

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE	PAGE OF PAGES 1   7
2. AMENDMENT/MODIFICATION NO. 054	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	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.	
CODE 806500521		FACILITY CODE	9B. DATED (SEE ITEM 11)
		x 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-08RV14800	
		10B. DATED (SEE ITEM 13) 05/29/2008	

**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)  
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: Section B, Clause B.7-Fee Structure
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

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

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 E. Bechtol
15B. CONTRACTOR/OFFEROR <b>ORIGINAL SIGNED BY</b> (Signature of person authorized to sign)	15C. DATE SIGNED <i>05/27/10</i>
16B. UNITED STATES OF AMERICA <b>ORIGINAL SIGNED BY</b> (Signature of Contracting Officer)	16C. DATE SIGNED <i>5/27/10</i>

**Continuation Page, SF30 Block 14**

**Purpose of Modification:**

The purpose of this modification is to revise Section J.4, Performance and Evaluation Measurement Plan (PEMP) to incorporate FY2010-2013 performance measures, and revise Table B.4-1 to allocate FY2010-2013 fee pool and revise the sum total column which was inaccurate due to the rounding of numbers.

**Description of Modification:**

1. Update Section B, page B-6, Table B.4-1 to reflect allocation of fee for the base period and revise the sum total column which was inaccurate due to the rounding of numbers. The change is as follows:

**From:**

Transition Period – FY 2008							
CLIN 1 Base Operations	Sub-CLIN 1.1	5,494					
	<b>Contract Cost</b>	5,494					
<b>Totals</b>	<b>Contract Price</b>	5,494					
Base Period							
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.2	125,350	122,759	125,362	134,704	147,817	655,992
	Sub-CLIN 1.3	14,120	14,379	16,681	17,434	17,899	80,512
<b>CLIN 2 SST Retrieval and Closure</b>	Sub-CLIN 2.1	39,375	29,166	44,854	59,798	66,610	239,803
	Sub-CLIN 2.2	7,434	9,970	6,552	17,389	11,927	53,272
<b>CLIN 3 WTP Support</b>	Sub-CLIN 3.1	9,605	14,549	20,816	17,553	21,056	83,579
	Sub-CLIN 3.2	3,045	3,115	3,187	3,247	3,335	15,929
	Sub-CLIN 3.3	926	0	830	4,272	1,350	7,378
	Sub-CLIN 3.4	16,536	17,333	23,879	19,024	15,145	91,918
<b>CLIN 4 Supplemental Treatment</b>	Sub-CLIN 4.1	49,228	37,388	19,799	13,895	4,689	125,000
	Sub-CLIN 4.2	0	0	22	308	6,353	6,682
	Sub-CLIN 4.3	0	101	382	389	9,149	10,021
	Sub-CLIN 4.4	0	104	396	471	676	1,647
	Sub-CLIN 4.5	9,533	5,686	17,008	9,751	9,932	51,910
<b>CLIN 5 Early Feed and Operation of WTP LAW Facility</b>	Sub-CLIN 5.1	34,118	6,848	2,674	1,973	2,648	48,261
	Sub-CLIN 5.2	0	34,417	49,008	43,452	35,379	162,257
	Sub-CLIN 5.3	0	0	0	0	0	0
	Sub-CLIN 5.4	0	0	0	0	0	0
<b>CLIN 6 Pension and Welfare Plans</b>	Sub-CLIN 6.1	20,036	21,877	23,836	25,948	27,376	119,074
	Sub-CLIN 6.2	105,842	112,696	120,939	127,189	123,003	589,669
<b>Base Contract Sub-</b>	<b>Contract Cost</b>	<b>435,148</b>	<b>430,387</b>	<b>476,225</b>	<b>496,797</b>	<b>504,345</b>	<b>2,342,903</b>

<b>Totals</b>	<b>Available Fee</b>	15,675	TBD by DOE	TBD by DOE	TBD by DOE	TBD by DOE	111,677
	<b>Contract Price</b>	450,823	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	2,454,579
<b>CLIN 7 American Recovery and Reinvestment Act (ARRA) Workscope</b>	Sub-CLIN 7.1	29,362	85,634	63,201	0	0	178,197
	Sub-CLIN 7.2	2,661	17,260	11,791	0	0	31,712
	Sub-CLIN 7.3	5,756	26,731	26,448	0	0	58,935
	Sub-CLIN 7.4	0	0	0	0	0	0
	Sub-CLIN 7.5	539	6,943	3,268	0	0	10,749
	Sub-CLIN 7.6	0	TBD	TBD	0	0	TBD
<b>ARRA Sub-Totals</b>	<b>Cost</b>	38,318	136,567	104,708	0	0	279,594
	<b>Fee</b>	2,742	9,844	7,549	0	0	20,135
	<b>Price</b>	41,060	146,411	112,257	0	0	299,729
<b>Total Contract Price</b>	<b>Contract Cost</b>	473,466	566,954	580,933	496,797	504,345	2,622,497
	<b>Available Fee</b>	18,417	TBD by DOE	TBD by DOE	TBD by DOE	TBD by DOE	131,812
	<b>Contract Price</b>	491,883	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	2,754,309

<b>Contract Totals</b>		
<b>Total: Transition, Base &amp; Option Periods</b>	<b>Contract Cost</b>	6,704,767
	<b>Available Fee</b>	361,735
	<b>Contract Price</b>	7,066,503

**To:**

<b>Transition Period – FY 2008</b>							
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.1	5,494					
	<b>Contract Cost</b>	5,494					
<b>Totals</b>	<b>Contract Price</b>	5,494					
	<b>Base Period</b>						
		<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Totals</b>
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.2	125,350	122,759	125,362	134,704	147,817	655,992
	Sub-CLIN 1.3	14,120	14,379	16,681	17,434	17,899	80,513
<b>CLIN 2 SST Retrieval and Closure</b>	Sub-CLIN 2.1	39,375	29,166	44,854	59,798	66,610	239,803
	Sub-CLIN 2.2	7,434	9,970	6,552	17,389	11,927	53,272
<b>CLIN 3 WTP Support</b>	Sub-CLIN 3.1	9,605	14,549	20,816	17,553	21,056	83,579
	Sub-CLIN 3.2	3,045	3,115	3,187	3,247	3,335	15,929
	Sub-CLIN 3.3	926	0	830	4,272	1,350	7,378
	Sub-CLIN	16,536	17,333	23,879	19,024	15,145	91,917

	3.4						
<b>CLIN 4 Supplemental Treatment</b>	Sub-CLIN 4.1	49,228	37,388	19,799	13,895	4,689	125,499
	Sub-CLIN 4.2	0	0	22	308	6,353	6,683
	Sub-CLIN 4.3	0	101	382	389	9,149	10,021
	Sub-CLIN 4.4	0	104	396	471	676	1,647
	Sub-CLIN 4.5	9,533	5,686	17,008	9,751	9,932	51,910
<b>CLIN 5 Early Feed and Operation of WTP LAW Facility</b>	Sub-CLIN 5.1	34,118	6,848	2,674	1,973	2,648	48,261
	Sub-CLIN 5.2	0	34,417	49,008	43,452	35,379	162,256
	Sub-CLIN 5.3	0	0	0	0	0	0
	Sub-CLIN 5.4	0	0	0	0	0	0
<b>CLIN 6 Pension and Welfare Plans</b>	Sub-CLIN 6.1	20,036	21,877	23,836	25,948	27,376	119,073
	Sub-CLIN 6.2	105,842	112,696	120,939	127,189	123,003	589,669
<b>Base Contract Sub-Totals</b>	<b>Contract Cost</b>	435,148	430,387	476,225	496,797	504,345	2,342,902
	<b>Available Fee</b>	15,675	24,002	22,000	27,000	23,000	111,677
	<b>Contract Price</b>	450,823	454,389	498,225	523,797	527,345	2,454,579
<b>CLIN 7 American Recovery and Reinvestment Act (ARRA) Workscope</b>	Sub-CLIN 7.1	29,362	85,634	63,201	0	0	178,197
	Sub-CLIN 7.2	2,661	17,260	11,791	0	0	31,712
	Sub-CLIN 7.3	5,756	26,731	26,448	0	0	58,935
	Sub-CLIN 7.4	0	0	0	0	0	0
	Sub-CLIN 7.5	539	6,943	3,268	0	0	10,749
	Sub-CLIN 7.6	0	TBD	TBD	0	0	TBD
<b>ARRA Sub- Totals</b>	<b>Cost</b>	38,318	136,567	104,708	0	0	279,593
	<b>Fee</b>	2,742	9,844	7,549	0	0	20,135
	<b>Price</b>	41,060	146,411	112,257	0	0	299,728
<b>Total Contract Price</b>	<b>Contract Cost</b>	473,466	566,954	580,933	496,797	504,345	2,622,495
	<b>Available Fee</b>	18,417	33,846	29,549	27,000	23,000	131,812
	<b>Contract Price</b>	491,883	600,800	610,482	523,797	527,345	2,754,307

<b>Contract Totals</b>		
<b>Total: Transition, Base &amp; Option Periods</b>	<b>Contract Cost</b>	6,704,765
	<b>Available Fee</b>	361,735
	<b>Contract Price</b>	7,066,500

2. Update Section J, Table of Contents, Revision Number and Number of Pages for Attachment Number J.4. The change for Attachment J.4 is as follows:

**From:**

<b>Attachment Number</b>	<b>Title of Attachment</b>	<b>Revision Number</b>	<b>Number of Pages</b>
J.4	PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)	3	N/A

**To:**

<b>Attachment Number</b>	<b>Title of Attachment</b>	<b>Revision Number</b>	<b>Number of Pages</b>
J.4	PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)	4	94

3. Update Section J, Attachment J.4-PEMP, page J.4-9, to add the following Attachments to paragraph number 7. The change is as follows:

**From:**

7. In accordance with the Section B Clause B.7 (a) entitled, Fee Structure, the following Hanford Tank Farm performance measures are provided:

**To:**

7. In accordance with the Section B Clause B.7 (a) entitled, Fee Structure, Hanford Tank Farm performance measures are provided in the following attachments:

J.4 Attachment 1: Performance Measures for Base Contract Period  
 Effective FY2009-2010

J.4 Attachment 2: Performance Measures for Base Contract Period  
 Effective FY2010-2013

4. Update Section J, Attachment J.4, to title the FY2009-2010 Performance and Evaluation Measurement Plan (PEMP) as Attachment 1. The change is as follows:

**From:**

Summary Table of Performance Based Incentives and Award Fee Elements

**To:**

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

Attachment 1–Performance Measures for Base Contract Period

Effective: FY 2009-2010

Summary Table of Performance Based Incentives and Award Fee Elements

5. Update Section J, Summary Table of Performance Based Incentives and Award Fee Elements, to add Note 5. The change is as follows:

**From:**

NOTE:						
1	1/14/09 - Modification M009 reissued the PEMP (Revision 1) and incorporated signed PBIs					
2	Modification M013 added and revised PBIs and removed page numbers in PEMP (Revision 2); Added: 1.7, 2.9, 2.10; Revised: 2.1, 2.3, 2.4, 2.5, 2.6, 2.8.					
3	Modification M021 revised the PEMP (Revision 3) PBIs: 1.5,2.1,2.3,2.8 and Workset Title 1					
4	Modification M025 revised the PEMP (Revision 4) PBI 2.1.2.					

**To:**

NOTES:	
1	1/14/09 - Modification M009 reissued the PEMP and incorporated signed PBIs
2	Modification M013 added PBIs 1.7, 2.9, 2.10 and revised PBIs 2.1, 2.3, 2.4, 2.5, 2.6, 2.8.
3	Modification M021 revised the PEMP PBIs 1.5,2.1,2.3,2.8 and Workset Title 1
4	Modification M025 revised the PEMP PBI 2.1.2.
5	Modification 054 reissues the PEMP and incorporates the PBI's as attachments. The above table is a summary of Performance Measures incorporated in previous modifications.

6. Update Section J.4, to insert the FY2010-2013 PEMP as Attachment 2-Performance Measures for Base Contract Period, Effective FY2010-2013.

7. Page changes for Section B and J are attached with changes indicated by a vertical bar on the right side of the changed pages.

**All other Terms and Conditions remain unchanged.**

JUN 09 2010

ENCLOSURE 2

LETTER 10-AMD-184

“PART I – THE SCHEDULE, SECTION B, SUPPLIES OR SERVICES AND PRICES/COSTS  
TABLE OF CONTENTS”



**PART I – THE SCHEDULE**

**SECTION B**

**SUPPLIES OR SERVICES AND PRICES/COSTS**

**TABLE OF CONTENTS**

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## B.1 TYPE OF CONTRACT

This is a performance-based Cost-Plus-Award Fee Contract to directly support the environmental clean-up mission with a fee structure that provides a strong financial motivation for the Contractor to furnish safe, compliant, cost-effective and energy-efficient services to further the U.S. Department of Energy (DOE) Office of River Protection (ORP) mission to store, retrieve and treat Hanford tank waste, store and dispose of treated waste, and close the tank farm waste management areas to protect the Columbia River.

## B.2 ITEM(S) BEING ACQUIRED

- (a) The Contractor shall, in accordance with the terms of this Contract (Contract refers solely to the Tank Operations Contract), provide the personnel, equipment, materials, supplies, and services, and do all things necessary for, or incident to, providing its best efforts to perform all requirements of this Contract.
- (b) For purposes of cost collection, reporting, work authorization, and administration of the Contract fee structure, the Contract consists of 23 activities divided among six (7) Contract Line Item Numbers (CLINs) and authorized in accordance with the Section B Clause entitled, *DOE Authorization of Work*. The activities identified below are further defined in Section J Attachment entitled, *Supplemental Work Description Tables*:
  - (1) *CLIN 1 – Base Operations*:
    - a. Sub-CLIN 1.1: Transition;
    - b. Sub-CLIN 1.2: Safe, Compliant Operations; and
    - c. Sub-CLIN 1.3: Analytical Laboratory Support.
  - (2) *CLIN 2 – Single-Shell Tank (SST) Retrieval and Closure*:
    - a. Sub-CLIN 2.1: Single-Shell Tank Retrieval; and
    - b. Sub-CLIN 2.2: Single-Shell Tank Farm (Waste Management Area) Closure.
  - (3) *CLIN 3 – Waste Treatment and Immobilization Plant (WTP) Support*:
    - a. Sub-CLIN 3.1: Treatment Planning, Waste Feed Delivery, and WTP Transition;
    - b. Sub-CLIN 3.2: WTP Operational Readiness;
    - c. Sub-CLIN 3.3: Immobilized High-Level Waste (IHLW) Storage and Shipping Facility Construction; and
    - d. Sub-CLIN 3.4: Upgrade and Operate the Effluent Treatment Facility (ETF).
  - (4) *CLIN 4 – Supplemental Treatment*:
    - a. Sub-CLIN 4.1: Demonstration Bulk Vitrification System (DBVS) Construction and Operations;

- b. Sub-CLIN 4.2: Extended Demonstration Bulk Vitrification System Operations;
  - c. Sub-CLIN 4.3: Supplemental Treatment Design
  - d. Sub-CLIN 4.4: Supplemental Treatment Construction and Operations
  - e. Sub-CLIN 4.5: Transuranic Tank Waste Treatment and Packaging.
- (5) *CLIN 5 – Early Feed and Operation of the WTP Low Activity Waste (LAW) Facility:*
- a. Sub-CLIN 5.1: Tank Selection, Retrieval, Pretreatment and Feed Delivery Design;
  - b. Sub-CLIN 5.2: Retrieval, Pretreatment and Feed Delivery Construction and Operations;
  - c. Sub-CLIN 5.3: (moved to Sub-CLIN 3.4)
  - d. Sub-CLIN 5.4: LAW/BOF/LAB Operations.
- (6) *CLIN 6 – Pension and Welfare Plans:*
- a. Sub-CLIN 6.1: Hanford Employee Retirement and Benefit Plan Management; and
  - b. Sub-CLIN 6.2: Legacy Pension and Benefit Plan Management.
- (7) *CLIN 7 – American Recovery and Reinvestment Act (ARRA) Workscope:*
- a. Sub-CLIN 7.1: ARRA workscope under Sub-CLIN 1.2 – Safe, Compliant Operations;
  - b. Sub-CLIN 7.2: ARRA workscope under Sub-CLIN 1.3 – Analytical Laboratory Support;
  - c. Sub-CLIN 7.3: ARRA workscope under Sub-CLIN 3.1 – Treatment Planning, Waste Feed Delivery, and WTP Transition; and
  - d. Sub-CLIN 7.4: ARRA workscope under Sub-CLIN 3.3 – Immobilized High-Level Waste (IHLW) Storage and Shipping Facility Construction
  - e. Sub-CLIN 7.5: ARRA workscope under Sub-CLIN 3.4 - Upgrade and Operate the Effluent Treatment Facility (ETF).
  - f. Sub-CLIN 7.6: ARRA workscope under Sub-CLIN 2.1 Single Shell Tank (SST) Retrieval and Closure

### **B.3 OBLIGATION AND AVAILABILITY OF FUNDS**

- (a) Obligation of Funds. Pursuant to the Section I Clause entitled, FAR 52.232-22 Limitation of Funds, total funds in the amount of \$1,102,812,101.05 have been allotted for obligation and are available for payment of services provided from the effective date of the Notice to Proceed through September 30, 2013.

Of the total identified above, \$322,155,000.00 in Recovery Act funds have been allotted for obligation and are available for payment of services provided from the effective date of this modification through September 30, 2011. (Subject to Section I clause 52.216-24 Limitation of Government Liability and \$780,657,101.50 in non-Recovery Act funds are

available for payment of services through September 30, 2013

- (b) Availability of Funds. Except as may be specifically provided in the Section I Clause entitled, *DEAR 952.250-70, Nuclear Hazards Indemnity Agreement*, the duties and obligations of DOE hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the U.S. Congress that DOE may legally spend for such purposes.
- (c) No fee shall be paid to the contractor for the Recovery Act work, including provisional, prior to the negotiation of any equitable adjustment in the fee and the subsequent modification of the contract to reflect the mutual agreement between the contractor and the Contracting Officer.

#### **B.4 CONTRACT COST AND CONTRACT FEE**

This Section establishes the *Total Contract Cost* and *Contract Fee*. Within Table B.4-1:

- (a) *Contract Period* is defined as the *Transition Period, Base Period, and Option Period(s)* (if exercised) described in the Section F Clause entitled, *Period of Performance*.
- (b) *Contract Cost* is defined as all costs initially proposed by the Contractor.
- (c) *Available Fee* is defined as the maximum amount of fee that may be earned under the Contract by Contract period.
- (d) *Contract Price* in Table B.4-1 is the sum of *Contract Cost* and *Available Fee*, in each year of Contract performance.
- (e) *Total Contract Cost* is defined as the cumulative *Contract Cost* for all Contract periods.
- (f) *Total Available Fee* is defined as the cumulative *Available Fee* for all Contract periods.
- (g) *Total Contract Price* is defined as the sum of *Total Contract Cost* and *Total Available Fee*.
- (h) *Contract Line Item Number (CLIN)* references a specific category of work as defined in the Section C, *Statement of Work*. Proposed costs shall be appropriately categorized into the individual CLINs in Table B.4-1.
- (i) *Contract Cost, Contract Price, and Available Fee* by Fiscal Year and by Sub-CLIN will be adjusted annually by the Contracting Officer upon approval of the Performance Measurement Baseline, and whenever changes affecting the table are made under the Section I Clause entitled, *Changes – Cost Reimbursement*.

#### **B.5 CHANGES TO CONTRACT COST AND CONTRACT FEE**

- (a) Funding.
  - (1) DOE intends to obligate funding to the Contract in accordance with the *Contract Price* shown by fiscal year in Table B.4-1, *Contract Cost and Contract Fee*. The Contractor shall not be entitled to an equitable adjustment to *Available Fee* if the obligated funding by fiscal year is within 10% of the amount shown in Table B.4-1.

