation, as indicated with Conduct of Operations issues metrics, the valving performance metric and the lockout/tagout metric will be accurately reported each month and will demonstrate acceptable trends.
2. Implementation of continuous improvement initiatives of Operations and Work Planning, as indicated by the Self-Reported Errors, Assessments, and Reviews for Continuous Improvement metric, will be accurately reported each month and will demonstrate that self assessments and facility personnel are identifying errors and other areas for improvement. The metric will also demonstrate that fact finding and post job reviews are being conducted as appropriate and in a timely manner.

D. Quality Assurance. The Tritium Quality Assurance Program will be managed and implemented in accordance with the requirements of 10 CFR 830, DOE Order 414.IC, NNSA directives (e.g., QC-1, Primary Standards Laboratory memorandum, Development and Production Manual) as defined in S/RIDS and the SRS 1Q Manual.

Completion criteria include:

1. The aggregate of survey and assessment (SRSO, SRNS and external) results provide confidence that quality is assured through an effectively implemented QA program.
2. Effectiveness of product/production is evidenced by quality trending of defects and non-conformance metrics from TCNCR, UR, and IMR reports, and the associated Cost of Nonconformance.
3. Effectively perform delegated stamping authority and ship product as scheduled that meets NNSA quality acceptance and shipping requirement.
4. Provide quality and process improvements, report and trend improvements including corrective action/prevention of recurrence.



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5. Procurement metrics demonstrate the effectiveness of the procurement process to support Tritium Facility operation and measures the quality of procured material and the timeliness of procurements.
6. Develop a metric for Tritium NCR's and evaluate a method for determining and reporting Cost of Nonconformance (CONC) of NCR's.

E. Engineering. The Engineering Program will be managed and implemented in accordance with the requirements of DOE O 420.1B Facility Safety (as defined in S/RIDS) and the SRNS Engineering Manual (E7) Procedures.

Completion criteria include:

1. Perform and maintain compliant engineering product deliverables that support operations and projects.
2. Engineering function provides safety system configuration management and ensures that safety systems will perform as described in the safety basis. The engineering function will also support the Defense Programs mission and support design agency requirements. These functions will generally be met by the following expectations:
 - i. Existing system Technical Baseline drawings are current and reflect the field conditions.
 - ii. System Design Descriptions (SDDs), as indicated by the monthly engineering metric, will be updated to reflect the current facility configuration in accordance with the SDD update schedule.
 - iii. The assigned system engineer demonstrates sufficient depth of knowledge of their system to support the operations, maintenance, and safety basis management.
 - iv. Implement and execute field trials and pilots of System Life Planning, System Engineer Notebooks, and System Walkdowns. Monitor and report progress for engineering pilot initiatives through metrics for system life planning, engineering notebooks, and new electronic system walkdowns. Provide planned actions to either abandon, modify or fully implement each initiative.
3. Demonstrate Technical Leadership both within SRNS and in the Nuclear Security Enterprise through appropriate participation in DOE-HQ engineering related improvement initiatives, implementation of the professional development plan, and staffing initiatives.

F. Nuclear Safety & Fire Protection. The Tritium Safety Basis and Fire Protection (FP) Programs will be managed in accordance with applicable regulations, DOE Directives (as defined in S/RIDS), and site requirements

Completion criteria include:



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1. SRNS and SRSO review results confirm the Safety Basis Program achieves and maintains full compliance with regulatory requirements (10CFR830, Subpart B), DOE/NNSA requirements, and S/RID applicable safety basis requirements.
2. Perform and maintain compliant safety basis engineering product deliverables that support operations and projects. These products include DSAs, TSRs, hazard evaluations, USQD documents, and supporting analyses.
3. Demonstrate a mature company independent review process for safety basis documents requiring submittal to NNSA SRSO for approval (e.g., DSA and TSR including all annual updates and revisions).
4. Continue the TORC and the process and expectations for assessments. The TORC shall provide routine oversight of the facility safety basis program in accordance with the approved TORC Charter, with review and assessment of emerging facility safety issues as well as major occurrences associated with facility safety performance.
5. Develop and submit the following items per the target completion dates:
 - a. Develop and submit a DSA/TSR revision to support receipt and storage of W87 units from LANL as defined by the Tritium Programs Milestone Schedule.
 - b. Develop and submit the FY10 Tritium Facilities Annual Safety Basis Update as defined by the Tritium Programs Milestone Schedule.
 - c. Develop and submit the FY10 TEF Annual Safety Basis Update as defined by the Tritium Programs Milestone Schedule.
 - d. Complete the Accident Analysis Calculations and CHAP Report for TEF as defined by the Tritium Programs Milestone Schedule.
 - e. Complete a high quality draft for SRNS approval of the TEF DSA and TSR based on the revised CHAP and Accident Analysis for TEF as defined by the Tritium Programs Milestone Schedule.
6. Proper implementation and maintenance of the Fire Protection Program will be indicated through metrics which reflect the minimization of system impairments, and track and trend system and component failures.

G. Radiation Protection. SRS Tritium Programs' Radiation Protection Program will be managed and implemented in accordance with the requirements of 10 CFR 835, applicable S/RIDs, and the SRNS Radiological Protection Program.

Completion criteria include:



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1. The aggregate evaluation of assessment results and CAS metrics, including facility contamination events, personnel contaminations and radiation exposure, habitability survey performance, and breached glove events, shows the radiological protection program is implemented in accordance with requirements.
2. No significant deficiencies occur which negatively impact the performance of Tritium operations or accomplishment of missions.



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Contract Output 7. Maintain the Tritium Facilities in a safe, secure and responsive operating condition. (ES&H/S&S)

This Contract Output emphasizes Safety and Health and Safeguards and Security programs that provide the physical infrastructure and operational capabilities required to conduct Directed Stockpile and Campaign activities.

This Contract Output has a single Completion Criteria associated with Safety and Health and Safeguards and Security in the following areas:

- Training and Qualification
- Emergency Management
- Health and Safety
- Environmental Management
- Waste Management
- Safeguards and Security
- Cyber Security

Up to \$1,737,000 of the allocated Tritium Programs PBI fee may be earned by Contract Output 7 as follows.

Essential Fee

1. **\$1,737,000** available fee of the Contract Output may be earned at the end of the assessment period for Completion Criterion 1 associated with Safety and Health and Safeguards and Security. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.

Completion Criteria

1. Safety & Health / Safeguards & Security

A. Training and Qualification. The Tritium Training and Qualification Program will be managed and implemented in accordance with the requirements of DOE Order 5480.20A, Personnel Selection, Qualification, and Training Requirements for DOE Nuclear Facilities, as defined in the S/RIDS, and plant policies and procedures.

Completion criteria include:

1. No significant programmatic training deficiencies will occur which affect the performance of Tritium Program activities or accomplishment of mission.
2. Operations Technical Qualification Expiration for all Operations Watchstander employees is tracked, reported, and maintained to demonstrate that fully qualified facility personnel are available to support accomplishment of the mission.



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3. Actual completion of HANM personnel to qualify for HAOM Operations jobs, as indicated by the HANM to HAOM cross-training metric, will be accurately reported and will demonstrate that the established completion rate is maintained to support Tritium Operations HANM centric strategy.

B. Emergency Management. The Tritium Emergency Management Program will be managed and implemented in accordance with the requirements defined in S/RIDS, NNSA-approved plans and schedules, and Site Procedures.

Completion criteria include:

1. Aggregate evaluation of review results indicates Emergency Preparedness Management is routinely implemented in accordance with requirements to develop and maintain a knowledgeable and fully trained workforce capable of responding to and mitigating abnormal events.

C. Health & Safety. The Industrial Safety, Chemical Safety, Industrial Hygiene, Occupational Medicine, and Transportation Safety Programs are managed in accordance with applicable regulations, DOE Directives (as defined in S/RIDs), and site requirements.

