OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

SEP 30 2013

13-CPM-0262

Mr. Charles A. Simpson, Contracts Manager
Washington River Protection Solutions LLC
2440 Stevens Center Place
Richland, Washington 99354

Mr. Simpson:

CONTRACT NO. DE-AC27-08RV14800 – TRANSMITTAL OF CONTRACT MODIFICATION 231

The purpose of this letter is to transmit the fully-executed Contract Modification 231. This modification revises the contract price for the base contract period and updates Section J, Attachment J.4, Performance Evaluation Measurement Plan (PEMP), Attachment 2, PEMP for Fiscal Years (FY) 2010-2013, to incorporate the revised fee pool and allocate fee to performance measures that were previously on hold pending resolution of the base contract period fee pool.

As a result of this modification the contract price for FY 2013 is increased by $24,524,804 and the contract price for the base period (FY 2009-2013) is decreased by $110,750,683. Attachment 2 to this letter shows the price adjustments incorporated into this modification for FY 2013 and other recently negotiated change orders. The FY 2009-2012 price adjustment was negotiated in Contract Modification 218 but the B.4-1 table was not revised at that time, pending resolution of the FY 2013 price negotiations.

If you have any questions regarding this modification, please contact me at (509) 376-3388.

Susan E Bechtol

Susan E. Bechtol
Contracting Officer

CPM:SEB

Attachments (2)
1. Contract Modification 231
2. Table of Price Adjustments

cc w/attachs:
WRPS Correspondence

Attachment
to
13-CPM-0262

Contract Mod 231

(Total number of pages, 179)

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
	1 12

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
0231	09/30/2013		

6. ISSUED BY	CODE	7. ADMINISTERED BY *(If other than Item 6)*	CODE
Office of River Protection U.S. Department of Energy Office of River Protection P.O. Box 450 Richland WA 99352	00603	Office of River Protection U.S. Department of Energy Office of River Protection P.O. Box 450 MS: H6-60 Richland WA 99352	00603

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

WASHINGTON RIVER PROTECTION SOLUTIONS LLC
Attn: BRIAN THOMAS
C/O URS ENERGY & CONSTRUCTION, INC.
PO BOX 73 / 720 PARK BLVD
BOISE ID 837290073

CODE 806500521 FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED *(SEE ITEM 11)*

X 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-08RV14800

10B. DATED *(SEE ITEM 13)* 05/29/2008

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*
See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-2 Changes-CostReimbursement (Aug 1987)
	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.)*

The purpose of this modification is to revise the contract price (cost and fee) in the base contract period and update the performance evaluation measurement plan to reflect the change in fee.

Continued on page 2.
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)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
Charles Simpson, WRPS Contract Mgr	Susan E. Bechtol

15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
Charles Simpson *(Signature of person authorized to sign)*	9-30-13	Susan E Bechtol *(Signature of Contracting Officer)*	09/30/2013

Purpose of Modification:

The purpose of this supplemental agreement is to incorporate the following changes pursuant to the authority of Clause I.103, FAR 52-243-2, Changes-Cost Reimbursement (AUG 1987):

1. Update Section B, Table B.4-1 to incorporate the revised cost and fee for Fiscal Years (FY) 2009 through FY 2012 that was partially definitized in Modification 218 (13-CPM-0244, dated September 16th, 2013). As a result of this modification, the FY09 through FY12 contract value (cost and fee) in the Section B, Table B.4-1 is decreased by $137,067,069. The total contract value (cost and fee) for FY09 through FY12 in the Table B.4-1 is changed from $2,157,942,000 to $2,020,874,931.

2. Update Section B, Table B.4-1 to incorporate the negotiated cost and fee for FY13 Authorized Work Plan Change Proposal (WRPS-1204058 R2, dated March 27, 2013), which represents the revised FY13 contract costs through Modification 203, less the costs of the Pre-Treatment Engineering Platform (PEP) Change Order. The PEP costs for FY13 in the amount of $81,683, FY13 fee of $5,493, and total FY13 contract value of $87,176 were excluded from the cost and fee of FY13 deleted work as this scope was not impacted by the changed conditions documented in the Contractor's "reconciliation proposals". The negotiated cost of added work is $398,259,787 and fee on added work is $24,297,786. The negotiated cost of deleted work is $376,399,254 and fee on deleted work is $22,132,527. As a result of this modification, the FY13 net cost increase is $21,860,533 and the FY13 net fee increase is $2,165,259, for a total net increase in FY13 contract value (cost and fee) of $24,025,792.

3. Definitize the Change Order proposal for High Level Waste (HLW) Business Case Analysis (WRPS-1300421, dated February 5th, 2013). As a result of this definitization, the contract cost is increased by $92,153 and the fee is increased by $9,371, for a total increase in contract value of $101,524.

4. Update Section B, Table B.4-1 to incorporate the following three Change Orders that were negotiated and definitized in modification 228 (13-CPM-258, dated September 25, 2013), however the cost and fee were not added to the B.4-1 Table at that time. The following costs and fee are hereby incorporated into the revised B.4-1 Table in this modification:

    - Direct Feed High-Level Waste Business Case, Option 1 Scoping Plan (Business Case), Change Order Modification 206 (13-CPM-0104, dated April 29, 2013). This Change Order increased costs by $727,711 and fee by $50,834, for a total increase in FY13 contract value of $778,545.

    - 241-AY-102 Annulus Stacking Sampling System Inspection Plan (AY-102), Change Order Modification 212 (13-CPM-0129, dated May 13, 2013). This

Change Order increased costs by $115,000 and increases fee by $8,050, for a total increase in FY13 contract value of $123,050.

- Dome Cut for C-105, Change Order Modification 200 (13-CPM-0037, dated March 5, 2013). This change order increased costs by $1,207,336 and fee by $81,565 for a total increase in FY13 contract value of $1,288,901.

5. The current B.4-1 Table costs and fee for FY13 were developed by starting with the FY13 cost and fee from modification 203 and deleting the FY13 cost and fee of $398,618,957 from modification 195, less the costs and fee of the PEP. The deleted amount included all Contract Line Item Numbers (CLINs) except for CLIN 6.2, Legacy Pension and Benefit Plan Management, as these costs were not impacted by the FY 13 Change Proposal and therefore remain at $122,161,289. As a result of this modification, the net cost increase for FY13 is $24,002,733 and the net fee increase is $2,315,079 for a total FY13 contract value increase of $26,317,812. The following table show the added costs by Contract Line Item Number, added fee and revised Total FY13 cost and fee for Table B.4-1 resulting from this modification:

Revised Cost & Fee for FY13 Contract B-4.1 Table

		Contract Reconciliation					Additional Negotiated Scope						
		Deleted Work			Added Work	Net Change							
Contract Line Item Number (CLIN)	Current B.4-1 Contract Cost and Fee (Mod 203)	Mod 195: Proposal Scope Basis for Deleted Work	Excluding Unchanged Work (PEP, Mod 163)	FY13 Total Cost of Deleted Work	FY13 Recon Added Cost and Fee	Net Change FY13 Recon (Added + Deleted)	HLW Business Case Analysis	C-105 Dome Cut (Mod 228)	DF HLW Option 1 Scoping Plan (Mod 228)	AY-102 Annulus Upgrade (Mod 228)	Subtotal Other Definitized Costs	TOTAL FY13 Adjustments for B.4-1 Table	Final B.4-1 Contract Cost and Fee (Mod 231)
CLIN 1.2.1 Base Operations Direct Costs	$153,567,088	($153,005,910)	$0	($153,005,910)	$170,495,430	$17,489,520	$0	$0	$582,588	$98,695	$681,283	$18,170,803	$171,737,891
CLIN 1.2.2 Base Operations Indirect Costs	$779,919	($660,025)	$10,654	($649,371)	$44,192,721	$43,543,350	$10,969	$83,411	$95,194	$13,474	$203,048	$43,746,398	$44,526,317
CLIN 1.3 Analytical Lab Support	$18,233,944	($18,233,944)	$0	($18,233,944)	$23,312,148	$5,078,204	$0	$0	$0	$0	$0	$5,078,204	$23,312,148
CLIN 2.1 Single Shell Tank Retrieval	$67,012,177	($67,012,177)	$0	($67,012,177)	$94,423,068	$27,410,891	$0	$1,116,080	$0	$0	$1,116,080	$28,526,971	$95,539,148
CLIN 2.2 Single Shell Tank Farm Closure	$19,338,503	($19,338,503)	$0	($19,338,503)	$512,554	($18,825,949)	$0	$0	$0	$0	$0	($18,825,949)	$512,554
CLIN 3.1 Treatment Planning, Waste Feed Delivery, and WTP Transition	$26,164,800	($25,952,156)	$0	($25,952,156)	$29,108,025	$3,155,869	$73,865	$0	$0	$0	$73,865	$3,229,734	$29,394,534
CLIN 3.2 WTP Operational Readiness	$3,454,680	($3,454,680)	$70,936	($3,383,744)	$1,555,917	($1,827,827)	$0	$0	$0	$0	$0	($1,827,827)	$1,626,854
CLIN 3.3 Imobilized High-Level Waste (IHLW) Storage & Shipping Facility Construction	$1,375,536	($1,375,536)	$0	($1,375,536)	$309,604	($1,065,932)	$0	$0	$0	$0	$0	($1,065,932)	$309,605
CLIN 3.4 Upgrade and Operate the Effluent Treatment Facility	$9,534,994	($9,534,994)	$0	($9,534,994)	$39,542	($9,495,452)	$0	$0	$0	$0	$0	($9,495,452)	$39,542
CLIN 4.1 Demonstration Bulk Vitrification System (DBVS) Construction & Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 4.2 Extended DBVS Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 4.3 Supplemental Treatment Design	$2,210,427	($2,210,427)	$0	($2,210,427)	$7,623,434	$5,413,007	$0	$0	$0	$0	$0	$5,413,007	$7,623,434
CLIN 4.4 Supplemental treatment Construction & Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 4.5 Transuranic Tank Waste Treatment & Packaging	$10,221,713	($10,221,713)	$0	($10,221,713)	$0	($10,221,713)	$0	$0	$0	$0	$0	($10,221,713)	($0)
CLIN 5.1 Tank Selection, Retrieval, Pretreatment & Feed Delivery Design	$2,648,461	($2,648,461)	$0	($2,648,461)	$0	($2,648,461)	$0	$0	$0	$0	$0	($2,648,461)	$0
CLIN 5.2 Retrieval, Pretreatment and Feed Delivery Construction & Design	$35,379,355	($35,379,355)	$0	($35,379,355)	$0	($35,379,355)	$0	$0	$0	$0	$0	($35,379,355)	$0
CLIN 5.3 (Reserved - Moved and renamed CLIN 3.4)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 5.4 LAW/BOF/LAB Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 6.1 Hanford Employee Retirement & Benefit Plan Management	$27,522,962	($27,453,056)	$93	($27,452,963)	$26,687,342	($765,621)	$7,319	$7,845	$49,929	$2,831	$67,924	($697,697)	$26,825,265
CLIN 6.2 Legacy Pension & Benefit Plan Management	$122,161,289	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$122,161,289
Subtotal Costs	**$499,605,848**	**($376,480,937)**	**$81,683**	**($376,399,254)**	**$398,259,787**	**$21,860,533**	**$92,153**	**$1,207,336**	**$727,711**	**$115,000**	**$2,142,200**	**$24,002,733**	**$523,608,581**
Subtotal Fee	**$22,209,725**	**($22,138,020)**	**$5,493**	**($22,132,527)**	**$24,297,786**	**$2,165,259**	**$9,371**	**$81,565**	**$50,834**	**$8,050**	**$149,820**	**$2,315,079**	**$24,524,804**
Sub-Total Price	**$521,815,573**	**($398,618,957)**	**$87,176**	**($398,531,781)**	**$422,557,573**	**$24,025,792**	**$101,524**	**$1,288,901**	**$778,545**	**$123,050**	**$2,292,020**	**$26,317,812**	**$548,133,385**
CLIN 7.1 ARRA	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 7.2 ARRA	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 7.3 ARRA	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 7.4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 7.5 ARRA	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CLIN 7.6 ARRA	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub-Total ARRA Costs	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	$0	**$0**
ARRA Fee	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	$0	**$0**
Total ARRA PRICE	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	$0	**$0**
Total FY13 Contract Cost	**$499,605,848**	**($376,480,937)**	**$81,683**	**($376,399,254)**	**$398,259,787**	**$21,860,533**	**$92,153**	**$1,207,336**	**$727,711**	**$115,000**	**$2,142,200**	**$24,002,733**	**$523,608,581**
Total FY13 Fee	**$22,209,725**	**($22,138,020)**	**$5,493**	**($22,132,527)**	**$24,297,786**	**$2,165,259**	**$9,371**	**$81,565**	**$50,834**	**$8,050**	**$149,820**	**$2,315,079**	**$24,524,804**
Total FY13 Contract Price	**$521,815,573**	**($398,618,957)**	**$87,176**	**($398,531,781)**	**$422,557,573**	**$24,025,792**	**$101,524**	**$1,288,901**	**$778,545**	**$123,050**	**$2,292,020**	**$26,317,812**	**$548,133,385**

6. Update Section B, Table B.4-1, Contract Cost and Contract Fee, to incorporate the revised FY09 through FY12 cost and fee from modification 218 (13-CPM-0244, dated September 16, 2013) and the revised FY13 cost and fee resulting from this modification (shown in the table above). As a result of this modification, the total Base Period contract cost is changed from $2,553,532,000 to $ 2,444,491,622 the fee is changed from $126,227,000 to $124,516,694 and the total base period price is changed from$2,679,759,000 to $2,569,008,317. The total contract value, including options, is changed from $5,665,593,000 to $5,554,843,370. The change is as shown in the following two (from and to) tables. Please note that the sum of all changes do not add exactly due to rounding. The previous B.4-1 Table was stated in thousands, and this modification extends the dollars to whole numbers. The difference is less than $1,000 on the total estimated contract price and both parties agree to the numbers in the revised B.4-1 Table in this modification.

FROM:

CLIN	Sub-CLIN	Auth	Transition	Base Period						Option Period 1				Option Period 2			Contract
			FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals	FY 2014	FY 2015	FY 2016	Totals	FY 2017	FY 2018	Totals	Totals
CLIN 1 Base Operations	1.1[1]	A	5,494	0	0	0	0	0	0	0	0	0	0	0	0	0	5,494
	1.2.1	A	0	136,911	131,899	142,216	143,854	153,567	708,447	145,843	103,837	140,981	390,661	174,198	166,046	340,244	1,439,352
	1.2.2	A	0	0	11	6	2,510	780	3,307	321	152	31	504	32	32	64	3,875
	1.3	A	0	14,398	14,649	16,974	17,775	18,234	82,030	18,203	18,608	15,885	52,696	13,840	14,891	28,731	163,457
CLIN 2 SST Retrv. & Closure	2.1	A	0	39,669	28,153	42,729	57,276	67,012	234,839	53,841	62,477	73,999	190,317	69,945	43,603	113,548	538,704
	2.2	A	0	12,070	14,246	22,238	27,879	19,339	95,772	14,874	15,408	8,334	38,616	4,298	2,872	7,170	141,558
CLIN 3 WTP Support	3.1	A	0	9,725	16,257	24,005	29,459	26,166	105,612	25,735	18,947	20,424	65,106	10,878	5,001	15,879	186,597
	3.2	A	0	3,085	3,154	3,255	4,864	3,455	17,813	3,535	3,333	3,421	10,289	3,472	3,542	7,014	35,116
	3.3	A	0	931	0	832	4,277	1,376	7,416	3,727	17,945	35,567	57,239	25,277	19,708	44,985	109,640
	3.4	A	0	160	543	3,394	9,593	9,535	23,225	0	0	0	0	0	0	0	23,225
CLIN 4 Supplemental Treatment	4.1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4.2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4.3	A	0	0	2,500	3,677	2,158	2,210	10,545	2,271	2,332	2,394	6,997	2,460	2,529	4,989	22,531
	4.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4.5		0	9,590	5,759	17,101	9,923	10,222	52,595	3,496	3,015	0	6,511	0	0	0	59,106
CLIN 5 Early Feed & Operation of the WTP LAW	5.1		0	34,118	6,848	2,674	1,973	2,648	48,261	436	0	0	436	0	0	0	48,697
	5.2		0	0	34,417	49,008	43,452	35,379	162,256	10,092	21,416	21,908	53,416	22,412	22,928	45,340	261,012
	5.3		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	5.4		0	0	0	0	0	0	0	90,880	124,209	127,237	342,326	131,281	134,315	265,596	607,922
CLIN 6 Pension & Welfare Plans	6.1	A	0	20,036	21,877	23,951	26,162	27,523	119,549	30,095	32,920	36,035	99,050	39,566	43,484	83,050	301,649
	6.2	A	0	100,827	113,582	117,716	126,066	122,161	580,352	123,155	118,010	113,995	355,160	109,913	106,517	216,430	1,151,942
Base Contract Sub-Totals	Contract Cost		5,494	381,520	393,895	469,776	507,221	499,607	2,252,019	526,504	542,609	600,211	1,669,324	607,572	565,468	1,173,040	5,099,877
	Available Fee[1]		0	11,565	21,188	21,608	27,314	22,210	103,885	TBD	TBD	TBD	80,574	TBD	TBD	57,238	241,697
	Contract Price		5,494	393,085	415,083	491,384	534,535	521,817	2,355,904	TBD	TBD	TBD	1,749,898	TBD	TBD	1,230,278	5,341,574
CLIN 7 American Recovery and Reinvestment Act (ARRA)	7.1	A	0	29,362	89,029	63,680	0	0	182,071	0	0	0	0	0	0	0	182,071
	7.2	A	0	2,661	17,260	11,791	0	0	31,712	0	0	0	0	0	0	0	31,712
	7.3	A	0	5,756	26,731	26,448	0	0	58,935	0	0	0	0	0	0	0	58,935
	7.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	7.5	A	0	539	6,943	3,268	0	0	10,750	0	0	0	0	0	0	0	10,750
	7.6	A	0	0	10,832	7,213	0	0	18,045	0	0	0	0	0	0	0	18,045
ARRA Sub-Totals	Contract Cost		0	38,318	150,795	112,400	0	0	301,513	0	0	0	0	0	0	0	301,513
	Available Fee		0	2,853	11,180	8,309	0	0	22,342	0	0	0	0	0	0	0	22,342
	Contract Price		0	41,171	161,975	120,709	0	0	323,855	0	0	0	0	0	0	0	323,855
Contract Totals	Contract Cost		5,494	419,838	544,690	582,176	507,221	499,607	2,553,532	526,504	542,609	600,211	1,669,324	607,572	565,468	1,173,040	5,401,390
	Available Fee[1]		0	14,418	32,368	29,917	27,314	22,210	126,227	TBD	TBD	TBD	80,714	TBD	TBD	57,262	264,203
	Contract Price		5,494	434,256	577,058	612,093	534,535	521,817	2,679,759	TBD	TBD	TBD	1,750,038	TBD	TBD	1,230,302	5,665,593

