

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 168
2. AMENDMENT/MODIFICATION NO. M030	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
ISSUED BY U. S. Department of Energy Office of River Protection P. O. 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, county, State and ZIP Code) CH2M HILL Hanford Group, Inc. PO Box 1500 Richland, WA 99352			(✓)	9A. AMENDMENT OF SOLICITATION NO.
CODE				9B. DATED (SEE ITEM 11)
FACILITY CODE			(✓)	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-99RL14047
				10B. DATED (SEE ITEM 13) September 30, 1999

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.

Offerors 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)

\$0.00 N/A

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

(✓)	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: Mutual agreement, and Section F, Clause F.3 "Option to Extend the Term of the Contract (Modification A000)"
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not. is required to sign and return 2 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 contract modification is to exercise the Government's option to extend the term of the contract, and replaces in their entirety Sections B through I, and Section J, Appendices A through C, and Appendices E through H, of the existing contract, with the attached Sections B through I, and Section J, Appendices A through C, and Appendices E through H. The existing cover page of Section J, Appendix D, is replaced by the attached Section J, Appendix D cover page. This modification also incorporates the attached Performance Incentives and Table D-1 into the contract at Section J, Appendix D. The attached performance incentives are effective as of October 1, 2000. All remaining provisions of this modification are effective as of the date in Block 16C. In addition, there is no change to the existing Section J, Appendices I, J, and K. See attached.

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) Mary P. DeLozier, President and General Manager		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Harry L. Boston, Manager	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)	16C. DATE SIGNED

**PART I – THE SCHEDULE
SECTION B
SUPPLIES OR SERVICES AND PRICES/COSTS**

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**PART I – THE SCHEDULE
SECTION B
SUPPLIES OR SERVICES AND PRICES/COSTS**

B.1 SERVICES BEING ACQUIRED

The Contractor shall be responsible for planning, managing, and executing the U.S. Department of Energy (DOE) Office of River Protection (DOE-ORP) River Protection Project (RPP) operations, projects, and other activities as described in Section C, Statement of Work, of this Contract.

B.2 OBLIGATION OF FUNDS

Pursuant to the Section I Clause entitled, *Obligation of Funds*, the total amount obligated by the Government with respect to this Contract is \$222,405,775.33.

B.3 ESTIMATED COST AND FEE

The estimated cost of the Contract is the total Budget Authority (BA) provided to the Contractor from October 1, 1999, through September 30, 2000, (\$404,392,374.76), plus the estimated new BA of \$2,197,700,000 for the period October 1, 2000, through September 30, 2006, for an estimated total of \$2,602,092,374.76.

The estimated BA for fiscal year (FY) 2001 through FY 2006 is set forth in Table B-1. The BA includes Contractor Available Fee Pool, but excludes the DOE controlled budgetary accounts, "Safeguards and Security Assessments," "Headquarters Assessments," and "DOE-ORP Support Accounts."

BA set forth in Table B-1 is an estimate until the BA is formally provided to the Contractor at or near the beginning of each fiscal year.

If the estimated total BA for the baseline work for a fiscal year as set forth in Table B-1 varies from the actual funding by more than plus or minus 10%, or the complexity of the work scope changes significantly, the Contracting Officer may adjust the table (BA and Fee), for that year. The Fee adjustment shall be based on the fee curves and fee policy contained in the Department of Energy Acquisition Regulations (DEAR).

Unearned fee that is not forfeited for failure to meet contract or performance-based incentive requirements shall be accrued, if appropriate, or recorded as a commitment.

Table B-1
Estimated Budget Authority for Fiscal Years 2001-2006

(\$ in millions)							
	FY01	FY02	FY03	FY04	FY05	FY06	Total
New BA (Includes Fee)	\$402.7	\$355	\$360	\$360	\$360	\$360	\$2,197.7
Fee	\$19.8	\$17.1	\$17.3	\$17.3	\$17.3	\$17.3	\$106.1

B.4 AVAILABILITY OF APPROPRIATED FUNDS

The duties and obligations of the Government calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the United States Congress, which the DOE may legally spend for authorized purposes. Any work performed beyond the funds obligated and/or performed without the written consent of the Contracting Officer shall be at the Contractor's own risk.

**PART I - THE SCHEDULE
SECTION C
STATEMENT OF WORK**

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**PART I - THE SCHEDULE
SECTION C
STATEMENT OF WORK**

C.1 SUMMARY DESCRIPTION OF WORK

The Hanford Site has two major missions: (1) cleanup, and (2) science and technology. There are two major Office of Environmental Management (EM) programs associated with cleanup. The first is the River Protection Project (RPP), which entails cleanup of Hanford Site high-level waste (HLW), and is managed by the U.S. Department of Energy (DOE) Office of River Protection (DOE-ORP). The second is Project Hanford, which entails cleanup of the remainder of the Hanford Site, and is managed by the DOE Richland Operations Office (RL). The RPP will execute its workscope as part of the Hanford Waste Treatment Complex (HWTC) to treat and disposition Hanford Site HLW.

RPP is composed of two major scopes of work performed by two separate contractors. CH2M HILL Hanford Group, Inc ("Contractor") shall be responsible for planning, managing, and executing the Tank Farm Contract (TFC) projects, operations, and other activities as described in more detail in Section C.3, *River Protection Project - Technical Scope*, of this Statement of Work. The Hanford Waste Treatment and Immobilization Plant (WTP) contractor will design, construct and commence operations of the WTP for treating the tank farm waste.

The Contractor shall be responsible for interfacing and coordinating with other Hanford Site prime contractors in the performance of this work. Contractor shall ensure that requirements for services provided by Contractor to other Hanford Site contractors and received from other site contractors are integrated with other Hanford Site contractors and provided for in the Baseline identified in Section H Clause entitled, *Project Controls*. The Contractor shall establish appropriate arrangements with other Hanford Site prime contractors for the tasking and incentivization of work, consistent with the approved Hanford Site Services Manual.

The Contractor shall conduct business at the Hanford Site consistent with the following outcomes, which flow from the Hanford Strategic Plan.

- Maintain Tank Farms waste and infrastructure in a safe and stable configuration.
- Retrieve tank wastes to the extent needed for tank closure and deliver to the WTP contractor for treatment and immobilization.
- The immobilized low-activity waste (ILAW) fraction will be disposed onsite in a 200 Area disposal system.
- The immobilized high-level waste (IHLW) fraction will be interim stored until it can be shipped offsite for disposal (planned for the Yucca Mountain geologic repository).
- Incorporate the cesium/strontium capsules declared as waste into the HLW process for repository disposal.
- Efficiently and cost effectively close all Hanford Tank Farms.

Success in achieving these outcomes shall consider the following factors:

- Protection of worker safety and health, public safety and health, and the environment;
- Leadership and management effectiveness (Operations Management);
- Management responsiveness to customers (Customer Service);
- Responsive communications with external and internal Hanford customers; and
- Proficient partnering with other Hanford Site prime contractors.

Specific performance objectives, measures, and expectations are detailed in Section J, Appendix D, *Performance Based Incentives*, and Section C.3, *River Protection Project – Technical Scope*.

The Contractor shall integrate safety and environmental awareness into all activities, including those of subcontractors at all levels consistent with Integrated Safety Management principles. Work must be accomplished in a manner that achieves high levels of quality, protects the environment, the safety and health of workers and the public, and complies with requirements. The Contractor shall identify hazards, manage risks, identify and implement good management practices, and make continued improvements in environment, safety, health, and quality (ESH&Q) performance.

The Contractor shall seek ways to streamline work processes by the use of necessary and sufficient standards and requirements. This includes requesting relief in the form of exemptions from requirements when appropriate, such as when the cost of the requirement will exceed its expected benefits.

The Contractor shall furnish, or cause to be furnished, all personnel, facilities, equipment, material, supplies, and services (except as may be expressly set forth in this contract as furnished by the Government), and otherwise do all things necessary for, or incident to, providing its best efforts so as to carry out in an efficient and effective manner all necessary work set forth in this Contract.

This Contract is intended to perform work necessary to reduce the potential risk to the public and the environment from the HLW on the Hanford Site. It is also intended to meet the DOE legal obligations and commitments in carrying out this work. DOE is in the process of modifying commitments with its regulators to better assure protection of the public and the environment. The work scope in this Contract is intended to meet ongoing changes and commitments with the regulators, as of the effective date of this contract extension. This Contract will be changed as required to assure that applicable legal obligations and commitments will be met.

The work scope of this Contract will be performed for the specified annual funding in Section B, *Supplies or Services and Prices/Costs*. Upon entering into this Contract the estimated Budgeted Cost of Work Scheduled (BCWS) is in excess of the total funding committed to in Section B. The Contractor is incentivized to perform the full work scope of this Contract, as set forth in the TFC Baseline, for the specified funding by planning and performing work more efficiently. The work scope of this Contract is incentivized such that Contractor fee is at risk if the scope of work is not performed as agreed.

C.2 MANAGEMENT WORKSCOPE

(a) Project Planning

The Contractor shall:

- (1) Perform planning based on the requirements, interfaces, endpoint targets and performance objectives provided in DOE guidance. This planning activity shall utilize systems engineering techniques assuring that the Contractor's workscope is integrated. The Contractor shall support required revisions of the Hanford Strategic Plan and will participate with other DOE prime contractors, regulators, stakeholders, and customers in strategic situation analysis, integrated baseline development discussions and issue definition, and resolution. This planning shall look beyond the period of this contract to the life-cycle of RPP projects.
- (2) Complete and maintain an integrated life-cycle baseline which reflects: (a) technical scope of work specified in this Contract, (b) project/program schedules with critical paths identified, and (c) a validated cost profile based on a resource-loaded schedule. The Contractor shall use industry-proven methodology, which will interface with DOE specific management information systems, in the preparation of this technical, schedule and cost baseline. The Baseline shall be the basis for budget development, input to risk analysis, and prioritization of

work. The Baseline shall be developed and implemented in the Contractor's management system and shall be linked to the WTP contractor baselines to provide an integrated RPP baseline. Specifically, the Contractor shall:

- (i) Organize the technical scope of work to be planned, managed, integrated, and reported using conventional project management techniques. The Contractor shall develop and use a Work Breakdown Structure (WBS), which will align with the DOE-ORP WBS.
- (ii) Implement a systems engineering process, which supports the management and integration of workscope activities. The Contractor shall describe its approach to systems engineering in a Systems Engineering Management Plan as required in Section J, Appendix E, *Guidance for Other Required Plans*. The Contractors' selected approach to systems engineering should be based on best industry practices and should utilize a graded approach, as necessary.
- (iii) Develop and implement a risk management process, which supports the management and integration activities under the authority of the Contract. The Contractor shall describe the approach to risk management specifically in the Risk Management Plan as required in Section J, Appendix E, *Guidance for Other Required Plans*.
- (iv) Use a "graded approach" to determine applicable sets of requirements for use in design, management and operation of the individual facilities, and execution of projects and programs, with due consideration for industry standards, elimination of redundant requirements, value added, and the level of risk associated with each facility or program.
- (v) Incorporate the requirements of the *National Environmental Policy Act of 1969 (NEPA)* into the planning process for activities covered in this Contract.
- (vi) Provide support to DOE-ORP planning and integration activities. Conduct studies and analyses of RPP/Hanford systems and information, which supports DOE-ORP internal and external management needs. The Contractor shall provide support in: 1) corporate strategic planning, 2) policy development, 3) management information systems, and 4) baseline management and reporting. Studies and analyses include identification and development in conjunction with DOE of breakthroughs that significantly improve baseline performance and lifecycle costs or improve work processes.
- (vii) Provide operational and constructability review support to DOE for WTP design and permitting. Operational reviews will provide operations experts to assess documentation to assure long term operability, reliability and maintainability of the WTP
- (viii) Provide support for review of TFC planning and operations by both internal (DOE-ORP) and external (DOE-Headquarters, Inspector General, Defense Nuclear Facilities Safety Board, U.S Environmental Protection Agency, Washington State Department of Ecology, etc.) agencies. This will include resolution of issues and concerns following a review.

(ix) Revise the existing RPP Baseline to reflect changes made by this Contract and work with the WTP contractor and DOE-ORP to resolve schedule discrepancies. The revised baseline shall contain sufficient levels of detail to promote understanding of the logical sequence of major DOE-ORP, WTP, and TFC activities and identify all major interfaces between performing organizations. The revised RPP Baseline shall be delivered to DOE-ORP by May 15, 2001, and contain a level of detail similar to that in the Expanded Management Summary Schedule, Revision 0, and be consistent with WTP Contractor Deliverables 1.2, *Project Execution Plan*, and 1.5, *WTP Project Baseline* (Table C5.1-1) of Contract No. DE-AC27-01RV14136. Integrate updated WTP construction and operations schedules into the RPP Baseline and resolve all logic flaws, and then deliver the revised RPP Baseline and supporting TFC baseline information to DOE-ORP by September 1, 2001. The RPP Baseline will be maintained, revised, and updated, if needed, annually. The Contractor shall provide the supporting TFC baseline package to DOE-ORP each year on March 1st, fully integrated with the WTP contractor and supporting other Hanford contractor baseline packages. By December 15 of each year, the Contractor shall provide to DOE-ORP the appropriate allocation of funds for the next fiscal year by PBS and by line item.

(3) Translate specific fiscal year guidance from the Contracting Officer into direction for updating project baselines. DOE-ORP must approve the baselines and the supporting documentation before the Contracting Officer authorizes the commencement of work.

(b) Management System

The Contractor is responsible to have systems which are managerially and financially in control for its own and other Hanford Site work as required by DOE. In furtherance of this, the Contractor shall:

(1) Establish and maintain management systems to ensure that the Contract work is managed in a business-like manner to promote integration, enhance customer and stakeholder confidence, provide accurate and timely information for proactive decision-making, and ensure worker and public safety and protection of the environment. Systems and methodologies shall be established to identify, evaluate, and manage risks, and establish priorities based on project life-cycle considerations.

(2) Obtain, integrate, analyze, report, and maintain appropriate and accurate TFC information to support DOE in the integration and management of the Hanford Site. This information includes, but is not limited to, data critical to effective management of the Hanford Site such as movement of wastes on or off the site, compliance with regulatory action assignments, or utilization of site services.

(3) Develop and maintain a management system, which reflects appropriate and accurate information to control, evaluate, and integrate project/mission management. This system shall reflect the following:

(i) Management, control, and reporting of technical, schedule, cost, and financial elements of the TFC life-cycle baseline and the supporting project execution plans, as required by the Earned Value Management System clause of this contract, including:

- (A) **Appropriate change control processes, which ensure documentation of all monitored elements of the baseline, are maintained up-to-date. This includes the configuration baseline of all technical systems and structures, and includes revision to the baseline and critical path as appropriate upon approval of changes.**
 - (B) **Tracking and measuring tools to provide DOE-ORP continual assessment of Contractor performance against the baseline;**
 - (C) **Tools which allow the evaluation of the consequences (technical, cost, and schedule) of new information, alternative activities, and/or new financial scenarios;**
 - (D) **Estimating procedures based on proven commercial techniques, such as activity-based cost estimating and benchmarking against industry standards, providing DOE-ORP with cost estimates, which can be independently validated;**
 - (E) **Cost accounting practices used for accumulating and reporting costs shall be consistent with those used in estimating costs for work under the contract, and as such, amenable to the same validation as above;**
- (ii) **Provide DOE-ORP with appropriate integrated financial, schedule, and critical path analysis, and activity tracking data to effectively manage the baseline(s) through automated reporting emphasizing performance measurements, change control, and trending data. This system shall support DOE ability to both control and report direct and indirect costs in a manner satisfactory to DOE.**
 - (iii) **Maintain flexible information systems compatible with DOE information systems, including reporting, budget, and financial systems, and allow efficient data interchange among site contractors and DOE. This includes compatibility with DOE Integrated Planning, Accountability, and Budgeting System-Information System.**
 - (iv) **Create the ability to accommodate electronic transfer of data between a diverse set of hardware, software, and communications platforms. Use standard data definitions, time schedules, and rules for the provision of information to the Management Information System (MIS) to ensure accuracy and consistency. All data and information provided to DOE relating to the Contractor or the subcontractors shall be prepared using common and consistent definitions, principles, and methodologies (e.g., Full-Time Equivalent [FTE] employees).**
 - (v) **Use a centralized system of reporting unusual occurrences, near misses, environmental events, safety events, etc., and ensure that lessons learned from such occurrences are provided to DOE, the Contractor, and subcontractor workforces as defined in Section C.2.(d)(1)(e).**
 - (vi) **Maintain comprehensive management and technical oversight and corrective action programs, including tracking of issues and lessons-learned program effectiveness.**

- (4) Establish an RPP configuration management system based on industry consensus standards, which with other management tools, such as change control, assures a sound technical basis for the TFC life-cycle baselines.
- (5) Provide to DOE via a computerized file, periodic accounting entries regarding government property acquisitions, dispositions, and monthly depreciation charges. These entries shall provide consistent information and allow reconciliation of the Contractor's detailed property records.
- (6) Participate in the management of interfaces between the Contractor and any other RPP or Hanford Site organization and provide ORP with information and notification on all interface activities. The Contractor shall provide the resources needed to fully participate in the interface management process for the RPP. The Contractor shall also fully participate in the preparation for interface management activities that may occur beyond the period of contract performance.

