AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
	1 1

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
119	10/01/2010		

6. ISSUED BY CODE 00901

Savannah River Operations
U.S. Department of Energy
Savannah River Operations
P.O. Box A
Aiken SC 29802

7. ADMINISTERED BY (If other than Item 6) CODE 00901

Savannah River Operations
U.S. Department of Energy
Savannah River Operations
P.O. Box A
Aiken SC 29802

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

CODE 798861048 FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.

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. ☒ is required to sign this document and return 1 copies to the issuing office.

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

Tax ID Number: 26-0240191
DUNS Number: 798861048

1. The purpose of this modification is to incorporate the Fiscal Year 2011 Performance Evaluation and Measurement Plan, which is attached hereto.

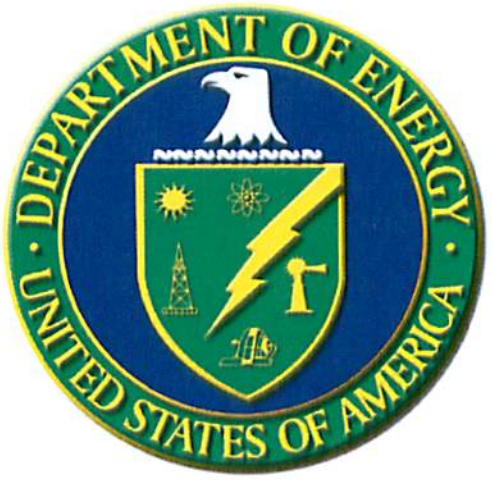
2. All other terms and conditions remain unchanged.

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)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		Scott D. Langston	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		Signature on File (Signature of Contracting Officer)	09/30/2010

NSN 7540-01-152-8070
Previous edition unusable

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243



U.S. Department of Energy
Savannah River Site

PERFORMANCE EVALUATION MEASUREMENT PLAN

Savannah River Nuclear Solutions, LLC
CONTRACT NO. DE-AC09-08SR22470

Evaluation Period:
October 1, 2010 through September 30, 2011

Approval Page

Approval:

Approved with the condition that additional PEMP revisions may be necessary after subsequent reviews by DOE-HQ *9/30/2010*

Scott D. Langston
Director
Contracts Management Division
Contracting Officer (CO)
DOE - Savannah Operations Office

Date

Revision Summary Page

Rev. #	Rev. Date	Affected Sections / Pages	Description of Revision
0	10/01/10	All	Initial Issue for this evaluation period

Table of Contents

1. Purpose

This document serves as the fiscal year 2011 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.

The PEMP is developed annually by DOE and SRNS to provide lessons learned from the previous evaluation period; illustrate performance improvements for the fiscal year, and identify performance incentives and measures for all work performed by the contractor during the evaluation period. Fee-bearing scope and incentives in support of the American Recovery and Reinvestment Act (ARRA) are 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 Incentive Documents 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 requirements regarding payment of an incentive, or an award fee, may also be included in the incentive document.

2. PEMP Integrated Project Team (IPT)

An 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. IPT roles and responsibilities are further defined in Savannah River Implementing Procedure (SRIP) 412.1, *Performance Evaluation and Measurement.* Reference Attachment A, *Integrated Project Team (IPT) Charter.*

3. The PEMP Process

The PEMP process for SRNS is based on fiscal year performance as identified in the contract. The PEMP process is further defined in Savannah River Implementing Procedure (SRIP) 412.1, *Performance Evaluation and Measurement.*

3.1 Incorporating DOE, EM and Site Mission{tc "Incorporating DOE, EM and Site Mission into strategic Outcome, Outputs and Measures" \f C \l 3}

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.

During the past several years federal and contractor staff have worked together to define 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 criteria in the Performance Incentive Document.

3.2 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.

3.3 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, including SRNS.

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.

An 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.*

3.4 Performance Incentive Document

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. Analysis is used to develop expected fee earning based on the Performance Incentive Documents.

A Performance Incentive Document includes: A Performance Outcome statement, Contract Output performance statements, metrics, Completion Criteria, and Acceptance (documentation) Criteria. The Performance Incentive Document is further defined in Savannah River Implementing Procedure (SRIP) 412.1, *Performance Evaluation and Measurement.*

3.5 Other Incentives

Incentives that are negotiated as a result of the cost reduction process per SRNS-RP-2009-01188, *SRNS Continuous Improvement System Implementation,* will be managed per SRNS Contract clause I.42, DEAR 970.5215-4, Cost Reduction, in conjunction with the SRNS Continuous Improvement Process. This process replaces incentives formerly identified as "Super-Stretch."

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 are 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-54 entitled, *Work Authorization System* and is considered above base scope. This additional work falls under the management of DOE O 412.1A, *Work Authorization System.*

Incentives created as a result of implementing the above contract clause and/or directive will be managed per separate contract requirements, and authorized through contract modification.

4. Change Control

1. All proposed changes to Performance Incentive Documents will be discussed at scheduled Performance Fee Board/IPT meetings.
2. Following Fee Board/IPT discussion, the contractor will submit formal correspondence to the Contracting Officer (CO) requesting the proposed change to the Performance Incentive Document. The correspondence should include:
    a. Any proposed change to the original incentive document
    b. Proposed new incentives tied to the current Contract Performance Baseline (CPB)
    c. Proposed fee allocation adjustment between current incentives and/or new incentives
    d. Elimination of current incentives
3. Upon receiving correspondence from the contractor, the CO will consult the appropriate Assistant Manager/Office Director (AM/OD) and Subject Matter Expert to determine:
    a. If the proposed change impacts the CPB
    b. If the proposed change identifies new and/or unfunded scope
    c. If the proposed change impacts multiple site organizations
4. If the proposed change ***does not meet*** any one of the above determinations, the CO will issue correspondence to the contractor approving such change to the Performance Incentive Document that incorporates advice of the AM/OD and/or Subject Matter Expert.
5. If the proposed change ***meets*** any one of the above determinations, the CO will request the contractor develop and submit a Baseline Change Proposal (BCP) for review by the federal (site) configuration control board.
    a. Following the recommendation of the federal configuration control board, the CO will issue correspondence to the contractor approving such change to the Performance Incentive Document that incorporates the advice of the board.
6. The CO will issue a modification to the contract for any change to the currently approved PEMP.
7. The CO may deny any proposed changes to the Performance Incentive Document.

Action directed by CO correspondence is considered to be within scope of work of the existing contract. If the contractor considers that carrying out 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.

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.

6. Performance Evaluation

Upon completion of performance criteria described in the Performance Incentive Document, 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 verifies documentation provided demonstrates satisfactory completion according to performance incentive requirements through presentation by the AM/OD, and peer-level discussion. Fee recommendation (to the FDO) will be made according to the Performance Incentive Document.

The contractor may perform 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 FDO a recommendation, including amount, rationale, and justification.

Disputes that occur during verification, and resolution is not forth coming between the contractor and the appropriate AM/OD, will be resolved by the Performance Fee Board during regularly scheduled meetings.

7. Payment of Fee

The contractor requests fee payment by submitting an invoice. Following verification by the relevant AM/OD recommendation is forwarded to the Performance Fee Board and FDO. The FDO determines fee payment, following Performance Fee Board review and recommendation. Determination of fee earned is the unilateral decision 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 evaluation 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).*

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.

The contractor has developed an automated Fee Invoicing System (FIS) that uses measurement data from each Performance Incentive Document. 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 review / approval allotted time 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 that 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

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.*

10. Fee Allocation Model

2011 SRNS Fee
($)

	Available Fee
EM - Base*	
PBS (11C, 12, 20)	**25,662,746**
NNSA	
DP - Tritium	12,437,254
NN	11,650,000
Total NNSA	**24,087,254**
Total EM Base & NNSA	**49,750,000**

* Excludes ARRA

2011 SRNS PBI Fee Structure Supporting EM & NNSA
$49,750,000

	Award Type	Contract Output	Avail Fee (000)	Description
EM				
Nuclear Materials			**8,600,000**	
	Objective	NMO-1	3,950,000	Receive, Store, characterize, dispostion uranium materials & SNF
		NMO-2	2,060,000	Receive, Store, characterize, dispostion plutonium materials
		NMO-3	1,490,000	Uranium and Plutonium throughput improvement & preparation
		NMO-4	1,100,000	Infrastructure / Facility life extension
SRNL			**2,000,000**	
	Objective	SRNL-1	1,250,000	Enable EM Mission Accomplishment
		SRNL-2	650,000	Enhance SRNL Infrastrucure and Facility Safety
		SRNL-3	100,000	Establish SRNL as a preferred partner for industry,universities and small businesses
Site Infrastructure			**2,000,000**	
	Objective	IS-1	600,000	Biomass Project Support
		IS-2	700,000	D Area Reliabilty Enhancements
		IS-3	200,000	Sustainabilty Plan
		IS-4	300,000	Road C and Road 4 - rebuild, repair & repave
EM Management Comprehensive				
All EM Organizations	Subjective	MGT-1	**8,900,000**	Improve Management Effectiveness and Control of activities
Safeguards & Security	Objective	MGT-2	**200,000**	
			50,000	Complete installation & startup of Argus components for Bldg 723-A
			150,000	Complete installation & startup of Argus components for remaining A & B Area Bldgs
Safety	Objective	MGT-3a	**100,000**	Enterprise Integrated Safety Management - Exposure Assessment (EISM-EA)
Safety	Objective	MGT-3b	**350,000**	Medical Efficiency Improvements
Integrated Groundwater	Objective	MGT -4	**200,000**	
			100,000	Issue Project Plan to baseline current site plan
			50,000	Issue Groundwater Technical Assessment
			50,000	Issue SRS integrated Groundwater Program Plan
Quality Assurance	Objective	MGT -5	**200,000**	
			50,000	Update impacted procedures (est. 5 new procedures & 26 revisions)
			50,000	Develop & deliver training for Procurement & Engineering
			100,000	Implementation of NQA-1-2008 requirements
COBRA Implementation	Objective	MGT -6	**200,000**	
			50,000	Complete COBRA implementation
			50,000	Determine COBRA interfaces with new Finance replacement systems
			100,000	Determine COBRA interfaces with new Procurement replacement systems

(Continued next page)

Business Process Modernization	Objective	MGT -7	**750,000**	
			125,000	Complete Installation & SRNS Aceptance Testing of Gen Ledger Phase 1
			500,000	Attain system design Stage Exit for Supply Chain Mgmt Phase 2
			125,000	Complete installation & acceptance testing of the Supply Chain Mgmt Phase 2
Work Force Services	Objective	MGT -8	**150,000**	
			25,000	Expand Talent
			25,000	Increase Leadership Develoment
			25,000	Continue developing Future Workforce labor resource pipelines
			25,000	Take BCBS Business to Bid
			50,000	Implement revised Actuary Processes
Risk Management	Objective	MGT -9	**450,000**	
			150,000	Complete assessment of current risk & opportunity mgmt processes
			150,000	Conduct analysis of high value risks currently identified
			150,000	Develop a risk end state vision action plan
Supplier Diversity	Objective	MGT -10	**100,000**	Consistent with Prime Contract, meet mutually agreed to goals for FY2011
Comprehensive Site Planning	Objective	MGT -11	**1,000,000**	
			700,000	Implement an integrated Comprehensive Planning System
			100,000	Improve FIMS Data Base
			100,000	Complete Condition Assessments on 20% of Real Property Assets
			100,000	Develop a process to identify completed Deferred Maintenance in FIMS
Baseline Process Improvements	Objective	MGT -12	**150,000**	
			125,000	Develop & deliver an integrated baseline management & control process
			25,000	Incorporate lessons learned from FY2011-2015 Baseline development
Interface Management	Objective	MGT -13	**150,000**	
			100,000	Improve cost tracking capability of site tenant scopes
			50,000	Assist DOE in integration efforts
Continuous Improvement	Objective	MGT -14	**162,746**	Demonstrate the impact of Continuous Improvement deployment
Total EM				
Nuclear Material			8,600,000	
SRNL			2,000,000	
Site Infrstructure			2,000,000	
Management Comprehensive			13,062,746	
			25,662,746	65% Objective, 35% Subjective

(Continued next page)

NNSA

Tritium Programs		**12,437,254**	45% Objective, 65% Subjective
	TP-01	3,109,314	Support Nuclear Weapons Stockpile
	TP-02	373,118	Extraction of Tritium from TPBARS
	TP-03	248,745	Conduct R&D and ST&E related to mission of SRSO
	TP-04	621,863	Support Tritium Programs by safe and efficient execution
	TP-05	1,243,725	NNSA Multi -Site Incentives
	TP-06	2,487,451	Operations: Maintain Tritium Facilities
	TP-07	1,865,588	ES&H and S&S: : Maintain Tritium Facilities
	TP-08	2,487,451	Business: Maintain Tritium Facilities
Nuclear Nonproliferation		**11,650,000**	
Less Funding for EM		600,000	MOX support
		3,900,000	PDC
		6,900,000	WSB
		250,000	Pu Disp Inf
Total NNSA (Excluding Funding to EM)		**24,087,254**	

Total Fee Available

Total EM	25,662,746
Total NNSA	24,087,254
Total Fee Available	**49,750,000**

Attachment A, 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

The purpose of the IPT is to provide site senior federal management a process for evaluating and measuring performance tied to strategic goals. This charter defines roles, responsibilities, authorities and accountabilities for this process. The mission of the IPT is to lead performance, and help avoid potential barriers to success.

The DOE-SR Executive Sponsor for the IPT is the Deputy Manager. 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 SRSO 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.

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).

SCOPE OF IPT RESPONSIBILITIES

The IPT will:

- Provide input to develop and approve Performance Incentive Documents
- Monitor progress made in completing work
- Support the invoicing, validation and approval process.

The IPT shall meet:

- Regularly to monitor progress of submitted invoices for payment
- Identify incentives that will be complete in the next 30 days
- Identify and discuss any changes to incentives

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 IPT
- Schedule and hold 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

HINTZE, Doug	IPT and Fee Board Lead	Assistant Manager for Integration and Planning
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 Business Services
MOODY, Dave	DOE Fee Determining Official	DOE Site Manager

Attachment B, Performance Incentive Documents

The Performance Incentive Documents for FY2011 are attached.

Management Comprehensive Incentive Document
Infrastructure Incentive Document
Office of Laboratory/SRNL Incentive Document
Nuclear Material Stabilization Project Incentive Document
Tritium Incentive Document
Nuclear Non-Proliferation Incentive Document

Performance Incentive Document

PBI Number:	SRNS2011MGT
Activity Name:	Management Comprehensive
WBS Number:	Multiple
Performance Period:	October 1, 2010 - September 30, 2011
Allocated Fee:	$8,900,000 (Subjective) $4,162,746 (Objective)
Revision Number:	0

Senior level manager name:	Doug Hintze
Senior level supervisor/division manager name:	TBD

Performance Outcome:

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

This incentive is a hybrid incentive, containing subjective and objective elements. The subjective element uses an adjectival rating to measure technical performance, cost control, schedule performance and business relations / management for all of the fiscal year 2011 incentives. The objective elements identify specific completion and/or acceptance criteria.

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Contract Output: SRNS2011MGT-01 – Subjective Milestone
Improve management effectiveness and control of 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	**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.
Very Good	81-90	**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.
Satisfactory	50-80	**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 subcontractor goals; Reasonable change proposals/Reasonable definitization schedule; number and significance of audit findings, response to audits and associated corrective actions.
Marginal	26-49	**Technical** – Some performance requirements not met; Performance reflects serious problems/Ineffective corrective actions **Cost Control** – DO not meet cost/price estimates; Inadequate corrective action plans/No innovative techniques to bring overall

		expenditures within limits **Schedule (Timeliness)** – Some late deliveries; No corrective actions **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.
Unsatisfactory	0-24	**Technical** – Most performance requirements are not met; Recovery not likely **Cost Control** – Significant cost overruns; Not likely to recover cost control **Schedule (Timeliness)** – Many late deliveries; Negative cost impact/Loss of capability for the Government; Ineffective corrective actions/Not likely to recover **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.

Up to $8,900,000 of the Comprehensive PBI will be paid for Contract Output 1. Per contract clause H-33: PROVISIONAL PAYMENT OF INCENTIVE FEE, the contractor may request monthly provisional fee payments for subjective incentives up to 1/12th of 50% of the total subjective fee for the performance period. Provisional fee is not considered earned fee and is contingent upon a final fee determination by the Fee Determination Official.

Description/Background/Justification:

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:

<u>Deputy Manager of Business</u>
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 Stabilization 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

SRNS organizations will provide monthly self-assessments throughout the performance period to provide contractor feedback in cross-cutting areas of performance, such as safety, efficient use of trained and qualified human capital, quality, continuous improvement, cost effectiveness, timeliness of deliverables, compliance with contract, etc. The self-assessments will be used 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 organizations. These self-assessments will be captured on the electronic web-based DOE Scorecard and used to facilitate enhanced communication between DOE-SR and SRNS.

These assessments are 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:

SRNS Public Affairs builds and maintains stakeholder trust and confidence through:

- Frequent and effective message development and communications with key SRNS stakeholders;
- Building and maintaining credibility with key media outlets on a local, regional and national basis;
- Developing and implementing proactive employee communications in support of the SRNS Employment Engagement Plan;
- Developing and implementing SRS and SRNS executive and business communications to targeted community

organizations and media outlets;
- Providing video and still photography direction, production and documentation of SRNS and SRS activities – including in hazardous and high-security areas;
- Developing and implementing comprehensive community relations programs for areas surrounding SRS;
- Maintaining effective government relations for SRS at local, state and Federal levels;
- Implementing the DOE education outreach initiatives and mandates on Historical Preservation;
- Implementing DOE public tours program in conjunction with providing visitor support planning and execution for mission related tours and visits;
- Providing guidance, direction and implementation of events for SRNS and DOE-SR.

Office of Chief Counsel:

The Contractor shall provide general planning, management and administrative services for all its legal advice, services and litigation for itself, 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.
- Review service center and unit bill pools for opportunities to reduce cost.
- 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 responses 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%.

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 Stabilization Projects:

- Support programmatic studies on an as needed basis
- Develop and submit Nuclear Materials planning assumptions and planning assumptions roadmap to include a plan, approved by SRNS and issued by 11/30/10, to accomplish disposition of 400 kgs of Pu by the end of FY12. Based on a review of the plan by DOE-SR, the NMO PBI (SRNS2011NMO) may be revised.
- Support overall cost effectiveness by quickly resolving cost issues and identifying opportunities to become more cost effective via improvements or corrective actions
- Provide "lessons learned" from significant readiness reviews or investigations and share with others (DOE, management, other sites, stakeholders, etc.) as appropriate.

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:

Scheduling:
- Identification of Risk trigger points
- Identification of GFS/I, and planning for communication, initiation and closure of GFS/I
- Identification of Regulatory milestones
- Identification of PBI
- Full integration of cost, schedule and scope
- Improve schedule communication and reporting

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 creditable 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 used in the development 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.

Process Excellence and Continuous Improvement:
- Supply centralized resources for implementing the Continuous Improvement System (CIS) and facilitating Continuous Improvement (CI) growth
- Facilitate implementation of SRNS initiatives to demonstrate and promote the importance of CI results that leverage customer focused outcomes, improved process efficiency, increased workforce productivity, and greater financial impact
- Communicate CI achievements as a means to encourage employee participation in CI activities and recognition of CI leadership within SRNS

Business Systems:
- Effectively manage project resources that maximize value and return on investment for project funding
- Implement concurrent process improvements in business processes and systems that will 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:
The words below are not intended to add requirements to the M&O Contract words found in Section C of the Contract.