- (2) If DOE does not obligate funding within the parameters detailed in paragraph (a)(1) above, the Contracting Officer may initiate a change or consider a request for an equitable adjustment to the *Contract Price* and/or Schedule in accordance with the Section I Clause entitled, *FAR 52.243-2, Changes – Cost Reimbursement, Alternates II, III, and IV.*
- (b) Performance Risk.
- (1) Changes to *Total Available Fee* will accurately reflect the corresponding changes to the Contract with respect to performance risk as determined by DEAR 915.404-4-70, DOE structured profit and fee system and implemented by the profit-analysis factors defined in FAR 15.404-4, *Profit*. Accordingly, changes to the Contract resulting in an increase or decrease to the Contractor's performance risk as defined in FAR 15.404-4(d)(1), shall cause a proportionate increase or decrease to the *Total Available Fee*.
  - (2) If performance risk changes, the Contracting Officer may initiate a change or consider a request for equitable adjustment to Contract Price and/or Schedule in accordance with the Section I Clause entitled, *FAR 52.243-2, Changes – Cost Reimbursement, Alternates II, III, and IV.*

Table B.4-1, Contract Cost and Contract Fee  
 (\$'s in K)

Transition Period – FY 2008							
CLIN 1 Base Operations	Sub-CLIN 1.1	5,494					
	Contract Cost	5,494					
<b>Totals</b>	Contract Price	5,494					
Base Period							
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.2	125,350	122,759	125,362	134,704	147,817	655,992
	Sub-CLIN 1.3	14,120	14,379	16,681	17,434	17,899	80,513
<b>CLIN 2 SST Retrieval and Closure</b>	Sub-CLIN 2.1	39,375	29,166	44,854	59,798	66,610	239,803
	Sub-CLIN 2.2	7,134	9,970	6,552	17,389	11,927	53,272
<b>CLIN 3 WTP Support</b>	Sub-CLIN 3.1	9,605	14,549	20,816	17,553	21,056	83,579
	Sub-CLIN 3.2	3,045	3,115	3,187	3,247	3,335	15,929
	Sub-CLIN 3.3	926	0	830	4,272	1,350	7,378
<b>CLIN 4 Supplemental Treatment</b>	Sub-CLIN 3.4	16,536	17,333	23,879	19,024	15,145	91,917
	Sub-CLIN 4.1	49,228	37,388	19,799	13,895	4,689	125,499
	Sub-CLIN 4.2	0	0	22	308	6,353	6,683
	Sub-CLIN 4.3	0	101	382	389	9,149	10,021
<b>CLIN 5 Early Feed and Operation of WTP LAW Facility</b>	Sub-CLIN 4.4	0	104	396	471	676	1,647
	Sub-CLIN 4.5	9,533	5,686	17,008	9,751	9,932	51,910
	Sub-CLIN 5.1	34,118	6,848	2,674	1,973	2,648	48,261
	Sub-CLIN 5.2	0	34,417	49,008	43,452	35,379	162,256
<b>CLIN 6 Pension and Welfare Plans</b>	Sub-CLIN 5.3	0	0	0	0	0	0
	Sub-CLIN 5.4	0	0	0	0	0	0
	Sub-CLIN 6.1	20,036	21,877	23,836	25,948	27,376	119,073
	Sub-CLIN 6.2	105,842	112,696	120,939	127,189	123,003	589,669
<b>Base Contract Sub-Totals</b>	<b>Contract Cost</b>	435,148	430,387	476,225	496,797	504,345	2,342,902
	<b>Available Fee</b>	15,675	24,002	22,000	27,000	23,000	111,677
	<b>Contract Price</b>	450,823	454,389	498,225	523,797	527,345	2,454,579
<b>CLIN 7 American Recovery and Reinvestment Act (ARRA) Workscope</b>	Sub-CLIN 7.1	29,362	85,634	63,201	0	0	178,197
	Sub-CLIN 7.2	2,661	17,260	11,791	0	0	31,712
	Sub-CLIN 7.3	5,756	26,731	26,448	0	0	58,935
	Sub-CLIN 7.4	0	0	0	0	0	0
	Sub-CLIN 7.5	539	6,943	3,268	0	0	10,749
	Sub-CLIN 7.6	0	TBD	TBD	0	0	TBD
<b>ARRA Sub-Totals</b>	<b>Cost</b>	38,318	136,567	104,708	0	0	279,593
	<b>Fee</b>	2,742	9,844	7,549	0	0	20,135
	<b>Price</b>	41,060	146,411	112,257	0	0	299,728
<b>Total Contract Price</b>	<b>Contract Cost</b>	473,466	566,954	580,933	496,797	504,345	2,622,495
	<b>Available Fee</b>	18,417	33,846	29,549	27,000	23,000	131,812
	<b>Contract Price</b>	491,883	600,800	610,482	523,797	527,345	2,754,307

Table B.4-1, Contract Cost and Contract Fee (continued)

		<b>Option Period 1</b>			
		<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>Totals</b>
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.2	141,664	100,698	140,688	383,049
	Sub-CLIN 1.3	17,860	18,271	15,561	51,692
<b>CLIN 2 SST Retrieval and Closure</b>	Sub-CLIN 2.1	53,635	62,370	74,091	190,096
	Sub-CLIN 2.2	13,087	13,619	7,172	33,879
<b>CLIN 3 WTP Support</b>	Sub-CLIN 3.1	23,597	17,359	19,307	60,262
	Sub-CLIN 3.2	3,412	3,220	3,307	9,938
	Sub-CLIN 3.3	3,676	17,845	35,469	56,990
	Sub-CLIN 3.4	15,801	15,530	8,561	39,894
<b>CLIN 4 Supplemental Treatment</b>	Sub-CLIN 4.1	0	0	0	0
	Sub-CLIN 4.2	8,559	17,298	17,745	43,601
	Sub-CLIN 4.3	12,086	22,176	33,154	67,416
	Sub-CLIN 4.4	8,002	45,545	284,921	338,468
	Sub-CLIN 4.5	3,409	2,944	0	6,353
<b>CLIN 5 Early Feed and Operation of WTP LAW Facility</b>	Sub-CLIN 5.1	436	0	0	436
	Sub-CLIN 5.2	10,092	21,416	21,908	53,416
	Sub-CLIN 5.3	0	0	0	0
	Sub-CLIN 5.4	90,880	124,209	127,237	342,327
<b>CLIN 6 Pension and Benefit Plans</b>	Sub-CLIN 6.1	29,972	32,846	36,029	98,848
	Sub-CLIN 6.2	119,377	116,094	113,495	348,965
<b>Base Contract Totals</b>	<b>Contract Cost</b>	555,545	631,441	938,647	2,125,631
	<b>Available Fee</b>	TBD by DOE	TBD by DOE	TBD by DOE	115,598
	<b>Contract Price</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>2,241,229</b>

		<b>Option Period 2</b>		
		<b>FY 2017</b>	<b>FY 2018</b>	<b>Totals</b>
<b>CLIN 1 Base Operations</b>	Sub-CLIN 1.2	176,816	170,985	347,801
	Sub-CLIN 1.3	13,881	14,543	28,065
<b>CLIN 2 SST Retrieval and Closure</b>	Sub-CLIN 2.1	69,902	43,482	113,384
	Sub-CLIN 2.2	3,783	2,357	6,140
<b>CLIN 3 WTP Support</b>	Sub-CLIN 3.1	9,705	4,009	13,714
	Sub-CLIN 3.2	3,356	3,420	6,776
	Sub-CLIN 3.3	25,165	19,552	44,717
	Sub-CLIN 3.4	13,086	17,239	30,325
<b>CLIN 4 Supplemental Treatment</b>	Sub-CLIN 4.1	0	0	0
	Sub-CLIN 4.2	18,102	9,790	27,892
	Sub-CLIN 4.3	0	0	0
	Sub-CLIN 4.4	448,611	268,471	717,082
	Sub-CLIN 4.5	0	0	0
<b>CLIN 5 Early Feed and Operation of WTP LAW Facility</b>	Sub-CLIN 5.1	0	0	0
	Sub-CLIN 5.2	22,412	22,928	45,340
	Sub-CLIN 5.3	0	0	0
	Sub-CLIN 5.4	131,281	134,315	265,595
<b>CLIN 6 Pension and Benefit Plans</b>	Sub-CLIN 6.1	39,561	43,479	83,039
	Sub-CLIN 6.2	111,372	109,543	220,915
<b>Base Contract Totals</b>	<b>Contract Cost</b>	1,087,034	864,114	1,951,145
	<b>Available Fee</b>	TBD by DOE	TBD by DOE	114,325
	<b>Contract Price</b>	<b>Total</b>	<b>Total</b>	<b>2,065,470</b>

<b>Contract Totals</b>		
<b>Total: Transition, Base &amp; Option Periods</b>	<b>Contract Cost</b>	6,704,765
	<b>Available Fee</b>	361,735
	<b>Contract Price</b>	7,066,500



## B.6 BASIS FOR TOTAL AVAILABLE FEE

The cost basis for *Total Available Fee* shall be the *Total Contract Cost*, excluding:

- (a) Pass-through funding provided to other contractors for Hanford Site services identified in the Section J Attachment entitled, *Hanford Site Services and Interface Requirements Matrix*;
- (b) Costs associated with sponsorship, management, administration and/or contributions for Legacy Plans (set forth in the Section H Clause entitled, *Employee Compensation: Pay and Benefits*) administered under this Contract; and
- (c) Costs associated with sponsorship, management, administration and/or contributions for any defined benefit pension plan.

Employee benefit plan costs shall be included in the *Contract Price* by fiscal year and by Contract period shown in Table B.4-1, *Contract Cost and Contract Fee*.

## B.7 FEE STRUCTURE

- (a) The Contracting Officer reserves the unilateral discretion to determine the amount of *Available Fee* for the *Base Period* and *Option Period(s)* (if exercised), to each fiscal year and Sub-CLIN as described in this Clause; and as adjusted in the Section B Clause entitled, *Changes to Contract Cost and Contract Fee*. The Contractor will have the opportunity to earn 100% of the *Available Fee* within a Contract period, for work authorized in accordance with the Section B Clause entitled, *DOE Authorization of Work* and as adjusted in the Section B Clause entitled, *Changes to Contract Cost and Contract Fee*.
- (b) The *Available Fee* shown in Table B.4-1, *Contract Cost and Contract Fee*, can be earned through objective fee components and/or subjective fee components. The performance measures for these components and *Available Fee* for the period allocated to the fiscal year are provided in the Section J Attachment entitled, *Performance Evaluation and Measurement Plan (PEMP)*. The PEMP may contain annual and multi-year performance measures.
  - (1) *Available Fee* for the period allocated to annual performance measures may only be earned in that fiscal year. Allocated *Available Fee* for the fiscal year not earned in the fiscal year for an annual performance measure is unavailable and not payable to the Contractor. The Contractor forfeits any rights to unearned fee. The Contracting Officer reserves the unilateral discretion to determine how any unearned fee will be utilized.
  - (2) *Available Fee* for the period allocated to fiscal years for multi-year performance measures may be earned incrementally or upon final fee determination. Allocated *Available Fee* not earned for a multi-year performance measure is unavailable and not payable to the Contractor. The Contractor forfeits any rights to unearned fee. The Contracting Officer reserves the unilateral discretion to determine how any unearned fee will be utilized.

- (3) *Provisional Fee* is defined as *Available Fee* that is paid contingently during an annual performance period. *Provisional Fee* may become earned fee upon the final fee determination.
  - (4) *Incremental Fee* is defined as *Available Fee* that the Contractor may earn by achieving a specific, fee-bearing performance measure event, subject to withholding in accordance with Section B Clause entitled, Fee Determination and Payment.
  - (5) Individual performance measures may require the Contractor to exceed approved baseline performance to earn 100% of the fee allocated to that performance measure.
- (c) The Contracting Officer will prepare and issue performance measures prior to the start of each fiscal year. The Contracting Officer may provide draft performance measures for Contractor review and input; however, the Contracting Officer reserves the unilateral discretion to issue the performance measures without Contractor review.

## **B.8 FEE DETERMINATION AND PAYMENT**

- (a) Fee earned under this Contract will be paid in accordance with the specific criteria defined in the PEMP and the Clauses in Section B. Monthly provisional payments of fee may be authorized by the Contracting Officer and will be made in accordance with paragraph (b) of this Clause.
- (b) For annual performance measures that do not have specific, incremental, fee-bearing performance measure events, the Contractor may request Contracting Officer approval to execute a monthly draw of *Provisional Fee* payments from the Special Financial Institution Account. The Contractor may request a monthly *Provisional Fee* payment of up to 7.5% of fee allocated to such performance measures, subject to a maximum payment of 80% of fee allocated to such performance measures, and also subject to withholding by DOE as described in paragraphs (e) and (f) of this Clause.
- (c) The Contractor shall request Contracting Officer acceptance of a specific, incremental, fee-bearing performance measure event. Following Contracting Officer acceptance of a specific, incremental, fee-bearing performance measure event, the Contractor may request Contracting Officer approval to execute a draw of *Incremental Fee* from the Special Financial Institution Account, subject to withholding by the Contracting Officer as described in paragraphs (e) and (f) of this Clause and the Section B Clause entitled, *Fee Reductions*.
- (d) At the end of each year of Contract performance, the Fee Determining Official will make a final *Fee Determination* using the PEMP described in the Section B Clause entitled, *Fee Structure*. In the event that fee overpayment results from the *Provisional Fee* payments provided for in this Clause, the Contractor shall reimburse the unearned fee overpayment within 30 days of notification, to the Contracting Officer payable with interest in accordance with the Section I Clause entitled, *FAR 52.232-17, Interest*.
- (e) Withholding of *Incremental* and *Provisional Fee* Payments for adverse Contract Performance.

- (1) Withholding of *Incremental* and *Provisional Fee* Payments. If the Contractor demonstrates adverse performance, the Contracting Officer reserves the unilateral discretion to withhold *Incremental* and *Provisional Fee* Payments. Withheld Fee Payments are not subject to interest for the amount(s) of the withheld fee payment(s) under 5 CFR 1315, *Prompt Payment*.
  - (2) Release of Withheld *Incremental* and *Provisional Fee* Payments. The Contracting Officer may release withheld *Incremental* and *Provisional Fee* Payments and resume making *Incremental* and *Provisional Fee* Payments when the Contractor demonstrates sustained recovery in performance.
- (f) Withholding of *Incremental* and *Provisional Fee* Payments for bankruptcy or other issues with guarantor company(ies)<sup>4</sup>.
- (1) Withholding of *Incremental* and *Provisional Fee*. In order to assure the Contractor's ability to repay any *Incremental* and *Provisional Fee* Payments that are determined to be in excess of the total fee earned, the Contracting Officer reserves the unilateral discretion to discontinue *Incremental* and *Provisional Fee* payments, in the event that a guarantor company files bankruptcy, is acquired by other owners, or impacted by other events that arise with the Contractor's guarantor company(ies) that can jeopardize DOE's ability to recover excess *Incremental Payment* and *Provisional Fee* Payments. Withheld Fee Payments are not subject to interest for the amount(s) of the withheld fee payment(s) under 5 CFR 1315, *Prompt Payment*.
  - (2) Release of Withheld *Incremental* and *Provisional Fee* Payments. Following receipt of evidence that bankruptcy or other issues do not affect the ability of the Contractor to continue to perform the obligations under the Contract, the Contracting Officer may release all *Incremental* and *Provisional Fee* Payments and resume making *Incremental* and *Provisional Fee* Payments.

## **B.9 FEE REDUCTIONS**

- (a) All earned fee in each year of Contract performance is subject to reductions imposed by the terms and conditions of this Contract, including, but not limited to:
- (1) Section B Clause entitled, *Fee Determination and Payment*;
  - (2) Section B Clause entitled, *Small Business Subcontracting Fee Reduction*;
  - (3) Section B Clause entitled, *DEAR 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (Alternate II) [DEVIATION]*;
  - (4) Section B Clause entitled, *Conditional Payment of Fee (CPOF) DOE Office of River Protection Site-Specific Performance Criteria/Requirements*;
  - (5) Section E Clause entitled, *FAR 52.246-3, Inspection of Supplies – Cost Reimbursement*;

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<sup>4</sup> Guarantor Company(ies) is defined as the company(ies) executing the performance guarantee (s) in Section H Clause entitled, *Performance Guarantee Agreement*.

- (6) Section E Clause entitled, *FAR 52.246-5, Inspection of Services – Cost Reimbursement*;
  - (7) Section H Clause entitled, *Key Personnel*;
  - (8) Section I Clause entitled, *FAR 52.203-10, Price or Fee Adjustment for Illegal or Improper Activity*;
  - (9) Section I Clause entitled, *FAR 52.215-11, Price Reduction for Defective Cost or Pricing Data – Modifications*;
  - (10) Section I Clause entitled, *FAR 52.215-13, Subcontractor Cost or Pricing Data – Modifications*; and
  - (11) Section I Clause entitled, *FAR 52.243-2, Changes – Cost Reimbursement*.
- (b) The maximum fee reduction in any one (1) year of Contract performance is the allocated *Available Fee*, as defined in the Section J Attachment entitled, *Performance Evaluation and Measurement Plan*, that can be earned in the year the event occurred.

#### **B.10 SMALL BUSINESS SUBCONTRACTING FEE REDUCTION**

- (a) For the purpose of implementing this Clause, the percentage goals established in the Section J Attachment entitled, *Small Business Subcontracting Plan*, will remain in effect for the duration of the Contract, except as modified in accordance with the Section B Clause entitled, *Changes to Contract Cost and Contract Fee*. The Contractor shall submit annual updates to the narrative elements of the *Small Business Subcontracting Plan* by December 31 of each year.
- (b) The Contractor's performance in meeting small business performance percentage goals in accordance with the Section H Clause entitled, *Self-Performed Work*, providing meaningful involvement for small businesses, and entering into the required Mentor-Protégé Agreement(s) will be evaluated after the:
  - (1) Three year period concluding at the end of the 3<sup>rd</sup> year of Contract performance;
  - (2) Two year period concluding at the end of the 5<sup>th</sup> year of Contract performance; and, if *Option Period 1* is exercised;
  - (3) If *Option Period 1* is exercised – two year period concluding at the end of the 7<sup>th</sup> year of Contract performance; and
  - (4) At the end of the Contract period of performance.
- (c) The Contracting Officer will consider the Contractor's performance in meeting small business percentage goals and entering into the required Mentor-Protégé Agreement(s) when making a decision on the *Option Period(s)* authorization.

- (d) If the Contractor has not met any or all of the subcontracting goals, has failed to provide meaningful involvement for small business, and/or has failed to enter into the required Mentor-Protégé Agreement(s) during the above specified periods, the Contracting Officer may reduce the earned fee by an amount up to 10% of total earned fee in each period of the four (4) multi-year periods described above.
- (e) At Contract completion, the total amount of fee reduction for failure to meet its subcontracting goals shall be offset by any amount of liquidated damages assessed in accordance with the Section I Clause entitled, *FAR 52.219-16, Liquidated Damages – Subcontracting Plan*. The fee reduction amount will be a unilateral determination by the Contracting Officer and a permanent reduction in the earned fee under this Contract.
- (f) Any reduction for failure to meet the requirements of the Section H Clause entitled, *Mentor-Protégé Program*, shall be in addition to any liquidated damages assessed in accordance with the Section I Clause entitled, *FAR 52.219-16, Liquidated Damages – Subcontracting Plan*. The fee reduction amount will be a unilateral determination by the Contracting Officer and a permanent reduction in the earned fee under this Contract.

**B.11 ALLOWABILITY OF SUBCONTRACTOR FEE**

- (a) If the Contractor is part of a teaming arrangement as described in FAR Subpart 9.6, *Contractor Team Arrangements*, the team shall share in the *Total Available Fee* as shown in Table B.4-1. Separate additional subcontractor fee is not an allowable cost under this Contract for individual team members, or for a subcontractor, supplier, or lower-tier subcontractor that is a wholly-owned, majority-owned, or affiliate of any team member.
- (b) The subcontractor fee restriction in paragraph (a) does not apply to members of the Contractor's team that are: (1) small business(es); (2) Protégé firms as part of an approved Mentor-Protégé relationship under the Section H Clause entitled, *Mentor-Protégé Program*; (3) subcontractors under a competitively awarded firm-fixed price or firm-fixed unit price subcontract; or (4) commercial items as defined in FAR Subpart 2.1, *Definitions of Words and Terms*.

**B.12 DEAR 970.5215-3, CONDITIONAL PAYMENT OF FEE, PROFIT, AND OTHER INCENTIVES – FACILITY MANAGEMENT CONTRACTS (ALTERNATE II) (JAN 2004) [DEVIATION]**

- (a) General.
  - (1) The payment of earned fee, fixed fee, profit, or share of cost savings under this Contract is dependent upon:
    - (i) The Contractor's or contractor employees' compliance with the terms and conditions of this Contract relating to environment, safety, health and quality (ESH&Q), which includes worker safety and health, including performance under an approved Integrated Safety Management System (ISMS); and

- (ii) The Contractor's or contractor employees' compliance with the terms and conditions of this Contract relating to the safeguarding of Restricted Data and other classified information.
  - (2) The ESH&Q performance requirements of this Contract are set forth in its ESH&Q terms and conditions, including the DOE-approved Contractor ISMS or similar document. Financial incentives for timely mission accomplishment or cost effectiveness shall never compromise or impede full and effective implementation of the ISMS and full ESH&Q compliance.
  - (3) The performance requirements of this Contract relating to the safeguarding of Restricted Data and other classified information are set forth in the Section I Clause entitled, *FAR 52.239-1, Privacy or Security Safeguards (AUG 1996)*, and *DEAR 970.5204-2, Laws, Regulations, and DOE Directives*, as well as in other terms and conditions.
  - (4) If the Contractor does not meet the performance requirements of this Contract relating to ESH&Q or to the safeguarding of Restricted Data and other classified information during any performance evaluation period established under the Contract, otherwise earned fee, fixed fee, profit or share of cost savings may be unilaterally reduced by DOE.
- (b) Reduction Amount.
- (1) The amount of earned fee, fixed fee, profit, or share of cost savings that may be unilaterally reduced will be determined by the severity of the performance failure pursuant to the degrees specified in paragraphs (c) and (d) of this Clause.
  - (2) If a reduction of earned fee, fixed fee, profit, or share of cost savings is warranted, unless mitigating factors apply, such reduction shall not be less than 26% nor greater than 100% of the amount of earned fee, fixed fee, profit, or the Contractor's share of cost savings for a first degree performance failure, not less than 11% nor greater than 25% for a second degree performance failure, and up to 10% for a third degree performance failure.
  - (3) In determining the amount of the reduction and the applicability of mitigating factors, DOE will consider the Contractor's overall performance in meeting the ESH&Q or security requirements of the Contract. Such consideration will include performance against any site specific performance criteria/requirements that provide additional definition, guidance for the amount of reduction, or guidance for the applicability of mitigating factors. In all cases, DOE will consider mitigating factors that may warrant a reduction below the applicable range (see *48 CFR 970.1504-1-2*). The mitigating factors include, but are not limited to, the following ((v), (vi), (vii) and (viii) apply to ESH&Q only).
    - (i) Degree of control the Contractor had over the event or incident.
    - (ii) Efforts the Contractor had made to anticipate and mitigate the possibility of the event in advance.