Interface Documents will specifically be developed and maintained to define interface agreements among the parties involved with the interfaces. The Contractor shall comply with the interface agreements reached with them and shall utilize the approved change control processes to obtain changes to the interface documents. The Contractor shall recognize the DOE role as owner and as the final decision authority for any interface issues that are not resolved between the parties. Applicable Interface Document requirements associated with these agreements will also be incorporated into the TFC baseline.

- (7) Participate in the development of interfaces between the Contractor and WTP contractor to: 1) establish the physical and administrative interfaces, 2) develop any delivery requirements and acceptance criteria at the point of transition, 3) provide the necessary Contractor contributions to all Interface Control Documents that control each interface, and 4) provide necessary services and utilities.

(c) Manage and Integrate Resources

The Contractor shall manage and integrate its resources for optimal achievement of outcomes set forth in Section C.1 above. In furtherance of this, the Contractor shall:

- (1) Support the annual budget submission process by working with DOE and other prime contractors to develop budget formulation documentation. The Contractor shall prepare documentation for its own work activities. Support to DOE during this process shall include but is not limited to assisting DOE to:
 - (i) Develop project budget data.
 - (ii) Prepare budget justification analyses and budget scenario studies.
 - (iii) Provide support to all crosscutting budget formulation documents (i.e., ESH&Q, Information Resources Management, etc.).
 - (iv) Obtain regulator and other stakeholder participation in budget development, including assistance in response to stakeholder and regulator inquiries.
- (2) Provide leadership, project, and personnel management skills necessary to ensure compliance with the RPP goals and the *Hanford Federal Facility Agreement and Consent Order* (also known as the Tri-Party Agreement or TPA), and to motivate the workforce to:

- (i) Achieve quality work performance;
 - (ii) Mandate attention to worker and public safety and health, environmental protection, and the tenets of Conduct of Operations; and,
 - (iii) Be fiscally and ethically responsible in the management of government and public resources, including property, equipment, funds, and time.
- (3) Use the existing "People Core" system at the Hanford Site to enhance human resources functions sitewide.
 - (4) Continually "right-size" its own workforce and that of its subcontractors to have the size of workforce equal to that necessary to accomplish the authorized workscope.
 - (5) Resolve employee concerns (including complaints on harassment, intimidation, retaliation, and discrimination) at the appropriate level. The Contractor shall support and provide cooperative membership in an approved "appeals avenue/forum" for resolving significant employee concerns (i.e., environmental, safety, health, and quality). The Contractor shall review and make recommendations to DOE to make the charter/process consistent with this Contract. The continued need for the "appeals avenue/forum" shall be reviewed annually and a recommendation submitted to DOE for discussion.
 - (6) Continually promote diversity in all aspects of the work under this Contract. An updated revision to the Diversity Plan, as set forth in Section J, Appendix G, *Guidance for Preparation of Diversity Plan*, shall be submitted to DOE-ORP for review and approval by February 1, 2001, and will be updated annually, thereafter.
 - (7) Provide an independent internal audit capability to review its activities and those of its subcontractors. An updated revision to the Internal Audit Plan as set forth in Section J, Appendix E, *Guidance for Other Required Plans* shall be submitted to ORP for approval by February 1, 2001, and updated annually thereafter.
- (d) Environment, Safety, Health and Quality (ESH&Q)
- (1) The Contractor shall establish an Integrated Safety Management System (ISMS), in compliance with the Section I Clauses entitled, *Integration of Environment, Safety and Health into Work Planning and Execution*, and *Conditional Payment of Fee, Profit or Incentives*, that clearly communicates the roles, responsibilities, and authorities of line managers; holds line managers accountable for the performance of work in a manner ensuring protection of workers, the public, and the environment; and ensures quality work and products.

The Contractor shall:

- (i) Establish effective management systems to identify deficiencies and resolve them in a timely manner; ensure that corrective actions are implemented that address the extent of conditions, root causes, and measures to prevent recurrence; and prioritize and track commitments and actions as well as identify and implement lessons learned from other DOE sites, contractors, or commercial activities. The Contractor shall have and maintain an effective Lessons Learned Program to capture lessons learned from both internally and externally identified deficiencies and good practices. The Lessons Learned Program shall be rigorous and comprehensive such that the Contractor can demonstrate actions taken to address significant occurrences from both inside and outside of

the DOE complex. Lessons learned information should be targeted and made available to the personnel in the Contractor's organization actually conducting the type of work involved and most able to benefit from the information.

- (ii) Establish a structured, standards-based approach to planning and control of work including identification, management and implementation of ESH&Q standards and requirements that are appropriate for the work to be performed and for controlling related hazards, while facilitating the effective and efficient delivery of work. The Contractor shall implement the requirements identified in the Section I Clause entitled, *Laws, Regulations and DOE Directives*.
- (iii) Establish an organization that supports effective ESH&Q management by ensuring appropriate levels of staffing and competence.
- (iv) Establish disciplined self-assessment, feedback, continuous improvement processes, and conduct of operations discipline in the performance of all work.
- (v) Implement a program to track and address environmental compliance issues and implement requirements (including but not limited to permitting, environmental reporting, Consent Decrees, Tri-Party Agreement reporting/management, NEPA, pollution prevention, waste minimization), and comply with all aspects of the Section H Clause entitled, *Environmental Responsibility*.
- (vi) Recommend and implement ESH&Q performance measures to monitor the effectiveness of the implementation of ESH&Q programs.
- (vii) The Hanford Environmental Health Foundation (HEHF) currently provides occupational Health Services to the Hanford Site. The Contractor shall obtain for itself and require all subcontractors performing work on the Hanford Site to obtain the following services from HEHF: occupational medical evaluations including return to work evaluations and work restriction reviews, medical surveillance evaluations, occupational primary care, health care centers/first aid, work conditioning, case management, work site health programs including blood-borne pathogens and immunizations, and behavioral health services including employee assistance programs, and health information services such as medical records and medical scheduling. The Contractor shall coordinate with HEHF and reach agreement regarding service requirements and delivery, including data gathering and sharing. The agreement should emphasize a comprehensive public health approach as being integral to a well-run health and safety program and address cost and resources effectiveness. This agreement shall be subject to approval and validation by DOE-ORP.
- (viii) Maintain, implement and improve the TFC nuclear safety authorization basis in support of safe, effective, and efficient work accomplishment.

- (ix) In accordance with the ISMS, Authorization Agreements (AAs) will be developed, mutually agreed to, and executed between the Contractor and DOE-ORP. The Contractor will maintain the AAs. The AAs are to serve as a mechanism whereby DOE-ORP, and the Contractor, jointly clarify and agree to the key conditions for conducting work safely, effectively and efficiently for Hazard Category 1 and 2 nuclear facilities. They are to be updated annually, or as required to reflect changing conditions and contractor responsibilities.
 - (x) Establish annual safety goals with performance indicators, such as worker radiation exposure, lost workdays, restricted work days, etc.
- (2) The safety and health of workers and the public, protection and restoration of the environment, and implementation of quality assurance programs are fundamental responsibilities of the Contractor. Accordingly, the Contractor shall:
- (i) Take necessary actions to prevent serious injuries/illnesses and /or fatalities and prevent radiological or chemical exposures to workers and environmental releases in excess of established limits;
 - (ii) Establish clear environmental, safety, health and quality plans and priorities and manage activities in proactive ways, including visible management field presence, that effectively and efficiently protect the environment, public and worker safety and health, and ensure the quality of work and work products;
 - (iii) Carry out all activities in a manner that complies with human health, safety, environmental, and quality regulations; minimizes the generation of wastes, releases or emissions into the atmosphere, and releases to soil and surface or groundwater; and complies with applicable regulatory requirements and DOE directives;
 - (iv) Empower workers through the use of committees, employee involvement and the tenants of the DOE Voluntary Protection Program (VPP);
 - (v) Engender a "Safety Conscious Work Environment" in which safety issues are promptly identified and effectively resolved, and in which employees feel free of recrimination, harassment, intimidation, or other actions that induce peer pressure to not raise safety issues or otherwise create an environment where safety issues are not identified and resolved.
- (e) Economic Transition and Outsourcing
- The Contractor shall:
- (1) Be responsible for the performance of the work under this Contract in a manner that helps the community establish a stable economic base over the long term. This shall be accomplished through appropriate private sector participation in cleanup, making available for effective private use DOE assets no longer required or under-utilized by the Government, and investment of private resources in the community.

- (2) The Contractor shall:
 - (i) Recommend to DOE-ORP the use (by the Contractor, subcontractors, or other private entities) of Government-owned assets (equipment, facilities, or land) on a non-interfering basis to promote, assist, or otherwise foster creation of new private sector jobs.
 - (ii) Accomplish changes in the workforce in a way that minimizes social and economic impacts and complies with Section 3161 of Public Law 102-484.

(f) Technology Management

The Contractor shall implement the DOE-established technology management process to identify TFC project-specific technology needs and effective, acceptable solutions. For each area of technology needs the Contractor shall work with the best-in-class within the DOE National Laboratories to identify the areas of highest technical risk and uncertainty, align technology investments with the areas of highest risk, and seek and apply innovative technical solutions. The Contractor shall work with Pacific Northwest National Laboratory (PNNL) to provide linkages with the national science and technology programs. Specific technology tasks shall include:

- (1) Coordinate and conduct science and technology assessments to identify and quantify the areas of high technical risk/uncertainty for the RPP life cycle.
- (2) Develop near and long-term mitigation plans (e.g., technology roadmaps, technology plans, technology insertion points, etc.) and links these plans with project baselines.
- (3) Seek innovative technical solutions and make appropriate investments to buy-down areas of highest risk consistent with mitigation plans.
- (4) Communicate and cooperate with appropriate Hanford Site and National Technology Development teams and build partnerships with the science and technology community.

(g) External/Internal Communications

- (1) The Contractor shall participate in the DOE-ORP external/internal communications program to ensure that the full range of stakeholders receive information in a timely, accurate, complete, and professional manner. Contractor external communications actions shall comply with the DOE Openness Initiatives and Public Involvement Policy and will be approved in advance by DOE-ORP.
- (2) The Contractor shall work with DOE to ensure that external/internal communications activities represent a singular and consistent DOE source of information about the DOE-ORP mission and its relationship to the Hanford Site.
- (3) Contractor external/internal communications efforts and/or corporate communications not directly related to the DOE-ORP mission at Hanford, and/or approved by DOE-ORP, are not allowable costs under this Contract.
- (4) The Contractor shall keep the Hanford Site workforce related directly to the work performed by the Contractor and subcontractors under this contract informed in a timely manner of all significant issues that could impact those workers.

- (5) At DOE-ORP direction, the Contractor shall:
- (i) Provide timely and consistent support for inter-Governmental liaison activities, including activities with Federal, State, local and Native American Governments.
 - (ii) Provide logistical support for the Hanford Advisory Board and other public meetings.
 - (iii) Respond in a timely fashion with information as requested by DOE-ORP in support of *Freedom of Information Act* and/or *Privacy Act* requests.
- (6) External/Internal communications activities shall include, but not be limited to:
- (i) Public Information
 - (ii) Public Involvement
 - (iii) Emergency Communications Activities
 - (iv) Media Relations
 - (v) Site Tours, including transportation for tours
 - (vi) Preparation/Maintenance of public information Audio/Video Products and Printed Materials

(h) Training

The Contractor shall coordinate training needs through the Hazardous Materials Management and Emergency Response facility (HAMMER) and the Hanford Site-training program as applicable.

(i) Emergency Preparedness

The Contractor shall provide an emergency response capability for facilities under its control that implements the Hanford Emergency Management Plan (DOE/RL-94-02, Revision 2), as modified from time to time. Because of the potential for the Contractor to become the Event Contractor as defined in the Hanford Emergency Management Plan, implementation includes, but is not limited to, maintaining a 24 hour per day, 7 days per week, capability to adequately staff the required Hanford Site and Tank Farms specific Emergency Response organization positions within 60 minutes of receipt of notification from the Occurrence Notification Center of a Hanford Site emergency.

(j) Environmental Monitoring

The Contractor shall manage its facilities and operable units to assure compliance with environmental requirements and agreements. The Contractor shall work with the PHMC in providing legally and regulatory required air and liquid effluent and near facility environmental monitoring. The Contractor shall collect, compile, and/or integrate air and liquid effluent monitoring data from operations and activities under their control. The Contractor shall compare the monitoring data with regulatory and/or permit standards applicable to their activities and/or operations and provide the data and analyses to the Project Hanford Management Contractor (PHMC) for use in preparing the mandatory State and Federal environmental reports for the Hanford Site.

PNNL monitors the Hanford environment to protect public safety and Hanford Site ecological and cultural resources. This includes providing real time localized weather information for routine safety operations and emergency response, performing Hanford Site and off-site environmental monitoring, as well as determining radiological exposure to the public and the environment. The Contractor shall provide appropriate environmental data for its facility and operable units to support Hanford Site assessments and preparation of the Hanford Site Environmental Report.

PNNL is responsible for Hanford Site groundwater monitoring. The Contractor will be knowledgeable of actions PNNL completes to develop monitoring plans for Contractor facilities and operable units. The Contractor shall maintain regulatory oversight capability to ensure that compliance for their facility and operable units is maintained, for the groundwater-monitoring program by PNNL.

The Contractor will perform vadose zone characterization around the Tank Farms in accordance with TPA and other regulatory requirements. This effort will be integrated with the PNNL groundwater monitoring effort and DOE-ORP *Resource Conservation and Recovery Act of 1976 (RCRA) Facility Investigation/Corrective Measures Studies*.

C.3 RIVER PROTECTION PROJECT

(a) Technical Scope of the Contract

The River Protection Project (RPP) scope of this Contract encompasses activities identified in the August 4, 2000, Tank Farm Contract River Protection Project Baseline (hereafter "Tank Farm Contract River Protection Project Baseline" or "Baseline") as amended by approved Baseline Change Requests (BCRs) through December 15, 2000, and as supplemented by Contractor proposed baseline adjustments in support of the extension of the current Contract (Contractor's proposed baseline adjustments are set forth in Technical Exhibit A attached hereto), needed to: (1) safely store, operate and interim stabilize tank waste within an approved authorization basis for such operations applying appropriate life cycle asset management; (2) retrieve waste from single shell tanks consistent with the M-45-00-01A Proposed TPA Change dated August 30, 2000, and retrieve waste from double shell tanks, including completion of upgrades and waste retrieval and transfer systems; (3) construct, operate, and maintain facilities necessary for storage/disposal of immobilized waste, including balance of plant construction; (4) stabilize facilities and preparation of tank closure plans for SSTs as contemplated in the M-45-00-01A Proposed TPA Change dated August 30, 2000; (5) execute supporting project management responsibilities including strategic analysis, baseline management, contracting functions, compliance, finance and administration; and (6) perform decommissioning and decontamination to support improved long term operational efficiencies, as set forth in the following sections:

(1) Safe Tank Waste Storage

(i) General Description

Contractor shall provide an adequate, comprehensive, and reliable safety basis for the management and storage of waste managed by Contractor under the scope of this contract. This will be accomplished by developing, operating to and maintaining an integrated Authorization Basis (AB), and by resolving outstanding safety issues and unreviewed safety questions to ensure safe storage and retrieval of waste. Proposals to modify the AB shall be made as appropriate to provide a cost effective AB for safe and reliable waste retrieval, feed delivery, and immobilized product storage. Waste sampling and characterization will be performed as required to assure safe storage conditions. Waste monitoring, characterization, treatment, disposal and reporting will be performed as required to meet regulatory requirements. HLW within the waste acceptance criteria will be received into the double-shell tank (DST) system from Hanford Site facilities as required to support the Hanford Site cleanup mission. The Contractor shall provide a basis for the recommended removal of all tanks from the Watch List established by Public Law 1010-510, Section 3137.

The Contractor will also adequately perform operations and maintenance; effectively manage, plan, and utilize resources; and implement an approved life-cycle asset management system.

(ii) Tank Farm Upgrades

Contractor shall upgrade tank farms to support safe and reliable operation and tank waste retrieval, staging and delivery efforts. This includes performing waste transfer system upgrades necessary to provide a compliant system to support waste feed delivery to the WTP and will include completion of additional waste system upgrades contained in the Baseline. The Contractor will comply with all regulations; and improve infrastructure reliability, operability and maintainability (including upgrades to transfer systems, instrumentation and control systems, electrical distribution and ventilation systems).

(iii) Interim Stabilization

The Contractor shall remove pumpable liquids from the single-shell tanks (SSTs) and transfer to DSTs to reduce environmental risk. The criteria and milestones in the Interim Stabilization Consent Decree shall be met. Entry points into stabilized SSTs shall be capped or plugged as required such that waste and water will not re-enter the tank.

(iv) Completion Criteria

The following key performance objectives and interim milestones will be used in evaluating the Contractors performance as specified in Section J, Appendix D, *Performance Based Incentives*.