- Manage site Quality Assurance Program in accordance with DOE O 414.1C and 10CFR 830, Subpart A.
- Develop baseline QA Staffing Plan and enhance staffing as appropriate.
- Develop QA Performance Measures in alignment with goals and objectives and report to DOE-SR on a monthly basis.
- Manage site Radiation Protection Program in accordance with 10CFR 835 (Does not include Parsons or MOX).
- Manage the site Corrective Action Management Program (CAMP) in accordance with DOE O 414.1C and DOE O 470.2B.
- Manage the improvement initiatives necessary to fully comply with the SRS corrective action management procedure MRP 4.23, in accordance with DOE O 226.1A, DOE O 414.1C and NQA-1.
- Manage the site Lessons Learned/Operating Experience Program in accordance with DOE O 210.2.
- Manage site Price-Anderson Amendments Act (PAAA) noncompliance and Worker Safety and Health (WSH) regulation noncompliance reporting program and associated corrective actions in accordance with 10 CFR 820, appendix A (PAAA) and 10 CFR 820, appendix A (PAAA) and 10 CFR 851 (WSH).
- Manage site occurrence reporting program (ORPS) in accordance with DOE Manual 231.1-2.
- Manage the fire protection program in accordance with SRID Functional Area 12 and DOE Guide 420.1-3. Maintain program integration with other site contractors performing fire protection work (SRR). Staff and maintain the SRS Fire Department in accordance with the latest approved Baseline Needs Assessment.
- Manage the SRNS site Standard/Requirements Identification Document (S/RID) Program for the identification of ES&H standards/requirements in accordance with DOE O 251.1C and S/RID Functional Area 01, Management Systems, S/RID Requirement Number 01.04.155.
- Assess, measure, document, and control employee exposure to workplace chemicals, physical hazards, and environmental conditions in such a manner as to prevent adverse impacts on employee health and well-being and ensure compliance with all applicable regulations (e.g. 10 CFR part 851, 10 CFR 850).
- Improve Hazards Analysis process/procedure to address internal and external assessment issues per established schedule.
- Implement effective Worker Safety and Health Program for all SRNS workforce (i.e. Operations, Construction, and Subcontractors) in accordance with 10 CFR 851 requirements.
- Establish educational programs for Industrial Hygienist and Technicians for continuing education in the industrial hygiene field. Make provisions for industrial hygienists to attend AIHA conference as resources allow.
- Complete and update baseline for Industrial Hygiene program and conduct periodic walk-throughs to determine if any changes in process, chemicals, and controls per the SRNS Exposure Assessment Process.
- Develop sampling strategy based upon hazard assessments and sampling priorities in SRNS facilities.

- NI/PISA Closure
  - Develop and track metrics for timely closure of NIs and PISAs
- USQ Quality
  - Develop plan for measuring and tracking USQ screening quality as an intermediate milestone
  - Measure performance against goals established in plan
- Nuclear Safety Training and Qualification
  - Submit training and Qualification plan as an intermediate milestone including performance goals
  - Meet performance goals established in plan
- Safety Basis Process Improvement Initiative
  - Submit final report including improvement recommendations

Office of Safeguards, Security and Emergency Services:

- Joint monthly review meetings are held. At the conclusion of these meeting, DOE will provide a grade for the four categories: Technical, Cost Control, Schedule (Timeliness), and Business Relations / Management.

Office of Acquisition Management:

- 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 I 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.
- Management of Contractor Human Capital Programs (Defined Benefit Plan, Compensation, Employee Relations, Labor Relations, Workforce Alignment & Re-structuring, etc.)

Office of Laboratory Oversight:

SRNL's three-fold mission is to enable the success of SRS operations; 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 in a safe manner. In addition to progress against SRS Strategic Plan goals, performance will be evaluated in the following areas:

- Safe and Secure Operations: Provide a work environment that is protective of workers and the environment through a robust ISMS and ISSMS and performance assurance process. This includes evaluation of SRNL conduct of operations; radiological performance; nuclear safety; quality assurance; feedback and improvement; safety, environmental and security performance; and emergency management.
- Support to SRS and EM Mission Accomplishment: Meet SRS and EM customer milestone and schedule commitments; conduct activities within budget; provide high quality and technically sound products, advice, and communications with customers and DOE; and meet customer technical expectations.
- Progress towards operating SRNL as a defined work activity within the overall M&O contract structure: Implement a clear and consistent vision and effective plans to meet program and DOE goals including fiscal requirements while evaluating alternative options.
- Institutional Management: Progress in timely development and implementation of quality planning documents; use of corporate resources and advisory boards; articulation of a clear and consistent vision; and maintenance of core competencies. Effectively manage laboratory projects on schedule and within budget.
- Laboratory Infrastructure and Maintenance: Effectively manage projects to meet commitments; develop quality and timely documentation to support new projects; develop and implement a comprehensive infrastructure

plan; and identify and pursue potential funding strategies to address critical need projects.

- Effectiveness of SRNL as EM's Corporate National Laboratory: Progress in implementation of a strategy to be EM's center for coordination of research, development, and deployment of technologies to cleanup the environmental legacy of the Nation's nuclear programs. Diversify customer base and funding sources for SRNL to increase efficiencies for the benefit of customers. Implement an effective LDRD program.
- Support to National Priorities: Diversify customer base for national and nuclear security; energy security; hydrogen and other initiatives. Meet customer milestone, schedule and quality requirements. Increase opportunities for continued growth through partnerships with industry, academia and small businesses.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT-01.01	9/30/2011	Up to $8,900,000	Provide a monthly report measuring technical, cost, schedule performance and business relations / management in accordance with contract requirements. The report will include trending data and analysis. Fee will be invoiced monthly.	Contractor monthly report measuring technical, cost, schedule performance and business relations / management 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.

Contract Output: SRNS2011MGT-02 – Safeguards and Security

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. This Contract Output supports two SRS Strategic Objectives: (13) Improve and maintain Site Infrastructure, and (14) Manage technical challenges of aging systems and equipment to avoid risk of outages and mission disruptions.

Up to $200,000 of the Comprehensive PBI will be paid for Contract Output 2.

Description/Background/Justification:

The Argus Implementation Project was initiated in 2007 to replace the aging SRS Electronic Safeguards and Security System (E3S) with the DOE-Complex standard Argus Security System. The initial planning has been completed and design was issued for the security interests in SRS A and B Areas. Due to higher funding priorities, the actual field implementation has been on hold for the past two years. With FY10 changes in funding, an additional $3.0M has become available to implement Argus in A and B Areas. Recently, the Argus System has been successfully implemented for the FBI REEF Project. This success has provided valuable information for final configuration of the equipment and introduced the newer generation of some specialized equipment. The FY11 work will consist of changing the design to incorporate lessons learned and new equipment configurations. Software will be updated, configured, and tested. The field activities, including cutover from E3S to Argus for security force monitoring

and response will be completed on a building by building basis.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 MGT-02.01	1/31/11	$50,000	Complete installation and startup of the Argus components required to manage Building 723-A.	SRNS will provide a copy of the Argus 723-A acceptance test to DOE-SR.
SRNS2011 MGT-02.02	9/30/11	$150,000	Complete installation and startup of the Argus components required to manage the remaining A Area and B Area buildings with security interest. Completion of Sensitive Compartmented Information Facilities (SCIF) is not included in this scope.	SRNS will provide copies of the Argus acceptance tests for Buildings 703-A, 773-A and 720-2A (this includes B-Area security interests) to DOE-SR.

Contract Output: SRNS2011MGT-03 – Safety *(Two sub-parts)*
The contractor is required to execute work in a safe and secure manner. This Contract Output supports three SRS Strategic Objectives: (36) Integrate safety and security into every element of mission accomplishment, and enhance the "safety first" culture to safeguard employees and assets; (37) Establish safety programs and processes that continuously improve safety and security performance; and (42) Establish a corporate, performance-based approach to manage site assets and resources that links planning, budgeting, implementation and evaluation to program mission projections and performance outcomes.

Up to $450,000 of the Comprehensive PBI will be paid for Contract Output 3.

Description/Background/Justification:

3a.
The Enterprise Integrated Safety Management - Exposure Assessment (EISM-EA) is an industrial hygiene tool that will be utilized to track, trend, and analyze worker industrial exposure at the Savannah River Site. SRS is piloting the Enterprise Integrated Safety Management - Exposure Assessment (EISM-EA) program for DOE. As part of EISM-EA implementation, SRNS is creating interfaces with numerous SRS systems as shown below to enhance the performance of EISM-EA. For the purpose of this performance element, a "facility" is defined as the organization, personnel and complex of structures involved in completing a unique, major, and well-defined portion of the SRS mission (e.g. H-Canyon and all associated operations and structures as being one facility).

SRS Authoritative Source	Data to be shared	Receiving System or Entity
Site Personnel Roster	Personnel information	EISM-EA
Field Material Tracking System / Chemical Information System	Chemical Hazard information	EISM-EA
Site Shared Structures Database	Site Structures (locations)	EISM-EA
EISM-EA	Medical Surveillance notification	MEDGATE
Assisted Hazard Analysis	Work Package review notification to IH Professional	E mail to IH with notification to Review Work within EISM-EA
EISM-EA	Hazards and Controls (from IH exposure assessments)	Assisted Hazard Analysis
Radiation Monitoring Equipment	IH Instrumentation	EISM-EA

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT -03a.1	12/10/10	$100,000	Complete one area / facility exposure assessment pilot using the Enterprise Integrated Safety Management – Exposure Assessment (EISM-EA) data system.	SRNS will document completion of one area / facility exposure assessment pilot using the Enterprise Integrated Safety Management – Exposure Assessment (EISM-EA) data system.

Description/Background/Justification:

3b.

As part of the strategy to establish a performance-based approach to managing site assets and resources, SRNS is to increase efficiency by at least a 5% reduction in total patient time away from work for medical physical examinations. This will reduce time spent by the site workforce completing medical requirements. SRNS will accomplish this by establishing a Savannah River Site Medical Improvement Process. Two outcomes are expected:

- Outcome I - External Impact: The SRS workforce will spend more time attending to the site mission, thereby increasing productivity on the site; and,
- Outcome II - Internal Impact: Medical Operations & Services will develop and implement a comprehensive Disciplined Operations Sustainability Plan. This ensures that Medical Operations & Services continually progresses towards a more disciplined Conduct of Operations culture, institutionalizes the effort, and ensures continuous improvement.

Savannah River Site Medical Improvement Process

For Outcome I - External Impact, the following milestones will be completed:				
Number	**Date**	**Fee**	**Completion Criteria**	**Acceptance Criteria**
SRNS2011 MGT-03b.1	11/30/2010	$25,000	Measurement of present outcomes and demand; analysis of scheduling requirements, issues and relationship with staff availability; analysis of medical process and diagramming/process maps for scheduling, medical process, and data distribution.	Measure and analyze current performance and document and transmit results to DOE-SR including pre-intervention data established in May 2010, process description and process maps for behaviors in scheduling, medical process and data distribution required to support the new outcomes.
SRNS2011 MGT-03b.2	01/03/2011	$50,000	Implementation and problem solving of a new medical process.	Documentation of problem solving activities will be transmitted to DOE-SR describing the implementation process; including key performance indicators, measurement systems and problem solving process that will measure outcomes, maintain gains and integrate continuous improvement into the staff culture.
SRNS2011 MGT-03b.3	06/01/2011	$50,000	Re-measurement of outcomes to determine increased efficiency of at least 5 % reduction in total patient time away	Measure resulting improvements and provide results to DOE-SR including post-intervention outcome data, comparison with pre-intervention

			from work for medical physical examinations. The reduction will result from medical process change from a two-phase physical exam to one-phase physical exams.	data and measures of value of the change to the Savannah River Site. Fee will be earned if a 5% improvement is demonstrated.
For Outcome II - Internal Impact, the following milestones will be completed:				
Number	**Date**	**Fee**	**Completion Criteria**	**Acceptance Criteria**
SRNS2011 MGT-03b.4	12/30/2010	$50,000	Develop and submit Disciplined Operations Sustainability Plan.	Submit plan to DOE-SR identifying processes for the following critical performance areas: ▪ Procedures Management ▪ STAR Corrective Action Performance ▪ Certification and Credentials ▪ Staffing & Critical Services Continuity ▪ Assessment & Review ▪ Continuous Improvement
SRNS2011 MGT-03b.5	8/30/2011	$25,000	Complete a review of medical procedures as detailed in Medical Procedures Review Schedule (plan submitted 07/15/10). Review Program-level Medical Procedures: • Manual Q3.1	Submit verification of medical procedure review to DOE-SR. Verification should provide evidence that each procedure was reviewed; analyzed for hazards per procedure 8Q122; revised/updated as

			Administrative Policies and Procedures • Manual Q3.2 Health Information Services • Manual Q3.3 X-Ray & EKG • Manual Q3.4 Laboratory • Program Q3.6 Substance Abuse Testing • Program Q3.7 First Aid & Nursing	necessary; approved and issued/put into effect. Note: Fee structure will be indexed and based directly upon percentage of procedures completed (i.e., reviewed, analyzed for hazards, revised/updated, approved and issued). (E.g., 100% of procedures completed earns 100% of fee, 90% of procedures completed earns 90% of fee, and so on.)
SRNS2011 MGT-03b.6	03/01/2011	$25,000	Complete review of credentialing and certification for medical personnel.	Submit verification of Medical credentials and certifications for positions and functions within Medical Operations & Services to DOE-SR.
SRNS2011 MGT-03b.7	05/31/2011	$25,000	Complete Medical Staffing Continuity of Operations Plan.	Report will be provided to DOE-SR on Staffing & Critical Services Continuity ▪ Critical Functions ▪ Organizational Core Competencies ▪ Minimum Staffing ▪ Training and

				Qualifications ▪ Continuity
SRNS2011 MGT-03b.8	09/16/2011	$50,000	Analyze Medical Services performance improvement resulting from disciplined operations.	Analysis report will be provided to DOE-SR on qualitative impacts to Medical Services & Operations through revised conduct of operations ▪ Qualitative impact analysis ▪ Cultural and institutional barriers impacting organizational transformation ▪ Lessons learned ▪ Path forward for continuous growth/improvement
SRNS2011 MGT-03b.9	09/30/2011	$50,000	Complete Accreditation Association for Ambulatory Health Care self-assessment of SRS Medical Services.	Submit completed report and gap analysis to DOE-SR. Report will include a comprehensive plan and cost benefit analysis for achieving AAAHC certification, for discussion and identification of a path forward.

Contract Output: SRNS2011MGT-04 – Integrated Groundwater Program
The contractor is required to execute work in an environmentally safe manner. This Contract Output supports four SRS Strategic Objectives: (17) Ensure protection of human health and the environment is factored into mission development and execution; (18) Maintain compliance with environmental permits, clean-up agreements and decision documents; (19) Integrate site-wide regulatory permitting-strategies to ensure operational and future mission flexibility; and (20) Promote long-term stewardship of SRS natural, archeological and cultural resources. This Contract Output will result in SRNS coordinating with other site organizations and contractors

to establish and manage an Integrated Groundwater Program for the Savannah River Site.

Up to $200,000 of the Comprehensive PBI will be paid for Contract Output 4.

Description/Background/Justification:

SRNS, in cooperation with other site contractors, will establish and maintain an integrated, site-wide groundwater program to support DOE decision-making and regulatory compliance. This Program shall integrate groundwater monitoring information, applicable modeling and risk assessment results, as well as identify emerging issues/opportunities that could impact SRS groundwater. Such a Program will support current and future operations as well as post-closure monitoring of remediated sites. In order to ensure proper breadth of the program, a baselining project will be performed in FY2011.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT -04.01	1/15/11	$100,000	Issue Project Plan to baseline current site program.	SRNS will issue the Project Plan and deliver it to DOE-SR.
SRNS2011MGT -04.02	6/15/11	$50,000	Issue Groundwater Technical Assessment.	SRNS will issue the Groundwater Technical Assessment and deliver it to DOE-SR.
SRNS2011MGT -04.03	9/30/11	$50,000	Issue SRS Integrated Groundwater Program Plan.	SRNS will issue the SRS Integrated Program Plan to DOE-SR.

Contract Output: SRNS2011MGT-05 – Quality Assurance

The contractor is required to execute work in a safe and secure manner. This Contract Output supports three strategic objectives: (17) Ensure protection of human health and the environment is factored into mission development and execution; (36) Integrate safety and security into every element of mission accomplishment, and enhance the "safety first" culture to safeguard employees and assets; and (37) Establish safety programs and processes that continuously improve safety and security performance. This Contract Output will result in SRNS shifting from NQA-1-2000 to NQA-1-2008.

Up to $200,000 of the Comprehensive PBI will be paid for Contract Output 5.

Description/Background/Justification:

On November 6, 2008, Ines Triay, Principal Deputy Assistant Secretary for Environmental Management (EM), issued a Corporate Quality Policy Statement and EM Quality Assurance Program (QAP) which was endorsed by the EM QA Corporate Board. This QAP provides the basis to achieve quality across the EM complex for all mission-related work while providing a

consistent approach to QA using the NQA-1-2004 *Quality Assurance requirements for Nuclear Facility Applications,* as the national consensus standard for implementing the EM QAP due to the high hazards and costs of DOE's activities and facilities. The requirements contained within the document apply to EM (HQ), EM Field Offices/Project offices, and contractors as applicable to the work being performed by each entity. The letter required each contractor to develop a Quality Assurance Implementation Plan (QIP). Savannah River Nuclear Solutions (SRNS) submitted a QIP that used NQA-1-2008 instead of NQA-1-2004 as a consensus standard. This QIP was approved by DOE-SR in December of 2009 which included the results of a gap and cost analysis. The gap analysis identified tasks to be completed to bridge the gap between NQA-1-2000 and NQA-1-2008.

Number	**Date**	**Fee**	**Completion Criteria**	**Acceptance Criteria**
SRNS2011MGT -05.01	3/30/11	$50,000	Update impacted procedures (Current analysis shows 5 new procedures are needed and 26 revisions are needed).	SRNS will issue the needed procedures to support the 2011 NQA-1 update.
SRNS2011MGT -05.02	5/30/11	$50,000	Develop and deliver training to support the following areas: Procurement – Vendor Surveys and Engineering – Technical Evaluations.	SRNS will provide documentation to DOE-SR that required training for Procurement, Vendor Surveys and Engineering personnel was completed.
SRNS2011MGT -05.03	9/30/11	$100,000	Implementation of NQA-1-2008 requirements is complete.	• Declaration of NQA-1-2008 implementation completion. • S/RIDs revision submitted and approved. • Quality Assurance Management Plan, SRNS-RP-2008-00020, revision submitted and approved. • ALL required training completed and

				documentation provided to DOE-SR.

Contract Output: SRNS2011MGT-06 – COBRA Interfaces

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 $200,000 of the Comprehensive PBI will be paid for Contract Output 6.

Description/Background/Justification:

With the SRNS financial system being replaced, and the Procurement and Contracts system scheduled to be replaced by the end of the first quarter, FY2011, effort is required to determine the COBRA interfaces with these new system replacements. Follow-up is also needed to ensure that identified functionalities contained within ICTS are dispositioned accordingly.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT-06.01	12/31/10	$50,000	Complete COBRA implementation.	Provide DOE-SR IPABS report out of COBRA.
SRNS2011MGT-06.02	12/31/10	$50,000	Determine COBRA interfaces with the new replacement systems for Finance and Funds Management and establish functionalities as necessary for operation of the cost processor.	Provide DOE-SR requirements document reflecting interface process between the COBRA cost processor and Hyperion and the interfaces established.
SRNS2011MGT-06.03	3/31/11	$100,000	Determine COBRA interfaces with the new replacement systems for Procurement and Contracts and establish functionalities as necessary for operation of the cost processor.	Provide DOE-SR requirements document reflecting interface process between the COBRA cost processor and PeopleSoft and the interfaces established.

Contract Output: SRNS2011MGT-07 – Business Process Modernization Project

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.

This Contract Output supports three SRS Strategic Objectives: (43) Implement solid financial and performance based management systems with metrics that help management to improve efficiency and sustainability, (45) Continuous improvement of Business Systems cost-effectiveness and performance through process, procedure, technology and communications enhancements, and (46) Support development of potential future missions and opportunities for SRS.

Up to $750,000 of the Comprehensive PBI will be paid for Contract Output 7.

Description/Background/Justification:

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 FY11-15 baseline management.

As identified in FY2010, the current business software and hardware tools 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. Current systems require substantial resources to accommodate delivery of real time data in support of project schedule, financial budget and forecast decision making.