- (iii) Contractor self-identification and response to the event to mitigate impacts and recurrence.
  - (iv) General status (trend and absolute performance) of: ESH&Q and compliance in related areas; or of safeguarding Restricted Data and other classified information and compliance in related areas.
  - (v) Contractor demonstration to the Contracting Officer's satisfaction that the principles of industrial ESH&Q standards are routinely practiced (e.g., Voluntary Protection Program, ISO [International Organization for Standardization] 14000, *Environmental Management System Standards*).
  - (vi) Event caused by "Good Samaritan" act by the Contractor (e.g., off-site emergency response).
  - (vii) Contractor demonstration that a performance measurement system is routinely used to improve and maintain ESH&Q performance (including effective resource allocation) and to support DOE corporate decision-making (e.g., policy, ESH&Q programs).
  - (viii) Contractor demonstration that an Operating Experience and Feedback Program is functioning that demonstrably affects continuous improvement in ESH&Q by use of lessons-learned and best practices inter- and intra-DOE sites.
- (4) (i) The amount of fee, fixed fee, profit, or share of cost savings that is otherwise earned by a Contractor during an evaluation period may be reduced in accordance with this Clause if it is determined that a performance failure warranting a reduction under this Clause occurs within the evaluation period.
- (i) The amount of reduction under this Clause, in combination with any reduction made under any other clause in the Contract, shall not exceed the amount of fee, fixed fee, profit, or the Contractor's share of cost savings that is otherwise earned during the evaluation period.
- (iii) For the purposes of this clause, earned fee, fixed fee, profit, or share of cost savings for the evaluation period shall mean the amount determined by DOE or fee determination official as otherwise payable based on the Contractor's performance during the evaluation period. Where the Contract provides for financial incentives that extend beyond a single evaluation period, this amount shall also include: any provisional amounts determined otherwise payable in the evaluation period; and, if provisional payments are not provided for, the allocable amount of any incentive determined otherwise payable at the conclusion of a subsequent evaluation period. The allocable amount shall be the total amount of the earned incentive divided by the number of evaluation periods over which it was earned.

- (iv) The Government will effect the reduction as soon as practicable after the end of the evaluation period in which the performance failure occurs. If the Government is not aware of the failure, it will effect the reduction as soon as practical after becoming aware. For any portion of the reduction requiring an allocation the Government will effect the reduction at the end of the evaluation period in which it determines the total amount earned under the incentive. If at any time a reduction causes the sum of the payments the Contractor has received for fee, fixed fee, profit, or share of cost savings to exceed the sum of fee, fixed fee, profit, or share of cost savings the Contractor has earned (provisionally or otherwise), the Contractor shall immediately return the excess to the Government. (What the Contractor "has earned" reflects any reduction made under this or any other Clause of the Contract.)
- (v) At the end of the Contract:
  - (A) The Government will pay the Contractor the amount by which the sum of fee, fixed fee, profit, or share of cost savings the Contractor has earned exceeds the sum of the payments the Contractor has received; or
  - (B) The Contractor shall return to the Government the amount by which the sum of the payments the Contractor has received exceeds the sum of fee, fixed fee, profit, or share of cost savings the Contractor has earned. (What the Contractor "has earned" reflects any reduction made under this or any other Clause of the Contract.)
- (c) Environment, Safety, Health and Quality (ESH&Q). Performance failures occur if the Contractor does not comply with the Contract ESH&Q terms and conditions, including the DOE-approved Contractor ISMS. The degrees of performance failure under which reductions of earned or fixed fee, profit, or share of cost savings will be determined are:
  - (1) First Degree: Performance failures that are most adverse to ESH&Q. Failure to develop and obtain required DOE approval of an ISMS is considered first degree. The Government will perform necessary review of the ISMS in a timely manner and will not unreasonably withhold approval of the Contractor's ISMS. The following performance failures or performance failures of similar import will be considered first degree.
    - (i) Type A accident (defined in DOE Order 225.1A, *Accident Investigations*); and
    - (ii) Two (2) Second Degree performance failures during an evaluation period.
  - (2) Second Degree: Performance failures that are significantly adverse to ESH&Q. They include failures to comply with an approved ISMS that result in an actual injury, exposure, or exceedence that occurred or nearly occurred but had minor practical long-term health consequences. They also include breakdowns of the Safety Management System. The following performance failures or performance failures of similar import will be considered second degree:



- (i) Type B accident (defined in DOE Order 225.1A).
  - (ii) Non-compliance with an approved ISMS that results in a near miss of a Type A or B accident. A near miss is a situation in which an inappropriate action occurs, or a necessary action is omitted, but does not result in an adverse effect.
  - (iii) Failure to mitigate or notify DOE of an imminent danger situation after discovery, where such notification is a requirement of the Contract.
- (3) Third Degree: Performance failures that reflect a lack of focus on improving ESH&Q. They include failures to comply with an approved ISMS that result in potential breakdown of the System. The following performance failures or performance failures of similar import will be considered third degree:
- (i) Failure to implement effective corrective actions to address deficiencies/non-compliances documented through: external (e.g., Federal) oversight and/or reported per ~~DOE Order 232.1A~~ [DOE Manual 232.1A, *Occurrence Reporting and Processing of Operations Information*] requirements; or internal oversight of ~~DOE Order 440.1A~~ [10 CFR 830, 10 CFR 835, 10 CFR 850, and 10 CFR 851] requirements.
  - (ii) Multiple similar non-compliances identified by external (e.g., Federal) oversight that in aggregate indicate a significant programmatic breakdown.
  - (iii) Non-compliances that either have, or may have, significant negative impacts to the worker, the public, or the environment or that indicate a significant programmatic breakdown.
  - (iv) Failure to notify DOE upon discovery of events or conditions where notification is required by the terms and conditions of the Contract.
- (d) Safeguarding Restricted Data and Other Classified Information. Performance failures occur if the Contractor does not comply with the terms and conditions of this Contract relating to the safeguarding of Restricted Data and other classified information. The degrees of performance failure under which reductions of fee, profit, or share of cost savings will be determined are as follows:
- (1) First Degree: Performance failures that have been determined, in accordance with applicable law, DOE regulation, or directive, to have resulted in, or that can reasonably be expected to result in, exceptionally grave damage to the national security. The following are examples of performance failures or performance failures of similar import that will be considered first degree:

- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating a risk of, loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, or any classification level of information in a Special Access Program (SAP), information identified as sensitive compartmented information (SCI), or high risk nuclear weapons-related data.
  - (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data, or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
  - (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data, or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
  - (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
- (2) Second Degree: Performance failures that have been determined, in accordance with applicable law, DOE regulation, or directive, to have actually resulted in, or that can reasonably be expected to result in, serious damage to the national security. The following are examples of performance failures or performance failures of similar import that will be considered second degree:
- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Secret Restricted Data or other information classified as Secret.
  - (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Secret Restricted Data, or other information classified as Secret.
  - (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Restricted Data or other classified information regardless of classification (except for information covered by paragraph (d)(1)(iii) of this Clause).
  - (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Secret Restricted Data or other classified information classified as Secret.

- (3) Third Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have actually resulted in, or that can reasonably be expected to result in, undue risk to the common defense and security. In addition, this category includes performance failures that result from a lack of Contractor management and/or employee attention to the proper safeguarding of Restricted Data and other classified information. These performance failures may be indicators of future, more severe performance failures and/or conditions, and if identified and corrected early would prevent serious incidents. The following are examples of performance failures or performance failures of similar import that will be considered third degree:
- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Restricted Data or other information classified as Confidential.
  - (ii) Failure to promptly report alleged or suspected violations of laws, regulations, or directives pertaining to the safeguarding of Restricted Data or other classified information.
  - (iv) Failure to identify or timely execute corrective actions to mitigate or eliminate identified vulnerabilities and reduce residual risk relating to the protection of Restricted Data or other classified information in accordance with the Contractor's Safeguards and Security Plan or other security plan, as applicable.
  - (iv) Contractor actions that result in performance failures which unto themselves pose minor risk, but when viewed in the aggregate indicate degradation in the integrity of the Contractor's safeguards and security management system relating to the protection of Restricted Data and other classified information.
- (e) Minimum requirements for specified level of performance.
- (1) At a minimum the Contractor must perform the following:
    - (i) The requirements with specific incentives which do not require the achievement of cost efficiencies in order to be performed at the level of performance set forth in Section C, *Statement of Work*, work authorization directive(s), or similar document unless an otherwise minimum level of performance has been established in the specific incentive;
    - (ii) All of the performance requirements directly related to requirements specifically incentivized which do not require the achievement of cost efficiencies in order to be performed at a level of performance such that the overall performance of these related requirements is at an acceptable level; and
    - (iii) All other requirements at a level of performance such that the total performance of the Contract is not jeopardized.

- (2) The evaluation of the Contractor's achievement of the level of performance shall be unilaterally determined by the Government. To the extent that the Contractor fails to achieve the minimum performance levels specified in Section C, *Statement of Work*, work authorization directive(s), or similar document, during the performance evaluation period, the DOE Operations/Field Office Manager, or designee, may reduce any otherwise earned fee, fixed fee, profit, or shared net savings for the performance evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit, or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any.
- (f) Minimum requirements for cost performance.
- (1) Requirements incentivized by other than cost incentives must be performed within their specified cost constraint and must not adversely impact the costs of performing unrelated activities.
  - (2) The performance of requirements with a specific cost incentive must not adversely impact the costs of performing unrelated requirements.
  - (3) The Contractor's performance within the stipulated cost performance levels for the performance evaluation period shall be determined by the Government. To the extent the Contractor fails to achieve the stipulated cost performance levels, the DOE Operations/Field Office Manager, or designee, may reduce in whole or in part any otherwise earned fee, fixed fee, profit, or shared net savings for the performance evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any.

### **B.13 CONDITIONAL PAYMENT OF FEE (CPOF) DOE OFFICE OF RIVER PROTECTION SITE-SPECIFIC PERFORMANCE CRITERIA/REQUIREMENTS**

This Clause supplements Section B Clause entitled, *DEAR 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (Alternate II) [Deviation]* by establishing Site specific Environment, Safety, Health, and Quality (ESH&Q), and security performance criteria/requirements. Performance failures relating to the performance criteria set forth in this Clause will be processed in accordance with DEAR 970.5215-3. Site-specific performance criteria/requirements for ESH&Q, and Safeguards and Security are as follows:

- (a) Environment, Safety, Health, and Quality
  - (1) First Degree: Performance failures relating to the criteria set forth in this Clause will be processed in accordance with DEAR 970.5215-3, Alternate II [Deviation].
  - (2) Second Degree: Performance failures relating to the criteria set forth in this Clause will be processed in accordance with DEAR 970.5215-3, Alternate II [Deviation].

- (3) Third Degree: Performance failures that reflect a lack of focus on ESH&Q or failures to comply with an approved ISMS that may result in a negative impact to the public, worker or environment. The following performance failures, or events of similar import, are examples of performance failures that are considered third degree:
  - (i) Multiple similar non-compliances identified by external oversight (e.g., Federal) that in the aggregate indicate a significant programmatic breakdown.
  - (ii) Non-compliances or adverse performance trends that either have or may have negative impact to the public, worker, or environment or that indicate a programmatic breakdown.
  - (iii) Failure to notify the Contracting Officer upon discovery of events or conditions where notification is required by the terms and conditions of the Contract.
  - (iv) Failure to report required data accurately and in a timely manner.
  - (v) Failure to implement continuous improvement in ESH&Q performance through effective utilization of ISMS processes, including timely submittal of meaningful performance objectives, measurements and commitments.
- (b) Safeguards and Security
  - (1) First Degree: Performance failures relating to the performance criteria set forth in this Clause will be processed in accordance with DEAR 970.5215-3, Alternate II [Deviation].
  - (2) Second Degree: Performance failures relating to the performance criteria set forth in this Clause will be processed in accordance with DEAR 970.5215-3, Alternate II [Deviation].
  - (3) Third Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have actually resulted in, or that can reasonably be expected to result in, undue risk to the common defense and security, and/or jeopardizes protection of the facility or Site security interests. The following are examples of performance failures or performance failures of similar import that will be considered third degree:
    - (i) Loss, theft, diversion, or unauthorized disclosure of information classified as Confidential.
    - (ii) Evidence that SNM data has been manipulated or falsified.
    - (iii) Inventory differences of Category IV SNM beyond alarm limits where there is no evidence that the difference is created by loss, theft, or diversion.

- (iv) Loss, theft, or diversion of Category IV quantities of SNM that is due to a failure or inadequacy of performance by the contractor.
- (v) Receipt of any topical area rating of Unsatisfactory on any DOE Safeguards and Security survey, audit, and/or inspection.
- (vi) Failure to implement corrective action(s) in response to any third degree performance failure.
- (vii) Non-compliant or adverse cyber security performance that indicates serious cyber security program degradation (e.g., negative mission impacts or compromise of sensitive information [Sensitive Unclassified Information, Personally Identifiable Information, Unclassified Controlled Nuclear Information], etc.).

#### **B.14 DOE AUTHORIZATION OF WORK**

DOE will authorize work as follows:

- (a) The Contracting Officer will authorize the Contractor to begin performance on DOE-selected Sub-CLINS.
- (b) The Contractor is authorized to conduct work in accordance with the approved *Performance Measurement Baseline* on all authorized Sub-CLINS, and subject to the limitations of the Section B Clause entitled, *Obligation and Availability of Funds*.
- (c) Prior to the completion of the *Transition Period*, DOE will provide workscope direction that will be in effect from the initiation of the *Base Period* until DOE approval of the Contractor's initial *Performance Measurement Baseline* submittal.
- (d) DOE reserves the unilateral discretion to modify the PEMP to allocate fee to the associated work.
- (e) If the Contracting Officer does not authorize the Contractor to proceed with a Sub-CLIN, the Contractor shall not be entitled to allowable costs, opportunity to earn fee, partial termination costs, and any other similar items for that Sub-CLIN, and shall not be entitled to an equitable adjustment to fee for any other Contract requirement.

JUN 09 2010

ENCLOSURE 3

LETTER 10-AMD-184

“PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS,

SECTION J – LIST OF ATTACHMENTS, TABLE OF CONTENTS”

**PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS**

**SECTION J -- LIST OF ATTACHMENTS**

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ENCLOSURE 2

LETTER 10-AMD-184

“ATTACHMENT J.4, PERFORMANCE EVALUATION AND MEASUREMENT PLAN  
(PEMP)”

**ATTACHMENT J.4**

**PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)**

PERFORMANCE EVALUATION  
AND  
MEASUREMENT PLAN (PEMP)  
FOR THE  
TANK OPERATIONS CONTRACT  
Rev 4

 |

## Tank Operations Contract

### Performance Evaluation and Measurement Plan

The Performance Evaluation and Measurement Plan (PEMP) detail the administration of performance measures and allocation of *Total Available Fee* as defined in Section B, *Supplies or Services and Prices/Costs*.

#### 1. PERFORMANCE MEASURES

Each performance measure will set forth the specific requirements, criteria and/or specifications for acceptable performance of an outcome and the amount of fee assigned to the individual performance measure (See PEMP Table 4-1 for a summary of work requirements that may be targeted for performance measure's).

#### 2. ALLOCATION OF AVAILABLE FEE

DOE will heavily weight the assignment of fee toward meeting production goals, such as treatment of waste and end-product goals, such as the retrieval of single-shell tank (SST) waste, treatment of tank waste, closure of SSTs, closure of SST Farms and full operational status constructed facilities.

#### 3. PERFORMANCE MEASURE FEE STRUCTURE METHODS

Each performance measure may have a distinct fee structure to incentivize maximum performance and resource utilization by the Contractor. Individual performance measures may require the contractor to exceed approved baseline performance to earn 100 percent (%) of the fee allocated to that performance measure. DOE is not limited to the following list of Fee Structure Methods and may combine elements of multiple fee structures. Regardless of the Fee Structure Method used, payment of fee is subject to the fee reduction terms of this Contract, and Fee Determining Official (FDO) approval that the Contractor has achieved the stated outcome for the specific performance measure.

- (a) Straight-line Method: This method provides a 100% incremental fee for completion of the performance measure prior to the expiration of the Contract period.
- (b) Declining Method: This method provides 100% incremental fee for completion of the performance measure by a specific date and/or milestone, but the percentage is reduced incrementally beyond that event. The specific percentage of reduction and corresponding time or specific milestones triggering the reductions are defined within the performance measure.
- (c) Terminal Method: This method provides 100% incremental fee for completion of the performance measure prior to a specific date and/or milestone; however, the Contractor will forfeit 100% of the fee allocated to the performance measure for completion of the performance measure after the passing of the specific date and/or milestone as defined within the performance measure.

- (d) Provisional Dependent Method: This method provides the Contractor the opportunity to earn only *Provisional Fee* until completion of a specific milestone, a separate performance measure or multiple performance measure's, upon which the fee becomes progress or final. For example, the Contractor may complete performance measure-1, earn 90% of the fee as *Provisional*, then complete performance measure-2 and earn the associated fee for performance measure-2, as well as convert the *Provisional Fee* earned for performance measure-1 to an incremental fee.
  - (e) Subjective Method: This method provides the Contractor the opportunity to earn up to 100% fee for performance of Contract requirements based on subjective criteria as determined by DOE.
  - (f) Target Method: This method provides for the initially negotiated fee to be adjusted later by a formula based on the relationship of performance measures against the baseline. This method specifies a target baseline performance, a target fee, minimum and maximum fees, and a fee adjustment formula. After performance, the fee payable is determined in accordance with the formula. The formula provides, within limits, for increases in fee above target fee when baseline performance is exceeded, and decreases in fee below target fee when baseline performance is not achieved. This increase or decrease is intended to provide an incentive for the Contractor to management the Contract effectively.
4. Table 4.1 summarizes the Contract work requirements that may become fee-bearing via performance measures. This table establishes a conceptual framework as a basis for development of future performance measures in accordance with Section B Clause entitled, *Fee Structure*.
5. Table 4.1 includes DOE's estimated range of available fee allocation. This table will be used as a guide in establishing available fee allocation among performance incentives for the work contained in each Sub-CLIN. This table is only a guide and actual fee allocation during contract performance will vary. Individual performance incentives within each Sub-CLIN will be assigned fee based on performance risk and other factors.

If the workscope within a Sub-CLIN is impacted by a change in the WBS, the estimated available fee allocation percentages may be adjusted at the unilateral discretion of the Contracting Officer.

Table 4.1, Summary of Work Requirements

OBJECTIVE	OUTCOMES <sup>1</sup>	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
<i>CLIN 1 – Base Operations</i>			
C.2.1.1 Sub-CLIN 1.1 Transition	Safe and efficient transition of workscope from the Tank Farm Contract to the Tank Operations Contract	<ul style="list-style-type: none"> <li>• No fee attached directly to this scope</li> <li>• Required to successfully perform other CLINs</li> </ul>	No Fee
C.2.1.2 Sub-CLIN 1.2 Safe, Compliant Operations	Safe, efficient, and compliant management of the tank waste inventory and all physical systems to support River Protection Project (RPP) System Plan requirements	<ul style="list-style-type: none"> <li>• Increased operability and availability of tank farm infrastructure</li> <li>• Safe and efficient tank farm operations</li> <li>• Double-Shell Tank (DST) life baselined and extended</li> <li>• Reduction of sodium addition to DSTs</li> <li>• Baseline costs reduced</li> </ul>	5%
C.2.1.3 Sub-CLIN 1.3 Analytical Laboratory Support	Optimal facility availability to support timely, cost-effective laboratory analysis	<ul style="list-style-type: none"> <li>• No fee attached directly to this scope</li> <li>• Required to successfully perform CLINs 1.2, 2.1 and 2.2</li> </ul>	No Fee
<i>CLIN 2 – Single-Shell Tank (SST) Retrieval and Closure</i>			
C.2.2.1 Sub-CLIN 2.1 Single-Shell Tank Retrieval	Tank wastes are safely removed from selected single-shell tanks (SSTs) to the extent required in the Tri-Party Agreement (TPA), thereby facilitating SST farm closure while assisting with the optimization of DST space and staging of tank waste for future treatment	<ul style="list-style-type: none"> <li>• Retrieve waste from SSTs; B-104, B-201, B-202, B-203, B-204, BY-101, C-101, C-102, C104, C105, C-107, C-110, C-111, C-112, S105, S-109, T-104, T-110, T-111, T-201, T-202, T-203, T-204, U-103, U-201, U-202, U-203, U-204, etc.</li> <li>• Volume of waste removed</li> <li>• Number of tanks ready for closure</li> </ul>	18%

<sup>1</sup> Any features of the Offeror's proposed strategy and approach may be implemented as first and subsequent years' performance measures for the PEMP.