(A) Key Performance Objectives

- Manage and maintain tank farm equipment and infrastructure to meet current and future operational use needs in accordance with DOE Order 430.1A; and
- Complete Interim Stabilization of SSTs.

(B) Interim Milestones:

FY2001

- Provide technical basis to close Flammable Gas Safety issues.
- Adjust DST waste pH to meet operational specifications.
- Complete Interim Stabilization of three SST in accordance with the Interim Stabilization Consent Decree (ISCD), CT-99-5076-EFS.
- Start Saltwell pumping of 8 SSTs in accordance with ISCD.
- Reduce Organic Complexed Pumpable Liquids to 5% of Total Volume in accordance with ISCD.
- Submit DST System integrity plans and tests in accordance with tank integrity Administrative Orders (TIAO) 00NWPKW-1250 and -1251.

FY2002

- Reduce SST Liquids to 18% total volume in accordance with ISCD.
- Submit ultrasonic test reports for 4 DSTs in accordance with TIAO.
- Start Saltwell pumping of 9 SSTs in accordance with ISCD.

- Complete Saltwell pumping of 4 SSTs in accordance with ISCD.

FY2003

- Reduce SST liquid to 2% of total volume.
- Complete Saltwell pumping of 200 East Area tanks in accordance with ISCD.
- Complete Saltwell pumping of 200 West Area Tanks in accordance with ISCD.
- Submit ultrasonic test reports for 4 DSTs in accordance with TIAO.

FY2004

- Submit ultrasonic test reports for 4 DSTs for transmittal to Washington State Department of Ecology.
- Complete Interim Stabilization of SSTs.

FY2005

- Complete SST intrusion prevention.
- Complete 242A Evaporator upgrade construction.
- Submit ultrasonic test reports for 4 DSTs in accordance with TIAO.

FY2006

- Submit DST integrity assessment report in accordance with TIAO.
- Submit ultrasonic test reports for 2 DSTs.

(2) Waste Retrieval

(i) General Description

Contractor shall in an environmentally sound, safe, secure, and cost-effective manner:

- Retrieve wastes from SSTs, DSTs, and designated miscellaneous underground storage tanks (MUSTs); and
- Provide waste to the WTP contractor for processing.

The waste retrieval and feed delivery workscope will be projected to assure required deliverables are met. Contractor shall establish the functions and requirements and install the equipment needed to reliably deliver the proper waste feed on schedule to the WTP contractor for Phase I waste treatment as defined in the WTP Contract.

The Tank Waste Remediation System (TWRS) Environmental Impact Statement Record of Decision calls for retrieval of wastes from all 149 SSTs, 28 DSTs, and MUSTs. Until all waste is retrieved, the DSTs must function to store and prepare waste retrieved from SSTs and MUSTs for waste treatment facilities while optimizing utilization of DST space.

(ii) Single Shell Tank Retrieval

Contractor shall develop methods, systems and requirements for retrieving wastes from the Single Shell Tanks to the extent needed to close them in accordance with RCRA and the *Atomic Energy Act of 1954* (AEA). SST retrieval methods and requirements shall support SST retrieval demonstrations.

Single shell tank retrieval demonstration objectives include developing technologies to retrieve salt cake, hard heel, and other wastes from SSTs; determining technology limitations, retrieval efficiencies, safety and environmental concerns, and cost impacts for SST retrieval systems; evaluating alternative retrieval technologies for SSTs that have leaked or may leak; and supporting the transition and closure of SSTs and tank farms.

(iii) Double Shell Tank Retrieval and Waste Feed Delivery

Contractor shall design, construct, install and test systems for retrieving wastes from the DSTs to meet the waste feed requirements of the WTP. The Contractor will also maintain these systems to be operational when required to deliver waste. This will require providing DST waste retrieval systems that can supply waste feed in composition sufficient to meet waste feed delivery in quantities and rates sufficient to support the WTP processing capacities. This shall also include providing tank characterization and waste samples to support WTP planning and testing requirements, as identified in the Baseline. Also included is support for the development of the RPP flowsheet and planning inclusive of all major process steps and/or systems including but not limited to: SSTs, DSTs, pre-treatment, immobilization, immobilized product storage and disposal, as identified in the Baseline. Development of the RPP flowsheet includes improving the quality of input data, developing flowsheet assumptions, identifying inputs and outputs at each step, and developing constraints/requirements at each step.

(iv) Completion Criteria

The following Key performance objectives and interim milestones will be used in evaluating the Contractors performance as specified in Section J, Appendix D, *Performance Based Incentives*. Construction completion must meet the criteria in the Project Design Requirements Document and be complete in accordance with design drawings and procurement specifications including all DOE-ORP directed changes to such documents.

(A) Key Performance Objectives:

- Complete W-314 Tank Farm upgrades.
- Retrieve S-112 in accordance with proposed M-45-00-01A TPA change.
- Retrieve S-102 in accordance with proposed M-45-00-01A TPA change.
- Complete construction of tank C-104 retrieval system in accordance with proposed M-45-00-01A TPA change
- Complete construction and staging of 1st ILAW tank.
- Complete construction and staging of 1st HLW tank.

(B) Interim Milestones

FY2001

- Submit Functions and Requirements Document for tank S-112 in accordance with proposed TPA M-45-00-01A change.
- Submit Functions and Requirements Document for tank C-104 in accordance with proposed TPA M-45-00-01A change.

FY2002

- Submit Functions and Requirements Document for tank S-102 in accordance with proposed TPA M-45-00-01A change.
- Complete W-314 construction of AW, AY and AZ Master Pump Shutdown system.
- Complete W-211 construction of control building upgrades and AN Caustic Dilution System.

FY2003

- Complete S-112 Saltcake waste retrieval demonstration design.
- Complete W-314 Construction of Phase 2 upgrades for AZ Tank Farm.
- Complete W-314 Construction of Phase 2 upgrades for AY Tank Farm.

FY2004

- Complete W-211 Construction of AZ 101 Retrieval System.
- Complete W-314 Construction of Phase 2 upgrades for AP Tank Farm.
- Complete AP-101 Transfer pump replacement.
- Complete Cold Demonstration for Tank C-104 in accordance with proposed TPA M-45-00-01A change.

FY2005

- Complete S-112 Saltcake waste retrieval demonstration in accordance with proposed TPA M-45-00-01A change.
- Complete W-314 Construction of Phase 2 upgrades for AN, AW, and SY Tank Farm.
- Complete Project W-314 meeting TPA milestone M-43-00, *Complete Tank Farm Upgrades.*

FY2006

- Complete S-102 Initial retrieval in accordance with proposed TPA M-45-00-01A.
- Complete Construction of Tank C-104 retrieval system in accordance with proposed TPA M-45-00-01A change.
- Complete C-Farm upgrades to support tank C-104 retrieval.
- Complete design of additional SST retrieval system in accordance with proposed TPA M-45-00-01A change.

(3) Treat Waste - Support

(i) General Description

Contractor shall design, procure, construct and operate infrastructure sufficient to enable the WTP facilities to be constructed and operated in accordance with the WTP contract, and consistent with the Interface Control Documents for infrastructure activities. Infrastructure shall be designed and constructed to support the addition of infrastructure needed to increase the WTP operations capacities consistent with the expandability requirements of the Contract.

(ii) Completion Criteria

The following key performance objectives and interim milestones will be used in evaluating the Contractors performance as specified in Section J, Appendix D, *Performance Based Incentives*.

(A) Key Performance Objectives

- Complete Infrastructure upgrades in accordance with WTP Interface Control Documents; and
- Provide services and utilities to support the WTP in accordance with the WTP Interface Control Documents.

(4) Storage/Disposal

(i) General Description

The Contractor shall provide safe storage and final near-surface disposal on the Hanford Site for ILAW and failed or decommissioned melters from the WTP. Safe interim storage for IHLW shall also be provided.

The ILAW Disposal Project shall be complete when the ILAW is disposed of on the Hanford Site, long-term surveillance and monitoring of the ILAW disposal site is ongoing, and interim storage facilities have been decontaminated and decommissioned. The ILAW Storage and Disposal facilities will receive accepted immobilized low activity tank waste from WTP contractor. The ILAW waste packages will be placed in near surface storage and disposal facilities. The near surface disposal systems along with the waste packages shall meet regulatory requirements for transportation and near-surface disposal of low-level waste.

The IHLW Interim Storage Facility will receive accepted IHLW, and transport these products to a Canister Storage Building (CSB), where the product will be stored until shipped to a geologic repository. Storage of the Phase I product in the CSB will consolidate the high level waste in one area and provide a safe, environmentally sound storage of the IHLW product. HLW Interim Storage will provide additional storage capacity during Phase II treatment. In addition HLW Interim Storage will provide loadout capability for shipment of IHLW canisters to a geologic repository.

(ii) Completion Criteria

The following key performance objectives and interim milestones will be used in evaluating the Contractors performance as specified in Section J, Appendix D, *Performance Based Incentives*.

(A) Key Performance Objectives

- Start Construction – W-464; and
- Start Construction – W-520.

- (B) Interim Milestone
- FY2003
- Submit ILAW disposal Part B permit application.
 - Submit Canister Storage Building Part B permit application.
 - Complete W-464 PSAR.
- FY2004
- Start W-520 ILAW disposal facility design.
 - Start W-464 IHLW storage facility design.
- FY2005
- Complete IHLW failed melter transport system design.
 - Complete ILAW failed melter disposal trench and transport system design.
 - Complete W-464 design.
 - Start W-520 construction.
 - Start W-464 construction.
- FY2006
- Complete procurement of ILAW and IHLW sample transport systems.

(5) Close Facilities

(i) General Description

Contractor shall undertake facilities stabilization preparatory for the transition of such facilities for deactivation and decommissioning. Contractor shall develop closure plans in conformance with NEPA analysis developed to support tank closure and applicable RCRA requirements. The plans shall provide closure definition, system design, authorization basis, work plans, approvals and other information necessary for closing the SSTs in accordance with the closure requirements of DOE Manual 435.1-1 and TPA Milestone M 45-00.

(ii) Completion Criteria

The following Key performance objectives and interim milestones will be used in evaluating the Contractors performance as specified in Section J, Appendix D, *Performance Based Incentives*.

(A) Key Performance Objectives

- 244 CR Vault Stabilization; and
- 244 AR Vault Stabilization.

(B) Interim Milestones

FY2002

- Submit Tank Farm Closure/Post-Closure Work Plan Update in accordance with proposed TPA M-45-00-01A change.

FY2003

- Complete 244AR Vault stabilization.

FY2004

- Complete 244CR Vault stabilization.
- Submit Tank Farm Closure/Post-Closure Work Plan Update in accordance with proposed TPA M-45-00-01A.

FY2006

- Submit Tank Farm Closure/Post-Closure Work Plan Update in accordance with proposed TPA M-45-00-01A.

(6) Manage Projects

(i) General Description

Contractor shall establish and maintain necessary systems and organizational components necessary to execute the technical work scope set forth in this section of the Contract. This includes but is not limited to organizational components responsible for strategic analysis and integration; business management; contracts; compliance; finance and administration, consistent with the WBS descriptions in the DOE Mission Analysis Report.

(ii) Completion Criteria

The following Key performance objectives and interim milestones will be used in evaluating the Contractor's performance as specified in Section J, Appendix D, *Performance Based Incentives*.

(A) Key Performance

- Revise integrated baseline to include and support, without delays to, WTP design, construction and operations schedule.

(b) Required Investment by DOE – (Government Furnished Services/Items)

DOE and the Contractor both recognize that the successful execution of the Scope of Work of this contract will require cooperative efforts by both parties to minimize non-value added transactions. Within this recognition there are certain commitments and actions required on the part of the Government to achieve the desired performance within the level funding assumptions underlying the Baseline.

C.4 INTERIM DESIGN/OPERATIONS OF WASTE TREATMENT PROJECT

The Contractor shall also be responsible for WTP interim responsibilities consistent with DOE-ORP direction in the four letters listed below. All interim responsibility will conclude upon the program transition to the new WTP contractor, which is expected to be completed 45 days after the projected WTP contract award date of January 15, 2001. If any of the letters below imply that the operations/design work shall continue beyond the transition, then this work statement supercedes such implications. However, the Contractor may perform operability oversight of the WTP after the transition as specifically directed by DOE-ORP.

00-AMSA-36	"Clarification of Scope for Interim Design of the Waste Treatment and Immobilization Plant (WTP)" dated September 6, 2000.
00-ORP-082	"Radiological and Nuclear Safety Workscope Guidance" dated August 31, 2000.
00-ORP-035	"Realignment of Responsibilities for the Hanford Waste Treatment and Immobilization Plant and Tasking for Interim Design Responsibilities" dated June 28, 2000.
00-BMA-070	"Operation of the Waste Treatment Plant (WTP)" dated June 8, 2000.

C.5 SUPPORT FOR WASTE TREATMENT PROJECT CONTRACTOR

The Contractor shall be responsible for providing support to the Hanford Waste Treatment Complex Project. Part of the RPP mission is to separate the Hanford Site tank waste into LAW and HLW fractions and to immobilize and dispose of them in an environmentally sound, safe, and cost-effective manner.

The Contractor shall be responsible for coordinating the WTP contractor's requirements for infrastructure, utility, and service support with the PHMC, who shall provide such support as specified in RPP Interface Control Documents. Required services include waste sampling and characterization.

C.6 CROSS-CUTTING SERVICES

The Contractor shall obtain samples from high-level waste tanks for WTP, and the PHMC and its subcontractors at the Hanford Site. The sampling techniques may include grab sampling for liquids, core sampling for liquids and solids, and vapor sampling. Contractor will also provide coordination of laboratory analysis and data interpretation.

The Contractor shall receive liquid radioactive wastes that meet Contractor tank waste acceptance criteria from other site-wide facilities for storage in the DST systems and eventual immobilization and disposal.

The Contractor shall provide support for groundwater/vadose zone integration activities consistent with DOE-ORP approved interface management agreements.

The Contractor shall provide sitewide ventilation and balance services.

C.7 INTERACTIONS WITH OTHER PRIME CONTRACTORS

The Contractor may, from time to time, provide services to and receive services from other Hanford Site DOE prime contractors by memoranda of agreement or other subcontract arrangements. The Contractor is encouraged to utilize the specified expertise of the PHMC, PNNL, the Site Occupational Medical Contract (SOMC), the Environmental Restoration Contractor (ERC), and the Energy Savings Performance Contractor (ESPC) to accomplish the TFC mission. In the event the Contractor determines that services may be obtained from more cost effective sources of supply, Contractor shall notify DOE of its proposal to utilize other sources and provide Contractor's cost/benefit analysis to DOE. The Contractors shall work with each other in identifying yearly requirements for services. DOE approval will be obtained prior to changing service providers.