SRNS continues FY2011 with a phased approach that began in FY2010 with the identification of Oracle/PeopleSoft as the Commercial Off the Shelf (COTS) software that will enable the business process re-engineering and implementation of industry best practices. SRNS has analyzed business systems for replacement, including 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. During FY2010, processes were identified for elimination, as well as retirement. The achievement of business driven productivity improvements continue to be supported by new technologies planned and executed where a positive return on investment can be demonstrated. SRNS will proceed in alignment with the SRS Strategic Objectives 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	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT -07.01	10/31/10	$125,000	Complete installation and the SRNS acceptance testing of the General Ledger Phase 1.	Specific plans and documents to be provided are listed in the DOE G 413.3-14
SRNS2011MGT -07.02	4/30/11	$500,000	Attain System Design Stage Exit business system upgrade for the Supply Chain Management Phase 2.	Specific plans and documents to be provided are listed in the DOE G 413.3-14
SRNS2011MGT -07.03	9/30/11	$125,000	Complete installation and acceptance testing of the Supply Chain Management Phase 2.	Specific plans and documents to be provided are listed in the DOE G 413.3-14

Contract Output: SRNS2011MGT-08 – Workforce Services

SRNS Workforce Services manages employee compensation, benefits, performance, and development. Evaluations of current benefit plans will be done to ensure maximum cost effectiveness. A workforce planning initiative is necessary to ensure SRNS will be positioned to accomplish current and future missions.

Up to $150,000 of the Comprehensive PBI will be paid for Contract Output 8.

Description/Background/Justification:

SRNS will continue to work toward a diverse and professional work environment that identifies future resource needs that align to achieve program mission projections. This Contract Output supports three SRS Strategic Objectives: (39) Foster a corporate perspective and a teamwork culture through communication of a common vision; (40) Ensure the SRS workforce is diverse and appropriately sized and aligned to achieve the Site vision; and (41) Enhance SRS leadership, administrative and technical skill base while ensuring a diverse and professional work environment.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT -08.01	9/30/11	$25,000	Expand Talent Management and Workforce of the Future developmental	SRNS will document accomplishments on the following to DOE÷

			efforts, including leadership and labor resource pipelines, to ensure availability of a skilled, knowledgeable workforce required for successful mission accomplishment.	
SRNS2011MGT -08.01a	9/30/11	$25,000	Increase Leadership Development through Talent Management developmental opportunities.	1. Develop feeder forums for Leadership Development at the division/functional organization level. 2. Expand Mentoring Circles. 3. Develop and implement leadership talent pipelines.
SRNS2011MGT -08.01b	9/30/11	$25,000	Continue developing Future Workforce labor resource pipelines and determine which skill sets will be needed at what time.	1. Implement the Workforce Development Simulation (WDS) Phase II to: - Collect and analyze workforce transitions and training data.

				- Determine skill set sequencing and scheduling. 2. Complete roll-out and refinements of the Labor Resource Management (LRM) tool needed to support the WDS. 3. Integrate SRNS functional areas, local educational institutions and community organizations into the Workforce of the Future project to gain their support.
SRNS2011MGT -08.02	Begins 2Q 2011 and ends 3Q 2011 with the selection. Implementation will begin 1/01/2012	$25,000	Take BCBS Business out to Bid	1. Bid current medical / dental / FSA / COBRA plans to determine best value (claims discounts / customer service / networks / admin fees) 2. Review retiree medical plan options - both Incumbent and Non-Incumbent options 3. Develop Health

				Savings Account alternative 4. Revise plan documents/processes to reflect standard market practices
SRNS2011MGT-08.03	Valuation implementation 2Q 2011 and pension calculation component 3Q 2011.	$50,000	Implement revised Actuary Processes.	1. Improve Actuary valuation by implementing regular file feeds, allowing current information to be accessed through reporting 2. Transition pension calculation process from manual process to automated process housed on vendor website - accessible by deferred vested / terminated plan participants. This will eliminate in house pension estimator tool and allow for more accuracy.

Contract Output: SRNS2011MGT-09 – Risk Management

Institutionalize the Risk & Opportunity Management (R&OM) across SRNS entities. Apply DOE 413.3A Risk management principles to include all division functions under the current Contract.

Up to $450,000 of the Comprehensive PBI will be paid for Contract Output 9.

Description/Background/Justification:

As part of a Management Excellence strategy, SRNS will implement a process that captures and manages risks associated with meeting Program mission projections and performance milestones.

- Establish a corporate, performance-based approach to manage site assets and resources that links planning, budgeting, implementation and evaluation to program mission projections and performance outcomes.
- Continuous improvement of Business Systems cost-effectiveness and performance through

process, procedure, technology and communications enhancements.				
Number	**Date**	**Fee**	**Completion Criteria**	**Acceptance Criteria**
SRNS2011MGT-09.01	9/30/11	$150,000	Complete an assessment of current risk and opportunity management processes for compliance to established procedures and based on DOE Standard Review Plan for RM, and /or Corrective Measure 3.	Documented assessment, including attributes, observations, causal factors and recommendations. Assessment Report will include the following as a minimum: • Categories evaluated (Ref Corrective Measure 3): ▪ Risk planning ▪ Risk identification ▪ Risk analysis ▪ Risk handling ▪ Risk monitoring ▪ Risk reporting • Determination of alignment with measurement criteria • Listing of areas for improvement and corrective measures • Identification of management programs, documents and

				procedures used to integrate risk into project planning • Improvement Plan that includes metrics and monitoring process • Corrective actions entered into STARS or current assessment and action tracking system
SRNS2011MGT-09.02	9/30/11	$150,000	Conduct an analysis of high value risks currently identified for a specific PBS with focus on improving/optimizing risk reduction by investigating multiple risk-reduction scenarios with considerations to configuration of site assets, change management and controls system, and human capital resource needs. The results of the analysis will lay the ground work for potential use on other PBS.	Documented analysis with multiple scenarios tied directly to the analysis results. Analysis of risks & opportunities will include measurement or standard used to perform analysis, limited analysis of historic, current, and emerging risks & opportunities based on project assumptions, and multiple risk-reduction multi-year scenarios based on configuration of site (Real Property Asset Management) assets, change management & controls system, Contractor

				Assurance Program and human capital resource needs. Scenarios are ranked using a defined methodology and a path forward recommended, including key decision milestones
SRNS2011MGT -09.03	9/30/11	$150,000	Develop a risk end-state vision action plan, identifying key decision milestones based on each risk-reduction scenario identified in SRNS2011MGT-09.02.	Documented analysis with multiple scenarios tied directly to the analysis results. Risk end-state vision action plan, identifying key decision milestones based on the recommended risk-reduction scenario identified in SRNS2011MGT-09.02.

Contract Output: SRNS2011MGT -10 – Supplier Diversity

This Contract Output addresses Supplier Diversity as required by Federal Acquisition Regulation (FAR) 19, Department of Energy Acquisition Regulation (DEAR) 919 and 13 Code of Federal Regulations (CFR) Chapter 1.

Up to $100,000 of the Comprehensive PBI will be paid for Contract Output 10.

Description/Background/Justification:

It is the policy of the United States that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts. This requirement is flowed down to SRNS in the prime contract.

Representatives in the Supplier Diversity Office manage, plan, direct and monitor the activities of SRNS's Small Business Program including managing the program as it relates to the procurement function and the prime contract with the Department of Energy.

SRNS submits and negotiates an annual supplement to the subcontracting plan that includes goals, expressed in terms of percentages of total planned subcontracting dollars that separately addresses subcontracting with small business concerns, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business concerns, small disadvantaged business, and with women-owned small business concerns.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT-10.01	9/30/11	$100,000	Develop an action plan identifying activities that support efforts to provide maximum practicable opportunity for small and small disadvantaged businesses to participate in performing subcontracts let by SRNS.	SRNS will provide documentation to support efforts to achieve the majority of the goals defined in the FY 2011 Supplement to the subcontracting plan.

Contract Output: SRNS2011MGT-11 – Comprehensive Site Planning

Develop design level recommendations and specific objectives for FY2011 that will improve integration and streamline the processes supporting program mission planning and real property asset planning. These recommendations and objectives will demonstrate improved linkage and dependencies at strategic, operational and tactical levels in support of the successful execution of the EM cleanup mission and landlord functions at SRS. It is the desire of DOE-SR to ensure planning activities are integrated within SRNS. In addition the improved linkages include appropriate levels of interfacing with an NNSA-SR strategic and operational planning. This milestone supports the improvement of the integration of planning and is to be comprehensive, i.e., include objectives that encompass the entire planning process at all levels and for all functions.

Up to $1,000,000 of the Comprehensive PBI will be paid for Contract Output 11.

Description/Background/Justification:

The overall goal is to develop and implement an integrated planning process for SRNS that efficiently and effectively links top level strategic missions and mission success goals with operational/functional planning required for goal achievement. This planning process should facilitate the effective flow of information regarding work breakdown, funding, schedules, resource allocation, interface dependencies, and other factors vital to performing the required

work.

A joint DOE-SR / SRNS task team has been established to support this contract output.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT-11.01	9/30/2011	$700,000	Implement a comprehensive planning system that links life-cycle program missions, life-cycle real property asset planning, landlord functions, budgeting, evaluation, and performance outcomes.	1. Completed self-assessment report of planning documents at beginning of performance period to assess integration of planning documents. -The report will include identifying process improvements to be incorporated in the planning management system. Assessment performed per WSRC 1B, "Management Requirements and Procedures, MRP 4.23, "Corrective Action Program". 2. Provide a planning management system description to include the following attributes: -Demonstrates linkage of EM planning and budget

				formulation -Integrated schedule of plan development and revisions -An integrated planning process flow -Process for configuration control for planning document changes. (e.g. when one plan changes that affects other plans, how are the changes implemented/updated in the other plans?) -Roles and responsibilities (e.g. --SME responsibility structure and team contacts (between organizations) for plan development and updates (e.g. review matrix). Verify participation and ownership from program and project SME in the plan development and updates (e.g. signature page verifying participation and ownership of information in the plan).

				-Process for centralizing data tracking EM lifecycle performance metrics and milestones. Attributes include: Collection, process flow and schedule, information control, definition control, and document retention compliance. 3. DOE-Approved Comprehensive Ten Year Site Plan (TYSP) with attributes that meet the intent of SRNS2011 MGT-13.01 Acceptance Criterion 3 *(below)*. 4. Updated SRS Life Cycle Baseline with the integration of Strategic, Programmatic, System and Business Plans. -Integrated SRS Life Cycle Baseline, to include links to all SRS contract baselines. Acceptance will be based upon

				the same criteria under configuration control used to develop the contract performance baseline. 5. Contractor-approved system plans for Nuclear Materials Stabilization (pre-decisional), Waste Disposition-Solid Waste, and Area Completion, Infrastructure and ensure integration of these plans with the NNSA Pu Disposition Program Execution Plan. -Plans should include goals, planning assumptions, planning bases, operational process descriptions, dependencies on other systems, facility and infrastructure requirements, and annual key performance measures with both historical (actual values) and lifecycle projections.
SRNS2011MGT -11.02 – Infrastructure Assessments				
SRNS2011 MGT -11.02a	9/30/11	$100,000	Develop a graded approach plan by	1. DOE-SR will review the graded

			3/31/11 to cost effectively put the site on a path to populate the FIMS database with all applicable facilities within three years. By 9/30/11 FIMS will be populated based on the graded approach plan.	approach plan with schedule and metrics. 2. DOE-SR will review evidence of implementation – documentation in FIMS records demonstrated by performance against metrics implementation schedule.
SRNS2011 MGT -11.02b	9/30/11	$100,000	Per the requirements of DOE Order 430.1B, complete condition assessments on 20% of real property assets identified in FIMS as of 10/1/2010. Fee will be invoiced for every 5% completed.	1. DOE-SR will review the site graded approach plan with schedule and metrics that outlines the completion of the condition assessments within five years. 2. DOE-SR will review the condition assessment reports for the structures inspected in FY11. The facilities assessed should be a representative cross section of facility types.
SRNS2011 MGT-11.02c	9/30/11	$100,000	Develop and document an integrated process to identify completed deferred maintenance for major HVAC	DOE-SR will review documentation to identify completed deferred maintenance for major HVAC replacements, roof

			replacements, roof replacements, and IS direct infrastructure IPL, and update applicable CAIS records.	replacements, and IS direct infrastructure IPL, and updated CAIS records.

SRNS2011MGT-11.01 Acceptance Criterion 3:

Development of a Comprehensive Plan/Ten Year Site Plan that meets the intent of DOE Order 430.1B. That is, it will be a meaningful product that is the reflection of actual overarching planning that is integrated and comprehensive, not just a summary of disjointed planning documents resulting from stove piped planning efforts. It will be a tool for bringing planning efforts together and guiding lower level implementing plans as intended. As such, it would reflect the following:

The utilization of EM program life cycle plans, System plans, and other Site mission plans (NNSA), including tenant organizations, in determining the real property asset life cycle management requirements. Further, it will reflect the participation of the organizations responsible for those plans in translating the mission plans into the real property asset requirements needed to support the lifecycle of the missions and articulating them in a clear manner.

The real property asset requirements to support Site missions will be shown by geographic areas of the site. Planning for each area of the Site will be holistic, reflecting the real property asset requirements for all missions utilizing, or projected to utilize, the areas. This approach would reflect thoughtful consideration of the future and the integration of all aspects such as EM area closure, site specific requirements for clean up projects that will required transition to Long Term Stewardship, support for continuing missions, consideration of potential new missions, as well as recommendation for transitioning the site to more efficient configurations. The information would be developed through the participation of subject matter experts and presented in tables, maps and narrative in sufficient detail to serve as the basis for lower level planning. This would require multiple organizations working together to develop this information.

Crosscutting infrastructure planning will be a participant in the process, addressing the path forward for meeting the sum of the requirements from the area by area analysis and projected future site configuration. Such integrated planning will be the basis for determining critical infrastructure projects and priorities and will be reflected in the plan and will constitute the Infrastructure Master Plan.

The overarching planning described above will serve as the guide and basis for integrating related lower level real property asset life cycle management functions such as acquisition, condition assessments, maintenance, recapitalization, disposition, and long term stewardship and

include participation from subject matter experts from these disciplines. Comprehensive planning would include participation from financial organizations and the requirements would in turn be reflected in a transparent manner in the Integrated Facilities & Infrastructure crosscuts budget in the Comprehensive Plan/TYSP.

The Comprehensive Plan/TYSP will be utilized in a unifying manner such that it will result in a consolidated and integrated plan that serves to replace the numerous disjointed, parallel, overlapping and duplicative plans. For example, examining the potential to integrate the PMP requirements as part of the overarching plan. It will be the result of an integrated effort of multiple organizations coordinating their resources and working together for efficiency rather than continuing to approach planning and implementation as isolated stove pipes, looking for additional resources to support the stove pipe approach.

Contract Output: SRNS2011MGT-12 – Baseline Planning

The contractor is required to maintain and manage to an accurate multi-year performance baseline, and to support the development and integration of a life cycle baseline to meet the DOE-SR requirements to HQ. The multi-year performance baseline will be updated utilizing a systematic project management approach which provides detailed cost estimating, resource-loaded scheduling and risk for maintaining an appropriate technical baseline.

Up to $150,000 of the allocated PBI fee will be paid for Contract Output 12 as follows:

Description/Background/Justification:

The FY11-15 baseline was developed in FY2010 and will be updated / enhanced based on internal and external feedback. An additional year will be developed and included in the baseline using a project management approach. A multi-year baseline update process will be developed to ensure continuous improvement of this product.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 MGT-12.01	12/31/2010	$125,000	Develop and deliver an integrated baseline management and control process.	Provide to DOE-SR the following items: • Annual schedule of baseline update deliverables • Corporate plan for baseline and database management and control

				• Procedure for annual baseline updates to incorporate the 5-year rolling scope • Procedure for developing work packages in upcoming fiscal year, including requirements for work package versus planning package content • Procedure for development and incorporation of Management Reserve into operations activities
SRNS2011 MGT-12.02	8/15/2011	$25,000	Develop lessons learned from the FY2011-2015 Baseline development by 12/31/2010. Incorporate these lessons learned and any necessary corrective actions into guidance documents and baseline update by 8/15/2011.	Lessons learned will be provided to DOE-SR. All guidance and the baseline update will incorporate all identified lessons learned and any subsequent corrective actions.
Contract Output: SRNS2010MGT-13 – Interface Management The Contractor shall execute Interface Management with site tenants to deliver landlord services				

in support of mission completion.

Up to $150,000 of the allocated PBI fee will be paid for Contract Output 13 as follows:

Description/Background/Justification:

Continue to demonstrate effective implementation of the site interface management process and integration of new and existing site tenants and contractors into the program through

- Development and maintenance of site interface process and procedures
- Communication of the interface process, procedures and issues to all site tenants and contractors
- Development of interface agreements with site tenants and contractors for exchange of services, interface boundaries, and responsibilities

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 MGT-13.01	1/31/2011	$100,000	Improve cost tracking capability of site tenant work scopes as follows: 1. Implement new Service Level Agreements (SLAs) computer program upgrades to accomplish improved cost tracking. 2. Develop and issue a cost performance report for USFS.	DOE-SR will review the new SLA system generated cost tracking and performance reports.
SRNS2011 MGT-13.02	9/30/2011	$50,000	Perform SRNS integration efforts by: 1. Executing annual revision of interface agreements (SRR, Shaw-	DOE-SR will review revised interface agreements and identified lessons learned deliverables.

			Areva, Parsons, Ameresco, WSI, URS, USFS, US Army, National Guard, SREL). 2. Support DOE in implementation of identified Lessons Learned actions.	

Contract Output: SRNS2011MGT-14 – Continuous Improvement

The contractor will develop and implement innovative approaches and adopt practices that foster continuous improvement in accomplishing missions of the site.
This Contract Output supports the SRS Strategic Objectives: (39) foster a corporate perspective and a teamwork culture through communication of a common vision
(43) Implement solid financial and performance based management systems with metrics that help management to improve efficiency and sustainability, and (46) Support development of potential future missions and opportunities for SRS.

Up to $162,746 of the Comprehensive PBI will be paid for Contract Output 14.

Description/Background/Justification:

Continuous Improvement System

The Process Excellence team is responsible for leading activities that promote maturity of the SRNS Continuous Improvement System (CIS). The resulting process improvements enable SRNS to more effectively respond to customer, employee and corporate interests. In the ideal future state, SRNS personnel are equipped to participate in CI activities, improvements are implemented by local process teams, and non-value added activities are eliminated in each process. The objectives for Process Excellence in FY2011 focus on increasing stakeholder reliance on the results of CI implementation.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011MGT-14.01	9/30/11	$162,746	Demonstrate the impact of CI deployment on core organizational functions including implementation of cost reduction proposal, validation of cost	1. CI activities communicated in a manner that promotes growth of the CIS and alignment with the SRNS Mission Development

			savings, communication of process improvements, and management of improvement initiatives.	Plan. 2. CI metrics revised to sustain SRNS focus on leading indicators and critical behaviors. 3. CI training updated to incorporate program elements identified for new CI Experts. 4. Financial validation provided for CI activities that meet savings criteria defined by SRNS. 5. CI database upgraded with a web interface to improve access to project data and visibility of CI project results. 6. Integrated process for Cost Reduction Proposals established for SRNS and coordinated with DOE-SR AMIP personnel.

Performance Incentive Document

PBI Number:	SRNS2011IS
Activity Name:	Infrastructure Services
WBS Number:	Multiple direct and indirect
Performance Period:	October 1, 2010 - September 30, 2011
Allocated Fee:	$2,000,000
Revision Number:	0
Senior level manager name:	Karen Guevara
Senior level supervisor/division manager name:	As identified with each output below

Performance Outcome:

The Contractor shall execute assigned Landlord responsibilities and provide a range of services to other organizations doing work on the Savannah River Site. These services include supporting the Biomass Project, ensuring service for utilities' customers, and supporting the DOE complex-wide strategic Sustainability Performance Plan.

Senior level supervisor/division manager name:	Ben Gould

Contract Output: SRNS2011IS-01 – Biomass Project Support

Biomass Project Support. The Contractor shall meet all SRNS agreed upon scheduled milestones, activities and reviews related to construction and startup of the Biomass Cogeneration Facility and the K and L Area Biomass Heating Plants.