OBJECTIVE	OUTCOMES <sup>1</sup>	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
C.2.2.2 Sub-CLIN 2.2 Single-Shell Tank Farm (Waste Management Area) Closure	Closure of the waste management areas containing the SST farms	<ul style="list-style-type: none"> <li>• Resource Conservation and Recovery Act of 1976 (RCRA)-compliant closure of C Tank Farm Waste Management Area</li> <li>• RCRA-compliant closure of additional Waste Management Areas</li> </ul>	6%
<b>CLIN 3 – Waste Treatment and Immobilization Plant (WTP) Support</b>			
C.2.3.1 Sub-CLIN 3.1 Treatment Planning, Waste Feed Delivery, and WTP Transition	Implementation of the RPP System Plan and performance of required waste feed delivery	<ul style="list-style-type: none"> <li>• Operability and availability of waste delivery systems as required</li> <li>• Tank waste staged for delivery</li> <li>• Delivery of tank waste</li> </ul>	4%
C.2.3.2 Sub-CLIN 3.2 WTP Operational Readiness	Evaluate the operational readiness of the WTP construction project to support safe, efficient turnover of completed facilities.	<ul style="list-style-type: none"> <li>• Five WTP topical reports signed by the Responsible Corporate Official</li> </ul>	<1%
C.2.3.3 Sub-CLIN 3.3 Immobilized High Level Waste (IHLW) Storage and Shipping Facility Construction	The capability to safely store IHLW and the means to prepare Hanford IHLW and Spent Nuclear Fuel for compliant shipment to the Yucca Mountain Project	<ul style="list-style-type: none"> <li>• Completion of IHLW storage and shipping facility design</li> <li>• Completion of IHLW storage and shipping facility construction and permitting</li> <li>• Successful completion of Critical Decision (CD)-0 through CD-4 and Operational Readiness Review</li> <li>• IHLW storage and shipping facility is operational and receiving IHLW</li> </ul>	2%
<b>CLIN 4 – Supplemental Treatment</b>			
C.2.4.1 Sub-CLIN 4.1 Demonstration Bulk Vitrification System (DBVS) Construction and Operations	An operable pilot scale bulk vitrification system that will enable DOE to determine if bulk vitrification is a viable supplemental Low Activity Waste (LAW) treatment process for completing the RPP mission	<ul style="list-style-type: none"> <li>• Completion of DBVS Design</li> <li>• Completion of DBVS Construction and permitting</li> <li>• Operation of DBVS</li> <li>• Completion of DBVS testing objectives</li> </ul>	4%

OBJECTIVE	OUTCOMES <sup>1</sup>	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
C.2.4.2 Sub-CLIN 4.2 Extended Demonstration Bulk Vitrification System Operations	To treat and immobilize tank waste as part of the RPP System Plan, and to transfer the immobilized waste to an on-site disposal facility	<ul style="list-style-type: none"> <li>• Complete permitting for bulk vitrification system</li> <li>• Operation of bulk vitrification system by volume of waste treated</li> </ul>	3%
C.2.4.3 Sub-CLIN 4.3 Supplemental Treatment Design	Design of supplemental treatment plant(s) that augment the WTP, thereby expediting mission completion	<ul style="list-style-type: none"> <li>• Completion of supplemental treatment plant(s) conceptual design</li> <li>• Successful completion of CD-0, CD-1, and CD-2</li> <li>• Completion of supplemental treatment plant(s) early permitting</li> </ul>	1%
C.2.4.4 Sub-CLIN 4.4 Supplemental Treatment Construction and Operations	Construction and operation of supplemental treatment plant(s) to augment the WTP, thereby expediting mission completion	<ul style="list-style-type: none"> <li>• Completion of treatment plant(s) design</li> <li>• Completion of treatment plant(s) construction and permitting</li> <li>• Completion of treatment plant(s) CD-3, CD-4, and Operational Readiness Review</li> <li>• Treatment plant(s) operations by volume of waste treated and staged for treatment</li> </ul>	20%
C.2.4.5 Sub-CLIN 4.5 Transuranic Tank Waste Treatment and Packaging	Safe packaging, characterization, and loading for shipment of transuranic tank waste to its appropriate repository, thereby reducing the volume of tank waste that must be immobilized in the WTP or other treatment facilities	<ul style="list-style-type: none"> <li>• Volume of waste removed and treated</li> <li>• Volume of waste shipped off-site</li> <li>• Number of tanks ready for closure</li> </ul>	3%
<i>CLIN 5 – Early Feed and Operation of the WTP Low Activity Waste (LAW) Facility</i>			
C.2.5.1 Sub-CLIN 5.1 Tank Selection, Retrieval, Pretreatment and Feed Delivery Design	Evaluation and Design of retrieval, pretreatment and feed delivery systems to facilitate early use of WTP LAW treatment capabilities	<ul style="list-style-type: none"> <li>• Completion of conceptual design to maximize total tank waste treated using measures such as volume, curies and sodium</li> <li>• Successful completion of CD-0, CD-1, and CD-2</li> <li>• Completion of up front permitting</li> </ul>	30%



OBJECTIVE	OUTCOMES <sup>1</sup>	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
C.2.5.2 Sub-CLIN 5.2 Retrieval, Pretreatment and Feed Delivery Construction and Operations	Complete Design and Construction of retrieval, pretreatment and feed delivery systems, and Operate to stage and/or deliver feed for WTP LAW	<ul style="list-style-type: none"> <li>• Completion of design</li> <li>• Successful completion of CD-3, CD-4, and Operational Readiness Reviews</li> <li>• Completion of permitting</li> <li>• Operate systems to provide pretreated waste to WTP LAW and/or stage for delivery</li> </ul>	
C.2.5.3 Sub-CLIN 5.3 Upgrade and Operate Effluent Treatment Facility (ETF)	Transition operations of ETF into this contract and upgrade facility to process WTP secondary waste	<ul style="list-style-type: none"> <li>• Operability and availability of waste treatment systems as required</li> <li>• Treatment of WTP, Tank Farms, and other Hanford waste</li> </ul>	
C.2.5.4 Sub-CLIN 5.4 LAW/BOF/LAB Operations	Manage, maintain and operate the LAW/BOF/LAB Facilities	<ul style="list-style-type: none"> <li>• Operate LAW/BOF/LAB to treat tank waste for disposal</li> <li>• Maximize tank waste treated using measures such as volume, curies and sodium</li> </ul>	
<i>CLIN 6 – Pension and Welfare Plans</i>			
C.2.6 Sub-CLIN 6.1 Hanford Employee Retirement and Benefit Plan Management and Sub-CLIN 6.2 Legacy Pension and Benefit Plan Management	<p>Effective sponsorship, management and administration of Hanford Employee Retirement and Benefit Plans</p> <p>Effective sponsorship, management and administration of designated Legacy Pension and Benefit Plans from other DOE sites</p>	<ul style="list-style-type: none"> <li>• No fee attached directly to this scope</li> </ul>	No Fee

OBJECTIVE	OUTCOMES <sup>1</sup>	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
C All elements of scope	Overall performance effectiveness, quality, timeliness, efficiency, compliance and safety.	<ul style="list-style-type: none"> <li>• Completion of Contractor Performance Objectives, Measures and Commitments</li> <li>• Upgrade of facility Voluntary Protection Program status</li> <li>• Nuclear Safety Analysis and Process Improvements</li> <li>• Industrial Safety Process Improvements</li> <li>• Subjective determination, cross-cutting all scope, not otherwise incentivized.</li> </ul>	4%

6. In accordance with the Section B Clause entitled, *Changes to Contract Cost and Contract Fee*, if for any reason the Contracting Officer does not authorize work in accordance with the Section B Clause entitled, *DOE Authorization of Work*, the *Total Available Fee* as a percentage of *Total Contract Cost* by Contract Period, excluding non-fee bearing costs identified in the Section B Clause entitled, *Basis for Total Available Fee*, may be adjusted.
  
7. In accordance with the Section B Clause B.7 (a) entitled, *Fee Structure*, Hanford Tank Farm performance measures are provided in the following attachments:
  - J.4 Attachment 1: Performance Measures for Base Contract Period Effective FY2009-2010
  
  - J.4 Attachment 2: Performance Measures for Base Contract Period Effective FY2010-2013

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

**Attachment 1—Performance Measures for Base Contract Period  
 Effective: FY 2009-2010**

**Summary Table of Performance Based Incentives and Award Fee Elements**

PBI No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
PBI 1.1.1	A 242-A evaporator campaign 240,000 gallon waste volume reduction	Incremental	\$200,000	9/30/2009	0	M009
PBI 1.1.2	A 242-A evaporator campaign 240,000 gallon waste volume reduction	Incremental	\$500,000	9/30/2009	0	M009
PBI 1.1.3	A 242-A evaporator campaign 240,000 gallon waste volume reduction	Incremental	\$800,000	9/30/2009	0	M009
PBI 1.2.1	Complete work to increase the rated maximum tank level in DST AP-103	Incremental	\$500,000	9/30/2009	0	M009
PBI 1.3.1	Perform 222-S Laboratory Upgrades. Complete design and installation of the fire detection system and 219S overflow protection for the 2nd floor of the 222-S building	Incremental	\$200,000	9/30/2009	0	M009
PBI 1.3.2	Perform DST Upgrade, AW-B pit gear actuated valves	Incremental	\$150,000	9/30/2009	0	M009
PBI 1.4.1	Successfully Complete Phase I and Phase II Verification of ISM System Implementation	Incremental	\$500,000	9/30/2009	0	M009
PBI 1.5.1	Remove Liquids from the secondary containment of the 244-CR Vault. Perform all necessary sealing activities to protect the 244-CR Vault from intrusion of liquids	Incremental (MULTI-YEAR)	\$350,000	9/30/2010	1	M021
PBI 1.6.1	Remove liquids from the UX-302A catch tank. Perform all necessary sealing activities to protect the catch tank from intrusion of liquids	Incremental	\$250,000	9/30/2009	0	M009
PBI 1.6.2	Investigate source of water intrusion and recommend isolation options	Incremental	\$100,000	9/30/2009	0	M009
PBI 1.7.1	Plan and Execute multi-depth sample supernatant and analyze.	incremental	\$100,000	9/30/2009	0	M013
PBI 1.7.2	Based on analysis results, adjust appropriate amount of caustic within limits or if not needed.	incremental	\$150,000	9/30/2009	0	M013
PBI 1.7.3	Plan and execute follow-up multi-depth grab sample and analyze; if no caustic addition is required or more samples	incremental	\$100,000	9/30/2009	0	M013
PBI 1.7.4	Evaluate compliance with waste chemistry limits and document results	incremental	\$50,000	9/30/2009	0	M013
PBI 2.1.1	Complete C-104 Construction	Incremental	\$1,600,000	9/30/2009	2	M021
PBI 2.1.2	Initiate C-104 Retrieval	Incremental	\$500,000	9/30/2009	2	M025
PBI 2.1.3	C-104 Retrieval - 50%, (\$100,000 incremental for each 5% between 25 and 50%)	Incremental (MULTI-YEAR)	\$500,000	9/30/2010	2	M021
PBI 2.1.4	Milestone Deleted				2	M021
PBI 2.2.1	Complete C-110 Construction	Incremental	\$1,000,000	9/30/2009	0	M009
PBI 2.2.2	C-110 Retrieval - 50%	Incremental	\$500,000	9/30/2009	0	M009
PBI 2.2.3	C-110 Retrieval	Incremental	\$1,000,000	9/30/2009	0	M009

PBI No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
PBI 2.3.1	Complete sampling per new Tank Sample Analysis Plan (TSAP)	Incremental	\$150,000	9/30/2009	2	M021
PBI 2.3.2	Milestone Deleted				2	M021
PBI 2.4.1	Milestone Deleted				1	M021
PBI 2.4.2	Milestone Deleted				1	M021
PBI 2.5.1	Complete removal of the interim stabilization hose-in-hose transfer line (HIHTL) from U-108 valve pit to U-D valve pit ( RBHS-2EHT-4EINS) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.2	Complete shipping of the HIHTL RBHS-2EHT-4EINS	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.3	Complete removal of the interim stabilization HIHTL from U-107 valve pit to U-D valve pit HIHTL RBHS-2MHT-4MINS) package for shipping	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.4	Complete shipping of the HIHTL RBHS-2MHT-4MINS	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.5	Complete removal of the interim stabilization HIHTL from U-111 valve pit to U-D valve pit CHG-2NHT-4NINS) package for shipping	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.6	Complete shipping of the HIHTL CHG-2NHT-4NINS	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.7	Complete removal of the interim stabilization HIHTL from 244-AR valve pit to 241-AR-151 valve pit CHG-2UHT-4UINS) package for shipping	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.8	Complete shipping of the HIHTL CHG-2UHT-4UINS	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.9	Complete removal of the interim stabilization HIHTL from 241-U-09A valve pit to 241-U-09B valve pit and package for shipping	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.10	Complete shipping of the HIHTL 241-U-09A valve pit to 241-U-09B valve pit	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.11	Complete removal of the interim stabilization HIHTL from U-D valve pit to SY (1) valve pit (I-49637-0-10 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.12	Complete shipping of HIHTL I-49637-0-10	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.13	Complete removal of the retrieval HIHTL from C-06B pit to C06A pit (I-19643-5 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.14	Complete shipping of HIHTL I-19643-5	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.15	Complete removal of the retrieval HIHTL from C-106 pit to C103 pit area (I-19643-2 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.16	Complete shipping of HIHTL I-19643-2	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.17	Complete removal of the retrieval HIHTL from POR104 area to C-103 pump area (I-52355-0-1 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.18	Complete shipping of HIHTL I-52355-0-1	incremental	\$20,000	9/30/2009	1	M013

PBI No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
PBI 2.5.19	Complete removal of the retrieval HIHTL from POR104 area to C-103 sluicer pit (I-52355-0-2 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.20	Complete shipping of HIHTL I-52355-0-2	incremental	\$20,000	9/30/2009	1	M013
PBI 2.5.21	Complete removal of the retrieval HIHTL from C103 heel pit to POR104 area (I-52355-0-3 ) package for shipment	incremental	\$80,000	9/30/2009	1	M013
PBI 2.5.22	Complete shipping of HIHTL I-52355-0-3	Incremental	\$20,000	9/30/2009	1	M013
PBI 2.6.1	Complete the near-surface vadose zone characterization for new barrier site in TY Farm by September 30, 2009	Incremental	\$300,000	9/30/2009	1	M013
PBI 2.6.2	Deploy Surface Geophysical Exploration in tank farms S/SX	Incremental	\$250,000	9/30/2009	1	M013
PBI 2.6.3	Deploy Surface Geophysical Exploration in C tank farm	Incremental	\$150,000	9/30/2009	1	M013
PBI 2.6.4	Complete Design of TY Surface Barrier (NOTE: subject to re-negotiation if characterization determines TY Barrier ineffective)	Incremental	\$300,000	9/30/2009	1	M013
PBI 2.6.5	Complete the near-surface vadose zone characterization for new barrier site in SX Farm	Incremental	\$300,000	9/30/2009	1	M013
PBI 2.6.6	Provide a criteria document for interim barriers as described in Agreement (5) of the TPA Milestone M-45-56 Annual meeting of July 22, 2008, by June 30, 2009	Incremental	\$25,000	6/30/2009	1	M013
PBI 2.6.7	Implement direct push soil characterization in Waste Management Area (WMA) C, obtaining 40 samples, to support development of a corrective measures study for WMA closure, consistent with the WMA C RFI/CMS Work Plan ( RPP-PLAN-39114)	Incremental, \$12,500 for each sample up to \$500K	\$500,000	9/30/2009	1	M013
PBI 2.6.8	Perform laboratory testing of a beta-detection system, suitable for deployment with a direct push unit for field screening of technetium	Incremental	\$100,000	9/30/2009	1	M013
PBI 2.7.1	Submission of a DOE-approved report to the Ecology	Incremental	\$375,000	9/30/2009	0	M009
PBI 2.8.1	Telerobotic arm Phase I qualification testing	Incremental	\$200,000	9/30/2009	2	M021
PBI 2.8.2	Telerobotic arm final design	Incremental	\$200,000	9/30/2009	2	M021
PBI 2.8.3	Telerobotic arm Phase II qualification testing	Incremental	\$400,000	9/30/2009	2	M021
PBI 2.8.4	Milestone Deleted				2	M021
PBI 2.8.5	Procure and evaluate shear strength measuring equipment for CTF	Incremental	\$300,000	9/30/2009	2	M021
PBI 2.8.6	Milestone Deleted				2	M021
PBI 2.8.7	Milestone Deleted				2	M021
PBI 2.8.8	Milestone Deleted				2	M021
PBI 2.8.9	Completed Design for installation of new riser in C-Farm Tank	Incremental	\$100,000	9/30/2009	2	M021
PBI 2.8.10	A Retrieval Technology review and roadmap will be completed and issued	Incremental (MULTI-YEAR)	\$150,000	9/30/2010	0	M021

PBI No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
PBI 2.8.11	Select two technologies required to complete heel retrieval and prepare a specification and award a contract for design and subcontractor testing for each technology.	Incremental \$50,000 for each technology for a total of \$100K (MULTI-YEAR)	\$100,000	9/30/2010	0	M021
PBI 2.8.12	Complete design, fabrication, and subcontractor functional testing of two technologies required to complete heel retrieval	Incremental \$100,000 for each technology for a total of \$200K (MULTI-YEAR)	\$200,000	9/30/2011	0	M021
PBI 2.8.13	Receive shipment and perform integrated system testing at CTF of two technologies required to complete heel retrieval.	Incremental \$200,000 for each technology for a total of \$400K (MULTI-YEAR)	\$400,000	9/30/2011	0	M021
PBI 2.9.1	Restore exhauster to operation by performing required preventative and corrective maint. Perform all activities to start exhauster to evaporate supernate liquid	Incremental	\$200,000	9/30/2009	0	M013
PBI 2.9.2	Operate S-102 exhauster until <5,000 gallons of supernate remain	Incremental	\$100,000	9/30/2009	0	M013
PBI 2.10.1	Complete Design media for removal of legacy equipment	Incremental	\$200,000	9/30/2009	0	M013
PBI 2.10.2	Complete design media for the installation of the modified sluicing system	Incremental	\$300,000	9/30/2009	0	M013
PBI 2.10.3	Award procurement contract for long-lead equipment to construct Waste Retrieval system.	Incremental	\$100,000	9/30/2009	0	M013
PBI 2.10.4	Mobilize construction forces and initiate removal of legacy equipment required for installation of Waste Retrieval system	Incremental	\$100,000	9/30/2009	0	M013
PBI 3.1.1	HTWOS Model Revision	Incremental	\$100,000	3/30/2009	0	M009
PBI 3.1.2	RPP Systems Plan revision - ORP approved updated system plan	Incremental	\$200,000	5/31/2009	0	M009
PBI 3.1.3	Strategic Management Plan for Waste Feed Delivery and DST Upgrades - ORP approved completed Strategic Management Plan to support WTP	incremental	\$200,000	7/30/2009	0	M009
<b>Award Fee</b>						
AF-1.1	Submit PMB	Award Fee	\$200,000	6/30/2009	1	M021
AF-1.2	Independent Project Review Support	Award Fee	\$125,000	9/30/2009	0	M009
AF-2	EVMS Certification	Award Fee	\$325,000	9/1/2009	0	M009
AF-3	Revise DSA (3009,1186,1189)	Award Fee	\$325,000	9/30/2009	0	M009

NOTES:	
1	1/14/09 - Modification M009 reissued the PEMP and incorporated signed PBIs
2	Modification M013 added PBIs 1.7, 2.9, 2.10 and revised PBIs 2.1, 2.3, 2.4, 2.5, 2.6, 2.8.
3	Modification M021 revised the PEMP PBIs 1.5,2.1,2.3,2.8 and Workset Title 1
4	Modification M025 revised the PEMP PBI 2.1.2.
5	Modification 054 reissues the PEMP and incorporates the PBI's as attachments. The above table is a summary of Performance Measures incorporated in previous modifications.

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


#### Attachment 2 –Performance Measures for Base Contract Period Effective: FY2010-2013

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

Version	Date Approved	Summary of Changes
Original	MAY 12 2010	

#### Signature Block

  
\_\_\_\_\_  
Charles Spencer, President  
and Project Manager  
Washington River Protection Solutions

5/12/10  
Date

  
\_\_\_\_\_  
Shirley Olinger, Manager  
U.S. Department of Energy, Office of River Protection

5/10/10  
Date

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## PM 01 – Award Fee Performance Measure

### Fee available assigned to this performance measure:

Fiscal Year	Total AF	AF 1	AF 2	AF-3	AF-4	AF-5
FY 2010	\$1,600,000	\$500,000	\$350,000	\$350,000	\$300,000	100,000
FY 2011	TBD	TBD	TBD	TBD	TBD	TBD
FY 2012	TBD	TBD	TBD	TBD	TBD	TBD
FY 2013	TBD	TBD	TBD	TBD	TBD	TBD

### Fee Structure: Subjective Measure

This award fee performance measure is achieved if the Contractor meets the mission performance expectations of the U.S. Department of Energy (DOE) as stipulated within the contract. Evaluations under the award fee performance measure shall be completed annually, based on both objective and subjective criteria for performance during the evaluation period.

