

**B.3 OBLIGATION OF FUNDS**

The amount of funds obligated under this contract, in accordance with the Contract Clause entitled “Obligation of Funds,” is \$1,102,156,096.88.

**B.4 AVAILABILITY OF APPROPRIATED FUNDS**

The duties and obligation of the Government hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the Congress, which the Department of Energy may legally spend for such purposes.

**B.5 CONTRACT VALUE**

The contract value consisting of the estimated costs and negotiated fee by fiscal year (base plus option) is set forth below:

Fiscal Year	Estimated Costs	Performance Fee	Multi-Year Cost Reduction Fee	FY TOTAL
Transition Period 2/1/03 – 3/31/03	\$0	\$0	\$0	<sup>1</sup> \$0
FY 2003 (6 mos.)	\$88,436,173	\$2,742,307	\$1,000,000	*\$92,178,480
FY 2004	\$107,658,267	\$4,827,176	\$2,000,000	*\$114,485,443
FY 2005	\$97,439,730	\$4,965,611	\$2,000,000	*\$104,405,341
FY 2006	\$104,606,596	\$5,617,807	\$2,000,000	*\$112,224,403
FY 2007	\$98,791,493	\$5,256,250	\$2,000,000	*\$106,047,743
FY 2008	\$96,573,841	\$6,551,105	\$3,025,622 <sup>2</sup> \$100,000	*\$106,150,568
FY 2009	\$122,775,515	\$7,143,291	<sup>2</sup> \$200,000	**\$130,118,806
FY 2010	\$109,904,628	\$7,082,035	<sup>2</sup> \$200,000	**\$117,186,663
FY 2011	\$125,546,465	\$4,806,600	<sup>2</sup> \$200,000	**\$130,553,065
FY 2012	\$132,974,564	\$7,972,760	\$200,000	\$141,147,324
FY 2013 (6 mos.)	\$61,129,500	TBD	TBD	TBD
Total Contract Value	\$1,145,836,772	\$56,964,942	\$12,925,622	\$1,215,727,336

**B.6 ALLOWABILITY OF SUBCONTRACTOR FEE**

All fees to be paid to members of a Contractor team, including affiliates, identified in the offer must be included in the available fee payable under Clause B.2. The term affiliate is defined as, associated business concerns or individuals if, directly or indirectly (1) either one controls or can control the other; or (2) a third party controls or can control both. A “Contractor Team Arrangement”, as used in the FAR, means an arrangement in which (1) Two or more companies form a partnership or joint venture to act as a potential prime contractor; or (2) A potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program. For the purpose of this clause, this definition does not apply to the subcontractors whose contracts have been assumed, so long as the terms and conditions of those subcontracts are not altered as a result of interactions with the Offeror prior to award of this contract.

<sup>1</sup>The Transition Period costs of \$3,518 are included in the FY03 costs of \$88,436,173.

<sup>2</sup> The actual fee earned for multi-year cost reductions for the option period (2<sup>nd</sup> half of FY08 thru 1<sup>st</sup> half of FY13) will not be determined until the end of the option period.

\*Fiscal Year Total reflects actual costs, actual performance fee and multi-year cost reduction fee earned for the base contract period.

\*\*Fiscal Year Total reflects actual costs, actual performance fee earned and available multi-year cost reduction fee. (See Note 2 above regarding fee determination for multi-year cost reduction fee.)

**U. S. DEPARTMENT OF ENERGY - STRATEGIC PETROLEUM RESERVE**  
**PROPOSED FISCAL YEAR 2012 DIVERSITY CONTRACTING GOALS, Rev. 1**  
**DM Petroleum Operations Company**  
**Contract No. DE-AC96-03PO92207**

<b>DOE PRIME CONTRACTS</b>	<b>FISCAL YEAR 2010 ACTUALS</b>		<b>FISCAL YEAR 2011 PROJECTED</b>		<b>FISCAL YEAR 2012 PROPOSED GOALS</b>	
	<b>\$000</b>	<b>%</b>	<b>\$000</b>	<b>%</b>	<b>\$000</b>	<b>%</b>
Total Obligations	N/A	N/A	N/A	N/A	N/A	N/A
Small Business	N/A	N/A	N/A	N/A	N/A	N/A
Small Business Set-Aside	N/A	N/A	N/A	N/A	N/A	N/A
8(a) Contracts	N/A	N/A	N/A	N/A	N/A	N/A
Other Disadvantaged Business	N/A	N/A	N/A	N/A	N/A	N/A
Woman-owned Business	N/A	N/A	N/A	N/A	N/A	N/A
<b>M&amp;O CONTRACTS</b>						
Total Obligations	51,786	100.0	56,475	100.0	54,015	100.0
Small Business	19,428	37.52	26,204	46.4	28,087	52.0
Small Disadvantaged Business	5,371	10.37	2,824	5.0	2,700	5.0
8(a) Contracts	Included in SDB	Included in SDB	Included in SDB	Included in SDB	Included in SDB	Included in SDB
Veteran Owned Small Business	N/A	N/A	N/A	N/A		N/A
Service-Disabled Veteran Owned Small Business	650	1.26	1,694	3.0	1,620	3.0
HUBZone Small Business	3,376	6.52	1,694	3.0	1,620	3.0
Small Woman-Owned Business	4,776	9.22	2,824	5.0	2,700	5.0

