AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE 1 OF PAGES 29

2. AMENDMENT/MODIFICATION NO: 0411

3. EFFECTIVE DATE: 10/01/2016

4. REQUISITION/PURCHASE REQ. NO

5. PROJECT NO. *(If applicable)*

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

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*

SAVANNAH RIVER REMEDIATION LLC
Attn: Jeffrey J. Bair
Savannah River Site
Building 766-H
Aiken SC 29808

CODE 808376193 FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED *(SEE ITEM 11)*

X 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC09-09SR22505

10B. DATED *(SEE ITEM 13)* 12/08/2008

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 or 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).

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

X D. OTHER *(Specify type of modification and authority)*
H.28 Performance Evaluation and Measurement Plan

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.)*

A. The purpose of this modification is to incorporate the attached Performance Evaluation and Measurement Plan for the evaluation period of October 1, 2016 through June 30, 2017.

B. Section J, Appendix O, is revised to add Appendix O.10 - Fiscal Year 2017 Performance Evaluation and Measurement Plan.

C. All other terms and conditions remain unchanged.

Payment:

Period of Performance: 10/01/2016 to 06/30/2017

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

15A. NAME AND TITLE OF SIGNER *(Type or print)*
Thomas A. Foster President and Project Manager

16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
Charlene Smith

15B. CONTRACTOR/OFFEROR
(Signature of person authorized to sign)

15C. DATE SIGNED 9/8/2016

16B. UNITED STATES OF AMERICA
(Signature of Contracting Officer)

16C. DATE SIGNED 9/8/16

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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 AND MEASUREMENT PLAN

Revision 0

Savannah River Remediation LLC
CONTRACT NO. DE-AC09-09SR22505

Evaluation period:
October 1, 2016 through June 30, 2017

Approval Page

Approval: _____ 8/29/2016

James L. Folk
Contracting Officer's Representative
Assistant Manager for Waste Disposition
DOE - Savannah River Operations Office

Date

Approval: _____ 26 Aug 16

Office of Chief Counsel
DOE - Savannah River Operations Office

Date

Approval: _____ 8-29-2016

Jeffrey C. Armstrong
Director, Office of Acquisition Management
DOE - Savannah River Operations Office

Date

Approval: _____ 9/1/16

Charlene Smith
Contracting Officer
DOE - Savannah River Operations Office

Date

Approval: _____ 9/1/16

Jack R. Craig
Fee Determining Official
DOE - Savannah River Operations Office

Date

Revision Summary Page

Rev. #	Rev. Date	Affected Sections/Pages	Description of Revision
0	7/15/2016	All	Initial issue

1. Purpose

This document serves as the Performance Evaluation and Measurement Plan (PEMP) identified in Section H.28, *Performance Evaluation and Measurement Plan*, for Contract No. DE-AC09-09SR22505 (Liquid Waste contract) between the U.S. Department of Energy (DOE) and Savannah River Remediation, LLC (SRR), approved December 8, 2008. This PEMP identifies the performance incentives for work funded by the base (PBS SR-0014C) funding source for the Liquid Waste program and by the Other Project Cost (PBS SR-0014C) funding source for the Salt Waste Processing Facility (SWPF) Line Item Project.

The PEMP addresses the process for determining earned fee through performance evaluation and measurement, including verifying completion documentation for technical adequacy. The PEMP process ensures evaluation and measurement of performance for accomplishment of the contract Statement of Work, end states and performance requirements. Performance expectations are documented in Performance Incentive Documents (PID) consisting of explicit or implicit performance measures for each evaluation period.

Total available fee is determined according to the contract and is available for payment in accordance with contract Section B, *Supplies or Services and Prices/Cost*, and Section G, *Contract Administration Data.*

2. Key Performance Parameters

Sections of the contract specifically applicable to the PEMP and discussing key aspects of technical approach are Section C, *Statement of Work*; Section H.1, *Programmatic Risks and Uncertainties*; H.12, *Government Furnished Services and Items*; H.14, *Project Control Systems and Reporting Requirements;* and H.50, *Performance Requirements.*

Incentive strategy is based on:

- Removing sludge waste from liquid radioactive waste tanks to support preparation of sludge batches to serve as feed to the Defense Waste Processing Facility (DWPF).
- Operating the salt processing facilities to remove salt cake and supernatant from liquid radioactive waste tanks.
- Operationally closing and isolating old-style liquid radioactive waste tanks and associated facilities.

These tasks are identified in the contract Statement of Work. Management of landlord and custodial services for real and personal property assigned to the Liquid Waste program will also be evaluated. These tasks are identified in the contract and are implicit performance expectations.

Fee distribution amongst the PIDs is based on a combination of analysis of Budgeted Cost of Work Scheduled and scheduled activities considered by DOE management to be key to successful contract execution. Operational tank closure and waste removal are critical activities.

3. Integrated Project Team & Fee Board

The Assistant Manager for Waste Disposition (AMWD) will lead an Integrated Project Team (IPT) created in accordance with the requirements of DOE O 413.3B, *Program and Project Management for the Acquisition of Capital Assets.* The IPT provides oversight of the Liquid

Waste contract and monitors contract performance against performance baselines throughout contract execution, in order to satisfy mission need at Savannah River Site (SRS). The IPT is staffed and/or supported as needed by subject matter experts as well as matrix support personnel who possess specific competencies, skills, and expertise required for successful evaluation of SRR performance.