Technical Exhibit A
 (Dollars in Thousands)

PBS	"UNIT OF ANALYSIS"	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
TW01	RPP CHAR'ZN -SUPPT TO MIN SAFE OPS	4,816	4,409	10,306	11,787	4,768	12,047
TW01	RPP CHAR'ZN - SUPPORT TO FLAMMABLE GAS	0	0	0	0	0	0
TW01	RPP CHAR'ZN - SUPPORT TO EVAPORATOR	836	2,285	2,956	2,379	1,832	1,095
TW01	RPP CHAR'ZN - SUPPORT TO ORP	0	426	430	433	436	438
TW01	RPP CHAR'ZN - SUPPORT TO ORP	0	0	0	0	0	0
TW01	RPP CHAR'ZN (SUPPORT TO TANK PUMPING)	1,625	3,208	0	0	0	0
TW01	RPP CHAR'ZN - SUPPT TO RETRIEVAL / PRIVATIZATION	18,090	17,868	13,778	7,858	18,571	6,044
TW01	RPP CHAR'ZN - SUPPORT TO SAFETY SCREENING	0	0	0	0	0	0
	Subtotal Baseline	25,167	27,898	27,170	22,156	25,107	19,324
	Subtotal CHG Proposal	25,167	27,771	27,040	22,023	24,971	19,186
TW02	RPP FLAMMABLE GAS MINIMUM SAFE OPERATIONS	3,328	2,221	2,200	1,798	1,611	1,588
TW02	RPP SAFETY, USQ, AUTHORIZATION BASIS	6,443	5,537	5,923	5,793	6,161	6,036
TW02	RPP SY 101 USQ LEVEL GROWTH	5,506	0	0	0	0	0
TW02	RPP SAFETY - SUPPORT TO ORP	5,464	587	598	640	622	636
TW02	RPP SAFETY - SUPPORT TO ORP	0	0	0	0	0	0
TW02	RPP ORGANIC OPERATIONS	0	0	0	0	0	0
TW02	RPP FLAMMABLE GAS ADDIT'L MONIT'G UPGRADES	0	0	0	0	0	0
	Subtotal Baseline	20,438	8,344	8,720	8,202	8,394	6,258
	Subtotal CHG Proposal	15,277	7,757	8,122	7,591	7,772	7,623
TW03	RPP DST MINIMUM SAFE OPERATIONS	50,252	55,721	53,657	53,973	48,291	48,660
TW03	RPP SST MINIMUM SAFE OPERATIONS	10,182	9,862	9,813	9,922	8,709	8,851
TW03	RPP TRANSFERS & WASTE STAGING	1,171	1,424	2,749	1,411	2,160	832
TW03	RPP ECN INCORPORATION	379	355	363	370	188	191
TW03	RPP EMERG. PREPAREDNESS DRILL REQ'TS	267	272	279	283	290	296
TW03	RPP CONFIGURATION / ALARM MGMT.	3,525	2,097	2,138	2,182	2,146	1,866
TW03	RPP WDOE ENVIRONMENTAL RECORDS	68	69	71	72	58	61
TW03	RPP AIR OPERATING PERMIT IMPLEMENTATION	623	575	619	628	434	442
TW03	RPP AS-BUILT DRAWINGS AND COMPONENT LABELING	1,674	709	0	62	438	1
TW03	RPP INTEGRATED SAFETY MGMT SYSTEM	77	79	52	53	3	3
TW03	RPP 702 AZ UPGRADES	1,006	125	420	326	331	338
TW03	RPP PROCESS SYSTEMS UPGRADE	0	0	0	0	0	0
TW03	RPP CAM REPLACEMENT	83	0	0	0	0	0
TW03	RPP TMACS AND ENRAF	2,151	1,876	2,235	0	0	0
TW03	RPP DST RCRA PART B APPLICATION	225	37	0	0	0	0
TW03	RPP WASTE ACCEPTANCE PROGRAM	21	21	22	22	8	8
TW03	RPP OPERATIONS - SUPPORT TO ORP	2,030	2,267	1,860	934	906	924
TW03	RPP OPERATIONS - SUPPORT TO ORP	0	0	0	0	0	0
TW03	RPP ROVER PATROL / SAFEG. & SECURITY (SAS)	5,648	5,764	5,874	5,994	5,968	6,415
TW03	RPP ROVER PATROL / SAFEG. & SECURITY (SAS)	0	0	0	0	0	0
TW03	RPP PAAA COMPLIANCE	669	682	697	711	701	712
TW03	RPP FIRE HAZARD ANALYSIS	74	75	77	79	81	83
TW03	RPP INTEGRITY INSPECTION	2,949	2,997	3,067	3,128	3,194	3,262
TW03	RPP INTERIM STAB'N & ISOLATION	27,621	23,203	17,852	5,381	6,915	0
TW03	RPP INTERIM STAB'N: PUMPING	0	0	0	0	0	0
TW03	RPP W-314: TF RES & SAFE OPS	4,602	8,595	4,331	5,956	3,521	629
TW03	RPP W-314: TF RES & SAFE OPS -LI	42,899	40,877	27,429	39,537	11,187	0
TW03	RPP TF RES & SAFE OPS (W-314) - PHASE 2	0	0	0	0	0	0
TW03	RPP TF RES & SAFE OPS (W-314) - LI - PHASE 2	0	0	0	0	0	0
TW03	RPP RAW WATER FLOW TOTALIZERS INSTALL'N	129	0	134	0	0	0
TW03	RPP TRANSFER PUMP REPLACEMENT 104-AW	2,587	0	0	0	0	0
TW03	DRAWINGS/ DOC'N FOR INACTIVE SYSTEMS	10	7	7	7	0	0
TW03	NATURAL PHENOMENON HAZARD MITIG'N	117	0	0	0	0	0
TW03	RPP CASS CLOSURE	535	0	0	0	0	0
TW03	TANK PH ISSUE RESOLUTION	0	403	3,641	466	505	277
TW03	FACILITY DEACTIVATION	4,399	4,588	1,766	102	9,137	1,347
TW03	DST SSC ANALYSIS & DESIGN RECONSTITUTION	277	0	1,850	111	114	147
TW03	SST SSC ANALYSIS & DESIGN RECONSTITUTION	0	0	1,207	56	57	59
TW03	RPP TANK ISOLATION & ABANDONED EQUIP	0	0	2,087	0	517	0
TW03	REMOVE INACTIVE SYSTEMS FROM OPERATIONS	236	253	258	263	282	0
TW03	TANK STRUCTURAL ISSUE RESOL'N	833	0	629	36	0	0
TW03	UPGRADE DST HARDWARE & TECH. BASELINE	654	0	29	30	30	31
TW03	UPGRADE SST HARDWARE & TECH. BASELINE	77	0	63	65	66	67
TW03	LOW INSTALLATIONS	0	0	0	623	1,057	691
TW03	METRIFICATION PROGRAM	0	0	41	0	0	0
TW03	RPP W-420 STACK MONITORING	909	2	0	0	0	0
	Subtotal Baseline	168,959	162,926	145,117	132,783	107,294	75,909
	Subtotal CHG Proposal	161,281	154,905	137,384	125,856	100,421	68,873

Technical Exhibit A
 (Dollars in Thousands)

PBS	"UNIT OF ANALYSIS"	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
TW04	RPP SST (C-106) RETRIEVAL OPERATIONS	0	0	0	0	0	0
TW04	RPP DISPOSAL - SUPPORT TO ORP	267	762	3,346	3,427	3,484	3,637
TW04	RPP DISPOSAL - SUPPORT TO ORP	0	0	0	0	0	0
TW04	RPP VADOSE ZONE CHARACTERIZATION	9,637	8,344	8,843	9,739	10,333	9,624
TW04	RPP VADOSE ZONE CHARACTERIZATION	9,037	8,834	8,423	9,208	9,792	9,069
TW04	RPP TANK FARM CLOSURE	0	0	0	1,024	1,074	840
TW04	RPP TANK FARM CLOSURE				0	0	0
TW04	RPP W-211: INITIAL TK RETRIEVAL SYS (ITRS) DST	769	871	387	366	403	408
TW04	RPP W-211: INITIAL TK RETRIEVAL SYS (ITRS) DST		871	1,000	1,000	1,000	1,000
TW04	RPP W-211: INITIAL TK RETRIEVAL SYS DST -LI	5,476	10,082	20,063	18,362	14,804	15,854
TW04	RPP W-211: INITIAL TK RETRIEVAL SYS DST -LI		10,082	9,918	6,000	11,000	16,342
TW04	RPP W-521 WASTE FEED DELIVERY SYSTEMS	1,339	818	1,646	1,908	901	1,081
TW04	RPP W-521 WASTE FEED DELIVERY SYSTEMS - L.I.	9,174	33,412	27,104	29,690	26,046	38,802
TW04	RPP W-521 WASTE FEED DELIVERY SYSTEMS - L.I.		4,000	9,000	4,000	12,000	15,000
TW04	RPP DST WASTE RETRIEVAL	12,810	14,875	21,600	33,390	29,296	19,444
TW04	RPP DST WASTE RETRIEVAL			18,300	25,690	15,908	
TW04	RPP W-522: DST WASTE RETRIEVAL -LI	0	0	0	0	0	0
TW04	RPP HIGH-LEVEL WASTE SUPPORT PHASE 1	1,954	1,833	2,052	2,122	2,621	1,960
TW04	RPP W-525: TANK FARM UPGRADES	0	326	0	0	0	0
TW04	RPP W-525: TANK FARM UPGRADES - LI	0	6	1,594	10,131	18,666	20,360
TW04	RPP W-525: TANK FARM UPGRADES - LI				7,000	19,000	19,650
TW04	PRR SST PROGRAM DEFINITION	2,536	2,107	1,867	1,810	1,839	2,105
TW04	RPP W-523: SST HLW RETRIEVAL SYS - PHASE 1	4,487	4,756	3,067	5,123	3,898	2,530
TW04	RPP W-523: SST HLW RETRIEVAL SYS - PHASE 1-LI	0	2,547	5,835	24,315	21,035	10,881
TW04	RPP SST LAW RETRIEVAL SYSTEMS - PHASE 1	0	26	168	0	2,312	2,884
TW04	RPP SST LAW RETRIEVAL SYSTEMS - PHASE 1-LI	0	0	0	0	0	9,617
TW04	RPP SST TECHNOLOGY TEST & DEPLOYMT PHASE 1	11,867	24,549	24,272	29,081	22,321	14,129
TW04	RPP 241-C-106 OPERAT'L CLOSURE-PHASE 1	422	0	0	0	0	0
TW04	RTP RISK ALLOWANCE :TW04	0	0	19,704	17,314	6,730	11,910
TW04	RPP HANFORD TANKS INIT'VE: EM-30	0	0	0	0	0	0
TW04	RPP SST RETRIEVAL TO DST AVAILABLE SPACE	0	0	0	0	0	0
TW04	RPP SST RETRIEVAL TO DST AVAILABLE SPACE-LI	0	0	0	0	0	0
TW04	RPP SST TECH. TEST/DEPLOYMT -DST BACKFILL-LI	0	0	0	0	0	0
TW04	RPP SST PRIVATIZED RETRIEVAL ACTIV'S-PHASE 2	0	0	0	2,324	3,342	7,162
TW04	RPP SST PROGRAM DEVELOPMENT/RETRIEVAL	0	0	0	0	0	0
TW04	RPP SST PROGRAM DEVELOPMENT/RETRIEVAL - LI	0	0	0	0	0	0
TW04	DST WASTE RETRIEVAL-PHASE 2	0	0	0	0	0	0
TW04	RPP SST PROGRAM DEVELOPMENT	0	0	0	0	0	0
TW04	RPP SST PROGRAM DEVELOPMENT-LI	0	0	0	0	0	0
	Subtotal Baseline	68,460	112,473	148,506	187,029	165,128	179,261
	Subtotal CHG Proposal	68,893	81,788	113,804	142,868	139,919	150,899
TW05	RPP PRIVATIZATION PROGRAM MGMT (WIT) PHASE 1	0	6,120	6,240	6,366	6,492	6,624
TW05	RPP PRIVATIZATION PROGRAM MGMT (WIT) PHASE 1		0	0	0	0	0
TW05	RPP M & I VENDOR INTERFACE	1,068	1,452	1,401	1,436	1,457	1,482
	Subtotal Baseline	1,068	7,572	7,641	7,802	7,949	8,106
	Subtotal CHG Proposal	1,068	1,452	1,401	1,436	1,457	1,482
TW08	RPP W-519 PRIVZN INFRASTRUCTURE PROJECT	496	416	30	16	0	0
TW08	RPP W-519 PRIVZN INFRASTRUCTURE PROJECT-LI	10,801	1,098	0	0	0	0
TW08	RPP UTILITY & OPERATIONS: PHASE 1 SUPPORT	552	2,397	4,196	4,281	4,230	4,299
TW08	RPP INFRASTRUCTURE PROGRAM ADMIN / SYS. DEF'N	923	940	958	981	715	288
TW08	RPP WASTE MANAGEMENT PRIV. INFRASTR. PH 1 SUPPC	1,634	623	384	1,924	2,781	0
TW08	RPP 106/108AP TURNOVER (PROC/ENGRG/ADMIN)	0	0	0	0	0	0
TW08	SOLID WASTE SUPPORT	0	0	0	0	0	0
TW08	RPP PRIVATIZATION INFRASTRUCTURE (PHASE II)	0	0	2,130	8,321	3,033	997
TW08	RPP PRIVZN INFRASTRUCTURE (PHASE II)-LI	0	0	0	0	0	0
	Subtotal Baseline	14,406	5,475	7,698	15,523	10,758	5,584
	Subtotal CHG Proposal	14,406	5,475	7,698	15,523	10,758	5,584

Technical Exhibit A
 (Dollars in Thousands)

PBS	"UNIT OF ANALYSIS"	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
TW09	RPP IMMOBILIZATION WASTE - RL SUPPORT	402	402	406	408	440	442
		0	0	0	0	0	0
TW09	RPP IHLW - PROGRAM, SYSTEMS DEF'N/OPS	1,163	1,060	1,294	1,858	1,917	5,356
TW09	RPP IHLW - PROGRAM, SYS DEF'N/OPS-LI	0	0	0	0	0	0
TW09	RPP W-464, IHLW INTERIM STG FACILITY	1,190	1,374	1,063	1,646	2,096	2,466
TW09	RPP W-464, IHLW INTERIM STG FACILITY		1,012	1,476	394	1,306	4,575
TW09	RPP W-464, IHLW INTERIM STG FACILITY - LI		2,796	4,481	2,466	18,132	36,246
TW09	RPP ILAW PROGRAM, SYSTEMS DEF'N / OPER'NS	4,199	4,039	5,206	6,330	8,512	8,426
TW09	RPP ILAW PROGRAM, SYSTEMS DEF'N / OPER'NS-LI	0	0	0	0	0	0
TW09	RPP W-529 ILAW PA Borehole #2	267	0	0	0	0	0
TW09	RPP W-529 ILAW PA Borehole #2 - LI	0	0	0	0	0	0
TW09	RPP W-465 ILAW INTERIM STG FACILITY	0	0	0	0	0	0
TW09	RPP W-465 ILAW INTERIM STG FACILITY - LI	0	0	0	0	0	0
TW09	RPP W-520 ILAW DISPOSAL COMPLEX	1,335	647	620	860	1,192	1,243
TW09	RPP W-520 ILAW DISPOSAL COMPLEX		754	610	714	786	521
TW09	RPP W-520 ILAW DISPOSAL COMPLEX-LI	0	0	626	4,799	14,649	24,276
TW09	RPP W-520 ILAW DISPOSAL COMPLEX-LI			2,514	5,323	13,874	22,330
	Subtotal Baseline	9,531	10,814	16,941	35,087	64,228	59,422
	Subtotal CHG Proposal	9,429	9,682	15,582	17,086	44,527	77,454
TW10	RPP MGMT SUPPT-ENV. SAFETY QUAL ASSMT & HEALT	2,914	2,846	2,902	3,074	3,020	3,021
TW10	RPP MGMT SUPPT - ENGINEERING MGMT & ADMIN	1,533	1,525	1,566	1,587	1,618	1,600
TW10	RPP GENERAL & ADMINISTRATIVE	10,868	10,841	11,552	11,531	11,759	11,986
TW10	RPP DOH	8,792	8,969	9,145	9,329	9,514	7,856
TW10	RPP SITE SERVICES	19,034	25,741	29,154	28,292	30,172	33,257
TW10	RPP MANAGEMENT SUPPORT - FEE	46,403	46,206	48,342	48,946	48,078	47,382
TW10	RPP MANAGEMENT SUPPORT - FEE	17,364	17,100	17,288	17,288	17,288	17,288
TW10	RPP MGMT SUPPT - SUPPORT TO ORP	2,530	848	834	853	468	469
TW10	RPP MGMT SUPPT - SUPPORT TO ORP	0	0	0	0	0	0
TW10	RPP MGMT. SUPPORT-PROJ PLNG INTG & CONTROL	12,317	11,182	12,378	11,970	13,535	12,366
TW10	PAYMENT -IN-LIEU OF TAXES (PILT)	0	1,067	1,088	1,110	1,132	1,150
TW10	TRAINING & RECRUITMENT COSTS	278	460	467	3,405	0	0
TW10	RPP PROJ. INTEGRAT'N OFFICE (PIO)	4,516	3,475	3,584	3,757	3,791	3,853
TW10	RPP MGMT. SUPPORT-SYS ENGRG	1,755	1,791	1,826	1,862	1,901	1,811
TW10	RPP MANAGEMENT SUPPORT-WORK MANAGEMENT	0	0	0	0	0	0
TW10	RPP MGMT - RESERVE	0	0	0	0	0	0
	Subtotal Baseline	80,640	84,920	92,809	95,715	94,687	94,451
	Subtotal CHG Proposal	79,371	84,996	90,950	93,205	93,729	94,187
	SUBTOTAL (TFC Baseline)	388,680	420,222	454,601	504,298	483,546	450,315
	SUBTOTAL (CHG Proposal)	374,692	373,826	401,981	425,588	423,556	425,288
	Identified Changes Through 12/19/00	4,315	11,854	(1,525)	(1,053)	(155)	(255)
	TOTAL Tank Farm Contract (CHG Proposal)	379,007	385,680	400,456	424,535	423,401	425,033
	Waste Treatment Plant	56,500					Total
	Total Revised CHG Proposal	435,507	385,680	400,456	424,535	423,401	425,033
							2,494,612

**PART I - THE SCHEDULE
SECTION D
PACKAGING AND MARKING**

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**PART I - THE SCHEDULE
SECTION D
PACKAGING AND MARKING**

D.1 PACKAGING

Preservation, packaging, and packing for shipping or mailing all work delivered hereunder shall be in accordance with good commercial practices and adequate to ensure acceptance by common carrier and safe transportation at the most economical rate(s).

D.2 MARKING

- (a) Each package, report or other deliverable shall be accompanied by a letter or other document which:
 - (1) Identifies the applicable Contract number for the item being delivered; and
 - (2) Identifies the deliverable item number or report requirement that requires the delivered item(s).
- (b) For any package, report or other deliverable being delivered to a party other than the Contracting Officer, a copy of the document required in paragraph (a) above shall be simultaneously provided to the office administering the Contract, as identified in Section G, *Contract Administration Data*, of this Contract.