TO:

Table B.4-1 Contract Cost and Contract Fee

CLIN	Sub-CLIN	Auth	Transition	Base Period							Option Period 1				Option Period 2			Contract Totals
			FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals	FY 2014	FY 2015	FY 2016	Totals	FY 2017	FY 2018	Totals	Totals
	1.1[1]	A	5,494,000	0	0	0	0	0	0	0	0	0	0	0	0	0	5,494,000
CLIN 1	1.2.1	A	0	108,317,537	130,557,912	139,669,524	138,592,209	171,737,891	688,875,073	145,843,077	103,836,722	140,981,180	390,660,978	174,198,362	166,046,233	340,244,594	1,419,780,645
Base Operations	1.2.2	A	0	29,509,468	33,281,799	30,647,681	44,176,825	44,526,317	182,142,090	320,864	152,074	31,036	503,974	31,892	32,766	64,658	182,710,722
	1.3	A	0	18,551,276	19,732,180	22,296,216	23,131,428	23,312,148	107,023,247	18,202,754	18,607,606	15,885,158	52,695,517	13,839,905	14,891,495	28,731,400	188,450,165
CLIN 2 SST	2.1	A	0	57,403,068	72,752,511	75,625,974	84,296,755	95,539,148	385,617,456	53,841,190	62,477,239	73,999,172	190,317,600	69,944,891	43,603,204	113,548,096	689,483,152
Retrv. & Closure	2.2	A	0	1,385,657	2,367,273	3,266,018	381,496	512,554	7,912,998	14,874,124	15,407,964	8,334,234	38,616,322	4,298,041	2,872,326	7,170,368	53,699,687
CLIN 3	3.1	A	0	7,973,682	17,498,036	20,512,679	36,090,531	29,394,534	111,469,462	25,735,357	18,946,675	20,424,114	65,106,146	10,877,864	5,000,841	15,878,705	192,454,313
WTP	3.2	A	0	926,406	3,845,905	2,538,026	3,272,674	1,626,854	12,209,864	3,534,590	3,333,380	3,421,243	10,289,213	3,472,296	3,541,720	7,014,017	29,513,093
Support	3.3	A	0	829,600	3,462,842	2,535,361	3,317,522	309,605	10,454,929	3,726,696	17,944,711	35,567,379	57,238,786	25,277,092	19,707,952	44,985,044	112,678,759
	3.4	A	0	158,274	544,884	1,787,451	4,212,966	39,542	6,743,117	0	900	172	1,072	-791	0	-791	6,743,399
	4.1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CLIN 4	4.2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplemental	4.3	A	0	0	2,798,664	8,547,404	976,925	7,623,434	19,946,427	2,270,595	2,331,570	2,394,070	6,996,235	2,460,390	2,528,522	4,988,912	31,931,575
Treatment	4.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4.5		0	2,412	0	0	110,034	0	112,446	3,495,793	3,014,843	0	6,510,636	0	0	0	6,623,082
CLIN 5	5.1		0	0	0	0	0	0	0	436,421	0	0	436,421	0	0	0	436,421
Early Feed &	5.2		0	0	0	0	0	0	0	10,091,952	21,415,631	21,908,190	53,415,773	22,412,079	22,927,556	45,339,635	98,755,408
Operation of	5.3		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
the WTP LAW	5.4		0	0	0	0	0	0	0	90,880,145	124,209,467	127,237,449	342,327,061	131,280,594	134,314,585	265,595,179	607,922,240
CLIN 6 Pension	6.1	A	0	14,203,459	19,021,014	16,942,123	23,321,065	26,825,265	100,312,924	30,095,147	32,920,745	36,034,347	99,050,240	39,565,743	43,484,374	83,050,116	282,413,280
& Welfare Plans	6.2	A	0	71,526,845	146,785,096	90,633,410	79,044,602	122,161,289	510,151,241	123,154,662	118,009,763	113,994,558	355,158,983	109,913,485	106,516,696	216,430,181	1,081,740,405
Base	Contract Cost		5,494,000	310,787,683	452,648,115	415,001,865	440,925,030	523,608,581	2,142,971,275	526,503,367	542,609,289	600,212,300	1,669,324,956	607,571,844	565,468,270	1,173,040,114	4,990,830,345
Contract	Available Fee[1]		0	14,902,548	21,704,882	19,899,711	21,142,750	24,524,804	102,174,694	TBD	TBD	TBD	80,714,592	TBD	TBD	57,261,392	240,150,678
Sub-Totals	Contract Price		5,494,000	325,690,231	474,352,998	434,901,576	462,067,780	548,133,385	2,245,145,970	TBD	TBD	TBD	1,750,039,548	TBD	TBD	1,230,301,505	5,230,981,023
CLIN 7	7.1	A	0	18,542,771	82,696,778	87,820,906	0	0	189,060,455	0	0	0	0	0	0	0	189,060,455
American	7.2	A	0	2,444,642	15,043,442	17,382,721	0	0	34,870,804	0	0	0	0	0	0	0	34,870,804
Recovery and	7.3	A	0	3,599,231	20,087,000	26,950,992	0	0	50,637,222	0	0	0	0	0	0	0	50,637,222
Reinvestment	7.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Act (ARRA)	7.5	A	0	820,051	2,960,284	4,272,691	0	0	8,053,026	0	0	0	0	0	0	0	8,053,026
	7.6	A	0	0	8,620,572	10,278,267	0	0	18,898,839	0	0	0	0	0	0	0	18,898,839
ARRA	Contract Cost		0	25,406,695	129,408,075	146,705,577	0	0	301,520,347	0	0	0	0	0	0	0	301,520,347
Sub-Totals	Available Fee		0	2,853,000	11,180,000	8,309,000	0	0	22,342,000	0	0	0	0	0	0	0	22,342,000
	Contract Price		0	28,259,695	140,588,075	155,014,577	0	0	323,862,347	0	0	0	0	0	0	0	323,862,347
Contract	Contract Cost		5,494,000	336,194,379	582,056,190	561,707,442	440,925,030	523,608,581	2,444,491,622	526,503,367	542,609,289	600,212,300	1,669,324,956	607,571,844	565,468,270	1,173,040,114	5,292,350,692
Totals	Available Fee[1]		0	17,755,548	32,884,882	28,208,711	21,142,750	24,524,804	124,516,694	TBD	TBD	TBD	80,714,592	TBD	TBD	57,261,392	262,492,678
	Contract Price		5,494,000	353,949,926	614,941,072	589,916,153	462,067,780	548,133,385	2,569,008,317	TBD	TBD	TBD	1,750,039,548	TBD	TBD	1,230,301,505	5,554,843,370

7. Update Section B, to remove Table B.4-1a, Authorized Available Base Fee to Date. The change is as follows:

FROM:

Table B.4-1a Authorized Available Base Fee to Date ($000)

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals
Available Fee for Auth.Sub-CLINs	8,287	17,661	16,448	23,176	27,591	**93,164**

NOTE: *Fee amounts negotiated after contract award may not be available to be earned in the annual performance period the costs and fee were negotiated. However, additional fee negotiated is put in the unallocated fee pool and is available to be earned in the future. Refer to Section J.4, Performance Evaluation Measurement Plan for details on allocation of fee pool to contract performance measures.*

TO:

NOTE: *Fee amounts negotiated after contract award may not be available to be earned in the annual performance period the costs and fee were negotiated. However, additional fee negotiated is put in the unallocated fee pool and is available to be earned in the future. Refer to Section J.4, Performance Evaluation Measurement Plan for details on allocation of fee pool to contract performance measures.*

8. Replace Section J. Attachment J.4, Performance Evaluation Measurement Plan (PEMP), Attachment J.2, Performance Measures for Base Contract Period, Effective: FY10 – FY13, in its entirety to incorporate the following Performance Based Incentives (PBI) changes:

Deletions:

PBI-1.1.4	242-A Evaporator Campaign (Hold) - $800,000.00
PBI-1.1.3	242-A Evaporator Campaign - $800,000.00
PBI-1.3.4.13	AN-103 UT Support (Hold) - $75,000.00
PBI-2.9.1	Complete Retrieval System Construction – C-105 (Hold) - $2,000,000.00
PBI-2.10.5	C-107 Complete Heel Retrieval - $1,500,000.00
PBI-1.3.5.213	One Additional Pit Coating Inspection (Hold) - $10,000.00
PBI-1.11.1	Obtain Side Wall Core – A-106 – (Hold) - $500,000.00

PBI-1.10.2 AY-102 Recovery Actions - $600,000.00

As a result of these deletions totaling $6,285,000, the available fee pool is increased by $2,900,000.00 for the active PBIs being deleted.

Released from On Hold Status:

PBI-1.3.5.142 Pit Coating - $10,000.00

PBI-1.3.5.211-212 2 Additional Pit Coating Inspections -$20,000.00

PBI-1.3.6 Complete 12 SST Video Assessments - $300,000.00

PBI-1.10.1.2 AY-102 Recovery Actions – annulus video inspection - $100,000.00

PBI-1.14.1 Perform SST Leak Inventory Assessment of T & TX Farms - $70,000.00

PBI-2.1.14 Perform Electrical Resistivity Measurements - $150,000.00

PBI-2.1.15 Perform Electrical Resistivity Measurements of 241-U Farm - $350,000.00

PBI-2.1.16 Perform Vadose Zone Direct Push Characterization in 241-TX Farm- $400,000.00

PBI-2.1.17 Perform Field Preparation for Desiccation/contaminant Removal-241-SX Tank Farm - $300,000.00

PBI-3.16.16 Prepare and Submit Best Basis Inventory updates – 4th FY2013- $50,000.00

PBI-3.26.2 Issue results –Tank Farm Performance Testing Report - $700,000.00

As a result of these releases, the fee pool is decreased by $2,450,000.00.

9. $5,000,000.00 is allocated to FY13 Award Fee Plan PM04. In addition, all remaining available fee for the Base Period in the amount of $2,994, 699.00 has been applied to the FY2013 Award Fee Plan PM04, for a total of $7,994,699.00.

10. Update Section J, Attachment J.4, PEMP, to update Table of Contents Pages J.4.2-2, J.4.2-3, and J.4-2-4.

11. Update Section J. Attachment J.4, PEMP, Page J.4.2-1, to add Revision 23 of the PEMP as a result of this modification.

12. Update Section J, Attachment J.4, PEMP, to revise the PBI-Reserved-Unallocated Base Period Fee to reflect the PBI changes. The change is as follows:

FROM:

PBI-Reserved – Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is **$12,531,479**. The Total Available Unallocated Base Period Fee value is $0. The Total Unavailable Unallocated Base Period Fee value is **$12,531,479**. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee: **$0 (Mod 208)**

Available Unallocated ARRA Fee: **$ 0**

Total Available Unallocated Fee: **$0 (Mod 208)**

TO:

PBI-Reserved – Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is **$0**. The Total Available Unallocated Base Period Fee value is $0. The Total Unavailable Unallocated Base Period Fee value is **$0**. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee: **$0 (Mod 231)**

Available Unallocated ARRA Fee: **$ 0**

Total Available Unallocated Fee: **$0 (Mod 231)**

13. This modification excludes any adjustments to the PEMP that may result from project funding fluctuations or similar factors.

14. Attached to this modification are replacement pages for the following section:

- Section B, Pages B-6 and B-7
- Section J, Attachment J.4, Attachment 2 in its entirety

15. **Contractor's Statement of Release**- In consideration of the modifications agreed to herein as complete equitable adjustments for the incorporation of the FY13 Authorized Work Plan Change (WRPS-1204058 R2, dated March 27th, 2013) and the High Level Waste (HLW) Business Case Analysis (WRPS-1300421, dated February 5, 2013) "proposals for adjustment," the Contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such facts or circumstances giving rise to these "proposals for adjustment."

    NOTE: The Contractor's Statement of Release for the following change proposals can be found in the definitization modifications listed below:

    - Fiscal Year (FY) 2009 through FY 2012 Change Proposal, Modification 218 (13-CPM-0244, dated September 16, 2013).
    - Pre-Treatment Engineering Platform, Modification 163 (12-CPM-0002, dated April 9, 2012).
    - Chronic Beryllium Disease Prevention Program (CBDPP) Corrective Action Plan (CAP), Modification 203 (13-CPM-0082, dated March 28, 2013).
    - Low Activity Waste (LAW) Business Case Analysis, Modification 203 (13-CPM-0082, dated March 28, 2013).
    - C-105 Large Riser Alternative Dome Cutting Technology Testing, Modification 228 (13-CPM-258, dated September 25, 2013).
    - Direct Feed High-Level Waste Business Case, Option 1 Scoping Plan (Business Case), Modification 228 (13-CPM-258, dated September 25, 2013).
    - 241-AY-102 Annulus Stacking Sampling System Inspection Plan (AY-102), Modification 228 (13-CPM-258, dated September 25, 2013).

16. This modification also incorporates a change to Section B, Clause B.4 Contract Cost and Contract Fee, paragraph (i) that was previously agreed upon in Contract Modification 218, but not incorporated into Section B at that time.

17. All other terms and conditions remain unchanged.

18. Attached to this modification are replacement pages for contract Section B and Section J, Attachment J.4, Attachment 2. Both sections are replaced in their entirety.