### Award Fee Criteria

#### 1) Safety Performance of Tank Farm Project Operations

**Desired Outcome:** Assure focus is maintained on overall safety and efficiency of Tank Farm project operations.

**Areas of focus** in overall safety and efficiency of Tank Farm project operations are:

- a) Nuclear Safety Basis Performance
- b) Environmental Performance.
- c) Radiological Safety improvements.
- d) Work Control process and Conduct of Operations improvements (e.g., work package/procedure development, field implementation of work instructions, effectiveness of Conduct of Operations councils, and Conduct of Operation mentors).
- e) Emergency Preparedness improvements.
- f) Feedback and Improvement effectiveness enhanced through improved assessments and corrective action program performance.

**Evaluation criteria** to measure safety performance will include both objective performance indicators and ORP's subjective evaluation of the contractor's daily operational performance.

Objective Evaluation Criteria:

Evaluation will be under the Performance Indicator Program and will be made for the six (6) programs listed in the Areas of focus portion of the award fee criteria. Under each program, the agreed upon annual performance measures will be calculated and published monthly. The three-month average for performance measures for each program will be used to calculate a composite program score.

Performance Level for Individual Performance Metric	Score
Blue: Exceptional, exceeds expectations	100
Green: Effective, meets expectations	75
Yellow: Borderline or declining performance	50
Red: Degraded or adverse performance	0

Subjective Evaluation Criteria:

- Contract requirements.
- Integrated Environment, Safety, and Health Management System (ISMS) performance objectives, measures (POM), and commitments established by the DOE.
- Responsiveness to emerging issues or high visibility items identified during senior management project reviews.
- Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews.

**2) Environmental Stewardship and Compliance**

**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** to measure performance will include both objective performance indicators and ORP's subjective evaluation of the contractor's performance based on the following:

- quality of the documented environmental protection program;
- contractor's establishment and implementation of environmental performance metrics;
- early identification of issues and concerns through a proactive assessment/evaluation program;
- openness and professionalism of interactions with DOE and regulators;
- integration with Hanford Site regulatory compliance and the quality, timeliness, completeness, and technical accuracy of site-wide environmental reports, permits, and licenses;

- quality, timeliness, completeness, and technical accuracy of permitting documents;
- number and seriousness of any non-compliances, infractions, or violations and the timeliness and quality of related reporting and responses;
- implementation of waste minimization and pollution prevention practices; and
- compliance to environmental permit and license conditions.

### 3) **Quality Assurance Program Compliance.**

**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:

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

**Evaluation criteria** to measure performance will include both objective performance indicators and ORP's subjective evaluation of the contractor's performance based on the following:

- Compliance with all management criteria of the QAP(TFC-PLN-02,"Quality Assurance Program Description")
- Contractor Performance
- Responsiveness to corrective action plans and issues.

### 4) **Contract and Business System Management –**

**Desired Outcome:** The Contractor will be evaluated for performance on a wide range of contract management and business system management areas. This Performance Measure includes consideration of:

- EVMS Management- Maintaining certification; results of reviews and assessments
- Cost and Schedule Integrity- Provide and maintain accurate schedules of work performed by TOC. Activities to be activity based, logic driven and integrated. Cost management efficiency, performance and effectiveness using the current baseline.
- Compliance with Federal and Departmental acquisition regulations, procedures, and guidance
- Compliance with Contract requirements not covered by PBIs and other Award Fee Performance Measures;

- Effectiveness of Subcontract and Purchasing management (including compliance with internal procedures and the Contractor's approved purchasing system) and increasing the ratio of competition awards to non-competition awards;
- Small Business Subcontracting Plan goal achievement;
- Compliance and adequacy of the Contractor's business system approvals (e.g., purchasing, accounting, budget & planning, billing, estimating, and labor accounting)
- Property Management -Maintain an effective property management system for the control, use, preservation, protection, and maintenance of Government property in the contractor's possession consistent with voluntary consensus standards and/or industry leading practices and standards (from FAR 52.245-1).

**Areas of Focus** for Contract and Business System Management Compliance:

- a) EVMS
- b) Cost and Schedule Integrity
- c) Subcontracting and Purchasing Management
- d) Small Business Subcontracting Plan Goals
- e) Contractors Business Systems compliance and adequacy
- f) Property Management compliance with the requirements of FAR 52.245-1

**Evaluation criteria** to measure performance will include both objective performance indicators and ORP's subjective evaluation of the contractor's performance based on the following:

- CPI and SPI performance
- Baseline Change Requests (BCR)
- Balanced Score Card metrics and self-assessment
- Subcontract reviews
- Assessments, reviews and audit results
- Contractors Purchasing System Review
- Subcontracting metrics against subcontracting plan goals
- Property Management System Review and assessments of contractor's property management system
- Periodic surveillances of the adequacy of the contractor's property management operations such as procedural and process compliance, storage and maintenance activities, effectiveness of inventory and custodial controls, and generation and maintenance of property records. Contractor shall be given credit for appropriate and effectiveness use of corrective action program for property deficiencies self-identified.

**5) General Cleanup and Housekeeping of the Tank Farms**

**Desired Outcome:** Improve workplace safety and compliance to procedures, especially with regard to contaminated equipment and abandoned infrastructure/facilities

**Areas of Focus:**

- a) Contaminated equipment packages in the Tank Farms are kept to a minimum, where only those items immediately in use, or staged for short term use are kept in the field.
- b) Demobilization of Tank Farms work should leave no removable contaminated equipment in the field (top hat assemblies, spray rings, hoses, etc.) unless short term use is planned.
- c) Contaminated equipment that is stored in the Tank Farms is managed under the Contaminated Reusable Equipment program, or dispositioned as waste if no need is identified.
- d) Contaminated equipment, wherever located, is managed with containers appropriate for the environmental condition they are stored in, to preclude the spread of contamination while stored.

**Evaluation criteria** to measure performance will include both objective performance indicators and ORP's subjective evaluation of the contractor's performance based on the results of periodic assessments and surveillances of the tank farms operations and facilities, and equipment and waste disposition records.

**Award Fee Completion Documents**

Following each evaluation period, the Contractor may submit a self-assessment, provided such assessment is submitted within thirty (30) calendar days after the end of the period. This self-assessment shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies and avoid their recurrence. The Contracting Officer will review the Contractor's self-assessment, if submitted, as part of its independent evaluation of the Contractor's management during the period."

All Documentation transmitting quarterly performance measures on Nuclear Safety Performance, Environmental Performance, Radiological Safety, Work Control (Conduct of Operations), and Emergency Preparedness, and Feedback and Improvement with total program score calculated per the Performance Indicator Program

All documentation demonstrating results of activities per the evaluation criteria in the areas of Environmental, Quality Assurance, Contract and Business System Management, and General Cleanup and Housekeeping of the Tank Farms.

## PBI-1.1 CLIN 1 Waste Volume Reduction via the 242-A Evaporator

**Performance Fee available and assigned to this PBI: \$3,600,000**

**Fee Structure:** Terminal Method

Milestone	Fee Value
1	\$1,000,000
2	\$1,000,000
3	\$800,000
4	\$800,000
<b>Total</b>	<b>\$3,600,000</b>

### Desired Endpoint/Outcome

Prior to operations of the Waste Treatment and Immobilization Plant (WTP), conservation of Double-Shell Tank (DST) space is critical to allow continued Single-Shell Tank (SST) retrievals in accordance with negotiated regulatory milestones. The 242-A Evaporator is the primary tool to reduce waste volumes stored in the DST system. This succession of PBIs will make space for nearly one million gallons of waste retrieved from the SSTs.

### Fee-Bearing Milestones

1. A 242-A evaporator campaign that creates a 240,000 gallon waste volume reduction by September 30, 2010. For the first 240,000 gallons of waste volume reduction, the Contractor shall earn \$1,000,000 of incremental fee.

Work scope/completion criteria: Operate the 242-A evaporator as a key component of the transfer and treatment system for tank farms. The evaporator campaign will process the waste to the parameters determined by Process Engineering. The volume reduction will be determined by the Process Control Plan (e.g., specific gravity goal and limits on the amount of waste removed from AW-102) with a minimum of 240,000 gallons, before flush, of free DST volume achieved. This evaporator campaign shall be scheduled to ensure maintenance of sufficient proficiency of Tank Farm personnel operating the evaporator.

Completion document: Letter transmitting the Performance Expectation Completion Notice and Letter Report and Evidence of Completion documenting that the waste volume reduction volume has been achieved and summarizing the volume reduction results.

2. A 242-A evaporator campaign(s) that creates a 240,000 gallon waste volume by September 30, 2011. For the second 240,000 gallons (cumulative total 480,000 gallons) of waste volume reduction, the Contractor shall earn \$1,000,000 of incremental fee.

Work scope/completion criteria: Operate the 242-A evaporator as a key component of the transfer and treatment system for tank farms. The evaporator campaign will process the waste to the parameters determined by Process Engineering. The volume reduction will be determined by the Process Control Plan (e.g., specific gravity goal and limits on the amount of waste removed from AW-102) with a minimum of 240,000 gallons (cumulative total 480,000 gallons), before flush, of free DST volume achieved. This evaporator campaign shall be scheduled to ensure maintenance of sufficient proficiency of Tank Farm personnel operating the evaporator. Assumes the evaporator campaign volumes can be combined to achieve milestones, e.g., if Item 1's campaigns has a volume reduction of 300,000 gallons and Item 2's campaign has a volume reduction of 180,000 gallons, both Milestones 1 and 2 are complete.

Completion document: Letter transmitting the Performance Expectation Completion Notice and Letter Report and Evidence of Completion documenting that the certification of operability.

3. A 242-A evaporator campaign(s) that creates a 240,000 gallon waste volume reduction by September 30, 2012. For the third 240,000 gallons (cumulative total 720,000 gallons) of waste volume reduction, the Contractor shall earn \$800,000 of incremental fee.

Work scope/completion criteria: Operate the 242-A evaporator as a key component of the transfer and treatment system for tank farms. The evaporator campaign will process the waste to the parameters determined by Process Engineering. The volume reduction will be determined by the Process Control Plan (e.g., specific gravity goal and limits on the amount of waste removed from AW-102) with a minimum of 240,000 gallons (cumulative total 720,000 gallons) before flush, of free DST volume achieved. This evaporator campaign shall be scheduled to ensure maintenance of sufficient proficiency of Tank Farm personnel operating the evaporator. Assumes the evaporator campaign volumes can be combined to achieve milestones, e.g., if Item 1's campaigns has a volume reduction of 300,000 gallons and Item 2's campaign has a volume reduction of 180,000 gallons, both Milestones 1 and 2 are complete.

Completion document: Letter transmitting the Performance Expectation Completion Notice and Letter Report and Evidence of Completion documenting that the waste volume reduction volume has been achieved and summarizing the volume reduction results.

4. A 242-A evaporator campaign(s) that creates a 240,000 gallon (cumulative total 960,000 gallons) waste volume reduction by September 30, 2013. For the fourth 240,000 gallons of waste volume reduction, the Contractor shall earn \$800,000 of incremental fee.

Work scope/completion criteria: Operate the 242-A evaporator as a key component of the transfer and treatment system for tank farms. The evaporator campaign will process the waste to the parameters determined by Process Engineering. The volume reduction will be determined by the Process Control Plan (e.g., specific gravity goal and limits on the amount of waste removed from AW-102) with a minimum of 240,000 gallons (cumulative total 960,000 gallons), before flush, of free DST volume achieved. This evaporator campaign shall be scheduled to ensure maintenance of sufficient proficiency of Tank Farm personnel operating the evaporator. Assumes the evaporator campaign volumes can be combined to achieve



milestones, e.g., if Item 1's campaigns has a volume reduction of 300,000 gallons and Item 2's campaign has a volume reduction of 180,000 gallons, both Milestones 1 and 2 are complete.

Completion document: Letter transmitting the Performance Expectation Completion Notice and Letter Report and Evidence of Completion documenting that the waste volume reduction volume has been achieved and summarizing the volume reduction results.

## PBI-1.2 CLIN 1 Submittal of the SST Integrity Assurance Review Tri-Party Agreement Change Package to Office of River Protection

**Performance Fee available and assigned to this PBI: \$200,000**

**Fee Structure:** Terminal Method

### **Desired Endpoint/Outcome**

The Office of River Protection desires to negotiate achievable milestones to implement Single-Shell Tank (SST) integrity recommendations provided by the SST Integrity Expert Panel. Timely implementation of these recommendations will improve the safe management of the SSTs until the waste can be retrieved and transferred to safer Double-Shell Tanks (DST). Submittal of these Tri-Party Agreement change packages fulfills a required regulatory milestone.

### **Fee Bearing Milestones**

Prepare a Tri-Party Agreement Change Package per TPA milestone M-045-91 and submit to the Office of River Protection (ORP) based on the report for the Single-Shell Tank (SST) enforceable IA-4 integrity assurance review within 60 days of the SST Integrity Assurance Review Report issuance and no later than August 30, 2010. . The Contractor shall earn \$200,000 of incremental fee upon completion of work scope.

Work Scope/Completion Criteria: Tri-Party Agreement Change Package with interim milestones prepared and submitted to the ORP in accordance with TPA milestone M-045-91.

Completion Document: Letter transmitting Tri-Party Agreement Change Package to the ORP.

## PBI-1.3 CLIN 1 Project Upgrades and Life Extension Projects Completion

**Performance Fee available and assigned to this PBI: \$5,650,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$ 350,000
2	\$ 150,000
3	\$1,400,000
4	\$1,650,000
5	\$2,100,000
<b>Total</b>	<b>\$5,650,000</b>

### Desired Endpoint/Outcome

Highly reliable waste evaporation and waste transfer systems are crucial to safe, efficient management of the Hanford Tank Farms prior to and during tank waste treatment. This planned scope will replace systems in support of 242-A Evaporator upgrades and life extension projects, complete life extension projects and evaporator upgrades as defined in the document titled "Engineering Study for the 242-A Life Cycle Extension Upgrades for FY 2010 through 2015", procure nondestructive equipment and complete ultrasonic test examination and video assessment reports in support of DST integrity and complete the DST Transfer System encasement pressure tests and pit coating inspections.

### Fee-Bearing Milestones

1. Replace seven (7) systems in support of 242-A Evaporator Upgrades and Life Extension Projects. The Contractor shall earn \$50,000 of incremental fee upon completion of each system replaced (total \$350,000 available of incremental fee).

Work scope/completion criteria: Replace seven (7) systems in support of the 242-A Evaporator upgrades and life extension projects. (1. Reboiler Condensate Piping System, 2. Manual Flush Valve, 3. Steam Line Replacement, 4. Control Valve Upgrades, 5. Sanitary Drain Upgrades, 6. Slurry Sampling Station Upgrades, and 7. Process Condensate Sampling Station,)

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting completion of installation.

2. Procure nondestructive examination equipment (NDE) for the DST Integrity Project. The Contractor shall earn \$30,000 of incremental fee upon completion of each life extension project upgrade (total \$150,000 available of incremental fee).

Work scope/completion criteria: 1) Procure three video vans, 2) NDE crawler replacement, 3) two GE Cameras, 4) procure one new ultrasonic examination control (UT) trailer, and 5) one P-Scan Projection-4 (PSP-4).

Completion Document: Letter transmitting performance expectation completion notice and receipt of procurements.

3. Complete six DST farm upgrades. The Contractor shall earn \$100,000 of incremental fee upon completion of the following upgrades: AY-101 ENRAF Densitometer, AZ-101 ENRAF Densitometer, and AW-102 ENRAF Densitometer; \$300,000 of incremental upon completion of the AW-102 Transfer Pump Replacement,; and \$400,000 of incremental fee upon completion of each exhauster upgrade, AP Farm Primary Exhauster Installation and SY-Farm Exhauster Installation.

Work scope/completion criteria: Complete six DST farm upgrades: 1.) AY-101 ENRAF Densitometer, 2.) AZ-101 ENRAF Densitometer, 3.) AP Farm Primary Exhauster Installation, 4.) AW-102 ENRAF Densitometer, 5.) AW-102 Transfer Pump Replacement, and 6.) SY-Farm Exhauster Installation.

Completion Document: Letter transmitting performance expectation completion notice and copy of work package signature page documenting completion of installation.

4. Complete UT examination and video assessment and issue report(s) for DST integrity. The Contractor shall earn \$75,000 of incremental fee upon completion of each UT examination report (14 total) and \$75,000 of incremental fee upon completion for each video assessment report (8 reports) (total \$1,650,000 available of incremental fee).

Work scope/completion criteria: Perform UT examinations on fourteen (14) DSTs, perform four (4) DST Annulus Video Assessments, and four (4) DST Primary Video Assessments.

Completion Document: Letter transmitting performance expectation completion notice and applicable UT examination and video assessment report(s).

5. Complete DST transfer system encasement pressure tests of 126 pipes and pit coating inspections by a qualified National Association of Corrosion Engineering qualified inspector of 84 pits. The Contractor shall earn \$10,000 of incremental fee upon completion of work scope for each encasement pressure check or pit coating inspection (total \$2,100,000 available of incremental fee).

Work scope/completion criteria: Perform transfer line encasement pressure checks of 126 transfer lines and pit coating inspections of 84 pits.

Completion Document: Letter transmitting performance expectation completion notice and a copy of the work package signature page documenting completion of the encasement pressure checks or the pit coating inspections.

## PBI-1.4 CLIN 1 222-S Upgrades and Life Extension Projects Completion

**Performance Fee available and assigned to this PBI: \$846,000**

**Fee Structure:** Terminal (with dates identified below) or Straight-Line Method (September 30, 2013)

Milestone	Fee Value	Method
1	\$ 96,000	Straight Line
2	\$ 50,000	Terminal
3	\$ 50,000	Terminal
4	\$ 50,000	Terminal
5	\$ 600,000	Straight Line
<b>Total</b>	<b>\$ 846,000</b>	

### Desired Endpoint/Outcome

The 222-S Laboratory, with its unique capabilities to analyze and store highly radioactive tank waste samples, must operate reliably in support of the tank waste cleanup mission. The contractor must replace systems in support of 222-S Laboratory and life extension projects and complete four life extension project upgrades.

### Fee-Bearing Milestones

1. Replace twelve (12) pieces of analytical equipment at the 222-S Laboratory. The Contractor shall earn \$8,000 of incremental fee upon completion of each piece of equipment replaced (total \$96,000 available of incremental fee).

Work scope/completion criteria: Replace twelve pieces of analytical equipment at the 222-S Laboratory such as viscometer, liquid scintillation counter, thermal desorption units, GC, ASE, (actual equipment to be replaced may change due to emergent needs).

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting completion of installation.

2. Procure and install new manipulator by September 30, 2011. The Contractor shall earn \$50,000 of incremental fee upon completion.

Work scope/completion criteria: Procure and install new manipulator.

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting completion of installation.

3. Procure and install new manipulator by September 30, 2012. The Contractor shall earn \$50,000 of incremental fee upon completion.

Work scope/completion criteria: Procure and install new manipulator.

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting completion of installation.

4. Procure two new manipulators by September 30, 2013. The Contractor shall earn \$50,000 of incremental fee upon completion.

Work scope/completion criteria: Procure two new manipulators.

Completion Document: Letter transmitting performance expectation completion notice and copy of vendor notice to proceed via contractor procurement award.

5. Complete four (4) life extension project upgrades at the 222-S Facility. The Contractor shall earn \$150,000 of incremental fee upon completion of each life extension project upgrade (total \$600,000 available of incremental fee).

Work scope/completion criteria: Complete four (4) life extension projects at 222-S Facility.

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting completion of construction.

## PBI-1.5 CLIN 1 Construction Management Complex with Shops

**Performance Fee available and assigned to this PBI: \$300,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

The scale of tank farm construction activities will increase in future years in support of an increased rate of Single-Shell Tank retrievals, and waste feed delivery projects in support of the Waste Treatment and Immobilization Plant. The contractor shall design and construct a construction management complex with shops to support Tank Farm Construction.

### **Fee-Bearing Milestones**

1. Design, procure, and build a construction management complex with shops. The Contractor shall earn \$300,000 of incremental fee upon completion of the complex.

Work scope/completion criteria: Design, procure, and build a 20,000 square foot construction management complex with shops. Complex will include shops with A/V, local area network, telecom equipment, fire protection and alarms, and utilities (water, electricity, and sewer).

Completion Document: Letter transmitting performance expectation completion notice and notice of completion of facility.

## PBI-1.6 CLIN 1 Tank Sampling (Grab and Cores)

**Performance Fee available and assigned to this PBI: \$2,100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$1,500,000
2	\$ 600,000
<b>Total</b>	<b>\$2,100,000</b>

### Desired Endpoint/Outcome

Tank waste sampling is essential to maintaining required tank waste chemistry, for maintaining tank integrity, for waste transfers and retrievals, and for post-retrieval reports. Tank waste sampling is high-risk work that must be completed safely to not impede project schedules. The contractor must ensure that sampling operations are completed with increasing efficiency and effectiveness allowing more resources to be applied to other mission critical work.

### Fee-Bearing Milestones

1. Complete 20 grab samples in support of the Tank Operations Contract (TOC) mission. The Contractor shall earn \$75,000 of incremental fee upon completion of the each grab sample (total \$1,500,000 available of incremental fee).

Work scope/completion criteria: Completion of 20 grab samples as described in the applicable Tank Sampling and Analysis Plans (TSAPs). The plan shall identify; the type of sample, the technical need for the sampling activity, the location of the samples, and the sampling requirements.

