

2. AMENDMENT/MODIFICATION NO. 147	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. 12EM000745	5. PROJECT NO. (If applicable)
6. ISSUED BY Office of River Protection U.S. Department of Energy Office of River Protection P.O. Box 450 Richland WA 99352	CODE 00603	7. ADMINISTERED BY (If other than Item 6) Office of River Protection U.S. Department of Energy Office of River Protection P.O. Box 450 MS: H6-60 Richland WA 99352	CODE 00603

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) WASHINGTON RIVER PROTECTION SOLUTIONS LLC Attn: DUANE SCHMOKER PO BOX 73 720 PARK BLVD BOISE ID 837290001	(x)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	x	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-08RV14800
		10B. DATED (SEE ITEM 13) 05/29/2008
CODE 806500521	FACILITY CODE	

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)
See Schedule

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: FAR 52.243-2 Changes-Cost Reimbursement (AUG 1987)
	D. OTHER (Specify type of modification and authority)

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

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
See continuation pages.
Period of Performance: 06/20/2008 to 09/30/2013

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) <i>Abel B. Dunning / Contract Manager</i>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Susan C. Johnson	
15B. CONTRACTOR/OFFEROR <i>Abel B. Dunning</i> <small>(Signature of person authorized to sign)</small>	15C. DATE SIGNED 1/9/12	16B. UNITED STATES OR AMERICA <i>Susan C. Johnson</i> <small>(Signature of Contracting Officer)</small>
		16C. DATE SIGNED 1/9/12

Purpose of Modification:

The following changes are hereby incorporated into the contract:

1. Update Section J, Attachment J.4, Performance Evaluation and Measurement Plan (PEMP) to insert the following Fiscal Year 2012 (FY12) Award Fee Performance Measure Plan:

PM 03 - FY 2012 Award Fee Performance Measure

Target Fee available assigned to this performance measure: \$3,500,000.00

Fee Structure: Subjective Measure

The fee determination structure for this fiscal year will be subjective measures. This award fee performance measure is achieved if the Contractor meets the mission performance expectations of the U.S. Department of Energy (DOE) Office of River Projection (ORP) as stipulated within the contract. Ratings under the award fee performance measure will be based on ORP's evaluation of the contractor's performance during the annual FY 2012 evaluation period. ORP's evaluation of the contractor's performance will be combined to an overall rating. Failure in any of the functional areas could result in a change to the overall rating as determined by the Fee Determination Official. Ratings will be determined using the following guidance:

Award-Fee Adjectival Rating	Award-Fee Pool Available To Be Earned	Description
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.

Award Fee Functional Areas

1) Performance of Tank Farm Project Operations – Conduct of Operations

Target Fee Assigned to Functional Area: \$500,000.00

Desired Outcome: Ensure focus is maintained on overall safety and efficiency of Tank Farm project operations through improvements in Conduct of Operations and Work Control.

Areas of focus include Work Control/Procedure Development process continuous improvement, the field implementation of work instructions, and general Conduct of Operations improvements.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Results from DOE and Contractor Oversight (assessments, surveillances, Management Observation Programs (MOPs), and day-to-day oversight) indicate no DOE concerns, recurring events, or programmatic negative trends.
- b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews as evidenced by a high ratio of WRPS self-identified issues to ORP issues and minimal rejection of WRPS corrective action plans submitted to ORP for approval.
- c) Additional trending data such as ORPS Reports, PERs, and Performance Indicators are established and monitored for Conduct of Operations and Work Control that monitor the health and status of the programs similar to those created as part of the Lockout/Tagout end point assessment issued in August 2010 to both normalize and evaluate the safety significance of trending data.
- d) Results from the Conduct of Operations Council, Conduct of Operation mentors, training and Management Focus demonstrate continuous improvement as evidenced by WRPS performance indicators and/or WRPS/ORP oversight results. Examples may include items such as implementing the corporate work control standard, proposed HPI Lab response to abnormal events, Conduct of Operations foundational training, improvements in radiological planning/field integration, or improvements in specific Conduct of Operations chapter implementation.