The Office of Integration and Planning leads the DOE-SR Fee Board. The DOE-SR Fee Board uses a fee schedule (see Attachment A) and PIDs (see Attachment B) for each evaluation period to forecast expected fee expenditure based on scheduled completion dates.

4. The PEMP Process

Performance criteria are developed by federal staff with contractor input. Both federal and contractor parties strive to reach mutual agreement on expected business, operational and technical performance by working together to develop performance objectives, descriptions, associated measures and targets tied to DOE strategic goals associated with the contract Scope of Work. PIDs demonstrate direct flow down of DOE strategic goals and priorities into fee-bearing activities, according to Department of Energy Acquisition Regulation (DEAR) 970.1100-1, *Performance-Based Contracting*, paragraph (c). The PEMP process is illustrated in Savannah River Implementing Procedure (SRIP) 400, Chapter 412.1, *Performance Evaluation and Measurement*, and includes planning, development and preparation of PIDs, PEMP approval and implementation, evaluation period execution, performance assessment, and invoicing.

4.1. Planning

The PEMP planning process is led by the IPT to establish evaluation and measurement of contract performance (see Section 3). Planning results in identification of performance expectations and corresponding completion criteria for fee-bearing activities. Allocation of fee is based upon strategic value to the overall Liquid Waste program.

Although individual PIDs are developed for each evaluation period, the planning process also requires performance expectation and fee allocation planning for the entire contract term based upon contract scope and total available fee. Planning matures with each revision of the *Liquid Waste System Plan*. Due to the dynamic nature of the Liquid Waste program, PEMP planning is an ongoing process.

The planning process uses the following inputs, among others:

- DOE, Office of Environmental Management (EM) and site missions, strategies and execution plans
- EM Budget Planning and Funding Plans and Strategies
- Liquid Waste Program Planning Process, also referred to as the Liquid Waste System Planning Process, which results in a family of documents centered around the *Liquid Waste System Plan*
- Contract Section C, *Statement of Work*
- General Contract End State Requirements (included in Section C)
- Contract Clause H.50, *Performance Requirements*

4.2. Risk Management

DOE uses an integrated risk management process for the Liquid Waste program life cycle baseline. This ensures the Liquid Waste program and its associated technical and programmatic risks are managed under an effective and responsive integrated process. A federal and contractor risk management board provides oversight to the implementation of risk management for the Liquid Waste program.

Liquid Waste program risks and opportunities are periodically assessed, graded, and analyzed, and handling strategies are developed and implemented to minimize risk and maximize opportunity benefit. Analyses of risk impact are used as the basis for developing cost and schedule contingencies. Monitoring strategy implementation and feedback to system planning integrates the risk management and strategic planning processes.

The Liquid Waste program risk management plan is issued at least annually, providing DOE with the necessary input to develop the SRS risk summary and integrated contingency analysis. This plan provides a systematic process for managing, tracking and reporting risks and opportunities for the Liquid Waste program. Detailed plans are also developed that tailor the management, tracking and reporting of risks and opportunities for each sub-element.

4.3. Change Control

Changes to the PEMP and PIDs are subject to the change control process described in SRIP 400, Chapter 412.1, *Performance Evaluation and Measurement*. Proposed changes shall include a description, justification, impacts of non-approval, and proposed fee changes by evaluation period. Changes proposed by SRR will be submitted to the DOE Contracting Officer (CO), who forwards the request to the IPT for review. The IPT makes a recommendation to the CO to either approve the request with or without changes or disapprove the proposal. The contractor is advised that proposed changes should not be submitted in an effort to ease requirements simply due to delays or failures by the contractor to complete work within its control.

All changes require review and concurrence from the Head Contracting Activity office, and are subject to the Business Clearance Review process.

4.4. Reporting

The reporting of performance against PIDs will be integrated with other reporting mechanisms and conducted in accordance with applicable portions of the contract.

COs and program officials shall consistently and accurately document real-time contractor performance and ensure performance is recorded both in detail in the contract file and in the appropriate format in the Contractor Performance Assessment Reporting System (CPARS).

4.5. Performance Assessment and Fee Determination

The government will determine earned fee through evaluation and measurement of contractor performance against the performance requirements specified in PIDs (see Attachment B). The government will assess contractor work products against the completion criteria and acceptance criteria specified in the performance incentive documents to include reviews of supporting documentation and walk down of physical work in the field. The Fee

Determining Official (FDO) has sole authority to determine earned fee. The FDO is supported by and receives recommendations from the Fee Board.

The amount of fee awarded for an incentive is based on completing expected performance as scheduled and providing timely and accurate documentation. For all Performance Based Incentives (PBIs), the contractor is expected to perform the work in a quality manner, within the overall cost of the Contract Performance Baseline, such that potential rework and waste are minimized. Expected performance completed after the scheduled completion date, but still within the evaluation period, may be eligible for reduced fee based on a unilateral decision by the government. This decision to reduce fee takes into consideration timeliness of performance, quality of the product, resultant documentation of completion, or other factors deemed appropriate by the FDO. Funding associated with any unearned fee will be made available for the performance of contract scope. Note: In accordance with Section H.28 (g) of the contract, "any unearned fee from the award fee made available for each evaluation period, Performance Based Incentive (PBI), or other incentive shall not be eligible to be earned under future periods, PBIs, or incentives."