Completion criteria include:

1. Aggregate evaluation of review results indicates Health and Safety Programs are routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium operations or accomplishment of missions.
2. Safe facility operations, as evidenced by the monthly TRC metric for Operations and Construction, will be accurately reported each month and will demonstrate that the TRC rate is below the site goals for Operations and Construction.
3. SRNS will continue to execute an Integrated Safety Management System (ISMS) program, including continued efforts to enhance worker safety, health, and wellness programs.
4. Hazardous material management will be accomplished through the annual hazardous material inventory. Reduction of hazardous materials will be through the disposition of excess chemicals, where possible.
5. Maintain Tritium-wide access to the Material Safety Data Sheet (MSDS) database and perform the annual Tier II chemical inventory. No significant deficiencies will occur which affect the performance of the SRNS Tritium operations or accomplishment of missions.



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D. Environmental Management. The Environmental program will be managed in accordance with applicable environmental laws, regulations, and DOE Directives via the S/RIDs.

Completion criteria include:

1. Aggregate evaluation of review results, including regulatory compliance, shows the Environmental Program is implemented in accordance with requirements, with no significant Notices of Violation (NOVs). No significant deficiencies will occur that affect the performance of the SRNS Tritium operations or accomplishment of missions.
2. Metals discharges to the H-02 outfall, as evidenced by the monthly NPDES H-02 Outfall Compliance metric, will be accurately reported each month and will demonstrate that the Tritium Facility discharges to the H-02 outfall are in compliance with the current NPDES permit limits for Lead, Zinc, and Copper.
3. Air emissions from the four process facilities, as evidenced by the monthly Air Emissions by Building metric, will be accurately reported each month and will demonstrate that the facilities are minimizing the release of Tritium to the atmosphere by remaining below the release guide.

E. Waste Management. The Waste Management program will be managed in accordance with applicable environmental laws, regulations, and DOE Directives via the S/RIDs.

Completion criteria include:

1. No significant deficiencies will occur that affect the performance of the SRS Tritium operations or accomplishment of missions.
2. Container compliance with all requirements, as evidenced by the monthly Waste Container Compliance metric, will be accurately reported each month and will demonstrate that the waste containers shipped to treatment, storage, or disposal units were compliant with all requirements upon receipt.
3. Waste Generation, as evidenced by the monthly Waste Management metric, will be accurately reported each month and will demonstrate that the waste generation is below the rolling average forecast, indicating the minimization of Low Level Radioactive Waste generation.
4. Aggregate evaluation of review results, including regulatory compliance, shows the Waste Management Program is implemented in accordance with requirements, with no significant Notices of Violation (NOVs), or significant violations of DOE O 435.1.

F. Safeguards and Security.



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Operate an effective and efficient Safeguards and Security Program that meets DOE, NNSA, and Site requirements/directives and expectations as verified by Contractor self-assessment, SRSO oversight, and external inspections.

Completion Criteria include:

1. Plan, execute and manage the Tritium Facilities as a SPL-4 facility in compliance with DOE Directives.
2. Within 270 days of receipt of an approved waiver, transition the accountability for tritium, deuterium, and lithium from a program based on the MC&A security requirements to a production inventory program.
3. Aggregate evaluation of review results indicates the Safeguards and Security Programs are routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium Operations or accomplishment of missions.
4. Information request, budget reviews and exercises, work insertion requirements, etc. will be fully supported. Evaluation will be based on quality and timeliness, proactive resolution of emergent issues and concerns, communications, etc.
5. Security incidents, as evidenced by the Security Incident Index metric, will be accurately reported each month and will demonstrate that SRNS and subcontractor personnel follow appropriate security requirements within the Tritium Facilities.
6. Provide annual update of the Tritium Facilities' Security Plan that complies with DOE M 470.4-1 and submitted a minimum of 60 days prior to its anniversary date.
7. Hardcopy classified document holdings, as determined in the FY2009 analysis and evidenced by the Classified Document Holdings metric, will be accurately reported each month and will demonstrate that these documents are being appropriately controlled and reduced.
8. ACREM holdings, as evidenced by the ACREM metric, will be accurately reported each month and will demonstrate that they are being appropriately controlled and reduced.
9. Operate effective and efficient physical security systems to ensure that Intrusion Detection and Assessment Systems, access control systems, and cameras, interlocks, switches, sensors, etc. are functional, calibrated, and maintained.
10. Operate effective and efficient information protection activities to ensure that classified repositories and documents are maintained per requirements, and that the Technical Surveillance Countermeasures Program and the Classified Matter Protection and Control Program are in place and functional.
11. Classified document markings, as evidenced by the Document Marking Index will be accurately reported each month and will demonstrate that classified documents are being appropriately recognized and safeguarded.
12. Evaluate, develop, and implement a system modernization plan to include life cycle management for physical security systems as required by NNSA HQ.