2) General Management

Target Fee Assigned to Functional Area: \$1,250,000.00

Desired Outcome: A strong adherence to the Tank Operations Contract's terms and conditions; Continued process improvement for compliance and adequacy of the business systems (e.g. purchasing, accounting, budget and planning, billing estimating and labor accounting) as well as internal audit functions and property management; Development of effective Management systems to support Waste Treatment Plant (WTP) Commissioning; and Safety Program implementation of work practices and conditions in a high degree of safety in accordance with established programs

Areas of Focus:

Contract Administration and Compliance: Implementation of the processes to improve the timely identification of changed conditions, the quality and timeliness of Contract Change Proposals, and provide for an effective means of evaluating changes to the contract. The continued improvement of processes used in Contractor Industrial Relations (Pensions, CIPs, reporting, workforce restructuring, etc).

Business Systems Management: Continued process improvement to improve compliance and adequacy of the business systems (e.g. purchasing, accounting, budget and planning, billing estimating and labor accounting), as well as internal audit functions and property management (compliance with FAR 52.245-1).

Support for WTP Commissioning: Development of effective Management systems and technical support for Waste Treatment Plant (WTP) Commissioning.

Safety Program Implementation: WRPS fosters safety program implementation and resolves field issues and challenges:

- a) Conditions and processes that promote worker health safety are established and monitored
- b) Radiological and industrial safety hazards are anticipated, recognized, and effectively managed.
- c) WRPS managers establish and promote a culture that supports worker safety.
- d) Personnel exhibit accountability and ownership for industrial and radiation safety.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

Contract Administration and Compliance:

- a) Compliance with Contract Requirements including compliance with Federal and Departmental acquisition regulations, procedures and guidance
- b) Quality and timeliness of proposals submitted in response to the ORP Contracting Officer
- c) Effectiveness of Subcontract and Purchasing management and increasing the rates of competitive to non-competitive awards
- d) ARRA closeout activities
- e) Small Business Goals

- f) Processes used in administering of contractor industrial relations which include Pension funds, CIPs, reporting, and workforce restructuring.

Business Systems Management:

- a) Balanced Score Card Metrics and self-assessments
- b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, internal audits, ORP assessments, and external reviews
- c) Unallowable Costs- invoices are compliant with FAR, Acquisition guidelines and Contract terms
- d) Internal Controls – improvement in financial and operational controls
- e) Assessments and reviews – continued improvement during assessments and reviews including DCAA.
- f) Periodic surveillance of the adequacy of the contractor’s property management operations such as procedural and process compliance, storage and maintenance activities, custodial controls, generation and maintenance of property records.

Support for WTP Commissioning:

- a) Technical support to WTP – data and analysis as part of the One System Integrated Project Team is timely, relevant, and supports an integrated licensing strategy.
- b) Interface management – collaboration with other site contractors to update interface control documents and resolve interface issues is proactive; program documents are improved and matured.
- c) Infrastructure and services – input to the Infrastructure and Services Alignment Plan is timely, complete, and appropriately detailed.
- d) Risk Management – the risk program and risk register show continued improvement and effective collaboration to manage crosscutting risks
- e) Program and Project Management – Critical Decision package submissions and project planning documents are timely, effective and complete.
- f) System Planning – the System Plan reflects most current available information on WTP capabilities and demonstrates continued improvement to optimize the sequence of tank waste treatment for reduction of total mission risk.
- g) Closure of WRPS actions associated with external WTP reviews is timely and effective.

Safety Program Implementation:

- a) Personnel use safe work practices and adhere to safety requirements. This includes adhering to safety briefing requirements, using proper personal protective equipment, ensuring equipment is in a safe condition prior to beginning work, and stopping in the face of uncertainty.
- b) Effective safety programs with clearly defined policies, procedures, and responsibilities are implemented.
- c) Both initial and continuing training provide personnel with the knowledge and skills necessary to meet safety program requirements and to work safely.
- d) Managers and workers are actively involved in, support, and reinforce safety program management and implementation.
- e) Managers and workers are held accountable for achieving safe work performance in their work groups.

- f) Personnel are proactive in coaching coworkers or correcting conditions when such behaviors or conditions are observed.
- g) A safe, orderly working environment is maintained. This includes; prompt and compliant management of wastes, effective management of contaminated in-process and/or reusable equipment. The intent is to minimize the contribution to radiological dose, and to minimize the potential to spread contamination in and around the tank farms.
- h) Lessons learned from accident investigations and industry operating experience, are used to improve safety.
- i) Lessons learned from the drill programs are captured, areas for improvement are identified, and future training is conducted in those identified areas.
- j) Safety practices and conditions are periodically evaluated using established metrics, and the results are used to make improvements.
- k) Personnel at all levels of the organization promptly identify and communicate to management problems that can adversely affect plant safety and reliability.