PART I – THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

TABLE OF CONTENTS

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 $2,558,502,670.24 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, $323,855,000.00 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 $2,234,647,670.24 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 cumul*ative Contract Cost for all Con*tract 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 by the Contracting Officer 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

CLIN	Sub-CLIN	Auth	Transition	Base Period							Option Period 1				Option Period 2			Contract Totals
			FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Totals	FY 2014	FY 2015	FY 2016	Totals	FY 2017	FY 2018	Totals	Totals
	1.1[1]	A	5,494,000	0	0	0	0	0	0	0	0	0	0	0	0	0	5,494,000
CLIN 1	1.2.1	A	0	108,317,537	130,557,912	139,669,524	138,592,209	171,737,891	688,875,073	145,843,077	103,836,722	140,981,180	390,660,978	174,198,362	166,046,233	340,244,594	1,419,780,646
Base Operations	1.2.2	A	0	29,509,468	33,281,799	30,647,681	44,176,825	44,526,317	182,142,090	320,864	152,074	31,036	503,974	31,892	32,766	64,658	182,710,722
	1.3	A	0	18,551,276	19,732,180	22,296,216	23,131,428	23,312,148	107,023,247	18,202,754	18,607,606	15,885,158	52,695,517	13,839,905	14,891,495	28,731,400	188,450,165
CLIN 2 SST	2.1	A	0	57,403,068	72,752,511	75,625,974	84,296,755	95,539,148	385,617,456	53,841,190	62,477,239	73,999,172	190,317,600	69,944,891	43,603,204	113,548,096	689,483,152
Retrv. & Closure	2.2	A	0	1,385,657	2,367,273	3,266,018	381,496	512,554	7,912,998	14,874,124	15,407,964	8,334,234	38,616,322	4,298,041	2,872,326	7,170,368	53,699,687
CLIN 3	3.1	A	0	7,973,682	17,498,036	20,512,679	36,090,531	29,394,534	111,469,462	25,735,357	18,946,675	20,424,114	65,106,146	10,877,864	5,000,841	15,878,705	192,454,313
WTP	3.2	A	0	926,406	3,845,905	2,538,026	3,272,674	1,626,854	12,209,864	3,534,590	3,333,380	3,421,243	10,289,213	3,472,296	3,541,720	7,014,017	29,513,093
Support	3.3	A	0	829,600	3,462,842	2,535,361	3,317,522	309,605	10,454,929	3,726,696	17,944,711	35,567,379	57,238,786	25,277,092	19,707,952	44,985,044	112,678,759
	3.4	A	0	158,274	544,884	1,787,451	4,212,966	39,542	6,743,117	0	900	172	1,072	-791	0	-791	6,743,399
	4.1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CLIN 4	4.2		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplemental	4.3	A	0	0	2,798,664	8,547,404	976,925	7,623,434	19,946,427	2,270,595	2,331,570	2,394,070	6,996,235	2,460,390	2,528,522	4,988,912	31,931,575
Treatment	4.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4.5		0	2,412	0	0	110,034	0	112,446	3,495,793	3,014,843	0	6,510,636	0	0	0	6,623,082
CLIN 5	5.1		0	0	0	0	0	0	0	436,421	0	0	436,421	0	0	0	436,421
Early Feed &	5.2		0	0	0	0	0	0	0	10,091,952	21,415,631	21,908,190	53,415,773	22,412,079	22,927,556	45,339,635	98,755,408
Operation of	5.3		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
the WTP LAW	5.4		0	0	0	0	0	0	0	90,880,145	124,209,467	127,237,449	342,327,061	131,280,594	134,314,585	265,595,179	607,922,240
CLIN 6 Pension	6.1	A	0	14,203,459	19,021,014	16,942,123	23,321,065	26,825,265	100,312,924	30,095,147	32,920,745	36,034,347	99,050,240	39,565,743	43,484,374	83,050,116	282,413,280
& Welfare Plans	6.2	A	0	71,526,845	146,785,096	90,633,410	79,044,602	122,161,289	510,151,241	123,154,662	118,009,763	113,994,558	355,158,983	109,913,485	106,516,696	216,430,181	1,081,740,405
Base	Contract Cost		5,494,000	310,787,683	452,648,115	415,001,865	440,925,030	523,608,581	2,142,971,275	526,503,367	542,609,289	600,212,300	1,669,324,956	607,571,844	565,468,270	1,173,040,114	4,990,830,345
Contract	Available Fee[1]		0	14,902,548	21,704,882	19,899,711	21,142,750	24,524,804	102,174,694	TBD	TBD	TBD	80,714,592	TBD	TBD	57,261,392	240,150,678
Sub-Totals	Contract Price		5,494,000	325,690,231	474,352,998	434,901,576	462,067,780	548,133,385	2,245,145,970	TBD	TBD	TBD	1,750,039,548	TBD	TBD	1,230,301,505	5,230,981,023
CLIN 7	7.1	A	0	18,542,771	82,696,778	87,820,906	0	0	189,060,455	0	0	0	0	0	0	0	189,060,455
American	7.2	A	0	2,444,642	15,043,442	17,382,721	0	0	34,870,804	0	0	0	0	0	0	0	34,870,804
Recovery and	7.3	A	0	3,599,231	20,087,000	26,950,992	0	0	50,637,222	0	0	0	0	0	0	0	50,637,222
Reinvestment	7.4	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Act (ARRA)	7.5	A	0	820,051	2,960,284	4,272,691	0	0	8,053,026	0	0	0	0	0	0	0	8,053,026
	7.6	A	0	0	8,620,572	10,278,267	0	0	18,898,839	0	0	0	0	0	0	0	18,898,839
ARRA	Contract Cost		0	25,406,695	129,408,075	146,705,577	0	0	301,520,347	0	0	0	0	0	0	0	301,520,347
Sub-Totals	Available Fee		0	2,853,000	11,180,000	8,309,000	0	0	22,342,000	0	0	0	0	0	0	0	22,342,000
	Contract Price		0	28,259,695	140,588,075	155,014,577	0	0	323,862,347	0	0	0	0	0	0	0	323,862,347
Contract	Contract Cost		5,494,000	336,194,379	582,056,190	561,707,442	440,925,030	523,608,581	2,444,491,622	526,503,367	542,609,289	600,212,300	1,669,324,956	607,571,844	565,468,270	1,173,040,114	5,292,350,692
Totals	Available Fee[1]		0	17,755,548	32,884,882	28,208,711	21,142,750	24,524,804	124,516,694	TBD	TBD	TBD	80,714,592	TBD	TBD	57,261,392	262,492,678
	Contract Price		5,494,000	353,949,926	614,941,072	589,916,153	462,067,780	548,133,385	2,569,008,317	TBD	TBD	TBD	1,750,039,548	TBD	TBD	1,230,301,505	5,554,843,370

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)[4].

(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*;

(6) Section E Clause entitled, *FAR 52.246-5, Inspection of Services – Cost Reimbursement*;

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

(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 3rd year of Contract performance;

(2) Two year period concluding at the end of the 5th 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 7th 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.

ATTACHMENT J.4, ATTACHMENT 2

PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)

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

Rev 8

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 measures).

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 of 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 P*rovisional 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 manage 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[1]	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
CLIN 1 – Base Operations			
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	• No fee attached directly to this scope • Required to successfully perform other CLINs	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	• Increased operability and availability of tank farm infrastructure • Safe and efficient tank farm operations • Double-Shell Tank (DST) life baselined and extended • Reduction of sodium addition to DSTs • Baseline costs reduced	5%
C.2.1.3 Sub-CLIN 1.3 Analytical Laboratory Support	Optimal facility availability to support timely, cost-effective laboratory analysis	• No fee attached directly to this scope • Required to successfully perform CLINs 1.2, 2.1 and 2.2	No Fee
CLIN 2 – Single-Shell Tank (SST) Retrieval and Closure			
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	• 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. • Volume of waste removed • Number of tanks ready for closure	18%

[1] 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[1]	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	• *Resource Conservation and Recovery Act of 1976* (RCRA)-compliant closure of C Tank Farm Waste Management Area • RCRA-compliant closure of additional Waste Management Areas	6%
CLIN 3 – Waste Treatment and Immobilization Plant (WTP) Support			
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	• Operability and availability of waste delivery systems as required • Tank waste staged for delivery • Delivery of tank waste	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.	• Five WTP topical reports signed by the Responsible Corporate Official	<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	• Completion of IHLW storage and shipping facility design • Completion of IHLW storage and shipping facility construction and permitting • Successful completion of Critical Decision (CD)-0 though CD-4 and Operational Readiness Review • IHLW storage and shipping facility is operational and receiving IHLW	2%
CLIN 4 – Supplemental Treatment			
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	• Completion of DBVS Design • Completion of DBVS Construction and permitting • Operation of DBVS • Completion of DBVS testing objectives	4%

OBJECTIVE	OUTCOMES[1]	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	• Complete permitting for bulk vitrification system • Operation of bulk vitrification system by volume of waste treated	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	• Completion of supplemental treatment plant(s) conceptual design • Successful completion of CD-0, CD-1, and CD-2 • Completion of supplemental treatment plant(s) early permitting	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	• Completion of treatment plant(s) design • Completion of treatment plant(s) construction and permitting • Completion of treatment plant(s) CD-3, CD-4, and Operational Readiness Review • Treatment plant(s) operations by volume of waste treated and staged for treatment	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	• Volume of waste removed and treated • Volume of waste shipped off-site • Number of tanks ready for closure	3%
CLIN 5 – Early Feed and Operation of the WTP Low Activity Waste (LAW) Facility			
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	• Completion of conceptual design to maximize total tank waste treated using measures such as volume, curies and sodium • Successful completion of CD-0, CD-1, and CD-2 • Completion of up front permitting	30%

OBJECTIVE	OUTCOMES[1]	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	• Completion of design • Successful completion of CD-3, CD-4, and Operational Readiness Reviews • Completion of permitting • Operate systems to provide pretreated waste to WTP LAW and/or stage for delivery	
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	• Operability and availability of waste treatment systems as required • Treatment of WTP, Tank Farms, and other Hanford waste	
C.2.5.4 Sub-CLIN 5.4 LAW/BOF/LAB Operations	Manage, maintain and operate the LAW/BOF/LAB Facilities	• Operate LAW/BOF/LAB to treat tank waste for disposal • Maximize tank waste treated using measures such as volume, curies and sodium	
CLIN 6 – Pension and Welfare Plans			
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	Effective sponsorship, management and administration of Hanford Employee Retirement and Benefit Plans Effective sponsorship, management and administration of designated Legacy Pension and Benefit Plans from other DOE sites	• No fee attached directly to this scope	No Fee

OBJECTIVE	OUTCOMES[1]	POTENTIAL MEASURES	Estimated Weight of Total Available Fee
C All elements of scope	Overall performance effectiveness, quality, timeliness, efficiency, compliance and safety.	• Completion of Contractor Performance Objectives, Measures and Commitments • Upgrade of facility Voluntary Protection Program status • Nuclear Safety Analysis and Process Improvements • Industrial Safety Process Improvements • Subjective determination, cross-cutting all scope, not otherwise incentivized.	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

8. DOE has identified numerous PBIs as "on hold" because there is not currently fee pool available to allocate to all PBIs. DOE intends to allocate fee to these "o hold" PBIs once several major changes are negotiated and the Base Period Fee Pool (FY2009-2013) is revised. Any available fee above what is currently shown in the contract ($92M) will be allocated first to the Award Performance Measure (Award Fee). Then the remaining fee pool for the Base Contract period will be proportionally prorated across all remaining PBIs. In the event the fee pool is not sufficient to cover all the "on hold" PBIs then DOE will prorate the fee amount down across all of the "on hold" PBIs to maintain the risk profile established at the time the PBIs were added to the contract. Because negotiations may result in a Base Period fee pool that is lower than the $92M currently identified in the

contract, all PBIs, not on hold, completed after April 30, 2013 will be paid provisionally. If the Base Period fee pool is lower than $92M after negotiations, then the fee pool will be proportionally prorated across the active PBIs and reduced downward, and no fee will be allocated to the "on hold" PBIs.

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 2.3.1	Complete sampling per new Tank Sample Analysis Plan (TSAP)	Incremental	$150,000	9/30/2009	2	M021

PBI No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
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 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 No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
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 fromC103 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 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 No.	Title	Type	Value of PBI/Element	Completion Due Date	PBI Revision	Contract Mod
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
Award Fee						
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:FY 2010-2013

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

Configuration Table

Version	Date Approved	Summary of Changes
Original	May 12, 2010 (Modification 54)	Established FY 2010-2013 PBIs
Revision 1	July 14, 2010 (Modification 59)	Addition of PBI 3-20 through PBI 3-24
Revision 2	August 27, 2010 (Modification 66)	Addition of PBI 2.18
Revision 3	September 23, 2010 (Modification 72)	Addition of PBI 7.3 through PBI 7.6
Revision 4	January 12,2011 (Modification 87)	Update PBIs 1.1, 1.3 and 2.17
Revision 5	April 4, 2011 (Modification 101)	Increase unallocated fee pool amount
Revision 6	April 4, 2011 (Modification 102)	Misc. Changes to PBI 1, PBI 2 and PBI 3
Revision 7	April 15, 2011(Modification 105)	Increase unallocated fee pool amount
Revision 8	May 26, 2011 (Modification 109)	Increase unallocated fee pool amount
Revision 9	June 22, 2001 (Modification 111)	Adjust PBIs to reflect decrease in total available Base Period fee pool.
Revision 10	July 14, 2011 (Modification 118)	Increase unallocated fee pool amount
Revision 11	July 29, 2011 (Modification 123)	Increase unallocated fee pool amount
Revision 12	August 4, 2011 (Modification 126)	Increase unallocated fee pool amount
Revision 13	September 7, 2011 (Modification 128)	Misc Changes to PBIs 2.6 – 2.15
Revision 14	September 23, 2011 (Modification 131)	Increase unallocated fee pool amount
Revision 15	September 29, 2011 (Modification 135)	Increase unallocated fee pool amount
Revision 16	December 29, 2011 (Modification 142)	Adjust PBI's 1.4 and 2.1 to reflect increase in total available Base Period fee pool
Revision 17	January 27, 2012 (Modification 147)	Incorporate FY12 Award Fee Plan
Revision 18	February 15, 2012 (Modification 151)	Adjust PBIs and reflect adjusted total available Base Period Fee Pool
Revision 19	March 15, 2012(Modification 158)	Add cost and fee for CLIN 3.4 – 4.4
Revision 20	April 4, 2011(Modification 163)	Increase unallocated fee pool amount
Revision 21	May 29, 2012 (Modification 167)	Adjust PBIs and reflect adjusted total available Base Period Fee Pool
Revision 22	July 19, 2012 (Modification 176)	Adjust PBIs and reflect adjusted total available Base Period Fee Pool
Revision 23	August 30, 2012 (Modification 178)	Increase unallocated fee pool amount
Revision 24	September 28, 2012 (Modification 184)	Incorporate FY 13 Award Fee Plan
Revision 25	November 29, 2012 (Modification 186)	Add Cost and Fee for CLIN 1.2.1, 1.2.2, 3.1, 6.1
Revision 26	July 24, 2013(Modification 208)	Adjust PBIs to reflect FY2013 workscope and available Base Period fee Pool
Revision 27	See date of Modification	Adjust PBIs to reflect FY2013 workscope and available Base Period fee Pool after reconciliation

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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

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-assessment s, 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.

PM 02 - FY 2011 Award Fee Performance Measure

Fee available assigned to this performance measure: $1,400,000

Fee Structure: Subjective Measure
The fee structure is 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) Office of River Projection (ORP) as stipulated within the contract. Ratings under the award fee performance measure will be based on ORP's subjective evaluation of the contractor's performance during the annual FY 2011 evaluation period. ORP's evaluation of the contractor's performance will be combined to an overall rating for each functional area using the following guidance:

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

Award Fee Functional Areas

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

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

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

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

a) Results from DOE and Contractor Oversight (assessments, surveillances, Management Observation Programs (MOPs), and day-to-day oversight)
b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews
c) Additional trending data such as ORPS Reports, PERs, and Performance Indicators
d) Results from the Conduct of Operations Council, Conduct of Operation mentors, training and Management Focus.

2) Implementation of the Corrective Action Management Program

Desired Outcome: A strong Corrective Action Management Program supporting a strong Integrated Safety Management System.

Area of Focus is the implementation of the Corrective Action Management Program.

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

a) Results from DOE and Contractor Oversight (assessments, surveillances, MOPs, and day-to-day oversight)
b) The implementation of the Problem Evaluation Request (PER) system including appropriate PER generation, PER response/cycle time, quality of corrective action closure, and the PER backlog.
c) Quality and timeliness of root cause evaluations
d) Quality and timeliness of corrective action plans.

3) Preparations for American Recovery and Reinvestment Act (ARRA) Transition

Desired Outcome: Contractor progress in FY 2011 that supports completion of ARRA work and prepares for ARRA close out. A planned, structured, and organized project closeout is essential to the success of the ARRA Program.

Areas of Focus for ARRA Transition include planning for ARRA transition and closeout of completed work.

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

a) Develop a Transition Plan covering the transition of ARRA staff and any ARRA work that will continue into FY 2012.
b) Implement the areas and activities of the Transition Plan that are applicable to FY 2011.
c) Submit closure packages for completed ARRA work to DOE ORP within forty-five (45) calendar days of work completion. Closure packages are to meet the requirements of the January 13, 2011, Recovery Act Program Office Project Closeout Memorandum. The purpose of the ARRA closeout package is to ensure that actual performance and work scope completed under ARRA is documented and auditable.

4) Contract Administration and Compliance

Desired Outcome: A strong adherence to the Tank Operations Contract's terms and conditions.

Areas of Focus is the implementation of the processes to improve the timely identification of changed conditions, the quality and timeliness of Contract Change Proposals, and provide for an effective means of evaluating changes to the contract.

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

a) Compliance with Contract Requirements
b) Quality and timeliness of proposals submitted in response to the ORP Contracting Officer
c) Effectiveness of Subcontract and Purchasing management and increasing the rates of competitive to non-competitive awards

5) Technology Development and Deployment Program Management

Desired Outcome: The development of a TDD Program that provides configuration management of TDD Project Scope and ensures adequate and useful reporting.

Areas of Focus is the implementation of the TDD Program which encompasses the oversight and control of TDD scope and reporting needs.

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

a) Configuration Management of the TDD Scope and Budget
b) Development of Reporting Requirements for TDD
c) Overall Coordination of TDD reporting and requirements to service providers

Award Fee Completion Documents

The Contractor may submit a self-assessment after the evaluation period 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 ORP Contracting Officer Representative (COR) and 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.

PM 03 - FY 2012 Award Fee Performance Measure

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

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

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

Award Fee Functional Areas

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

Target Fee Assigned to Functional Area: $500,000.00

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

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

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

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

2) General Management

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

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

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

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

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

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

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

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

Contract Administration and Compliance:

a) Compliance with Contract Requirements including compliance with Federal and Departmental acquisition regulations, procedures and guidance
b) Quality and timeliness of proposals submitted in response to the ORP Contracting Officer
c) Effectiveness of Subcontract and Purchasing management and increasing the rates of competitive to non-competitive awards
d) ARRA closeout activities
e) Small Business Goals
f) Processes used in administering of contractor industrial relations which include Pension funds, CIPs, reporting, and workforce restructuring.