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13. Ensure employees obtain and maintain appropriate Safeguards & Security (S&S) qualifications by developing a S&S qualification card and hosting one S&S training course.
14. Conduct S&S self-assessments in all functional areas and achieve a satisfactory or effective rating with no repeat finding identified related to performance.

G. Cyber Security. Operate effective and efficient Cyber Security activities that meet DOE, NNSA, and Savannah River Nuclear Solutions (SRNS) requirements/directives and expectations as verified via contractor self-assessments, SRSO oversight, and external inspections.

Completion Criteria include:

1. Plan, execute and manage the classified networks within the Tritium Facilities and SRNL in compliance with DOE Directives and the NAPs.
2. Plan, execute and manage the Enterprise Secure Network (ESN) for Savannah River Site in compliance with DOE orders and the NAPs. Provide a monthly report to NNSA/SRSO on the SRS ESN status.
3. Aggregate evaluation of review results indicates the Cyber Security Program is routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium Operations, SRNL Operations or accomplishment of missions.
4. Information requests, budget reviews and exercises, work insertion requirements, etc. will be fully supported. Evaluation will be based on quality and timeliness, proactive resolution of emergent issues and concerns, communications, etc.
5. Cyber security incidents, as evidenced by the Cyber Security Incident Index metric, will be accurately reported each month and will demonstrate that SRNS and subcontractor personnel follow appropriate cyber security requirements.
6. Prepare and provide a monthly status report to the SRSO Designated Approving Authority (DAA) Representative on the SRNS cyber security program, including NNSA Cyber Security Policies (NAPs) implementation.
7. Establish and maintain a comprehensive self-assessment and issues resolution program for the Cyber Security Program. The current SRNS S&S Self Assessment program satisfies this completion criterion.
8. Submit final NAP-compliant certification and accreditation (C&A) package(s) for Authority to Operate (ATO) or Request for Extension a minimum of 30 calendar days prior to the ATO expiration date.
9. Execute CAPs and Plan of Action and Milestones (POA&M) per agreed upon schedule.



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Contract Output 8. Maintain the Tritium Facilities in a safe, secure, and responsive operating condition. (Business Management)

This Contract Output emphasizes Business programs that provide the physical infrastructure and operational capabilities required to conduct Directed Stockpile and Campaign activities.

This Contract Output has a single Completion Criterion associated with Business in the following areas:

- Fiscal Management
- Contractor Assurance System
- Program Management
- Project Management
- Information Technology/Process Control

Up to \$1,929,400 of the allocated Tritium Programs PBI fee may be earned by Contract Output 8 as follows.

Essential Fee

1. **\$1,737,000** available fee of the Contract Output may be earned at the end of the assessment period for Completion Criterion 1 associated with Business Management. Fee will be determined at the end of the assessment period for each Completion Criterion commensurate with performance as measured by the Subjective Adjectival Rating Criteria.
2. **\$42,400 can be earned for Completion of Criterion 2.**
3. **\$150,000 can be earned for Completion of Criterion 3.**

Completion Criteria

1. Business Management

- A. Fiscal Management. Budget and financial deliverables per the Planning, Programming, Budget, and Evaluation (PPBE) process will be provided in accordance with established due dates.

SRNS Tritium will maintain effective and timely information response processes.