3) Quality Assurance Program Compliance

Target Fee Assigned to Functional Area: \$500,000.00

Desired Outcome: The Contractor is required to develop and implement a quality assurance program (QAP) based upon the requirements of DOE-EM EM-QA-001, DOE O 414.1C and 10CFR830 to implement a compliant QA program.

Areas of Focus for Quality Assurance Program Compliance:

Compliance with all Management Criteria of the QAP-including: Program Requirements, Training and Qualifications; Quality Improvement, Documents and Records; work processes; design; procurement; Inspection and Acceptance testing; Independent and Management Assessment; Software QA; Implementation of ASME NQA-1-2004 as the implementing standard to meet DOE requirements.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Compliance with all management criteria of the QAP (TFC-PLN-02,"Quality Assurance Program Description") Contractor Performance Responsiveness to corrective action plans and issues.
- b) Improvement in the following areas previously identified as requiring improvement:
 - 1. Corrective action management; responsiveness to addressing issues, properly classifying problems, adequate assessment of cause, properly determining extent of condition, adequate corrective action planning (establishing of remedial actions to control the deficient condition, and adequate establishment of corrective actions to correct the problem), and adequate management of the NTS reporting process.
 - 2. Establishment of software and safety software QA processes; including software grading, establishment and implementation of software life cycle activities, installation and use of software, software baseline and configuration management, software change control, and software retirement.

3. Records management process improvements to assure compliance with NQA-1-2004 (and addendums to 2007)
4. Procurement management; management and oversight of sub-contractors.

4) Nuclear Safety

Target Fee Assigned to Functional Area: \$850,000.00

Desired Outcome: The Contractor maintains the Tank Farms safety basis, and manages required amendments in accordance with the requirements of the Nuclear Safety Management Rule and its implementing Orders and Standards

Areas of Focus include Contract requirements and responsiveness to emerging issues, high visibility items, and any areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Completion of Planned Improvements identified in the Tank Farms Documented Safety Analysis (DSA)
- b) Timely declaration and management of Potential Inadequacies in the Safety Basis (PISA's);
- c) Upgrading of the 242-A Evaporator DSA to comply with DOE-STD-3009 CN3
- d) Unreviewed Safety Question process compliance with 10 CFR 830.203 and DOE G 424.1-1B, *Implementation Guide for Use in Addressing Unreviewed Safety Question Requirements*.
- e) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews.

5) Environmental Regulatory Management

Target Fee Assigned to Functional Area: \$400,000.00

Desired Outcome: Contractor's demonstrated environmental stewardship and compliance.

Areas of Focus for environmental stewardship and compliance:

- a) Environmental Protection and Compliance Plan and performance metrics
- b) Permitting documents and compliance to permits and licenses
- c) Proactive assessment/evaluation program
- d) Number and seriousness of any findings of noncompliance, infractions or violations, and timeframes and quality of related reporting and responses

Evaluation criteria: measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Quality and implementation of the documented environmental protection program and the contractor's establishment and implementation of environmental performance metrics;
- b) early identification of issues and concerns through a proactive assessment/evaluation program;
- c) integration with Hanford Site regulatory compliance
- d) quality, timeliness, completeness, and technical accuracy of environmental reports, permits, and licenses;
- e) quality, timeliness, completeness, and technical accuracy of permitting documents;
- f) number and seriousness of any non-compliances, infractions, or violations and the timeliness and quality of related reporting and responses; and
- g) implementation of waste minimization and pollution prevention practices.

2. Update Section J, Attachment J.4, PEMP, to update the Configuration Table to reflect the date of modification 142 and to add Revision 17 of the PEMP as a result of this modification. The change is as follows:

FROM:

Version	Date Approved	Summary of Changes
Original	May 12, 2010 (Modification 54)	Established FY 2010-2013 PBIs
Revision 1	July 14, 2010 (Modification 59)	Addition of PBI 3-20 through PBI 3-24
Revision 2	August 27, 2010 (Modification 66)	Addition of PBI 2.18
Revision 3	September 23, 2010 (Modification 72)	Addition of PBI 7.3 through PBI 7.6
Revision 4	January 12, 2011 (Modification 87)	Update PBIs 1.1, 1.3 and 2.17
Revision 5	April 4, 2011 (Modification 101)	Increase unallocated fee pool amount
Revision 6	April 4, 2011 (Modification 102)	Misc. Changes to PBI 1, PBI 2 and PBI 3
Revision 7	April 15, 2011 (Modification 105)	Increase unallocated fee pool amount
Revision 8	May 26, 2011 (Modification 109)	Increase unallocated fee pool amount
Revision 9	June 22, 2001 (Modification 111)	Adjust PBIs to reflect decrease in total available Base Period fee pool.
Revision 10	July 14, 2011 (Modification 118)	Increase unallocated fee pool amount
Revision 11	July 29, 2011 (Modification 123)	Increase unallocated fee pool amount
Revision 12	August 4, 2011 (Modification 126)	Increase unallocated fee pool amount
Revision 13	September 7, 2011 (Modification 128)	Misc Changes to PBIs 2.6 – 2.15
Revision 14	September 23, 2011 (Modification 131)	Increase unallocated fee pool amount
Revision 15	September 29, 2011 (Modification 135)	Increase unallocated fee pool amount
Revision 16	See date of Modification 142	Adjust PBI's 1.4 and 2.1 to reflect increase in total available Base Period fee pool

TO:

Version	Date Approved	Summary of Changes
Original	May 12, 2010 (Modification 54)	Established FY 2010-2013 PBIs
Revision 1	July 14, 2010 (Modification 59)	Addition of PBI 3-20 through PBI 3-24
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Revision 14	September 23, 2011 (Modification 131)	Increase unallocated fee pool amount
Revision 15	September 29, 2011 (Modification 135)	Increase unallocated fee pool amount
Revision 16	December 29, 2011 (Modification 142)	Adjust PBI's 1.4 and 2.1 to reflect increase in total available Base Period fee pool
Revision 17	See date of Modification 147	Incorporate FY12 Award Fee Plan

3. Update Section J, Attachment J.4, PEMP, to update the PBI-Reserved-Unallocated Base Period Fee to reflect the \$3,500,000 being added to the Total Available Unallocated Base Period Fee value as a result of the FY12 Award Fee Performance Measure Plan. The change is as follows:

FROM:

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$11,251,072. The Total Available Unallocated Base Period Fee value is \$4,194,167. The Total Unavailable Unallocated Base Period Fee value is \$7,056,905, which includes \$6,824,905 in original Unavailable Unallocated Base Period Fee and \$232,000 in Unavailable Unallocated Base Period Fee as a result of reactivation of on-hold PBI's. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee:	\$4,194,167 (Mod 142)
Available Unallocated ARRA Fee:	\$ 0
Total Available Unallocated Fee:	\$4,194,167 (Mod 142)

TO:

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$11,251,072. The Total Available Unallocated Base Period Fee value is \$694,167. The Total Unavailable Unallocated Base Period Fee value is \$10,556,905, which includes \$10,324,905 in original Unavailable Unallocated Base Period Fee and \$232,000 in Unavailable Unallocated Base Period Fee as a result of reactivation of on-hold PBI's. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee:	\$694,167 (Mod 147)
<u>Available Unallocated ARRA Fee:</u>	<u>\$ 0</u>
Total Available Unallocated Fee:	\$694,167 (Mod 147)

4. Attached to this modification are replacement pages for the following section:
 - Section J, Attachment J.4, Pages J.4.2-1, and J.4.2-14 thru 20, and J.4.2-93
5. **All other Terms and Conditions remain unchanged.**

Attachment 1

DE-AC27-08RV14800, MODIFICATION 147

Replacement Page

(Total: Ten (10) including this Cover Page)

- **Section J, Attachment J.4, Pages J.4.2-1 and J.4.2-14 thru 20
and J.4.2-93**

Section J.4 Performance Evaluation and Measurement Plan (PEMP)

Attachment 2 –Performance Measures for Base Contract Period, Effective: FY 2010-2013

The performance measures described in this attachment provide performance criteria for the base contract period, specifically for during FY 2010-FY 2013. Section J.4, Attachment 1, contains performance measures incorporated into the contract during FY 2009 including some “multi-year” performance based incentives (PBIs) that have milestones in 2010 and 2011.