**PART I - THE SCHEDULE
SECTION E
INSPECTION AND ACCEPTANCE**

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**PART I - THE SCHEDULE
SECTION E
INSPECTION AND ACCEPTANCE**

E.1 FAR 52.246-3 INSPECTION OF SUPPLIES--COST-REIMBURSEMENT (APR 1984)

(a) *Definitions.*

"Contractor's managerial personnel," as used in this clause, means any of the Contractor's directors, officers, managers, superintendents, or equivalent representatives who have supervision or direction of--

- (1) All or substantially all of the Contractor's business;
- (2) All or substantially all of the Contractor's operation at a plant or separate location at which the contract is being performed; or
- (3) A separate and complete major industrial operation connected with performing this contract. "Supplies," as used in this clause, includes but is not limited to raw materials, components, intermediate assemblies, end products, lots of supplies, and, when the contract does not include the Warranty of Data clause, data.

- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies, fabricating methods, and special tooling under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (c) The Government has the right to inspect and test the contract supplies, to the extent practicable at all places and times, including the period of manufacture, and in any event before acceptance. The Government may also inspect the plant or plants of the Contractor or any subcontractor engaged in the contract performance. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If the Government performs inspection or test on the premises of the Contractor or a subcontractor, the Contractor shall furnish and shall require subcontractors to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.
- (e) Unless otherwise specified in the contract, the Government shall accept supplies as promptly as practicable after delivery, and supplies shall be deemed accepted 60 days after delivery, unless accepted earlier.

- (f) At any time during contract performance, but no later than 6 months (or such other time as may be specified in the contract) after acceptance of the supplies to be delivered under the contract, the Government may require the Contractor to replace or correct any supplies that are nonconforming at time of delivery. Supplies are nonconforming when they are defective in material or workmanship or are otherwise not in conformity with contract requirements. Except as otherwise provided in paragraph (h) below, the cost of replacement or correction shall be included in allowable cost, determined as provided in the Allowable Cost and Payment clause, but no additional fee shall be paid. The Contractor shall not tender for acceptance supplies required to be replaced or corrected without disclosing the former requirement for replacement or correction, and, when required, shall disclose the corrective action taken.
- (g) (1) If the Contractor fails to proceed with reasonable promptness to perform required replacement or correction, the Government may--
- (i) By contract or otherwise, perform the replacement or correction and charge to the Contractor any increased cost or make an equitable reduction in any fixed fee paid or payable under the contract;
 - (ii) Require delivery of undelivered supplies at an equitable reduction in any fixed fee paid or payable under the contract; or
 - (iii) Terminate the contract for default.
- (2) Failure to agree on the amount of increased cost to be charged to the Contractor or to the reduction in the fixed fee shall be a dispute.
- (h) Notwithstanding paragraphs (f) and (g) above, the Government may at any time require the Contractor to correct or replace, without cost to the Government, nonconforming supplies, if the nonconformances are due to--
- (1) Fraud, lack of good faith, or willful misconduct on the part of the Contractor's managerial personnel; or
 - (2) The conduct of one or more of the Contractor's employees selected or retained by the Contractor after any of the Contractor's managerial personnel has reasonable grounds to believe that the employee is habitually careless or unqualified.
- (i) This clause applies in the same manner to corrected or replacement supplies as to supplies originally delivered.
- (j) The Contractor shall have no obligation or liability under this contract to replace supplies that were nonconforming at the time of delivery, except as provided in this clause or as may be otherwise provided in the contract.
- (k) Except as otherwise specified in the contract, the Contractor's obligation to correct or replace Government-furnished property shall be governed by the clause pertaining to Government property.

(End of clause)

E.2 FAR 52.246-5 INSPECTION OF SERVICES--COST-REIMBURSEMENT (APR 1984)

- (a) *Definition.* "Services," as used in this clause, includes services performed, workmanship, and material furnished or used in performing services.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all places and times during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If any of the services performed do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, for no additional fee. When the defects in services cannot be corrected by reperformance, the Government may--
 - (1) Require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and
 - (2) Reduce any fee payable under the contract to reflect the reduced value of the services performed.
- (e) If the Contractor fails to promptly perform the services again or take the action necessary to ensure future performance in conformity with contract requirements, the Government may--
 - (1) By contract or otherwise, perform the services and reduce any fee payable by an amount that is equitable under the circumstances; or
 - (2) Terminate the contract for default.

(End of clause)

E.3 ACCEPTANCE

The Contracting Officer or any other duly authorized representative shall accomplish acceptance for all work and effort under this Contract.

**PART I - THE SCHEDULE
SECTION F
DELIVERIES OR PERFORMANCE**

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**PART I - THE SCHEDULE
SECTION F
DELIVERIES OR PERFORMANCE**

F.1 PERIOD OF PERFORMANCE

The period of performance for the work specified in Section C, *Statement of Work*, of this Contract commenced October 1, 1999, and shall continue through September 30, 2006, unless sooner terminated as provided for in other provisions of this Contract.

F.2 PRINCIPAL PLACE OF PERFORMANCE

The principal place of performance of this contract shall be the Hanford Site, near Richland, Washington and other facilities as directed by the Contracting Officer.

F.3 REPORTING REQUIREMENTS

- (a) The Contractor shall provide a reporting system capable of management information in the form of electronic databases and will report program performance on the technical work, schedule, and cost profile defined in the River Protection Project Baseline. Additional reporting requirements are found in the Section H Clause entitled, *Project Controls*.
- (b) The Contractor's databases and reporting shall be available to the U.S. Department of Energy Office of River Protection (DOE-ORP) no later than 10 working days after the close of the reporting period.
- (c) The Contractor shall provide the information necessary to support DOE-ORP in the preparation of reports required by regulatory agreements, such as, the *Hanford Federal Facility Agreement and Consent Order* (also known as the Tri-Party Agreement (TPA)) and legislative mandates or DOE Headquarters required specific data (e.g., Integrated Planning and Budgeting System (IPABS)), which must be supported by the reporting system.
- (d) The monthly Contract Funds Status Report shall indicate cumulative-to-date amounts for budget authority (BA) allotted, obligated, and committed. Cost and funds data shall be in work breakdown structure (WBS) format, and also the DOE budget and reporting (B&R) classification structure, (e.g., project breakdown structure (PBS), User's Accountability System (UAS)) unless otherwise directed by the Contracting Officer.
- (e) Minimum reporting requirements and the frequency of submission are provided in Table C-1. The Project Hanford Management Contractor (PHMC) on the Contractor's behalf shall provide some of the reports. The Contractor shall provide written notification of provider or changes in provider to the Contracting Officer at a minimum annually. Table C-1 is not complete and is subject to change at the discretion of the Contracting Officer as provided to the Contractor in writing. In addition, Table C-1 does not include reports that may be required by other terms of this Contract or by DOE directives that are applicable to this Contract. The Contracting Officer will determine content, format and distribution.

Table F-1
 Minimum Reporting Requirements and Frequency

Report Name	Frequency
Critical Path Analysis Report	M
Work Breakdown Structure (WBS)	A
WBS Description	A
PBS Submittal	Y,C
Monthly Performance Overview	M,
Integrated Planning, Accountability, and Budgeting System-Information System http://www.em.doe.gov/ipabs/hand.html	M,
Contract Funds Status Report	M
Financial Statements Reporting Requirements Letter	Y
Functional Support Cost Report	S
Report of Compensation	Y
Report of Contractors Earning and Supplementary Compensation	Y
Pension Plan Actuarial Data	Y
Property Acquisitions and Dispositions	M
Fire Replacement Report	Y
Physical Inventory Report	Y
FREQUENCY CODES:	
A - As Required	Q - Quarterly
C - Change to Contractual Agreement	S - Semi-Annually
F - Final (end of effort)	Y - Yearly or Upon Renewal of Contractual Agreement
M - Monthly	O - Once After Award

**PART I - THE SCHEDULE
SECTION G
CONTRACT ADMINISTRATION DATA**

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**PART I - THE SCHEDULE
SECTION G
CONTRACT ADMINISTRATION DATA**

G.1 CORRESPONDENCE PROCEDURES.

To promote timely and effective administration under this Contract, the Contractor shall be subject to the following procedures:

- (a) Technical and Administrative Correspondence/Matters. Technical and administrative correspondence concerning performance of this Contract shall be addressed to the responsible officials designated in U.S. Department of Energy Office of River Protection (DOE-ORP) Manual 411.1-1, *Office of River Protection Functions, Responsibilities, and Authorities Manual (FRAM)*, using the latest published edition.
- (b) Contractual Correspondence/Matters. Correspondence involving contractual matters shall be addressed to the Contracting Officer. The primary Contracting Officer responsible for administration of this Contract is Jewel J. Short, II, Procurement Division. This individual shall be primarily responsible for all contractual actions required to be taken by the Government under the terms of this Contract.

Notwithstanding the above, in the event that the above named individual is absent for an extended period or an urgent action is required, any other duly appointed Contracting Officer assigned to DOE-ORP shall be authorized to take the required contractual action(s) within the limits of his/her authority.

- (c) DOE Contracting Office. The Contracting Officer's address is:

Procurement Division
U.S. Department of Energy
Office of River Protection
Post Office Box 450/2440 Stevens Center
Richland, WA 99352-0450
- (d) All correspondence sent to the Contracting Officer shall contain a subject line commencing with the contract number as illustrated below:

SUBJECT: CONTRACT NO. DE-AC27-99RL14047

A copy of all correspondence addressed to the Contracting Officer shall be provided to the Manager, ORP at the address stated in paragraph (c) above.

G.2 BILLING INSTRUCTIONS.

- (a) The Contractor shall provide periodic electronic invoices (or data supporting letter of credit drawdowns) and cost accrual and accrual reversal records to DOE-ORP. Within the electronic invoice submission, the Contractor shall provide all invoice data elements required to: (1) ascertain all goods and services provided by the Contractor were allowable and reasonable per the terms and conditions of the contract, and (2) properly record all contract costs and payments in the DOE accounting system. This includes, but is not limited to: work breakdown structure (WBS) numbers, budget and reporting (BNR) numbers, fund-type, project baseline summaries (PBS) numbers, the fiscal year the funds were provided, DOE-ORP project/task number, object classes, cost elements, resource types, and plant and equipment line item number (if applicable).

- (b) Upon request, the Contractor shall also provide the Contracting Officer written documentation to support the electronic invoices at the address identified herein.

G.3 GOVERNMENT PROPERTY

The point of contact for contract administration relating to Government property is as follows:

U.S. Department of Energy
Richland Operations Office
Organizational Property Management Officer
Office of Training and Asset Transition MSIN A2-45
P.O. Box 550 or 825 Jadwin Avenue
Richland, WA 99352

**PART I – THE SCHEDULE
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**PART I – THE SCHEDULE
SECTION H
SPECIAL PROVISIONS**

H.1 PERFORMANCE BASED INCENTIVES, FEE DISTRIBUTION AND FEE POOL

(a) Establishment of Performance Based Incentives (PBIs)

Performance Based Incentives (PBIs), set forth agreed upon performance expectations and the requirements, criteria and/or specifications for acceptable performance of the expectations. The PBI format is included in Section J, Appendix D, *Performance Based Incentives*.

PBIs and related fee distribution for the term of the contract shall be established based on the work activities set forth in the Baseline, (as defined in the Section H Clause entitled, *Project Controls*), and Section C, *Statement of Work*. PBI completion criteria will be derived from Section C, *Statement of Work*, as applicable. The PBIs and related fee distribution will be incorporated into the Contract in Section J, Appendix D, *Performance Based Incentives*.

PBIs and fee distribution will emphasize completion of mission scope set forth in the Baseline. A corporate performance incentive may be established to incentivize overall management initiatives during the term of the Contract.

PBIs including the corporate performance incentive shall be mutually agreed upon at the beginning of the Contract term. PBIs may be updated as necessary and new PBIs may be created during the Contract term. The U.S. Department of Energy (DOE) shall incorporate the agreed to PBIs into the Contract.

If agreement on the PBIs cannot be reached, the Contracting Officer may make the final determination of PBIs and related fee distribution, and may unilaterally incorporate into the Contract. However, if the Contractor disagrees with the DOE established PBIs and related fee distribution, the Contractor may appeal to the Head of Contracting Activity (HCA), who shall unilaterally decide the issue.

(b) Interference

In the event that the Contractor believes that DOE has interfered with its ability to meet specific performance expectations, it may present evidence to support this position along with a proposed adjustment to the HCA. The HCA shall make a unilateral determination and shall provide a copy of that determination to the Contractor.

(c) Positive and Negative Incentives

The performance expectations defined in the PBIs may have fee directly assigned to their accomplishment or have a negative deduction from earned fee for failure to accomplish.

If fee is assigned to individual expectations defined in a PBI, then in order to earn the individually assigned fee, all defined performance requirements supporting the individual expectation must be met.

If a negative fee deduction is assigned to an individual expectation defined in a PBI, and if the performance requirements supporting the individual expectation are not met, no fee will be paid for the expectation, and the defined negative deduction will be made from other fees earned. However, in no event would the aggregate of all negative deductions arising from negative fee PBIs exceed 20 percent of the total available fee under the contract.

(d) PBI/SSPBI Cost and Schedule Constraints

(1) In order for any PBI expectation to be considered performed, not only must it meet the PBI performance requirements, but the work must be accomplished within the funding thresholds specified in this Contract, and as follows:

The cost and/or schedule variance as measured at Level 4 of the WBS (except for interim stabilization and characterization, which are measured at WBS Level 3), shall not exceed an unfavorable cost variance of 5% or an unfavorable schedule variance of 7.5%. The above cost/schedule variance will be measured at the PBS level until such time as the revised WBS is implemented. This implementation shall take place by September 30, 2001. This applies to the work authorized and funded (including stretch goals, but excluding Superstretch performance incentives). Any cost or schedule variance for Superstretch Performance Based Incentive (SSPBI) work shall not be used in determining cost variance and schedule variance for funded work.

(2) For SSPBIs, the aggregate sum of actual cost and earned fee for all Superstretch incentives will be less than or equal to DOE approved savings as recorded in the Contractor's Management Reserve account (i.e., savings from work efficiencies and deletions) at fiscal year end.

(e) Fee Re-Allocation due to Cancellation or Changes

If, for any reason, DOE cancels an expectation defined in a PBI, DOE and Contractor shall seek to mutually agree to any partial fee payable to Contractor for partial completion of the cancelled PBI. Any unpaid fee attached to that expectation of the cancelled PBI shall be reallocated to a new PBI expectation, or to existing other PBI expectations, or to both new and existing PBI expectations. The Contracting Officer shall make the reallocation decision and the final determination of entitlement to partial fee. However, if the Contractor disagrees with the Contracting Officer's decision, the Contractor may appeal to the HCA, who shall unilaterally decide the issue.

(f) Fee Determinations

PBIs may be either annual or multi-year in duration and include annual or multi-year end points. When a PBI expectation is completed, DOE will make final fee determination. The final determination on the acceptability of the work performed by the Contractor under this provision and incentive fee determination shall be made solely at the unilateral discretion of the HCA.

(g) Superstretch Performance Based Incentives (SSPBIs)

This incentive provision is established to challenge the Contractor to accomplish significant and mission critical work activities that are in the baseline but not currently funded or which significantly accelerate workscope. SSPBIs should be developed and agreed to prior to the beginning of the fiscal year, but may be developed and implemented during the term of the Contract. The SSPBIs will be incorporated into the contract in Section J, Appendix D, *Performance Based Incentives*.

When the Contractor is ready to activate one of the SSPBIs and after the associated BCWS and fee have been negotiated, it will submit a Baseline Change Request (BCR), if required, to the Contracting Officer. The BCR shall document the scope, cost, and funding source necessary to incorporate the SSPBI workscope into the contract period baseline. The Contracting Officer will notify the Contractor within 20 business days of receipt of the BCR whether or not to proceed with the SSPBI. Failure by the Contracting Officer to provide negative notice within 20 business days of Contractor submission of the BCR to the DOE Change Board shall constitute BCR approval. Upon approval, the Contractor may process the BCR and start work associated with the SSPBI. Should the Contracting Officer disapprove the SSPBI BCR, the Contractor shall be allowed to substitute other SSPBIs of equivalent value. When the work is complete, a package documenting completion of the work will be prepared and submitted to the Contracting Officer for approval. Approval of the completion package by the Contracting Officer will authorize payment to the Contractor of the fee earned.

The funds for accomplishment of SSPBIs will be obtained from cost savings realized through efficiencies and/or workscope deletions and not deferrals. The Contracting Officer shall approve workscope deletions prior to their use as a source of funding for SSPBIs. The SSPBIs must be performed in accordance with the cost and schedule criteria defined in the Contract.

The fee for accomplishment of SSPBIs will be paid from a share of the cost of the designated work and will be outside the fee pool identified in the Section B Clause entitled, *Estimated Cost and Fee*. SSPBI fee may be up to 20 percent of the agreed to budgeted cost of work scheduled (BCWS) of the designated workscope. The fee payments from accomplishment of SSPBIs will be separate from and not subject to or impact the provisional payment of fee limitations described in the Section H Clause entitled, *Provisional Payments of Fee*.

(h) Multi-Year Performance Based Incentives

A multi-year performance based incentive is any PBI in which the requirements are established in one fiscal year but the final completion date extends into a future fiscal year.