Prepared By: Mary Leingang (504) 734-4419

Date: January 6, 2012 Rev. 1

<u>DOE/SPRPMO DIRECTIVES</u>	<u>Date</u>	<u>Title</u>
DOE O 130.1	09/29/95	Budget Formulation Process
DOE O 142.3A	10/14/10	Unclassified Foreign Visits and Assignments
DOE O 150.1	05/08/08	Continuity Program
DOE O 151.1C	11/02/05	Comprehensive Emergency Management System
DOE O 200.1A	12/23/08	Information Management Program
DOE O 205.1B	05/16/11	Department of Energy Cyber Security Program
DOE O 206.1	01/16/09	Department of Energy Privacy Program
DOE O 210.2A	04/08/11	DOE Corporate Operating Experience Program
DOE O 221.1A	04/19/08	Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE O 221.2A	02/25/08	Cooperation with the Office of Inspector General
DOE O 225.1B	03/04/11	Accident Investigations
DOE O 226.1B	04/25/11	Implementation of DOE Oversight Policy
DOE O 227.1	08/30/11	Independent Oversight Program
DOE O 231.1B	06/27/11	Environment, Safety and Health Reporting
DOE O 243.1	02/03/06	Records Management Program
DOE O 243.2	02/02/06	Vital Records
DOE O 251.1A	01/30/98	Directives System
DOE O 252.1A	02/23/11	Technical Standards
DOE O 350.1	09/30/96	Contractor Human Resource Management Programs
Change 001	05/08/98	
Change 002	11/22/09	
Change 003	02/23/10	
DOE O 412.1	04/20/99	Work Authorization System
DOE O 413.1B	10/28/08	Internal Control Program
DOE O 413.3B	11/29/10	Program and Project Management for the Acquisition of Capital Assets
DOE O 414.1D	04/25/11	Quality Assurance
DOE O 420.1B	12/22/05	Facility Safety
Change 1	04/19/10	
DOE O 422.1	06/29/10	Conduct of Operations
DOE O 430.1B	09/24/03	Real Property Asset Management
Change 1	02/08/08	
Change 2	04/25/11	
DOE O 436.1	05/02/11	Departmental Sustainability

DOE O 440.2C Admin Change 1	06/15/11 06/22/11	Aviation Management and Safety
DOE O 442.1A	06/06/01	Employee Concerns Program
DOE O 442.2	07/29/11	Differing Professional Opinions for Technical Issues Involving Environment, Safety and Health
DOE O 460.1C	05/14/10	Packaging and Transportation Safety
DOE O 460.2A	12/22/04	Departmental Materials Transportation and Packaging Management
DOE O 470.3B	08/12/08	Graded Security Protection Plan
DOE O 470.4B	07/21/11	Safeguards and Security Program
DOE O 471.1B	03/01/10	Identification and Protection of Unclassified Controlled Nuclear Information
DOE O 471.3 Admin Chg 1	04/09/03 01/13/11	Identifying and Protecting Official Use Only Information
DOE O 471.6	06/20/11	Information Security
<sup>1</sup> DOE O 473.3	06/27/11	Protection Program Operations
DOE O 475.1	12/10/04	Counterintelligence Program
DOE O 475.2A	02/01/11	Identifying Classified Information
DOE O 534.1B	01/06/03	Accounting
DOE O 544.1	10/12/04	Priorities and Allocations Program
DOE O 551.1C	06/24/08	Official Foreign Travel
DOE O 580.1 Change 1	12/07/05 05/08/08	Department of Energy Personal Property Management Program
DOE 1450.4	11/12/92	Consensual Listening-In to or Recording Telephone/Radio Conversations
DOE O 2340.1C	06/08/92	Coordination of General Accounting Office Activities
DOE 5639.8A	07/23/93	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities
DOE 5670.1A	01/15/92	Management and Control of Foreign Intelligence
DOE M 205.1-3	04/17/06	Telecommunications Security Manual
DOE M 231.1-2	08/19/03	Occurrence Reporting and Processing of Operations Information
DOE M 251.1-1A	01/30/98	Directives System Manual
DOE M 440.1-1A	01/09/06	DOE Explosives Manual
DOE M 441.1-1	03/07/08	Nuclear Material Packaging Manual
DOE M 450.4-1	11/01/06	Integrated Safety Management System Manual
DOE M 470.4-4A Section D	01/16/09	Technical Surveillance Countermeasures
DOE M 470.4-5	08/26/05	Personnel Security

