

PBI-2

Performance Based Incentive (PBI) Title: Double-Shell Tank Upgrades

Performance Fee available and assigned to this PBI: \$1,350,000

ORP Assistant Manager:	ORP POC:	CH2M Manager:	CH2M POC:
T Smith	D Noyes		

Desired Endpoint/Outcome

The Double-Shell Tank (DST) storage, transfer, ancillary systems, and facilities will be ready to support the storage, ongoing retrievals, and future Waste Treatment operations. This work completes the DST upgrades initiated, but not completed, prior to the extension of the Tank Farm Management Contract.

Fee Payment Schedule

Upon completion of each fee bearing milestone set forth herein, Contractor will be paid incremental fee, in accordance with Contract Clause H.2, "Provisional and Incremental Payments of Fee."

Fee Bearing Milestones

1. Complete the W-314 electrical systems upgrades for AN, AP, AW, and SY Tank Farms and turnover to operations by September 30, 2008. The Contractor shall earn \$250,000 incremental fee at completion of the upgrades.
2. Complete the W-314 HVAC systems upgrades for AN and AW Tank Farms and turnover to operations by September 30, 2008. The Contractor shall earn \$700,000 of incremental fee at the completion of the upgrades.
3. Complete the W-314 Master Pump Shut-down systems upgrades for AN, AP, AW, and SY Tank Farms and turnover to operations by September 30, 2008. The Contractor shall earn \$400,000 of incremental fee at the completion of the systems startup.

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Signature Block

Mark Spears, President
and Chief Executive Officer,
CH2M HILL Hanford Group, Inc.

Date

Roy J. Schepens, Manager
U.S. Department of Energy, Office of River Protection

Date