Business Systems Management:

a) Balanced Score Card Metrics and self-assessments
b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, internal audits, ORP assessments, and external reviews

c) Unallowable Costs- invoices are compliant with FAR, Acquisition guidelines and Contract terms
d) Internal Controls – improvement in financial and operational controls
e) Assessments and reviews – continued improvement during assessments and reviews including DCAA.
f) Periodic surveillance of the adequacy of the contractor's property management operations such as procedural and process compliance, storage and maintenance activities, custodial controls, generation and maintenance of property records.

Support for WTP Commissioning:

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

Safety Program Implementation:

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

d) Managers and workers are actively involved in, support, and reinforce safety program management and implementation.
e) Managers and workers are held accountable for achieving safe work performance in their work groups.
f) Personnel are proactive in coaching coworkers or correcting conditions when such behaviors or conditions are observed.
g) A safe, orderly working environment is maintained. This includes; prompt and compliant management of wastes, effective management of contaminated in-process and/or reusable

equipment. The intent is to minimize the contribution to radiological dose, and to minimize the potential to spread contamination in and around the tank farms.

h) Lessons learned from accident investigations and industry operating experience, are used to improve safety.
i) Lessons learned from the drill programs are captured, areas for improvement are identified, and future training is conducted in those identified areas.
j) Safety practices and conditions are periodically evaluated using established metrics, and the results are used to make improvements.
k) Personnel at all levels of the organization promptly identify and communicate to management problems that can adversely affect plant safety and reliability.

3) Quality Assurance Program Compliance

Target Fee Assigned to Functional Area: $500,000.00

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

Areas of Focus for Quality Assurance Program Compliance:

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

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

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

b) Improvement in the following areas previously identified as requiring improvement:

1. Corrective action management; responsiveness to addressing issues, properly classifying problems, adequate assessment of cause, properly determining extent of condition, adequate corrective action planning (establishing of remedial actions to control the deficient condition, and adequate establishment of corrective actions to correct the problem), and adequate management of the NTS reporting process.
2. Establishment of software and safety software QA processes; including software grading, establishment and implementation of software life cycle activities, installation and use of software, software baseline and configuration management, software change control, and software retirement.
3. Records management process improvements to assure compliance with NQA-1-2004 (and addendums to 2007)
4. Procurement management; management and oversight of sub-contractors.

4) Nuclear Safety

Target Fee Assigned to Functional Area: $850,000.00

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

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

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

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

5) Environmental Regulatory Management

Target Fee Assigned to Functional Area: $400,000.00

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

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

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

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

PM 04 - FY 2013 Award Fee Performance Measure

Target Fee available assigned to this performance measure: $7,994,699.00. All of award fee has been allocated.

Fee Structure: Subjective Measure
The fee determination structure for this fiscal year will be subjective measures. This award fee performance measure is achieved if the Contractor meets the mission performance expectations of the U.S. Department of Energy (DOE) Office of River Projection (ORP) as stipulated within the contract. Ratings under the award fee performance measure will be based on ORP's evaluation of the contractor's performance during the annual FY 2013 evaluation period. ORP's evaluation of the contractor's performance will be combined to an overall rating. Failure in any of the functional areas could result in a change to the overall rating as determined by the Fee Determination Official. Ratings will be determined using the following guidance:

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

Award Fee Functional Areas

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

Target Fee Assigned to Functional Area: $1,359,099.00
Desired Outcome: Demonstrated improvements in Conduct of Operations and Work Control.

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

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

a) DOE and Contractor oversight indicate no DOE Level 1 finding, recurring events, or programmatic adverse trends;
b) Additional trending data such as Occurrence Reporting & Processing System Reports, Problem Evaluation Requests, and Performance Indicators are established and monitored for Conduct of Operations and Work Control that monitor the health and status of the programs similar to those created as part of the Field Execution Observation Team (FEOT) process to both normalize and evaluate the safety significance of trending data and WRPS management takes actions to mitigate performance deficiencies;
c) Tank Farm general area housekeeping and maintenance is improved. Examples may include overall radiological zone reduction, farm signage and equipment labeling, and demonstrated reduction of radioactive contaminated material and equipment;
d) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, ORP assessments, and external reviews as evidenced by a high ratio of WRPS self-identified issues that eliminate the need for ORP issues to be identified and minimal ORP rejection of corrective action plans;
e) The restructured Conduct of Operations Council and Training and Management Focus demonstrate continuous improvement as evidenced by WRPS performance indicators, effective improvement initiatives, and/or WRPS/ORP oversight results. Examples may include items such as implementing continued work control enhancements (Work Efficiency Design Lab), increased senior management field presence, Field Excellence Captains ownership of Conduct of Operations initiatives and issues, additional Human Performance Improvement Lab response to abnormal events or lessons learned, or drill program improvement;
f) Base Operations Transfer and Single-Shell Retrieval & Closure Transfer processes, where applicable, demonstrate continuous improvement and consistency between the two line organizations for increased safety or more efficient transfer process;

2) General Management

Target Fee Assigned to Functional Area: $2,398,409.00

Desired Outcome: Continued process improvement of the business systems (e.g. purchasing, accounting, budget and planning, billing estimating and labor accounting, as well as internal audit functions and property management.

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

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

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

Conduct of Engineering: Improvement in effectiveness, consistency of Engineering systems and programs.

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

Contract Administration

a) Quality and timeliness of proposals submitted in response to the ORP Contracting Officer;
b) Effectiveness of Subcontract and Purchasing management and increasing the rates of competitive to non-competitive awards;
c) Small Business Goals;
d) Processes used in administering of contractor industrial relations which include Pension funds, CIPs, reporting, and workforce restructuring.

Business Systems Management:

a) Balanced Score Card Metrics and self-assessments;
b) Responsiveness to and management of performance and assessment areas needing attention as identified by contractor self-assessments, internal audits, ORP assessments, and external reviews;
c) Internal Controls – improvement in financial and operational controls;

d) Assessments and reviews – continued improvement during assessments both internal and external;
e) Periodic surveillance of the adequacy of the contractor's property management operations such as procedural and process compliance, storage and maintenance activities, custodial controls, generation and maintenance of property records;
f) Project Cost & Schedule Performance - DOE will evaluate reported performance indices in the Monthly Performance Report, the EVMS, and any other known source of performance information (regardless of whether or not such information is reported by the Contractor). The evaluated indices will include: (i) the rolling six-month average; and (ii) the monthly data
g) Risk Management – DOE will evaluate the Contractor's Risk Management Program to identify risks (threats and opportunities), forecast potential schedule and cost impacts, and implement Risk Response Plans. DOE will evaluate actions taken by the Contractor during the rating period to eliminate or mitigate specific risks (or implement opportunities).

Support for WTP Commissioning:

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

Conduct of Engineering:

a) Reduction in Engineering Change Notices backlog;
b) Maintain or improve availability of the critical systems operated by WRPS. These systems include Waste Transfer, Ventilation, Retrieval, Waste Storage, Electrical Distribution and Monitoring;
c) Reduction in design errors resulting in Engineering or field rework;
d) Improved consistency, format and content of Operations Specification Document Recovery Plans;
e) Improve Ventilation System performance which includes double shell tanks and portable ventilation skid performance;

f) Improvements in the Corrosion Control Program that result (or will result) in improved response (including a reduction in overall response time) to out of specification tank chemistry.

3) Quality Assurance Program

Target Fee Assigned to Functional Area: $799,470.00

Desired Outcome: Continued improvement of the Quality Assurance (QA) program.

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

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

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

b) Improvement in the following areas previously identified as requiring improvement:

1. Corrective action management; responsiveness to addressing issues, properly classifying problems, adequate assessment of cause, properly determining extent of condition, adequate corrective action planning (establishing of remedial actions to control the deficient condition, and adequate establishment of corrective actions to correct the problem), and adequate management of the NTS reporting process;
2. Establishment of software and safety software QA processes; including software grading, establishment and implementation of software life cycle activities, installation and use of software, software baseline and configuration management, software change control, and software retirement;
3. Records management process improvements to assure compliance with NQA-1-2004 (and addendums to 2007);
4. Procurement management; management and oversight of sub-contractors.

4) Nuclear Safety

Target Fee Assigned to Functional Area: $1,359,099.00

Desired Outcome: Improvements in the management of the Tank Farms safety basis, and required amendments.

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

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

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

5) Environmental Regulatory Management

Target Fee Assigned to Functional Area: $719,523.00

Desired Outcome: Demonstrated improvement in environmental stewardship.

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

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

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

6) Safety Program Implementation

Target Fee Assigned to Functional Area: $1,359,099.00

Desired Outcome: Ensure focus is maintained on overall safety and efficiency of Tank Farm Project through improvements in Radiological Controls (Radcon), Industrial Health and Safety, and Emergency Preparedness.

Areas of Focus include Radcon, Industrial Health and Safety, Emergency Preparedness.

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

a) Radcon:
   1. Supervision (including non-Radcon supervision) routinely monitors the radiological performance of radiological protection technicians and workers, as well as, the effectiveness of corrective actions, to improve radiological work performance.
   2. Contaminated and potentially contaminated material and equipment is minimized in radiological areas, radioactive material areas, and radiological buffer areas. Such material that is necessary for operations is packaged and stored in a manner suitable for long term integrity in the environment that material is stored in, and waste is promptly managed.
   3. Reduction in the overall radiological areas (area and/or number of Contamination and High Contamination Areas, and High Radiation Areas).
   4. Reduction of litter/debris in and around the tank farm areas managed by the TOC.. The intent is to remove/minimize the perception that the Tank Farms has spread contamination to the areas adjacent, and to enhance the ability to be able to detect any actual spread of contaminated/potentially contaminated material from a Tank Farm.
   5. Effectively control vegetation within TOC radiologically posted areas, , which have potential to spread contamination through root take-up and transport mechanisms.
   6. PPE donning and doffing and exit survey monitoring stations are managed to reduce throughput time, and increase available room to don and doff and survey equipment, while maintaining compliant surveys. The intent is to improve work crew in field efficiency, reduce congestion that can more easily spread contamination, reduce perceived pressure to rush through an exit survey, reduce heat/cold stress by minimizing wait times.
   7. Create an environment where Rad workers actively monitor each other and, when necessary, coach each other to improve their radiological work performance.

b) Industrial Health and Safety:
   1. Improvements in the hazard analysis process to ensure that hazards are identified and controls are developed as demonstrated by reduced work delays associated with work package problems.
   2. Industrial Health practices and conditions are periodically evaluated using established metrics and industrial hygiene data analysis; and the results are used to make improvements.
   3. Implementation of the Industrial Hygiene Independent Review Panel's recommendations of 2010, to completion by end of FY 2013.
   4. Personnel use safe work practices and adhere to safety requirements. This includes adhering to safety briefing requirements, using proper personal protective equipment, ensuring equipment is in a safe condition prior to beginning work, and stop in the face of uncertainty.
   5. Effective safety programs with clearly defined policies, procedures and responsibilities are implemented.
   6. Personnel are cognitive of and avoid at-risk behaviors and conditions and are proactive in coaching co-workers or correcting conditions when such behaviors or conditions are observed.
   7. A safe, orderly working environment is maintained.

c) Emergency Preparedness:
   1. Demonstrate an effective improvement program and a sustained management commitment to continuous improvement in the EP program.
   2. Conduct a minimum of one field drill a quarter and of those field drills a minimum of two for the year will activate the Facility Emergency Response Organization from their normal duty locations.
   3. No later than the end of third quarter FY13, revise the applicable contractor procedures and implement a 365 day frequency for drill (or exercise) participation to demonstrate proficiency of check-listed FERO members in accordance with DOE-0223, RLEP 3.30.
   4. Ensure that relevant tank farm and 222-S laboratory operations management supports and coordinates with the emergency preparedness organization by attending the bi-weekly EP/OP drill meeting.
   5. In the area of drill participation and tracking: All personnel assigned to the central shift office for shift work will be required to participate annually (365 day frequency) in a Field Drill or ICP Limited Drill. (A Field Drill is the preferred option.) Where an ICP Limited Drill is used for field members (i.e., Radiological Control Technicians) assigned to the central shift office for shift work, supplemental participation in an operational drill (excluding a tabletop drill) will also be performed so emphasis can be placed on field performance.

Section J.4 Performance Evaluation and Measurement Plan (PEMP) FY 2010-2013

Performance Measures for Base Contract Period Effective FY 2010-2013

Summary Table of Performance Based Incentives

PBI No.	Scope	Payment Type	Value of Authorized PBI/Element	Value of On Hold PBI/Element	PBI Due Date
PBI 1.1	Waste Volume Reduction Via 242-A Evaporator	Terminal	$2,000,		Various
PBI 1.2	Submittal of SST Integrity Assurance review TPA Change Package	Terminal	$200,000		8/30/2010
PBI 1.3	Project Upgrades and Life Extension Projects	Straight line	$2,800,000		9/30/2013
PBI 1.4	222-S Upgrades and Life Extension Projects	Straightline	$98,000		9/30/2013
PBI 1.5	Construction Management Complex with Shops	Deleted Mod 151			
PBI 1.6	Tank Sampling (Grab and Cores)	Straightline	$2,820,000		9/30/2013
PBI 1.7	Tank Chemistry Control	Straightline	$1,750,000		9/30/2013
PBI 1.8	SmartPlant Foundation Implementation	Straightline	$500,000		9/30/2013
PBI 1.9	Increased Rated Maximum Tank Level AP-101 and AP105	Straightline	$800,000		9/30/2013
PBI 1.10	AY-102 Recovery Actions	Terminal	$200,000		9/30/2013
PBI 1.11	Side Wall Core Sample of Tank 241-A-106	Deleted Mod 231			9/30/2013
PBI 1.12	AN Farm Readiness - Drain SN-264 Line of waste	Straightline	$150,000		9/30/2013
PBI 1.13	C-107 Dome Core Analysis	Terminal	$100,000		5/30/2013
PBI 1.14	SST Leak Inventory Assessment of T & TX Farms	Terminal	$70,000		9/30/2013
PBI 1.15	242-A Documented Safety Analyses Upgrades	Terminal	$250,000		9/30/2013
PBI 1.16	Perform Hydrostatic Testing of 242-A Slurry Line	Terminal	$250,000		9/30/2013
PBI 1.17	Simulant Test for Safety Significant Isolation Valves	Terminal	$150,000		9/30/2013
PBI 2.1	Vadose Zone/Barriers	Terminal	$8,550,000		Various
PBI 2.2	Waste Management C Area Closure	Declining-$500 per day after 12/2/10(#1,2,3,4)/Straightline	$2,350,000		Various
PBI 2.3	Remove SX Tank Farm Exhauster Station(Sludge cooler)	Straightline	$600,000		9/30/2013
PBI 2.4	Complete removal and Shipmnet to final disposition of expired hose-in-hose transfer lines (HIHTL)	Straightline	$2,380,000		9/30/2013

PBI 2.5	Remove Ductwork and associated equipment associated with SX Farm	Straightline	$600,000		9/30/2013
PBI 2.6	Completion of Retrieval Operations for Single Shell Tank 241-C-101	Straightline	$5,500,000		9/30/2013
PBI 2.7	Completion of Retrieval Operations for Single Shell Tank 241-C-102	Straightline	$2,000,000		9/30/2013
PBI 2.8	Completion of Retrieval Operations for Single Shell Tank 241-C-104	Straightline	$4,000,000		9/30/2013
PBI 2.9	Completion of Retrieval Operations for Single Shell Tank 241-C-105	Deleted Mod 231			9/30/2013
PBI 2.10.1	Completion of Retrieval Operations for Single Shell Tank 241-C-107	Straightline	$6,750,000		9/30/2013
PBI 2.11	Completion of Retrieval Operations for Single Shell Tank 241-C-108	Straightline	$1,600,000		9/30/2013
PBI 2.12	Completion of Retrieval Operations for Single Shell Tank 241-C-109	Straightline	$1,500,000		9/30/2013
PBI 2.13	Completion of Retrieval Operations for Single Shell Tank 241-C-110	Straightline	$1,500,000		9/30/2013
PBI 2.14	Completion of Retrieval Operations for Single Shell Tank 241-C-111	Straightline	$4,500,000		9/30/2013
PBI 2.15	Completion of Retrieval Operations for Single Shell Tank 241-C-112	Straightline	$5,000,000		9/30/2013
PBI 2.16	Complete stack extension field instalation for POR-008 and turnover to Ops	Straightline	$800,000		9/30/2013
PBI 2.17	A/AX Farm Retrieval Acceleration and 272-AW Facility Replacement	Straightline	$1,040,000		9/30/2013
PBI 2.18	Articulating Mast System in 241-C-104	Straightline	$1,000,000		9/30/2013
PBI 2.20	Replace 241-AN-106 HIHTL	Straightline	$250,000		9/30/2013
PBI M 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
PBI M 2.1.3	C-104 Retrieval - 50% of Waste Volume, ($100,000 incremental for each 5% between 25 and 50%)	incremental (MULTI-YEAR)	$500,000		9/30/2010
PBI M2.8.10	A Retrieval Technology Review and roadmap will be completed and issued	Incremental (Multi-Year)	$150,000		9/30/2010
PBI M2.8.11	Select two technologies 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
PBI M2.8.12	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

