

PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)

Incentive B - Award Fee

DESIGN, CONSTRUCTION, AND COMMISSIONING OF THE HANFORD TANK WASTE TREATMENT & IMMOBILIZATION PLANT

CONTRACT NO. DE-AC27-01RV14136

Evaluation Period 2015
January 1, 2015 to December 31, 2015

Bechtel National, Inc.
Richland WA



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Issued By:

Kevin W. Smith
Manager, DOE Office of River Protection
Fee-Determining Official

Accepted By:

Margaret G. McCullough
Project Director
Bechtel National Inc.

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Award Fee Objectives

The PEMP contains the following six Award Fee Objectives:

1. Project Performance (Cost, Schedule, and Efficiencies)
2. One System
3. Environmental, Safety, Health, and Safety Conscious Work Environment
4. Quality Assurance Program and Quality of Performance
5. Nuclear Safety
6. Technical Issue Resolution

Evaluation Process

ORP will evaluate and measure performance in each of the six Award Fee Objectives, using the criteria in each Objective. The evaluation will assign an Adjectival Rating and corresponding Award Fee Earned to each Award Fee Objective. See Table 2 - *Award Fee – Incentive Ratings and Definitions* on page 14. The FDO may consider any other pertinent factors in making a final fee determination.

DOE's expectation is that the Contractor will complete assigned Hanford Federal Facility Agreement and Consent Order and Consent Decree Milestone deliverables at least 30 days before they are due. DOE reserves the right to reduce the PEMP award fee determination if the Contractor fails to meet DOE's expectation.

Table 1 - Award Fee - Fee Earnings Calculation					
Award Fee Objective		Award Fee Available	Adjectival Rating	% of Award Fee Earned	Award Fee Dollars Earned
1	Project Performance (Cost, Schedule, and Efficiencies)	\$3,500,000			
2	One System	\$600,000			
3	Environmental, Safety, Health, and Safety Conscious Work Environment	\$2,000,000			
4	Quality Assurance Program and Quality of Performance	\$2,500,000			
5	Nuclear Safety	\$2,000,000			
6	Technical Issue Resolution	\$2,000,000			
Total Award Fee (Period 2015)		\$12,600,000			

Award Fee Objective 1: Project Performance (Cost, Schedule, & Efficiencies)

Award Fee Criteria:

- Project Performance
- Cost Performance & Efficiencies

Project Cost & Schedule Performance

(50% of Award Fee Objective (AFO) 1 Available Fee)

ORP will evaluate the Contractor's cost and schedule performance based upon actual incurred costs compared to the total estimated costs of that work, and actual schedule performance as compared to the planned schedule. The analysis of cost control performance will give consideration to changed programmatic requirements, changed statutory requirements, and/or changes beyond the Contractor's control which impact costs. ORP will rely on other objective and or subjective cost performance elements to evaluate the Contractor's performance, which includes, but is not limited to the following:

- Cost Control – The Contractor maintains cost control (i.e., actual costs incurred for work performed are equal to or less than the estimated costs for that work) and actively pursues cost containment and reduction through innovative approaches and management of resources. Cost control will be monitored against the Internal Forecast.
- Schedule Control – The Contractor maintains an Internal Forecast schedule that is reflective of actual schedule performance, problem identification and corrective action plans. These action plans are tracked for actual schedule performance. Contractor performance will also be evaluated using internal contractor planning documents and performance, e.g., Quantity Unit Rate Report and Engineering Production Rate Report.

- Cost and Schedule Reporting – The Contractor is proactive in assisting ORP with problem identification. Potential problems are identified, and corrective action is implemented to minimize cost/schedule impacts. The Government is notified immediately of significant problems and the contractor interacts with the Government to develop viable resolutions and overcome delays.
- Variances – The Contractor is expected to promptly take corrective action on negative cost and schedule variances. Negative variances are not expected to build but instead be mitigated effectively and with sound business practices.
- Available Funding Utilization – The Contractor is expected to optimize utilization of funds while planning for an appropriate amount of carryover to cover outstanding year-end commitments and to provide for the first few weeks of continuing operations into the next fiscal year.
- Earned Value Management System (EVMS) indices, including cost performance index (CPI) and schedule performance index (SPI) - Contractor is expected to effectively use the EVMS in managing and reporting their project performance to ensure that actual progress is reported compared to the Internal Forecast and that sound management actions are taken when negative cost and schedule variances and/or cost overruns are projected.
- Efficiency initiatives - BNI successfully transitions, converts, and implements its corrective action management program from using BNI's internal Project Issues Evaluation Reports (PIER) program to Condition Reports using a commercially available program.