Information requests, budget exercises, work insertion requests, etc., will be fully supported and evaluated on criteria such as quality and timeliness, proactive resolution of emergent issues and concerns, communications, etc.

SRNS will maintain an effective and efficient funds controls system.



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- i. No legal or administrative violations occur with regards to the management of appropriations for which controls have been established by DOE/HQ, or for which funds of other federal agencies or governmental entities have been entrusted to DOE for performance of supporting scopes of work. (Tritium only)
- ii. Uncosted balances are maintained at or reduced to below the DOE/HQ specified levels that are consistent with sound financial management. Due consideration will be given to multi year expense projects.
- iii. Reprogramming actions and supplemental financial plans will be timely, accurate, comprehensible, and minimized via advance planning and forecasting processes. Any identified need for a reprogramming action will be identified early in the fiscal year, have SRSO program approval, and clearly identify all funding sources.
- iv. Indirect costs and rates will be tracked and managed to identify and mitigate potential perturbations to planned direct work.

Budget and financial deliverables will be provided in accordance with established due dates with minimal mechanical and conformance errors.

Completion criteria include:

1. Offline quarterly and year-end reporting will be provided per reporting requirements.
2. Impact analyses and ad hoc exercises will be responded to in a timely manner and be coordinated with SRNS.
3. Budget formulation requirements will be provided per requirements and coordinated with all appropriate organizations.
4. Financial reporting will demonstrate effective accounting practices.

B. Contractor Assurance System. SRNS will have a Tritium-wide, comprehensive, and integrated Contractor Assurance System (CAS). The CAS will be managed and implemented in accordance with the requirements of DOE Order 226.1A and NNSA Supplemental Directive NA-1 SD 226.1A.

Completion criteria include:

1. Demonstrate an effective, comprehensive, integrated CAS Program. Elements include the following.
 - i. Integrated assessment schedule (includes internal audit, independent assessments, and management activities)
 - ii. Integrated assessment results (includes all formal assessment activities)



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- iii. Integrated risk management priorities
2. Meet CAS Program Requirements - Submit a CAS Program description for NNSA-SRSO annual review and approval.
3. Demonstrate that an issues management system is implemented, and results are regularly reviewed by senior management. (This includes capturing program and performance deficiencies, regardless of their source, in a system or systems that provides for analysis, resolution, and tracking.)
4. Support the Line Oversight Contractor Assurance System (LOCAS) initiative.
 - i. Identify LOCAS control metrics to support the following six Performance Categories. (1) Environment, Safety, and Health (ES&H), (2) Nuclear Safety, (3) Cyber Security, (4) Safeguards and Security, (5) Emergency Management, and (6) Business Management.
 - ii. Review metrics with the SRSO LOCAS Manager on a minimum of a quarterly basis to demonstrate the effectiveness of LOCAS control metrics in measuring contract/contractor performance.
 - iii. Refine metrics as LOCAS performance matures.

C. Program Management. SRNS will manage programs consistent with the NNSA Program Management Policy (BOP-006.001) and the Defense Programs Program Management Manual. A Program is a group of ongoing activities and related projects conducted with a defined set of resources (financial, human, etc.) managed in a coordinated way to achieve mission objectives and obtain benefits not available from managing them individually.

Program Management within Tritium Programs applies primarily to RTBF, DSW, Engineering and Readiness Campaigns, FIRP, S&S, etc.

Program Management philosophy views programs as falling across a spectrum ranging from operational or level-of-effort programs, such as surveillance of the nuclear weapons stockpile at one end, to major capital acquisition projects at the other end. The diversity of programs within the NNSA demands the “tailored” application of the program management principles to accommodate the requirements of each program.