Completion Document: Letter transmitting performance expectation completion notice and copy of the chain of custody (COC) documenting completion of grab samples and transfer of ownership to the laboratory.

2. Complete 5 core or off-riser samples in support of the TOC mission. The Contractor shall earn \$120,000 of incremental fee upon completion of the each core or off-riser sample (total \$600,000 available of incremental fee).

Work scope/completion criteria: Completion of 5 samples as described in the applicable Tank Sampling and Analysis Plans (TSAPs). The plan shall identify; the type of sample, the technical need for the sampling activity, the location of the samples, and the sampling requirements.

Completion Document: Letter transmitting performance expectation completion notice and copy of the COC documenting completion of core samples and transfer of ownership to the laboratory.



## PBI-1.7 CLIN 1 Tank Chemistry Control

**Performance Fee available and assigned to this PBI: \$1,750,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$ 700,000
2	\$ 500,000
3	\$ 150,000
4	\$ 100,000
5	\$ 50,000
6	\$ 50,000
7	\$ 200,000
<b>Total</b>	<b>\$1,750,000</b>

### Desired Endpoint/Outcome

The maintenance of Double-Shell Tank (DST) integrity is crucial to cost-effective completion of the tank waste cleanup mission. The Contractor shall:

- maintain tank chemistry per Operations Specifications Documents to ensure long term integrity of tanks
- confirm data obtained from active portions of the corrosion probe and gain better understanding of actual corrosion and corrosion mechanisms within the double-shell tanks (DSTs)
- obtain better understanding of the corrosion potential of the waste.
- Perform analyses of dynamic mixing, benchmark analysis, and ventilation flow modeling.

### Fee-Bearing Milestones

1. Remove and replace corrosion probe coupons for three DST corrosion probes. The Contractor shall earn \$300,000 of incremental fee upon completion of the first each set of coupons removed and replaced (as required) to support the TOC mission, and \$200,000 for the remaining two sets of coupons replaced (total \$700,000 available of incremental fee). Note that replacement will only occur if required to support the Tank Operations Contract (TOC) mission.

Work scope/completion criteria: Removal and replacement (as required) of corrosion probe coupons.

Completion Document: Letter transmitting performance expectation completion notice and completed chain of custody form documenting receipt of the coupon(s) at the laboratory.

2. Remove corrosion probe coupon from tank AN-107 corrosion probe. Note: The AN-107 corrosion probe is thought to have failed and potentially contains waste within the corrosion

probe. Special precautions will be required during removal to ensure worker safety. The Contractor shall earn \$500,000 of incremental fee upon completion of coupon removed.

Work scope/completion criteria: Removal of corrosion coupon.

Completion Document: Letter transmitting performance expectation completion notice and completed chain of custody form documenting receipt of the coupon(s) at the laboratory.

3. Design, fabricate, and install corrosion probe in AW-105. The Contractor shall earn \$150,000 of incremental fee each upon completion of the work scope.

Work scope/completion criteria: Design, fabricate, and install corrosion probe in AW-105.

Completion Document: Letter transmitting performance expectation completion notice and copy of approved work package page documenting successful completion of installation.

4. Perform dynamic mixing analysis on AN-106 and AY-102. The Contractor shall earn \$50,000 of incremental fee upon completion of each report (total \$100,000 available of incremental fee).

Work scope/completion criteria: Perform dynamic mixing analysis on AN-106 and AY-102.

Completion Document: Letter transmitting performance expectation completion notice and dynamic mixing analysis report.

5. Perform ventilation flow modeling study on AZ-702. The Contractor shall earn \$50,000 of incremental fee upon completion of the study.

Work scope/completion criteria: Perform ventilation flow modeling study on AZ-702.

Completion Document: Letter transmitting performance expectation completion notice and the ventilation flow modeling report.

6. Perform dynamic mixing model benchmark analysis. The Contractor shall earn \$50,000 of incremental fee each upon completion of the work scope.

Work scope/completion criteria: Perform dynamic mixing model benchmark analysis and prepare report.

Completion Document: Letter transmitting performance expectation completion notice and the dynamic mixing model benchmark analysis study.

7. Perform slow strain rate (SSR) laboratory testing and prepare testing report. The Contractor shall earn \$200,000 of incremental fee each upon completion of the work scope.

Work scope/completion criteria: Perform SSR laboratory testing and prepare report.

Completion Document: Letter transmitting performance expectation completion notice and the SSR laboratory testing report to the ORP. |

## PBI-2.1 CLIN 2 Vadose Zone/Barriers

**Performance Fee available and assigned to this PBI: \$10,700,000**

**Fee Structure:** Terminal Method

Milestone	Fee Value
1	\$2,000,000
2	\$ 600,000
3	\$ 250,000
4	\$ 600,000
5	\$ 500,000
6	\$ 500,000
7	\$4,000,000
8	\$1,000,000
9	\$ 300,000
10	\$ 600,000
11	\$ 200,000
12	\$ 150,000
Total	\$10,700,000

### Desired Endpoint/Outcome

Upon completion of these PBI activities, the following outcomes will be achieved:

Barriers: Characterization of four high priority sites for possible future interim surface barriers has been completed to support definition and design of barriers. Barrier design has been completed for three tank farm interim barriers based on the characterization results. Construction of interim surface barriers in TY farm and two additional locations has been completed.

NOTE: Barrier sites are subject to change based on the outcome of negotiations with Washington State Department of Ecology.

Waste Management Area (WMA) C Characterization and Corrective Measures: Phase 2 characterization of Waste Management Area C has been performed, consistent with the WMA C RFI/CMS Work Plan (RPP-PLAN-39114), including surface geophysical exploration (SGE) of two unplanned release sites and collection of soil samples using the direct push unit. Testing of a beta probe has been completed to support design of a field deployable unit. The WMA C RCRA Facility Investigation/Corrective Measures Study (TPA Milestone M-45-61) has been submitted to the Office of River Protection (ORP) in support of WMA C closure planning.

### Fee Bearing Milestones

1. Perform vadose zone direct push characterization for four potential barrier sites. The Contractor shall earn \$500,000 of incremental fee upon completion of direct push characterization of each site (total of \$2,000,000 available incremental fee).

Work scope/completion criteria: Use the hydraulic hammer/direct push technology to perform logging and sampling for each of the following sites, or alternate sites mutually agreed to by the ORP and the Contractor:

- 241-S Farm, Southeast (near catch tanks/diversion box northeast of SX) by 9/30/2010
- 241-BY Farm, West (near BY-107/108 historic leak sites) by 3/31/2011
- 241-BY Farm, East (near BY-103 historic leak site) by 9/30/2011
- 241-S Farm, Northwest (near S evaporator) by 3/31/2012.

For each potential barrier location, field work shall include: placement of 4-8 direct push probes (probes pushed to refusal), geophysical logging of direct push probe holes, obtaining up to 3 soil samples per location for analysis, and placement of 2 or more deep electrodes per location. Samples will be analyzed for technetium and nitrate.

Completion documents: For each potential barrier location evaluated, provide to the ORP a letter report documenting completion of direct push probe-hole, logging results, placement of deep electrodes, sample locations, and summary of analytical results.

2. Perform vadose zone electrical resistivity characterization, including SGE and use of deep electrodes as appropriate, for four potential barrier sites. The Contractor shall earn \$150,000 of incremental fee upon completion of resistivity characterization of each site (total \$600,000 available incremental fee).

Work scope/completion criteria: Use electrical resistivity technology for each of the following sites, or alternate sites as directed by the ORP:

1. 241-S Farm, Southeast (near catch tanks/diversion box northeast of SX) by 3/31/2011
2. 241-BY Farm, West (near BY107/108 historic leak sites) by 9/30/2011
3. 241-BY Farm, East (near BY103 historic leak site) by 3/31/2012
4. 241-S Farm, Northwest (near S evaporator) by 9/30/2012.

For each potential barrier location, resistivity measurements will be obtained and analyzed employing the deep electrodes and appropriate surface electrodes.

Completion documents: For each potential barrier location evaluated, provide to the ORP a letter report providing the results of electrical resistivity data analysis and the resistivity anomaly maps for the potential barrier location.

3. Perform well-to-well electrical resistivity measurements in WMA A-AX by 12/31/2010, to support evaluation of a potential future barrier site. The Contractor shall earn \$250,000 of incremental fee upon completion.

Work/scope/completion criteria: Historic leaks in WMA A/AX present a risk to groundwater; an interim barrier may mitigate that risk. Vadose zone characterization is limited. Use of well-to-well electrical resistivity measurements will provide needed characterization data for evaluation of a future barrier site and for closure planning. These measurements will guide possible future characterization of WMA A-AX for interim barrier selection, if appropriate.

Completion document: Letter report submitted to the ORP providing the results of electrical resistivity data analysis and the resistivity anomaly maps.

4. Complete design of three Tank Farm Interim Surface Barriers. The Contractor shall earn \$200,000 of incremental fee upon completion of the SX farm barrier design by June 30, 2011, \$200,000 of incremental fee upon completion of the S farm southeast barrier design by June 30, 2012, and \$200,000 of incremental fee upon completion of the BY farm west barrier design by June 30, 2013 (total of \$600,000 available incremental fee).

Work scope/completion criteria: Design an interim surface barrier for each these sites:

1. SX farm
2. S farm southeast
3. BY farm west.

Based on results of site characterization, an alternate location mutually agreed to by the ORP and the Contractor may replace any of these locations. Each barrier shall be designed to cover an area identified by characterization, and shall be designed to handle precipitation expected in the 25-year maximum rainfall event. The designed water retention system and/or discharge will not impact any ORP/RL waste sites. DOE-ORP and DOE-RL will be included in the design review process. Design will be issued into Hanford Document Control System (HDCCS).

Completion document: Letter report submitted to the ORP providing information that the design of each Tank Farm Interim Surface Barrier has been issued into HDCCS.

5. Complete Construction of SX Farm Interim Surface Barrier (or alternate location, as agreed by the ORP and the Contractor) by June 30, 2012. The Contractor shall earn \$500,000 of incremental fee upon completion.

Work scope/completion criteria: An interim surface barrier in 241-SX farm shall be constructed per the documented and ORP-approved design.

Completion document: Letter report documenting completion of construction of the SX barrier, per the documented and ORP-approved design.

6. Complete Construction of S Farm Southeast Interim Surface Barrier (or alternate location, as agreed by the ORP and the Contractor) by June 30, 2013. The Contractor shall earn \$500,000 of incremental fee upon completion.

Work scope/completion criteria: An interim surface barrier in 241-S farm, southeast shall be constructed per the documented and ORP-approved design.

Completion document: Letter report documenting completion of construction of the S farm southeast barrier, per the documented and ORP-approved design.

7. Implement direct push soil characterization in Waste Management Area (WMA) C by June 30, 2013, to support development of a corrective measures study for WMA closure, in

accordance with the WMA C RFI/CMS Work Plan (RPP-PLAN-39114). The Contractor shall earn incremental fee at a rate as indicated in the table below for each set of samples obtained per the plan.

Milestone	Item	Description	Fee
7	1	Direct push soil characterization in WMA C – 2 locations (16 samples)	\$400,000
7	2	Direct push soil characterization in WMA C – 2 locations (16 samples)	\$400,000
7	3	Direct push soil characterization in WMA C – 3 locations (24 samples)	\$600,000
7	4	Direct push soil characterization in WMA C – 3 locations (24 samples)	\$600,000
7	5	Direct push soil characterization in WMA C – 3 locations (24 samples)	\$600,000
7	6	Direct push soil characterization in WMA C – 3 locations (24 samples)	\$600,000
7	7	Direct push soil characterization in WMA C – 3 locations (24 samples)	\$600,000
7	8	Direct push soil characterization in WMA C – 1 location (8 samples)	\$200,000
<b>Milestone 8 Total</b>			<b>\$4,000,000</b>

Work scope/Completion Criteria: Perform direct push logging, sampling and probe hole decommissioning at sites identified in the WMA C work plan, per the plan including obtaining surface samples, as directed by the plan. Deliver the samples to the laboratory for analysis and commence analysis per the plan.

Completion documents: A letter report will be submitted to the ORP providing direct push locations, probe-hole logging results, sample identification numbers, and chain of custody forms for each direct push location and associated samples. Completion reports may be submitted periodically for completion of one or more locations in each report.

8. Perform vadose zone electrical resistivity characterization, including Surface Geophysical Exploration (SGE) and use of deep electrodes as appropriate, at two unplanned release (UPR) sites in C tank farm by September 30, 2011 for the first site and December 31, 2011 for the second site. The Contractor shall earn \$500,000 of incremental fee upon completion of each site (total of \$1,000,000 available incremental fee).

Work scope/completion criteria: Perform vadose zone electrical resistivity characterization at the following unplanned release (UPR) sites in waste management area C:

1. UPR-200-E-86
2. UPR-200-E-82

At each location, collect surface to surface resistivity data and surface to deep electrode resistivity data, using the previously installed deep electrodes. Analyze the data to identify resistivity anomalies.

Completion document: For each UPR, submit a letter report to the ORP providing the results of data analysis and the resistivity anomaly maps for the UPR in waste management area C.

9. Perform testing of a beta detection system, identify detector design improvements, and define design requirements for a field deployable system by December 31, 2010. The Contractor shall earn \$300,000 of incremental fee upon completion.

Work scope/completion criteria: In FY 2009, initial laboratory testing of a proof-of-concept beta detection probe was performed (RPP-ENV-42267) and showed promise. The initial detector will be further tested, an enhanced detector will be designed, constructed and tested, and requirements for design of a vadose zone field deployable system will be defined.

Completion document: Provide to DOE a letter report documenting the results of further testing of the proof-of-concept beta detection system, testing results of the enhanced detector, and requirements for design of a field deployable beta detection system.

10. Provide a Phase 2 RCRA Facility Investigation/Corrective Measures Study Report for WMA C (TPA Milestone M-045-61) by September 30, 2013. The Contractor shall earn \$600,000 of incremental fee upon completion.

Work scope/completion criteria: Provide a Phase 2 RCRA Facility Investigation/Corrective Measures Study Report for WMA C, by 09/30/2013, to facilitate closure of WMA C by 2019. The report will include results of characterization completed to date per RPP-PLAN-39114, evaluation of potential corrective measures for WMA C contaminated soil, and recommendations for corrective measure implementation.

Completion document: Provide to DOE as a formal report a Phase 2 RCRA Facility Investigation/Corrective Measures Study Report for WMA C.

11. In partial completion of TPA Milestone M-045-90, complete an interim barrier demonstration report for the T-106 interim barrier by September 30, 2010. The Contractor shall earn \$200,000 of incremental fee upon completion.

Work scope/completion criteria: Complete an interim barrier demonstration report for the T-106 interim barrier. The report shall include a recommendation and commitment on whether to proceed with additional interim barriers, and an evaluation of the barrier's ability to reduce water infiltration that drives migration of subsurface contamination to groundwater. A baseline change request (BCR) to add the new scope will be submitted, the PBI method will be defined in the associated BCR package.

Completion document: Letter transmitting an interim barrier demonstration report for the T-106 interim barrier.

12. Complete and document a pipeline leak detection technology field test by March 31, 2011. The Contractor shall earn \$150,000 of incremental fee upon completion.

Work scope/completion criteria: In support of identifying and evaluating historic waste leaks from pipelines, identify and plan a field test of technology for leak detection. Perform a field test



of the selected technology on a pipeline where historic records indicate a probable leak. Report results and future recommendations.

Completion document: Letter transmitting a report of pipeline leak detection technology field test.

## PBI-2.2 CLIN 2 Waste Management C Area Closure

**Performance Fee available and assigned to this PBI: \$4,250,000**

**Fee Structure:** Straight-Line Method (September 30, 2013) and Declining Method (Milestones #1, #2, #3, and #4)

Milestone	Fee Value	Method
1	\$ 200,000	Declining
2	\$ 200,000	Declining
3	\$ 200,000	Declining
4	\$ 200,000	Declining
5	\$ 200,000	Straight Line
6	\$ 200,000	Straight Line
7	\$ 800,000	Straight Line
8	\$ 750,000	Straight Line
9	\$ 200,000	Straight Line
10	\$ 200,000	Straight Line
11	\$ 200,000	Straight Line
12	\$ 200,000	Straight Line
13	\$ 200,000	Straight Line
14	\$ 500,000	Straight Line
Total	\$4,250,000	

### Desired Endpoint/Outcome

Upon completion of these PBI activities, the following outcomes will be achieved: Closure Demonstration and Planning: DOE receives the deliverables for those portions of the C-200 Closure Demonstration Plan necessary to complete TPA Milestone M-045-80, including: (1) a description of the radioactive waste determination process that DOE will utilize for the component of Tank Waste residuals subject to DOE authority, (2) a RCRA/CERCLA integration white paper, (3) a tank removal engineering study, and (4) an evaluation of alternatives for removal of waste from the C-301 catch tank. DOE receives reports on feasibility studies for pipeline and diversion boxes, in support of WMA C closure decisions.

Performance assessment and regulatory documents: Waste release studies have been completed on up to 4 C farm tanks, to provide input to risk assessments. An initial risk assessment/performance assessment of WMA C has been completed and delivered to DOE. A Tier 1 closure plan meeting the requirements of DOE O 435.1 and basis documentation for a WIR determination, have been delivered to DOE. A closure plan meeting the requirements of the TPA for the SST System and a TPA Tier 2 closure plan for WMA C have been delivered to DOE.

### Fee Bearing Milestones

1. In partial completion of TPA milestone M-045-80 (Part 1), provide a report describing the radioactive waste determination process that DOE will utilize for the component of Tank Waste residuals subject to DOE authority by December 2, 2010 (Declining Method milestone). The Contractor shall earn \$200,000 of incremental fee upon completion of this deliverable, subject to declining method deductions, if applicable.

Work scope/completion criteria: Develop a report describing the radioactive waste determination process, meeting all requirements of DOE Order 435.1 which DOE will utilize for the component of Tank Waste residuals in WMA C subject to DOE authority. Provide the draft report to DOE for comment. The declining method penalty calculation date for Milestones 1, 2, 3, and 4 is December 2, 2010. For each milestone there shall be a \$500 per day penalty and there shall be no fee earned after January 21, 2011.

Completion document: Submit a letter report to the Office of River Protection (ORP) describing the radioactive waste determination process that DOE will utilize for the component of Tank Waste residuals in WMA C subject to DOE authority.

2. In partial completion of TPA milestone M-045-80 (Part 2), provide a RCRA/CERCLA integration white paper by December 2, 2010 (Declining Method milestone). The Contractor shall earn \$200,000 of incremental fee upon completion of this deliverable, subject to declining method deductions, if applicable.

Work scope/completion criteria: Develop RCRA/CERCLA integration white paper, describing the RCRA/CERCLA integration process as it applies to WMA C closure. Provide the white paper to DOE for comment. The declining method penalty calculation date for Milestones 1, 2, 3, and 4 is December 2, 2010. For each milestone there shall be a \$500 per day penalty and there shall be no fee earned after January 21, 2011.

Completion document: Submit a white paper to the ORP describing the RCRA/CERCLA integration process as it applies to WMA C closure.

3. In partial completion of TPA Milestone M-045-80 (Part 3), provide a tank removal engineering study by December 2, 2010 (Declining Method milestone). The Contractor shall earn \$200,000 of incremental fee upon completion of this deliverable, subject to declining method deductions, if applicable.

Work scope/completion criteria: Provide a tank removal engineering study, evaluating the practicability of removal of a 100-Series Single-Shell Tank. The report should evaluate and augment previously completed work as necessary to meet Ecology's requirements for a demonstration of impracticability for removal or decontamination of a tank system pursuant to WAC 173-303-640(8)(b). The report will provide supporting information to make a decision on whether landfill closure for WMA C can be pursued in the RCRA Site-Wide Permit. Provide the draft report to DOE for comment. The declining method penalty calculation date for Milestones

1, 2, 3, and 4 is December 2, 2010. For each milestone there shall be a \$500 per day penalty and there shall be no fee earned after January 21, 2011.

Completion document: Submit a letter report to the ORP providing a tank removal engineering study.

4. In partial completion of TPA Milestone M-045-80 (Part 4), provide an evaluation of alternatives for removal of waste from the C-301 catch tank by December 2, 2010 (Declining Method milestone). The Contractor shall earn \$200,000 of incremental fee upon completion of the document, subject to declining method deductions, if applicable.

Work scope/completion criteria: Provide an evaluation of alternatives for removal of waste from the C-301 catch tank. The report should evaluate the methods available for retrieving solid and liquid waste from the C-301 Catch Tank, and estimate the costs and benefits for each viable alternative. Provide the draft report to DOE for comment. The declining method penalty calculation date for Milestones 1, 2, 3, and 4 is December 2, 2010. For each milestone there shall be a \$500 per day penalty and there shall be no fee earned after January 21, 2011.

Completion document: Submit a letter report to the ORP providing an evaluation of alternatives for removal of waste from the C-301 catch tank.

5. Complete an analysis of the seven diversion boxes in 241-C Tank Farm. The Contractor shall earn \$200,000 of incremental fee upon completion of the document.