Fee may be reduced per contract Section B.5, *DEAR 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (ALTERNATE II) (JAN 2004) (DEVIATION).*

Upon receipt of direction from the FDO, the CO will provide consent to the contractor to submit a fee invoice per Section G.7 (b) of the contract.

Per contract Section H.28, SRR may submit an overall self-evaluation of performance for each evaluation period. The self-evaluation will be given such consideration as the FDO shall find appropriate.

4.6. Invoicing and Fee Payment

Fee will be paid as prescribed in Section B.2. (h) of the contract. Earned fee will be invoiced consistent with Section G of the contract. The invoice will include the PID validation/assessment requests submitted for the evaluation period.

5. Federal Oversight of Contractor Performance

Procedures for oversight of contractor performance are described in Savannah River Manual (SRM) 226.1.1, *Integrated Performance Assurance Manual.* The contractor oversight system is founded on an integrated safety management system which emulates DOE P 450.4, *Safety Management System Policy.* SRM 226.1.1 describes processes that comprise the contractor oversight system that DOE uses 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 oversight of contractor performance.

In accordance with DOE O 226.1B, SRR also uses independent and self-assessments to determine effectiveness of their assessment of the implementation of contractor assurance systems for environment, safety, and health; safeguards and security; emergency management; cyber security; and business practices systems and their sub-elements. Results from both

independent and self-assessments, in addition to external assessments provide insight into areas where improvements in contractor oversight can be made. The end result is a management system that regularly assesses performance, assures comprehensive corrective action, and provides continuous improvement by identifying, correcting and preventing problems that hinder the achievement of site missions.

Attachment A: Fee Schedule

Contract Term	Evaluation Period	Start	Finish	Evaluation Period Fee Allocation	5% Provisional Fee per Month *
Basic	1	4/15/2010	9/30/2010	$ 39,171,018.00	$ 1,958,550.90
	2	10/1/2010	9/30/2011	$ 31,370,000.00	$ 1,568,500.00
	3	10/1/2011	9/30/2012	$ 31,775,347.36	$ 1,588,767.37
	4	10/1/2012	9/30/2013	$ 31,370,000.00	$ 1,568,500.00
	5	10/1/2013	9/30/2014	$ 28,500,000.00	$ 1,425,000.00
	Multi-year - Capital Asset (Note 1)	4/17/2014	6/30/2015	$ 1,500,000.00	N/A
	6	10/1/2014	6/30/2015	$ 22,140,000.00	$ 1,476,000.00 (Note 2)
	Total, Basic			**$ 185,826,365.36**	
Option 1	7	7/1/2015	9/30/2015	$ 6,527,000.00	$ 1,305,400.00 (Note 3)
	Multi-year - Capital Asset (Note 1)	7/1/2015	6/30/2017	$ 3,500,000.00	N/A
	8	10/1/2015	9/30/2016	$ 24,600,000.00	$ 1,230,000.00
	9	10/1/2016	6/30/2017	$ 15,156,922.00 (Note 4)	$ 967,459.07 (Note 5)
	Total, Option 1			**$ 49,783,922.00**	
			Total, Basic and Option 1	**$ 235,610,287.36**	

* Based upon 5% of the Fee Allocation for a comparable annual amount and not to exceed 60% of total available fee on an annual basis.

Note 1: The Capital Asset Project (CAP) PEMP Addendum No. 1 includes a PID for duration of the Saltstone Disposal Unit (SDU) 6 Project that extends beyond the current Base and Option 1 Periods (until 11/30/2018) and has Activity Based Milestones totaling $5.0M.

Note 2: Evaluation Period 6 is a nine month period. Therefore, for this period the Provisional Fee is calculated as follows:

Provisional Fee per Month = ($22,140,000 x 0.60)/(9) = $1,476,000 per month

Note 3: Evaluation Period 7 is a three month period. Therefore, for this period the Provisional Fee is calculated as follows:

Provisional Fee per Month = ($6,527,000 x 0.60)/(3) = $1,305,400 per month

Note 4: An additional tentative fee allocation of $645,036.00 will be associated with undefinitized scope that has been requested to be performed in Evaluation Period 9. This is in addition to the Evaluation Period Fee Allocation for Period 9 of $14,511,886.00 associated with definitized scope. Therefore, the total Evaluation Period Fee Allocation is $14,511,886.00 (definitized scope) + $645,036.00 (undefinitized scope) = $15,156,922.00. Undefinitized scope milestones within this PEMP are clearly indicated with a note stating that no such fee shall be paid to the contractor for changed work, including provisional, prior to definitization of the change order that applies to that fee. The additional fee allocation for undefinitized scope is identified in the applicable PIDs and was calculated by using the structured approach provided in DEAR 915.404-4-70-2, *Weighted Guidelines*.

Note 5: Evaluation Period 9 is a nine month period. Therefore, for this period the Provisional Fee is calculated as follows:

Provisional Fee per Month = (($15,156,922 - $645,036) x 0.60))/(9) = $ 967,459.07 per month

This amount could increase to $1,010,461.47 per month after the change order is definitized. No fee shall be paid to the contractor for changed work, including provisional fee, prior to definitization of the change order.