Up to $800,000 of the allocated PBI fee will be paid for Contract Output 1.

Description/Background/Justification:

The purpose of the new Biomass Cogeneration Facility and the K and L Area Biomass 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 include: (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) incurring additional delays in achievement of renewable energy goals outlined in current federal legislation. Infrastructure Services 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	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011IS-01.01	9/30/2011	$50,000	Facilitate onsite permit development and approval process.	DOE-SR will review SRNS document log of completed permit documentation activities.
SRNS2011IS-01.02	9/30/2011	$100,000	Provide infrastructure liaison support (SME, CTM, performing observations, e.g. project schedule, review of commissioning plan, procedure/training, maintenance etc.) to facilitate Ameresco's schedule, and identifying impediments and facilitating GFSI.	DOE-SR will review SRNS document log of reviewed impediments that have been identified and overcome, including documentation of specific mitigation activities.
SRNS2011IS-01.03	5/31/2011	$100,000	Provide Steam Outage Coordination for Biomass Cogeneration Facility (BCF) steam tie-in per agreed upon schedule.	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure tie-ins/ modifications.
SRNS2011IS-01.04	9/30/2011	$100,000	Provide River Water tie-in & Electrical tie-in Coordination for Biomass Cogeneration Facility (BCF).	DOE-SR will review SRNS steam outage documentation.
SRNS2011IS-	9/30/2011	$50,000	Perform document	DOE-SR will

01.05			reviews requested by DOE within agreed upon timeframe.	review SRNS electrical and river water outage documentation.
SRNS2011IS-01.06	4/30/2011	$100,000	Support Commissioning of the K & L Biomass Facilities to include consultation to the DOE Readiness Assessment Team.	DOE-SR will review SRNS document log of completed document reviews, including resulting feedback/ recommendations / assistance.
SRNS2011IS-01.07	6/30/2011	$300,000	Develop 484-D powerhouse to Biomass Cogeneration Facility (BCF) Transition Strategy with the following: Coordination of the Steam and Electrical Supply Transition, River Water Pump operating contingency strategy, River Water Supply Line Re-commissioning strategy, SCE&G Contract Re-negotiation strategy, D Area Powerhouse Stand-by operational strategy, Development of a Traffic Plan which establishes traffic flow patterns/options for Biomass Cogeneration	DOE-SR will review SRNS Transition Strategy for 484-D Powerhouse.

			Facility (BCF) Project.	

Contract Output: SRNS2011IS-02 - D Area Reliability Enhancements

This scope will facilitate the continued, uninterrupted operation of the D-Area powerhouse by providing necessary or critical equipment upgrades, rebuilding / refurbishments, and/or replacements outside of routine or normal corrective maintenance necessary to meet the Facility's mission of providing steam to the F/H/S Steam System until the Ameresco Biomass Facility is operational in FY2012.

Up to $700,000 of the allocated PBI fee will be paid for Contract Output 2.

Senior level supervisor/division manager name:	Ben Gould

Description/Background/Justification:

The D-Area 484-D Powerhouse serves SRS facilities by exporting both steam and electrical power. The powerhouse currently contains four coal-fired boilers, seven turbine generators, and support systems / equipment. Steam is exported to the following facilities: 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.

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). Due to the age of the equipment and this maintenance strategy, the reliability of the powerhouse has deteriorated to the point of failure. The replacement powerhouse has since been delayed until FY2012. Therefore, the D-Area 484-D powerhouse must continue to meet the site missions until this new powerhouse is constructed and operational. Upgrades and replacements began in FY2010 with the approval of a PBI milestone.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011IS-02.01	9/30/2011	$350,000	Provide technical guidance, inspection criteria, materials and labor to perform refurbishment of one of the Turbine generators at 484-D to ensure capability for power and steam generation.	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure upgrades and/or completed work packages with examples of before and after pictures for validation documentation.
SRNS2011IS-	9/30/2011	$150,000	Perform system analysis and risk assessment to	DOE-SR will conduct physical walkdown and

02.02			determine strategy for critical repairs on 2 boiler systems (e.g. boiler tubes, bunker walls) to ensure steam generation to support Site missions. Perform critical repairs on 2 boiler systems.	final acceptance inspection of completed infrastructure upgrades and/or completed work packages with examples of before and after pictures for validation documentation.
SRNS2011IS-02.03	9/30/2011	$100,000	Perform precipitator structural repairs to a minimum of two boilers to ensure steam generation to support Site missions and air emission compliance.	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure upgrades and/or completed work packages with examples of before and after pictures for validation documentation.
SRNS2011IS-02.04	9/30/2011	$100,000	Refurbish selected sections of the ash removal system for 484-D powerhouse, based on Engineering evaluations, to ensure environmental compliance and continued steam generation.	DOE-SR will conduct physical walkdown and final acceptance inspection of completed infrastructure upgrades and/or completed work packages with examples of before and after pictures for validation documentation.

Contract Output: SRNS2010IS-03 - Sustainability Initiative

The Contractor shall meet all SRNS agreed upon scheduled milestones and activities to ensure continued focus and development of sustainability efforts.

Up to $200,000 of the allocated PBI fee will be paid for Contract Output 3.

Senior level supervisor/division manager name:	Donell Jenkins

Description/Background/Justification:

In FY10, DOE approved a Complex-wide Strategic Sustainability Performance Plan. This plan addresses such topics as greenhouse gas emission reductions, High Performance Sustainable Buildings, water use, and pollution prevention / waste elimination. DOE sites have been tasked to make progress toward goals established for 2015 and 2020.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011IS-	1/31/2011	$25,000	Develop an SRS	DOE-SR will review

03.01			Sustainability Plan to ensure SRS is working toward goals outlined in the Strategic Sustainability Performance Plan (SSPP) prepared by DOE-HQ.	the SRS Sustainability Plan.
SRNS2011IS-03.02	9/30/2011	$175,000	Implement planned FY11 High Performance Sustainability Building Guiding Principles compliance activities in 15% of existing building square footage.	DOE-SR will review summary report of activities accomplished to meet the planned Guiding Principle compliance actions.

Contract Output: SRNS2010IS-04 Facilities and Infrastructure

The Contractor shall build, modernize, and/or maintain facilities and infrastructure to achieve mission goals and ensure and safe and secure workplace for all SRS personnel.

Up to $300,000 of the allocated PBI fee will be paid for Contract Output 4.

Senior level supervisor/division manager name:	Ben Gould

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 be performed safely and efficiently only with a reliable infrastructure in place. The Contractor will re-invest in Site Infrastructure through the implementation of repairs and upgrades as identified in the approved Infrastructure Mission Alignment Plans. The scope will include projects or purchases from the **SRNS Critical Infrastructure Improvement Projects IPL** which are currently identified in the SRS FY11-FY16 baseline and emergent work that is performed relative to the improvement of the site infrastructure.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011IS-04.01	9/30/2011	$25,000	Rebuild, repair or repave fatigued sections of Road C, to be identified upon receipt of funding and authorization of FY11 scope by 12/31/10.	DOE-SR will review Final Acceptance Inspection (FAI) for the project.
SRNS2011IS-04.02	9/30/2011	$25,000	Rebuild, repair or repave fatigued sections of Road 4, to be identified upon receipt of funding and authorization of FY11 scope by 12/31/10.	DOE-SR will review Final Acceptance Inspection (FAI) for the project.

SRNS2011IS-04.03	9/30/2011	$25,000	Repair/Replace Road Shoulders & Safety Systems, i.e., striping, markings, signs, etc., to be identified upon receipt of funding and authorization of FY11 scope by 12/31/10.	DOE-SR will review Final Acceptance Inspection (FAI) for the project.
SRNS2011IS-04.04	9/30/2011	$200,000	Make intermediate improvements to habitability issues associated with the SRSO/EOC and address obsolescence / performance issues with in the alternate EOC facility, to be identified upon receipt of funding and authorization of FY11 scope by 12/31/10.	DOE-SR will review Final Acceptance Inspection (FAI) for the project.
SRNS2011IS-04.05	9/30/2011	$25,000	Develop option analysis and subsequent design of replacement function for the 785-A Cooling Tower, to be identified upon receipt of funding and authorization of FY11 scope by 12/31/10.	DOE-SR will review the design for the 785-A Cooling Tower.

Performance Incentive Document

PBI Number:	SRNS2011NMO
Activity Name:	Nuclear Material Operations
WBS Number:	1.29.20.04.01, 1.29.20.05.01, 1.29.20.04.02
Performance Period:	October 1, 2010 - September 30, 2011
Allocated Fee:	$8,600,000.00
Revision Number:	0

Senior level manager:	Pat McGuire
Senior level supervisor/division manager:	Brenda Mills

Contract Performance Outcome:

Receive, store, ship, and disposition nuclear materials in a safe, and secure manner. Operate and maintain the H Canyon Complex to support disposition of nuclear materials and used nuclear fuel (UNF) in coordination with the NNSA Nuclear Nonproliferation Program and other applicable DOE programs. De-inventory and transition excess nuclear facilities and ancillary structures for D&D.

Contract Output: SRNS2011NMO-01

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

Description/Background/Justification:

Enriched Uranium Disposition (EUD) requires receiving, dissolving, processing and blending the high enriched uranium (HEU) metals, oxides and UNF down to low enriched uranium (LEU).

Activities associated with the contract outputs below support receipt and processing of enriched uranium and are needed to meet or support DOE Strategic Objectives. These objectives include: maximizing risk reduction of surplus nuclear materials (including used

nuclear fuel), supporting nuclear nonproliferation, utilizing SRS facilities to process surplus nuclear materials and UNF for reuse in commercial power reactors.

GFSI: Y-12 HEU Np Oxide must all arrive by commercial shipment to HB-Line (not KAC) by June 30, 2011. BRR cask availability required for BRR cask equipment testing, training, dry-runs, and assessment (10/31/10). Approval by DOE for direct disposal of high aluminum UNF by 10/1/10 or within 30 days of receipt of request from SRNS – whichever is later.

Assumptions: NEPA/ROD for UNF required prior to September 30, 2010 to meet FY2010 UNF milestones. Contractual Agreement to extend supplying TVA with LEU material for FY2011 expected by December 1, 2010.

Up to $3,950,000 of the allocated PBI fee will be paid for Contract Output 1 as follows:

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 NMO-01.01	9/30/11	$420,000; $3000 per bundle shipped; invoiced quarterly	Load and ship 140 bundles of UNF from L to H.	DOE-SR will review L-Area UNF to H-Area shipping logs/documentation.
SRNS2011 NMO-01.02	9/30/11	$500,000; $125,000 fee paid each quarter	Receive and unload FRR/DRR fuel per schedule.	DOE-SR will validate Cask Data Sheets for casks received and unloaded against the Receipt and Unloading Schedule Agreement.
SRNS2011 NMO-01.03	5/31/11	$150,000	Declare readiness to receive, unload BRR Cask in L-Area (exclusive of crane readiness)	DOE-SR will perform physical walk down and / or evaluate completed work packages.
SRNS2011 NMO-01.04	9/30/11	Up to $480,000; $30,000 per trailer; invoiced quarterly	Ship 16 LEU trailers in FY11.	DOE-SR will review MC&A form 741 (transfer documentation) for each LEU trailer.
SRNS2011 NMO-01.05	9/30/11	Up to $1,300,000; $10,000 per bundle;	Charge 130 bundles of UNF	DOE-SR will review UNF dissolver log sheets / documentation.

		invoiced quarterly		
SRNS2011 NMO-01.06	9/30/11	Up to $1,100,000; cans 1 thru 30 at $10,000 per can, cans 31 thru 50 at $15,000 per can, cans 51 thru 70 at $25,000 per can; invoiced quarterly	Repackage and dissolve (70) EU/Pu (in 3013s already at K-Area).	DOE-SR will review EU/Pu dissolver log sheets / documentation.

Contract Output: SRNS2011NMO-02

Receive, store, characterize and disposition surplus plutonium materials.

Description/Background/Justification:

H Area facilities are scheduled to process surplus plutonium materials and transfer the plutonium solution to the Defense Waste Processing Facility for disposition. Plutonium oxide removed from 3013 containers are 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 such as GFSI metals and Eu/Pu metals.

Activities associated with the contract outputs below support receipt, storage, and processing of surplus plutonium and are needed to meet or support DOE Strategic Objectives. These objectives include: maximizing risk reduction of surplus nuclear materials, supporting nuclear nonproliferation, and utilizing SRS facilities in collaboration with NNSA to store or disposition surplus plutonium.

Assumptions: Eight of the 13 prompt gamma items under IAEA control can be measured or items can be substituted. Implementation of the HB-Line 3009 DSA will not require significant plant modifications.

GFSI: Final shipment of LAP must arrive at HB-Line (not KAC) by 10/15/10.

Up to $2,060,000 of the allocated PBI fee will be paid for Contract Output 2 as follows:

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 NMO-02.01	9/30/11	$130,000; $10,000 per can measured; invoiced quarterly	Prompt Gamma measurements of (13) 3013s in KIS	DOE-SR will review prompt gamma measurement data / documentation.
SRNS2011 NMO-02.02	9/30/11	$360,000; $20,000 per can; invoiced quarterly	18 Destructive Evaluation (DE) Surveillances.	DOE –SR will review operations log of DE completed and validation of Surveillance Program Authority (SPA) Data Set 1 parameters for the DE samples.
SRNS2011 NMO-02.03	9/30/11	$100,000; $25,000; invoiced quarterly	K-Area SNM Receipts	DOE-SR will verify drums stored in K-Area.
SRNS2011 NMO-02.04	9/30/11	$300,000; $7,500 per 3013 measured; invoiced quarterly	K-Area Uranium measurements of (40) 3013s; results are not required to fall in acceptance range.	DOE-SR will review uranium measurement data / documentation.
SRNS2011 NMO-02.05	9/30/11	$300,000; $75,000; invoiced quarterly	Prepare and ship Pu and EU/Pu items from KAC to support H-Canyon and HB-Line dissolution.	DOE-SR will review documentation of Pu and EU/Pu shipments from KAC to H.
SRNS2011 NMO-02.06	1/31/11	$50,000	OSA submittal to DOE-SR for 9975 shipments from KAC to H	Submit high quality SRNS approved OSA.
SRNS2011 NMO-02.07	12/31/10	Up to $150,000; $50,000 for each drum processed	Complete 12 drums LAP Dissolution Campaign.	DOE-SR will review LAP dissolver log sheet / documentation.
SRNS2011 NMO-02.08	9/30/11	$470,000; $9,400 fee per kg dissolved;	Dissolve 50 kgs DE-3013 (total oxide).	DOE-SR will review DE3013 log sheet, FRM 221-HB-830 documentation.

		invoiced quarterly		
SRNS2011 NMO-02.09	5/9/11	$100,000	HB-Line 3009 DSA Submittal	Submit high quality SRNS approved DSA.
SRNS2011 NMO-02.10	9/30/11	$100,000	HB-Line 3009 DSA Implementation	DOE-SR will validate completion of the SRNS Safety Basis Implementation Plan.

Contract Output: SRNS2011NMO-03

Uranium and Plutonium throughput improvement and preparation initiatives.

Description/Background/Justification:

In order to disposition all the various Uranium and Plutonium items, preparations for each campaign must be completed including DSA, NCSE, and facility mods. In order to increase throughput and interim storage of plutonium awaiting a sludge batch, additional DSA, NCSE and facility mods are required. This Contract Output integrates both initiatives to minimize changes and maximize work performed.

The contract outputs below support receipt, storage, and processing of surplus nuclear materials or UNF and are needed to meet or support DOE Strategic Objectives. These objectives include: maximizing risk reduction of surplus nuclear materials, supporting nuclear nonproliferation, utilizing SRS facilities in collaboration with NNSA to store or disposition surplus plutonium, or utilizing SRS facilities to process surplus nuclear materials and UNF for reuse in commercial power reactors.

GFSI: None identified.

Up to $1,490,000 of the allocated PBI fee will be paid for Contract Output 3 as follows:

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 NMO-03.01	9/30/11	$175,000	Install 11.5 Bi-Cell Tank and Jumpers (assumes Tank/Jumpers but not 2nd/3rd level/GV mods)	DOE-SR will review completed crane installation procedures or visually verify by inspection.
SRNS2011 NMO-03.02	5/30/11	$25,000	Complete HB-Line Phase II flush	DOE-SR will review completed procedures/documentation.

SRNS2011 NMO-03.03	1/31/11	$100,000	Perform three VSD runs in HB-Line glovebox.	DOE-SR will review completed packages or visually verify by walkdown.
SRNS2011 NMO-03.04	6/15/11	$70,000	Revise 221-H DSA for EU/Pu and Pu concentration. (DSA revision submittal to DOE, not approval)	Submit high quality SRNS approved DSA.
SRNS2011 NMO-03.05	9/30/11	$120,000	410 Valve Box Mods, CHAP and Design to 11.1 and 9.6	DOE-SR will review completed CHAP and design documentation.
SRNS2011 NMO-03.06	7/31/11	$200,000	Complete K-Area PAV Construction. with the exception of opening the KAMS wall and closing the North wall	DOE-SR will review completed construction work packages and perform a walkdown verification.
SRNS2011 NMO-03.07	9/30/11	$100,000	3009 DSA Evaporator SC steam valve installations	DOE-SR will review completed work packages/ documentation or visually verify by walkdown.
SRNS2011 NMO-03.08	8/15/11	$275,000	H Canyon UNF bundle Storage turnover to Ops complete	DOE-SR will review completed storage rack installation documentation and/or visual inspection using crane.
SRNS2011 NMO-03.09	9/30/11	$250,000	Complete redeactivation of F-Canyon	DOE-SR will verify end-point documentation.
SRNS2011 NMO-03.10	9/30/11	$175,000	Facility Acceptance of PAV MAA	DOE-SR will verify PAV MAA is established.

Contract Output: SRNS2011NMO -04

Infrastructure / Facility life extension

Description/Background/Justification:

Continuing operations increases the risk of an unplanned failure of a system, structure or component (SSC) that supports 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.

772-1F Fire Protection modifications replace the Fire Alarm Control Panels and all associated devices.

The contract outputs below support receipt, storage, and processing of surplus nuclear materials and are needed to meet or support DOE Strategic Objectives. These objectives include: maximizing risk reduction of surplus nuclear materials, supporting nuclear nonproliferation, utilizing SRS facilities in collaboration with NNSA to store or disposition surplus plutonium, or utilizing SRS facilities to process surplus nuclear materials and UNF for reuse in commercial power reactors.

GFSI: NNSA funding (allowed per NNSA Contracting Officer letter) is available for use by 10/1/10 to refurbish third cask and rail car for UNF shipments.

Up to $1,100,000 of the allocated PBI fee will be paid for Contract Output 4 as follows:

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 NMO-04.01	6/15/11	$150,000 (for completion by 6/15/11); Reduction of $25,000 for completion by 6/30/11 ($125,000).	Complete L Area 85/30 ton crane upgrade	DOE-SR will review completed work packages and verify return to service.
SRNS2011 NMO-04.02	9/30/11	$200,000	Complete 772-1F Fire Protection Modifications.	DOE-SR will review completed work packages.
SRNS2011 NMO-04.03	2/28/11	$25,000	Provide 235-F Risk Reduction preliminary PEP	Submit high quality SRNS approved preliminary PEP to DOE-SR.
SRNS2011 NMO-04.04	9/30/11	$100,000	Complete design for the 285-H substation	DOE-SR will review approved substation design.

SRNS2011 NMO-04.05	9/30/11	$100,000	Complete design for the K Area 13.8KV switchgear	DOE-SR review of approved K-Area switchgear design.
SRNS2011 NMO-04.06	9/30/11	$100,000	Replace roof over 911 Fan Room in K-Area	DOE will review completed work packages or visually validate by walkdown.
SRNS2011 NMO-04.07	5/31/11	$100,000	Replace ARU Condenser Column	DOE-SR will review completed work packages.
SRNS2011 NMO-04.08	1/15/11 or no later than the L-Area crane outage begins	$125,000	Complete upgrade of a third 70 ton cask and rail car and load with UNF for shipment	DOE-SR will review completed work packages.
SRNS2011 NMO-04.09	9/30/11	$200,000	Complete final design for DNFSB Recommendation 2004-2 for 772-F ventilation confinement modifications	DOE-SR will review design for adequacy to meet ventilation standards for confinement.