Completion criteria include:

Plan, execute, and manage to established scope, cost, schedule, and risk baselines for all program elements including:

1. Each individual program will be planned, executed, managed, and will maintain acceptable cost and schedule performance as established by Work Authorization Directives, Prioritized Project Lists, PCD Requirements, Baseline Dismantlement



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- Schedule, program implementation plans, program execution plan, and all other program requirements.
2. Submit a comprehensive Infrastructure Roadmap for the Tritium Facilities that integrates the programs' strategic plans with production forecasts, research and development, facility and equipment management, safeguards and security, IT, transformation, projects, etc., by March 31, 2010.
 3. Aggregate evaluation of review results indicates programs are routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium operations or accomplishment of missions.
 4. SRNS' scope associated with NNSA Milestone Reporting Tool (MRT) Level 1 and 2 milestones will be completed on schedule. This excludes milestones associated with the Multi-Site PBI that are addressed in Contract Output 5.
 5. Level 3 Milestones will be completed on schedule.
 6. Information requests, budget exercises, work insertion requests, etc., will be supported. Develop and submit business cases as requested.
 7. Submit Performance reports as required by individual Programs' Execution Plans.

D. Project Management.

Completion criteria include:

1. Submit a plan (scope, cost, and schedule) for cleaning out and vacating Building 232-1H that supports occupancy of Building 217-3H in an expedited manner while fully supporting the Tritium missions.
2. Aggregate evaluation of review results indicates projects are routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium operations or accomplishment of missions.
3. Safety will be emphasized for all aspects of the project from design through startup. Projects will routinely discuss safety in meetings for project personnel and will emphasize lessons learned at SRS construction sites and projects at other DOE sites. During construction phase each project manager or designee will proactively participate and conduct safety walk downs and document on Management Field Observation forms in STAR.
4. Manage projects within established scope, cost, and schedule baselines per SRSO approved Integrated Priority List. Cost and schedule performance are measured through Cost Performance Index (CPI) and Schedule Performance Index (SPI) for large projects and cost and schedule baselines for small projects and will demonstrate effective project management.



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E. Information Technology/Process Control. Maintain a customer-focused Information Technology (IT) / Process Control environment that supports the NNSA's missions.

Completion criteria include:

1. Aggregate evaluation of review results indicates the IT Program is routinely implemented in accordance with requirements. No significant deficiencies will occur which affect the performance of the SRNS Tritium Operations or accomplishment of missions.
2. Information requests, budget reviews and exercises, work insertion requirements, etc. will be fully supported. Evaluation will be based on quality and timeliness, proactive resolution of emergent issues and concerns, communications, etc.
3. The system availability of the Tritium classified network, as evidenced by the System Availability metric, will demonstrate that the classified network is available to support Tritium missions.
4. The system availability of the Enterprise Secure Network (ESN) will be reported regularly to NNSA to demonstrate that the ESN is available to support the Nuclear Security Enterprise.
5. Install, configure and startup the SSIMS terminal within 60 days of all equipment receipt and receipt of all NNSA approvals to operate.
6. Submit an updated disaster recovery and contingency plan for critical IT/Process Control systems per the POAMs for systems as they become NAPs-compliant.
7. Submit a detailed plan (scope, cost, and schedule) for the execution of the ARMS post-project scope by January 30, 2010.

Completion Criteria

2. Review the SRNS Tritium Programs Contractor Assurance System (CAS) to Malcolm Baldrige Performance Excellence Criteria (MBPEC). SRNS will issue a report documenting CAS maturity to MBPEC.** The assessment will result in an overall scoring band for process and results with an executive summary listing the overarching key themes (i.e., cross-cutting key themes and OFIs based upon a "show me challenge") by July 16, 2010.*

* Not later than date- Actual date will be based on Steering Committee Finalization of the plan.

** Excellence in Missouri Foundation "Show Me Challenge" criteria.

3. Accelerate a cost/forecasting module using the Enterprise Resource Planning (ERP) products. These reports will serve as Tritium's cost management tools leading the way for site usage of the ERP system. By September 30, 2010 issue first set of reports with available data. Reports will include actual cost data as well as



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forecasting information. Report suite will include flow down of B&R information as well as functional query results.



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Approvals:

SRNS Tritium Programs	Christopher C. Gentile	Date
	<i>Signature on file</i>	<i>8/16/2010</i>

NNSA SRSO	Douglas J. Dearolph	Date
	<i>Signature on file</i>	<i>8/16/2010</i>