PBI M2.8.13	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
PBI 3.1	Complete Submittal of CDR to support CD-1 for Interim IHSF (released Mod 151)	Straightline	$350,000		9/30/2013
PBI 3.2	Complete Submittal of Prelim Design Doc. to support CD-2 for Interim IHSF	Deleted Mod 176			
PBI 3.3	Complete Submittal of CDR documentation to support CD-1 for Secondary waste	Straightline	$350,000		9/30/2013
PBI 3.4	Complete Submittal of Prelim Design Doc. to support CD-2 for Secondary Waste Treatment Project	Deleted Mod 176			
PBI 3.5	AW-103 Feed Delivery System Design	Deleted Mod 167			
PBI 3.6	AZ-101 Feed Delivery System Design	Deleted Mod 176			
PBI No.	**Scope**	**Payment Type**	**Value of Authorized PBI/Element**	**Value of On Hold PBI/Element**	**PBI Due Date**
PBI 3.7	AY-102 Feed Delivery System Design	Deleted Mod ___			
PBI 3.8	AY/AZ Farm Infrstructure Design	Straightline	$100,000		9/30/2013
PBI 3.9	AY/AZ Ventilation System Upgrade Design	Straightline	$100,000		9/30/2013
PBI 3.10	SY Farm Infrastructure Design	Deleted Mod 167			
PBI 3.11	AW Farm Infrastructure Design	Straightline	$125,000		9/30/2013
PBI 3.12	AP Farm Infrastructure Design	Deleted Mod 167			
PBI 3.13	Modeling and Planning to Establish RPP Technical Baseline	Terminal	$1,650,000		Various
PBI 3.14	Issuance of the first Tank Waste Characterization Report	Straightline	$250,000		9/30/2013
PBI 3.15	Data Quality Objective for Strategic Plan	Straightline	$250,000		9/30/2013
PBI 3.16	Best Basis Database Management	Terminal	$800,000		Various
PBI 3.17	Waste Treatment Plant Operational Readiness Evaluation	Terminal	$1,000,000		Various
PBI 3.18	Complete Submittal of Documentation to Support Critical Decision 0 (CD-0) for the Supplemental Treatment Project	Straightline	$300,000		9/30/2013
PBI 3.19	Submittal of Conceptual Design Report to Support Critical Decision 1 (CD-1) for the Supplemental Treatment Project	Straightline	$750,000		9/30/2013
PBI 3.20	Develop preliminary flowsheets for Waste Feed Delivery, SST Retrieval and Supplemental Treatment	Terminal	$127,500		9/30/2010
PBI 3.21	Complete Phase 1 of Life-cycle Cost Model Development	Terminal	$67,500		9/30/2010

PBI 3.22	Document speciation of aluminum in saltcake ans sludges in SST and DSTs not retrieved	Terminal	$48,000		9/30/2010
PBI 3.23	Integrated Sample Analysis Plan for FY11	Terminal	$41,500		9/30/2012
PBI 3.24	Revised RPP Mission Analysis Rpt	Terminal	$37,500		9/30/2010
PBI 3.25	Submit Integrated Waste Feed Delivery Plan (IWFDP) Update	Terminal	$150,000		9/30/2012
PBI 3.26	One System DNFSB 2010-2 Implementation	Terminal	$1,100,000		9/30/2013
PBI 3.33	Mixing & Sampling Implementation Plan for DNFSB 2010-2	Straight-line	$200,000		9/30/2013
PBI 3.35	Complete Pretreatment Engineering Platform Relocation	Terminal	$200,000		9/30/2012
PBI 4.1	Supplemental Immobilization Project	Terminal	$500,000		9/30/2013
	ARRA				
PBI No.	**Scope**	**Payment Type**	**Value of Authorized PBI/Element**	**Value of On Hold PBI/Element**	**PBI Due Date**
PBI-7.1.1	Provide Quarterly Status Reports	8	$869,649		
PBI-7.2.1.1.	Facility/Structure Upgrades	10	$1,565,390		
PBI 7.2.1.2	System Upgrades	21	$3,600,408		
PBI No.	**Scope**	**Payment Type**	**Value of Authorized PBI/Element**	**Value of On Hold PBI/Element**	**PBI Due Date**
PBI 7.2.1.3	Equipment/inst/Upgrades/Spares	384	$3,913,344		
PBI-7.2.1.4	D & D	47	$1,095,899		
PBI-7.2.1.5	System Demonstrations	6	$2,817,696		
PBI-7.2.1.6	SY Transfer Line Replacements (8 lines)	8	$1,200,000		
PBI-7.2.1.7	AZ Condensate Line Install	1	$699,053		
PBI-7.2.1.8	Drawing Reconstitution	2,171	$939,218		
PBI-7.2.1.9	Waste Feed Prep and proj.closeout	660	$692,340		
PBI 7.3.1	AW-104 Corrosion Probe Design, Fabricate, install probe	1	$253,000		
PBI - 7.4.1	Complete Construction of Barrier	1	$500,000		
PBI 7.4.2	Complete Construction of TY Farm Basin	1	$200,000		
PBI 7.5.1	Proof of principal Testing of Mobile Arm Retrieval System Testing (MARS)	1	$395,000		
PBI 7.5.2	Complete Testing of MARS Vaccuum System	1	$500,000		
PBI 7.6.1	AP Cathodic Protection Complete System Plan	1	$248,000		

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

Performance Fee value is established at $2,000,000. $2,000,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$1,000,000	Terminal	$1,000,000	$0
2	$1,000,000	Terminal	$1,000,000	$0
3	Deleted Mod 231	Terminal	$0	$0
4	Deleted Mod 231	Terminal	$0	$0
Total	$2,000,000		$2,000,000	$0

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 waste volume reduction volume has been achieved and summarizing the volume reduction results.

3. DELETED MOD 23

4. DELETED MOD 23

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

1. 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 value is established at $2,800,000.00. $2,800,000 of the total base period fee pool has been allocated to this PBI.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 150,000	Straight-Line	$ 150,000	$0
2	$ 150,000	Straight-Line	$ 150,000	$0
3	$ 300,000	Straight-Line	$ 300,000	$0
4	$1,560,000	Straight-Line	$1,560,000	$0
5	$ 340,000	Straight-Line	$ 340,000	$0
6	$ 300,000	Straight-Line	$ 300,000	$0
Total	$2,800,000		$2,800,000	$0

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 project s 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 three (3) 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 of $150,000 of incremental fee is available to be earned).

Work scope/completion criteria: Replace three (3) systems in support of the 242-A Evaporator upgrades and life extension projects. (1.Reboiler Condensate Piping System, 2. Manual Flush Valve, 3. DELETED (Mod 208), 4. DELETED (Mod 208), 5. Sanitary Drain Upgrades, 6. DELETED (Mod 208), and 7. DELETED (Mod 208).

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 three DST Farm upgrades. The Contractor shall earn $100,000 of incremental fee upon completion of each of the following upgrades: AY-101 ENRAF Densitometer, AZ-101 ENRAF Densitometer, and AW-102 ENRAF Densitometer.

Work scope/completion criteria: Complete three DST upgrades: 1.) AY-101 ENRAFDensitometer, 2.) AZ-101 ENRAF Densitometer, 3.) DELETED Mod 208, 4.) AW-102 ENRAF Densitometer, 5) DELETED Mod 151, 6) DELETED Mod 151.

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 (12 total) and $75,000 of incremental fee upon completion for each video assessment report (8 reports) and a total of $10,000 of incremental fee upon completion of each additional video assessment report (6 reports) (total of $1,560,000 of incremental fee is available).

Work scope/completion criteria: Perform UT examinations on thirteen (13) DSTs, perform seven (7) DST Annulus Video Assessments, and seven (7) 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 16 pipes and pit coating inspections by a qualified National Association of Corrosion Engineering qualified inspectors of 18 pits. The Contractor shall earn $10,000 of incremental fee completion of work scope for each encasement pressure check or pit coating inspection (total $340,000 of incremental fee is available)

Work scope/completion criteria: Perform transfer line encasement pressure checks of 16 transfer lines and pit coating inspections of 18 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

1. Complete twelve (12) SST video assessments. The Contractor shall earn $300,000 of incremental fee upon completion of the video assessments.

Work scope/completion criteria: Perform twelve (12) SST video assessments and update RPP-RPT-50799, *Suspect Water Intrusion in Hanford Single-Shell Tanks* and transmit to the ORP

Completion Document: Letter transmitting performance expectation completion notice and update to RPP-RPT-50799 report with the twelve (12) SST video assessments

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

Performance Fee value is established at $98,000. $98,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee even if the workscope is complete.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 48,000	Straight Line	$48,000	$0
2	$ 50,000	Terminal	$50,000	$0
3	DELETED (Mod 167)	Terminal	$0	$0
4	DELETED (Mod167)	Terminal	$0	$0
5	DELETED (Mod 167)	Straight Line	$0	$0
Total	$ 98,000		$98,000	$0

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 six (6) 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 of $48,000 of incremental fee is available to be earned).

Work scope/completion criteria: Replace six 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. DELETED (Mod 167).

4. DELETED (Mod 167).

5. DELETED (Mod 167)

PBI-1.5 CLIN 1Construction Management Complex with Shops

PBI DELETED IN MOD 151

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

Performance Fee value is established at $2,820,000. $2,820,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,100,000	Straight-Line	$2,100,00	$0
2	$ 720,000	Straight-Line	$ 720,000	$0
Total	$2,820,000		$2,820,000	$0

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 28 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 of $2,100,000 of incremental fee is available to be earned)

Work scope/completion criteria: Completion of 28 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. A grab sampling activity in a single-shell tank is considered all grab sample described in a TSAP for a single tank. Sampling activities for double-shell tanks may include u to two activities per TSAP, provided they are discrete sampling activities and are described as such in a TSAP (i.e., 50% retrieval, 100% retrieval).

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. For PBI milestones PBI-1.6.1.26 through PBI-1.6.1.28 completion document is: Letter transmitting performance expectation completion notice, copy of the chain of custody (COC), and copy of the Sampling Data sheet. These items document completion of the grab sample and transfer of ownership to the laboratory

2. Complete 6 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 of $720,000 of incremental fee is available to be earned).

Work scope/completion criteria: Completion of 6 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 value is established at $1,750,000. $1,750,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 700,000	Straight-Line	$ 700,000	$0
2	$ 500,000	Straight-Line	$ 500,000	$0
3	$ 150,000	Straight-Line	$ 150,000	$0
4	$ 100,000	Straight-Line	$ 100,000	$0
5	$ 50,000	Straight-Line	$ 50,000	$0
6	$ 50,000	Straight-Line	$ 50,000	$0
7	$ 200,000	Straight-Line	$ 200,000	$0
Total	$1,750,000		$1,750,000	$0

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 of $700,000 of incremental fee is available to be earned). 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-1.8 CLIN 1 Smart-Plant Foundation Implementation

Performance Fee value is established at $500,000. $500,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$100,000	Straight-Line	$100,000	$0
2	$100,000	Straight-Line	$100,000	$0
3	$300,000	Straight-Line	$300,000	$0
Total	$500,000		$500,000	$0

Desired Endpoint/Outcome

Control of the configuration of structures, systems, and components (SSC) is essential to the safe, efficient management of the Hanford Tank Farms prior to and during tank waste treatment. This control requires the ability to readily identify the components of a given system or structure and the associated drawings and documents impacted by a change to the SSC. Identification of these impacts is difficult and inefficient with the systems in use in Tank Farms today, which contain information in separate disconnected systems. To resolve these issues, the TOC is implementing an integrated engineering information, document control, and configuration management system, based on the Smart-Plant Foundation enterprise engineering information management system. Site licenses for Smart-Plant Foundation have been procured to allow use of the software by both TOC and WTP. Software configuration and development will be completed to provide for the specific functionality required by the TOC for document and engineering information management and workflows for electronic creation, review, and approval of key work products.

Fee-Bearing Milestones

1. Completion of Factory Acceptance Testing of the Smart-Plant Foundation engineering information management system with specific features for integrated document control and configuration management for the Tank Operations Contract (TOC). The Contractor shall earn $100,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Factory Acceptance Testing (FAT) of the Smart-Plant Foundation engineering information management system shall be conducted at the software vendor's facilities in accordance with the System Test Plan. Testing shall demonstrate key functionality of the system including resolution of trouble reports and specific identified change requests from prior testing activities including testing revised functionality for interfacing with the Integrated Document Management System and for incorporation of vendor submittal work processes. Any new issues identified during testing shall be logged and prioritized for need to

resolve prior to Site Acceptance Testing and documented in a revision to the Smart-Plant Foundation Factory Acceptance Test Report.

Completion Document: Issued Smart-Plant Foundation System Test Plan, Requirements Traceability Matrix, and Factory Acceptance Test Report/s.

2. Completion of Site Acceptance Testing of the Smart-Plant Foundation engineering information management system with specific features for integrated document control and configuration management for the TOC. The Contractor shall earn $100,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Site Acceptance Testing (SAT) of the Smart-Plant Foundation engineering information management system shall be conducted with the software installed on the test server on the Hanford Local Area Network. Testing shall be in accordance with a documented System Test Plan/s. Testing shall demonstrate full functionality of the system in accordance with the test plan including resolution of trouble reports and specific identified change requests and will also test interfaces with existing Hanford Site systems that could not be fully tested at the software vendor's facilities. Any issues identified during testing shall be logged and prioritized for need to resolve prior to placing the software into production and documented in a Site Acceptance Test Report.

Completion Document: Issued Smart-Plant Foundation System Test Plan/s, Requirements Traceability Matrix, and Site Acceptance Test Report/s.

3. Implementation of the Smart-Plant Foundation engineering information management system as the integrated document control and configuration management system for the TOC. The Contractor shall earn $300,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: The Smart-Plant Foundation engineering information management system will be configured and installed on the Hanford Local Area Network providing an integrated document control and configuration management system for TOC. The installed software shall include resolutions for any issues identified from SAT as needed for production deployment. The system will contain key data for installed equipment for TOC facilities based on the current master equipment list in the maintenance management system. The system will also contain TOC documents and associated files based on information in the current document control system. The deployed system will include workflows to facilitate electronic review and approval of documents for the key engineering work processes as defined in the Smart-Plant Foundation Functional Design Requirements Document, enabling critical relationships to be established and maintained between SSCs and related documents. Any issues identified as critical deficiencies in the Site Acceptance Test report shall be demonstrated to be resolved prior to declaring the software ready for production. The Version Description Document (VDD) in the Hanford Information System Inventory (HISI) shall be completed with reference to final documentation for the software and approval of the VDD by Quality Assurance, Chief Information Officer, and the Hanford Production Readiness Review Board (PRRB). Completion will be indicated by identification of the system status as operational in HISI.

Completion Document: Letter transmitting the performance expectation completion notice and copy of the printable view from HISI showing the system status as operational and providing the

approved Version Description Document indicating completion of and referencing required software quality assurance documents.

PBI-1.9 CLIN 1 Increase Rated Maximum Tank Level AP-101 and AP-105

Performance Fee value is established at $800,000. $800,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee even if the workscope is complete.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$400,000	Straight-Line	$400,000	$0
2	$400,000	Straight-Line	$400,000	$0
Total	$800,000		$800,000	$0

Desired Endpoint/Outcome

Increase the fill height in the AP farm tanks will provide the double shell tank space needed to support future single-shell tank retrievals.

Fee Bearing Milestones

1. Complete work to increase the rated maximum tank level in DST AP-101. The Contractor shall earn $400,000 of incremental fee upon completion.

Work scope/completion criteria: Complete work to increase the rated maximum tank level in AP-101 in accordance with applicable requirements in RPP-19438, "Report of Expert Panel Workshop for Hanford Site Double-Shell Tank Waste Increase." The following identifies the work necessary to complete this evolution:

   a. Issue a Process Control Plan which provides direction to Operations during level rise activity in DST AP-101.
   b. Revise the Operating Specification Document to allow increase in operating limit for DST AP-101.
   c. Issue a technical operating procedure to perform level rise of DST AP-101.
   d. Perform the necessary transfer into and out of DST AP-101.

Completion document: Letter transmitting the Performance Expectation Completion Notice and completed Final Material Balance datasheets documenting the level rise test was successfully completed to increase the maximum level rating in DST AP-101.

2. Complete work to increase the rated maximum tank level in DST AP-105. The Contractor shall earn $400,000 of incremental fee upon completion.

Work scope/completion criteria: Complete work to increase the rated maximum tank level in AP-105 in accordance with applicable requirements in RPP-19438, "Report of Expert Panel Workshop for Hanford Site Double-Shell Tank Waste Increase." The following identifies the work necessary to complete this evolution:

a. Issue a Process Control Plan which provides direction to Operations during level rise activity in DST AP-105.
b. Revise the Operating Specification Document to allow increase in operating limit for DST AP-105.
c. Issue a technical operating procedure to perform level rise of DST AP-105.
d. Perform the necessary transfer into and out of DST AP-105.