Performance Incentive Document

PBI Number:	SRNS2011SRNL
Activity Name:	Savannah River National Laboratory (SRNL)
WBS Number:	Multiple
Performance Period:	October 1, 2010 - September 30, 2011
Allocated Fee:	$2,000,000
Revision Number:	0
Senior level manager name:	Karen Hooker
Senior level supervisor/division manager name:	Ann Thomas

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: SRNS2011SRNL-01

Enable EM Mission Accomplishment.

Up to $1,250,000 of the allocated PBI fee will be paid for Contract Output 1

Description/Background/Justification:

Lead the EM Engineering and Technology program to reduce the risk associated with legacy defense nuclear and industrial cleanup. Develop and implement major new initiatives to provide science-based approaches to the EM mission.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011	Quarterly	**$1,250,000**	The contractor shall	Review and evaluate work

SRNL-01.01			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 at SRS and across DOE. Quarterly reports of progress will be provided and fee will be assessed quarterly. (Funding, scope and schedule will be provided by EM-HQ and EM Contractors).	deliverables and documentation quarterly to validate milestone completion and solicit customer feedback.

Contract Output: SRNS2011SRNL-02

Enhance SRNL Infrastructure and Facility Safety.

Up to $650,000 of the allocated PBI fee will be paid for Contract Output 2.

Description/Background/Justification:
Secure additional sponsors, missions, and funding, including development of enduring funding sources, to support Laboratory infrastructure to meet laboratory needs for future mission support while sustaining safety performance excellence.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 SRNL - 02.01	9/30/2011		Implement the following approved IGPPs for FY11 (assumes $4M IGPP funds available):	(a-e) Mechanical Field complete through Final Acceptance Inspection (8Q, 51) ready for turnover for testing.
		a. $35K	a. Replace Air Compressors CMP-2 and CMP-3 and Air Dryers, 775-A (LF0903)	
		b. $35K	b. Replace Plenum Room HVAC Unit for Rooms 131 & 132, 736-A (LF1034)	(f) Complete design and issue purchase orders for major equipment in prep for outage and installation in FY2012.
		c. $35K	c. Replace HVAC Unit - Standards Lab - Room 124, 736-A (LR0512)	
		d. $35K	d. Install B-Wing HAD Exhaust	

		e. $30K f. $30K	Filter Housing, 773-A (LF0618) e. Replace Fire Alarm Panel in 773-A, Room C-041 (Control Room) and 773-41A & 42A(LF1212) f. Replace HVAC Unit for Environmental Sciences Lab, 736-A (LF0617)	
SRNS2011 SRNL - 02.02	9/30/2011	 a. $15K b. $15K c. $10K d. $10K	Complete the following major maintenance cost work items: a. Complete Replacement E-Wing Air Handling Unit, SRNL - EP-20984 HVAC Supply Unit on Upper E-Wing Roof, 773-A (LF0612, Work Order # 953401) b. Replace HVAC-FAN-209004 (Heat pump) located on D Wing Roof - Work Order # 894444. c. Complete design and work package preparation for Installation of New Lighting System in E-079, 773-A - Work Order 920956 d. Complete design and work package preparation for Increasing size of 125# Steam Regulator MST-PCV-6105. (This would increase the regulator size to 2" providing greater steam capacity).	(a & b) Mechanical Field complete through Final Acceptance Inspection (8Q, 51) ready for turnover for testing. (c & d) Review and evaluation of design and work package documents.
SRNS2011 SRNL - 02.03	6/30/2011	$15,000	Implement SRNL Multi-Media capability in 703-41A Conference center. (Includes guest conferencing, and video conferencing).	Equipment is installed and ready for use.
SRNS2011 SRNL- 02.04	9/30/2011	 a. $50K b. $50K c. $50K d. $60K e. $50K	Execute DNFSB 2004-2 Projects as follows*: a. SRNL B/C OGE Standby Fan Autostart. b. SRNL B/C CHEX HEPA Bank Blanks. c. SRNL B/C Tertiary Exhaust Interlocks. d. SRNL E Wing Ventilation (Project Y189). e. SRNL E Wing Supply and	(a-c) Complete project Title II design, estimate and major work package development. (d) Complete and update project Title II design, estimate, and set Fan/HEPA Filters and support structure.

			Exhaust Interlocks. *Assumes funding is approved by 12/1/2010.	(e) Complete project Title II design.
SRNS2011 SRNL-02.05	9/30/2011	$50,000	Execute Elevator Cylinder Replacement Project in 773-A. This assumes funding is approved by 11/1/2010.	Receive replacement cylinders and complete installation for two of the four elevators through Final Acceptance Inspection (8Q, 51) ready for turnover for testing.
SRNS2011 SRNL-02.06	9/30/2011	$75,000	SRNL DSA Upgrade Project – Complete Hazards Analysis (CHA), Control Selection and Accident Analysis calculation(s) sections of the DSA.	SRNS approved CHA and Control Selection and Accident Analysis calculation(s) documents/lists.

Contract Output: SRNS2011SRNL-03

Establish SRNL as a preferred partner for industry, universities and small businesses.

Up to $100,000 of the allocated PBI fee will be paid for Contract Output 3.

Description/Background/Justification:
Provide resources and tools for developing leading edge technologies in support of the industrial, economic, and educational strength of the United States.

Number	Date	Fee	Completion Criteria	Acceptance Criteria
SRNS2011 SRNL - 03.01	2/28/2011	$25,000	Prepare procurement and WFO procedure revisions related to foreign national involvement and submit them for approval; the objective is to eliminate the requirement for identification of foreign nationals if the statement of work provided by SRNS is releasable to the public and no SRS site visit is involved.	Review and evaluation of revised procurement and WFO procedures supporting milestone completion.
SRNS2011 SRNL - 03.02	7/31/2011	$25,000	Complete partnership agreements with at least 2 more Universities for the Savannah River University	Review and evaluation of partnership agreements.

			Alliance.	
SRNS2011 SRNL - 03.03	9/30/2011	$25,000	Continue in leadership roles in the Congressionally established DOE Technology Transfer Working Group (TTWG). Select best practices for SRNL from the Speed of Business Study and initiate implementation.	Review and evaluation of all completed documents supporting milestone completion.
SRNS2011 SRNL - 03.04	9/30/2011	$25,000	Complete an SRNL Skills Inventory as addressed in the SRNL Human Capital Plan. Populate SRNS's data base with R&D (only) current staffing and proposed needs for FY12 and outyears.	Review and evaluation of all completed documents supporting milestone completion.

Performance Incentive Document

PBI Number:	SRNS2011TP	
Activity Name:	Tritium Programs	
WBS Number:	1.03	
Performance Period:	October 1, 2010 - September 30, 2011	
Allocated Fee:	Objective Amount: *(45% of allocated fee)* Nominal $5,596,764	Subjective Amount: *(55% of allocated fee)* Nominal $6,840,490
Revision Number:	Revision 0 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 Management and Operating (M&O) contract structure so that it will be positioned to be responsive to any future direction with the National Nuclear Security Administration (NNSA) Nuclear Security Enterprise (NSE).

Contract Output: SRNS2011TP

The Tritium Performance Fee Agreement has eight contract outputs which are fully developed in the Tritium Performance Based Incentives (PBI). 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-Headquarters (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 2011. 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.

Number	Value	Indicator
SRNS2011TP-01	$3,109,314	Support the nuclear weapons stockpile by safely providing tritium and non-tritium loaded reservoirs to the Department of Defense and NNSA (i.e., Pantex Plant) 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.
SRNS2011TP-02	$373,118	Extraction of tritium from irradiated Tritium-Producing Burnable Absorber Rods (TPBARs).
SRNS2011TP-03	$248,745	Conduct research and development and Science, Technology and Engineering (ST&E) sustainment activities that solve complex problems related to mission of SRSO and the NNSA. These activities are sponsored by the Readiness and Engineering Campaigns, and Plant-Directed Research & Development (PDRD) and support development activities fo NNSA missions at Savannah River and other NNSA sites and maintain skill and core competencies that are critical to mission sustainability and execution.
SRNS2011TP-04	$621,863	Support the Tritium Programs mission by safe and efficient execution of projects.
SRNS2011TP-05	$1,243,725	NNSA Multi-Site Incentives

SRNS2011TP-06	$2,487,451	Operations: Maintain the Tritium Facilities in a safe, secure and responsive operating condition Facility and Site Management Maintenance Effectiveness Operations and Work Planning Quality Assurance Engineering Nuclear Safety and Fire Protection Radiation Protection National Lab Support to NNSA Training and Qualification
SRNS2011TP-07	$1,865,588	ES&H and S&S: Maintain the Tritium Facilities in a safe, secure and responsive operating condition. Emergency Management Health & Safety (excludes fire protection) Environmental Management Waste Management Safeguards and Security Cyber Security
SRNS2011TP-08	$2,487,451	Business: Maintain the Tritium Facilities in a safe, secure and responsive operating condition Fiscal Management Contractor Assurance System Program Management Project Management Information Technology/Process Control Modernization Governance

Evaluation Criteria:

SRNS2011TP	Objective and subjective evaluation criteria will be used to document review and acceptance of this performance fee agreement.
Objective Evaluation Criteria:	Will be evaluated as performance is completed and will be discussed and documented in the monthly SRSO and contractor performance meeting.
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	At Risk Fee Earned
Excellent	Contractor has exceeded almost all 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.	91 – 100%
Very Good	Contractor has exceeded many 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.	76 – 90%
Good	Contractor has exceeded some 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.	51 – 75%
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.	1 – 50%
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.	0%

Contract Output 1. Support the nuclear weapons stockpile by safely providing tritium and non-tritium loaded reservoirs to the Department of Defense and NNSA (i.e., Pantex Plant) 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 Directed Stockpile Work (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 goal is to achieve a high Tritium Production Acceptance Group (TPAG) acceptance rate for each reservoir system.

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 reservoirs, and disposing of non-reclaimable reservoirs and other components.

This Contract Output also provides the contractor incentive to achieve NNSA Reservoir Surveillance Operations (RSO) work scope that is required for continuing Stockpile certification, Life Extension Program First Production Unit, 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 provides 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, nondestructive examinations, and metallographic examination of Stockpile Laboratory Tests (SLTs), Retrofit Evaluation System Tests (RESTs), and similar testing of units from the Life Storage Program (LSP). 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 1) GTS performance data is documented in Rapid Analysis Promulgated To Obtain Results (RAPTOR) reports and 2)

destructive examination results are documented in Reservoir and Integrated Surveillance Information Network (RAISIN) reports for SLT and REST units, Metallurgical reports for LSP units, and annual production sample pinch weld reports for production samples. Specific work scope is documented and tracked to completion in the RSO schedule.

Up to $3,109,314 of the allocated Tritium Programs PBI fee may be earned by Contract Output 1. The available fee, portion of the maximum Contract Output 1 fee, and criteria for payment are as follows.

Essential Fee

1. $870,608 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. $621,863 available fee of the Contract Output may be earned at the end of the assessment period for the completion of Completion Criterion 2.
3. $248,745 available fee of the Contract Output may be earned at the end of the assessment period for the completion of Completion Criterion 3.
4. $497,490 available fee of this Contract Output may be earned for the completion of Completion Criterion 4
5. $497,490 available fee for Completion Criterion 5. Fee payments will be made quarterly, consistent with completed performance of Completion Criterion 5 at the end of each quarter (December 31, 2010; March 31, 2011; June 30, 2011 and September 30, 2011).
6. $373,118 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, 2010; March 31, 2011; June 30, 2011 and September 30, 2011).

Completion Criteria

1. Complete the monthly loading, packaging, and shipping of reservoirs per Savannah River Site Office (SRSO) Production Directive and the monthly shipping schedule.
2. The total reservoir product of all weapon systems will have a facility TPAG acceptance rate of 98.5% or greater for completed items. 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 the TPAG acceptance rate performance is 98.5% or greater, then 100% of the available fee will be earned. The fee earned for this Completion Criterion will be determined as follows:
    - TPAG acceptance rate greater than or equal to 98.5%, fee earned will be 100% of the available fee.
    - 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 Department of Energy (DOE) Isotope Program.
    a. Process Helium-3 by-product so that it is available for sale through the DOE Isotope Program. This is to be accomplished without adverse impact to the central mission of the H-Area New Manufacturing (HANM) facility.

b. Quantify the amount of Helium-3 that is currently not recovered from routine gas processing operations by February 1, 2011.
c. Define the operational activities or processes with the potential for improved recovery of Helium-3, and quantify the additional amount that could be recovered from each activity or process by April 1, 2011.
d. Develop a proposal that outlines opportunities to increase the amount of Helium-3 recovered from routine gas processing operations. Discuss the difficulty and expected cost of each opportunity by June 1, 2011.

4. Dispose of 2634 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.
5 Function Testing. Completion of 140 Function Test Equivalents with test data documented in RAPTOR reports.
6. Post-Function Testing. Completion of destructive examinations of 30 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 NNSA-SRSO in a 3 month "look ahead" Production Directive schedule. A new Production Directive will be issued by NNSA-SRSO each month. If SRNS considers that the specified schedule changes will increase costs or delay any delivery, SRNS shall promptly notify the NNSA-SRSO Contracting Officer, orally, followed by confirmation and explanation of the notification in writing within 5 working days. Following submission of the written notice of impacts, SRNS shall await further direction. Shipping is performed in accordance with 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 1.75% in any month. At the end of the PBI period if the annual CONC is less than or equal to 1%, SRSO may grant payment of any previously unearned CONC fee.
      2. The maximum total fee deduction associated with any month's reservoir shipment (Completion Criteria 1) cannot exceed the monthly maximum fee payment.

2. For Completion Criteria 2, TPAG formula is based on the following;
   a. The formula for arriving at a Fiscal Year To Date (FYTD) percentage for First- Time Use Evaluation (FUE) is as follows: Combined percentage ((Monthly percentage of finished units accepted + Monthly percentage of reclamation units accepted) /2)

provides the average monthly percentage. To annualize the monthly averages are added together YTD divided by the number of months YTD.

3. For Completion Criterion 5.
   a. 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.
   b. Completed function tests that have not had their respective RAPTOR reports issued before the next fiscal year begins for reasons not attributable to SRNS performance shall not be cause for fee reduction.
   c. 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, with sufficient plant required lead time 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 90 days in advance of the ship date, will be accomplished in a "best effort" manner, and SRNS will not be penalized for failure to meet the scheduled date.
2. The number of reservoirs to prepare for disposal is 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 established in Completion Criterion 4 will be reduced consistent with delayed quantities.
3. Supporting agencies must provide timely delivery of components required for testing.
4. There will not be a delay in testing that is directed from the Design Agencies due to systematic anomaly not associated with SRNS negligence.

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 $373,118 of the allocated Tritium Programs PBI fee may be earned by Contract Output 2 as follows.

Essential Fee

1. $373,118 of available fee for Contract Output 2 may be earned at the completion of Completion Criterion 1.

Completion Criteria

1. Extract Cycle 9B TPBARs by July 31, 2011. Tritium extraction activity is complete when gas has been extracted from the Cycle 9B TPBARs and is accounted for in ARMS.

Assumptions

None.

Government Furnished Services / Items

None.

Contract Output 3. Conduct Research and Development and Science, Technology and Engineering (ST&E) sustainment activities that solve complex problems related to mission of SRSO and the NNSA.

These activities are sponsored by the Readiness and Engineering Campaigns, and Plant-Directed Research & Development (PDRD) and support development activities for NNSA missions at Savannah River and other NNSA sites and maintain skill and core competencies that are critical to mission sustainability and execution.

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.

This Contract Output provides the contractor incentive to complete research and development activities that support NNSA missions at Savannah River and other NNSA sites and maintain skill and core competencies that are critical to mission sustainability and execution.

Up to $248,745 of the allocated Tritium Programs PBI fee may be earned by Contract Output 3 as follows.

Essential Fee

1. $49,749 available fee for this Contract Output may be earned for the completion of Criterion 1.
2. $49,749 available fee for this Contract Output may be earned for the completion of Criterion 2.
3. $49,749 available fee for this Contract Output may be earned for the completion of Criterion 3.
4. $49,749 available fee for this Contract Output may be earned for the completion of Criterion 4.
5. $49,749 available fee for this Contract Output may be earned for the completion of Criterion 5.

Completion Criteria

1. Complete an annual Enhanced Surveillance stockpile aging assessment and provide a report to support the annual assessment process and the Technical Basis for Stockpile Planning (TBSTP). Issue annual report to NNSA-HQ by December 31, 2010.
2. Support of the Enhanced Surveillance stockpile aging annual assessment. Develop design and cost estimate for enhanced fracture toughness test high-pressure hydrogen apparatus and issue summary report by September 30, 2011.
3. Install next suite of Gas Transfer Systems diagnostics for surveillance by developing ultrasonic inspection method for W76-0 reservoir and issue report on laboratory demonstration of methodology by September 30, 2011.

4. Complete testing of Zinc-65 filter configurations per Test Plan and issue report by June 30, 2011.
5. Complete TMED-4 baseline materials property testing and issue report by September 30, 2011.

Assumptions

None

Government Furnished Services / Items

None.

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

Up to $621,863 of the allocated Tritium Programs PBI fee may be earned by Contract Output 4 as follows.

Essential Fee

1. $37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 1.
2. $124,373 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2a.
3. $124,373 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2b.
4. $37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2c.
5. $37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2d.
6. $124,373 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2e.
7. 37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2f.
8. $37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2g.
9. $37,312 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2h.
10. $24,875 available fee of the Contract Output may be earned for the Completion of Completion Criterion 2i.

Completion Criteria

1. He-3 Projects

   a. The Helium-3 program is executed to support the Memorandum of Understanding between the NNSA-SRSO and the DOE Isotope Program.

      For Project Y504 He-3 Separation and Bottling Process, mechanical complete (excluding the DI tie in) will be by July 30, 2011.

2. Facility Projects

   a. For the Project Y607, Hydro burst Relocation project, a satisfactory completed design will be submitted to SRSO and procure the brazer, drill press, and data acquisition system by September 15, 2011.

   b. For Project Y606, Process Support Building Utilities mechanical complete will be accomplished by March 30, 2011.

c. For Project Y567, PS/ZR Glovebox Piping Modifications, mechanical complete will be accomplished by August 31, 2011.

d. For Project Y600, HOAM Remote Alarm Monitoring, installation, mechanical complete will be by June 30, 2011.

e. For Project Y587, TEF Tie-in DCS to HANM, mechanical complete will be by May 31, 2011.

f. For Project Y556, Wireless Sensor, installation, and prototype testing in 723-A will be completed by December 10, 2010.

g. For Project Y523, 720-H Chiller Replacement, mechanical complete will be by January 30, 2011.

h. For Project Y554, Unloading Line B Modification, a satisfactory completed design will be submitted to SRSO, initial equipment and supplies purchased, and construction work packages prepared and submitted by September 15, 2011 that will allow start of construction in October, 2011.

i. For Project Y568, Control Room Cooling, mechanical complete will be by February 28, 2011.

Assumptions

Assumptions are included in the individual Completion Criteria.

Government Furnished Services / Items

None

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.

Up to $1,243,725 of the allocated Tritium Programs PBI fee may be earned by Contract Output 5 as follows.

Essential Fee

1. 10% available fee of the allocated Tritium Program PBI fee may be earned at the completion of Completion Criterion 1. The fee is distributed per Assumptions 1 and 2.

Completion Criteria

1. Participate in the FY 2011 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. Any unspecified % allocation to the Site Office Manager discretion will be provided as Technical Direction to the Contractor subsequent to this PBI approval.

Multi-Site Target Assumptions

1. Letter, NA-10 to Distribution, FY2011 Multi-Site Targets and Success Criteria.
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 2011 Multi-Site Incentives with associated completion criteria and fee distribution method.

