

Purpose of Modification:

The purpose of this modification is to update Section B, *Supplies or Services and Prices/Costs* and Contract Section J, *List of Attachments*. The subject modification definitizes Request for Equitable Adjustment (REA) 2011-003, *Sequential Operational Readiness Review Implementation* and Change Order Modification M196 for Multiple ORRs.

Description of Modification:

1. The table in Section B, *Supplies or Services and Prices/Costs*, Contract Section B.2 *Obligation and Availability of Funds and Contract Value*, paragraph (c) is deleted in its entirety and replaced with the following table, which incorporates the following revisions:
 - Increase the Total Estimated Contract Cost (TECC) by \$29,309,736* from \$10,600,710,684 to \$10,630,020,420;
 - Increase the Total Estimated Contract Price (TECP) by \$31,472,689* from \$11,206,450,992 to \$11,237,923,681; and
 - Increase the Total Maximum Available Fee by \$2,162,953 from \$605,740,308 to \$607,903,261.
 - Increase Item B Maximum Available Award Fee by \$2,162,953 from \$125,117,983 to \$127,280,936.
 - Increase Item B.3 REA Settlement by \$2,162,953 from \$85,246 to \$2,248,199.

*TECC and TECP adjustments are the REA 2011-003 Definitized Amounts of \$30,909,736 and \$33,072,689, respectively, less the Not-To-Exceed increase (Mod 272) of \$1,600,000.

Cost:

Total Estimated Contract Cost (TECC) \$ 10,630,020,420

Fee:

A	Final Fee Determination - Pre-Mod No. A143		\$	102,622,325
B	Maximum Available Award Fee (See Table B-2-B-1)		\$	127,280,936
B.1	Project Management Incentive	\$	59,008,737	
B.2	Cost Incentive	\$	66,024,000	
B.3	REA Settlement	\$	2,248,199	
C	Schedule Incentive Fee		\$	227,000,000
C.1	Activity Milestone Completion	\$	173,000,000	
C.2	Facility Milestone Completion	\$	54,000,000	
D	Operational Incentive Fee		\$	91,000,000
D.1	Cold Commissioning	\$	45,000,000	
D.2	Hot Commissioning	\$	46,000,000	
E	Enhancement Incentive Fee		\$	60,000,000
E.1	Enhanced Plant Capacity	\$	15,000,000	
E.2	Sodium Reduction	\$	15,000,000	
E.3	Enhanced Plant Turnover	\$	15,000,000	
E.4	Sustained Production Achievement	\$	15,000,000	

Total Maximum Available Fee (282) \$ 607,903,261

Total Estimated Contract Price (TECP) (282) \$ 11,237,923,681

2. Update Section B as noted in the below table to reflect the addition of Post A143 Fee for REA 2011-003.
 - a. Delete and replace in its entirety Attachment B-1 Incentive Fee Summary Table:

Table B-1 - WTP Incentive Fee Structure

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
A Final Fee Determination Prior to Modification No. A143	Attachment B-2-A	<u>\$102,622,325</u>
B Maximum Available Award Fee:		
B.1 Project Management Incentive	Attachment B-2-B	\$59,008,737
B.2 Cost Incentive	Attachment B-2-B	<u>\$66,024,000</u>
*See Table B-2-B-1		
B.3 REA Settlement Fee	Attachment B-3	<u>\$2,248,199</u>
Total Award Fee		<u>\$127,280,936</u>
C Schedule Incentive Fee:		
C.1.X Activity Milestone Completion:	Attachment B-2-C	\$173,000,000
C.2 Facility Milestones Completion:		
C.2.1 LAB Construction Substantially Complete	Attachment B-2-C	\$4,000,000
C.2.2 LAW Construction Substantially Complete	Attachment B-2-C	\$4,000,000
C.2.3 LBL Start Cold Commissioning (SCC)	Attachment B-2-C	\$4,000,000
C.2.4 LBL Complete Hot Commissioning (CHC)	Attachment B-2-C	\$4,000,000
C.2.5 HLW Start Cold Commissioning	Attachment B-2-C	\$9,500,000
C.2.6 PT Start Cold Commissioning	Attachment B-2-C	\$9,500,000
C.2.7 HLW Complete Hot Commissioning	Attachment B-2-C	\$9,500,000
C.2.8 PT Complete Hot Commissioning	Attachment B-2-C	\$9,500,000
Total - Facility Schedule Incentive		<u>\$54,000,000</u>
Total Schedule Incentive Fee		<u>\$227,000,000</u>
D Operational Incentive Fee:		
D.1 Cold Commissioning:		
D.1.1 PT High Level Waste	Attachment B-2-D	\$10,000,000
D.1.2 PT Low Level Waste	Attachment B-2-D	\$10,000,000
D.1.3 HLW Vitrification	Attachment B-2-D	\$13,000,000
D.1.4 LAW Vitrification	Attachment B-2-D	<u>\$12,000,000</u>
Subtotal-Cold Commissioning		<u>\$45,000,000</u>
D.2 Hot Commissioning:		
D.2.1 PT High Level Waste	Attachment B-2-D	\$10,000,000
D.2.2 PT Low Level Waste	Attachment B-2-D	\$10,000,000
D.2.3 HLW Vitrification	Attachment B-2-D	\$13,000,000
D.2.4 LAW Vitrification	Attachment B-2-D	<u>\$13,000,000</u>
Subtotal-Hot Commissioning		<u>\$46,000,000</u>
Total Operational Incentive Fee		<u>\$91,000,000</u>
E Enhancement Incentive Fee:		
E.1 Enhanced Plant Capacity	Attachment B-2-E	\$15,000,000
E.2 Sodium Reduction	Attachment B-2-E	\$15,000,000
E.3 Enhanced Plant Turnover	Attachment B-2-E	\$15,000,000
E.4 Sustained Production Achievement	Attachment B-2-E	<u>\$15,000,000</u>
Total Enhancement Incentive Fee		<u>\$60,000,000</u>
TOTAL MAXIMUM AVAILABLE FEE (A+B+C+D+E)* (282)		<u>\$607,903,261</u>

