

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1   1
2. AMENDMENT/MODIFICATION NO. 402	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY Savannah River Operations U.S. Department of Energy Savannah River Operations Office P.O. Box A Aiken, SC 29802	CODE	7. ADMINISTERED BY (If other than Item 6) Savannah River Operations U.S. Department of Energy Savannah River Operations Office P.O. Box A Aiken, SC 29802	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code)  Savannah River Nuclear Solutions, LLC ATTN: Lloyd Clevinger 203 Laurens Street SW Aiken, SC 29801-2421		(x)	9A. AMENDMENT OF SOLICITATION NO.	
CODE 798861048 FACILITY CODE		X	10A. MODIFICATION OF CONTRACT/ORDER NO.  DE-AC09-08SR22470	
			10B. DATED (SEE ITEM 13) 01/10/2008	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.</p> <p>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 (see block 7); (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.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
(x)	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).			
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:			
X	D. OTHER (Specify type of modification and authority) Unilateral Modification Issued pursuant to Clause H-28, Performance-Based Incentives			
<b>E. IMPORTANT:</b> Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return ___ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The purpose of this unilateral modification is to incorporate the DOE/NNSA Fiscal Year (FY) 2014 Strategic Performance Evaluation Plan (PEP) for management and operation of the Savannah River Site NNSA activities for the period October 1, 2013 through September 30, 2014.  All other terms and conditions remain unchanged.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Carol R. Elliott Contracting Officer</b>		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 9/30/13	

**Fiscal Year 2014  
DOE/NNSA Strategic Performance Evaluation Plan (PEP)**

**FOR**

**MANAGEMENT AND OPERATION OF THE  
SAVANNAH RIVER SITE NNSA ACTIVITIES**

**By  
Savannah River Nuclear Solutions, LLC**

**Contract Number: DE-AC09-08SR22470**

**Performance period: October 01, 2013 through September 30, 2014**

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Dennis J. Donati                      Date  
Senior Vice President  
NNSA Operations and Programs  
Savannah River Nuclear Solutions, LLC



30 Sept 2013

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Douglas J. Dearolph                      Date  
Manager  
Savannah River Field Office  
National Nuclear Security Administration

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John W. Temple                      Date  
Contracting Officer  
Savannah River Nuclear Solutions, LLC



9/30/13

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Carol R. Elliot                      Date  
Contracting Officer  
Savannah River Field Office  
National Nuclear Security Administration

## INTRODUCTION

Savannah River Site is managed by Savannah River Nuclear Solutions, LLC, herein referenced as “Contractor”, for the U.S. Department of Energy (DOE), National Nuclear Security Administration (NNSA). Pursuant to the terms and conditions of the Contract, and Clause H-27, *Performance Based Management*, this Performance Evaluation Plan (PEP) sets forth the criteria in which the Contractor’s performance will be evaluated and upon which the determination of the amount of award fee earned shall be based. The available award fee amounts for FY 2014 are specified in Section B-2.3 of Contract No. DE-AC09-08SR22470. This PEP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It has been written to implement the collective governance and oversight reform principles as expressed by the DOE/NNSA.

## PERFORMANCE BASED APPROACH

The performance-based approach evaluates the Contractor’s performance through a set of performance objectives (PO). Each PO will be measured on outcomes, demonstrated performance and impact to the DOE/NNSA mission. Contributing Factors (CF) and Site Specific Outcomes (SSO) will be evaluated against Program Implementation Plans (including cost, schedule, and scope) and other key inputs. CFs and SSOs will be assessed in the aggregate to establish an adjectival performance rating for each Performance Objective. Notwithstanding the overall strategic framework, failure to achieve an individual SSO, the most important DOE/NNSA fiscal year objectives at a site, may limit the award-fee.

## MISSION PERFORMANCE

The Contractor is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, the model for this PEP is to rely on the Contractor’s leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **The Contractor is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products are expected to be delivered on-schedule and within budget.

## **CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION**

The evaluation of performance will consider “context” such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside Contractor’s control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. Effective efforts by the Contractor to quickly identify, self-report, and overcome or mitigate the impact of issues, barriers or other circumstances will also be a factor in evaluating performance. A significant safety or security event may result in an overall limitation to adjectival ratings in several or all performance objectives. For Line Item projects executed over multiple years, latter year failures may result in the Contractor reimbursing the Federal Government for earlier year award fees.

## **PERFORMANCE RATING PROCESS**

At the end of each of the first three quarters, DOE/NNSA will evaluate contractor performance and provide feedback to the contractor highlighting successes and/or needed improvement. At the end of the year, an overall performance rating will be assigned for each PO using the table in Federal Acquisition Regulation Subpart 16.401(e)(3). In general, performance objectives and contributing factors are written to reflect an overall adjectival performance level of **Good**. DOE/NNSA will consider the contractor’s end of year self-assessment report in preparing the Performance Evaluation Report (PER) for the Fee Determining Official (FDO). The PER transmits the final recommendations on performance ratings and award fee earned for the award fee period of performance. The unilateral decision of the total award fee earned will be made by the FDO.