Configuration Table

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PM 03 - FY 2012 Award Fee Performance Measure

Target Fee available assigned to this performance measure: \$3,500,000.00

Fee Structure: Subjective Measure

The fee determination structure for this fiscal year will be subjective measures. This award fee performance measure is achieved if the Contractor meets the mission performance expectations of the U.S. Department of Energy (DOE) Office of River Projection (ORP) as stipulated within the contract. Ratings under the award fee performance measure will be based on ORP's evaluation of the contractor's performance during the annual FY 2012 evaluation period. ORP's evaluation of the contractor's performance will be combined to an overall rating. Failure in any of the functional areas could result in a change to the overall rating as determined by the Fee Determination Official. Ratings will be determined using the following guidance:

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		aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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Award Fee Functional Areas

1) Performance of Tank Farm Project Operations – Conduct of Operations

Target Fee Assigned to Functional Area: \$500,000.00

Desired Outcome: Ensure focus is maintained on overall safety and efficiency of Tank Farm project operations through improvements in Conduct of Operations and Work Control.

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2) General Management

Target Fee Assigned to Functional Area: \$1,250,000.00

Desired Outcome: A strong adherence to the Tank Operations Contract's terms and conditions; Continued process improvement for compliance and adequacy of the business systems (e.g. purchasing, accounting, budget and planning, billing estimating and labor accounting) as well as internal audit functions and property management; Development of effective Management systems to support Waste Treatment Plant (WTP) Commissioning; and Safety Program implementation of work practices and conditions in a high degree of safety in accordance with established programs

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Contract Administration and Compliance: Implementation of the processes to improve the timely identification of changed conditions, the quality and timeliness of Contract Change Proposals, and provide for an effective means of evaluating changes to the contract. The continued improvement of processes used in Contractor Industrial Relations (Pensions, CIPs, reporting, workforce restructuring, etc).

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- b) Quality and timeliness of proposals submitted in response to the ORP Contracting Officer
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- d) ARRA closeout activities
- e) Small Business Goals

- f) Processes used in administering of contractor industrial relations which include Pension funds, CIPs, reporting, and workforce restructuring.

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- a) Balanced Score Card Metrics and self-assessments
- b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, internal audits, ORP assessments, and external reviews
- c) Unallowable Costs- invoices are compliant with FAR, Acquisition guidelines and Contract terms
- d) Internal Controls – improvement in financial and operational controls
- e) Assessments and reviews – continued improvement during assessments and reviews including DCAA.
- f) Periodic surveillance of the adequacy of the contractor’s property management operations such as procedural and process compliance, storage and maintenance activities, custodial controls, generation and maintenance of property records.

Support for WTP Commissioning:

- a) Technical support to WTP – data and analysis as part of the One System Integrated Project Team is timely, relevant, and supports an integrated licensing strategy.
- b) Interface management – collaboration with other site contractors to update interface control documents and resolve interface issues is proactive; program documents are improved and matured.
- c) Infrastructure and services – input to the Infrastructure and Services Alignment Plan is timely, complete, and appropriately detailed.
- d) Risk Management – the risk program and risk register show continued improvement and effective collaboration to manage crosscutting risks
- e) Program and Project Management – Critical Decision package submissions and project planning documents are timely, effective and complete.
- f) System Planning – the System Plan reflects most current available information on WTP capabilities and demonstrates continued improvement to optimize the sequence of tank waste treatment for reduction of total mission risk.
- g) Closure of WRPS actions associated with external WTP reviews is timely and effective.

Safety Program Implementation:

- a) Personnel use safe work practices and adhere to safety requirements. This includes adhering to safety briefing requirements, using proper personal protective equipment, ensuring equipment is in a safe condition prior to beginning work, and stopping in the face of uncertainty.
- b) Effective safety programs with clearly defined policies, procedures, and responsibilities are implemented.
- c) Both initial and continuing training provide personnel with the knowledge and skills necessary to meet safety program requirements and to work safely.

- d) Managers and workers are actively involved in, support, and reinforce safety program management and implementation.
- e) Managers and workers are held accountable for achieving safe work performance in their work groups.
- f) Personnel are proactive in coaching coworkers or correcting conditions when such behaviors or conditions are observed.
- g) A safe, orderly working environment is maintained. This includes; prompt and compliant management of wastes, effective management of contaminated in-process and/or reusable equipment. The intent is to minimize the contribution to radiological dose, and to minimize the potential to spread contamination in and around the tank farms.
- h) Lessons learned from accident investigations and industry operating experience, are used to improve safety.
- i) Lessons learned from the drill programs are captured, areas for improvement are identified, and future training is conducted in those identified areas.
- j) Safety practices and conditions are periodically evaluated using established metrics, and the results are used to make improvements.
- k) Personnel at all levels of the organization promptly identify and communicate to management problems that can adversely affect plant safety and reliability.