- b. Delete and replace in its entirety from Attachment B-3 – REA SETTLEMENT FEE, the Table B-3-B. Incentive Fee as follows:

Table B-3-B. Incentive Fee

REA Number	REA Title	Contract Modification #	Designation	Fee Amount	Completion Date
2011-003	Sequential ORR Implementation	282	TBD Per Modification 282 Instructions	2,162,953	TBD Per Modification 282 Instructions
			Total	\$2,162,953	

The specific fee negotiated for this REA, REA 2011-03, is \$2,162,953. This fee will eventually be distributed to fee milestone(s) most relevant to the work required in this REA. There are current plans to renegotiate the fee structure for the entire contract as part of the re-baseline / re-plan negotiations. The fee distribution for this REA will not be negotiated until the fee restructure negotiations are complete (or no later than February 1, 2015, whichever occurs first). Upon completion of the fee restructure negotiations (or no later than February 1, 2015, whichever occurs first), subsequent negotiations shall occur between the parties to determine the distribution of this fee to the most appropriate fee milestone(s). BNI shall not invoice for the fee associated with this REA until such time as the distribution to milestone(s) has been completed, and the associated milestone(s) completed/met.

3. Update Contract Section J, *List of Attachments*, Attachment J, *Advance Understanding on Costs*, Table 13-B, *Not-to-Exceeds Not Included in Modification No. A143 Definitization (M155)*, is deleted in its entirety and replaced in full as follows:

13-B. Not-To-Exceeds Not Included in Modification No. A143 Definitization (M155)		
DOCUMENT ID.	TITLE	DEFINITIZATION MODIFICATION NO.
BCP-24590-06-02279	Expansion of DWP Requirements (permit Modifications) (M122) (M130)	A193
ORP 08-NSD-011 (05/20/08) (CCN 179512) TN 24590-06-03487	ORP Direction to Implement New Preliminary Safety Analysis Report (PSAR) Updates (M136)	A164
ORP 08-NSD-057 (10/09/08) (CCN 188218) TN 24590-06-03752	Direction to Implement New Safety Classification Process for the Waste Treatment and Immobilization Plant (WTP) (M141)	276
ORP 08-NSD-059 (10/15/08) (CCN 188217) TN 24590-06-03753	Direction to Implement New Justification for Continued Design, Procurement, and Installation (JCDPI) (M152)	A164
Modification M090 & 09-AMD-205 (07/18/08) (CCN 202423) TN 24590-06-02145 & -02381	Direction to Implement DOE 205.1A, Cyber Security Management Program (M155)	217
Modification M154 TN 24590-06-04133	Direction to Implement Pretreatment Engineering Platform (PEP) dry layup (M155)	A167
Modification M196 BCP 24590-06-04489 BCP 24590-06-04784 BCP 24590-06-05085	Direction to Implement Multiple Operational Readiness Strategy (218)	282
Modification M196 BCP 24590-06-04853 ORP 10-AMD-139 (05/06/10; CCN 218244)	Direction to Implement CXP Equipment Option (218)	
Modification 221 ORP 11-WTP-219 (06/17/11; CCN 236247)	Direction to Proceed with Large Scale Testing (MOD 221)	

Modification 245 ORP 11-WTP-429	Direction to proceed with the implementation of DOE Order (O) 420.1B, <i>Facility Safety</i> , Chapter V, <i>Systems Engineer Program</i> . (245)	276
Modification 273	Direction to participate in the Hanford Site Organizational Climate and Safety Conscious Work Environment (SCWE) Survey	

4. No additional funds are currently being allotted to this contract for the REA 2011-003. Work associated with the REA will be performed within the amount of funds which have been allotted to the contract in accordance with I.66 – FAR 52.232-22 *Limitation of Funds (APR 1984)*.
5. **Contractor’s Statement of Release:** In consideration of the Modification 282, agreed to herein as complete equitable adjustment for the Contractor’s Request for Equitable Adjustment (REA) for 2011-003, *Sequential ORR Implementation*, the Contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such factors or circumstances giving rise to the changes as noted in the modification; except the Contractor does not waive any claim it may have for (i) potential schedule impacts resulting from this REA, or (ii) the potential cumulative impacts to schedule and/or the total estimated contract cost (TECC) resulting from this and other REAs, wherein cumulative schedule and/or TECC impacts were not resolved (negotiated); provided that the Contractor shall not be entitled to additional fee for such impacts.
6. **All other terms and conditions remain unchanged.**

(End of Modification)