

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE _____ PAGE OF PAGES
 1 12

2. AMENDMENT/MODIFICATION NO. 184
 3. EFFECTIVE DATE See Block 16C
 4. REQUISITION/PURCHASE REQ. NO. _____
 5. PROJECT NO. (If applicable) _____

6. ISSUED BY CODE 00603
 7. ADMINISTERED BY (If other than Item 6) CODE 00603

Office of River Protection
 U.S. Department of Energy
 Office of River Protection
 P.O. Box 450
 Richland WA 99352

Office of River Protection
 U.S. Department of Energy
 Office of River Protection
 P.O. Box 450
 MS: H6-60
 Richland WA 99352

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

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

(x) 9A. AMENDMENT OF SOLICITATION NO. _____

9B. DATED (SEE ITEM 11) _____

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

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

CODE 806500521 FACILITY CODE _____

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

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

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

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) Clause B.7, Fee Structure

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ 0 _____ copies to the issuing office.

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

Period of Performance: 06/20/2008 to 09/30/2013

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) _____ 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
 Marc T. McCusker

15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED _____	16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	16C. DATE SIGNED 09/28/2012
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Purpose of Modification:

The following changes are hereby incorporated into the contract:

1. Update Section J, Attachment J.4, Performance Evaluation and Measurement Plan (PEMP) to insert the following Fiscal Year 2013 (FY13) Award Fee Performance Measure Plan in accordance with Clause B.7, Fee Structure:

PM 04 - FY 2013 Award Fee Performance Measure

Target Fee available assigned to this performance measure: \$5,000,000.00

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 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.
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Award Fee Functional Areas

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

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

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: \$1,500,000.00

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: \$500,000.00

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: \$850,000.00

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: \$450,000.00

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: \$850,000.00

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.
2. Update Section J, Attachment J.4, PEMP, to update the Configuration Table to reflect the date of modification 176 and to add Revision 23 of the PEMP as a result of this modification. The change is as follows:

FROM:

Version	Date Approved	Summary of Changes
Original	May 12, 2010 (Modification 54)	Established FY 2010-2013 PBIs
Revision 1	July 14, 2010 (Modification 59)	Addition of PBI 3-20 through PBI 3-24
Revision 2	August 27, 2010 (Modification 66)	Addition of PBI 2.18
Revision 3	September 23, 2010 (Modification 72)	Addition of PBI 7.3 through PBI 7.6
Revision 4	January 12, 2011 (Modification 87)	Update PBIs 1.1, 1.3 and 2.17
Revision 5	April 4, 2011 (Modification 101)	Increase unallocated fee pool amount
Revision 6	April 4, 2011 (Modification 102)	Misc. Changes to PBI 1, PBI 2 and PBI 3
Revision 7	April 15, 2011 (Modification 105)	Increase unallocated fee pool amount
Revision 8	May 26, 2011 (Modification 109)	Increase unallocated fee pool amount
Revision 9	June 22, 2011 (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	See Date of Modification 176	Adjust PBIs and reflect adjusted total available Base Period Fee Pool

TO:

Version	Date Approved	Summary of Changes
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		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
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Revision 22	July 9, 2012 (Modification 176)	Adjust PBIs and reflect adjusted total available Base Period Fee Pool
Revision 23	See date of Modification 184	Incorporate FY13 Award Fee Plan

3. Update Section J, Attachment J.4, PEMP, to update the PBI-Reserved-Unallocated Base Period Fee to reflect the \$5,000,000 being added to the Total Available Unallocated Base Period Fee value as a result of the FY13 Award Fee Performance Measure Plan. The change is as follows:

FROM:

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$15,659,709. The Total Available Unallocated Base Period Fee value is \$26,171. The Total Unavailable Unallocated Base Period Fee value is \$15,633,538. 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:	\$26,171 (Mod 176)
<u>Available Unallocated ARRA Fee:</u>	<u>\$ 0</u>
Total Available Unallocated Fee:	\$26,171 (Mod 176)

TO:

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$20,659,709. The Total Available Unallocated Base Period Fee value is \$5,026,171. The Total Unavailable Unallocated Base Period Fee value is \$20,633,538. 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:	\$5,026,171 (Mod 184)
<u>Available Unallocated ARRA Fee:</u>	<u>\$ 0</u>
Total Available Unallocated Fee:	\$5,026,171 (Mod 184)

4. Attached to this modification are replacement pages for the following section:
 - Section J, Attachment J.4, Pages J.4.2-1, and J.4.2-22 thru 30, and J.4.2-117
5. **All other Terms and Conditions remain unchanged.**

Attachment 1

DE-AC27-08RV14800, MODIFICATION 184

Replacement Pages

(Total: Twelve (12) including this Cover Page)

- **Section J, Attachment J.4, Pages J.4-1, J.4.2-22 thru 30, and J.4.2-117**

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

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

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

Configuration Table

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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
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Revision 22	July 9, 2012 (Modification 176)	Adjust PBIs and reflect adjusted total available Base Period Fee Pool
Revision 23	See date of Modification 184	Incorporate FY13 Award Fee Plan

PM 04 - FY 2013 Award Fee Performance Measure

Target Fee available assigned to this performance measure: \$5,000,000.00

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 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:

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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: \$850,000.00

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:

- e) DOE and Contractor oversight indicate no DOE Level 1 finding, recurring events, or programmatic adverse trends;
- f) 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;
- g) 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;
- h) 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;
- i) 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;
- j) 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: \$1,500,000.00

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

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

Business Systems Management:

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

- j) Assessments and reviews – continued improvement during assessments both internal and external;
- k) 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;
- l) 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
- m) 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:

- h) 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;
- i) Interface management – collaboration with other site contractors to update interface control documents and resolve interface issues is proactive; program documents are improved and matured;
- j) Infrastructure and services – input to the Infrastructure and Services Alignment Plan is timely, complete, and appropriately detailed;
- k) Risk Management – the risk program and risk register show continued improvement and effective collaboration to manage crosscutting risks;
- l) Program and Project Management – Effective management of integration activities between WRPS and BNI;
- m) 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;
- n) Closure of WRPS actions associated with external WTP reviews is timely and effective.

Conduct of Engineering:

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

- q) 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: \$500,000.00

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:

- c) Compliance with all management criteria of the QAP (TFC-PLN-02,"Quality Assurance Program Description") Contractor Performance Responsiveness to corrective action plans and issues;
- d) Improvement in the following areas previously identified as requiring improvement:
 - 5. 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;
 - 6. 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;
 - 7. Records management process improvements to assure compliance with NQA-1-2004 (and addendums to 2007);
 - 8. Procurement management; management and oversight of sub-contractors.

4) Nuclear Safety

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

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:

- f) Completion of Planned Improvements identified in the Tank Farms Documented Safety Analysis (DSA);
- g) Timely declaration and management of Potential Inadequacies in the Safety Basis (PISA's);
- h) Upgrading of the 242-A Evaporator DSA to comply with DOE-STD-3009 CN3
- i) 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*;
- j) 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: \$450,000.00

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:

- h) Quality and implementation of the documented environmental protection program and the contractor's establishment and implementation of environmental performance metrics;
- i) early identification of issues and concerns through a proactive assessment/evaluation program;
- j) integration with Hanford Site regulatory compliance;
- k) quality, timeliness, completeness, and technical accuracy of environmental reports, permits, and licenses;
- l) quality, timeliness, completeness, and technical accuracy of permitting documents;
- m) 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: \$850,000.00

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.

PBI-Reserved - Unallocated Base Period Fee

The Total Unallocated Base Period Fee value is \$20,659,709. The Total Available Unallocated Base Period Fee value is \$5,026,171. The Total Unavailable Unallocated Base Period Fee value is \$20,633,538. 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:	\$5,026,171 (Mod 184)
<u>Available Unallocated ARRA Fee:</u>	<u>\$ 0</u>
Total Available Unallocated Fee:	\$5,026,171 (Mod 184)

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.