Completion document: Letter transmitting the Performance Expectation Completion Notice and completed Final Material Balance datasheets documenting the level rise test was successfully completed to increase the maximum level rating in DST AP-105.

PBI-1.10 CLIN 1 AY-102 Recovery Action

Performance Fee value is established at $200,000. $200,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method (September 30, 2013

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$200,000	Terminal	$200,000	$0
2	DELETED Mod 231		$0	$0
Total	$200,000		$200,000	$0

Desired Endpoint/Outcome

AY-102 recovery actions will provide component and procedures to: allow compliant pumping of AY-102 annulus to primary; maintain headspace isolation between annulus and primary; provide compliant capability to pump AY-102 primary; and provide 100 percent visual observation of six double-shell tank (DST) annulus spaces

Fee-Bearing Milestones

1. Perform annulus video inspections under Riser 83, AY-102. Engineering will evaluate videos for change and issue results to the ORP on a quarterly basis (for fiscal year quarter 3 and 4). The Contractor shall earn $100,000 upon completion of each quarterly submittal for total available fee of $200,000.

Work scope/completion criteria: Commencing April 2013 through September 30, 2013, perform annulus video inspections under Riser 83, AY-102. Engineering will evaluate videos for change Results will be emailed to the ORP point of contact on a monthly basis.

Completion Document: On a quarterly basis, transmit letter with performance expectation completion notice and copies of the monthly Engineering evaluations emailed to the ORP point of contact

2. DELETED Mod 23

PBI-1.11 CLIN 1 Side Wall Concrete Core Sample of Single Shell Tank 241-A-10

DELETED Mod 231

PBI-1.12 CLIN 1 AN Farm Process Readiness

Performance Fee value is established at $150,000.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$150,000	Straight-Line	$150,000	$0
Total	$150,000		$150,000	$0

Desired Endpoint/Outcome

The AN Farm is one of the main support farms for retrieval and success in all retrievals is highly dependent on the AN farm being fully functional. Additionally the Farm has planned capital and infrastructure upgrades planned in the near future. To support the retrieval and follow on WTP mission the farms must be in a state of readiness. Currently the farms have areas of improvement that will either reduce the risk of issues associated with maintaining the farms increasing the farms ability to make a repeatable process and decrease legacy issues associated with failed or aging equipment. The desired outcome is to place the farm in a state that is ready to allow major upgrades and operational activities while minimizing y pacts associated with legacy equipment, labels, infrastructure, o housekeeping items.

Fee-Bearing Milestones

1. Drain SN-264 line of waste containing material. The Contractor shall earn $150,000 of incremental fee for completion of line draining

Work scope/completion criteria: During the 241-AN-A valve pit upgrade work performed in June 2011, liquid tank waste was observed inside of the vertical Nozzle 15 which is the high point of transfer line SN-264. Transfer line SN-264 is a 3-inch line which begins at the 241-AN-A valve pit and terminates at the 241-AN-04A central pump pit. There is a process blank installed on the low point of the line in the 241-AN-04A central pump pit preventing liquid from draining into 241-AN-104 Double-Shell Tank. SN-264 is a noncompliant deferred use transfer line and the discovery of liquid in this line proposes additional risks to the transfer line itself for future uses. Draining of SN-264 will decrease risk associated with future potential uses of this transfer line in support transfers to WTP

Completion Document: Letter to ORP transmitting the performance expectation completion notice and copy of the completed work package demonstrating drainage of SN-264 line.

PBI-1.13 CLIN 1 C-107 Dome Core Analysis

Performance Fee value is established at $100,000. $100,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Fee Structure: Terminal Method (May 30, 2013)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$100,000	Terminal	$100,000	$0
Total	$100,000		$100,000	$0

Desired Endpoint/Outcome

Obtain concrete and rebar samples from the dome plug of Tank C-107, document results and interpretation of testing, and analysis for successful completion of TPA Target Date M-045-91D-T01.

Fee-Bearing Milestones

1. In completion of TPA Milestone M-045-91D-T01, transmit to the ORP a report containing the results and interpretation of testing, and analysis, performed on the concrete dome and rebar samples obtained from Tank C-107's dome plug. The Contractor shall earn $100,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Obtain concrete and rebar samples from Tank C-107's dome and transmit report containing the results and interpretation of testing and analysis to the ORP.

Completion Document: Letter transmitting the performance expectation completion notice and report containing the results and interpretation of testing and analysis, performed on the concrete and rebar samples obtained from Tank C-107's plug in order to complete the TPA Target date for M-045-91D-T01.

PBI-1.14 CLIN 1 Single Shell Tank Leak Inventory Assessment of T and TX Farm

Performance Fee value is established at $70,000. $70,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method (09/30/13

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$70,000	Terminal	$70,000	$0
Total	$70,000		$70,000	$0

Desired Endpoint/Outcome

Perform single-shell tank (SST) leak inventory assessment of T and TX farms in support of completion of TPA Milestone M-045-91F-T04.

Fee-Bearing Milestones

1. In support of completion TPA Milestone M-045-91F-T04, perform SST leak inventory assessment of T and TX farms. The Contractor shall earn $70,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Perform SST leak inventory assessment of T and TX farms i accordance with an interagency assessment process as described in RPP-32681, *Process to Assess Tank Farm Leaks in Support of Retrieval and Closure Planning*, Section 4.0. The report will include identification and evaluation of leak locations and leak causes (including chemistry stress corrosion cracking – SCC) for the T and TX farms tanks

Completion Document: Letter transmitting the performance expectation completion notice and SST leak inventory assessment of T and TX report to the ORP

PBI-1.15 CLIN 1 242-A Documented Safety Analyses Upgrades

Performance Fee value is established at $250,000. $250,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is no available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Fee Structure: Terminal Method (September 30, 2013

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$250,000	Terminal	$250,000	$0
Total	$250,000		$250,000	$0

Desired Endpoint/Outcome

Complete hardware upgrades required to implement new accident controls as driven by an update to the 242-A Facility Documented Safety Analyses (HNF-14755) in accordance with DOE-STD-3009.

Fee Bearing Milestones

1. Complete install of hardware upgrades for the 242-A Documented Safety Analyses Upgrades project. The Contractor shall earn $250,000 of incremental fee upon completion of installation.

Work scope/completion criteria: Complete install of hardware upgrades for the 242-A Documented Safety Analyses Upgrades project.

Completion Document: Letter transmitting performance expectation completion notice and a copy of the Field Work Supervisor work package signature page indicating installation completion for Installation Work Package(s)

PBI-1.16 CLIN 1 Perform Hydrostatic Testing of 242-A Evaporator Slurry Line SL-167 to Support 242-A FY 2013 Campaigns

Performance Fee value is established at $250,000. $250,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee

Fee Structure: Terminal Method (September 30, 2013)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$250,000	Terminal	$250,000	$0
Total	$250,000		$250,000	$0

Desired Endpoint/Outcome

Plan and execute the removal and replacement of the B-3 pump and the 3-D diaphragm operated valve jumpers within the AW-02E pit.

Fee-Bearing Milestones

1. Complete the removal and replacement of the B-3 Pump and 3-D jumpers in the AW-02Epit. The Contractor shall earn $250,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Plan and execute the removal and replacement of the B-3 pump and the 3-D diaphragm operated valve jumpers within the AW-02E pit.
Completion Document: Letter transmitting the completion of the jumper replacements within the AW-02E pit and a copy of the Field Work Supervisor work package signature page approved through installation of replacements.

PBI-1.17 CLIN 1 Simulant Test for Safety Significant Double Isolation Valves

Performance Fee value is established at $150,000. $150,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee; this does not prohibit the Contractor from performing and completing workscope identified in the PEMP having the potential to earn fee.

Fee Structure: Terminal Method (September 30, 2013)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$150,000	Terminal	$150,000	$0
Total	$150,000		$150,000	$0

Desired Endpoint/Outcome

Plan and execute leakage testing of a representative sample of the safety-significant isolation valves used for Double Valve Isolation (DVI) in an environment simulating the abrasive characteristics of the Hanford Tank Farm Waste Transfer System. The testing will execute the scope of work as defined in RPP-PLAN-44556, *Simulant Test Plan for Safety Significant Isolation Valves for Double Valve Isolation* and is required to address the Documented Safety Analysis (DSA) "Design/Operational Improvement 2" commitment (DSASection 3.3.2.3.5).

Fee-Bearing Milestones

1. Issue testing results of Safety Significant Double Valve Isolation tests and recommended service life of the individual DVIs based upon valve manufacturer and seating materials. The Contractor shall earn $150,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Issuance of a report documenting the results of the Safety Significant Double Valve Isolation tests.

Completion Document: Letter transmitting the performance expectation completion notice and issued report.

PBI-2.1 CLIN 2 Vadose Zone/Barriers

Performance Fee value is established at $8,550,000. $8,550,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,000,000	Terminal	$2,000,000	$0
2	$ 450,000	Terminal	$ 450,000	$0
3	$ 250,000	Terminal	$ 250,000	$0
4	$ 400,000	Terminal	$ 400,000	$0
5 Deleted (Mod 151)	$ 0		$ 0	$0
6 Deleted (Mod 176)	$ 0		$ 0	$0
7	$2,200,000	Terminal	$2,200,000	$0
8	$1,000,000	Terminal	$1,000,000	$0
9	$ 300,000	Terminal	$ 300,000	$0
10 Deleted (Mod 208)	$0		$ 0	$0
11	$ 200,000	Terminal	$ 200,000	$0
12	$ 150,000	Terminal	$ 150,000	$0
13	$ 400,000	Terminal	$ 400,000	$0
14	$ 150,000	Terminal	$ 150,000	$0
15	$ 350,000	Terminal	$ 350,000	$ 0
16	$ 400,000	Terminal	$ 400,000	$ 0
17	$ 300,000	Terminal	$ 300,000	$ 0
Total	$8,550,000		$8,550,000	$0

Desired Endpoint/Outcome

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

Interim Measures/Barriers: Field work will be completed to allow performance of proof of principle soil desiccation/contaminant removal test at SX tank farm, per a work plan provided as a TPA primary document. Characterization of six high priority sites for possible future interim measures or 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 direct push logging and placement of deep electrodes near the 200- tanks in support of future electrical resistivity work, and 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, North 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 three potential barrier sites. The Contractor shall earn $150,000 of incremental fee upon completion of resistivity characterization of each site (total $450,000 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) by3/31/2011
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) by3/31/2012
4. DELETED (MOD 151)

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 two Tank Farm Interim Surface Barriers. The Contractor shall earn $200,000 of incremental fee upon completion of the SX farm southern barrier design by June 30, 2011, $200,000 of incremental fee upon completion of the SX farm northern barrier design by June 30, 2012 (total of $400,000 of incremental fee is available).

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

1. SX farm south
2. SX farm north
3. Deleted (Mod 167)

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 (HDCS).

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

5. DELETED (Mod 151)

6. DELETED (Mod 176).

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	DELETED Mod 151	$0
7	6	DELETED Mod 167.	$0
7	7	DELETED Mod 167.	$0
7	8	Direct push soil characterization in WMA C – 1 location (8 samples)	$200,000
Milestone 7 Total			**$2,200,000 available to be earned**

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. DELETED (Mod 208).

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.

13. Implement direct push technology to perform probe hole logging and deep electrode placement in WMA C by September 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, Rev. 2). The Contractor shall earn $400,000 of incremental fee upon completion.

Work scope/Completion Criteria: Perform direct push to a depth of approximately 200 feet below ground surface (or to refusal, whichever is less), perform probe-hole logging, probe-hole decommissioning, and placement of strings of 2 or more deep electrodes at each of 4 locations

near the 241-C-200 tank as identified in the WMA C work plan. No samples will be obtained at these locations.

Completion document: A letter report will be submitted to the ORP providing direct push probe-hole locations, probe-hole logging results and depth of each electrode placed for subsequent electrical resistivity measurements.

Perform electrical resistivity measurements using deep electrodes, supplemented with surface electrodes and drywells (as appropriate) in WMA C, near the C-200 tanks by September 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, Rev. 2). The Contractor shall earn $150,000 of incremental fee upon completion.

Work/scope/completion criteria: Develop an electrical resistivity data collection and analysis plan for the area around the C-200 tanks, which employs the deep electrodes placed near the C-200 tanks. Place additional surface electrodes as needed by the plan, collect data as dictated by the plan. Ensure that the digital data collected is archived for subsequent analysis. (Analysis of the digital data and reporting is planned for fiscal year 2014.)

Completion document: Submit to the ORP the electrical resistivity data collection and analysis plan for the area around the C-200 tanks, and a digital copy of the collected data for subsequent analysis.

14. In support of TPA target milestone M-045-22-T02, perform electrical resistivity measurements using deep electrodes, supplemented with surface electrodes and drywells (as appropriate) in 241-U Farm, as described in the work plan submitted under TPA Milestone M-45-20. The Contractor shall earn $350,000 of incremental fee upon completion.

Work/scope/completion criteria: Develop an electrical resistivity field data collection and analysis plan for U farm, which employs the existing deep electrodes in U farm and surface electrodes/drywells as needed. Place additional surface electrodes as dictated by the plan, collect data as dictated by the plan. Ensure that the digital data collected is archived for subsequent analysis. (Analysis of the digital data and reporting is planned for fiscal year 2014.)

Completion document: Submit to the ORP the electrical resistivity data collection and analysis plan for the 241-U tank farm, and a digital copy of the collected data for subsequent analysis.

15. In support of TPA target milestone M-045-22-T01, perform vadose zone direct push characterization in 241-TX farm, as described in the work plan submitted under TPA Milestone M-45-20. The Contractor shall earn $400,000 of incremental fee upon completion.

Work scope/completion criteria: Use the hydraulic hammer/direct push technology to perform logging and sampling for 6 locations (of the approximately 12 included in the work plan submitted under TPA Milestone M-45-20). Field work shall include: placement of 6 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 of additional analysis per the sampling and analysis plan submitted under TPA Milestone M-45-21 is not required for this PBI. (Additional sample analysis and reporting is planned for fiscal year 2014.)

Completion document: Provide to the ORP a letter report documenting completion of direct push probe-holes at 6 locations in TX Farm, logging results, placement of deep electrodes, sample depths, and summary of analytical results for technetium and nitrate, and chain of custody forms for samples.

16. In support of TPA target milestone M-045-22-T03, perform field preparation for desiccation/contaminant removal proof-of-principal testing at 241-SX tank farm. The Contractor shall earn $300,000 of incremental fee upon completion.

Work scope/completion criteria: Perform placement of direct push-probe holes to support the testing, as identified in the work plan provided under TPA Milestone M-45-20. Complete the probe-holes as needed to perform the testing. Identify and obtain field test equipment. Develop a detailed field test plan.

Completion document: Provide to the ORP a field test plan, a description of the probe hole locations and configurations, and a description of the field test equipment that will be employed in the desiccation/contaminant removal proof-of-principal testing at 241-SX tank farm.

PBI-2.2 CLIN 2 Waste Management C Area Closure

Performance Fee value is established at $2,350,000. $2,350,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 200,000	Declining	$ 200,000	$0
2	$ 200,000	Declining	$ 200,000	$0
3	$ 200,000	Declining	$ 200,000	$0
4	$ 200,000	Declining	$ 200,000	$0
5	$ 200,000	Straight Line	$ 200,000	$0
6	$ 200,000	Straight Line	$ 200,000	$0
7	$ 400,000	Straight Line	$ 400,000	$0
8	$ 750,000	Straight Line	$ 750,000	$0
9 Deleted (Mod 151)	$0		$0	$0
10 Deleted (Mod 151)	$0		$0	$0
11Deleted (Mod 151)	$0		$0	$0
12 Deleted (Mod 151)	$0		$0	$0
13 Deleted (Mod 208)	$0		$0	$0
14 Deleted (Mod 167)	$0		$0	$0
Total	$2,350,000		$2,350,000	$0

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 435.1which 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 two 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 $400,000 of incremental fee is available to be earned).

Work scope/completion criteria: For each of up to two 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 two 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. Deleted (Mod 151)
10. Deleted (Mod 151)
11. Deleted (Mod 151)
12. Deleted (Mod 151)
13. Deleted (Mod 208)
14. Deleted (Mod 167)

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 value is established at $2,380,000. $2,380,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$1,880,000	Straight-Line	$1,880,000	$0
2	$ 500,000	Straight-Line	$ 500,000	$0
Total	$2,380,000		$2,380,000	$0

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 twenty-two (22) interim stabilization Hose-in-Hose Transfer Lines (HIHTL). The Contractor shall earn $80,000 for each of the HIHTL removed in incremental fee for the first 16 and $100,000 of incremental fee for each of the remaining 6 HIHTLs removed. A total of $1,880,000 of incremental fee is available to be earned.