Construction Cost and Schedule Performance

(50% of AFO 1 Available Fee)

Award Fee Criteria:

This Performance Measure evaluates construction performance as an indicator of the Contractor's ability to achieve overall project cost goals. ORP-WTP reserves the right to consider any available information in making this evaluation. Performance considerations include:

- Overcome Engineering/Procurement/Construction challenges, including effective management of emergent trends with proactive and early communication to ORP-WTP from initial identification of an issue through final closure; and
- Focus on completion.

Meet installation rates:

- Planned vs. actual commodity and major equipment installation rates measured against the Internal Forecast as well as development of and performance against any identified recovery plans;
- Subcontractor performance on all installation work performed on the WTP jobsite by BNI subcontractors, including the efficient coordination of BNI engineering-supplied documentation and scheduling of work interfaces with BNI direct hire craft and other BNI subcontractors and timely resolution of nonconformance reports and interferences with a minimum amount of rework. Included in this metric is reporting of correct EVMS data and performance indices by the subcontractors;

- Demonstrate priorities and decision making aligned with critical path, as well as metrics identifying performance against secondary metrics of Early Starts and Early Finishes against Internal Forecast;
- Manage resources (direct-hire labor, subcontractor, and equipment and materials) available to support construction;
- Timely and consistent communication and reporting of data and metrics against the Internal Forecast to identify and facilitate accurate evaluation of the quantitative reporting for Construction Technical Performance.
- Maintenance of the management tools, such as P6, and the Bechtel Procurement System, so that accurate and complete information is flowing between Engineering, Procurement, and Construction related to the construction need date and the supporting procurement process.

Award Fee Objective 2: One System

Award Fee Criteria:

Performance will be evaluated on progress in meeting the following strategic objectives:

- Establish a prioritized set of activities and timing to fully integrate the Tank Farm and the Waste Treatment Plant (WTP) necessary to meet the contractual dates for startup and commissioning of WTP. Be responsible for coordinating, tracking, measuring, and reporting on these activities.
- Recommend to ORP, Washington River Protection Solutions, LLC (WRPS), and BNI actions needed to more effectively or efficiently conduct the transition to startup, commissioning and operations.
- Support the establishment of a long-term Tank Waste Disposition Integrated Flow-Sheet stewardship and technical management process that involves the national laboratories. Performance will be evaluated against milestones planned for the award fee period that are established by One System.
- Support the integration of Tank Farms and WTP system planning and modeling, with a focus on the WTP feed vector and waste feed qualification requirements. This includes support for preparation for DOE review of the Gaps, Risks, Opportunities Management Plan and Technology Roadmap.
- Manage the WTP Interface Control Documents (ICD).
- Closely track the activities necessary for startup and commissioning DFLAW and advise the One System Governance Board of any significant risks.
- Coordinate the alignment of DOE Orders between BNI and WRPS for those DOE Orders that have a direct effect on testing, maintenance, and operations of commissioning phase activities of the WTP.
- Identify those DOE Directives and contract changes needed to align the WRPS and BNI contracts, and establish an optimum or necessary time to have each item aligned.