## **PEP CHANGE CONTROL**

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEP requires concurrence by the appropriate program office, NA-00 and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in contract clauses H-27, *Performance Based Management*, and (2) H-28, *Performance Incentives*, bilateral changes are the preferred method of change whenever possible.

**TOTAL AVAILABLE AWARD FEE ALLOCATION**

<b>Performance Category</b>	<b>Performance Objective</b>	<b>% At-Risk Fee Allocation</b>
Programs	<b>PO-1: Manage the Nuclear Weapons Mission</b>	27%
Programs	<b>PO-2: Reduce Nuclear Dangers</b>	23%
Programs	<b>PO-3: Strengthen Science, Technology, and Engineering Base and Achieve Other DOE Mission Objectives</b>	2%
Operations & Mission Execution	<b>PO-4: Drive a Safe, Secure, Modern, Integrated and Effective Enterprise</b>	38%
Operations & Mission Execution	<b>PO-5: Contractor Leadership</b>	10%

**UNEARNED FEE**

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

**AWARD TERM INCENTIVE**

To earn award term the contractor must earn an adjectival score of Very Good or better in each of the Performance Objectives.

**INNOVATIVE SOLUTIONS**

The Contractor will recommend innovative, science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. The Contractor will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions contributing to mission success. In addition, the Contractor is expected to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

**PO-1: Manage the Nuclear Weapons Mission – (At-Risk Fee: 27%)**

Successfully execute Nuclear Weapons mission work in accordance with DOE/NNSA Priorities<sup>1</sup>, Program Control Document and Deliverables, and Program Implementation Plans. Integrate across the site, while maintaining a DOE/NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities.

**Contributing Factors:**

- CF-1.1 Accomplish work as negotiated with program sponsors and partners, achieving the expected level of quality to ensure safe, secure, reliable weapon performance, transportation, and efficient operations.
- CF-1.2 Plan and execute the stockpile surveillance program to increase knowledge of the state of the stockpile, provide a robust scientific and engineering understanding for the delivery of the annual stockpile assessment, and advance the Predictive Capabilities Framework.
- CF-1.3 Execute product deliveries for the W76-1 Life Extension Program and all active Air-Delivered and Ballistic Missile Weapons Systems (B61, B83, W80, W76-0, W78, W87, W88), limited life component exchanges and dismantlements.
- CF-1.4 Demonstrate the application of new strategies, technologies, and scientific understanding in anticipation of future stockpile needs (e.g., enhanced stockpile surety, Enterprise Modeling and Analysis Consortium tools and Joint Integrated Lifecycle Surety tool).
- CF-1.5 Sustain and strengthen unique science and engineering capabilities, facilities and essential skills to ensure success of current and future Nuclear Weapons mission requirements.
- CF-1.6 Execute product development and deliveries of the Life Extension Programs (e.g., B61-12, W78/88-1) and Alterations (e.g., W88 ALT 370).

**Site Specific Outcomes:**

- SSO 1.1: Demonstrate the Tritium Programs Earned Value Management System (EVMS) (or comparable system) is implemented consistent with the B61 Project Control Systems Description and Implementation Schedule.
- SSO 1.2: Establish a site performance management baseline and submit monthly project and earned value reporting consistent with NA-191 program management requirements.
- SSO 1.3: Demonstrate the Tritium Programs EVMS (or comparable system) is implemented consistent with the W78/88-1 Project Control Systems Description and Implementation Schedule.

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<sup>1</sup> As defined in the Mission Performance section, successful execution includes executing program work in accordance with applicable DOE/NNSA safety and security requirements.

## **PO-2: Reduce Nuclear Dangers (At-Risk Fee: 23%)**

Make the world a safer place by reducing nuclear and radiological dangers. Successfully develop and implement Nonproliferation, Incident Response, Counterterrorism and Counterproliferation programs in accordance with DOE/NNSA priorities<sup>2</sup>, program work authorizations, program execution plans, and associated standards. Integrate across the sites to achieve greater impact by focusing on a DOE/NNSA enterprise-wide set of strategic national security priorities.

### **Contributing Factors:**

- CF-2.1 Remove, eliminate and minimize the use of proliferation-sensitive materials.
- CF-2.2 Safeguard and secure materials, technologies, and facilities.
- CF-2.3 Detect and prevent the illicit trafficking of nuclear/radiological materials, technology, information and expertise.
- CF-2.4 Provide R&D technology solutions for treaty monitoring, minimizing the use of proliferation-sensitive materials, and the application of safeguards and security.
- CF-2.5 Provide unique technical/policy solutions and develop programs/strategies to reduce nuclear/radiological dangers.
- CF-2.6 Achieve effective emergency management, incident response and nuclear forensics mission support capability.
- CF-2.7 Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise.