Attachment B: Performance Incentive Documents

Performance Incentive Document

PBI Number:	SRR2017MGMT
Activity Name:	Program Management
Work Breakdown Structure (WBS) Number:	01.90.04
Performance Period:	October 1, 2016 – June 30, 2017
Allocated Fee: Base Fee Pool	$ 2,271,886
Revision Number:	0

Senior level manager name:
Jim Folk, AMWD

Senior Level Supervisor/Division Manager Name:
Jean Ridley, Director, Waste Disposition Program Director (WDPD)

Performance Requirement:

Contract Sections – All

Provide quality-driven program management as outlined in the contract, optimize Liquid Waste system performance, and perform approved scope at or below cost.

Contract Output: SRR2017MGMT-01

The Contractor shall provide safe, timely, and cost-effective management and execution of the Liquid Waste program.

Performance areas evaluated cover all aspects of successful contract execution, with special emphasis on the safe, timely, and cost-effective management and execution of Contract Section C, *Scope of Work,* and optimizing Liquid Waste system performance, i.e., accelerating tank closures and maximizing waste throughput at the DWPF while ensuring sufficient tank space for continued long term operations. Contractor shall be evaluated on efficiency and effectiveness of contract execution; anticipation, identification, and avoidance of problems that could adversely impact contract execution; innovation and timeliness in resolution of issues impacting contract execution; responsiveness to DOE customer needs and effective contractor human resources management.

Special focus areas of this performance period will be 1) the effectiveness of the contractor's cost controls, 2) the effectiveness of the contractor's maintenance program, 3) effectiveness of the contractor's emergency preparedness program and 4) effectiveness of contractor human resources management. Also, the Contractor shall implement a DOE-approved Contractor Assurance System (CAS) as defined by DOE Order 226.1B, Implementation of Department of Energy Oversight Policy, which demonstrates program effectiveness of the CAS that includes:

(1) A method for validating the effectiveness of assurance system processes; (2) Rigorous, risk-informed, and credible self-assessment and feedback and improvement activities; (3) A structured issues management system that is formally described and documented; (4) Timely and appropriate communication (5) Continuous feedback and improvement, including worker feedback mechanisms; and (6) Metrics and targets to assess the effectiveness of performance.

Performance will be evaluated on the effectiveness of the CAS. The analysis will give consideration to the contractor's ability to self-identify emerging and legacy issues rather than having significant issues identified by DOE-SR or by external organizations as well as the Contractor's implementation of timely and effective corrective actions. DOE-SR will rely on objective and subjective evaluations of the Contractor's performance which include, but are not limited to the following:

- Requirements flow down and procedure adequacy - Programs are established to ensure applicable requirements are accurately reflected in procedures and work processes;
- Assessment Program - Rigorous, risk-informed, and credible self and QA assessments and feedback activities are conducted to identify issues and improvement opportunities. This includes Parent Company/Corporate Board involvement;
- Performance Measures - Metrics are effectively used to provide an accurate picture of current performance against goals;
- Trend Program - Deficiencies and metrics are analyzed to support identification of performance trends. Reports are provided to management with sufficient technical basis to allow informed decisions that support correction of negative performance/compliance trends before they become significant issues;
- Cause Analysis and Corrective Action - Performance gaps are identified and analyzed commensurate with their significance. Corrective actions are timely prioritized by importance, and appropriately targeted;
- Lessons Learned - Lessons Learned experiences and good practices are incorporated into the overall work process and used to inform the organizations of adverse work practices or experiences; and
- Employee Engagement - Programs are established to promote feedback and improvement and ownership at the worker level.

Customer service is an implicit performance expectation. During this performance period, the Contractor will also be evaluated on demonstrated performance in making progress in the following specific areas of interest at 1) *DWPF*: implementation of System Health upgrades for the Shielded Canister Transporter; Zone 1 ventilation upgrades; improved process air reliability for the Chemical Process Cell; Safety Requirements Management System software improvements; progress towards replacement of the Melter Electrode Control Cabinet; DWPF interim safety basis changes for glycolic/formic flowsheet and demonstrating task ready status

to implement associated physical modifications; and 2) *Tank Farms*: implementation of Sonar (if directed and authorized by the Contracting Officer); evaluation of General Separations Area Database upgrades for the Liquid Waste Operations Performance Assessments; and implementation of Waste Characterization System Online software upgrades.

The contractor's performance will be evaluated routinely throughout the period to provide feedback in cross-cutting areas, such as safety, efficient use of trained and qualified human capital, quality, continuous improvement, cost effectiveness, timeliness of deliverables, compliance with contract, etc. The Contractor will work collaboratively with the Savannah River (SR) Management and Operating contractor, the SWPF Project contractor, and other site contractors as specified in Section J, Appendix N of the contract.

This evaluation is supported by Special Emphasis Area (SEA) 1: Cost and Schedule Control Clawback described in Attachment C.

Government Furnished Services and Items (GFS/I):

The target dates and completion dates for the following milestones are based on availability of the funds per the 2017 Congressional Budget Request. Further, the target dates and completion dates are based on SRS Site Infrastructure Services provided per SRR-approved schedules (e.g., steam, site access, etc.). Any change in the schedule for funds availability or SRS Site Services, including interruption caused by Continuing Resolution or other action, may result in renegotiation/revision to impacted milestones. In addition, the target dates and completion dates for the milestones are based on timely performance of scope by Savannah River National Laboratory (SRNL) related to the milestones.

Number	Exact date, periodicity, frequency, quantity	Fee	Completion Criteria
SRR2017MGMT-01.01	6/30/2017	$ 2,271,886	Performance will be evaluated for the period October 1, 2016 - June 30, 2017. Performance areas evaluated cover all aspects of Contract Output described above. The evaluation will use the adjectival rating and associated description shown in the table below.