Identification Number	Location (From)	Location (To)
I-34610-0-1	C-203 (1)	C-200 VESSEL
I-34623-0-2	241-C 200 Vessel	Outside C-03B
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)
I-05555-0-1	Outside C-03B	AN-106 (1)
I-05555-0-2	Outside C-03B	AN-106 (2)
I-19643-0-1	POR104	AN-106 P Pit

I-19643-0-3	POR104	AN-106 P Pit
I-68511-0-01	POR104	AN-106 P Pit
I-68511-0-02	POR104	AN-106 P Pit

2. Complete shipping of the following twenty-two (22) HIHTLs. The Contractor shall earn $20,000 for each of the HIHTL waste shipment in incremental fee for the first 16 and $30,000 of incremental fee for each of the remaining 6 HIHTLs shipped. A total of $500,000 of incremental fee is available to be earned.

Identification Number	Location (From)	Location (To)
I-34610-0-1	C-203 (1)	C-200 VESSEL
I-34623-0-2	241-C 200 Vessel	Outside C-03B
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)
I-05555-0-1	Outside C-03B	AN-106 (1)
I-05555-0-2	Outside C-03B	AN-106 (2)
I-19643-0-1	POR104	AN-106 P Pit
I-19643-0-3	POR104	AN-106 P Pit
I-68511-0-01	POR104	AN-106 P Pit
I-68511-0-02	POR104	AN-106 P Pit

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 value is established at $5,500,000. $5,500,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,000,000	Straight-Line	$2,000,000	$0
2	$1,000,000	Straight-Line	$1,000,000	$0
3	$2,500,000	Straight-Line	$2,500,000	$0
Total	$5,500,000		$5,500,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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 I a, 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 retrieval of Tank 241-C-101. The Contractor shall earn $2,500,000 of incremental fee upon completion of Tank 241-C-101 to the limits of the first and second technology that are defined in the approved Tank Waste Retrieval Work Plan.

Work scope/completion criteria: Complete waste retrieval to meet performance requirements in the 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 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 a practicability evaluation in accordance with Appendix B of the Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment or submit a recommendation for a third technology.

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

Performance Fee value is established at $2,000,000. $2,000,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,000,000	Straight-Line	$2,000,000	$0
2	Deleted Mod 208		$0	$0
3	Deleted Mod 208	Straight-Line	$0	$0
Total	$2,000,000		$2,000,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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 I a, will be completed.

Completion Document: Contractor approved, Construction Completion Document through Section I a, 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. Deleted Mod 208.
3. Deleted Mod 208.

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

Performance Fee value is established at $4,000,000. $4,000,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,500,000	Straight-Line	$2,500,000	$0
2	$1,500,000	Straight-Line	$1,500,000	$0
Total	$4,000,000		$4,000,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment then additional fee in accordance with PBI-2.8.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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 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 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 a practicality evaluation in accordance with appendix B of the 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

DELETED Mod 231

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

Performance Fee value is established at $6,750,000. $6,750,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$1,750,000	Straight-Line	$1,750,000	$0
2	$2,000,000	Straight-Line	$2,000,000	$0
3	$1,000,000	Straight-Line	$1,000,000	$0
4	$2,000,000	Straight-Line	$2,000,000	$0
5	Deleted Mod 231	Straight-Line	$0	$0
Total	$6,750,000		$6,750,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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.

Deleted Mod 231

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

Performance Fee available and assigned to this PBI: $1,600,000. $1,600,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$1,500,000	Straight-Line	$1,500,000	$0
2	$ 100,000	Straight-Line	$ 100,000	$0
Total	$1,600,000		$1,600,000	$0

Desired Endpoint/Outcome

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

Fee Bearing Milestones

1. 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 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 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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment.

2. In partial completion of TPA Milestone M-45-86, provide a Retrieval Data Report for 241-C-108 in C Farm that have completed retrieval under the Consent Decree. The Contractor shall earn $100,000 of incremental fee upon completion of Retrieval Data Report.

Work scope/completion criteria: Each Retrieval Data Report shall include the following elements:

- Residual tank waste volume measurement, including associated calculations;
- The results of residual tank waste characterization;
- Retrieval technology performance documentation;

- The updated post-retrieval risk assessment;
- Opportunities and actions being taken to refine or develop tank waste retrieval technologies based on lessons learned and,
- Leak detection monitoring and performance results.

The tank residual characterization and residual volume estimate shall be based on the version of RPP-23403 (*Single-Shell Tank Component Closure Data Quality Objectives*) in effect at the time of retrieval completion certification for the tank in question, modified by any specific changes agreed to in the applicable Tank Sample Analysis Plan. The post-retrieval risk assessment shall be based on the risk model used in DOE/ORP-2005-01 (*Initial Single-Shell Tank System Performance Assessment for the Hanford Site*). A draft of the Retrieval Data Report shall be provided to ORP for review, and all written comments submitted to the contractor on the draft, within 15 calendar days of providing the draft to ORP, will be addressed in the final Retrieval Data Report.

Completion documents: For each tank, provide to the ORP a formally released Retrieval Data Report addressing the elements described above, following certification of completion of retrieval for that tank.

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 "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B.

Fee Bearing Milestones

1. 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 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 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 a practicality evaluation in accordance with appendix B of the 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 (October 20, 2013*)
*Due date extended 20 days due to Stop Work Status issued for contamination concerns on C-101 for entire C-Farm resulting in day by day schedule slippage.

Desired Endpoint/Outcome

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

Fee Bearing Milestones

1. 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 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 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 a practicality evaluation in accordance with Appendix B of the 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 value is established at $4,500,000. $4,500,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,000,000	Straight-Line	$2,000,000	$0
2	Deleted (Mod 102)	Deleted (Mod 102)	Deleted (Mod 102)	Deleted (Mod 102)
3	$2,000,000	Straight-line	$2,000,000	$0
4	Deleted (Mod 208)	Deleted (Mod 208)	Deleted (Mod 208)	Deleted (Mod 208)
5	$150,000	Straight-Line	$150,000	$0
6	$150,000	Straight-Line	$150,000	$0
7	$200,000	Straight-Line	$200,000	$0
Total	$4,500,000		$4,500,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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. Deleted (Mod 102)

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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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 Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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. Deleted (Mod 208).

5. Complete installation of in situ rapid measurement of the hard pan waste heel in 241-C-111 using Telescopic Raman Spectrometer technology. The Contractor shall earn $150,000 of incremental fee upon completion of Telescopic Raman Spectrometer technology installation in 241-C-111.

Work scope/completion criteria: Complete installation of in situ rapid measurement of 241-C-111 hard pan heel using a Telescopic Raman Spectrometer (Raman) prototype. As part of the WRPS Waste Retrieval Technology Development Program a telescopic (Raman) system was fabricated and successfully tested under laboratory conditions as documented in RPP-RPT-50925. The telescopic (Raman) methodology represents a relatively low-cost method to identify components in tank heels. Use of telescope (Raman) techniques may reduce cost and radiation exposure to personnel during single-shell tank retrieval and closure by eliminating the collection of waste samples from tanks needed for hard heel removal.

Completion document: Submit work record entry documenting completion of Raman system installation in 241-C-111 to the ORP.

6. After installation of the Raman Probe, complete in situ rapid measurement field data collection of the hard pan waste heel in 241-C-111 using Telescopic Raman Spectrometer technology. The Contractor shall earn $150,000 of incremental fee upon completion of the field data collection in 241-C-111.

Work scope/completion criteria: Completion of the in-situ rapid measurement field data collection of 241-C-111 hard pan heel using a Telescopic Raman Spectrometer (Raman) prototype.

Completion document: Submit work record entry documenting completion of field data collection in 241-C-111 to the ORP.

7. Issue a technical report documenting results in in-situ rapid measurement of the hard pan heel in 241-C-111. The Contractor shall earn $200,000 of incremental fee upon approval

and release of a technical report documenting results of telescopic Raman Spectrometer technology deployment in 241-C-111.

Work scope/completion criteria: Complete scientific analysis of spectra data collected in 241-C-111 using a prototype telescopic Raman spectrometer. Prepare, review, approve, and issue a technical report documenting the results. The report should include recommendations for further development and/or use of Raman technology in the characterization of single-shell tank hard pan waste heels.

Completion document: Submit WRPS-approved and released technical report documenting data analysis results and recommendations to the ORP.

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

Performance Fee value is established at $5,000,000. $5,000,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee even if the workscope is complete.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$2,000,000	Straight-Line	$2,000,000	$0
2	$1,000,000	Straight-Line	$1,000,000	$0
3	$2,000,000	Straight-Line	$2,000,000	$0
4	Deleted Mod (208)		$0	$0
Total	$5,000,000		$5,000,000	$0

Desired Endpoint/Outcome

Completion of tank waste retrieval activities to meet or exceed performance requirements in the "Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment" Appendix B. Fee for the following milestones shall be earned in sequential order, i.e. fee for completion of a milestone shall not be awarded until the fee for the previous milestone has been awarded.

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.

3. 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.

Work scope/completion criteria: Complete bulk waste retrieval to the performance requirements of the Consent Decree and Tri-Party Agreement Modifications for Hanford Tank Waste Treatment 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. Deleted (Mod 208).

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 and 272-AW Facility Replacement

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 as replacement to the 272-AW Facility. 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 as a replacement for the 272-AW Facility.

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

PBI-2.18 CLIN 2 Articulating Mast System in 241-C-104

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

Fee Structure: Straight-Line Method

Desired Endpoint/Outcome

An obstruction under the slurry pump has impacted the completion of 241-C-104 retrieval. Install a second retrieval technology to aid in the removal of the obstruction.

Fee Bearing Milestones

1. Complete modification design, physical modifications, and factory acceptance testing for installation of the Articulating Mast System (AMS) in 241-C-104 by September 30, 2013. The Contractor shall earn $500,000 of incremental fee upon completion of the modification design, physical modifications and factory acceptance testing of the AMS.

Work Scope/Completion Criteria: Complete modification design, modifications and factory acceptance testing for installation of the AMS in 241-C-104.

Completion Document: Letter transmitting copy of factory acceptance testing.

2. Install the AMS into 241-C-104 to aid in the removal of an obstruction under the slurry pump, and assist completion of the sludge retrieval. Install an AMS in 241-C-104 by September 30, 2013. The Contractor shall earn $500,000 of incremental fee upon completion of the AMS installation and turnover to operations.

Work Scope/Completion Criteria: Complete installation of the AMS into 241-C-104. Field work packages will be approved through Operations Acceptance.

Completion Document: Letter transmitting completed field work packages through Operations Acceptance.

PBI-2.20 CLIN 2 Replace 241-AN-106 HIHTL

Performance Fee value is established at $250,000.

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

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$250,000	Straight-Line	$250,000	$0
Total	$250,000		$250,000	$0

Desired Endpoint/Outcome

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

Fee Bearing Milestones

1. Complete layout and replacement of AN-106 Hose-In-Hose Transfer Lines (HIHTLs). The HIHTL from POR104 to Double Shell Tank (DST) Receiver tank 241-AN-106 will be replaced with new HIHTLs. Replaced HIHTLs include:

   - Slurry line Hose-in-Hose Transfer Line (HIHTL) segments (Serial # I-19643-1 and I-19643-3).
   - Supernate HIHTL segments (I-68511-01 and I-685511-02).

   New replacement of HIHTL is necessary to replace existing expiring (8/31/12) HIHTLs. Replacement of HIHTL allows performance of retrieval operations in Tank 241-C-110 and 241-C-105. Install replacement HIHTL to 241-AN-106 by September 30, 2013. The Contractor shall earn $250,000 of incremental fee upon completion of the HIHTL replacement.

Work Scope/Completion Criteria: Complete new HIHTL layout replacement of POR104 to AN-106 hose-in-transfer lines. Field work packages will be approved through Operations Acceptance.

Completion Document: Transmit PECN, completed work packages through Operations Acceptance, and Independent Qualified Registered Professional Engineer letter to the ORP.

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 value is established at $350,000. $350,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

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 413.3B, 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

1. 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)

PBI DELETED (Mod 176)

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 413.3B, 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

1. 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

PBI DELETED (Mod 176)

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

PBI DELETED (Mod 167)

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

PBI DELETED (Mod 176)

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

PBI DELETED (Mod 208).

PBI-3.8 CLIN 3 AY/AZ 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 AY/AZ Farm Infrastructure Design documentation. The AY/AZ Farm 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

1. AY/AZ Farm Infrastructure Design. The Contractor shall earn $100,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Complete design documents for the AY/AZ Farm Infrastructure Design (Work Breakdown Structure 5.01.04.02.20.02). The documents will include the appropriate procurement/construction specifications, design drawings, and engineering change notices.

Completion Document: Letter transmitting the AY/AZ Farm Infrastructure 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

1. 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

PBI DELETED (Mod 167)

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

1. 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 (Work Breakdown Structure 5.03.02.09.07.01). 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

PBI DELETED (Mod 176)

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

Performance Fee value is established at $1,650,000. $1,650,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Fee Structure: Terminal (September 30, 2013)

Desired Endpoint/Outcome

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), two (2) annual updates, FY 2010 and FY2011,of the RPP System Plan to reflect directions provided by the ORP and Hanford Tank Waste Operations Simulator modeling results and one (1) FY 2013 deliverable, which will be a separate system planning report. The FY 2013 scenario selection and update will support decision making by the ORP through evaluation of at least three (3) scenarios including, but not limited to, such scope as 241-AY-102 IPT/Double-Shell Tank waste volume impact.

Fee Bearing Milestones

1. Submit annual RPP System Plan revision for FY 2010 and FY 2011 and a FY 2013 system planning report. The Contractor shall earn $750,000 per submittal of incremental fee upon completion of each annual update for FY 2010 and FY 2011and $150,000 for the system planning report in FY 2013 (total of $1,650,000 of incremental fee is available to be earned).

Work scope/completion criteria: Two (2) annual updates, FY 2010 and FY 2011 of the RPP System Plan and one (1) system planning report, FY 2013, to reflect Hanford Tank Waste Operations Simulator modeling results. The FY 2013 report will evaluate at least 3 scenarios including, but not limited to, 241-AY-102 IPT/Double-Shell Tank waste volume impact.

Completion documents: Letter transmitting Contractor-approved RPP System Plan or system planning report 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 value is established at $800,000. $800,000 of the total base period feepool has been allocated to this PBI and is available to be earned.

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

1. Prepare and submit best basis inventory update reports on a quarterly basis. The last (1) quarterly update report is not available to be earned. The Contractor shall earn $50,000 of incremental fee upon completion of each quarterly update report (total of $800,000 of incremental fee is available).

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 value is established at $1,000,000. $1,000,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method (Due 15 days after the end of the Semi-Annual timeframe for FY 2010 and September 30, 2011 for FY 2011)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 500,000	Terminal	$ 500,000	$0
2	$ 500,000	Terminal	$ 500,000	$0
Total	$1,000,000		$1,000,000	$0

Desired Endpoint/Outcome

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), the Waste Treatment Plant (WTP) Operational Readiness Evaluation reports on a semi-annual basis for FY 2010 and submit the FY 2011 WTP Operational Readiness Support Report. The in-process reviews of WTP Operational Readiness will identify recommendations for the resolution or mitigation of any issues or concerns which are identified to support the safe and efficient acceptance of the WTP facilities by the Contractor.

Fee Bearing Milestones

1. 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 $500,000 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.

2. Prepare and submit the WTP Operational Readiness Support Report for FY 2011. The Contractor shall earn $500,000 of incremental fee upon completion (total of $500,000 of incremental fee is available to be earned).

Work Scope/Completion Criteria: Complete the FY 2011 WTP Operational Readiness Support Report that supports earliest effective operations of the WTP.

Completion Document: Letter transmitting the FY 2011 WTP Operational Readiness Support 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
Definition: Supplemental Treatment Program consists of the Supplemental Treatment Project and the Supplemental Immobilization Project.

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

Fee Bearing Milestones

1. 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 the Supplemental Treatment Project.

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

PBI-3.20 CLIN 3 Flowsheet Development

Performance Fee available and assigned to this PBI: $127,500

Fee Structure: Terminal Method (09/30/2010)

Desired Endpoint/Outcome

Develop preliminary flowsheets for Waste Feed Delivery, Single-Shell Tank (SST) Retrieval, and Supplemental Treatment.

Fee Bearing Milestones

1. Develop preliminary flowsheets for Waste Feed Delivery and SST Retrieval and perform a feed variability analysis for Supplemental Treatment by September 30, 2010. The Contractor shall earn $127,500 of incremental fee.

Work Scope/Completion Criteria: Complete a flowsheet for delivery of HLW and LAW Hot Commissioning feed from double-shell tank AY-102 to the Waste Treatment Plant (WTP), a preliminary retrieval flowsheet that identifies potential flowsheet risks and risk mitigation activities for the next SST farms to be retrieved (A Farm and AX Farm), and a fluidized bed steam reformer feed variability analysis to support the WTP mission.

Completion Document: Letter transmitting the reports for the Waste Feed Delivery, Single-Shell Tank (SST) Retrieval, and Supplemental Treatment.

PBI-3.21 CLIN 3 Life-Cycle Cost Model

Performance Fee available and assigned to this PBI: $67,500

Fee Structure: Terminal Method (09/30/2010)

Desired Endpoint/Outcome

Complete Phase 1 of the Life-cycle Cost Model development.

Fee Bearing Milestones

1. Complete Phase 1 of the Life-cycle Cost Model development by September 30, 2010. The Contractor shall earn $67,500 of incremental fee.