<sup>1</sup> CRD incorporated IAW DOE Letter 11-SEOD-030 dated 10/19/11

DOE M 470.4-6	08/26/05	Nuclear Material Control and Accountability
DOE M 470.4-7	08/26/05	Safeguards and Security Program References
DOE M 471.3-1 Admin Chg 1	04/09/03 01/13/11	Manual for Identifying and Protecting Official Use Only Information
DOE M 475.1-1B	08/28/07	Manual for Identifying Classified Information
DOE N 203.1	10/02/00	Software Quality Assurance
DOE N 205.2	11/01/99	Foreign National Access to Cyber Systems
DOE N 205.3	11/23/99	Password Generation, Protection, and Use
DOE N 205.8	02/11/04	Cyber Security Requirements for Wireless Devices and Information Systems
DOE N 205.9	02/19/04	Certification and Accreditation Process for Information Systems Including National Security Systems
DOE N 205.10	02/19/04	Cyber Security Requirement for Risk Management
DOE N 205.11	02/19/04	Security Requirements for Remote Access to DOE and Applicable Contractor Information Technology Systems
DOE N 206.4	06/29/07	Personal Identity Verification
SPRPMO O 130.1B Change 1	03/14/05	Management and Operating Contractor's Annual Operating Plan Formulation and Execution
SPRPMO O 151.2B	06/06/06	Drawdown Readiness Program
SPRPMO O 200.1	12/11/00	Intranet/Internet Web Page Publishing Process
SPRPMO O 200.2	02/02/02	Information Management Council and Information Systems Planning Committee
SPRPMO O 200.3	07/12/07	Information Technology Guidance Implementation Process
SPRPMO O 206.4	09/01/10	Background Checks and Badging
SPRPMO O 210.1A	09/22/06	Milestone Control
SPRPMO O 220.1C	10/04/06	On-Site Management Appraisals
SPRPMO O 220.2D	07/15/09	Observation Reports
SPRPMO O 231.1A Change 1 Change 2	03/22/07 11/26/08 03/23/11	Occurrence Reporting and Processing System
SPRPMO O 413.3 Change 1	12/22/10 01/06/12	Crude Oil Quality and Test Criteria
SPRPMO O 414.1C	11/02/11	Quality Assurance
SPRPMO O 416.1	08/10/10	SPRPMO Petroleum Accountability
SPRPMO O 420.1C	12/15/11	Conduct of Operations Requirements for SPR Facilities
SPRPMO O 430.1B Change 1	12/14/07 12/23/08	SPRPMO Reliability, Availability and Maintainability Program
SPRPMO O 431.1	02/11/08	SPR Design Criteria

SPRPMO O 432.1B	05/13/09	SPR Facilities/Equipment Turnover and Startup Procedure
SPRPMO O 433.1B	09/27/07	Maintenance Management Program
SPRPMO O 434.1C	03/12/08	Recovery Program
SPRPMO O 440.2B	02/27/08	Aviation Implementation Plan
SPRPMO O 440.4	08/16/07	Policy on Preventing Violence in the Workplace
SPRPMO O 451.1C	01/26/07	SPRPMO National Environmental Policy Act (NEPA) Implementation Plan
SPRPMO O 471.4	06/30/04	Reporting Incidents of Security Concern
SPRPMO O 534.1	03/15/02	Financial Accounting for the SPR Crude Oil Inventory
Change 1	05/14/03	
SPRPMO M 243.1-1C	04/10/06	Records Disposition Manual
SPRPMO M 410.1-1A	11/10/03	Configuration Management Program Manual
Change 1	08/30/06	
SPRPMO M 414.1-1A	09/30/03	Quality Assurance Manual
SPRPMO M 442.1-1A	06/04/02	Employee Concerns Manual
Change 1	08/25/04	
SPRPMO M 470.4-1	07/13/07	SPRPMO Security Manual
<sup>2</sup> SPRPMO N 450.1	12/02/11	Implementation of Environmental, Safety and Health Contractor Requirements Documents
SPRPMO N 450.5B	10/04/11	SPR Environment, Security, Safety, Health, and Emergency Preparedness Goals, FY 2012

---

<sup>2</sup> *This Notice cancels SPRPMO M 450.1-1B (CRD), the Environment Interface Working Agreement dated 08/12/09 and the Safety and Health Interface Working Agreement dated 05/06/06.*

### APPENDIX G - KEY PERSONNEL

Pursuant to the clause entitled “Key Personnel,” the following positions are considered to be essential to work being performed.