Acceptance Criteria:

SRR2017MGMT-01.01	Contractor will be subjectively measured against all aspects of Contract Output described in the PEMP.

Award Fee Adjectival Rating (applies to SRR2017MGMT-01.01 only)

Award-Fee Adjectival	Award-Fee Pool Available To	Description

Rating	Be Earned	
Excellent	91%-100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Very Good	76%-90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Good	51%-75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater Than 50%	Contractor has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Performance Incentive Document

PBI Number:	SRR2017TREAT
Activity Name:	AMWD, Waste Treatment: DWPF, Saltstone
WBS Number:	01.90.03, 01.90.07, 01.90.22
Performance Period:	October 1, 2016 – June 30, 2017
Allocated Fee:	$4,350,000
Revision Number:	0

Senior Level Manager Name:
Jim Folk, AMWD

Senior Level Supervisor/Division Manager Name:
Jean Ridley, Director, WDPD

Performance Requirement:

Contract Section H.50, 4, *Produce DWPF Canisters*

Contract Output: SRR2017TREAT-01

The processing of sludge and salt waste feed at DWPF contributes to risk reduction tank closure efforts. Ensuring the availability of key spare equipment (i.e., melters) is a contract requirement and helps to prevent an extended DWPF shutdown due to lack of a spare melter in the event of melter failure.

GFS/I:

The target dates and completion dates for the following milestones are based on availability of the funds per the 2017 Congressional Budget Request. Further, the target dates and completion dates are based on SRS Site Infrastructure Services provided per SRR-approved schedules (e.g., steam, site access, etc.). Any change in the schedule for funds availability or SRS Site Services, including interruption caused by Continuing Resolution or other action, may result in renegotiation/revision to impacted milestones. In addition, the target dates and completion dates for the milestones are based on timely performance of scope by SRNL related to the milestones.

Number	Exact date, periodicity, frequency, quantity	Fee	Completion Criteria
SRR2017TREAT-01.01	100 Canisters 6/30/2017	$ 1,500K	Produce up to 100 canisters @ $15K per canister produced with a maximum available fee of $1,500K
SRR2017TREAT-01.02	6/30/2017	$ 150K	Submit the DWPF Safety Basis changes to allow full design basis sludge operations under the nitric/glycolic acid flowsheet
SRR2017TREAT-01.03-01, -02, -03 Note: For -03, no fee shall be paid to the contractor for changed work, including provisional, prior to definitization of the change order	6/30/2017	$ 800K $ 400K	Increase DWPF Canister Storage Capabilities: -01) Complete up to150 canister positions for double stack modifications to include crossbar removal, procurement and installation of shield plugs and support plates @ $4,000/position (Maximum available fee is $600K) -02) Double stack 200 radioactive canisters at $1,000/can (Maximum available fee is $200K) -03) Complete up to 100 canister positions for double stack modifications to include crossbar removal, procurement and installation of shield plugs and support plates @ $4,000/position (Maximum available fee is $400K)
SRR2017TREAT-01.04	2/28/2017	$ 100K	Complete return to Bubbled Melter Operations by implementing the fiscal year (FY)16 Documented Safety Analysis (DSA)/Technical Safety Requirements (TSR) Annual Update

Contract Output: SRR2017TREAT-02

The processing of low activity salt solution at the Saltstone Production Facility and its disposal at the Saltstone Disposal Facility contributes to reduction of stored waste in the Tank Farms and facilitates tank closure activities. The construction and commissioning of SDUs supports the

continued operation of the Saltstone Production Facility.			
SRR2017TREAT-02.01	900K gallons 6/30/2017	$ 900K	Process up to 900K gallons of Tank 50 material into grout @ $1/gal
SRR2017TREAT-02.02	6/30/2017	$ 500K	Develop unique Waste Acceptance Criteria (WAC) limit values for I-129/Tc-99 for each individual SDU
Acceptance Criteria			
SRR2017TREAT-01.01	Verification that canisters have been filled to the 100-inch level, averaging at least 32% waste loading from the start of FY16, and have successfully passed their leak check test as documented through the Daily Shift Reports.		
SRR2017TREAT-01.02	Verification by review of Facility Operations Safety Committee (FOSC) approved and submitted DSA/TSR revision through transmittal letter.		
SRR2017TREAT-01.03-01, -02, -03	-01), -03) Verification of Construction Turnover and Operations Acceptance Checklist for modified canister positions. Manual SW6-V2 Procedure WM-AP-3029, *Operations Acceptance of Design Modifications for Liquid Waste,* and Manual S23 Procedure 1.7, *Turnover Process*, for Construction Turnover. -02) Copy of updated double stack status board reflecting 200 cans double stacked.		
SRR2017TREAT-01.04	Verification of completed DSA/TSR Annual Update Implementation Checklist.		
SRR2017TREAT-02.01	Verification of total gallons processed through review of facility log entries and field observations.		
SRR2017TREAT-02.02	Verification of SRR approved reports, prepared in accordance with defined deliverables and SRR procedures. Deliverables will be: 1) Update of I-129 inventory report (SRR-CWDA-2015-00077)/Tc-99 inventory report (SRR-CWDA-2015-00123). 2) Iterative modeling to establish optimum I-129/Tc-99 concentrations per SDU. 3) Established min/max WAC values for each SDU for I-129 and Tc-99. Reports are generated in accordance with Manual S4 Procedure ENG.51, *Verification and Checking of Technical Documents.*		

