

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 7
2. AMENDMENT/MODIFICATION NO. M014	3. EFFECTIVE DATE See Block 16	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY U.S. Department of Energy Office of River Protection PO Box 450, MS H6-60 Richland, WA. 99352	CODE	7. ADMINISTERED BY (If other than Item 6)	CODE
8. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) CH2M Hill Hanford Group, Inc. P.O. Box 1500 Richland, WA 99352		(X)	9A. AMENDMENT OF SOLICITATION NO.
CODE			9B. DATED (SEE ITEM 11)
FACILITY CODE		x	10A. MODIFICATION OF CONTRACT/ ORDER NO. DE-AC06-99RL14047
			10B. DATED (SEE ITEM 13)

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;
 - (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.
- FAILURE OF YOUR ACKNOWLEDGMENT 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)

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

(X)	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) H.18 "Performance Incentives and Fee Distribution"

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

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

The purpose of this modification is to incorporate the attached FY 2000 Performance Incentives (PI) listed below, into Part III, Section J, Appendix D, of the contract. These PIs were previously signed by both parties to the contract.

- ORP 2.1.1 Revision 1 "Authorization Basis Management Improvement" dated 3/24/00.
- ORP 3.3.1 Revision 1 "Vault Stabilization" dated 3/24/00.

All other terms and conditions of the contract are unchanged.

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) Jewel J. Short, II		
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA (Signature of Contracting Officer)	16C. DATE SIGNED

FY 2000 PERFORMANCE INCENTIVE

SECTION 1 General Information

Descriptive Short Title: Authorization Basis Management Process Efficiency Improvement
 Project Baseline Summary (PBS): TW02
 Maximum Available Incentive Fee: \$500,000
 Type: X Standard X Stretch

SECTION 2 Technical Contacts

ORP Point of Contact: Joe Voice
Contractor Point of Contact: Mike Payne

SECTION 3 Performance Expectations and Earning Schedule

GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance $[(BCWP-ACWP)/BCWP]$ less than -5.0 percent, or incur any unfavorable schedule variance $[(BCWP-BCWS)/BCWS]$ less than -7.5 percent, measured at the Project Baseline Summary level identified in Section 1, at the end of FY 2000.

STANDARD (100%)

- I. Re-evaluate the following Final Safety Analysis Report (FSAR) accidents--earn 25% of fee as specified below:
 - a. Re-evaluate the FSAR Spray Leak in Structure or From Waste Transfer Lines (FSAR Section 3.4.2.9), and Surface Leak Resulting in Pool (FSAR Section 3.4.2.7) accidents with historical, industrial failure modes, and plausible accident progression and system responses. Reassess existing controls including Structures, Systems, and Components (SSCs) on the basis of this accident reevaluation. Submit re-evaluated accident analyses and control strategy including appropriate Authorization Basis amendment request for ORP approval by June 30, 2000--earn 13% of fee; and
 - b. Re-evaluate FSAR Flammable Gas Deflagrations (FSAR Section 3.4.2.2) and Natural Phenomena Seismic (FSAR Section 3.4.2.12.3) accidents with historical, industrial failure modes, and plausible accident progression and system responses. Reassess existing controls including SSCs on basis of this accident reevaluation. Submit re-evaluated accident analyses and control strategy including appropriate Authorization Basis amendment request for ORP approval by dates specified for each item in Section 4, item I.--earn 12% of fee.
- II. Re-evaluate the following five Authorization Basis controls for tank farm operations—earn 35% of fee as specified below:
 - a. Using information and data gained during previous operations, re-evaluate the requirements for the use of portable exhausters during saltwell pumping based on existing flammable gas hazards. Based upon this re-evaluation, submit an Authorization Basis amendment and/or licensing strategy for appropriate use of portable exhausters for the saltwell pumping activity by June 30, 2000--earn 5% of fee.
 - b. Using information and data gained during previous saltwell pumping operations, re-evaluate the requirements for the continuous flammable gas monitoring during saltwell pumping operations based on existing flammable gas hazards. Based upon this reevaluation, submit an Authorization Basis amendment and/or licensing strategy for flammable gas monitoring for the saltwell pumping activity by June 30, 2000--earn 5% of fee.
 - c. Using information and data gained during previous operations, re-evaluate the requirements for the current set of controls associated with lightning in the area. Based upon this re-evaluation, submit an Authorization Basis amendment and/or licensing strategy for appropriate lightning controls by April 30, 2000--earn 5% of fee.
 - d. Re-evaluate the FSAR Tank Bump accident (FSAR Section 3.4.2.11) using historical data, industrial failure modes, plausible accident scenarios, and system responses. Reassess existing controls, in particular temperature controls, based on this accident reevaluation. Submit re-evaluated accident analysis and control strategy including appropriate Authorization Basis amendment request for ORP approval by June 30, 2000--earn 10% of fee.