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
National Lab NNSA Support
Training and Qualification

Up to $2,487,451 of the allocated Tritium Programs PBI fee may be earned by Contract Output 6 as follows.

Essential Fee

1. 20% available fee of the allocated Tritium Program PBI fee may be earned at the end of the assessment period for Completion Criteria 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

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.

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 Replacement-In-Kind (RIK) projects to ensure facilities and equipment are available to meet mission deliverables. The Facility Information Management System (FIMS) reporting requirements are timely, accurate, and 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.

B. Maintenance Effectiveness. Ensure implementation of a cost-effective, comprehensive, and efficient Maintenance Program that accomplishes the work required to prevent degradation of the condition of the facilities and equipment to ensure that the facilities and equipment are available to support the mission. Metrics (such as locked-in completion, open work activities, corrective maintenance backlog, etc.) shall provide an accurate representation of performance, and will identify areas for improvement.

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. In addition, corrective actions identified in the reviews are effective and result in improving trends in operations and work planning activities.

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.lC, 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:

Business:

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. Provide quality and process improvements, report and trend improvements including corrective action/prevention of recurrence.

Product:

3. 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.
4. Effectively perform delegated stamping authority and ship product as scheduled that meets NNSA quality acceptance and shipping requirement

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. 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, engineering notebooks, and new electronic system walkdowns. Provide planned actions to 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, and ongoing staff 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:

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 the FY11 Tritium Facilities Annual Safety Basis Update as defined by the Tritium Programs Milestone Schedule.
    b. Develop and submit the FY11 TEF Annual Safety Basis Update as defined by the Tritium Programs Milestone Schedule.
    c. Finalize and submit the TEF DSA upgrade 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, false alarms, 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:

1. The aggregate evaluation of assessment results and 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.

H. SRNL Support to NNSA

Completion Criteria include:

1. PDRD – Maximize Relevance, Quality, and Performance. List of measures (or demonstrate) PDRD impact, quality and relevance by periodic reports.

I. Training and Qualification. The Tritium Training and Qualification Program will be managed and implemented in accordance with the requirements of DOE Order 462.2, 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.

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:

Emergency Management
Health and Safety
Environmental Management
Waste Management
Safeguards and Security
Cyber Security

Up to $1,865,588 of the allocated Tritium Programs PBI fee may be earned by Contract Output 7 as follows.

Essential Fee

1. 15% available fee of the allocated Tritium Program PBI fee may be earned at the end of the assessment period for Completion Criteria 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

Safety & Health / Safeguards & Security

A. Emergency Management. Ensure implementation of a cost-effective, comprehensive, and efficient Emergency Management Program that ensures response to and mitigation of abnormal events by a knowledgeable and fully trained workforce with minimum impact to mission accomplishment. Metrics shall provide an accurate representation of performance, and will identify areas for improvement.

B. Health & Safety. Ensure implementation of a cost-effective, comprehensive, and efficient Health & Safety Program that ensures response to and mitigation of abnormal events by a knowledgeable and fully trained workforce with minimum impact to mission accomplishment. Metrics shall provide an accurate representation of performance, and will identify areas for improvement.

C. Environmental Management. Ensure implementation of a cost-effective, comprehensive, and efficient Environmental Management Program that ensures no significant deficiencies will occur that affect the performance of the SRNS Tritium operations accomplishment of missions. Metrics shall provide an accurate representation of performance, and will identify areas for improvement.

D. Waste Management. Ensure implementation of a cost-effective, comprehensive, and efficient Waste Management Program that ensures minimum waste generation, minimum waste accumulation in the facilities, and compliance with the waste acceptance criteria for disposal. Metrics shall provide an accurate representation of performance, and will identify areas for improvement.

E. Safeguards and Security.

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. Maintain effective performance while completing milestones on schedule and within budget

Completion Criteria include:

1. Support the NNSA Enterprise through DNS Management Excellence.
    a. Provide transparency into the security budget formulation and execution activities. Site FS-20 budgets must align with NNSA Field CFO issued costing principles.
    b. Incorporate traceability across all security planning documentation, (i.e., Tritium Programs Work Authorization and Execution Plan (WAEP), Budget Requests, Site Safeguards and Security Plans, Performance Evaluation Plans, including Performance Based Incentives, etc.) Site Office approved FY11 WAEP must be provided to DNS by October 1st for the following Fiscal Year
    c. Provide 100% alignment of resources, i.e., Full Time Equivalent (FTE) and subcontractors to WAEP.
2. Security plans, policies and procedures are to be updated to reflect NNSA security policy by FY 2011 or as stated in the NNSA security policy.
    a. Implement security reform to improve mission effectiveness and drive cost efficiency.
    b. Implement program improvement tied to NNSA security standards in accordance with SRNS Contract Modification process and mutually agreed upon implementation schedule.

3. Achieve efficiencies based on the current state of the site security footprint. (Security footprint includes documents, buildings, clearances, VTRs, etc.)
    a. Drive cost efficiencies through reducing the Security Footprint.
    b. S&S should work with site operations to evaluate and implement a plan to achieve a reduction in the site security footprint to include reducing unnecessary facilities and surplus materials (classified parts, documents, VTCs, etc.) to ensure a "cradle to grave" handling of classified
        - reduce classified document holding 5% (Stretch 10%)
        - reduce classified part inventory as described in contract Output No.1.

4. Develop site specific condition assessments and life cycle cost management plans for all FS-20 funded security systems and components. Produce a plan with components that address the following concepts:
   a. Realize operational efficiencies through modernization or operational/process improvements.
   b. Evaluate, develop, and implement a systems modernization plan to include economical life cycle management for physical security systems as approved by the Site Office considering the Enterprise-wide perspective.

5. Achieve overall satisfactory or effective performance on Site Office and external surveys or assessments. There should be no repeat findings or deficiencies to include DNS and HSS OIO identified issues.
   a. Maintain and sustain an effective S&S programs in all function areas (PM&S, Information Protection, MC&A, Physical Security and SAP).
   b. Conduct S&S self-assessment in all S&S Tritium functional areas and provide periodic performance conclusions to the Site Office.
   c. All corrective actions are completed on-time, within agreed budget, and effectively address the performance issues.

6. Use current Site Lessons Learned program to ensure S&S information is shared throughout the Tritium Facility.

7. Ensure S&S security staff are trained in accordance with the site S&S Training Plan.

F. 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. Develop and implement an effective risk management framework utilizing NIST guidelines by 12-01-2010. Risk management framework must define cyber governance processes and organizations.
2. Implement an effective management operating system that incorporates a comprehensive self-assessment program that provides assurance to Federal Site Manager that the site is managing the risk envelope appropriately, security weaknesses are identified in a timely manner and corrective action plans are developed, tracked and maintained, corrective action plans are closed per schedule, significant Tritium risks are adequately evaluated and that sensitive information and information systems are properly protected.
3. Provide quarterly status report to NNSA OCIO CSPM on the state of cyber security program to include cyber security requirements implementation.
4. Actively participate in the NNSA Headquarter zero-based review of cyber security.
5. Actively participate in the feasibility study, development of plans and selection of an automated FISMA reporting and data collection capability; risk management registry; asset management, configuration and patch management capability; continuous monitoring capability; and tool sets for network mapping for NNSA environments.
6. Participate in Cyber Tracer (TracerFire) Activities.

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
Modernization
eSourcing
Governance

Up to $2,487,451 of the allocated Tritium Programs PBI fee may be earned by Contract Output 8 as follows.

Essential Fee

1. 20% available fee for the Tritium Programs performance may be earned at the end of the assessment period 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.

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.

Completion criteria include:
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.

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 consistent with sound financial management. Due consideration will be given to multi year expense projects, multi-year program and productivity strategies and timing of funding and scope direction.
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. Due consideration will be given for late year reprogramming request driven from customer requested schedule changes and mutually agreed upon program and business opportunities.
iv. Indirect costs and rates will be tracked and managed to identify and mitigate potential perturbations to planned direct work.
v. Outline a strategy and procedures to maximize the utilization of the unique scientific expertise of the laboratories while providing a rational financial basis for acceptance of such work.

SRNS will have a controlled integrated baseline for all Tritium programs, projects and functions by the end of FY 2011. The baseline will appropriately:

i. Include the NNSA Uniform Program Cost Reporting Structure format elements
ii. Be compatible with and in a Work Breakdown Structure (WBS) format ready for incorporation into the NNSA Cost Management Initiative database
iii. Have tools in place to (1) manage mission changes in scope, cost and schedule, (2) compare Actual Cost to Budgeted Cost (3) accurately forecast estimated cost to complete and estimated total costs at completion, and (4) document deviations from the performance measurement baseline and notify the Contacting Officer of such changes on a timely basis
iv. Prohibit retroactive changes to records pertaining to work performed that will change previously reported costs, except for correction of errors and routine accounting adjustments
v. Prohibit retroactive changes for funding fluctuations or revisions in EAC

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 and transparent accounting practices.
5. The integrated baseline will be in place and ready for validation by the NNSA CFO by September 30, 2011. (Implementation is predicated on receiving requirements in appropriate timeframe.).

B. Contractor Assurance System. SRNS will have a Tritium-wide, comprehensive, and integrated Contractor Assurance System (CAS). As efforts move forward to implement "Governance" within

the Tritium Facilities, SRSO acknowledges that the CAS will be evolving to fit the new governance model.

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)
   iii. Integrated risk management priorities
2. 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.)
3. 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 quarterly basis to demonstrate the effectiveness of LOCAS control metrics in measuring contract/contractor performance. The metrics may be reviewed more frequently if warranted.
   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 Schedule, program implementation plans, program execution plan, and all other program requirements.

2. 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.
3. 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.
4. Information requests, budget exercises, work insertion requests, etc., will be supported. Develop and submit business cases as requested.
5. Submit Performance reports as required by individual Programs' Execution Plans.
6. Quarterly program status reviews are conducted that contain overall indices of performance, analysis of baseline variances, trends, funds and reserve management, and risk management. A review of HQ deliverables and issues will also be discussed.

D. Project Management.

Completion criteria include:

1. 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.
2. Safety will be emphasized for all aspects of the project from design through startup. Ensure effective integration of safety and security into the design and construction of all nuclear line item projects in accordance with DOE-STD-1189. Projects safety indices demonstrate prime and subcontractor performance meet or exceed national safety performance standards and the Departmental/Site Office safety goals as prescribed. 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.
3. 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. CPI and SPI are at or above 0.90
4. Project activities and resources are effectively planned and integrated to ensure the performance baseline is maintained. This includes the use of integrated, resource loaded schedules in the day –to-day management of projects.
5. Monthly project status reports are timely and submitted for each line item project, GPP/GPE/MIEs, and for selected operating expense funded projects. Reports contain indices of overall project performance. Reports include analysis of baseline variances, trends, funds, and contingency management, risk management. Reports contain baseline change control register.
6. Provide an end state assessment for buildings 234-H (office area), 236-H, 237-H, and 238-H by April 30, 2011.

E. Information Technology/Process Control. Ensure implementation of a cost-effective, comprehensive, and efficient Information Technology/Process Control Management Program

that ensures no significant deficiencies will occur that affect the performance of the SRNS Tritium operations accomplishment of missions. Metrics shall provide an accurate representation of performance, and will identify areas for improvement. The system availability of the Tritium classified network and the Enterprise Secure Network (ESN), as evidenced by the System Availability metric, will demonstrate that the classified networks are available to support NNSA missions.

F. Modernization

Completion criteria include:

1. Enterprise Initiatives
    a. Record of Decision
        i. Facilitate communication and implement actions needed by the Nuclear Security Enterprise to support the Record of Decision.(Tritium R&D)
    b. Transformation Activities
        i. Support key modernization and strategic planning initiatives.
    c. Stockpile Services Modernization Plan (SSMP)
        i. Work with NNSA-SRSO, NNSA-HQ, and the NSE to support the key Congressional inputs required in SSMP document updates and it's strategies within funding limits.

2. Facility Modernization
    a. Demonstrate support for implementation of the Tritium Programs transformation strategies and goal per NNSA direction within funding limits.
    b. Support key facility modernization and strategic planning initiatives, such as the Tritium Programs Strategic Plan, Human Capital Management Plan, and Business Transformation Plan within funding limits.

G. eSourcing:

Completion criteria include:
Evaluate the eSourcing tools available at the NNSA Supply Chain Management Center, develop an implementation plan. The plan should address the schedule for (1) incorporating SCMC tools into the SRNS purchasing practices and resources to (2) support SCMC commodity teams as applicable. The evaluation should at a minimum address the available tools and applicability to SRNS purchases, compatibility with the proposed ERP system, an implementation schedule, estimated costs, and potential savings.

H. Governance:

Completion criteria include:
SRNS will support the NNSA Governance Reform initiative being implemented across the complex, such as the Enterprise Reengineering Team and the NNSA Directives Review as needed if not addressed by the current facility governance initiative. The current expectation is that the majority of the activities necessary to implement governance within the Tritium facilities will be completed in FY11, but SRSO acknowledges that some activities may extend into FY12.

Approvals:

SRNS Tritium Programs	**Christopher C. Gentile**	**Date**
		9/13/10
NNSA SRSO	**Douglas J. Dearolph**	**Date**
		9/13/10

Performance Incentive Document

PBI:	SRNS2010NNP
Activity	Nuclear Non-proliferation Program
WBS:	01.25.60
Performance Period:	October 1, 2010 – September 30, 2011
Allocated Fee:	$11,650,000
Revision Number:	0

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.

Contract Output	Value	Indicator
SRNS2011NNP-01	$2,900,000	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).
SRNS2011NNP-02	$ 750,000	Conduct Title III Design Engineering and Design Authority activities and planning in accordance with the baseline schedule in order to support construction, acceptance testing, and facility operation.
SRNS2011NNP-03	$ 850,000	Execute Startup and Operations activities and planning in accordance with the baseline schedule in order to support system and facility readiness testing:

SRNS2011NNP-04	$2,400,000	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) and DOE Order 413.3A (or successor).
SRNS2011NNP-05	$ 600,000	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.
SRNS2011NNP-06	$ 250,000	Execute SRNS assigned work related to NNP Pu Disposition Infrastructure and associated work activities by providing cost-effective support for those activities common to the nonproliferation program and projects.
SRNS2011NNP-07	$650,000	Support NNSA-SR and NNSA-HQ reviews of the accelerated PDC CD-1 package resulting in NNSA-HQ CD-1 approval. "Pink" document preparations and submissions are ongoing and provide enhanced information to support CD-1. VA documents for CD-1.
SRNS2011NNP-08	$800,000	Provides Material Storage (MS) design support as design authority (DA), technology development, and operability expert; coordinates and implements safety/security planning and documents; develops long-lead procurement planning and procurement activities; prepares and implements Congressional cost / schedule / baseline preparation for MS CD-2/3A; plan and execute construction / execution readiness activities; project integration role; and CD document preparation / packaging / support.
SRNS2011NNP-09	$100,000	Earned Value Management System (EVMS) is applied to the PDC Project per DOE O 413.3A.
SRNS2011NNP-10	$800,000	Stabilization and Packaging (S&P) Conceptual Design (CD) CD-3A Demolition and Removal (D&R) package.
SRNS2011NNP-11	$250,000	Submit revisions and receive fully coordinated approvals to K-area DSA for MS and S&P D&R activities by 1 June 2011.

SRNS2011NNP-12	$1,300,000	Subjective Milestones.
NNP Multi-year		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).

$6,900,000 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).

42% ($2,900,000) of the allocated fee for the construction of the WSB will be earned as follows:

1A. Complete the placement of the concrete for the roof deck of the main structure of the Waste Solidification Building by 2/28/2011 ($500,000)

Completion Criteria:

- Correctly install all reinforcing steel, hangers, anchors, and other embeds.
- Remove all concrete forms and temporary supports for the roof
- Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

Assumptions:

- Funding is available to support the Balance of Plant (BOP) contract execution.
- Hatches and/or access openings are allowed for equipment installation and ease of construction.
- The completion date is based on the construction subcontractor's baseline 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 roof construction.

Government Furnished Services / Items:

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 November 30, 2010. ($100,000)

Completion Criteria:

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

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- Block-outs are allowed for equipment installation and ease of construction.
- The scope does not include any concrete pours associated with adjacent structures or facilities, i.e., diesel generator pad, chemical unloading, etc.
- The completion date is based on the construction subcontractor's 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. Payment, however, would be withheld until the wall placements are complete (less any necessary construction openings).

Government Furnished Services / Items:

None identified

1C. Place the High Activity Waste (HAW) Tanks and Evaporator in accordance with the BOP subcontractor's placement schedule as delineated below ($1,300,000)

Completion Criteria:

1. Correctly locate all tanks, components, and related ancillary equipment required prior to placement of roof trusses over the respective High Activity Process Rooms.
Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

This Contract Output is in effect for the following tanks/components:

HAW Receipt tanks (2):	($400,000)	Date: 10/25/2010
HAW Evaporator/Condenser:	($200,000)	Date: 10/25/2010
HAW Head Tank:	($200,000)	Date: 10/25/2010
HAW Acid Overflow Tank:	($200,000)	Date: 11/01/2010
HAW Bottoms Collection Tank:	($100,000)	Date: 11/01/2010
HAW Condensate Hold Tank:	($200,000)	Date: 11/10/2010

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- The completion date is based on the construction subcontractor's baseline 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 to facilitate later placement, this contract measure will be considered complete. Payment, however, would be withheld until the component(s) are placed and verification of no impact validated.

- Setting of the equipment is exclusive of installation of ancillary equipment (dip tubes, agitators, etc.) that:
  - can be installed with the tanks, intermediate deck and roof trusses in place, and
  - does not result in additional cost impacts to the project. Fee will be reduced to cover additional cost impacts resulting from alternative installation strategies.
- Installation of the fluidic transfer pressure vessel within the HAW tanks is included in this contract measure; however, SRNS may elect to install the pump eductors at a later date to support the BOP installation schedule.
- Field piping connections are not included in this contract measure.

Government Furnished Services / Items:

None identified

1D. Place the Low Activity Waste (LAW) Tanks and Evaporator in accordance with the BOP subcontractor's placement schedule as delineated below ($600,000)

Completion Criteria:

1. Correctly locate all tanks, components, and related ancillary equipment in the Low Activity Process Area.
Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

This Contract Output is in effect for the following tanks/components:

MFFF LAW Receipt tanks (2):	($200,000)	Date: 01/26/2011
PDC LAW Receipt tank:	($100,000)	Date: 01/26/2011
LAW Evaporator/Condenser:	($100,000)	Date: 01/26/2011
LAW Head Tank:	($100,000)	Date: 01/26/2011
LAW Effluent Hold Tank	($100,000)	Date: 01/26/2011

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction critical path, this contract measure will be considered complete. Payment, however, would be withheld until the component(s) are placed and verification of no impact validated.

- Setting of the equipment is exclusive of installation of ancillary equipment (dip tubes, agitators, etc.) that:
  - can be installed with the tanks, intermediate deck and roof trusses in place, and
  - does not result in additional cost impacts to the project. Fee will be reduced to cover additional cost impacts resulting from alternative installation strategies.
- Field piping connections are not included in this contract measure.

Government Furnished Services / Items:

None identified

1E. Place the HAW and LAW Cementation Units in accordance with the BOP subcontractor's placement schedule as delineated below: ($200,000)

Completion Criteria:

Correctly locate four Cementation gloveboxes in the respective cementation rooms. Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

The HAW gloveboxes installed:	($100,000)	Date: 02/28/2011
The LAW gloveboxes installed:	($100,000)	Date: 02/28/2011

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction critical path, this contract measure will be considered complete. Payment, however, would be withheld until the component(s) are placed and verification of no impact validated.
- Setting of the equipment is exclusive of installation of any ancillary equipment (HVAC ductwork, electrical connections, drum handling equipment.) and does not include field piping connections.

Government Furnished Services / Items:

None identified

1F. Place the WSB Main High Efficiency Particulate Air (HEPA) Filter housing by 12/31/2010 ($50,000)

Completion Criteria:

Correctly locate the main HEPA filter housing. Complete all records documenting the completion of the subject activities in accordance with the applicable requirements.

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction critical path, this contract measure will be considered complete. Payment, however, would be withheld until the component(s) are placed and verification of no impact validated.