Performance Incentive Document

PBI Number:	SRR2017PREP
Activity Name:	AMWD, Sludge and Salt Batch Preparation/Processing/Support, ARP/MCU Operations, Tank 48 Treatment
WBS Number:	01.90.02, 01.90.20
Performance Period:	October 1, 2016 – June 30, 2017
Allocated Fee:	$4,500,000
Revision Number:	0

Senior Level Manager Name:

Jim Folk, AMWD

Senior Level Supervisor/Division Manager Name:

Jean Ridley, Director, WDPD

Performance Requirement:

Contract Section C – *Statement of Work*

Contract Section H.50 (b) 7 Improve ARP/MCU [Actinide Removal Process/Modular Caustic Side Solvent Extraction Process] Operations

Contract Output: SRR2017PREP-01

The preparation of sludge and salt waste batches for processing at waste treatment facilities is critical to support efficient and effective waste treatment facilities' operations, remove waste from the Tank Farms and facilitate tank closures. Effective and efficient ARP/MCU operations and installation of life extension upgrades are critical during the interim period leading to startup of the SWPF.

GFS/I:

The target dates and completion dates for the following milestones are based on availability of the funds per the 2017 Congressional Budget Request. Further, the target dates and completion dates are based on SRS Site Infrastructure Services provided per SRR-approved schedules (e.g., steam, site access, etc.). Any change in the schedule for funds availability or SRS Site Services, including interruption caused by Continuing Resolution or other action, may result in renegotiation/revision to impacted milestones. In addition, the target dates and completion dates for the milestones are based on timely performance of scope by SRNL related to the milestones.

Number	Exact date, periodicity, frequency, quantity	Fee	Completion Criteria
SRR2017PREP-01.01-01	6/30/2017	$ 2,720K	Process up to 1,360Kgal of salt solution from Tank 49 @ $2/gal with a maximum available fee of $2,720K
SRR2017PREP-01.01-02	6/30/2017	$ 680K	a) Subsequent to achieving SRR2017PREP-01.01-01 milestone, process up to 340 Kgal of additional salt solution from Tank 49 through MCU @ $2/gal b) Create up to 1,000 Kgal of space by operation of the 241-16H Evaporator or beneficial reuse of DWPF recycle @ $0.40/gal c) Complete chemical cleaning of the 241-16H Evaporator Pot ($160K) d) Complete procurement of two replacement Motor Control Centers (MCCs) (P and N2) ($40K) e) Complete installation of a replacement H-Diversion Box-8 Process Vessel Vent Chiller ($100K) f) Submit for DOE Approval the Rate of Salt Dissolution DSA Change ($100K) g) Create up to 115 Kgal of space by beneficial re-use of DWPF recycle to dissolve Tank 41 saltcake for use in Salt Batch 11 @ $0.40/gal h) Complete assembly and run in of a spare Quad Volute Slurry Pump ($40K) i) Complete upgrade of two Waste Tank Ventilation Continuous Air Monitoring Systems ($40K) The combination of a) thru i) cannot exceed $680K (Maximum available fee is $680K)

SRR2017PREP-01.02	6/30/17	$ 500K	Complete Salt Batch 10 qualification
SRR2017PREP-01.03	6/30/17	$ 600K	<u>Required System Health Upgrades:</u> Replace up to five tank purge and/or annulus ventilation components (Safety Class (SC)/Safety Significant (SS) reheaters, SC/SS ducts, SC/SS fan motors, SC/SS fans, SC/SS exhaust stack extensions and/or continuous exhaust stack monitoring) @ $120K/each (Maximum available fee is $600K)
Acceptance Criteria			
SRR2017PREP-01.01-01	Verification of total gallons processed through review of Tank Farm operations morning reports and field (site) observations/inspections.		
SRR2017PREP-01.01-02	a) Verification of total Tank 49 gallons processed through review of Tank Farm operations morning reports and field (site) observations/inspections. b) Verification of total gallons removed from evaporator system tanks through review of Tank Farm operations morning reports and field (site) observations/inspections. c) Verification of the final pot inspection report documenting successful cleaning. d) Verification of Purchase Order/Request and Receipt Inspections (If Level 1 procurement) and photographic evidence of received equipment OR verification of Purchase Order/Request and Receipt (If Level 2 or 3 procurement) and photographic evidence of received equipment for two MCCs. e) Verification of field installation by review of completed work package tasks and visual/photographic evidence of completion. f) Verification by review of FOSC approved and submitted DSA/TSR revision acceptable for the rate of salt dissolution to address hydrogen release. g) Verification of total gallons of DWPF recycle used for salt dissolution or salt batch make-up through review of Tank Farm operations morning reports and field (site) observations/inspections. h) Verification of assembly and run-in by review of completed work package tasks and visual/photographic evidence of completion. i) Verification of field installation by review of completed work package tasks and visual/photographic evidence of completion.		

SRR2017PREP-01.02	Verification of qualification of the Salt Batch 10 as it resides in Tank 21 such that it will meet downstream Saltstone WAC (X-SD-Z-00001, Latest Revision), DWPF WAC (X-SD-G-00008, Latest Revision) and Tank Farm WAC (X-SD-G-00001, Latest Revision) requirements based on review of an SRR approved technical report.
SRR2017PREP-01.03	Verification of field installation by review of completed work packages tasks and visual/photographic evidence of completion.