- e. (1) Develop criteria and identify conditions under which double-valve isolation mechanisms can be used for ensuring that tank farm piping systems are physically disconnected when required by the FSAR controls; and (2) Based on identified criteria and conditions above, submit an Authorization Basis amendment to modify applicable TSRs to allow use of double-valve isolation as an option to the current TSR requirement of "PHYSICALLY CONNECTED" as identified in Section 1.1 of the TSR document. Submit Authorization Basis amendment based on items (1) and (2) above by June 30, 2000--earn 10% of fee.
- III. Disposition FSAR Safety Evaluation Report (TWRS-RT-SER-003) Attachment 3 Directed Changes by November 30, 1999--earn 1% of fee.
- IV. Disposition FSAR Safety Evaluation Report (TWRS-RT-SER-003) Attachment 4 and 5 Directed Changes by June 30, 2000--earn 1% of fee.
- V. Develop a crosswalk between FSAR programmatic chapter requirements (FSAR Chapters 6 through 17) and RPP environmental, safety, health, and quality programs by September 30, 2000--earn 5% of fee. For each FSAR programmatic requirement, the crosswalk should identify the program documents (e.g., manuals, procedures, and directives) that implement FSAR requirements including inconsistencies.
- VI. Update radiological and toxicological source term documents (i.e., WHC-SD-WM-SARR-037, WHC-SD-WM-SARR-011, and WHC-SD-WM-SARR-016) to reflect plausible best known tank inventory as of 11/30/99. Using these plausible values, recalculate source term unit liter dose, and reassess consequent source term tank groupings by June 30, 2000; update toxicological methodology by September 30, 2000--earn 25% of fee.
- VII. Implement a hazard database configuration program that ensures the integrity of electronic management of Authorization Basis data by March 31, 2000--earn 2% of fee.
- VIII. Implement an AB requirements database by September 30, 2000. This database should allow tracking of FSAR and Technical Safety Requirement (TSR) control requirements flow-down to implementing operational and programmatic procedures--earn 3% of fee.
- IX. Re-evaluate the post Tank 241-C-106 sluicing hazards in Tank 241-AY-102 and Tank 241-C-106. Submit re-evaluated accident analyses and control strategy including appropriate Authorization Basis amendment request for ORP approval by August 31, 2000--earn 2% of fee.
- X. Develop a tank structural integrity assessment program strategy and recommendation report. The report will identify candidate program elements including justification for its selection; cost and safety benefit, scheduler and implementation issues, for each item; and contractor recommendation for program implementation. Submit to ORP for consideration by January 31, 2000--earn 1% 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.)*
STANDARD:

- I. (a) and (b) Completion is achieved by submitting a licensing strategy and/or Authorization Basis amendment with adequate justification for modifying the applicable FSAR and TSR sections, and a cost benefit analysis of any proposed changes. Part I(b) includes: (1) A licensing strategy and engineering justification for an appropriate safety classification designation for SSTs and DSTs--May 31, 2000; (2) An assessment of the viability of using 60% of the lower flammability limit (LFL) as an action level in the TSR Flammable Gas control strategy instead of 25% of the LFL as allowed by National Fire Protection Association--May 31, 2000; (3) An AB Amendment for Flammable Gas controls for DCRTs and Transfer Systems. (This is the FG USQ closure package for these facilities.)--June 30, 2000; and (4) A licensing strategy and evaluation of the viability of eliminating the limiting condition of operation (LCO) for SST and DST ventilation--June 30, 2000.

- II. (a) thru (d) Completion is achieved by submitting a licensing strategy and/or Authorization Basis amendment with adequate

justification for modifying the applicable FSAR and TSR sections, and a cost benefit analysis of any proposed changes.

- II. (e) Completion is achieved by submitting an Authorization Basis amendment with adequate justification for modifying the applicable FSAR and TSR sections, and a cost benefit analysis of any proposed changes.
- III. Successful completion of item III requires agreement with ORP for disposition of FSAR Safety Evaluation Report (SER) items identified in Attachment 3.
- IV. Successful completion of item IV requires agreement with ORP for disposition of FSAR SER items identified in Attachments 4 and 5.
- V. A database identifying the crosswalk between FSAR requirements (FSAR Chapters 6 through 17) and RPP environmental, safety, health, and quality programs requirements.
- VI. Completion is achieved by submitting revised source term documents (WHC-SD-WM-SARR-037, WHC-SD-WM-SARR-011, and WHC-SD-WM-SARR-016) to reflect updated unit liter doses, toxicological methodology, and tank groupings based on tank inventory as of 11/30/99.
- VII. Completion is achieved by submitting a Hazards Database configuration plan that allows electronic maintenance of Authorization Basis hazards data including provisions for tracking and approving changes.
- VIII. Completion is achieved by developing a database that can be used to identify FSAR and TSR control requirements flow-down to implementing operational and programmatic procedures.
- IX. Completion is achieved by submitting licensing strategy, Authorization Basis amendment, cost benefit analysis of proposed changes, and an adequate justification for modifying the applicable FSAR and TSR sections for tanks 241-C-106 and 241-AY-102 based on the post 241-C-106 sluicing conditions.
- X. Completion is achieved by submitting for ORP consideration a tank structural integrity assessment program strategy and recommendation report.