### **Site Specific Outcome:**

- SSO 2.1: Perform activities necessary in H-Canyon and HB-Line to produce plutonium oxide analyzed to be acceptable feedstock from non-pit plutonium currently stored in K-Area, in accordance with the requirements contained in the FY14 Work Authorization and Execution Plan.
- SSO 2.2: Perform plutonium feed material characterization activities in accordance with the NNSA-approved plan for the non-pit plutonium material (AFS-1 and AFS-2) currently stored at SRS to demonstrate acceptability as feedstock and to support aqueous blend strategies in H-Canyon during operations. [MIFT Scope]

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<sup>2</sup> As defined in the Mission Performance section, successful execution includes executing program work in accordance with applicable DOE/NNSA safety and security requirements.

**PO-3: Strengthen Science, Technology, and Engineering Base and Achieve Other DOE Mission Objectives  
(At-Risk Fee: 2%)**

Successfully strengthen, grow, and leverage the science, technology, and engineering base for implementing DOE/NNSA efforts by executing broad national security mission work and other DOE programs such as Environmental Management and interagency work.<sup>3</sup> Effectively manage Laboratory/Plant/Site Directed Research and Development Programs (LDRD/PDRD/SDRD).

**Contributing Factors:**

- CF-3.1 Implement a research strategy that is clear and aligns discretionary investments (e.g., LDRD/PDRD/SDRD) with the research strategy and support DOE/NNSA priorities.
- CF-3.2 Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.
- CF-3.3 Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- CF-3.4 Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities and attracts the best and brightest scientist/engineers to execute our national programs.
- CF-3.5 Perform research to accomplish the high priority, multi-year research objectives, advance ST&E, and develop technologies for the public good through technology transfer.
- CF-3.6 Establish and maintain long-term partnerships/relationships with private industry and the scientific and local communities.
- CF-3.7 Strategically integrate interagency work to ensure necessary capabilities are maintained over time to support the DOE/NNSA mission.

**Site Specific Outcome:**

- None

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<sup>3</sup> As defined in the Mission Performance section, successful execution includes executing program work in accordance with applicable DOE/NNSA safety and security requirements.

**PO-4: Drive a Safe, Secure, Modern, Integrated and Effective Enterprise  
(At-Risk Fee: 38%)**

Operate and maintain DOE/NNSA infrastructure in a safe, secure, and efficient manner in order to cost-effectively achieve mission results and drive continuous improvement. Integrate across the sites to achieve greater impact by focusing on a DOE/NNSA enterprise-wide set of strategic priorities. Demonstrate accountability for modernizing the infrastructure, improving physical and cyber security, and ensuring operational safety in order to achieve mission performance and management controls; assure mission commitments are met with high-quality products and services; and maintain excellence as 21<sup>st</sup> century government-owned, contractor-operated facility.

**Contributing Factors:**

- CF-4.1 Deliver effective, efficient, and responsive safety and health management and processes.
- CF-4.2 Accomplish line item and GPP construction projects in accordance with scope, cost, and schedule baselines
- CF-4.3 Deliver effective, efficient, and responsive physical and cyber security management and processes.
- CF-4.4 Operate and modernize the DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner; including disposition of unneeded infrastructure and excess hazardous materials.

**Site Specific Outcome:**

- SSO 4.1: Execute funded scope in support of the Tritium Responsive Infrastructure Modifications (TRIM) Program objectives, including up-front planning for the Tritium Centric Operations Project (TCOP) line item, per the FY14 Work Authorization and Execution Plan.
- SSO 4.2: Complete construction and initiate startup testing of the Waste Solidification Building project in accordance with approved cost and schedule baselines and related work scope as defined in the FY14 WAEP.

**PO-5: Contractor Leadership (At-Risk Fee: 10%)**

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, the responsiveness of the contractor's leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the site and the Enterprise.

**Contributing Factors:**

- CF-5.1 Define and implement a realistic strategic vision for the site, in alignment with the NNSA Strategic Plan, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.
- CF-5.2 Deliver efficient and effective management of legal risk and incorporation of best legal practices
- CF-5.3 Promote a culture of critical self-assessment and transparency across all areas; instill a culture of accountability, responsibility, and performance through the entire organization; and coordinate/communicate these key issues and concerns to DOE/NNSA leadership.
- CF-5.4 Demonstrate performance results through the institutional utilization of the Management Assurance System and the leveraging of parent company resources and expertise.
- CF-5.5 Work selflessly within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.
- CF-5.6 Exhibit professional excellence in performing contractor roles/responsibilities while pursuing opportunities for continuous learning.

**Site Specific Outcome:**

- None