Government Furnished Services / Items:

None identified

1G. Energize the 13.8 kVA/480V electrical substation and complete testing by May 31, 2011: ($150,000)

Completion Criteria:

Complete the Startup Test procedure for energization and initial checkout of the 13.8kVA/480v electrical substations A, B, & C. This includes verification that the 13.8kVA/480v electrical substations A, B, & C meet that portion of the Acceptance Criteria defined in the Functional Acceptance Criteria for initial energization and is determined to be ready to support downstream loads.

Assumptions:

- Funding is available to support the Balance of Plant contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction critical path, this contract measure will be considered complete. Payment, however, would be withheld until the component(s) are placed and verification of no impact validated.

Government Furnished Services / Items:

None identified

Contract Output 2: Conduct Title III Design Engineering and Design Authority activities and planning in accordance with the baseline schedule in order to support construction, acceptance testing, and facility operation.

11% ($750,000) of the allocated fee for the construction of the WSB will be earned as follows:

2A. 57% ($400,000) of the allocated fee for this contract output may be earned for completion of the criteria below. 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 ($100,000 at the end of each quarter) based on the acceptability of performance for the quarter as determined by NNSA. If NNSA determines that SRNS' performance for a quarter is not satisfactory, NNSA will determine the amount of quarterly award fee to be deducted.

Completion Criteria:

- Engineering support and responses for the BOP subcontractor are provided in a timely manner and ensure the project is constructed to appropriate codes and standards.
- Coordination is achieved between SRNS and the BOP subcontractor in establishing engineering priorities and ensuring timely resolution to support the subcontractor's procurement and construction schedule.
- Requests for deviations and changes are evaluated within the time allotted within the contract, at a minimum. However, communication, coordination, and expediting of requests will be necessary to maintain, improve, or mitigate schedule impacts. Communication between SRNS and the subcontractor will be assessed to ensure that submittals are resolved with minimal iterations for clarifications or corrections.

Assumptions:

None

Government Furnished Services / Items:

None identified

2B. All Functional Acceptance Criteria (FAC) documents are approved by March 31, 2011. ($100,000)

Completion Criteria:

FACs are issued as Rev. 1 or later, with no unresolved comments.
The following FACs are included under this contract measure:

- HAW
- LAW

- HVAC
- Electrical
- Analytical Laboratory
- Process Sewer
- Sanitary Sewer
- Plant Air
- PCS
- Fire Protection
- Cold Chemical
- Material Handling
- Safety and Health Monitoring
- Compressed Gas
- Plant Water
- Communication
- Process Sewer
- Steam
- Sanitary Sewer
- Building Structure

Individual FAC's are issued on a schedule which supports the needs of the Startup/Testing program and the development of lower-tier startup documents in support of the overall project schedule.

Assumptions:

- In the event of unusual and unanticipated developments which necessitate the diversion of resources to address high priority emergent issues, the completion date for this measure may be deferred with NNSA concurrence.
- Funding is available to support the WSB contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction crucial path, this contract measure will be considered complete. Payment, however, would be withheld until the FACs are issued and verification of no impact validated.
- Holds and TBDs will be included in the FACs where information is not yet available to complete the FAC. This includes inputs from the BOP construction subcontractor and the GFE vendors that have not been submitted to and approved by SRNS.
- Emergent information (as identified) will be included in future revisions of the FACs as required.

Government Furnished Services / Items:

None identified

2C. The WSB Documented Safety Analysis Input Deck is approved and issued by June 30, 2011. ($200,000)

Completion Criteria:

The WSB Inputs and Assumptions in support of the DSA, a.k.a. the Input Deck, will be documented in a level 1 calculation that is issued as Rev. 0 or later, with no unresolved comments by June 30, 2011.

The Input Deck is issued on a schedule which supports the needs of the DSA development process in support of the overall project schedule.

The approval and issuance of the Input Deck calculation will be based upon review of all WSB accident scenarios documented in the WSB Consolidated Hazards Analysis by the Safety Design Integration Team.

Assumptions:

- In the event of unusual and unanticipated developments which necessitate the diversion of resources to address high priority emergent issues, the completion date for this measure may be deferred with NNSA concurrence.
- Funding is available to support the WSB contract execution.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction crucial path, this contract measure will be considered complete. Payment, however, would be withheld until the Input Deck is issued and verification of no impact validated.
- Emergent information (as identified) will be included in future revisions of the Input Deck as required.
- External events, such as revision to the DOE Orders which describe safe harbor methodology for DSA preparation or other Orders that have similar impact on the Input Deck/DSA scope, will not be considered without NNSA direction and commensurate revision to this PBI scope/schedule.

Government Furnished Services / Items:

None identified

2D. The WSB Waste Compliance Plan (WCP) for the solidified HAW waste stream will be written and approved by SRNS by June 30, 2011. ($50,000)

Completion Criteria:

- The WSB WCP will be written, approved and issued to document control as a planning document, with no unresolved comments.
- Waste Management Area Project (WMAP) personnel will review the WCP and provide documentation that the WCP as written will meet the 1S Manual WAC and that the solidified HAW waste stream will be capable of meeting the WIPP Waste Acceptance Criteria.
- All successor activities necessary for the final approval for the certification process and for the certification of the waste form will be identified and scheduled.

Assumptions:

- In the event of unusual and unanticipated developments which necessitate the diversion of resources to address high priority emergent issues, the completion date for this measure may be deferred with NNSA concurrence.
- Funding is available to support the WSB contract execution and WMAP staffing to perform the review.
- Emergent information (as identified) will be included in future revisions of the Waste Compliance Plan as required.
- External events, such as revision to the DOE Orders which describe revisions to TRU waste management requirements or permit revisions altering the WIPP WAC, will not be considered without NNSA direction and commensurate revision to this PBI scope/schedule.
- WMAP are procedurally required to approve the WCP after their review of facility implementing procedures, personnel training and qualification, analytical methodologies used for waste characterization, etc. These activities are part of the WSB Project Schedule and will be completed when the operating staff is available. This will preclude WMAP from actually approving the WSB WCP for the HAW waste stream in FY11; however, the documentation provided by WMAP will clearly document that the WSB WCP meets both 1S Manual WAC and the WIPP WAC. WMAP documentation that the WSB HAW WCP will meet the 1S WAC may include identification of changes required and being pursued by WMAP personnel to modify the 1S manual requirements to accommodate the WSB waste stream. The document would include the technical justification for the change and demonstration that the revised WAC will meet the WIPP WAC. The documentation may identify actions required by WSB to meet the 1S manual requirements as revised.

Contract Output 3: Execute Startup and Operations activities and planning in accordance with the baseline schedule in order to support system and facility readiness testing:

12% ($850,000) of the allocated fee for the construction of the WSB will be earned as follows:

3A. All Maintenance Loop Calibration Procedures (approximately 75 individual procedures covering approximately 300 instruments) will be in high quality draft form by June 30, 2011. ($100,000)

Completion Criteria:

Completion of the WSB Maintenance Loop Calibration Procedures will be documented by a letter from the Procedure Lead to WSB Operations Manager showing the completion status of all calibration procedures for the equipment that is part of the design baseline as of June 30, 2011. NNSA will review procedures as necessary to validate the reported status.

Assumptions:

- Draft procedures will include all instrumentation identified in Smartplant on June 30, 2011.
- Procedures will be written, reviewed, and in letter revision ready for first time validation during startup and testing operations.
- Any instruments not in the baseline design as of June 30, 2011 will be written, reviewed, and in letter revision ready for first time validation to support startup and testing of the affected systems

Government Furnished Services / Items:

None identified

3B. The first 11 MST's will be assigned to the WSB project by June 30, 2011. ($100,000)

Completion Criteria:

The Operations Manager will document the assignment of the MSTs to the WSB project via a letter to the WSB Project Owner listing each MST by name, showing their assigned dates and listing their Financial Organizational codes as listed in the Human Capital system documenting their assignment to the WSB.

Assumptions:

- Funding is available to support hiring the additional 11 multi-skilled technicians and to sustain this level of support for the remainder of the project. If funding is not available to support the June 30, 2011 date (i.e., Continuing Resolution or equivalent), then the fee will be earned when the funding supports the additional FTEs. If funding is not provided, then the fee will be earned based on the identification of the FTEs to be assigned to the WSB through the SRNS Human Capital program.
- If an MST leaves the company after they have been assigned to the WSB because of retirement, death, disability, termination or a seniority related transfer, a request for a replacement will be initiated through the Human Capital system. Having personnel leave under these circumstances will not affect the award fee.

Government Furnished Services / Items:

None identified

3C. Energize Motor Control Centers 1 – 9 and complete checkout procedures by July 31, 2011. ($250,000)

Completion Criteria:

Complete the Startup Test procedure for energization and initial checkout of the 480v MCCs 1-9. This includes verification that the MCCs meet that portion of the Acceptance Criteria defined in the Functional Acceptance Criteria for initial energization and are determined to be ready to support downstream loads.

Assumptions:

- The startup test boundaries for the individual MCCs are defined such that the individual feeder breakers for the MCCs are not part of the startup test boundary.
- The energization for the MCCs will be via normal power; energization via the standby diesel generator will be included in a subsequent Startup Test.

Government Furnished Services / Items:

None identified

3D. Complete activities necessary to ready Control Systems for software checkout by September 30, 2011. ($200,000)

Completion Criteria:

Complete Factory Acceptance Testing (FAT) and Receipt Inspection of the Basic Process Control System (BPCS) hardware by 12/31/2010. The FAT report will be SRNS approved and in Document Control. ($50,000)
Complete Factory Acceptance Test of the Balance of Plant Control System (BPCS) software by 06/30/2011. The FAT report will be SRNS approved and in Document Control.($50,000)
Complete Process Control System energization by September 30, 201. The energization of the system will be documented through completion of a Startup Test energization procedure, to be performed subsequent to the PCS01 system turnover by the BOP Contractor. Note that the scope of the procedure will include PCS01, but does not include PCS02 or PCS03, etc. as these are turned over at a later time ($100,000)

Assumptions:

- In the event of unusual and unanticipated developments which necessitate the diversion of resources to address high priority emergent issues, the completion date for this measure may be deferred with NNSA concurrence.
- Funding is available to support the WSB contract execution and BPCS procurement activities.
- The completion date is based on the construction subcontractor's baseline schedule. Should the subcontractor later propose a schedule modification that does not impact the construction crucial path, this contract measure will be considered complete. Payment, however, would be withheld until the criteria identified are completed and verification of no impact validated.
- Emergent information (as identified) will be included in future revisions of the BPCS as required.
- Open items, punch list items and action items will be documented in the FATs reports for future action. The identification of these items does not indicate that the FAT is not complete, but documents the actions required to be performed following FAT completion.

Government Furnished Services / Items:

None identified.

3E. Pressurize the Service water header and complete checkout procedures by September 30, 2011. ($200,000)

Completion Criteria:

Complete the Startup Test procedure for energization and initial checkout of the Service Water header. This includes verification that the Service Water header meets that portion of the Acceptance Criteria defined in the Functional Acceptance Criteria for initial pressurization and is determined to be ready to support downstream users.

Assumptions:

- The startup test boundary for the Service Water header is defined such that verification is made that service water is available to all legs of the system as shown on the system turnover boundaries.
- The PCS may not be available at the time of turnover and pressurization of the service water system, so checkout of any automatic control valves within the system will be covered under a subsequent Startup Test procedure.

Government Furnished Services / Items:

None identified

Contract Output 4: 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) and DOE Order 413.3A (or successor).

35% ($2,400,000) of the allocated fee for the construction of the WSB will be earned as follows:

58% ($1,400,000) of the allocated fee for this contract output may be earned for completion of criteria 1. The cumulative Project Cost Performance Index (CPI) will 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.

42% ($1,000,000) of the allocated fee for this contract output may be earned for completion of criteria 2. The cumulative overall Project Schedule Performance Index will be reviewed by NNSA monthly. However, award fee payments will be made quarterly based on cumulative Schedule Performance Index for Total Estimated Cost (TEC) construction activities at the end of each quarter (WBS element 01.25.60.01.02.01.03).

Completion Criteria:

- The WSB Project is executed with a Cost Performance Index (cumulative) of 0.98 or greater ($250,000 at the end of each quarter). If the cumulative CPI is 0.95 - 0.98, the PBI will be reduced to $125,000 for that quarter. If the cumulative CPI is 1.02 or greater, the PBI for the quarter will be increased to $350,000.
- The WSB Project is executed with a Construction Schedule Performance Index (cumulative) of 0.95 or greater ($250,000 at the end of each quarter). If the cumulative Construction SPI is less than 0.95, but is 1.0 or greater for the individual quarter, the criteria will be considered to have been met.

Assumptions:

- 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.
- Funding is available to complete the task.
- It is recognized that CPI's and SPI's may fluctuate for a variety of reasons, some of which do not accurately reflect project performance. In the event that the cumulative CPI and/or construction 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 construction SPI increases above the required threshold. At the conclusion of FY2011, 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 FY2012.

Government Furnished Services / Items:

None identified.

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.

$600,000 of the Nuclear Nonproliferation PBI will be paid on a quarterly basis for providing timely support to the MFFF project and MIFT program in accordance with the integrated project schedule.

Completion Criteria:
Oversee the closeout of the PDP electrical substation contract with South Carolina Electric and Gas to ensure all subcontract requirements are met
Support energizing the substation and tie-in to the MFFF temporary power
Complete the physical modifications to the MOX supplied analytical lab equipment in accordance with the approved nuclearization design
Execute assigned support tasks in accordance with approved Work Task Agreements with Shaw AREVA MOX Services in a timely and efficient manner
Construction support (badging, training, utilities, waste hauling/disposal)
Instrument calibration
Execute assigned tasks as requested by NNSA in support of the MFFF project and MIFT program in a timely and efficient manner
Program management
Feed materials characterization
Alternate Feed Stock (AFS) studies
MOX start-up strategy, proposal and operations planning reviews

Assumptions:

Funding will be adequate to support the scope.

Government Furnished Services / Items:

None identified

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

$250,000 of the Nuclear Nonproliferation PBI will be paid for executing assigned work related to the Nuclear Nonproliferation Program (NNP) Pu Disposition Infrastructure and associated work activities. Each completion criteria is valued as noted below.

WBS: 01.25.60.05

Completion Criteria:
Prepare and maintain the MOX Feed Gap Analysis Study
Prepare study to the target PDC funding (project operational in 2024) by October 30, 2010. ($12,500)
Maintain and update the study throughout the fiscal year ($12,500)
Complete the Pu Disposition Program Programmatic Risk Assessment by February 28, 2011. ($25,000)
Prepare a Needs Assessment for a multi-purpose building line item project by March 31, 2011 to support the FY2013 budget process. ($25,000)
Prepare the Plutonium Disposition Program Execution Plan - 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 2011. The plan must be consistent with and integrated with other site strategic and system plans. ($25,000)
Provide support for Pu Disposition Program integration activities:
The Plutonium Disposition Integrated Program schedule is updated, analyzed, and issued not less than quarterly. ($12,500)
Support two semi-annual project and program reviews consistent with the content and format requested by NNSA-HQ. ($7,500)
Maintain all required interface control documents for the Pu Disposition Program including development of revisions or new ICD's as requested by NNSA. ($12,500)
The concurrence version of the revised AFS ICD incorporating AFS-2 material should be submitted by 4/29/11.
The concurrence version of the Pantex – SRS Pit Shipment ICD should be submitted by 4/29/11.
Support the development of the Surplus Pu Disposition Supplemental Environmental Impact Statement including:
Provide timely, quality responses to data calls for technical input for SRS facilities and capabilities including K-Area, H-Canyon, DWPF, PDC, WSB, and the Pu Disposition Program ($15,000)
Provide technical and programmatic support to NNSA in the development of responses to comments, analysis, revisions, and additional data required for the SEIS ($15,000)
Demonstrate leadership and management of the NNSA Pu Disposition Program through development of an organizational entity that provides timely, quality, contractor neutral information, recommendations, reports, and studies. Business systems and management structure are adequate to provide clear ownership of the Pu Disposition Program within SRNS, to provide a direct counterpart to NNSA NNP organizations at SRS, and demonstrates SRNS's

commitment to providing the resources necessary to support the projects and programs that make up the Pu Disposition Program. ($87,500)
Feedback on performance for this objective will be provided in writing on a quarterly basis and will be provided verbally during monthly meetings between counterparts.

Assumptions:

Funding will be adequate to support the scope.

Government Furnished Services / Items:

None identified

$3,900,000 of the Nuclear Nonproliferation PBI will be paid for executing assigned work related to the PDC project activities, per Alternative # 8 level one schedule, dated 6/29/10 and BCP 10-0009.

WBS 01.25.60.01.03

Contract Output 7: Support NNSA-SR and NNSA-HQ reviews of the accelerated PDC CD-1 package resulting in NNSA-HQ CD-1 approval. "Pink" document preparations and submissions are ongoing and provide enhanced information to support CD-1. Coordinate preparation, submission, and approval process for the PDC Vulnerability Assessment documents (VA).

17% ($650,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

7A. Coordinate preparation, submission, and approval process for full PDC Vulnerability Assessment document(s) to support ESAAB decision (by 10 Dec 2010 BCP 10-0009). ($100,000)

Completion Criteria:

1. VA supports design, cost and schedule requirements.
2. VA document(s) are fully coordinated and approved by all required stakeholders.
3. Review periods are published and appropriate for all required stakeholders.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC.
3. NNSA-HQ CD-1 approval by December 15, 2010.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

7B. Provide Project Integrator and Design Authority support for NNSA-SR and NNSA-HQ reviews resulting in an accelerated CD-1 package ready for ESAAB approval by 12/15/10. ($550,000)

Completion Criteria:

1. Per the PDC Integrated Project Team (IPT) accelerated CD-1 schedule, prepare CD-1 NNSA review packages and disposition CD-1 comments in a timely and accurate manner.
2. CD-1 package process is fully supported by SRNS and package is ready for ESAAB and other NNSA reviews in sufficient time to meet a December 15, 2010 scheduled approval.
3. 1st QTR FY11 "Pink" documents that support CD-1 approval are of high quality with minimal revisions, and are available per BCP10-0009) scheduled dates.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Contract Output 8 – Provides Material Storage (MS) design support as design authority (DA), technology development, and operability expert; coordinates and implements safety/security planning and documents; develops long-lead procurement planning and procurement activities; prepares and implements Congressional cost / schedule / baseline preparation for MS CD-2/3A; plan and execute construction / execution readiness activities; project integration role; and CD document preparation / packaging / support.

20% ($800,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

8A. Develops, updates, and/or prepares safety documentation for CD-2/3A (30 Sep 2011) for Material Storage subproject in accordance with DOE-STD 1189 and DOE O 413.3A. ($75,000)

Completion Criteria:

1. All required safety documents are approved and available for MS CD-2/3A package and procurement packages.
2. Design reviews focus on safety systems.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

8B. Develops, updates, and/or prepares security documentation for MS CD-2/3A in accordance with DOE O 413.3A (30 Sep 2011). ($75,000)

Completion Criteria:

1. Update to Preliminary Security Vulnerability Assessment Report is fully tailored to meet MS requirements in preparation for its D&R construction activities for CD-2/3A package and procurement packages.
2. Design reviews focus on security systems.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

8C. Contractor develops and implements activities for Construction or Execution Readiness activities for MS CD-2/3A (30 June 2011). ($100,000)

Completion Criteria:

1. Prepares for and supports all activities required for an External Independent Review for Construction or Execution Readiness (CD-3A) review by DOE-OECM and DOE-CM.
2. External review generates no substantial comments that would cause a deviation from the PDC Project cost/scope/schedule.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

8D. Prepare for and baseline the CD-2/3A MS subproject schedule as part of the overall PDC schedule. Schedule, cost, and performance measurement baseline are established and used for variance analysis and indices measures. Functional reviews are completed by the contractor personnel to ensure the schedule elements reflect level of detail to manage project activities effectively (30 June 2011). ($200,000)

Completion Criteria:

1. Prepare and baseline CD-2/3A MS subproject schedule, estimate, and performance measurement baseline that are complete and functionally reviewed.
2. Resource loaded schedule is proactively used to manage cost and schedule performance indices within planned and approved thresholds.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. Funding profiles for planning.