Award Fee Objective 3: Environmental, Safety, Health and Safety Conscious Work Environment

Award Fee Criteria:

- Nuclear Safety and Quality Culture
- Integrated Safety Management
- Environmental, Safety, and Health Programs

Performance will be evaluated on continuous improvement in these areas, which includes, but is not limited to:

- Have an effective Safety Conscious Work Environment and culture through implementation of programs and dissemination of expectations in order to establish a work environment in which employees feel free to raise safety concerns to management and/or a regulator without fear of retaliation;
- Complete the Nuclear Safety Quality Culture Comprehensive Corrective Action Plan Effectiveness Review by the close of the performance period and complete actions in the Safety Culture Sustainment Plan scheduled for completion during the award fee period;
- Implementation of work hazard analysis and controls that result in; a) improving work injury/illness performance, and b) no unplanned employee exposures to work place hazards;
- Implementation of event investigation (review, cause analysis and action implementation) that results in effective organizational learning with the goal of eliminating recurring events;
- Documented periodic management analysis of work site conditions and implementing strategies that result in improving WTP Project safety;
- Implementation of programs and dissemination of expectations which will promote a robust Nuclear Safety Culture (NSC); and
- Implementation of a robust and effective integrated safety management program.

Award Fee Objective 4: Quality Assurance Program and Quality of Performance

Award Fee Criterion:

- Quality Assurance Program

Performance will be evaluated on the effectiveness of the Contractor's Quality Management System to provide products and services that are satisfactory for their intended function without the need for rework. Quality will be judged based on the products and services produced during the reporting period. The analysis of quality performance will give consideration to the contractor's ability to self-identify emerging and legacy issues rather than having those issues identified by ORP or by external organizations as well as the Contractor's implementation of timely and effective corrective actions. ORP will rely on objective and subjective evaluations of the Contractor's performance which include, but are not limited to the following:

- Requirements flow down and procedure adequacy – Programs are established to ensure applicable requirements are accurately reflected in procedures and work processes;
- Assessment Program – Rigorous, risk-informed, and credible self and QA assessments and feedback activities are conducted to identify issues and improvement opportunities;
- Health Dashboard – Metrics are effectively used to provide an accurate picture of current quality performance against goals;
- Trend Program – Deficiencies and metrics are analyzed to support identification of performance trends. Reports are provided to management with sufficient technical basis to allow informed decisions that support correction of negative performance/compliance trends before they become significant issues;
- Cause Analysis and Corrective Action – Performance gaps are identified and analyzed commensurate with their significance. Corrective actions are timely, prioritized by importance, and appropriately targeted;
- Lessons Learned – Lessons Learned experiences and good practices are incorporated into the overall work process and used to inform the organizations of adverse work practices or experiences; and
- Employee Engagement – Programs are established to promote quality awareness and ownership at the worker level and to support a “right the first time” culture.

Additionally, performance will be determined based on whether planned actions in the Managed Improvement Plan during the evaluation period are completed on time and, as possible, the effectiveness of the implemented actions.

Award Fee Objective 5: Nuclear Safety

Award Fee Criteria:

Contract Section C, Statement of Work, Standard 9 describes contractor requirements to ensure Radiological, Nuclear, and Process Safety. This work scope includes implementation of a standards-based safety management program in compliance with the rules provided in 10 CFR 830 on nuclear safety to ensure that WTP safety requirements are defined, implemented, and maintained.

Before WTP operations can commence, the Contractor must resolve all technical issues affecting the safety of workers, the public, and the environment. Of particular importance is to proactively identify potential nuclear safety concerns and respond to them with appropriate modifications of the plant design and/or control strategy. This performance evaluation will weigh heavily on the Contractor’s effectiveness in self-identifying nuclear safety concerns early and responding to concerns raised both internally and by external stakeholders and review teams.

ORP-WTP reserves the right to consider any available information that bears on Nuclear Safety performance in making this evaluation. Documents to be considered include:

- Nuclear Safety Engineering plans, procedures, calculations, engineering studies, and other documents used to support resolution of technical issues, PDSA changes, or safety basis document development;
- PDSA change packages submitted for ORP approval to resolve gaps identified in the HLW SDS/PDSA gap analysis;
- Draft LAW Documented Safety Analysis chapter submittals such as Hazard Analysis Report summarization, control identification, Chapter 3.3; and
- Plan and technical basis for LAB initial operation as a radiological facility followed by development of a LAB DSA and technical safety requirement to support operation as a Hazard Category 3 facility upon completion of LAB hot cell construction and HLW or PTF startup needs.

Award Fee Objective 6: Technical Issue Resolution

This award fee objective applies to resolution of design issues associated with the HLW facility (following issuance of the HLW Design and Operability Report) and technical issues associated with the Pretreatment Facility.