Work scope/completion criteria: Evaluate existing information on the seven diversion boxes in WMA C, in support of closure planning. For each diversion box, document the condition of the diversion box based on existing information, and identify additional data that needs to be addressed prior to closure planning. The report should meet the following criteria:

- Evaluate existing characterization data for each diversion box.
- Recommend further characterization where no data exists.
- Evaluate the physical condition of each diversion box.
- Recommend further work where no data exists.
- Document the analysis findings in a written report.

Completion documents: The completed report shall be transmitted to the DOE.

6. Complete a pipeline feasibility study. The Contractor shall earn \$200,000 of incremental fee upon completion of the document.

Work scope/completion criteria: The report should meet the following criteria:

- Evaluate the existing data regarding physical condition and characterization of the pipe lines in WMA C.
- Identify option to obtain additional data necessary for closure.
- Evaluate existing information regarding available methods to characterize, stabilize and remediate pipelines, including cost and risk data.

- Provide recommendations for actions to support decisions on closure of pipelines in WMA C.
- Document the analysis findings in a written report.

Completion documents: The completed report shall be transmitted to the DOE.

7. Perform waste release tests on up to four residual waste samples from retrieved or partially retrieved tanks, to provide technical input to risk assessment modeling. The Contractor shall earn \$200,000 of incremental fee upon completion of each waste release test (total of \$800,000 available incremental fee).

Work scope/completion criteria: For each of up to four tank waste samples, perform waste release tests on residual waste obtained from one or more tanks following completion of initial or final retrieval. Document results as input into tank farm risk assessments and performance assessments.

Completion document: For each of up to four tank waste samples, submit a letter report to the ORP providing the results of residual waste release testing.

8. Develop five data packages and hold working sessions to develop the initial human health and environmental risk assessment/performance assessment for WMA C (WMA C PA). The Contractor shall earn \$150,000 of incremental fee upon completion of each topical area report from each of the five data package/working sessions (total of \$750,000 available incremental fee).

Work scope/completion criteria: The WMA C PA will be developed to meet the requirements of HFFACO Appendix I and DOE O 435.1. The inputs and assumptions for this activity will be developed through a series of working sessions with ORP, other DOE staff and regulatory agencies. For each topical area, develop a draft report and provide it to working session participants. Hold a working session involving DOE, Ecology, and other participants as invited by DOE. Issue meeting notes for the working session. Incorporate comments into the report and issue an update as input to the WMA C PA. Topical areas include at a minimum:

- Engineered systems #1
- Natural systems
- Engineered systems #2
- Exposure scenarios
- Numeric codes

Completion document: Provide to DOE the meeting notes for the applicable WMA C PA working session and the updated report for each topical area.

9. Perform and document initial model runs for the initial human health and environmental risk assessment/performance assessment for WMA C (WMA C PA). The Contractor shall earn \$200,000 of incremental fee upon completion of this document.

Work scope/completion criteria: The human health and environmental risk assessment/performance assessment for WMA C will be developed to meet the requirements of

HFFACO Appendix I and DOE O 435.1. The initial model runs will be performed per the inputs and assumptions, developed through a series of working sessions with ORP, other DOE staff and regulatory agencies. The initial WMA C PA model runs will employ available data regarding tank waste residuals following retrieval and soil contamination, supplemented with conservative assumptions for data that is not yet available. Initial runs of the numeric model developed through this process will be documented.

Completion document: A report documenting the output of the initial model runs for the initial human health and environmental risk assessment/performance assessment for WMA C, developed to meet the requirements of the HFFACO Appendix I and DOE Order 435.1.

10. Document the initial human health and environmental risk assessment/performance assessment for WMA C (WMA C PA). The Contractor shall earn \$200,000 of incremental fee upon completion of this document.

Work scope/completion criteria: The human health and environmental risk assessment/performance assessment for WMA C will be developed to meet the requirements of HFFACO Appendix I and DOE O 435.1. The inputs and assumptions for this activity will be developed through a series of working sessions with ORP, other DOE staff and regulatory agencies. The initial human health and environmental risk assessment/performance assessment for WMA C will employ available data regarding tank waste residuals following retrieval and soil contamination, supplemented with conservative assumptions for data that is not yet available. Model runs will be performed, updated, and results documented.

Completion document: A report documenting the initial human health and environmental risk assessment/performance assessment for WMA C, developed to meet the requirements of the HFFACO Appendix I and DOE O 435.1.

11. Provide a Tier 1 Closure plan for WMA C as defined in DOE Order 435.1. The Contractor shall earn \$200,000 of incremental fee upon completion of the document.

Work scope/completion criteria: Provide to DOE a Tier 1 Closure plan for WMA C that meets the requirements of DOE O 435.1.

Completion documents: A Tier 1 Closure plan for WMA C that meets the requirements of DOE O 435.1.

12. Provide documentation to form the basis for a Waste Incidental to Reprocessing (WIR) Determination for the residual wastes in WMA C. The Contractor shall earn \$200,000 of incremental fee upon completion of the document.

Work scope/completion criteria: Provide to DOE documentation to form the basis for a WIR Determination for the residual wastes in WMA C. The documentation shall meet the requirements of DOE O 435.1.

Completion documents: Documentation to form the basis for a WIR Determination for the residual wastes in WMA C that meets the requirements of DOE O 435.1.

13. Provide a Tier 1 Closure plan for the SST system, as defined in TPA Appendix I. The Contractor shall earn \$200,000 of incremental fee upon completion of the document.

Work scope/completion criteria: Provide to DOE a Tier 1 Closure plan for the SST system that meets the requirements of the TPA, Appendix I. (Document is TPA compliant when document meets TPA requirements. It does not require regulator approval to be TPA compliant to meet the intent of this PBI deliverable).

Completion documents: Formal TPA Tier 1 Closure plan for the SST system that meets the requirements of the TPA, Appendix I.

14. Provide a draft TPA compliant Tier 2 Closure plan for Waste Management Area C. The Contractor shall earn \$500,000 of incremental fee upon completion of the document.

Work scope/completion criteria: Provide to DOE a draft Tier 2 Closure plan for WMA C that meets the requirements of the TPA, Appendix I. (Document is TPA compliant when document meets TPA requirements. It does not require regulator approval to be TPA compliant to meet the intent of this PBI deliverable).

Completion documents: Formal draft TPA Tier 2 Closure plan for WMA C that meets the requirements of the TPA, Appendix I.

## PBI-2.3 CLIN 2 Removal of SX Tank Farm Exhauster Station (Sludge Cooler)

**Performance Fee available and assigned to this PBI: \$600,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$500,000
2	\$100,000
Total	\$600,000

### **Desired Endpoint/Outcome**

SX Tank Farm Exhauster Station (Sludge Cooler) removed.

### **Fee Bearing Milestones**

1. Remove SX Tank Farm Exhauster Station (Sludge Cooler). The Contractor shall earn \$500,000 of incremental fee upon completion of work scope.

Work scope/completion criteria: SX Tank Farm Exhauster Station (Sludge Cooler) removed and packaged for disposal.

Completion document: Letter transmitting the work package coversheet documenting completion and acceptance by Operations.

2. Complete shipping of waste package(s) generated by removal of SX Tank Farm Exhauster Station (Sludge Cooler). The Contractor shall earn \$100,000 of incremental fee upon completion of work scope.

Work scope/completion criteria: The waste package(s) generated by the removal activity have been shipped to the appropriate Treatment Storage Disposal (TSD) facility.

Completion document: The waste disposal facility verification of receipt of shipment for the waste package(s).



## PBI-2.4 CLIN 2 Complete removal and shipment to final disposition of expired Hose-In-Hose Transfer Lines

**Performance Fee available and assigned to this PBI: \$1,600,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$1,280,000
2	\$ 320,000
Total	\$1,600,000

### Desired Endpoint/Outcome

Expired Hose-In-Hose Transfer Lines (HIHTL) are removed from the Hanford Tank Farms in accordance with the schedule in the HIHTL Management Plan.

### Fee Bearing Milestones

1. Complete removal of the following sixteen (16) interim stabilization Hose-in-Hose Transfer Lines (HIHTL). The Contractor shall earn \$80,000 for each of the HIHTL removed in incremental fee. A total of \$1,280,000 of incremental fee shall be earned upon completion.

Identification Number	Location (From)	Location (To)
I-34610-0-1	C-203 (1)	C-200 VESSEL
I-34610-0-2	C-203 (2)	C-200 VESSEL
I-34610-0-8	C-204	C-200 VESSEL
I-34610-0-12	C-200 VAC	C-204
I-34610-0-17	C-200 VAC	C-200 VESSEL
I-54948-0-3	C-204	C-200 VESSEL
I-05457-0-1	S-A	SY-102 (1)
I-05457-0-2	S-A	SY-102 (2)
I-21844-0-1	S-A	SY-101 (1)
I-21844-0-2	S-A	SY-101 (2)
I-30512-0-1	S-102	S-A
I-42181-0-01	SY-101 R7	SY-A
I-49637-0-4	U-D	SY (3)
I-49637-0-5	U-D	SY (4)
I-49637-0-6	U-D	SY (5)
I-49637-0-11	U-D	SY (2)

2. Complete shipping of the following sixteen (16) HIHTLs. The Contractor shall earn \$20,000 for each of the HIHTL waste shipment in incremental fee. A total of \$320,000 of incremental fee shall be earned upon completion.

Identification Number	Location (From)	Location (To)
I-34610-0-1	C-203 (1)	C-200 VESSEL
I-34610-0-2	C-203 (2)	C-200 VESSEL
I-34610-0-8	C-204	C-200 VESSEL
I-34610-0-12	C-200 VAC	C-204
I-34610-0-17	C-200 VAC	C-200 VESSEL
I-54948-0-3	C-204	C-200 VESSEL
I-05457-0-1	S-A	SY-102 (1)
I-05457-0-2	S-A	SY-102 (2)
I-21844-0-1	S-A	SY-101 (1)
I-21844-0-2	S-A	SY-101 (2)
I-30512-0-1	S-102	S-A
I-42181-0-01	SY-101 R7	SY-A
I-49637-0-4	U-D	SY (3)
I-49637-0-5	U-D	SY (4)
I-49637-0-6	U-D	SY (5)
I-49637-0-11	U-D	SY (2)

Work scope/completion criteria for HIHTL removal: The line has been removed from the field, and packaged for shipment to the treatment vendor. The line removal and packaging will be documented by Operations acceptance of the work package. At the completion of the HIHTL removal, the Field Work Supervisor will verify all housekeeping activities related to the work having been completed. Completion of housekeeping will be signed off in the work record of the work package.

Completion Document for HIHTL removal: Letter transmitting the work package coversheet documenting completion and acceptance by Operations.

Work scope/completion criteria for shipping: The HIHTL waste package has been shipped to the waste TSD facility.

Completion Document for shipping: The waste disposal facility verification of receipt of shipment for the waste package(s).

## PBI-2.5 CLIN 2 Remove ducting and associated equipment associated with SX Farm

**Performance Fee available and assigned to this PBI: \$600,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$500,000
2	\$100,000
Total	\$600,000

### **Desired Endpoint/Outcome**

Disconnect, remove, and dispose of the ductwork in SX Tank Farm associated with the following tanks: 241-SX-107, -108, -109, -110, -111, -112, and -114.

### **Fee Bearing Milestones**

1. Remove ductwork associated with SX Exhauster system (from tanks listed above to the Exhauster Vent Station/Sludge Cooler) and package waste for disposal. The Contractor shall earn \$500,000 of incremental fee upon completion of work scope.

Work scope/completion criteria: Ductwork removed and packaged for disposal.

Completion document: Letter transmitting completed work package coversheet documenting completion and acceptance by Operations.

2. Ship waste to appropriate disposal facility based upon characterization of the waste. The Contractor shall earn \$100,000 of incremental fee upon completion of work scope.

Work scope/completion criteria: The waste packages have been shipped to the waste TSD facility.

Completion document: The waste disposal facility verification of receipt of shipment for the waste package(s).

## PBI-2.6 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-101

**Performance Fee available and assigned to this PBI: \$ 5,000,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

<b>Milestone</b>	<b>Fee Value</b>
1	\$2,000,000
2	\$1,000,000
3	\$2,000,000
Total	\$5,000,000

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

1. Complete waste retrieval system construction for Tank 241-C-101 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-101 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-101 waste retrieval system construction and the ORP FPD/COR's concurrence on the exceptions listing.

2. The Contractor shall earn \$1,000,000 of incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-101.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume.

3. Complete bulk retrieval of Tank 241-C-101. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-101. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.6.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: .Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology

## PBI-2.7 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-102

**Performance Fee available and assigned to this PBI: \$5,000,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$2,000,000
2	\$1,000,000
3	\$2,000,000
Total	\$5,000,000

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

- 1 Complete waste retrieval system construction for Tank 241-C-102 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-102 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-102 waste retrieval system construction. and the ORP FPD/COR's concurrence on the exceptions listing.

- 2 The Contractor shall earn \$1,000,000 of incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-102.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume

3. Complete bulk retrieval of Tank 241-C-102. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-102. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.7.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology.

## PBI-2.8 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-104

**Performance Fee available and assigned to this PBI: \$4,000,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$2,500,000
2	\$1,500,000
Total	\$4,000,000

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

1. Complete bulk retrieval of Tank 241-C-104. The Contractor shall earn \$2,500,000 incremental fee upon completion of bulk retrieval of Tank 241-C-104. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.8.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology

2. Complete heel retrieval of Tank 241-C-104. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-104 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and



submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

## PBI-2.9 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-105

**Performance Fee available and assigned to this PBI: \$ 5,000,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$2,000,000
2	\$1,000,000
3	\$2,000,000
Total	\$5,000,000

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

1. Complete waste retrieval system construction for Tank 241-C-105 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-105 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-105 waste retrieval system construction, and the ORP FPD/COR's concurrence on the exceptions listing.

2. The Contractor shall earn \$1,000,000 incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-105.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume,

3. Complete bulk retrieval of Tank 241-C-105. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-105. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.9.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology.

## PBI-2.10 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-107

**Performance Fee available and assigned to this PBI: \$8,250,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$1,750,000
2	\$2,000,000
3	\$1,000,000
4	\$2,000,000
5	\$1,500,000
Total	\$8,250,000

### Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### Fee Bearing Milestones

1. Complete large riser construction for Tank 241-C-107. The Contractor shall earn \$1,750,000 of incremental fee upon completion of the large riser construction on Tank 241-C-107.

Work scope/completion criteria: Complete large riser construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-107 large riser system construction, and the ORP FPD/COR's concurrence on the exceptions listing.

2. Complete waste retrieval system construction for Tank 241-C-107 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-107 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-107 waste retrieval system construction, and the ORP FPD/COR's concurrence on the exceptions listing.

3. The Contractor shall earn \$1,000,000 of incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-107.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: The submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume.

4. Complete bulk retrieval of Tank 241-C-107. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-107. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.10, Milestone 5 below will also be earned.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology.

5. Complete heel retrieval of Tank 241-C-107. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-107 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

## PBI-2.11 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-108

**Performance Fee available and assigned to this PBI: \$1,500,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)  
**Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

Complete heel retrieval of Tank 241-C-108. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-108 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

## PBI-2.12 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-109

**Performance Fee available and assigned to this PBI: \$1,500,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

Complete heel retrieval of Tank 241-C-109. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-109 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

## PBI-2.13 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-110

**Performance Fee available and assigned to this PBI: \$1,500,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### **Fee Bearing Milestones**

Complete heel retrieval of Tank 241-C-110. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-110 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.



## PBI-2.14 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-111

**Performance Fee available and assigned to this PBI: \$ 6,500,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$2,000,000
2	\$1,000,000
3	\$2,000,000
4	\$1,500,000
Total	\$6,500,000

### Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### Fee Bearing Milestones

1. Complete waste retrieval system construction for Tank 241-C-111 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-111 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-111 waste retrieval system construction and the ORP FPD/COR's concurrence on the exceptions listing.

2. The Contractor shall earn \$1,000,000 of incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-111.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume.

3. Complete bulk retrieval of Tank 241-C-111. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-111. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.14, Milestone 4 below, will also be earned.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology.

4. Complete heel retrieval of Tank 241-C-111. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-111 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

## PBI-2.15 CLIN 2 Completion of Retrieval Operations from Single-Shell Tank 241-C-112

**Performance Fee available and assigned to this PBI: \$ 6,500,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$2,000,000
2	\$1,000,000
3	\$2,000,000
4	\$1,500,000
Total	\$6,500,000

### Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

### Fee Bearing Milestones

1. Complete waste retrieval system construction for Tank 241-C-112 and turnover to operations. The Contractor shall earn \$2,000,000 of incremental fee upon completion of construction of Tank 241-C-112 and turnover to operations.

Work scope/completion criteria: Complete waste retrieval system construction. The retrieval system must be approved by an Independent Qualified Registered Professional Engineer (IQRPE) as compliant with Washington Administrative Code (WAC) 173-303-640 as part of the completion of construction. The Construction Completion Document, Section Ia, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section Ia, with exceptions listing for completion of Tank 241-C-112 waste retrieval system construction, and the ORP FPD/COR's concurrence on the exceptions listing.

2. The Contractor shall earn \$1,000,000 of incremental fee upon completing retrieval of 50% of the Waste by Volume in Tank 241-C-112.

Work scope/completion criteria: Perform waste retrieval activities to achieve 50% reduction in the initial SST waste volume. The retrieval of 50% of initial SST waste by volume shall be based on an initial volume determined from the latest BBI information or a pre-retrieval volume determination, if completed. The retrieved volume will be an estimate based on material balance calculations.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval of 50% of the initial waste volume.

4. Complete bulk retrieval of Tank 241-C-112. The Contractor shall earn \$2,000,000 incremental fee upon completion of bulk retrieval of Tank 241-C-112. In the event the initially deployed retrieval technology meets or exceeds the performance requirements of the Hanford Federal Facility Agreement then additional fee in accordance with PBI-2.15, Milestone 4 below, will also be earned.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Hanford Federal Facility Agreement or to the limits of the initially deployed waste retrieval technology.

Completion document: Submittal of material balance data and engineering calculations summary information demonstrating retrieval is complete or at the limits of the deployed technology

5. Complete heel retrieval of Tank 241-C-112. The Contractor shall earn \$1,500,000 of incremental fee upon completion of Tank 241-C-112 heel retrieval to the limits of technology.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

Completion document: The submittal to DOE of material balance data and engineering calculation summary information demonstrating retrieval is complete to the Proposed Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment requirements. If residual volume does not comply with the completion criteria, prepare and submit to DOE an impracticality evaluation in accordance with appendix B of the proposed Consent Decree and Tri-Party Agreement

## PBI-2.16 CLIN 2 Complete Ventilation Stack Extensions on POR-008 and POR-003

**Performance Fee available and assigned to this PBI: \$800,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$400,000
2	\$400,000
Total	\$800,000

### Desired Endpoint/Outcome

Completion of design, field work, and turnover of the Single-Shell Tanks POR-008 and POR-003 exhaust stack extensions.

Although tank vapor exposure levels are significantly below action levels, the stack extension projects will improve the ability of the workers to do their jobs by increasing the height of the exhaust stack to improve dispersion of tank vapors during tank waste retrieval activities.

### Fee Bearing Milestones

1. Complete tank stack extension system field installation for POR-008 and turnover to operations. The Contractor shall earn \$400,000 of incremental fee upon field completion and turnover to operations.

Work scope/completion criteria: The exhaust stack extension shall be constructed and turned over to Operations.

Completion Document: Letter transmitting the work package coversheet documenting completion and acceptance by Operation.

2. Complete tank stack extension system field installation for POR-003 and turnover to operations. The Contractor shall earn \$400,000 of incremental fee upon field completion and turnover to operations.

Work scope/completion criteria: The exhaust stack extension shall be constructed and turned over to Operations.

Completion Document: Letter transmitting the work package coversheet documenting completion and acceptance by Operation.

## PBI-2.17 CLIN 2 A/AX Farm Retrieval Acceleration

**Performance Fee available and assigned to this PBI: \$1,040,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

Milestone	Fee Value
1	\$400,000
2	\$250,000
3	\$250,000
4	\$140,000
Total	\$1,040,000

### Desired Endpoint/Outcome

Complete significant work scope towards accelerating A-Farm and AX-Farm retrieval activities.

### Fee Bearing Milestones

1. Complete portable ventilation exhauster system refurbishment and vendor acceptance testing for two exhausters. Two exhausters are targeted for use in A-Farm and AX-Farm. The Contractor shall earn \$200,000 of incremental fee for each exhauster for a total fee potential of \$400,000 upon completing refurbishment and vendor acceptance testing.

Work scope/completion criteria: The ventilation exhausters shall be refurbished, tested, and accepted prior to deployment.

Completion Document: Letter report documenting successful acceptance testing.

2. Complete design of the HIHTL, Valve Box, Diversion Box retrieval systems for both A-Farm and AX-Farm. The Contractor shall earn \$250,000 of incremental fee upon issuing design documentation.

Work scope/completion criteria: The Contractor shall complete final design of the HIHTL, Valve Box, Diversion Box retrieval systems for both A-Farm and AX-Farm.

Completion Document: A letter report submitted to ORP, demonstrating completion of final design.

3. Complete design of the A-Farm and AX-Farm infrastructure upgrades necessary for accelerating retrieval including electrical supplies, lighting upgrades, and water/utility systems. The Contractor shall earn \$250,000 of incremental fee upon issuing design documentation.