Performance Incentive Document

PBI Number:	SRR2017TANK
Activity Name:	AMWD, Waste Removal & Tank Closure
WBS Number:	01.90.01
Performance Period:	October 1, 2016 – June 30, 2017
Allocated Fee:	$695,036
Revision Number:	0

Senior Level Manager Name:
Jim Folk, AMWD

Senior Level Supervisor/Division Manager Name:
Jean Ridley, Director, WDPD

Performance Requirement:

Contract Section H.50, 1, *Operationally close old-style tanks*

Contract Output: SRR2017TANK-01

Completion of bulk waste removal (BWR), heel removal, tank cleaning, transfer system isolation, necessary modifications for tank grouting and tank grouting are essential elements of the tank closure program. Completion of BWR and closure efforts is required to comply with Federal Facility Agreement commitments and demonstrate progress toward risk reduction and achieving tank closure commitments. Completion of technical documents to support waste removal and operational closure decisions by DOE and external agencies.

GFS/I:

The target dates and completion dates for the following milestones are based on availability of the funds per the 2017 Congressional Budget Request. Further, the target dates and completion dates are based on SRS Site Infrastructure Services provided per SRR-approved schedules (e.g., steam, site access, etc.). Any change in the schedule for funds availability or SRS Site Services, including interruption caused by Continuing Resolution or other action, may result in renegotiation/revision to impacted milestones. In addition, the target dates and completion dates for the milestones are based on timely performance of scope by SRNL related to the milestones.

Number	Exact date, periodicity, frequency, quantity	Fee	Completion Criteria
SRR2017TANK -01.01 Note: No fee shall be paid to the contractor for changed work, including provisional, prior to definitization of the change order	6/30/2017	$ 245.036K	90% completion of the Tank Closure Cesium Removal design by the approved vendor
SRR2017TANK -01.02	3/31/2017	$ 200K	Complete development of a Consolidated General Closure Plan, Revision 0
SRR2017TANK -01.03	6/30/2017	$ 250K	Complete four waste removal campaigns from Tank 15
Acceptance Criteria			
SRR2017TANK -01.01	Verification of SRR assignment of an Engineering, Plant and Facilities Management Status of 1, 2, 3 or 5 per Specification X-SOW-H-00002, Section 3.13.2.6 for all deliverables required for the vendor's 90% Design Completion as listed in Section 3.1.3.19, Subsection C.		
SRR2017TANK -01.02	Verification that document reflects resolution of all comments (DOE and regulatory) and ready for DOE-SR submittal to South Carolina Department of Health and Environmental Control for public comment.		
SRR2017TANK -01.03	Verification by review of completed Tank 15 to Tank 13 Waste Transfer Procedures and corresponding Tank 13/15 level and volume changes. A waste removal campaign shall be defined in the operating plan and completion will constitute the operational closeout of a Tank 15 to Tank 13 transfer and reconciliation of the final liquid volume transferred and level change determination.		

Performance Incentive Document

PBI Number:	SRR2017SWPFLIS
Activity Name:	AMWD, SWPF Line Item Support
WBS Number:	01.90.03.21.01
Performance Period:	October 1, 2016 – June 30, 2017
Allocated Fee:	$3,340,000
Revision Number:	0

Senior Level Manager Name:
Pamela Marks, SWPF Federal Project Director (FPD)

Senior Level Supervisor/Division Manager Name:
Shayne Farrell, SWPF Deputy FPD

Performance Requirement:

Contract Sections - Contract Section C – Statement of Work, C.1.3.4 Salt Waste Processing Facility Interface and Coordination

Contract Output: SRR2017SWPFLIS-01

Contractor support to the timely execution of the SWPF Project throughout its design, construction, startup and radioactive operations is essential to the successful commissioning and operation of high capacity salt processing.

GFS/I:

The target dates and completion dates for the following milestones are based on availability of the funds per the 2017 Congressional Budget Request. Further, the target dates and completion dates are based on SRS Site Infrastructure Services provided per SRR-approved schedules (e.g., steam, site access, etc.). Any change in the schedule for funds availability or SRS Site Services, including interruption caused by Continuing Resolution or other action, may result in renegotiation/revision to impacted milestones. In addition, the target dates and completion dates for the milestones are based on timely performance of scope by SRNL related to the milestones.

Number	Exact date, periodicity, frequency, quantity	Fee	Completion Criteria
SRR2017SWPFLIS -01.01	6/30/2017	$ 3,290K	1) Complete installation of Tank 49 transfer piping and supports for the Phase III "Transfer Line Under Culvert". 2) Complete installation of sheet piling at 511-S 3) Achieve task readiness for the SWPF tie-in outage as defined in the SWPF Initial Tie-in Outage Execution Plan.
SRR2017SWPFLIS -01.02	3/31/2017	$ 50K	Complete development of a MCU/SWPF Waste Solvent Disposition Plan

