

# Incentive Fee Plan

NASA Glenn Research Center plans to award solicitation # NNC08ZRP024R, “Advanced Lithium-Based Chemistry Cell Development” as a Cost plus Incentive Fee contract. With use of an incentive fee, NASA intends to accomplish mission needs while minimizing waste and maximizing value. It is the intent of NASA to encourage the contractor to perform efficiently and effectively by rewarding positive incentives.

The three areas that have added incentives are: **Cost, Performance Results, and Schedule.**

The Government intends that incentive awards will be tied to demonstrated results, as opposed to effort, in meeting or exceeding specified performance standards.

**NOTE: Of the three incentive fee areas, Performance Results is valued the highest by the Government and is intended to be compensated likewise.**

Including all incentives under the entire contract plus options a maximum fee of **\$400,000.00** can be earned.

## I. Basic Effort:

### A. Cost Incentive

- 1) A cost incentive applies to the basic effort of this contract. The cost incentive consists of cost sharing for cost underruns as well as for overruns.

The target cost of this contract is \$[TBD]. The target fee of this contract is \$[TBD] (**Target Fee shall be a maximum of 4% of target cost**). The total target cost and target fee as contemplated by the Incentive Fee clause of this contract are \$[TBD].

- 2) The cost sharing for cost underruns is:

Government **[60]** percent  
Contractor **[40]** percent

- 3) The cost sharing for cost overruns is:

Government **[70]** percent  
Contractor **[30]** percent

- a. **The total amount of cost overruns paid by the contractor shall not exceed the contractual target fee amount plus any schedule incentives or Performance Results incentives earned by the contractor during the performance of this contract.**

**B. Performance Results Incentive**

The Performance Results incentive for the basic effort includes:  
To have Option 1A and/or 1B exercised.  
Evaluation on decision to exercise options will be based on:

- **Option 1A**

Task AEB - High Energy Evaluation Screening Cell Fabrication

Task AEC - High Energy Evaluation Cell Acceptance Testing

Task AFC - High Energy Flightweight Cell Critical Design

- **Option 1B**

Task BEB- Ultra High Energy Evaluation Cell Fabrication Build 1

Task BEC- Ultra High Energy Evaluation Cell Acceptance Testing -  
Build 1

Task BED- Ultra High Energy Evaluation Cell Fabrication - Build 2

Task BEE- Ultra High Energy Evaluation Cell Acceptance Testing -  
Build 2

**C. Schedule Incentive**

- 1) A schedule incentive applies to the following deliverables under this contract:

<b>4.1.5.3 AEC</b>	<b>High Energy Evaluation Cells</b>	<b>22 months after start of contract</b>
<b>4.1.6.3.5 AFCE</b>	<b>High Energy Flightweight Cells Critical Design Review</b>	<b>27 months after start of contract</b>
<b>4.2.5.5 BEE</b>	<b>Ultra High Energy Evaluation Build #2 Cells</b>	<b>34 months after start of contract</b>
<b>4.2.6.3 BFC</b>	<b>Ultra High Energy Flightweight Cell Critical Design Review</b>	<b>32 months after start of contract</b>

The schedule incentive becomes effective when ALL of the above deliverables are complete. It includes a set delivery date and a positive incentive which are described in this clause.

- 2) Final Delivery Date. The date when the Contractor has met the contract requirement as specified in the SOW for all of the respective deliverables outlined above. Positive incentives apply when this delivery date is achieved before the contractual completion date. The final delivery date is established in accordance with Table 11 of the SOW.
- 3) Positive incentive. The Contractor earns a separate positive incentive amount when the final delivery date for the above deliverables precedes the contractual completion date. The amount earned varies with the number of days achieved.

The units of measurement and the incentive amounts associated with achieving each unit are shown below:

<u>Unit of Measurement</u>	<u>Incentive Amount</u>
One (1) Day	\$300.00

## **II. Option 1A and Option 1B:**

### **A. Cost Incentive**

- 1) If the options are exercised, a cost incentive applies to the Option 1A and Option 1B of this contract. The cost incentive associated with Option 1A and Option 1B is consistent with the cost incentive for the basic effort.

### **B. Performance Results Incentive**

- 1) A Performance Results incentive applies to the following Tasks under Option 1A and Option 1B.
  - a) Option 1A –
    - Task 1AAB - High Energy Flightweight Cell Final Design Review Data Package
    - Task 1AAC - High Energy Flightweight Cell Final Design, Drawings, Specifications and Processes
    - Task 1ACB - High Energy Flightweight Cell Test Report

## b) Option 1B –

Task 1BAB - Ultra High Energy Flightweight Cell Final Design Review Data Package

Task 1BAC - Ultra High Energy Flightweight Cell Final Design, Drawings, Specifications and Processes

Task 1BCB - Ultra High Energy Flightweight Cell Test Report

**2) Minimum required performance:****a) Task 1AB, Testing of High Energy Flightweight Design Cells.**

1. 200 cycles to 100% DOD to 80% of original capacity at C/10
2. 165 Wh/kg at C/10 & 0<sup>0</sup>C to 3.000 Volts/cell

**b) Task 1BB, Testing Ultra-High Energy Flightweight Design Cells.**

1. 200 cycles to 100% DOD to 80% of original capacity at C/10
2. 180 Wh/kg at C/10 & 0<sup>0</sup>C to 3.000 Volts/cell

- 3) Positive incentive. The minimum cycle requirements must be met. The Contractor earns a separate positive incentive amount when the specific energy of the final Flight Design Cell Deliverables for the above tasks exceeds the contractual minimum required performance. The amount earned varies with the Wh/kg at C/10 & 0<sup>0</sup>C to 3.000 Volts/cell achieved.

The units of measurement and the incentive amounts associated with achieving each unit are shown below:

<u>Task</u>	<u>Unit of Measurement</u>	<u>Incentive Amount</u>
Task 1AB	Wh/kg at C/10 & 0 <sup>0</sup> C to 3.000 Volts/cell	\$2,500.00
Task 1BB	Wh/kg at C/10 & 0 <sup>0</sup> C to 3.000 Volts/cell	\$2,500.00

**C. Schedule Incentive**

- a. A schedule incentive applies to the following deliverables under Option 1A and Option 1B of this contract:

<b>5.1.4 1AD</b>	<b>High Energy Flightweight Cells</b>	<b>13 months after award of Option 1A</b>
<b>5.2.4 1BD</b>	<b>Ultra High Energy Flightweight Cells</b>	<b>12 months after award of Option 1B</b>

The schedule incentive becomes effective when ALL of the above deliverables are complete. It includes a set delivery date and a positive incentive which are described in this clause.

- 4) Final Delivery Date. The date when the Contractor has met the contract requirement as specified in the SOW for all of the respective deliverables outlined above. Positive incentives apply when this delivery date is achieved before the contractual completion date. The final delivery date is established in accordance with Table 14 of the SOW.
- b. Positive incentive. The Contractor earns a separate positive incentive amount when the final delivery date for the above deliverables precedes the contractual completion date. The amount earned varies with the number of days achieved.

The units of measurement and the incentive amounts associated with achieving each unit are shown below:

<u>Unit of Measurement</u>	<u>Incentive Amount</u>
One (1) Day	\$300.00

### **III. Option 2A and Option 2B:**

- A. The incentive fee plan for Option 2A and Option 2B are the same as section I Basic Effort of this Incentive Fee Plan (Including Cost Incentive, Performance Results Incentive, and Schedule Incentive).