8E. Contractor prepares long-lead and other procurement packages for MS in accordance with the approved baseline schedule to support D&R (and construction) (30 July 2011). ($100,000)

Completion Criteria:

1. Prepare long-lead and other MS procurement packages that will support early FY12 requirements per the IPS.
2. Procurement packages are complete and useable packages with required NNSA reviews/approvals planned for and obtained based upon established thresholds. NNSA review and approval periods are established in the IPS.
3. Procurement plans are updated as needed to recognize and accommodate scope, cost, schedule, and procurement methodology revisions.

Assumptions:

1. Funding will be available to support this scope.
2. NNSA-HQ CD-1 approval by December 15, 2010.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

8F. Provides design and technology development support for MS subproject for CD-2/3A. Execution of Design Authority (DA) and project integrator roles ensures a 50% design at CD-2/3A that conforms to procurement strategy (30 May 2011). ($125,000)

Completion Criteria:

1. Design has been reviewed for quality in the areas of technology, constructability, operability and meeting project scope/mission needs, including safety and security requirements.
2. Design documents have been coordinated with design agent, NNSA, and other stakeholders to meet procurement packaging needs, and approved schedule for completion.

Assumptions:

1. Funding will be available to support this scope.
2. NNSA-HQ CD-1 approval by December 15, 2010.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

8G. Contractor provides Project Integrator support for NNSA-SR and NNSA-HQ reviews resulting in a MS CD-2/3A D&R package ready for ESAAB by September 30, 2011. ($125,000)

Completion Criteria:

1. Project integration is functioning and teams are progressing efficiently and effectively toward project execution goals.
2. CD package has fully coordinated disposition comments by document and Project Integrator supports NNSA reviews in a timely and quality manner. Documents meet DOE O 413.3A and project schedule dates.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Contract Output 9: Earned Value Management System (EVMS) is applied to the PDC Project per DOE O 413.3A.

2% ($100,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

Completion Criteria:

1. EVMS system meets certification requirements as stipulated in DOE O 413.3A and therein cited standards and threshold(s). Required compliance reviews are fully coordinated with review periods to meet order intent. ($25,000)
2. Issue Project Controls Plan by November 11, 2010. ($25,000)
3. Issue EVMS Implementation Plan by December 6, 2010. ($25,000)
4. Issue TPC Estimate Execution Strategy & Plan October 14, 2010. ($25,000)

Assumptions:

1. Funding will be available to support this scope.
2. Documents are thorough and complete and require minimal rework.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Contract Output 10 – Stabilization and Packaging (S&P) Conceptual Design (CD) CD-3A Demolition and Removal (D&R) package by September 30, 2011.

20% ($800,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

10A. Develop and implement Safety CD-3A documentation for S&P in accordance with DOE-STD 1189 and DOE O 413.3A ($75,000)

Completion Criteria:

1. Safety documents support CD-3A approval by NNSA by 30 Sep 2011.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10B. Develop and implement Security CD-3A documentation for S&P (30 Sep 2011) ($75,000)

Completion Criteria:

1. Security documents support CD-3A approval by 30 Sep 11.
2. Update to Preliminary Security Vulnerability Assessment Report is fully tailored to meet S&P requirements in preparation for its D&R construction activities for CD-3A package and procurement packages.
3. Design reviews focus on security systems.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10C. Contractor develops and implements activities for Construction or Execution Readiness activities for S&P CD-3A (30 June 2011). ($100,000)

Completion Criteria:

1. Supports activities associated with a CD-3A External Independent Review for Construction or Execution Readiness per DOE O 413.3A.
2. Report(s) content is thorough, complete, and provides documentation that provides a sound basis for the subproject's approval for construction.
3. Report(s) are provided in time for review and comment period that supports the decision approval dates.

Assumptions:

1. None.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10D. Prepare for CD-3A S&P subproject schedule as part of the overall PDC schedule. Schedule, cost, and performance baseline are established and used for variance analysis and indices measures. Functional reviews are completed by the contractor personnel to ensure the schedule elements reflect level of detail to manage project activities effectively. (30 June 2011) ($200,000)

Completion Criteria:

1. Prepare CD-3A S&P subproject schedule, estimate, and performance baseline that are complete and functionally reviewed.

2. Resource loaded schedule is proactively used to manage cost and schedule performance indices within planned and approved thresholds.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC Project.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10E. Prepare long-lead and other procurement packages for S&P in accordance with the approved baseline schedule to support D&R (and construction) (30 July 2011) ($100,000)

Completion Criteria:

1. Prepare long-lead and other S&P procurement packages that will support FY12 requirements per the IPS.
2. Procurement packages are complete and useable packages with required NNSA approvals. NNSA review and approval periods are accommodated in the IPS.
3. Procurement plans are updated as needed to recognize and accommodate scope, cost, schedule, and procurement methodology revisions.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10F. Provides design and technology development support for S&P subproject for CD-3A. Execution of Design Authority (DA) and project integrator roles ensures a design at CD-3A that conforms to S&P procurement strategy. (30 May 2011) ($125,000)

Completion Criteria:

1. Design has been reviewed for quality in the areas of technology, constructability, operability and meeting project scope/mission needs, including safety and security requirements.
2. Design documents have been coordinated with design agent, NNSA, and other stakeholders to meet procurement packaging needs, and approved schedule for completion.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

10G. Contractor provides Project Integrator support for NNSA-SR and NNSA-HQ reviews resulting in an S&P CD-3A D&R package ready for ESAAB by September 30, 2011. ($125,000)

Completion Criteria:

1. Project integration is functioning and teams are progressing efficiently and effectively toward project execution goals.
2. CD package has fully coordinated disposition comments by document and Project Integrator supports NNSA reviews in a timely and quality manner. Documents meet DOE O 413.3A and project schedule dates.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Contract Output 11 – Submit a contractor approved DSA MS and S&P D&R which has been full coordinated with EM/NNSA by June 1, 2011. ($250,000)

6% ($250,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

Completion Criteria:

1. Submit revised K-Area DSA to DOE-EM for review and approval that meets project schedule requirements.
2. Support of the SER approval process meets project schedule need date(s).
3. Quality of document(s) is (are) such that minimal revisions are identified.

Assumptions:

1. Funding will be available to support this scope.
2. SRNS is the project integrator for PDC.
3. NNSA-HQ CD-1 approval by December 15, 2010.

Government Furnished Services/Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Contract Output 12: Execute PDC activities in compliance with the current version of DOE Order 413.3A along with all contractual requirements in a quality, responsive, and cost effective manner in accordance with the PDC IPT schedule.

33% ($1,300,000) of the allocated fee for the execution of assigned work related to the PDC project will be earned as follows:

NNSA will provide a periodic evaluation of SRNS' performance with respect to these completion criteria as part of the normal contractor feedback process.

12A. Integrated Safety and Security

NNSA expects SRNS have a mature PDC project integrated safety and security management systems in accordance with DOE Policies 450.4 and 470.1 and have a standard methodology/business model for integrating safety and security within all project systems, processes, and procedures such that there exists a high likelihood of no safety or security events.

It is understood that Excellence goes well beyond maturity. It is understood that SRNS has established some level of maturity already to achieve excellence in integrated safety and security management with respect to completion of smaller projects and operating the SRS in the past. However, because PDC is a unique large major system acquisition and very complex it may take SRNS a few years to achieve.

It is expected by the end of FY11 that SRNS will have in place and be implementing the necessary integrated safety and security management techniques, systems, processes, and procedures to support PDC and the S&P and MS sub-projects. As SRNS continues to mature during project execution, it is expected that more successes than failures will occur. When SRNS is performing in an excellence mode it is expected that there is continuous stream of successful set of activities/fragnets/sub-projects. It is understood that even after establishing a culture and execution of excellence, there will still be some failures.

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. Identify corrective actions when incidents occur and monitor effectiveness.

5. Institute a proactive program to avoid safety and security issues and these report activities.
6. Effectively participate in the Safety Design Integration Team and the Security Design Integration Team to optimize PDC design, construction, and operations activities.
7. Respond to IPT members, customer, and stakeholders in an integrated, timely, constructive, and quality manner.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. NNSA will complete reviews within 10 working days or as agreed.

12B. Contractor Assurance

NNSA expects SRNS have a mature Contractor Assurance system that integrates SRNS Management and Governance, Project Execution Management and NNSA Project Oversight Management System into a single comprehensive Project performance management system. It is expected that Contractor Assurance system establish a standard methodology with accompanying systems, processes, and procedures such that there exists a high likelihood of repeated successes (80/20).

To be effective, the PDC CAS must integrate project contractor(s) management (SRNS, URS, LANL) governance, and NNSA PDC oversight management systems into a single comprehensive PDC project performance management system:

1) The PDC CAS enables PDC contractor management to provide reasonable assurance that project scope, schedule, and cost objectives will be met and contract requirements fulfilled; that site workers, the public, and the environment are protected; and that project execution and business systems are effectively run and continuously improved.
2) The PDC CAS enables the project contractor's governance system to define acceptable performance outcomes, to provide oversight of project and contract performance, and to hold contractor management accountable for these outcomes so that the contractor may provide assurance to NNSA.
3) Finally, a robust and effectively functioning PDC CAS builds trust between NNSA and its contractors, helps to ensure alignment between the NNSA and executing contractors in accomplishing and addressing Project needs, and allows NNSA to optimize its oversight function to leverage the processes and outcomes of its contractor(s).

It is understood that Excellence goes well beyond maturity. It is understood that SRNS must have maturity to achieve excellence and excellence with the Contractor Assurance System and it may take SRNS and the contractor project team a few years to achieve.

It is expected by the end of FY11 that SRNS will have in place and be implementing the necessary Contractor Assurance system tools, techniques, processes, and procedures. As SRNS begins to mature within the Contractor Assurance system, it is expected that more successes than failures will occur. When SRNS is performing in an excellence mode it is expected that there is continuous stream of successful set of activities/fragnets/sub-projects. It is understood that even after establishing a culture and execution of excellence, there will still be some failures.

Completion Criteria:

1. Perform planned assessments per the approved PDC Contractor Assurance Plan.
2. Submit an approved FY12 Contractor Assurance Plan during the 4th quarter of FY11.
3. Submit a Quality Implementation Plan for PDC compliant with ANME NQA-1 version 2008 and 2009 addendum.
4. Monitor and document PDC Project Contractor Assurance through scheduled QA oversight surveillance.
5. Document analyses, resolution, and tracking/retrieval of issues to enhance project performance.
6. Issue Operating Experience to the PDC IPT.
7. Effectively manage the PDC Lessons Learned Program
8. Respond to IPT members, customer, and stakeholders in an integrated, timely, constructive, and quality manner.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. NNSA will complete reviews within 10 working days or as agreed.

12C. Conduct of Project Management

NNSA expects SRNS have a mature DOE O 413.3A project management system and executes project management with a standard methodology/business model with accompanying systems, processes, and procedures such that there exists a high likelihood of repeated successes (80/20).

It is expected that SRNS develop a project management culture throughout the entire lifecycle of the PDC project that consistently executes project management tools, techniques, processes, and procedures. Excellence will be achieved when SRNS matures the PDC project environment such that there exists a continuous stream of successfully

managed activities, fragnet of activities and/or subprojects and where success is measured by what is in the best interests of both the project and project organizations.

It is understood that Excellence goes well beyond maturity. It is understood that SRNS must have maturity to achieve excellence and excellence in project management may take SRNS a few years to achieve.

It is expected by the end of FY11 that SRNS will have in place and be implementing the necessary project management tools, techniques, processes, and procedures. As SRNS begins to mature within project management, it is expected that more successes than failures will occur. When SRNS is performing in an excellence mode it is expected that there is a continuous stream of successful set of activities/sub-projects. It is understood that even after establishing a culture and execution of excellence, there will still be some failures.

Completion Criteria:

1. The trend program and CCB function in a disciplined and timely manner.
2. Earned Value Management System is utilized to monitor and report performance and provides required project performance metrics that meet project thresholds.
3. The Risk Management program captures/document risks and identifies opportunities. Identified risks will be managed and monitored for on-going mitigating actions.
4. Accurate monthly reports are provided to NNSA demonstrating prudent project management and ownership.
5. Contract and business management is efficient and documents require little or no revisions. Cost reports accurately demonstrate effective project management, integrator roles and responsibilities, and project status.
6. Project integration role is inculcated within all teams and work proceeds seamlessly toward project goals and milestones.
7. Site coordination efforts provides PDC project with required information, agreements and approvals to meet IPS.
8. A resource loaded Integrated Project Schedule is in place within the first quarter to which the team monitors project performance on at least a weekly basis. Schedule covers the FY12 and 13 activities with sufficient detail to support budget year and out year Federal budget processes.
9. Effectively manage the PDC Value Management program to optimize project performance and document activities and results.
10. Fully support the Federal Budget Process with high quality, timely planning tools and deliverables
11. Respond to IPT members, customer, and stakeholders in an integrated, timely, constructive, and quality manner.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. NNSA will complete reviews within 10 working days or as agreed.

12D. Conduct of Engineering

NNSA expects SRNS have a mature DOE O 413.3A Engineering oversight & Design Authority and execute engineering and oversight with a standard methodology with accompanying systems, processes, and procedures such that there exists a high likelihood of repeated successes (80/20).

NNSA expects SRNS to be an independent Engineering Authority that is responsible for technical requirements and identification of all waivers/exceptions/exemptions to them, and will build a disciplined, systematic approach to identifying, analyzing, and controlling requirements and hazards throughout the life cycle of the PDC Project execution. It is expected the independent Engineering Authority does the following as a minimum:

a) Develop and maintain FDD & SDD for the PDC project
b) Be the sole waiver/exceptions/exemptions authority for technical standards bringing those to the NNSA Authority Having Jurisdiction for approvals
c) Conduct trend and risk analysis at the component, sub-system, system, and sub-project levels
d) Conduct, support, and oversee integrated hazard analysis
e) Independently verify project and operational technical readiness

It is understood that Excellence goes well beyond maturity. It is understood that SRNS has established a level of maturity already to achieve excellence and excellence in engineering management may not take SRNS as long to achieve as the other functional areas.

It is expected by the end of FY11 that SRNS will have in place and be implementing the necessary engineering tools, techniques, processes, and procedures. As SRNS continues to mature within engineering, it is expected that more successes than failures will occur. When SRNS is performing in an excellence mode it is expected that there is continuous stream of successful set of activities/fragnets/sub-projects. It is understood that even after establishing a culture and execution of excellence, there will still be some failures.

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). Technology maturity issues that have the potential to impact PDC Project scope, cost, or schedule are reported timely to NNSA.

2. SRNS activities and support should enhance, not adversely impact, other IPT activities.
3. Design Authority (DA) role provides solid engineering documents and input to design agent, NNSA, and other stakeholders.
4. GB test bed final design, fabrication, and testing are successful in demonstrating 'real life' GB conditions. Test bed demonstrations confirm design assumptions and/or provide information for input to modify designs through appropriate configuration management.
5. K-Area Complex (KAC) site conditions for as-built structures and infrastructure; seismic analysis information; geotechnical sampling plans, field sampling and analyses meet PDC technical input requirements for design and CD-2/3A documents.
6. Support for studies, technical reviews, technology development review and assessment are supported to provide project scope affirmation and/or changes.
7. Manage Engineering activities to optimize project performance.
8. Fully support project trend program by identifying potential opportunities, cost, or schedule issues as early as possible.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. NNSA will complete reviews within 10 working days or as agreed.

12E. Conduct of Construction

NNSA expects SRNS have a mature DOE O 413.3A Construction Management and Construction execution organization that has a standard methodology with accompanying systems, processes, and procedures such that there exists a high likelihood of repeated successes (80/20).

Construction Management:
NNSA expects SRNS as the construction manager provide NNSA with specialized knowledge, experience, and resources to navigate through the complexities of the PDC project execution and satisfying the DOE O 413.3A requirements. It is expected that SRNS tailor the construction management services to satisfy the needs of the PDC project. It is expected that SRNS construction management services support the pre-planning, design, construction, post construction award-engineering services, and project management expertise that can assure the best possible project outcome no matter what type of project delivery method used. It is expected that the SRNS CM services with expertise knowledge in organizing, scheduling, mobilizing, and directing equipment, material, and personnel in performance of a construction contracts. SRNS CM should add value by providing the resources and expertise needed to manage quality, cost, schedule, scope, and risks

associated with design and construction to help NNSA achieve its project and programmatic objective.

Construction Execution:

NNSA expects SRNS as the prime construction execution contractor be responsible for the best value means and methods to be used in the construction execution of the project in accordance with the approved construction execution plans and detailed work packages. SRNS should be responsible for the supplying of all material, labor, equipment, (engineering vehicles and tools) and services necessary for the construction of the project on schedule and in safe, secure, and quality manner. SRNS may contract portions of the PDC project and NNSA expectations would then be covered under the CM responsibilities.

It is understood that Excellence goes well beyond maturity. It is understood that SRNS has established some level of maturity already to achieve excellence in construction management and execution with respect to completion of smaller projects in the past. However, because of the size and complexity of PDC it may take SRNS a few years to achieve.

It is expected by the end of FY11 that SRNS will have in place and be implementing the necessary construction management and execution tools, techniques, processes, and procedures to support PDC and the S&P and MS sub-projects. As SRNS continues to mature within Construction management and execution, it is expected that more successes than failures will occur. When SRNS is performing in an excellence mode it is expected that there is continuous stream of successful set of activities/fragnets/sub-projects. It is understood that even after establishing a culture and execution of excellence, there will still be some failures.

Completion Criteria:

1. Construction Strategy and Execution Plan are approved by 21 Oct 2010
2. Utility/site infrastructure planning and input provides for sound engineering, timely criteria coordination/planning with site stakeholders to support early FY12 construction-phase activities.
    a. By 31 Jan 2011, provides a PDC K-Area Master Plan;
        i. Locating all support facilities buildings and/or new or temporary structures,
        ii. Locating traffic flow routes
    b. By 31 Jan 2011, provides proposed functions for the temporary PDC structure.
        i. Including dimensions/square footage (SF) requirements
        ii. Identify current and future utility locations
3. Integrates the NNSA PDC federal staff / K-Area operations, and other required stakeholders in the construction planning development process.

4. Contractor actively participates in project design development by performing constructability / operability / maintainability reviews and providing constructability input to the design process.
5. Provides pre-construction site planning and permitting strategy coordination to support timely D&R and FY12 D&R and construction activities.
6. Collaborates on construction plans and strategy with the NNSA Construction Lead.
7. Prepare a PDC Construction Planning and Executing Strategy for KAC support facilities (structures [temporary vs. permanent] and utilities) that is prioritized, and available for execution should construction funding become available in near-term fiscal years.
8. Contractor shall demonstrate a fully functional and efficient QA/QC organization is in place to support all vendors, suppliers, subcontractors, internal self-assessment reviews, etc.
9. Manage Construction activities to optimize project performance.
10. Fully support project trend program by identifying potential opportunities, cost, or schedule issues as early as possible.

Assumptions:

1. Funding will be available to support this scope.

Government Furnished Services / Items:

1. NNSA will complete reviews within 10 working days or as agreed.

Nuclear Nonproliferation Multi-year PBI

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

Allocated Fee: $TBD (see *Available Fee* below)
Rev. 1

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 (or successor) 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:
Complete the WSB project, through project and contract closeout, at a Total Project Cost of less than $341,555,000.
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:

Critical Decision 4 is approved by NNSA.
All costs have completed the accrual process.
All contracts and subcontracts have been closed out and any required DOE reviews completed.
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).
All records documenting the completion of the subject activities in accordance with the applicable requirements are complete.
The 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:

- Funding is available to support the project execution.
- 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.
- 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).
- 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:
    - The request for approval is submitted in accordance with the WSB schedule and provides the necessary time for the NNSA review process.
    - The reason for delay is not attributable to SRNS performance or execution.

Conditions:

Fee under this incentive will be paid in its entirety upon project completion as delineated above. 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.
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.
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.

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