Award Fee Criteria:

- Technical Issue Ownership
- Management of Issue Resolution
- Resolving issues in a time sensitive manner, consistent with DOE priorities and available funding
- Quality of Deliverables
- Action Responsiveness

Technical Issue Ownership - Lines of authority and accountability for Pretreatment technical issue resolution and HLW design issue resolution are clearly established and effectively implemented in the BNI organizational construct. Technical issue resolution, nuclear safety and design completion teams are established with effective leadership assigned with senior management (Design Authority and Area Project Manager) oversight and ownership.

Management of Issue Resolution - BNI-developed strategies for resolving technical and design issues are documented in appropriate plans, based on available funding, and the plans are approved by the BNI Design Authority or Manager of Production Engineering. Work Plans for resolution of technical and design issues are flowed into the Pretreatment and HLW project performance baseline. BNI exhibits cross-functional organizational teamwork and manages resources to achieve desired objectives. Contractor and subcontractor resources are identified, and actively managed to achieve overall PTF and HLW prioritized work scope based on available funding.

Resolving Issues – BNI evaluates the overall work scope as provided in the BNI-issued work plans and completes the work in a time sensitive manner, in line with DOE's priorities and available funding. If additional funding changes are identified, BNI will evaluate the potential for completing additional scope or reducing overall work scope per agreed to priorities.

Quality of Deliverables - Key technical and project deliverables for resolution of technical issues are delivered with appropriate technical content and at the quality level expected by ORP. Key technical and product deliverables are those specific deliverables that require ORP review/comment or approval. BNI will define and document the quality level expected by ORP for key technical and project deliverables. Additionally, this shall also apply to all final material used for Defense Nuclear Facilities Safety Board (DNFSB), Consortium for Risk Evaluation with Stakeholder Participation (CRESP), and Project Area Review briefings, including weekly reports and technical issue performance dashboards.

Action Responsiveness - BNI appropriately identifies, accepts and documents actions from internal and external reviews, forums or routine standing meetings. BNI effectively supports interactions with the DNFSB staff and independent review groups (e.g. CRESP). BNI exhibits transparency in identification of issues and development of issue/risk mitigation strategies. Actions are entered into the appropriate action tracking system and project schedules. Actions are completed on schedule. Action responses are defensible and approved at the appropriate level within BNI. Appropriate communications with ORP counterparts is established such that action status or closure is proactively provided to ORP.

PEMP General Information

A. Contract Incentive Fee Structure

Contract No. DE-AC27-01RV14136 utilizes multiple, performance-based incentive fee components to drive Contractor performance excellence in completing the design, construction, and commissioning of the Hanford Waste Treatment and Immobilization Contract (WTP).

The Contract has five incentive fee elements:

- Incentive Fee A – Final Fee Determination for Work Prior to Modification No. A143
- Incentive Fee B – Award Fee
- Incentive Fee C – Milestone and Schedule Incentive Fee
- Incentive Fee D – Operational Incentive Fee
- Incentive Fee E – Enhancement Incentive Fee

WTP Incentive Fee Structure

Title	Fee Type	Performance Measure(s)	Fee Administration Terms and Conditions Reference
Final Fee Determination for Work Prior to Mod. No. A143	Fixed	Determined by Contracting Officer	Clause B.6, Attachment B-2-A
Award Fee:			
Award Fee - Project Mgmt Incentive	Award	Performance Measures in PEMP	Clause B.7, Atch B-2-B & PEMP
Award Fee - Cost Incentive	Award	Performance Measures in PEMP	Clause B.7, Atch B-2-B & PEMP
REA Settlement		Negotiated	Atch B-3
Schedule Incentive Fee:			
Activity Milestone Completion	PBI	Completion of Specified Milestones	Clause B.6, Atchs B-2-C, C.1, & Section J, Atch P
Facility Milestone Completion	PBI	Completion of Specified Milestones	Clause B.6, Atch B-2-C
Operational Incentive Fee:			
Cold Commissioning	PBI	Capacity	Clause B.6; Atch B-2-D; Section C, Standard 5, Table C.6-5.1
Hot Commissioning	PBI	Capacity	Clause B.6, Atch B-2-D; Section C, Standard 5, Table C.6-5.2
Enhancement Incentive Fee:			
Enhanced Plant Capacity	PBI	Plant Capacity Exceeding Treatment Capacity	Clause B.6, Atch B-2-E
Sodium Reduction	PBI	Metric Tons Sodium Reduced	Clause B.6, Atch B-2-E
Enhanced Plant Turnover	PBI	Reduced Plant Turnover Period	Clause B.6, Atch B-2-E
Sustained Production Achievement	PBI	Post-Turnover Operations Capacity	Clause B.6, Atch B-2-E