3) Quality Assurance Program Compliance

Target Fee Assigned to Functional Area: \$500,000.00

Desired Outcome: The Contractor is required to develop and implement a quality assurance program (QAP) based upon the requirements of DOE-EM EM-QA-001, DOE O 414.1C and 10CFR830 to implement a compliant QA program.

Areas of Focus for Quality Assurance Program Compliance:

Compliance with all Management Criteria of the QAP-including: Program Requirements, Training and Qualifications; Quality Improvement, Documents and Records; work processes; design; procurement; Inspection and Acceptance testing; Independent and Management Assessment; Software QA; Implementation of ASME NQA-1-2004 as the implementing standard to meet DOE requirements.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Compliance with all management criteria of the QAP (TFC-PLN-02, "Quality Assurance Program Description") Contractor Performance Responsiveness to corrective action plans and issues.
- b) Improvement in the following areas previously identified as requiring improvement:
 1. Corrective action management; responsiveness to addressing issues, properly classifying problems, adequate assessment of cause, properly determining extent of condition, adequate corrective action planning (establishing of remedial actions to control the deficient condition, and adequate establishment of corrective actions to correct the problem), and adequate management of the NTS reporting process.
 2. Establishment of software and safety software QA processes; including software grading, establishment and implementation of software life cycle activities, installation and use of software, software baseline and configuration management, software change control, and software retirement.
 3. Records management process improvements to assure compliance with NQA-1-2004 (and addendums to 2007)
 4. Procurement management; management and oversight of sub-contractors.

4) Nuclear Safety

Target Fee Assigned to Functional Area: \$850,000.00

Desired Outcome: The Contractor maintains the Tank Farms safety basis, and manages required amendments in accordance with the requirements of the Nuclear Safety Management Rule and its implementing Orders and Standards

Areas of Focus include Contract requirements and responsiveness to emerging issues, high visibility items, and any areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews.

Evaluation criteria to measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Completion of Planned Improvements identified in the Tank Farms Documented Safety Analysis (DSA)
- b) Timely declaration and management of Potential Inadequacies in the Safety Basis (PISA's);
- c) Upgrading of the 242-A Evaporator DSA to comply with DOE-STD-3009 CN3
- d) Unreviewed Safety Question process compliance with 10 CFR 830.203 and DOE G 424.1-1B, *Implementation Guide for Use in Addressing Unreviewed Safety Question Requirements*.
- e) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews.

5) Environmental Regulatory Management

Target Fee Assigned to Functional Area: \$400,000.00

Desired Outcome: Contractor's demonstrated environmental stewardship and compliance.

Areas of Focus for environmental stewardship and compliance:

- a) Environmental Protection and Compliance Plan and performance metrics
- b) Permitting documents and compliance to permits and licenses
- c) Proactive assessment/evaluation program
- d) Number and seriousness of any findings of noncompliance, infractions or violations, and timeframes and quality of related reporting and responses

Evaluation criteria: measure performance will include ORP's subjective evaluation of the contractor's performance based on the following:

- a) Quality and implementation of the documented environmental protection program and the contractor's establishment and implementation of environmental performance metrics;
- b) early identification of issues and concerns through a proactive assessment/evaluation program;
- c) integration with Hanford Site regulatory compliance
- d) quality, timeliness, completeness, and technical accuracy of environmental reports, permits, and licenses;
- e) quality, timeliness, completeness, and technical accuracy of permitting documents;
- f) number and seriousness of any non-compliances, infractions, or violations and the timeliness and quality of related reporting and responses; and
- g) implementation of waste minimization and pollution prevention practices.

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$11,251,072. The Total Available Unallocated Base Period Fee value is \$694,167. The Total Unavailable Unallocated Base Period Fee value is \$10,556,905, which includes \$10,324,905 in original Unavailable Unallocated Base Period Fee and \$232,000 in Unavailable Unallocated Base Period Fee as a result of reactivation of on-hold PBI's. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee:	\$694,167 (Mod 147)
Available Unallocated ARRA Fee:	\$ 0
Total Available Unallocated Fee:	\$694,167 (Mod 147)

Fee Structure: Method to be determined

Fee will be allocated to award fee or additional performance based incentives as the need is identified before the end of fiscal year 2012 for base fee, and before the end of FY 2011 for ARRA fee.