Acceptance Criteria	
SRR2017SWPFLIS -01.01	1) Verification of completed work package tasks and visual/photographic evidence of installed transfer piping. 2) Verification of completed work package tasks, physical inspection and/or photographic evidence of completion if physical inspection is not possible due to difficulties in accessibility per SWPF Initial Tie-in Outage Execution Plan (SRR-SWPF-2016-00025, Latest Revision). 3a) Verification of SRR approved *SWPF Initial Tie-in Outage Execution Plan* (SRR-SWPF-2016-00025, Latest Revision) detailing excavation lifecycle and method of execution. 3b) Verification of completed or in-progress work packages tasks, including photographic evidence of 511-S excavation (excavation is at least eight feet deep from grade level) per *SWPF Initial Tie-in Outage Execution Plan* (SRR-SWPF-2016-00025, Latest Revision). 3c) Verification of completed work package tasks, visual inspection, and/or photographic evidence of fabricated jumpers as identified in the SRR approved *SWPF Initial Tie-in Outage Execution Plan* (SRR-SWPF-2016-00025, Latest Revision). 3d) Verification by review of work packages set to a status of "Ready" for required temporary modifications to execute the *West Transfer Line Tie-Ins Flush Plan* (U-ESR-S-00013, Latest Revision).
SRR2017SWPFLIS -01.02	Verification that the document describes viable disposition path(s) for MCU or SWPF process solvent that is designated as waste material.

Attachment C: Special Emphasis Areas

Cost and Schedule Control

SEA	SEA1: Cost and Schedule Control Clawback
Revision Number:	0

Senior Level Manager Name:
Jim Folk, AMWD

Senior Level Supervisor/Division Manager Name:
Jean Ridley, Director, WDPD

Performance Requirement:

Contract Output: SRR2017SEA1-01

Desired Outcome: Contractor's execution for selected approved work scopes is within acceptable range of determined target cost and schedule demonstrating cost and schedule effective work execution.

This Cost Control evaluation is implemented in parallel with the Program Management Award Fee evaluation. The Cost and Schedule Control evaluation:

- Is effectively a "claw back" determination based on cost and schedule performance
- Will be applied to selected PBIs independently from the Milestone Completion validation and fee recommendation to the Fee Board for each selected PBI Milestone

Determination of Fee at Risk: Milestones representing a minimum of 15% of the Available Award Fee allocated or projected for Evaluation Period 9 (October 1, 2016 – June 30, 2017) shall be designated as subject to the Cost and Schedule Control Clawback evaluation.

PEMP – Evaluation Period 9	Award Fee Allocation	$15,156,922
CAP Addendum No. 1 Activity Based Milestones Forecast to Complete in Evaluation Period 9 (Note 1)	Fee Allocation for Milestones Forecast to Complete in Evaluation Period 9	$3,500,000
Total Evaluation Period 9 Fee Allocated/Forecast		$18,656,922
Minimum Fee at Risk (15% of Total Fee Pool)		$2,798,538

For the Evaluation Period 10/1/2015 – 6/30/17, the following PBI milestones are designated for application of the Cost and Schedule Control Special Emphasis Evaluation:		
CAP Addendum No. 1 Activity Based Milestones Forecast to Complete in Evaluation Period 9 (Note 1)	Fee Allocation at risk for Milestones Forecast to Complete in Evaluation Period 9 (Note 2)	$3,500,000 (Note 3)

Note 1: The $3,500,000 in fee associated with the Multi-year – Capital Asset in Option 1 (see Attachment A) is associated with milestones SRR-SDU6-01.04, -.05 and -.06 defined in CAP Addendum No. 1 forecast for completion between October 1, 2016 and June 30, 2017.

Note 2: All fee associated with milestones in the CAP Addendum No. 1 is provisional and is subject to a Cost and Schedule Control Incentive/Clawback per the terms as specified in the Addendum.

Note 3: The CAP Addendum No. 1 Activity Based Milestones Fee Allocation of $3,500,000 represents more than 18% of the Available Award Fee of $18,656,922 allocated or projected for Evaluation Period 9 (October 1, 2016 – June 30, 2017), meeting the 15% minimum fee at risk subject to the Cost and Schedule Control Clawback evaluation. The CAP Addendum No. 1 is a multi-year PEMP with an Evaluation Period of April 17, 2014 through November 30, 2018 with a total Award Fee allocation of $5,000,000, all of which is subject to clawback at the end of the Evaluation Period or the end of the Performance Period for Contract No. DE-AC09-09SRSR22505, as applicable.

Acronym List

AC	Actual Cost
AMWD	Assistant Manager for Waste Disposition
AP	Award Price
ARP	Actinide Removal Process
BWR	Bulk Waste Removal
CAP	Capital Asset Project
CO	DOE Contracting Officer
DEAR	Department of Energy Acquisition Regulation
DOE	U.S. Department of Energy
DSA	Documented Safety Analysis
DWPF	Defense Waste Processing Facility
EM	Office of Environmental Management
FDO	Fee Determining Official
FPD	Federal Project Director
FOSC	Facility Operations Safety Committee
FY	Fiscal Year
GFS/I	Government Furnished Services and Items
IPT	Integrated Project Team
MCC	Motor Control Center
MCU	Modular Caustic Side Solvent Extraction Unit
PBI	Performance Based Incentive
PEMP	Performance Evaluation and Measurement Plan
SDU	Saltstone Disposal Unit
SEA	Special Emphasis Area
SR	Savannah River
SRIP	Savannah River Implementing Procedure
SRM	Savannah River Manual
SRNL	Savannah River National Laboratory
SRR	Savannah River Remediation LLC
SRS	Savannah River Site
SS/SC	Safety Significant/Safety Class
SWPF	Salt Waste Processing Facility
TSR	Technical Safety Requirements
WAC	Waste Acceptance Criteria
WBS	Work Breakdown Structure
WDPD	Waste Disposition Program Director