This PEMP covers Incentive B – Award Fee, which is updated annually. The fee administration terms and conditions of A, C, D, and E performance incentives are self-contained within the Contract Section B, and thus, are not addressed in the PEMP. See the reference Table above.

The Award Fee provides a performance incentive for the Contractor and gives the Government a tool to identify and reward superior performance. The amount of award fee the Contractor earns is based on both an objective and subjective evaluation by the Government of the Contractor's performance as measured against the criteria contained in this Plan.

B. Roles and Responsibilities

The Award Fee process utilizes a three-level system to ensure full and fair performance evaluation.

Level 1.0 – Fee Determining Official (FDO)

Level 1.1 – WTP Contracting Officer (CO)

Level 2.0 – Performance Evaluation Board (PEB)

Level 3.0 – Performance Evaluation Monitors (PEMs)

Level 1.0 – Fee Determining Official: Manager, ORP

The FDO will: 1) review the recommendation of the PEB, consider all pertinent data, and determine the amount of Award Fee earned during each evaluation period; 2) notify the Contractor via the CO of performance strengths, areas for improvement, and future expectations; 3) approve the PEMP and any significant changes thereto; and 4) authorize the Contracting Officer to make the Award Fee Payment.

Level 1.0 ensures independent, executive-level review of the work of the Performance Evaluation Board and Performance Evaluation Monitors.

Level 1.1 – WTP Contracting Officer

The WTP CO will: 1) serve as a voting member of the PEB; 2) issue the PEMP on an annual basis in accordance with Section B.7 Award Fee Administration of the Contract; 3) ensure that the Award Fee and Contract Incentives process is managed consistent with applicable acquisition regulations; 4) ensure that the Award Fee process meets the overall WTP business objectives; and 5) issue the award fee amount earned determination as authorized by the FDO in accordance with B.7 Award Fee Administration.

Level 2.0 – Performance Evaluation Board:

- WTP Federal Project Director, Chair
- WTP Deputy Federal Project Director, Field Operations
- WTP Contracting Officer
- Assistant Manager, Technical & Regulatory Support

The PEB reviews the PEM evaluations of Contractor performance, considers the Contractor's self-assessment if submitted, considers all information from pertinent sources, prepares draft and final performance reports, and arrives at an earned award fee recommendation to be presented to the FDO. The PEB may also recommend changes to the PEMP.

Performance Evaluation Board Chair:

The PEB Chair will be the Assistant Manager/Federal Project Director for WTP. The Chair will: 1) review the performance monitors' evaluations and consider the Contractor's self-assessment; 2) analyze the Contractor's performance against the criteria set forth in the PEMP; 3) provide periodic interim performance feedback to the Contractor via the CO; 4) provide a recommendation on the Award Fee scoring and the amount earned by the Contractor; and 5) recommend any changes to the PEMP.

Performance Evaluation Monitors:

PEMs will consist primarily of WTP sub-Federal Project Directors and ORP Division Directors. The PEMs will: 1) monitor, evaluate, and assess Contractor performance in their assigned areas; 2) periodically prepare a Contractor Performance Monitor Report (CPMR) for the PEB and provide verbal performance input as well; 3) recommend any needed changes to the PEMP for consideration by the PEB and FDO; and 4) maintain a performance dialogue with their respective BNI counterparts throughout the evaluation period.

C. Process

The total available award fee for this Evaluation Period 2015 is \$12,600,000.