(i) Fee Pool:

It is the intent of the parties that the entire fee pool identified in the Section B Clause entitled, *Estimated Cost and Fee*, will be allocated and made available during the contract term by assigning fee to the Corporate, annual, or multi-year PBIs. However, an "unallocated" pool of fee will be maintained which has not been assigned to the Corporate, annual, or multi-year PBIs. The Contracting Officer shall allocate the unallocated fee to meaningful work efforts during the term of the contract. The allocation is at the unilateral discretion of the Contracting Officer. However, if the Contractor disagrees with the Contracting Officer's decision, the Contractor may appeal to the HCA, who shall unilaterally decide the issue.

Fee from the Corporate, annual, and multi-year PBIs, which is unearned for failure to meet PBI requirements, is forfeited, shall not be returned to the unallocated fee pool, and may be applied by the Contracting Officer to perform other baseline work.

The total estimated fee pool may be adjusted in accordance with the Section B Clause entitled, *Estimated Cost and Fee*.

H.2 PROVISIONAL PAYMENTS OF FEE

- (a) If interim payments of fee are paid before the final determination of fee, those payments shall be provisional pending that final determination as described in the individual Performance Based Incentives. Such provisional payments may be made at the discretion of the Contracting Officer on a monthly basis up to a maximum amount for the fiscal year not-to-exceed 70 percent of the total available performance fee.
- (b) The U.S. Department of Energy (DOE) agrees to pay to the Contractor, at the discretion of the Contracting Officer, on a provisional basis an amount up to 10 percent of the annual performance fee pool in each of the first two calendar months of each fiscal year and 5 percent in each calendar month thereafter. The Contractor shall submit to the Contracting Officer at the beginning of each month the provisional fee for that month. DOE agrees to authorize payment of the provisional fee no later than the 10th working day of the following month.
- (c) The Contracting Officer or the Head of the Contracting Activity will make the final fee determination, as appropriate, in accordance with the fee clauses of this Contract. In the event that overpayment results from the payment of fee on a provisional basis, the Contractor shall reimburse such overpayment to DOE upon demand; payable with interest in accordance with the Section I Clause entitled, *Interest*.

H.3 MODIFICATION AUTHORITY

Notwithstanding any of the other provisions of this contract, the Contracting Officer shall be the only individual on behalf of the Government authorized to:

- (a) Accept non-conforming work;
- (b) Waive any requirement of this Contract; or
- (c) Modify any term or condition of this Contract.

H.4 GUARANTEE OF PERFORMANCE

The Contractor or the Contractor's parent organization(s) has (have) provided a Guarantee of Performance in a manner and form acceptable to the Contracting Officer assuring the performance, duties, and responsibilities of the Contractor, including repayment of unearned provisional fee, will be satisfactorily fulfilled. The Guarantee of Performance submitted on the date of this Contract modification is incorporated herein by reference and made part of this Contract.

H.5 RESPONSIBLE CORPORATE OFFICIAL

The Contractor shall guarantee performance as evidenced by the Guarantee of Performance referred to in Section H Clause entitled, *Guarantee of Performance*. If a separate business entity is established for this Contract, the Contractor's parent company shall guarantee performance as evidenced by the Guarantee of Performance referred to in Section H Clause entitled, *Guarantee of Performance*. If the Contractor is a joint venture or other similar entity where more than one company is involved, the parent companies shall assume joint and several liability for the performance of the Contractor. In the event that any of the signatories to the Guarantee of Performance enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Contracting Officer. Notwithstanding the provisions of this Clause, the Government may contact, as necessary, the single responsible corporate official identified below, who is at a level above the Project Manager for the Contractor and who is accountable for the performance of the Contractor, regarding Contractor performance issues. Should the responsible corporate official change during the period of the

Contract, the Contractor shall promptly notify the Contracting Officer in writing of the change in the individual to Contract.

Name: Ralph Peterson
Position/Company: President and CEO, CH2M HILL, LTD.
Position/Organization: Chairman, Board of Directors, CH2M HILL Hanford Group, Inc.
Address: 6060 S. Willow Drive, Greenwood Village, CO 80111-5142
Phone: (303) 713-2522
Facsimile: (303) 220-5106
E-mail: rpeterso@ch2m.com

H.6 REPRESENTATIONS AND CERTIFICATIONS

The Representations and Certifications, (Section K) submitted by the Contractor dated November 14, 2000, are hereby incorporated into this Contract by reference.

H.7 PROJECT CONTROLS

H.7.01 Project Control System Requirements

- (a) In the performance of this contract, the Contractor shall establish, maintain and use a project control system meeting the requirements specified in the Contract, in the following paragraphs titled "Baseline Development," "Baseline Performance," and "Baseline Change Management" of this Section. The Contractor may use a pre-existing project control system if such system satisfactorily addresses the system requirements defined below.
- (b) The project control system must meet the requirements of the following DOE guidance:
 - (1) DOE Order 430.1A, *Life-Cycle Asset Management (LCAM)*, October 14, 1998;
 - (2) *Integrated Planning, Accountability, and Budgeting System – Information Systems (IPABS-IS) Data Requirements*, December 18, 1998;
 - (3) *Integrated Planning, Accountability, and Budgeting System (IPABS) Handbook*, February 16, 1999;
 - (4) *HQ Baseline Change Control Charter*, Office of Environmental Management, Rev. 0, June 23, 1999; and
 - (5) DOE Order 413.3, *Program and Project Management for the Acquisition of Capital Assets*.
- (c) The Contractor shall provide the Contracting Officer with a detailed written description of the proposed project control system for review and approval within thirty (30) days after award of the Contract.
- (d) Upon system approval by the Contracting Officer, the Contractor shall fully implement the project control system. The Contractor shall not make any significant changes to the approved system without the prior written approval of the Contracting Officer.
- (e) Contractor and DOE will agree within sixty (60) days after execution of this Contract extension to the appropriate reporting level at which the project controls system shall be predicated (the Reporting Level). However, DOE or designated representatives shall be provided with access to all pertinent records, data, and plans for purposes of initial approval, approval of proposed changes and ongoing operation of the project control system, approval of costs, and approval of fee.

H.7.02 Baseline Development

(a) Tank Farm Contract River Protection Project Baseline

- (1) **Work Breakdown Structure.** The Work Breakdown Structure (WBS) shall provide the framework for all project control system components, including estimating, scheduling, budgeting, performing, managing, and reporting, as required under this contract.
- (2) **Baseline.** The workscope of this Contract is detailed in the Baseline. The Baseline shall be established and maintained in a manner that ensures identification and accomplishment of work, performance can be objectively measured, and its configuration is controlled and changes managed by formal processes. The Reporting Level of the WBS is the fundamental grouping of work at which the Contracting Officer will receive routine status reports, evaluate and measure project performance, and exercise change control authority. However, the Contracting Officer may request reports at a lower level of the WBS.

(b) Roles and Responsibilities

WBS Manager Responsibilities. The WBS manager shall have the responsibility and authority to plan and budget the work, and control the resources and work activities within the approved technical, schedule, and cost baselines. The WBS manager is also responsible to report status to allow complete project rollup of technical, schedule, and cost performance for current period, cumulative to-date, and at-completion.

(c) Cost Estimating

- (1) **Estimating Methodologies.** Estimates shall be integrated with the WBS and use estimating methodologies that are consistent with DOE Order 430.1A, *Life-Cycle Asset Management*.
- (2) **Estimate Preparation.** Estimates shall be prepared consistent with the established project baseline and can be identified by each WBS element and rolled up to the total Baseline.

(d) Planning and Scheduling

- (1) **Planning Constraints.** A planning process shall be established and maintained throughout the project life that identifies programmatic, operational, legislative, institutional, and other requirements, constraints, and assumptions that may affect work scope, schedule, and cost. Potential impacts are identified and considered in managing the Baseline through contingency planning and management.
- (2) **Project Risk Management.** A Risk Management Plan shall be developed that identifies the various internal and external risks to achieving the Baseline. The Risk Management Plan will include possible alternatives to mitigate impacts, select and definitize specific alternatives, including cost and implementation schedules for each alternative, and provide for routine reporting and updating of the Plan at least quarterly.

- (3) Schedule Development. Schedules shall be developed that integrate with the WBS and cost estimates, and represent all project work scope regardless of funding source. Certain non-project level of effort work scope may be excluded. Each activity will have assigned duration representing work scope accomplishment. Activity logic links shall depict all work scope constraints and decision points and shall be integrated into a total project network schedule. Work scope critical path network schedules are required for the total project and each WBS element that exceed \$5 million in life-cycle cost.
 - (4) Schedule. The Contractor's schedule including construction projects shall clearly depict critical path activities and milestones from which actual performance for activities and milestones can be compared, and from which performance forecasts can be derived.
 - (5) Intermediate Schedules. The project schedule shall be developed in a manner that allows extraction of intermediate and detail level schedules, for individual WBS elements. Milestones shall be identified and maintained as part of the schedules.
- (e) Cost
- (1) Cost Accounts. A cost account structure shall be integrated with the WBS and facilitate collection of cost by WBS element. All work scope for each WBS element shall be identified and a budget for that work developed. Budget projections shall be time-phased consistent with the schedule and anticipated resources, and shall be reconcilable with the cost estimate. The Contractor shall notify DOE thirty (30) days prior to the use of project contingencies. The Contractor may use contingency up to the levels established for each phase of work execution, but contingency use requires approval by the cognizant Contracting Officer's Representative.
 - (2) Total Value of Accounts. All work shall be represented in the WBS structure and the sum of the WBS budgets, plus contingency and management reserve and fee, equals the Baseline
 - (3) Managing Cost Accounts. A practical and effective method for controlling and measuring performance of the cost accounts shall be used, that is verifiable and consistent with schedule performance management. The Contractor shall exercise specific control and decision authority at the reporting level.

H.7.03 Baseline Performance

- (a) Funds Management
- (1) Funding Limits. Baseline commitment and expenditures shall not exceed funding limits in accordance with the Section I Clause entitled, *Obligation of Funds*. Funding controls as established in the Contractor's control system shall provide early warning before funding limits are exceeded.
 - (2) Funding Changes. The Contractor shall analyze DOE proposed or directed funding changes for their impact on work scope, schedule, and cost elements of the Baseline. Baseline changes to adjust for significant funding changes may be proposed consistent with Change Control procedures.

- (3) **Funding.** An ability to forecast funding requirements to execute remaining baseline work shall be maintained on a monthly basis by the Contractor. Analysis of the variance between currently authorized funds and estimated costs at completion shall be used by the Contractor to make adjustments to budgets or release contingency funds to WBS Managers as appropriate.
- (b) Accounting
- (1) **Recording Costs.** All actual costs, both direct and indirect, incurred in the performance of work shall be recorded on a timely basis each month. Cost assignments shall be made in accordance with an established and auditable system that conforms to Generally Accepted Accounting Principles and Cost Accounting Standards. Actual costs incurred must be recorded in the same accounting period that performance is measured and recorded.
 - (2) **Collecting Costs.** Costs shall be collected at the Cost Account level of the WBS or lower. Costs shall also be summarized by Project Baseline Summary (PBS). Managers shall be provided appropriate reports and information to analyze monthly charges and are held responsible for the validity of charges to their cost account.
- (c) Work Authorization
- (1) **Work Authorization.** Approval of this Contract provides authorization for the Contractor to complete the full scope of work in the Contract. Any Contractor requested changes or DOE directed changes shall be addressed through the established Change Control process.
 - (2) **Contract Funding.** The Integrated Baseline with any approved revisions provides the basis for authorization of funds to the Contractor for each fiscal year. The Manager of the U.S. Department of Energy, Office of River Protection (DOE-ORP) will under normal conditions obligate to the contract the full annual baseline funding per the profile set forth in the Section B Clause entitled, *Estimated Cost and Fee*, when the funds become available to DOE-ORP for obligation to the Contract. Contract funding under this contract shall be subject to the administrative controls as described below:

Annual Work Analysis. Prior to the release of funds for each fiscal year, the DOE will analyze the technical, schedule, and cost baseline for that upcoming fiscal year. By May 31st each year the DOE will provide an estimate of any budget restrictions, or specific technical or schedule guidance for the upcoming fiscal years through the remainder of the contract term. The Contractor shall prepare a project performance forecast for all upcoming fiscal years from the approved Baseline and the DOE guidance. By July 31st each year the Contractor shall submit to the Contracting Officer or designee a comprehensive analysis of total project status, including impacts to work scope, schedule, and cost elements of the Baseline and the projected budget allocations to WBS elements with a focus to activities described in the baseline for the upcoming fiscal year. This deliverable is known as the Annual Work Analysis (AWA), as derived from the Baseline. Variations from the Baseline described in the AWA, which exceed established thresholds, shall be addressed through established change control procedures and if necessary, incorporated into the contract by modification.
 - (3) **Resolving Conflicts.** In the event there is a conflict between the requirements of this Clause and the referenced DOE Orders and guidance, the Contractor shall obtain guidance from the DOE Contracting Officer.

(d) Performance Analysis

- (1) **Project Performance.** Differences between planned and actual performance, shall be analyzed and reviewed monthly against the Baseline for the current fiscal year portion of the total project. Performance analysis techniques shall be commercially accepted and documented, and shall utilize earned-value methods and shall be reported to DOE at the Reporting level of the WBS. Objective measures are preferred for measurement of all technical work scope. For variances between planned and actual that exceed thresholds established by the Contracting Officer, the analysis shall describe the causes for variance, impact on other cost accounts and WBS elements, and corrective action required.
- (2) **Project Risk and Contingency Management.** The risk from project and program factors that may affect work scope, schedule, or cost aspects shall be included in the development of the Baseline. Changes in the nature of these risks due to evolving social, political, organizational, environmental or other factors shall be analyzed quarterly, and resulting impacts to the project baseline evaluated. Risk plans shall be adjusted and risk management actions taken as appropriate, including performance improvements, reallocation of budgets to cost accounts, release of contingency funds, or baseline change proposals submitted if thresholds are exceeded.
- (3) **Estimate at Completion.** Quarterly the Estimate at Completion (EAC) for the term of the contract shall be reviewed and evaluated for consistency with observed trends in performance, emerging or resolved issues, and changes in the assessment of project risk.

(e) Reporting

- (1) **Periodic Plans and Reports.** The Contractor shall submit periodic plans and reports in such form and substance as required by the Contracting Officer. These periodic plans and reports shall address general management, schedule/labor/cost, performance measurement, financial incentives, and other technical information relating to performance under the Contract. Section F, Clause entitled, *Reporting Requirements*, provides specific information regarding the required plans and reports, frequency, due dates, reporting levels, distribution, and thresholds that apply. Where specific forms are required for individual plans and reports, the Contracting Officer shall provide such forms to the Contractor.
- (2) **Report Consistency.** Plans and reports shall be prepared in such a manner as to provide for consistency with the Contract Statement of Work, baseline, approved WBS, PBSs, and correlation of data among the various plans and reports. The reporting system established and maintained by the Contractor pursuant to this Clause shall recognize changes in work effort directed by the Contracting Officer. The Contractor's reporting system shall be able to provide for the following at reporting level and for individual construction projects:
 - (i) Timely incorporation of contractual changes affecting estimated cost and schedule;
 - (ii) Reconciliation of estimated costs for those elements of the WBS or discrete cost accounts with current performance measurement budgets in terms of changes to the authorized work and internal replanning;

- (iii) Changes to records pertaining to work performed that will change previously reported costs for correction of errors and routine accounting adjustments;
 - (iv) Revisions to the Contract estimated costs for Government-directed changes to the contractual effort.
- (3) **Full Access.** The Contractor shall provide the Contracting Officer, or designated authorized representatives, access to any and all information and documents comprising the Contractor's project control and reporting system.
- (4) **Flow-Down of Reporting.** The Contractor shall include graded reporting requirements adequate to fairly evaluate performance in all subcontracts. The full requirements of this Clause shall be in all cost-reimbursement type contracts when:
- (i) The value of the subcontract is greater than \$2 million per year, unless specifically waived by the Contracting Officer; or,
 - (ii) The Contracting Officer determines that the contract/subcontract effort is, or involves, a critical task related to the contract.

H.7.04 Baseline Change Management

- (a) **Baseline Changes.** The baseline (defined in Section C, *Statement of Work*) is the source document for all project control and baseline change management. Baseline changes shall be proposed when necessitated by significant workscope changes, events or other impacts.
- (b) **Change Thresholds.** Except for capital line item projects that will meet the requirements of DOE Order 413.3, Attachment 5, *Baseline Change Control Approval Thresholds*, baseline changes to scope, schedule, and cost may be made by the Contractor at or below the reporting level provided that:
- (1) There is no change to milestones defined in the Performance Based Incentives;
 - (2) It does not impact regulatory milestones;
 - (3) It does not otherwise require DOE Contracting Officer approval (e.g., Operational Readiness Reviews, critical decisions, requirement changes);
 - (4) It does not move an activity onto the mission summary critical path;
 - (5) It has no net impact to the total funding committed to this Contract, as set forth in the funding profile in Section B, *Supplies or Services and Prices/Costs*, and in accordance with EIA Standards set forth in Section H Clause entitled, *Earned Value Management System*; or
 - (6) It does not require changes to requirements in DOE-controlled technical documents, such as Authorization Agreement, all DOE-controlled items for each Critical Decision, Maintenance Implementation Plan, and Acceptance Inspection Plans.