<u>Title</u>	<u>Name</u>
Project Manager	Robert McGough
Executive Vice President and Assistant Project Manager for Management and Administration	Walter E. Newcomb, Ph.D.
Director, Operations and Maintenance	J. P. Martinez
Site Director – West Hackberry	Roger Marcantel
Site Director – Bayou Choctaw	Scott Landry
Site Director – Big Hill	Ronnie Johnson
Site Director – Bryan Mound	Jimmy Salinas
Director, Cavern Integrity	James (Mark) Erskine
Director, Engineering	Deborah Hojem
Director, Data Systems	Leslie Williams
Director, Technical Assurance	William Bozzo
Director, Security and Emergency Preparedness	Duane Johnson
Director, Human Resources & Development	Dione Heusel
Director, Finance/CFO	Colleen Yates
General Counsel	Vacant

**APPENDIX K**  
**DYNMCDERMOTT PETROLEUM OPERATIONS COMPANY**  
**MANAGERIAL PERSONNEL**

<u>Position</u>	<u>Employee</u>
<b><u>PROJECT MANAGER</u></b>	
	Robert McGough
<u>Direct Reports:</u>	
Assistant Project Manager, Management and Administration	Walter Newcomb
Director, Operations & Maintenance	J. P. Martinez
Director, Cavern Integrity	James (Mark) Erskine
Director, Engineering	Deborah Hojem
Director, Data Systems	Leslie Williams
Director, Technical Assurance	William Bozzo
Director, Security & Emergency Preparedness	Duane Johnson
Director, Internal Audit	William Coggin
General Counsel	Vacant
Contracts Manager	Randy J. Sutton
 <b><u>ASSISTANT PROJECT MANAGER, MANAGEMENT AND ADMINISTRATION</u></b>	
<u>Direct Reports:</u>	
Director, Finance	Colleen Yates
Director, Human Resources and Development	Dione Heusel
Director, Property and Facilities	Melvin Labat
Manager, Procurement	Mary Leingang
Manager, Project Management	Edwin Kapinus
 <b><u>OPERATIONS AND MAINTENANCE</u></b>	
<u>Direct Reports:</u>	
Manager, Maintenance & Material	Alan Mika
Manager, Operations	Darryl Rickner
 <u>Site Directors:</u>	
Bayou Choctaw	Scott Landry
Big Hill	Ronnie Johnson
Bryan Mound	Jimmy Salinas
West Hackberry	Roger Marcantel
 <b><u>CAVERN INTEGRITY</u></b>	
<u>Direct Report:</u>	
Manager, Field Workover	Johnny C. Guillory, Sr.



**ENGINEERING**

Direct Report:  
Manager, Engineering

Janet Robert

Direct Reports to Manager, Engineering:  
Manager, Subcontracts Project Manager  
Manager, Operational Systems  
Manager, Technical Services

Otto (Steve) Phillips  
Patrick Mihalik  
Brenda Daws

**DATA SYSTEMS**

Direct Reports:  
Manager, Customer and Information Systems  
Manager, Control Systems  
Manager, Cyber Security  
Manager, Business Systems & Software

Bryan Roussel  
Randal Bridges  
Chris Shipp  
John Baudouin

**TECHNICAL ASSURANCE**

Direct Reports:  
Manager, Environmental Department  
Manager, Occupational Safety & Health  
Manager, Quality Assurance  
Manager, Office of Strategy Management

David Folse  
Suzanne Broussard  
Wade Sickinger  
David Stoltz

**FINANCE**

Direct Reports:  
Manager, Cost Reporting  
Manager, Financial Services

Germaine Gross  
Michele King

**HUMAN RESOURCES & DEVELOPMENT**

Direct Report:  
Manager, Human Resources

Ginger Roques

**PROPERTY & FACILITIES**

Direct Report:  
Manager, Property

Rod Steib

**SECURITY & EMERGENCY PREPAREDNESS**

Direct Reports:  
Manager, Emergency Preparedness  
Manager, Personnel & Internal Security  
Manager, Protection & Physical Security

Timothy Thomasson  
Jeff Dugar  
Jordan Jones

**INTERNAL AUDIT**

Direct Report:

No managerial direct reports

**GENERAL COUNSEL**

Direct Reports:

Senior Project Counsel  
Senior Project Counsel

Randy Sutton  
Sophia Ryan