In accordance with Federal Acquisition Regulation, Subpart 16.401(e)(3)(v), the contractor is prohibited from earning any award fee when the contractor's overall cost, schedule, and technical performance is below satisfactory.

D. Provisional Fee

The provisional fee requirements in Section B, Clause B.7 (g) *Provisional Payment of Fee*, apply to this PEMP. The following clause paragraphs are restated below for emphasis:

(b)(6) *Provisional payment of fee* for an incentive means the Government's paying available fee for an incentive to the Contractor for making progress towards meeting the performance measures for the incentive before the Contractor has earned the available fee.

(b)(7) Provisional payment of fee has no implications for the Government's eventual determination that the Contractor has or has not earned the associated available fee. Provisional payment of fee is a separate and distinct concept from earned fee.

(f) The Contracting Officer, at his/her sole discretion, will determine if the Contractor has met the requirements under which the Government will be obligated to pay fee, provisionally, to the Contractor and for the Contractor to have any right to retain the provisionally paid fee.

(g) If the Contracting Officer determines the Contractor has not met the requirements to retain any provisionally paid fee and notifies the Contractor, the Contractor must return that provisionally paid fee to the Government within 30 days:

(i) the Contractor's obligation to return the provisionally paid fee is independent of its intent to dispute or its disputing the Contracting Officer's determination; and

(ii) if the Contractor fails to return the provisionally paid fee within 30 days of the Contracting Officer's determination, the Government, in addition to all other rights that accrue to the Government and all other consequences for the Contractor due to the Contractor's failure, may deduct the amount of the provisionally paid fee from: amounts it owes under invoices; amounts it would otherwise authorize the Contractor to draw down under a Letter of Credit; or any other amount it owes the Contractor for payment, financing, or other obligation.

(h) If the Contractor has earned fee associated with an incentive in an amount greater than the provisional fee the Government paid to the Contractor for the incentive, the Contractor will be entitled to retain the provisional fee and the Government will pay it the difference between the earned fee and the provisional fee.

Provisional Fee Procedures: The Government and the Contractor will meet monthly to review the Contractor's performance against the PEMP criteria. Subsequent to each monthly meeting and pending satisfactory performance, the Contractor is authorized to invoice for provisional fee once per month, at a rate of \$525,000 per month (calculated as one-twelfth of 50 percent of the \$12,600,000 maximum annual available PEMP fee). However, the Contracting Officer may reduce the amount in accordance with Section B, Clause B.7 (g) *Provisional Payment of Fee*.

In the event that fee overpayment results from the provisional fee payments provided for in this section exceeding the earned fee, as determined by the Fee-Determining Official, the Contractor shall reimburse the unearned fee overpayment within 30 days of notification, to the Contracting Officer.

E. Contractor Self-Assessment

Section B, Clause B.7 *Award Fee Administration*, states:

Following each evaluation period, the Contractor may submit a self-assessment, provided such assessment is submitted within ten (10) 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.

F. Method for Changing the PEMP During The Evaluation Period

Proposed changes to the current period PEMP may be initiated by either ORP or the Contractor. Proposed changes shall be in writing. Both ORP and the Contractor must agree to any changes. Once agreement is reached, the Fee-Determining Official and Contractor Representative will sign the revised PEMP. The revision number (e.g. Rev.1) will be noted on the PEMP. Subsequently, the revised PEMP will be incorporated into the contract by reference via contract modification.

G. Incentive Ratings and Definitions

ORP will utilize the following ratings and definitions table to rate performance.

Table 2 - Award Fee – Incentive Ratings and Definitions

Assigned Numerical Rating	Adjectival Rating (Corresponding to Numerical Rating)	Definition	Percentage of Award Fee Earned
91 to 100	Excellent	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.	91% to 100%
76 to 90	Very Good	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.	76% to 90%
51 to 75	Good	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.	51% to 75%
≤ 50	Satisfactory	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.	≤ 50%
0	Unsatisfactory	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.	0%

ORP will utilize a separate color-coded table (see attached Award Fee Rating Guide) for informal periodic evaluations. The final evaluation will reflect the adjectival rating scale in Table 2.