Work scope/completion criteria: The Contractor shall complete final design of the A-Farm and AX-Farm infrastructure upgrades including electrical supplies, lighting upgrades, and water/utility systems.

Completion Document: A letter report submitted to ORP, demonstrating completion of final design.

4. Complete procurement and installation of the office infrastructure for use in A-Farm and AX-Farm. The Contractor shall earn \$140,000 of incremental fee upon delivery and installation of the office infrastructure.

Work scope/completion criteria: The Contractor shall complete procurement and installation of office infrastructure for use in A-Farm and AX-Farm.

Completion Document: Letter transmitting the work package coversheet documenting completion and acceptance by Operations.

## PBI-3.1 CLIN 3 Complete Submittal of Conceptual Design Report Documentation to Support Critical Decision 1 (CD-1) for the Interim Hanford Storage Facility (IHSF)

**Performance Fee available and assigned to this PBI: \$350,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the IHSF Contractor-approved Conceptual Design Report in support of CD-1 documentation prescribed in DOE O 413.3A, Program and Project Management for the Acquisition of Capital Assets. The IHSF is a project that will provide for receipt and interim onsite storage of immobilized high-level waste (IHLW) canisters produced by the Waste Treatment Plant (WTP). Without this interim onsite canister storage capability, the WTP will not be able to process high-level waste.

### **Fee Bearing Milestones**

Submit a Contractor-approved Conceptual Design Report in support of CD-1 documentation package for IHSF to ORP. The Contractor shall earn \$350,000 incremental fee upon completion of this milestone.

Work Scope/Completion Criteria: Complete a Contractor-approved Conceptual Design Report in support of CD-1 documentation submittal package for IHSF.

Completion Document: Letter transmitting Conceptual Design Report to ORP.



## PBI-3.2 CLIN 3 Complete Submittal of Preliminary Design Documentation to Support Critical Decision 2 (CD-2) for the Interim Hanford Storage Facility (IHSF)

**Performance Fee available and assigned to this PBI: \$450,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the IHSF Preliminary Design in support of CD-2 documentation prescribed in DOE O 413.3A, Program and Project Management for the Acquisition of Capital Assets.

The IHSF is a project that will provide for receipt and interim onsite storage of immobilized high-level waste (IHLW) canisters produced by the Waste Treatment Plant (WTP). Without this interim onsite canister storage capability, the WTP will not be able to process high-level waste.

### **Fee Bearing Milestones**

Submit a Preliminary Design package in support of CD-2 documentation package for IHSF to ORP. The Contractor shall earn \$450,000 incremental fee upon completion of this milestone.

Work Scope/Completion Criteria: Complete a Preliminary Design package in support of CD-2 documentation submittal package for IHSF.

Completion Document: Letter transmitting a Preliminary Design package to ORP.

## PBI-3.3 CLIN 3 Complete Submittal of Conceptual Design Report Documentation to Support Critical Decision 1 (CD-1) for the Secondary Waste Treatment Project

**Performance Fee available and assigned to this PBI: \$ 350,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Secondary Waste Treatment project contractor approved Conceptual Design Report in support of CD-1 documentation prescribed in DOE O 413.3A, Program and Project Management for the Acquisition of Capital Assets.

The Secondary Waste Treatment project will provide the capability to receive and treat secondary liquid waste produced by the Waste Treatment Plant (WTP). Without this secondary liquid waste treatment capability, the WTP will not be able to process high-level waste.

### **Fee Bearing Milestones**

Submit a Contractor-approved Conceptual Design Report in support of CD-1 documentation package for the Secondary Waste Treatment project to ORP. The Contractor shall earn \$350,000 incremental fee upon completion of this milestone.

Work Scope/Completion Criteria: Complete a contractor approved Conceptual Design Report in support of CD-1 documentation submittal package for the Secondary Waste Treatment project.

Completion Document: Letter transmitting a Conceptual Design Report to ORP.

## PBI-3.4 CLIN 3 Complete Submittal of Preliminary Design Documentation to Support Critical Decision 2 (CD-2) for the Secondary Waste Treatment Project

**Performance Fee available and assigned to this PBI: \$ 450,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Secondary Waste Treatment Preliminary Design package in support of CD-2 documentation prescribed in DOE O 413.3A, Program and Project Management for the Acquisition of Capital Assets. The Secondary Waste Treatment project will provide the capability to receive and treat secondary liquid waste produced by the Waste Treatment Plant (WTP). Without this secondary liquid waste treatment capability, the WTP will not be able to process high-level waste.

### **Fee Bearing Milestones**

Submit a Preliminary Design package in support of CD-2 documentation package for Secondary Waste Treatment to ORP. The Contractor shall earn \$450,000 incremental fee upon completion of this milestone.

Work Scope/Completion Criteria: Complete a Preliminary Design package in support of CD-2 documentation submittal package for Secondary Waste Treatment Project.

Completion Document: Letter transmitting a Preliminary Design package to ORP.

## PBI-3.5 CLIN 3 AW-103 Feed Delivery System Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AW-103 Feed Delivery System Design documentation. The AW-103 Feed Delivery System Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AW-103 Feed Delivery System Design. The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete design documents for the AW-103 Feed Delivery System (Description Activity ID # JHA-931010). The documents will include the appropriate procurement/construction specifications, design drawings, and engineering change notices.

Completion Document: Letter transmitting the AW-103 Feed Delivery System Design to the ORP.

## PBI-3.6 CLIN 3 AZ-101 Feed Delivery System Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AZ-101 Feed Delivery System Design documentation. The AZ-101 Feed Delivery System Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AZ-101 Feed Delivery System Design. The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete design documents for the AZ-101 Feed Delivery System (Description Activity ID # JKA-111010). The documents will include the appropriate procurement/construction specifications, design drawings and engineering change notices.

Completion Document: Letter transmitting the AZ-101 Feed Delivery System Design to the ORP.

## PBI-3.7 CLIN 3 AY-102 Feed Delivery System Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AY-102 Feed Delivery System Design documentation. The AY-102 Feed Delivery System Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AY-102 Feed Delivery System Design. The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete design documents for the AY-102 Feed Delivery System (Description Activity ID # JLA-221010). The documents will include the appropriate procurement/construction specifications, design drawings, and engineering change notices.

Completion Document: Letter transmitting the AY-102 Feed Delivery System Design to the ORP.

## PBI-3.8 CLIN 3 SY-102 Feed Delivery System Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the SY-102 Feed Delivery System Design documentation. The SY-102 Feed Delivery System Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

SY-102 Feed Delivery System Design. The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete design documents for the SY-102 Feed Delivery System (Description Activity ID # JLA-221010). The documents will include the appropriate procurement/construction specifications, design drawings, and engineering change notices.

Completion Document: Letter transmitting the SY-102 Feed Delivery System Design to the ORP.

## PBI-3.9 CLIN 3 AY/AZ Ventilation System Upgrade Design

**Performance Fee available and assigned to this PBI: \$100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AY/AZ Ventilation System Design documentation. The AY/AZ Ventilation System Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AY/AZ Ventilation System Upgrade Design

The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete Design documents for the AY/AZ Ventilation System Upgrade Design. The documents will include the appropriate procurement/construction specifications, design drawings, and engineering change notices.

Completion Document: Letter transmitting the AY/AZ Ventilation System Upgrade Design to the ORP.



## PBI-3.10 CLIN 3 SY Farm Infrastructure Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the SY Farm Infrastructure Design documentation. The SY Infrastructure Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

SY Farm Infrastructure Design

The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete Design documents for the SY Farm Infrastructure Design (Description Activity ID # JLA-241010). The documents will include the appropriate procurement/construction specifications, design drawings and engineering change notices.

Completion Document: Letter transmitting the SY Farm Infrastructure Design to the ORP.

## PBI-3.11 CLIN 3 AW Farm Infrastructure Design

**Performance Fee available and assigned to this PBI: \$ 125,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AW Farm Infrastructure Design documentation. The AW Infrastructure Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AW Farm Infrastructure Design

The Contractor shall earn \$125,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete Design documents for the AW Farm Infrastructure Design (Description Activity ID # JLA-241010). The documents will include the appropriate procurement/construction specifications, design drawings and engineering change notices.

Completion Document: Letter transmitting the AW Farm Infrastructure Design to the ORP.

## PBI-3.12 CLIN 3 AP Farm Infrastructure Design

**Performance Fee available and assigned to this PBI: \$ 100,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the AP Farm Infrastructure Design documentation. The AP Infrastructure Design will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

AP Farm Infrastructure Design

The Contractor shall earn \$100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete Design documents for the AP Farm Infrastructure Design (Description Activity ID # JLA-241010). The documents will include the appropriate procurement/construction specifications, design drawings and engineering change notices.

Completion Document: Letter transmitting the AP Farm Infrastructure Design to the ORP.

## PBI-3.13 CLIN 3 Modeling and Planning to Establish RPP Technical Baseline (System Plan)

**Performance Fee available and assigned to this PBI: \$3,000,000**

**Fee Structure:** Terminal (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the annual updates of the RPP System Plan to reflect assumptions approved by the U.S. Department of Energy Office of River Protection and Hanford Tank Waste Operations Simulator modeling results. The annual updates will support waste transfers to the Waste Treatment Plant as prescribed in the RPP-40149 Integrated Waste Feed Delivery Plan to meet the mission performance expectations of the Department as stipulated within the contract.

### **Fee Bearing Milestones**

Submit annual RPP System Plan revision. The Contractor shall earn \$750,000 per submittal of incremental fee upon completion of each annual update (total of \$3,000,000 available incremental fee).

Work scope/completion criteria: Annual updates of the RPP System Plan to reflect assumptions approved by the U.S. Department of Energy Office of River Protection and Hanford Tank Waste Operations Simulator modeling results.

Completion documents: Letter transmitting Contractor-approved RPP System Plan annual update to the ORP.

## PBI-3.14 CLIN 3 Issuance of the first Tank Waste Characterization Report

**Performance Fee available and assigned to this PBI: \$ 250,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Completion of the initial release of the Tank 241-C-107 Waste Characterization Report will provide an expert engineering evaluation of the waste characteristics by combining process knowledge and available waste sample results. The short and long term strategic planning and support activities are completed in a manner that incrementally improves mission performance.

### **Fee Bearing Milestones**

1. Issuance of the first tank waste characterization report (Tank 241-C-107 Waste Characterization Report). The Contractor shall earn \$250,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete the initial release of the Tank 241-C-107 Waste Characterization Report. The Waste Characterization Report will provide an expert engineering evaluation of the waste characteristics by combining process knowledge and available waste sample results. The report (along with the BBI derivation document for the tank) will become the single-point reference for the current knowledge of waste in a tank. This report is the first of this series, so this report will set the standard for future tank characterization reports.

Completion Document: The Tank 241-C-107 Waste Characterization Report released as a WRPS technical document.

## PBI-3.15 CLIN 3 Data Quality Objective for Strategic Plan

**Performance Fee available and assigned to this PBI: \$250,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Data Quality Objectives to Support Strategic Planning. The data quality objects supports the data collection needed for strategic planning and mission analysis.

### **Fee Bearing Milestones**

1. Data Quality Objectives to Support Strategic Planning. The Contractor shall earn \$250,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete Revision 0 of the data quality objective document that supports the data collection needed for strategic planning and mission analysis.

Issues, including uncertainties and risks, associated with tank waste composition were identified during the waste treatment complex mission analysis and strategic planning process. These issues may have significant impacts on operations and efficiencies in the waste treatment complex. This document is important to ensure appropriate data (type, quantity, and quality) are collected to address the identified issues requiring existing tank waste data to evaluate and to project the future condition of the staged waste.

Completion Document: Letter transmitting completion and release of the document *Data Quality Objectives to Support Strategic Planning*.

## PBI-3.16 CLIN 3 Best Basis Database Management

**Performance Fee available and assigned to this PBI: \$800,000**

**Fee Structure:** Terminal Method (due 15 days after the end of each Quarter through September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the best basis inventory reports to support strategic planning. The data quality objects supports the data collection needed for strategic planning and mission analysis.

### **Fee Bearing Milestones**

Prepare and submit best basis inventory update reports on a quarterly basis. The Contractor shall earn \$50,000 of incremental fee upon completion of each quarterly update report (total \$800,000 available of incremental fee).

Work Scope/Completion Criteria: Complete quarterly update of the best basis inventory report.

Completion Document: Letter transmitting the best basis inventory update reports.

## PBI-3.17 CLIN 3 Waste Treatment Plant Operational Readiness Evaluation

**Performance Fee available and assigned to this PBI: \$2,000,000**

**Fee Structure:** Terminal Method (Due 15 days after the end of the Semi-Annual timeframe through September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Waste Treatment Plant Operational Readiness Evaluation reports on a semi-annual basis. The Waste Treatment Plant Operational Readiness Evaluations support the Contractor's verification of no deficiencies affecting successful operational readiness of the Waste Treatment Plant.

### **Fee Bearing Milestones**

Prepare and submit the Waste Treatment Plant Operational Readiness Evaluation reports on a semi-annual basis. The Contractor shall earn \$250,000 of incremental fee upon completion of each semi-annual update (total \$2,000,000 available of incremental fee).

Work Scope/Completion Criteria: Complete the semi-annual Waste Treatment Plant Operational Readiness Evaluation that supports the WTP mission.

Completion Document: Letter transmitting the Waste Treatment Plant Operational Readiness Evaluation report.



## PBI-3.18 CLIN 3 Complete Submittal of Documentation to Support Critical Decision 0 (CD-0) for the Supplemental Treatment Project

**Performance Fee available and assigned to this PBI: \$300,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Submit to the U.S. Department of Energy, Office of River Protection (ORP), a Justification of Mission Need (JMN) document to support the CD-0 review and approval process for the Supplemental Treatment Project. The JMN shall be written in accordance with the requirements of DOE G 413.3-17, Mission Need Statement Guide. The Supplemental Treatment Project will provide additional processing capability for low activity waste (LAW).

### **Fee Bearing Milestones**

1. Submit JMN for Supplemental Treatment Project to ORP. The Contractor shall earn \$300,000 incremental fee upon completion of this activity.

Work Scope/Completion Criteria: Complete submittal of a JMN document, written in accordance with the requirements of DOE G 413.3-17, Mission Need Statement Guide, to ORP for their use in the CD-0 review and approval process.

Completion Document: Letter transmitting the Supplemental Treatment Project Justification of Mission Need (JMN) to ORP.

## PBI-3.19 CLIN 3 Complete Submittal of Conceptual Design Report Documentation to Support Critical Decision 1 (CD-1) for the Supplemental Treatment Project

**Performance Fee available and assigned to this PBI: \$750,000**

**Fee Structure:** Straight-Line Method (September 30, 2013)

### **Desired Endpoint/Outcome**

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Supplemental Treatment Contractor-approved Conceptual Design Report in support of CD-1 documentation prescribed in DOE O 413.3A, Program and Project Management for the Acquisition of Capital Assets. The Supplemental Treatment Project will provide additional processing capability for low activity waste (LAW).

### **Fee Bearing Milestones**

Submit a Contractor-approved Conceptual Design Report in support of CD-1 documentation package for Supplemental Treatment Project to ORP. The Contractor shall earn \$750,000 incremental fee upon completion of this milestone.

Work Scope/Completion Criteria: Complete a Contractor-approved Conceptual Design Report in support of CD-1 documentation submittal package for Supplemental Treatment Project.

Completion Document: Letter transmitting Conceptual Design Report to the ORP.

## PBI-Reserved - Unallocated Base Period Fee

**Performance Fee available and assigned to this PBI: \$4,391,000**

**Fee Structure:** Method to be determined

Fee will be allocated to additional performance based incentives as the need is identified, pending the approval of the Consent Decree and TPA change package, and prior to the end of fiscal year 2012.

## PBI-7.1 CLIN 7 American Recovery and Reinvestment Act (ARRA) Program Reporting

**Performance Fee available and assigned to this PBI:** \$869,652 (5% of Available ARRA Fee Pool for FY 2010 and FY 2011)

**Fee Structure:** Terminal Method (Periodic deliverables through 9/30/2011)

### **Desired Endpoint/Outcome:**

Accurate and timely reporting of ARRA activities. Delivery of the weekly, monthly, and quarterly ARRA Program Reports.

### **Fee Payment Schedule**

The formula for applying this method is shown below:

Fee to be paid quarterly with the completion and submittal of

- Twelve (12) weekly reports,
- Six (6) monthly reports and
- Two (2) quarterly reports.

Fee calculation for each quarter payment is the FY 2010/FY 2011 ARRA Fee Pool dollars times 5% divided by eight quarters. (\$108,706 per quarter)

Fee earning per quarter is weighted as

- 20% Weekly Reports (\$21,741/12 weekly reports = \$1811.75 per report)
- 60% Monthly Reports (\$65,224/6 monthly reports = \$10,870.75 per report)
- 20% Quarterly Reports (\$21,741/2 Quarterly reports = \$10,870.50 per report)

### **Fee Bearing Milestones**

Weekly reports include:

- WRPS ARRA Weekly Performance Report submitted on Wednesday of each week, except for Thanksgiving and Christmas weeks.

Monthly reports include:

- WRPS Monthly ARRA Performance Report submitted the last Tuesday of each month.
- EM RA Status and Projected Site Headcount and Full-Time Equivalent (FTE) Information.

Quarterly reports include:

- WRPS Quarterly ARRA Performance Report submitted the last calendar day of the following month.

- Input to the federal reporting.gov website by the tenth calendar day of the month following the end of the quarter.

Work Scope/Completion Criteria: Submittal of weekly, monthly and quarterly reports to the ORP as outlined above.

Completion Document: Completion documentation will be the weekly, monthly and quarterly reports.

## PBI-7.2 CLIN 7 ARRA Key Performance Parameters

**Performance Based Incentive (PBI) Title:** Completion of Key Performance Parameters (KPP) associated with ARRA scope work for FY 2010 through FY 2011

**Performance Fee available and assigned to this PBI:** \$16,523.348

Milestone	Total
See Attachment	\$16,523,348
Total	\$16,523,348

**Fee Structure:** Terminal and Provisional Dependent

KPPs 1 through 8 are Terminal Method, with periodic deliverables through September 30, 2011, KPP 9 is Provisional Dependent, upon completion of KPPs 1 through 8

### Desired Endpoint/Outcome

ARRA funded activities and defined work packages are successfully completed within approved cost and schedule. The successful completion of each KPP.

### Fee Payment Schedule

KPP groupings are defined in the KPP American Recovery and Reinvestment Act (ARRA) Rate Schedule. The fee unit rate is defined by the Total Fee Value divided by the quantity identified in the KPP ARRA Rate Schedule. Fee calculation will be based on the completed performance measure/metric quantity(s) for that quarter multiplied by the fee unit rate. On a quarterly basis a milestone completion document for each of the performance measure/metric quantity(s) completed will be submitted for review and approval by the Office of River Protection (ORP). Fee associated with KPP 9, Waste Feed Preps and Project Closeout, cannot be earned until all other KPPs specified in the KPP ARRA Rate Schedule have been completed.

### Fee Bearing Milestones

1. Complete the KPPs identified in the attached KPP ARRA Rate Schedule and performance measure/metric quantity(s). Contractor shall earn incremental fee for each unit of work completed during the quarter.

**Work Scope/Completion Criteria:** For each performance measure/metric quantity the completion criterion is defined in the "Completion Evidence" column of the KPP ARRA Rate Schedule. When the completion criterion for a performance measure/metric quantity is completed, the PBI for that performance measure/metric quantity is complete

**Completion Document:** Submittal of Work Completion packages, as specified in the "Completion Evidence" column of the KPP ARRA Rate Schedule, and visual inspection by ORP.

**Attachment**

## KPP ARRA Rate Schedule

<b>Key Performance Parameter (KPP)</b>	<b>Completion Evidence</b>	<b>Performance Measure/Metric</b>	<b>QTY</b>	<b>Total Fee Value (1,000)</b>
1. Facility/Structure Upgrades	Upgrades installed in the field	Each facility/structure will be received/ installed/upgraded	10	\$1,565,390
2. System Upgrades	Upgrades installed in the field	Each system will be received/ installed/upgraded	21	\$3,600,408
3. Equipment/instrument upgrades/Spares	Equipment/Instruments/Upgrades/Spares are installed or received into warehouse (spares)	Each equipment upgrade will be received, refurbished or installed except spare parts will be received into warehouse	384	\$3,913,344
4. D&D	System/Component Removed	Items will be removed/demolished	47	\$1,095,899
5. System Demonstrations	Test Completion Report Issued	Individual Demonstrations are completed	6	\$2,817,696
6. SY Farm Transfer Line Replacements	New Transfer Lines installed and construction complete (SL-180, SN-280, SI-177, SN-277, SN-278, SN-279, SN 285 and SN-286)	Replace 8 transfer lines	1	\$1,200,000
7. AZ Condensate Line Installation	New Condensate Line installed and construction complete	New line Installed	1	\$699,053
8. Drawing Reconstitution	Updated drawings electronically stored in IDMS system	Drawings field walked down, open ECN incorporated, and drawings revised and checked.	2171	\$939,218
9. Waste Feed Preps and Project Closeout	Equipment, Instruments, Upgrades, Demos, Drawings and tests are complete, installed and reports/drawings issued	Installations, reports and drawing are issued	660	\$692,340
				<b>\$16,523,348</b>