DOE shall have access to all pertinent records, data, and plans as allowed by other Clauses of this Contract

- (c) Funds only Changes. The change control system shall track, manage, and provide for approval of changes in funding level as an integrated part of the overall change control process. Change control records shall maintain clear distinction between approved changes in funding and baseline changes.
- (d) Change Control Processing. Change proposals shall be initiated and processed in a timely fashion consistent with the requirements of this contract. The Contracting Officer will establish specific change control time frames for consideration and approval. Each change control threshold level shall accommodate emergency changes. A record of all approved changes, at any level, shall be maintained through the life of the project.
- (e) An update to the baseline will be submitted consistent with provisions of Section C, *Statement of Work*.
- (f) The Contractor shall have the right to implement the revised baseline subject to adjustments agreed between the parties. Any pending or approved superstretch incentives identified in the current contract period shall be unaffected by the update of the baseline during the extension period of this contract.

H.8 SMALL BUSINESS SUBCONTRACTING PLAN

- (a) The Contractor shall submit a Small Business Subcontracting Plan for fiscal year (FY) 2001, and shall submit a revision to the plan within thirty (30) days of the beginning of each subsequent FY of the contract period. Once the Contracting Officer approves the plan, it will be incorporated into the Contract as Section J, Appendix I, *Small Business Subcontracting Plan*. Any revisions thereto shall be approved by the Contracting Officer and incorporated into the contract by a separate Contract modification.
- (b) The subcontracting plan will identify goals as specified by the Section I Clauses entitled, *Utilization of Small Business Concerns* and *Small Business Subcontracting Plan*. The plans shall provide meaningful opportunities for local and Regional businesses.
- (c) The Contractor commits to strengthen its small business subcontracting program.
 - (1) The Contractor's program will identify candidate work scope areas for which competitions among all categories of small businesses may be held, (categories of small businesses as defined in the Federal Acquisition Regulation (FAR) in Part 19 and elsewhere in the FAR, and as supplemented by the Department of Energy Acquisition Regulation e.g., small disadvantaged businesses, HUBZone businesses, women-owned small businesses, veteran owned small businesses, and other small businesses).
 - (2) The Contractor will seek to pre-qualify a pool of small businesses that are eligible for placement of task orders. The Contractor will develop placement procedures that will provide each small business (awardee) a fair opportunity to be considered for each order. The Contractor will not use any method (such as allocation or designation of any preferred awardee) that would not result in fair consideration being given to all awardees prior to placing each order. Exceptions are as follows: (a) only one awardee is capable of providing the supplies or services required at the level of quality required, because the supplies or services ordered are unique or highly specialized, (b) the order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order, or (c) it is necessary to place an order to satisfy a minimum guarantee.

- (3) The Contractor will designate an ombudsman for this program. The ombudsman must review complaints from the small businesses in the program and ensure they are afforded a fair opportunity to be considered, consistent with the procedures in the individual subcontracts.

H.9 SUBCONTRACTS

- (a) Prior to the placement of subcontracts and in accordance with Section I Clause entitled, *Contractor Purchasing System*, the Contractor shall ensure that any required prior notice and description of the subcontract is given to the Contracting Officer and any required consent is received. Except as may be expressly set forth therein, any consent by the Contracting Officer to the placement of subcontracts shall not be construed to constitute approval of the Subcontractor or any subcontract terms or conditions, determination of the allowability of any cost, revision of this contract or any of the respective obligations of the parties thereunder, or creation of any Subcontractor privity of contract with the Government.
- (b) The Contractor commits to increase the amount of subcontracting so that it equates to at least 60 percent of the obligated funds available to the Contractor under this Contract less the total available fee pool.
- (c) The Contractor shall award subcontracts for conceptual and detailed design, and construction contemplated under the contract, unless prior Contracting Officer approval is obtained. The Contractor further agrees to identify its core competencies and consider these in all of its make or buy decisions. The identification of core competencies shall be submitted to the Contracting Officer within ninety (90) days of execution of this Contract.

H.10 WITHDRAWAL OF WORK

- (a) The Contracting Officer reserves the right to have any of the work contemplated by Section C, *Statement of Work*, of this contract performed by either another Contractor or to have the work performed by Government employees.
- (b) Work may be withdrawn: (1) in order for the Government to conduct pilot programs; (2) if the Contractor's estimated cost of the work is considered unreasonable; (3) for less than satisfactory performance by the Contractor; or (4) or any other reason deemed by the Contracting Officer to be in the best interests of the Government. The U.S. Department of Energy (DOE) reserves the right to direct the assignment of any subcontract, including lower-tier subcontracts, to DOE whenever it deems it in its best interests.
- (c) If the withdrawn work has been authorized and funds obligated under Section B Clause entitled, *Obligation of Funds*, the work shall be terminated in accordance with the procedures in the Section I Clause entitled, *Termination (Cost-Reimbursement)*.
- (d) If the Contracting Officer withdraws any work, the Contractor agrees to fully cooperate with the new performing entity and to provide whatever support is required.

H.11 ASSIGNMENT OF DOE PRIME CONTRACTS

During the period of performance of this Contract it may become necessary for the U.S. Department of Energy (DOE) to transfer and assign to this Contract (and Contractor agrees to accept) existing or future DOE prime contracts supporting River Protection Project work. The transfer of these prime contracts will be for administration purposes and in effect the transferred contracts will become subcontracts to this Contract.

H.12 ASSIGNMENT

Neither this Contract nor any interest therein nor claim thereunder shall be assigned or transferred by the Contractor except as expressly authorized in writing by the Contracting Officer.

H.13 LEGAL MANAGEMENT PLAN

This Contract is subject to the requirements of 10 Code of Federal Regulations Part 719, expected to be published in the Federal Register in January 2001, and the Contractor agrees to comply with the requirements as published therein. The Contractor is authorized to continue operating under its DOE approved Litigation Management Plan, until the proposed rule becomes final and the new Legal Management Plan is approved.

H.14 THIRD PARTIES

Nothing contained in this Contract or its amendments shall be construed to grant, vest, or create any rights in any person not a party to this Contract. This provision is not intended to limit or impair the rights, which any person may have under applicable Federal Statutes.

H.15 EMERGENCY CLAUSE

- (a) The Manager, U.S. Department of Energy, Office of River Protection (DOE-ORP), or designee shall have sole discretion to determine when an emergency situation exists as a result of facility operations within the physical boundaries defined by this contract affecting personnel, public health, safety, the environment, or security. The Manager, Richland Operations Office, or designee has the discretion to determine when an emergency condition exists elsewhere on the Hanford Site that may affect DOE-ORP employees. In the event the Manager, DOE-ORP, or designee determines such an emergency exists, the Manager, DOE-ORP, or designee will have the authority to direct any and all activities of the Contractor and subcontractors necessary to resolve the emergency situation. The Manager, DOE-ORP, or designee may direct the activities of the Contractor and subcontractors throughout the duration of the emergency.
- (b) The Contractor shall include this Clause in all subcontracts at any tier for work performed at the Hanford Site.

H.16 SHUTDOWN AUTHORIZATION

- (a) In the event of a specific imminent environmental, health, or safety hazard, identified by facility line management, U.S. Department of Energy (DOE) Facility Representatives, operators, or facility health and safety personnel overseeing facility operations, the individual or group identifying the specific imminent hazard situation shall immediately take actions to eliminate or mitigate the hazard. This shall be accomplished by directing the operator/implementer of the activity or process causing the imminent hazard to shutdown the activity or the facility or by initiating emergency response actions or other actions to protect the health and safety of the workers and the public and to protect DOE facilities and the environment. (DOE designated Facility Representatives provide technical oversight of operations to help line management ensure that the facilities are operated in a safe, healthful, and environmentally acceptable manner in accordance with DOE Orders and other requirements. As such, they have "Stop Work" and "Shutdown Authorization" authority.)

In the event an imminent environmental, health, or safety hazard is identified, the individual or group that identified the hazard shall coordinate with an appropriate Contractor official, who will direct as needed, broader shutdown actions or other actions, as required. Such mitigating actions shall be subsequently coordinated with the Manager, Office of River Protection, the facility/site DOE management, and the facility/site Contractor management. The shutdown direction shall be promptly confirmed in writing from the cognizant Contracting Officer.

This authority is in addition to the Section I Clause entitled, *Stop-Work Order*.

- (b) In the event of a non-imminent environmental, health, or safety hazard identified by facility line managers, facility operators, health and safety personnel overseeing facility operations, or by independent oversight organizations, the individual or group identifying the potential environmental, health or safety hazard may recommend corrective action or facility shutdown. However, the recommendation must be coordinated with the Contractor management at the facility, the responsible DOE manager, and the Manager, Office of River Protection. Any written direction to shutdown operations will be issued in coordination with the Contracting Officer.
- (c) After shutdown by DOE, an operation or facility may become operational only after receiving written authorization from the Manager, Office of River Protection, or his delegated authority, in coordination with the Contracting Officer.
- (d) The Contractor shall provide in its purchasing system policies, practices, and procedures for flowdown of appropriate requirements of this Clause to subcontractors performing work on-site at a DOE-owned or -leased facility. Such subcontracts shall provide for the right to stop work under the conditions described herein.

H.17 PAYMENT BONDS AND PERFORMANCE BONDS

The Contractor will not be required to furnish payment bonds and performance bonds. However, all fixed-price subcontractors will be required to submit the necessary payment bonds and performance bonds as required by the *Miller Act*. Specific requirements and penal amounts can be found in Federal Acquisition Regulation (FAR) 28.102.

H.18 TRAVEL RESTRICTIONS

- (a) For Contractor travel expenses incurred on or after October 1, 2000, a ceiling limitation of \$450,000 (Fiscal Year 2001) shall apply to all reimbursements made for Contractor travel expenses funded by the *Energy and Water Development Appropriations Act* under this Contract. Expended funds, which exceed the established ceiling, will be unallowable unless otherwise authorized by the Contracting Officer. This ceiling will be updated annually by a letter from the Contracting Officer.
- (b) Some travel costs are exempt from the ceiling, examples are:
 - (1) Travel performed under work for others agreements;
 - (2) Travel of subcontractors;
 - (3) Travel of non-DOE users to participate in experiments at DOE user facilities;
 - (4) Travel costs of travel management centers;
 - (5) Travel costs funded by other appropriations;

- (6) Relocation costs;
 - (7) Costs of workshops/seminars (other than travel costs), such as, rental of meeting rooms, public address equipment, speakers' fees;
 - (8) Registration costs of training classes;
 - (9) Travel expenses within the Laboratory Directed Research and Development Program; and
 - (10) Travel associated with recruitment.
- (c) Notwithstanding any other provisions of the Contract or the source of funding, the Contractor further agrees that none of the funds obligated under the Contract may be used to reimburse employee travel costs, which exceed the rates and amounts that apply to federal employees under subchapter I of Chapter 57 of Title 5, United States Code. Costs, which exceed these rates and amounts, will be unallowable. This restriction is in addition to those prescribed elsewhere in statute or regulation.
- (d) Costs incurred for lodging, meals, and incidental expenses are considered reasonable and allowable to the extent that they do not exceed the maximum per diem rates in effect at the time of travel as set forth in:
- (1) Federal Travel Regulations (FTR) for travel within the 48 states;
 - (2) Joint Travel Regulations (JTR) for travel in Alaska, Hawaii, the Commonwealth of Puerto Rico, and territories and possessions of the United States; or
 - (3) Standardized Regulations (SR) for travel allowances in foreign areas.
- (e) Subparagraph (c) does not incorporate the regulations cited above in their entirety. Only the coverages in the referenced regulations addressing the maximum per diem rates, the definitions of lodging, meals, and incidental expenses, and special or unusual situations are applicable to Contractor travel.
- (f) Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolong travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified.

H.19 SEPARATE BUSINESS UNIT

The work performed under this Contract by the Contractor shall be conducted by a separate corporate entity from its parent company. The separate corporate entity must be set up solely to perform this Contract and shall be totally responsible for all Contract activities.

H.20 SEGREGATION OF COSTS

- (a) Whenever the Contract contains both fixed price and cost type arrangements, the Contractor shall maintain separate accounts for each unique contract type arrangement, by task order or other suitable accounting procedure, of all incurred segregable, direct costs of work, allocable to the work effort directly related to each contract arrangement.
- (b) Whenever the contract contains a provision for an incentive for a portion of the work effort under the contract, the Contractor shall maintain separate accounts, by Work Authorization Directive or other suitable accounting procedure, of all incurred segregable, direct costs of work, allocable to the work effort directly related to the incentive arrangement.
- (c) The Contractor shall maintain all such accounts, required pursuant to the paragraphs above, in accordance with the Section I Clauses entitled, *Ownership of Records and Accounts, Records and Inspection*, but, in no case, for a period of less than three (3) years following the Government's determination of the applicable incentive fee.

H.21 INDIRECT COST ALLOCATIONS

For the base contract period and any extension thereof, corporate home office costs/allocations may be allowable only when a directly causal and/or beneficial relationship to the U.S. Department of Energy program is demonstrated and approved by the Contracting Officer.

H.22 EARNED VALUE MANAGEMENT SYSTEM

- (a) In the performance of this contract, the Contractor shall use an earned value management system (EVMS) that is recognized as meeting the best business practice guidelines provided in ANSI/EIA-748 Standard, *Earned Value Management System*.
- (b) The Contractor shall apply the system to the contract and shall be prepared to demonstrate to the Contracting Officer that the EVMS meets the guideline referenced in paragraph (a) of this Clause.
- (c) The Contracting Officer may require integrated baseline reviews. The objective of the integrated baseline review is for the U.S. Department of Energy (DOE) and Contractor to jointly assess areas, such as the Contractor's planning, to ensure complete coverage of the statement of work, logical scheduling of the work activities, adequate resourcing, and identification of inherent risks. The Contractor is responsible for evaluation of its system. This includes self-evaluation of the system, conformity with the standard, and notification to the Contracting Officer of any significant system changes.
- (d) The Contractor agrees to provide access to all pertinent records and data requested by the Contracting Officer or duly authorized Contracting Officer's Representative (COR). Access is to permit Government surveillance to ensure that the EVMS complies, and continues to comply, with the criteria referenced in paragraph (a) of this Clause.
- (e) The Contractor shall include a Clause similar to this in appropriate subcontracts.

H.23 FINANCIAL MANAGEMENT SYSTEM

- (a) The Contractor's accounting system must have the electronic capability to generate and transmit by acceptable mode, the periodic detailed accounting information, at a minimum monthly and at year-end, to the U.S. Department of Energy (DOE) Primary Accounting System for reporting financial activity under this contract in accordance with DOE requirements.

- (b) The Contractor shall maintain and administer a financial management system that (1) is suitable to provide proper accounting in accordance with Generally Accepted Accounting Principles, and Cost Accounting Standards, except as modified by DOE requirements; (2) provides accurate and reliable financial and statistical data on a timely basis; (3) ensures accountability for all assets; (4) supports financial planning and budget formulation, validation, execution, and the recasting or changing of DOE funding or task codes such as Budget and Reporting Numbers (B&R), program baseline summaries (PBS), and local projects/tasks; (5) maintains proper funding authorization; (6) provides sufficient management controls per Section I Clause entitled, *Management Controls*, and internal controls; (7) integrates and reports the financial information for subcontractors; and (8) provides all other necessary financial reports which shall include accumulating and reporting indirect and support costs by function. The Contractor will be requested, periodically, to provide certain functional cost information not normally provided to DOE on a routine basis, but should be otherwise available through query of the Contractor's accounting system.
- (c) The Contractor shall submit a plan for DOE approval of any substantive change to the financial management system or subsystems at least sixty (60) days in advance of implementation. This plan must identify the cost and schedule for changing from the existing financial systems, and provide a comparison of the capabilities of the new system(s) to the existing system(s). Any new systems are subject to audit or review.

H.24 ENGINEERING STANDARDS, DESIGN CRITERIA, AND CONSTRUCTION STANDARDS

The contractor shall develop a consistent and uniform set of Engineering Standards, Design Criteria, and Construction Standards based on the requirements of the applicable DOE Directives listed in accordance with the Section I Clause entitled, *Laws, Regulations, and DOE Directives*. This set of standards and criteria will be documented, placed under configuration control, and used uniformly across projects and programs in the design, construction, and modification of facilities, structures, systems, or major components. Where an authorization basis, agreement or document governs a facility, structure, system or major component, the criteria and standards will be considered a material part of the authorization basis, agreement or document.

H.25 LEGAL AGREEMENTS (TRI-PARTY AGREEMENT AND OTHERS)

The U.S. Department of Energy (DOE), U.S. Environmental Protection Agency Region 10 (EPA), and Washington State Department of Ecology (Ecology) have entered into the *Hanford Federal Facility Agreement and Consent Order*, referred to as the Tri-Party Agreement (TPA) to ensure compliance with the *Resource Conservation and Recovery Act of 1976 (RCRA)* and the *Comprehensive Environmental Response, Compensation, and Liability Act of 1989, as amended (CERCLA)*. The TPA sets forth certain requirements and milestones for cleanup activities at the Hanford Site. The Contractor agrees to plan and perform the work under this contract in accordance with DOE direction concerning implementation of the TPA and achievement of current and future milestones in the TPA. TPA change requests will be prepared and processed as soon as possible to reconcile any discrepancies between the River Protection Project (RPP) baseline and the TPA.