Attachment – Rating Chart Guide

	OBJECTIVE ITEMS	SUBJECTIVE ITEMS
Dark Blue "Excellent" Performance	<ul style="list-style-type: none"> - Objective measures are achieved on or ahead of time - Very high probability of achieving the outcome - Meeting all cost, scope, and schedule objectives - Very high degree of transparency 	<ul style="list-style-type: none"> - 100% of key areas meeting requirements - 100% of key deliverables will be met on time - 90% of sub or supporting areas are performing very well - No safety, security, or quality issues of note - Very high degree of self-identification and reporting deficiencies - Very high degree of transparency - Strong ISMS practices, timely reporting, critiqued/EOC whenever needed
Light Blue "Very Good" Performance	<ul style="list-style-type: none"> - Objective measures expected to be achieved on time - Very good probability of achieving the outcome - Expect to meet cost, scope, and schedule objectives - High degree of transparency 	<ul style="list-style-type: none"> - 100% of key areas meeting or close to meeting requirements - 100% of key deliverables are meeting or expected to meet requirements - Majority of sub or supporting areas are performing very well - At most minor safety, security, or quality issues of note - High degree of self-identification and reporting deficiencies - High degree of transparency - Strong ISMS practices, timely reporting, critiqued/EOC whenever needed
Green "Good" Performance	<ul style="list-style-type: none"> - Objective measures reasonably expected to be achieved on time - Reasonable probability of achieving the outcome - Expect to meet or be very close to cost, scope, and schedule - Good degree of transparency 	<ul style="list-style-type: none"> - Almost all key areas meeting or close to meeting requirements - Majority of key deliverables are satisfactory or better - Majority of sub or supporting areas are performing satisfactorily - Mostly minor safety, security, or quality issues of note - Good degree of self-identification and reporting deficiencies - Good degree of transparency - Infrequent deviation in ISMS practices, timely reporting, critiqued/EOC reviews
Yellow "Underperforming" "Needs improvement" "Elevated risk"	<ul style="list-style-type: none"> - Elevated risk of objectives not being achieved on time - Reasonable probability of not achieving the outcome 	<ul style="list-style-type: none"> - Majority key areas meeting or close to meeting requirements - Notable percentage of key deliverables are satisfactory or better

Attachment – Rating Chart Guide

	OBJECTIVE ITEMS	SUBJECTIVE ITEMS
	<ul style="list-style-type: none"> - Expect to not meet cost, scope, or schedule - Partial degree of transparency 	<ul style="list-style-type: none"> - Notable percentage of sub or supporting areas are performing satisfactorily - Occasional mid-level safety, security, or quality issues of note - ~75% of issues are self-identified with most reporting in a timely manner - Partial degree of transparency - Clear deviations of ISMS practices, reporting, critiques, Extent of Condition reviews, safety basis/CONOPS/Engineering deviations that are generally infrequent or have minor consequences - Nominal NOV, PAAA, Fine, Injury, security infraction(s)
<p>Red</p> <p>“Does not meet reqmts”</p> <p>“Failing or will fail”</p>	<ul style="list-style-type: none"> - A clear (or high) risk of objectives not being achieved on time - High probability of not achieving the outcome - Expect to not meet or significantly miss cost, scope, or schedule - Inadequate degree of transparency 	<ul style="list-style-type: none"> - Overall most key areas meeting or close to meeting requirements - Inadequate percentage of key deliverables are satisfactory or better - Inadequate percentage of sub or supporting areas are performing satisfactorily - Too high a frequency of mid-level safety, security, or quality issues of note - Major safety, security, or quality issue - Less than ~75% of issues are self-identified and reported in a timely manner - Inadequate degree of transparency - Significant deviations of ISMS practices, reporting, critiques, Extent of Condition reviews, multiple safety basis/CONOPS/Engineering deviations or a significant deviation with nuclear safety or operational implications - Significant NOV, PAAA, Fine, Injury, security deviation(s)
<p>Grey</p> <p>“Insufficient data”</p> <p>“Not able to assess”</p>	<ul style="list-style-type: none"> - Insufficient data to assess at this time 	<ul style="list-style-type: none"> - Insufficient data to assess at this time - Parties misaligned on the objective