DEFINITIONS: (*define terms*)

- 1. **Disposition** in items III. And IV. includes disposition of SER comments with ORP including cost and draft schedule for completion of activities.

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

STANDARD:

- I. (a) and (b) a licensing strategy, cost benefit analysis, FSAR (HNF-SD-WM-SAR-067), and TSR (HNF-SD-WM-TSR-006) page changes as required.
- II. For items II (a) thru II (d) a licensing strategy, cost benefit analysis, FSAR (HNF-SD-WM-SAR-067) and TSR (HNF-SD-WM-TSR-006) page changes as required.

For item II (e) Cost benefit analysis, FSAR (HNF-SD-WM-SAR-067), and TSR (HNF-SD-WM-TSR-006) page changes as required, and criteria and conditions for use of double-valve isolation option.
- III. TWRS-RT-SER-003, Attachment 3 Directed Changes, disposition documentation.
- IV. TWRS-RT-SER-003, Attachment 4 and 5 Directed Changes, disposition documentation.
- V. A database identifying the crosswalk between FSAR requirements (FSAR Chapters 6 through 17) and RPP environmental, safety, health, and quality programs requirements.
- VI. Revised source term documents (WHC-SD-WM-SARR-037, WHC-SD-WM-SARR-011, WHC-SD-WM-SARR-016).
- VII. Hazards analysis Configuration Management Program Plan (Implementation will be verified by ORP).
- VIII. Database management system for tracking facility compliance (ORP will validate implementation).

- IX A licensing strategy, cost benefit analysis, FSAR (HNF-SD-WM-SAR-067), and TSR (HNF-SD-WM-TSR-006) page changes as required.
- X A tank structural integrity assessment program strategy report.

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.)*

SECTION 5
Signatures

 Division Director, ORP/Date

 President and General Manager, CHG/Date

 ORP Contracting Officer/Date

 CHG Contract Representative/Date

FY 2000 PERFORMANCE INCENTIVE
SECTION 1 General Information
Descriptive Short Title: Vault Stabilization Project Baseline Summary (PBS): TW03 Maximum Available Incentive Fee: \$250,000 Type: X Standard X Stretch
SECTION 2 Technical Contacts
ORP Point of Contact: Ami Sidpara Contractor Point of Contact: Dale Allen
SECTION 3 Performance Expectations and Earning Schedule
<p>GENERAL REQUIREMENTS: In order to earn incentive fee under this Performance Incentive, the Contractor shall:</p> <ol style="list-style-type: none"> 1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and 2. Not incur any unfavorable cost variance [(BCWP-ACWP)/BCWP] less than -5.0 percent, or incur any unfavorable schedule variance [(BCWP-BCWS/BCWS] less than -7.5 percent, measured at the Project Baseline Summary level identified in Section 1, at the end of FY 2000. <p>STANDARD (70%) Provide a project plan (by March 30, 2000) for stabilizing 244-AR Vault.</p> <p>STRETCH (30%) Provide a project plan for stabilizing 244-CR Vault by April 28, 2000. The standard expectation must be met to earn this fee.</p> <p>NEGATIVE (70%) Fail to provide a project plan (by April 28, 2000) for stabilizing 244-AR Vault.</p>
SECTION 4 Performance Requirements
<p>DEFINE COMPLETION: (Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.)</p> <p>The project plan shall:</p> <ol style="list-style-type: none"> (1) Address the six items listed in TPA Milestone M-45-11A. (2) Describe the scope of work necessary to stabilize the vault(s) until the facility(s) may be turned over for final disposition and closure. (3) Provide a cost estimate for performing the scope of work. (4) Provide a schedule for completing the work. <p>DEFINITIONS: (define terms)</p> <p>COMPLETION DOCUMENTS LIST: (Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.)</p> <p>The Project Plan</p>

FY 2000 PERFORMANCE INCENTIVE

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.)*

SECTION 5
Signatures

Manager, ORP/Date

President and General Manager, CHG/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date