Work Scope/Completion Criteria: Complete Phase 1 of the Life-cycle Cost Model (LCM) development. This model is required to support the revised TPA milestones for System Planning in FY2011 and beyond. Phase 1 will develop a database for importing and exporting schedule and cost data from the HTWOS model and develop requirements in a Model Modification Request for implementing the LCM. The database will establish the initial crosstalk between Primavera P6 scheduling software and the HTWOS model.

Completion Document: Letter transmitting a Model Modification Request for implementing the Life-cycle Cost model into HTWOS.

PBI-3.22 CLIN 3 Solid-Phase Aluminum Speciation

Performance Fee available and assigned to this PBI: $48,000

Fee Structure: Terminal Method (09/30/2010)

Desired Endpoint/Outcome

The speciation of aluminum in saltcake and sludges in all single-shell and double-shell tanks except those tanks where retrieval is complete is documented.

Fee Bearing Milestones

1. By September 30, 2010, estimate the aluminum species in sludge and saltcakes in the double-shell and single-shell tanks and submit report documenting the specific of aluminum in salt cake and sludges in all Single-shell and Double-shell tanks (except those tanks where retrieval is complete). The Contractor shall earn $48,000 of incremental fee upon completion of the report.

Work Scope/Completion Criteria: This task will be to estimate the aluminum species in sludge and salt cakes in the double-shell and single-shell tanks. Specifically, this task will be to write a report that divides aluminum in solid phases between three different pools. These pools are: "easy to leach" aluminum, Boehmite (AlOOH), and refractor aluminum. These three pools correspond to aluminum fractions that behave differently during retrieval and leaching. "Easy to Leach" aluminum corresponds to aluminum that will be assumed to obtain solid-liquid chemical equilibrium during waste processing time frame. The "Boehmite" pool is defined as aluminum that only dissolves during caustic leaching process and never re-precipitates (consistent with the known behavior of the mineral Boehmite in the waste). The "Refractory Aluminum" pool is aluminum that is expected to always remain in the solid phase during aqueous processing of the waste. This report will provide the speciation of the aluminum into pools, and will provide the methodology for doing so. This work is needed to provide a basis for predicting the partitioning of aluminum during waste treatment processes.

Completion Document: Letter transmitting a report documenting the speciation of aluminum in salt cake and sludges in all Single-shell and Double-shell tanks except those tanks where retrieval is complete.

PBI-3.23 CLIN 3 Integrated Sample Analysis Plan

Performance Fee available and assigned to this PBI: $41,500

Fee Structure: Terminal Method (09/30/2010)

Desired Endpoint/Outcome

An integrated sample analysis plan for Fiscal Year (FY) 2011 for the double-shell, single-shell, and miscellaneous waste storage tanks is developed.

Fee Bearing Milestones

1. Submit an Integrated Sample Analysis Plan for FY 2011 by September 30, 2010. The Contractor shall earn $41,500 of incremental fee upon completion of the plan.

Work Scope/Completion Criteria: This task will be to develop an integrated sample analysis plan for FY 2011 for the double-shell, single-shell, and miscellaneous waste storage tanks. This plan will include the samples required for FY 2011, their drivers, applicable data quality objectives (DQOs), and associated schedule. The plan will also include a forecast of the sampling requirements for FY 2012 through 2016. These sampling events include grab samples, core samples, off-riser samples, vapor samples, and solids level measurements. Any new DQOs required for the post 2011 sampling events will also be listed and the schedule for their completion also provided.

Completion Document: Letter transmitting an Integrated Sample Analysis Plan for FY 2011.

PBI-3.24 CLIN 3 Mission Analysis Report Updated

Performance Fee available and assigned to this PBI: $37,500

Fee Structure: Terminal Method (09/30/2010)

Desired Endpoint/Outcome

Issue a revised RPP Mission Analysis Report that provides assurance that the new initiatives are properly integrated into the baseline RPP mission architecture.

Fee Bearing Milestones

1. Submit the annual update of the RPP Mission Analysis Report, RPP-RPT-41742 by September 30, 2010. The Contractor shall earn $37,500 of incremental fee upon completion of the report.

Work Scope/Completion Criteria: Complete the annual update of the RPP Mission Analysis Report, RPP-RPT-41742. The initial revision of the RPP Mission Analysis Report was completed in September 2009. Subsequent to that, significant new initiatives have been proposed to complete the RPP mission earlier and at a lower cost. An update to the RPP Mission Analysis Report is required to incorporate those initiatives as they are approved for implementation. This provides assurance that the new initiatives are properly integrated into the baseline RPP mission architecture.

Completion Document: Letter transmitting a revised RPP Mission Analysis Report (RPP-RPT-41742, Revision 1).

PBI-3.25 CLIN 3 Submit Integrated Waste Feed Delivery Plan (IWFDP) Update for Approval

Performance Fee available and assigned to this PBI: $150,000

Fee Structure: Terminal Method (September 30, 2012)

Milestone	Fee Value	Method	Amount allocated and available to be earned
1	$150,000	Terminal	$150,000
Total	$150,000		$150,000

Desired Endpoint/Outcome

Prepare and submit to the U.S. Department of Energy, Office of River Protection (ORP), the required updates of the Integrated Waste Feed Delivery Plan (IWFDP) for approval (Contract Deliverable C.2.3.1-2). The IWFDP "shall include the needs of commissioning, near-term, and long-term operations; necessary studies, testing, and infrastructure installation; and projected waste transfer/pretreatment operations" and will describe both the strategy for the preparation and delivery of feed and the campaign plans for the initial feed deliveries.

Fee Bearing Milestones

1. Submit an update of the Integrated Waste Feed Delivery Plan, integrated with RPP System Plan Revision 6. The Contractor shall earn $150,000 incremental fee upon submittal of this update.

Work Scope/Completion Criteria: Prepare and submit an Integrated Waste Feed Delivery Plan which has dispositioned all prior ORP and Contractor comments, to ORP for approval.

Completion Document: Letter transmitting the draft Integrated Waste Feed Delivery Plan to ORP for approval.

PBI-3.26 CLIN 3 One System DNFSB 2010-2 Implementation Plan Commitments

Performance Fee value is established at $1,100,000. $1,100,000 of the total base period fee pool has been allocated to this PBI and is available to be earned.

Fee Structure: Terminal Method (September 30, 2013)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$ 400,000	Terminal	$400,000	$0
2	$ 700,000	Terminal	$700,000	$0
Total	$1,100,000		$1,100,000	$0

Desired Endpoint/Outcome

Complete and submit to the U.S. Department of Energy, Office of River Protection (ORP), an Initial Gap Analysis Report between WTP WAC and Tank Farm sampling and transfer capability; A Remote Sampler Demonstration (RSD) Test Report; and a Tank Farm Performance Testing Report. These reports will help define the impact on the waste retrieval, feed delivery, and feed certification processes due to any limitations of the WTP mixing and transfer systems, and demonstrate the ability to obtain adequately representative samples from the waste feed tanks to ensure the WTP waste acceptance criteria can be reliably enforced.

Fee-Bearing Milestones

1. In support of DNFSB 2010-2, issue Remote Sampler Demonstration Test results by September 30, 2013. The Contract shall earn $400,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Conduct testing with an alternative sampling and measurement approach using an Isolok sampler to obtain representative samples of simulated slurry from transfer pump discharge line and to validate a previously developed critical velocity measurement technique (i.e., Ultrasonic Pulse Echo -UPE). The testing is designed to identify the different components of possible sampling errors and assess the viability of a sample bottle remote handling system. The results of the Isolok/ Mechanical handling and UPE demonstrations will be documented in a Final RSD Results Report.

Completion Document: WRPS letter transmitting the Remote Sampler Demonstration Testing results to the ORP to include documentation of Large Scale Integrated Mixing System Expert Review Team comment resolution concurrence.

2. In support of DNFSB 2010-2, issue testing results from the three different tank mixing and transfer platforms that were used to define the capabilities of the double-shell tank mixing

and transfer capability by September 30, 2013. The Contractor shall earn $700,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: Conduct testing to determine the range of waste physical properties that can be retrieved and transferred to WTP and determine the capability of tank farm staging tank sampling systems to provide samples that will characterize waste and determine compliance with the WAC. The results of this testing will be documented in a Tank Farm Performance Testing Report.

Completion Document: WRPS letter transmitting the Tank Farm Performance Testing Report to ORP to include documentation of Large Scale Integrated Mixing System Expert Review Team comment resolution concurrence.

PBI-3.33 CLIN 3 Mixing and Sampling Implementation Plan Activities for DNFSB Recommendation 2010-2

Performance Fee value is established at $200,000

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

Milestone	Fee Value	Method	Amount allocated and available to be earned
1	$200,000	Straight-Line	$200.000
Total	$200,000		$200,000

Desired Endpoint/Outcome

Successful demonstration of small scale mixing including remote sampler collection concept such that tank farms mixing, sampling, and transfer capabilities are adequately understood to support WTP feed delivery gap analysis evaluations as described by the Implementation Plan for DNFSB Recommendation 2010-2.

Fee-Bearing Milestones

1. Complete construction of Remote Sampler Demonstration (RSD) loop mechanical handling systems. The Contractor shall earn $200,000 of incremental fee upon completion.

Work scope/completion criteria: RSD Phase II construction includes completion of sample bottle mechanical handling systems as documented in design drawings. Completion of this construction phase will allow for demonstrations of sample container loading, filling, transfer to sample container shielded shipping cask, and transfer of the shipping cask to a simulated field operator interface point.

Completion Document: Completion of construction will be confirmed by a field walk down and acceptance signatures on subcontractor final construction punch list documenting satisfactory closure of all open construction punch list items.

PBI-3.35 CLIN 3 Complete Relocation of the Pretreatment Engineering Platform

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

Fee Structure: Terminal (September 30, 2012)

Milestone	Fee Value	Method	Amount allocated and available to be earned
1	$200,000	Terminal	$200,000
Total	$200,000		$200,000

Desired Endpoint/Outcome

Complete the dismantlement and relocation of the Pretreatment Engineering Platform (PEP) and the refurbishment of PNNL's PDL-W facility.

Fee Bearing Milestone

1. Complete relocation of the PEP and refurbishment of PNNL's PDL-W facility. The Contractor shall earn $200,000 of incremental fee upon completion.

Work Scope/Completion Criteria: Dismantle the PEP skids, relocate skids and associated PEP items to the new storage facility at Columbia Energy & Environmental Services Inc., and refurbish the PDL-W facility.

Completion Document: Letter transmitting PNNL's acceptance of the refurbished PDL-W facility.

PBI-4.1 CLIN 4 Supplemental Immobilization Project – One Time Report

Performance Fee value is established at $500,000. $500,000 of the total base period fee pool has been allocated to this PBI and is available to be earned. $0 is not allocated and is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Fee Structure: Terminal Method (September 30, 2013)

Milestone	Fee Value	Method	Amount allocated and available to be earned	Amount not allocated and not available to be earned
1	$500,000	Terminal	$500,000	$0
Total	$500,000		$500,000	$0

Desired Endpoint/Outcome

Upon completion of these PBI activities, the U.S. Department of Energy (DOE) will have completed work elements to support TPA milestone M-062-40ZZ. TPA Milestone M-062-45 describes the process for the State of Washington Department of Ecology and the DOE to complete a negotiated Low Activity Waste immobilization technology selection process. These reports and testing activities represent work elements that are part of the overall project workflow.

Fee-Bearing Milestones

1. Complete testing of statistically-based matrix for low temperature Low-Activity Waste (LAW) waste forms by September 30, 2013. The Contractor shall earn $500,000 of incremental fee upon completion of the work scope.

Work scope/completion criteria: The scope is part of the maturation process to evaluate Cast Stone as a potential alternative for the immobilization of Low Activity Waste for Hanford and helps provide supporting data for the application of Cast Stone for secondary liquid wastes. The work involves detailed laboratory tests involving a matrix of 26 test conditions involving 8 different waste form formulation variables to evaluate primary and secondary effects of the 8 variables and selected variable combinations to help narrow in on the optimum cast stone formulation for Hanford LAW. The overall goal is to narrow in on the formulation parameters that are best suited for processing a wide range of LAW streams with respect to achieving the best combination of processing requirements such as pourability, mixing, set/cure time, minimize excessive heat generation, cracking, and performance requirements (leach resistance, compressive strength) at the highest practical waste loading. Completion criteria include completing the test conditions, analyzing the data, and identifying effects to be incorporated in improved low temperature waste form formulations.

Completion Document: Letter transmitting performance expectation completion notice and report from vendor with results of testing and analyses reviewed by the Contractor.

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is $12,531,479. The Total Available Unallocated Base Period Fee value is $0. The Total Unavailable Unallocated Base Period Fee value is $12,531,479. Unavailable Unallocated Base Period Fee is not available to be earned. The Contractor is not entitled to this unallocated and unavailable fee.

Available Unallocated Base Period Fee:	$	0	**(Mod 231)**
Available Unallocated ARRA Fee:	$	0	
Total Available Unallocated Fee:	**$**	**0**	**(Mod 231)**

Fee Structure: Method to be determined

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

PBI-7.1 CLIN 7 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 = $1811.75per 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

Key Performance Parameter (KPP)	Completion Evidence	Performance Measure/Metric	QTY	Total Fee Value (1,000)
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, Sl-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
				$16,523,348

PBI-7.3 CLIN 7 ARRA AW-104 Corrosion Probe

Performance Fee available and assigned to this PBI: $253,000

Fee Structure: Terminal Method (September 30, 2011)

Desired Endpoint/Outcome

ARRA funded activities and defined work scope are successfully completed within approved cost and schedule, and the successful completion of each ARRA PBI milestone.

Fee Bearing Milestones

1. Design, fabricate, and install a corrosion probe in AW-104 by September 30, 2011. The Contractor shall earn $253,000 of incremental fee upon completion of installation of the corrosion probe in AW-104.

Work Scope/Completion Criteria: Design, fabricate, and install corrosion probe in AW-104.

Completion Document: Letter transmitting performance expectation completion notice and copy of operations acceptance checklist from the installation work package documenting successful installation.

PBI-7.4 CLIN 7 ARRA TY Farm Barrier

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

Fee Structure: Terminal Method (September 30, 2011)

Desired Endpoint/Outcome

ARRA funded activities and defined work scope are successfully completed within approved cost and schedule, and the successful completion of each ARRA PBI milestone.

Fee Bearing Milestones

1. Complete construction of the TY farm barrier. The Contractor shall earn $500,000 of incremental fee upon completion of construction of the barrier.

Work Scope/Completion Criteria: Complete construction of the TY farm barrier. The Complete Construction Completion Document approved through Section 1a, "Completion of Construction and Construction Acceptance Testing," will be issued.

Completion Document: Letter transmitting the Construction Completion Document approved through Section 1a, "Completion of Construction and Construction Acceptance Testing."

2. Complete construction of the TY farm basin. The Contractor shall earn $200,000 of incremental fee upon completion of construction of the TY farm basin.

Work Scope/Completion Criteria: Complete construction of the TY farm basin. The Complete Construction Completion Document approved through Section 1a, "Completion of Construction and Construction Acceptance Testing," will be issued.

Completion Document: Letter transmitting the Construction Completion Document approved through Section 1a, "Completion of Construction and Construction Acceptance Testing."

PBI-7.5 CLIN 7 ARRA Mobile Arm Retrieval System Testing

Performance Fee available and assigned to this PBI: $895,000

Fee Structure: Terminal Method (September 30, 2011)

Desired Endpoint/Outcome

ARRA funded activities and defined work scope are successfully completed within approved cost and schedule, and the successful completion of each ARRA PBI milestone.

Fee Bearing Milestones

1. Complete the proof of principal testing of the Mobile Arm Retrieval System (MARS) to validate performance of key components and demonstrate systems unique to the vacuum configuration can be run in a sustained manner by September 30, 2010. The Contractor shall earn $395,000 of incremental fee upon completion of the proof of principal testing.

Work Scope/Completion Criteria: Complete test report documenting completion of the proof of principal testing to validate performance of key components and systems. This testing will demonstrate the control system is capable of maintaining simulant levels in the separation tank during sustained operation.

Completion Document: Letter transmitting the proof of principal testing test report.

2. Complete the integrated testing of the MARS vacuum system by September 30, 2011. The Contractor shall earn $500,000 of incremental fee upon completion of the integrated testing.

Work Scope/Completion Criteria: Complete the integrated testing of the MARS vacuum system and issue a final test report.

Completion Document: Letter transmitting the final test report issued.

PBI-7.6 CLIN 7 ARRA AP Cathodic Protection

Performance Fee available and assigned to this PBI: $248,000

Fee Structure: Terminal Method (September 30, 2011)

Desired Endpoint/Outcome

ARRA funded activities and defined work scope are successfully completed within approved cost and schedule, and the successful completion of each ARRA PBI milestone.

Fee Bearing Milestones

1. Complete AP cathodic protection program system plan by September 30, 2011. The Contractor shall earn $248,000 of incremental fee upon completion of the plan.

Work Scope/Completion Criteria: Complete AP cathodic protection program system plan.

Completion Document: Letter transmitting performance expectation completion notice and copy of the work package signature page documenting successful completion of the AP cathodic protection.