

## FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

### SECTION 1 General Information

Title: 242-A Evaporator Life Cycle Asset Management

Project Baseline Summary (PBS): TW08 Work Breakdown Structure (WBS): 1.01.01.02.01.03

Maximum Available Incentive Fee: *1.3 percent of the total available FY 2001 – 2006 incentive fee pool*

Type: Stretch

### SECTION 2 Technical Contacts

*ORP Point of Contact: D. Bryson/M. Royack*

*Contractor Point of Contact: D. Allen/J. Holder*

### SECTION 3 Performance Expectations and Earning Schedule

**General :**

1. The Contractor's final fee will be determined in accordance with clause H.1, Performance Based Incentives and Fee Distribution.
2. Performance Based Incentives may be modified to reflect changes to the project baseline resulting from external drivers, such as, submission and approval of TPA change requests for consistency purposes..
3. Acceptable product completion represents technical adequacy and good value to the government.

**Specific Requirements:**

The contractor shall:

Using a life cycle asset management approach, implement processes and programs to enhance the reliability of the 242-A Evaporator to extend the life of the facility to 2016. This Performance Based Incentive (PI) consists of two elements:

1. Preparation and issuance of engineering evaluations, studies and reports, and design of the required upgrades identified in HNF-3327, Rev 0., "242-A Evaporator Life Extension Study," to ensure the continued availability of the Evaporator. If subsequent engineering studies and evaluations identify additions or deletions to the planned scope a Baseline Change Request will be processed to add/delete this scope consistent with the provisions of this contract. (9/30/2003) (Earn 13% of fee)
2. Complete Construction and acceptance testing of the upgrades. (9/30/2005) (Earn 87% of fee)

**SECTION 4**

**Performance Requirements**

**DEFINE COMPLETION:** *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.)*

The completion dates for Performance Expectations 1 and 2 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 1 or 2 are completed late, the fee associated with the missed performance expectation(s) will be deferred until the performance expectation(s) is completed. The Performance Expectations 1 and 2 must be completed by 9/30/06, in order to earn full available fee. All deferred fee will be paid upon completion of both Performance Expectations 1 and 2.

1. Completion documentation for the engineering evaluations, studies and reports shall consist of:
  - Preparation and issuance of engineering evaluations, studies and reports, and design of the required upgrades identified in HNF-3327, Rev. 0., "242-A Evaporator Life Extension Study," to ensure the continued availability of the Evaporator.
2. Completion documentation, including acceptance testing, for construction of 242-A Evaporator upgrades shall be transmitted by a letter reporting completion of the upgrades.

**DEFINITIONS:** *(define terms)*

**COMPLETION DOCUMENTS LIST:** *(Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.)*

1. Issued Engineering Evaluation in accordance with HNF-3327, Rev. 0., on the life extension upgrades and designing documentation.
2. Letter documenting completion of construction and acceptance testing of 242-A Evaporator upgrades. Attachments will include completed acceptance test plan and acceptance test procedures.

**ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS:** *(For reasonably foreseeable impacts to performance that are not within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

None

**SECTION 5**

**Signatures**

\_\_\_\_\_  
ORP Contracting Officer Representative/Date

\_\_\_\_\_  
CHG President and General Manager/Date

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ORP Contracting Officer/Date

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CHG Contract Representative/Date