Interim Stabilization Consent Decree: DOE and Ecology have entered into the Consent Decree (CT-99-5076-EFS). The Consent Decree sets forth certain requirements and milestones for risk reduction activities at RPP, such as interim stabilization of single-shell tanks and Waste Treatment and Immobilization Plant (WTP) contracting. The Contractor agrees to plan and perform the work under this contract in accordance with DOE direction concerning implementation of the Consent Decree and achievement of current and future milestones in the Consent Decree.

H.26 ENVIRONMENTAL RESPONSIBILITY

General. Contractor is required to comply with all environmental laws, regulations, and procedures applicable to the work being performed under this contract. This includes, but is not limited to, compliance with applicable Federal, State and local laws and regulations, interagency agreements such as the *Hanford Federal Facility Agreement and Consent Order* [referred to as the Tri-Party Agreement (TPA)], consent orders, consent decrees, administrative orders, and settlement agreements between the U.S. Department of Energy (DOE) and Federal and State regulatory agencies.

- (a) Environmental Permits. The Contractor is responsible to DOE for operation of the treatment, storage and/or disposal (TSD) units known as the Single Shell Tank System (SST), Double Shell Tank System (DST), 204 AR Waste Unloading Station, and the Grout Treatment Facility (GTF) in compliance with the laws, regulations, etc., as stated in the paragraph above and in accordance with the terms of the environmental permits that have been certified in writing by the Contractor, and signed by DOE as "owner/operator" and by the Contractor as "co-operator."
- (b) Contractor and DOE as Joint Permittees. Where appropriate, required by law, or required by applicable regulatory agencies, DOE shall sign permits as owner or co-operator with Contractor as operator or co-operator. DOE will co-sign Hazardous Waste permit applications as owner/co-operator where required by applicable law. In this scenario, the Contractor must coordinate its actions with DOE. The Contractor shall accept assignment as "co-operator" of environmental permits, permit applications, or other related documentation associated with the TSDs described in the above paragraph (a). DOE will sign Hazardous Waste and State Dangerous Waste Permit applications as "owner/operator." DOE is responsible for timely notification to the Contractor of any issues or changes in the regulatory environment that impact or may impact Contractor implementation of any permit requirement. The Contractor is responsible for timely notification to DOE of any issues or changes in the regulatory environment that impact or may impact implementation of any permit requirement.
- (c) Multiple Contractors as Permittees. Where appropriate, in situations where multiple contractors are operators or co-operators of operations requiring environmental permits, DOE shall sign such permits as owner or co-operator and affected contractors shall sign as operators, or co-operators. In this scenario, the Contractor must coordinate as appropriate with DOE and other contractors affected by the permit.
- (d) Permit Applications. The Contractor shall provide to DOE for review and comment in draft form any permit applications and other regulatory materials and permits submitted to regulatory agencies for the purposes of obtaining a permit. In the event the permit application is required to be co-signed, submitted by DOE, or is related to a permit in which DOE is a permittee, the Contractor shall provide the application for review and comment. Whenever reasonably possible, all such materials shall be provided to DOE initially not later than 90 days prior to the date they are to be submitted to the regulatory agency. Contractor shall normally provide final regulatory documents to DOE at least thirty (30) days prior to the date of submittal to the regulatory agencies for DOE's final review and signature or concurrence that shall be performed by DOE in a prompt manner. Special circumstances may require permits to be submitted in a shorter time frame.

The Tank Farms are currently being operated under a *Resource Conservation and Recovery Act of 1976 (RCRA)*, Part A, Interim Status permit. Application for a Part B permit covering Tank Farm operations is being prepared for submission to the Washington State Department of Ecology (Ecology). Issuance of a Part B Permit during the remaining term of this Contract, may impact the Tank Farm Contractor River Protection Project (TFCRPP) baseline cost and schedule for completion of the work set forth in Section C, *Statement of Work*, of this contract. In such event, the Contractor shall constitute a change under the Section I Clause entitled, *Changes*.

- (e) Financial Responsibility. DOE agrees that if bonds, insurance, or administrative fees are required as a condition for permits obtained by Contractor under this Contract, such costs shall be allowable. In the event such costs are determined by DOE to be excessive or unreasonable, DOE shall provide the regulatory agency with an acceptable form of financial responsibility. Under no circumstances shall the Contractor or its parent be required to provide any corporate resources or corporate guarantees to satisfy such regulatory requirements.
- (f) Copies, Technical Information. The Contractor shall provide DOE copies of environmental permits, authorizations, and regulatory approvals issued to the Contractor by the regulatory agencies. DOE shall provide the Contractor access to copies of environmental permits, authorizations, and approvals issued by the regulatory agencies to DOE that the Contractor may need to comply with applicable law.

The Contractor and DOE shall provide to the other copies of documentation, such as, letters, reports, or other such materials transmitted either to or from regulatory agencies relating to the Contract work.

The Contractor and DOE shall maintain all necessary technical information required to support applications for revision of DOE or other Hanford Site contractor environmental permits when such applications or revisions are related to Contractor's operations. Upon request, Contractor or DOE shall provide to the other access to all necessary and available technical information required to support applications for or revisions to permits or permit applications. The Contractor and DOE shall provide to each other a certification statement relating to such technical information in the form required by the following paragraph.

- (g) Certifications. The Contractor shall provide a written certification statement attesting that information DOE is requested to sign was prepared in accordance with applicable requirements. The Contractor shall include the following certification statement in the submittal of such materials to DOE:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The individual authorized in writing by the Contractor to sign such certification statements submitted to Federal or State regulatory agencies under the applicable regulatory program shall sign the certification statement.

- (h) Fines, Penalties, Allowable Costs. The Contractor shall accept, in its own name, service of proposed notices, or notices of, correction, penalty, fine, violation, administrative orders, citation, or notice of alleged violations, (e.g., NOC, NOP, NOF, PNOV, NOV, NOAV) and any similar type notices issued by Federal or State regulators to the Contractor resulting from or relating to Contractor's performance of work under this contract, without regard to liability. The Contractor shall immediately notify DOE of such receipt and shall provide copies or originals of such documents as soon as possible thereafter. The allowability of the costs associated with fines and provisions of this contract and applicable law shall govern penalties.

Liability and responsibility for civil fines or penalties arising from or related to violations of environmental requirements shall be borne by the party that caused, by its acts or failure to act, the violation irrespective of the fact that the cognizant regulatory authority may assess any such fine or penalty upon either party or both parties without regard to the allocation of responsibility or liability under this Contract. This contractual allocation shall be based upon the degree to which a party's negligence or willful misconduct lead or contributed to the imposition of the civil fine or penalty. This contractual allocation of liability for any such fine or penalty is effective regardless of which party signs permit applications, manifests, reports or other required documents, is a permittee, or is the named subject of an enforcement action or assessment of a fine or penalty. Nothing in subsection (h) shall be interpreted to limit or otherwise alter the obligation of the DOE to reimburse the Contractor in accordance with the Section I Clause entitled, *Pre-existing Conditions*, of this Contract.

- (i) Negotiations. DOE may in its discretion choose to be in charge of, and direct, all negotiations with regulatory agencies regarding permits, fines, penalties, and any other proposed notice, notice, administrative order, and any similar type of notice as described in paragraph (h) above. As directed or required by DOE, the Contractor shall participate in negotiations with regulatory agencies; however, the Contractor shall not make any commitments or offers to regulators purporting to bind or binding the Government in any form or fashion, including monetary obligations, without receiving written authorization or concurrence from the Contracting Officer or his/her authorized representative prior to making such offers/commitments. Failure to obtain such advance written approval may result in otherwise allowable costs being declared unallowable and/or the Contractor being liable for any excess costs to the Government associated with or resulting from such offers/commitments. In the event DOE chooses to allow the Contractor to conduct such negotiations without direct DOE participation, the Contractor shall keep DOE fully advised as to the progress of such negotiations. It is recognized that the challenges posed by this contract, require that the Contractor actively participate with DOE in setting the long-term strategy for the Tank Farm work activities and participate with DOE in meetings with the regulators affecting the work scope of this contract. Contractor personnel will work closely with DOE environmental staff to assure that the proper preparations are made for meetings with the regulators and that strategies are developed and implemented that allow the Hanford Waste Treatment Complex to succeed at meeting regulatory and programmatic obligations for the least cost. DOE specifically recognizes that there may be instances where it would be preferable for the Contractor to take the lead in negotiations with the regulators, in particular where it may be necessary to obtain regulatory relief to insure that work scope and the Baseline are in compliance with Federal, State, and local regulatory requirements. DOE and Contractor shall work cooperatively to determine and agree when the best interests of the parties are served for the Contractor to take the lead in resolving and negotiating a particular regulatory matter.

- (j) Termination, Expiration, Permit Transfer. In the event of expiration or termination of this contract, DOE may require the Contractor on an allowable cost basis to take all necessary steps to transfer to DOE some or all environmental permits held by the Contractor. DOE will assume responsibility for such permits, with the approval of the regulating agency, and the Contractor shall be relieved of all liability and responsibility to the extent that such liability and responsibility results from the acts or omissions of a successor Contractor, DOE, or their agents, representatives, or assigns. The Contractor shall remain liable for all unresolved costs; claims, demands, fines and penalties, including reasonable legal costs arising prior to the date such permits are transferred to another party. Contractor shall not be liable for any such claims occurring after formal transfer of this contract unless said claims result from Contractor's action or inaction
- (k) Miscellaneous. The Contractor shall accept as co-operator assignment or transfer of permits currently held by DOE and its existing contractor. The Contractor may submit for DOE's consideration, requests for alternate review, comment, or signature schedules for environmental permit applications or other regulatory materials covered by this Clause. Any such schedule revision shall be effective only upon written approval from the Contracting Officer. In the case of permit applications that are cosigned by DOE with the Contractor, DOE may sign the application through either the Manager of the Richland Operations Office or the Manager of the Office of River Protection, or the Managers' authorized designees, as determined by DOE in its sole discretion.

H.27 CONTRACTOR DELIVERABLES FOR EXTERNAL REGULATORS OR AGENCIES

Unless otherwise specified all Contractor deliverables for external regulators or agencies will be provided to the U.S. Department of Energy (DOE) at least one (1) month prior to the date it is due to the external regulator or agency. DOE will provide comments to the submittal within ten (10) days of delivery. The Contractor will resolve comments and resubmit the revised deliverable at least five (5) working days prior to the required delivery date. This provision does not modify the requirements provided in Section H Clause entitled, *Permit Applications*.

H.28 HAZARDOUS MATERIALS

In implementation of the Section I Clause entitled, *Hazardous Material Identification and Material Safety Data*, the Contractor shall obtain, review and maintain a Material Safety Data Sheet (MSDS) in a readily accessible manner for each hazardous material (or mixture containing a hazardous material) ordered, delivered, stored, or used; and maintain an accurate inventory and history of use of hazardous materials at each use and storage location. After Contract award, the Offeror shall submit the information required by paragraph (b) of the Section I Clause referenced above. The MSDS shall conform to the requirements of 29 Code of Federal Regulations Part 1910.1200 (g). The MSDS shall be readily accessible during each work shift to employees when they are in their work areas.

H.29 PRESERVATION OF ANTIQUITIES AND LAND AREAS

Federal law provides for the protection of antiquities located on land owned or controlled by the U.S. Department of Energy (DOE). Antiquities include Indian graves or campsites, relics, and artifacts. The Contractor shall control the movements of its personnel and its subcontractors' personnel at the job site and provide appropriate training to ensure that any existing antiquities discovered thereon will not be disturbed or destroyed by such personnel. It shall be the duty of the Contractor to report to the Contracting Officer the existence of any antiquities so discovered. The Contractor shall also preserve all vegetation except where such vegetation must be removed for survey or construction purposes. Any removal of vegetation shall be in accordance with the terms of applicable habitat mitigation plans and permits.

H.30 QUALITY ASSURANCE SYSTEM

The Contractor shall develop and implement a company specific Quality Assurance Program (QAP), supported by documentation that describes its overall implementation of Quality Assurance (QA) requirements. The documentation shall identify the procedures, instructions, and manuals that will be used to implement the Contractor's QA Program within the Contractor's scope of work. The Contractor's documentation shall be submitted to the U.S. Department of Energy, Office of River Protection (DOE-ORP) for review and approval within one hundred eighty (180) days of contract execution.

The Contractor shall utilize a technically defensible "graded approach" to develop the Contractor's QA Program, based on the requirements of 10 Code of Federal Regulations (CFR) Part 830.120 (10 CFR 830.120) for all nuclear facilities and projects within the scope of that document and the Contractor's scope of work, based on DOE Order O 414.1A, *Quality Assurance*, requirements for facilities and projects not within the scope of 10 CFR 830.120, and based on the requirements of the Office of Civilian Radioactive Waste Management (OCRWM) Quality Assurance Requirements and Description (QARD), DOE/RW-0333P, for those elements of the Contractor's scope of work that involve the interim storage, and on-site transportation of Immobilized High Level Waste. The Contractor shall determine within one hundred eighty (180) days of Contract execution, and subject to DOE-ORP approval, if a Sampling and Analytical QA standard is applicable that the Contractor shall use at the waste feed interface between the Contractor and the Waste Treatment and Immobilization Plant (WTP) contractor.

H.31 SUBCONTRACTOR ENVIRONMENT, SAFETY, QUALITY, AND HEALTH REQUIREMENTS

The U.S. Department of Energy (DOE) and the Contractor are committed to zero accidents on the Hanford Waste Treatment Complex (HWTC). To that end, unless expressly approved by the Contracting Officer's Representative or the Head of Contracting Activity (HCA), the Contractor is required to evaluate, prior to subcontracting whether the subcontractor has an acceptable Environmental, Safety, Quality, and Health (ESQ&H) program and that satisfies the following minimum requirements:

- (a) An ESQ&H program that is compliant with applicable local, State, Federal and DOE regulatory requirements;
- (b) Employees are properly trained and equipped to perform their assigned work. The subcontractor has established an orientation program for new hires, which includes ESQ&H;
- (c) Policies and procedures are in place to eliminate accidents, injuries/illnesses, and damage to property and equipment;
- (d) ESQ&H records are adequately and properly maintained;
- (e) Accidents/incidents are investigated promptly and required reports are generated. If the investigation discovers inadequacies in either the work process or the policies and procedures, the appropriate processes are put in place to avert the accident/incident in the future and personnel are provided proper training;
- (f) Hazards are identified and appropriate measures are taken to ensure that personnel and equipment are adequately protected as a result of identified hazards;
- (g) Employees have the right to report unsafe conditions and to interrupt or stop work without fear of reprisal;
- (h) The frequency of ESQ&H meetings with employees to discuss the work to be performed and the hazards associated with the work is based on the scope of work and commensurate with the work hazards;

- (i) ESQ&H inspections/audits are conducted to evaluate effectiveness of the program;
- (j) The subcontractor has an average Experience Modification Rate (EMR), Occupational Safety and Health Administration (OSHA) Recordable, and Lost Workday case rate(s) of (1.0, 3.2, and 0.64), respectively, or less, for the previous three (3) years and shows an improving trend in safety performance; however, for construction subcontractors the values shall be less than 1.0, 3.2, and 3.0.
- (k) The subcontractor has an established written Hazard Communication Program and a system within the program to maintain Material Safety Data Sheets (MSDS);
- (l) The subcontractor has had no significant willful citations from OSHA or other regulatory organizations during the previous three (3) years;
- (m) The subcontractor has received no fines for Nuclear Regulatory Commission non-compliances during the previous three (3) years.

The Contractor shall flow down all applicable ESQ&H program criteria to the lowest tier subcontractor performing construction, equipment fabrication or commissioning.

H.32 LABOR RELATIONS

- (a) The Contractor, and its major subcontractors, will respect the rights of employees, (1) to organize, form, join, or assist labor organizations; bargain collectively through representatives of the employees own choosing; and engage in other protected concerted activities for the purpose of collective bargaining, or (2) to refrain from such activities.
- (b) To the extent required by law, the Contractor and its major subcontractors shall give notice to any lawfully designated representative of its employees for purposes of collective bargaining and, upon proper request, bargain to good faith impasse or agreement, or otherwise satisfy applicable bargaining obligations.
- (c) The Contractor shall promptly advise the Contracting Officer of, and provide all appropriate documentation regarding, any labor relations developments at the prime or subcontract level that involve or appear likely to involve:
 - (1) Possible strike situations affecting the facility;
 - (2) Referral to the Energy Labor-Management Relations Panel;
 - (3) Referral to the National Labor Relations Board at any level;
 - (4) Recourse to procedures under the *Labor-Management Act of 1947*, as amended, or any other Federal or state labor law; and
 - (5) Any grievance that may reasonably be assumed to be arbitrated under a Collective Bargaining Agreement.

Cost of wages and fringe benefits, to employees represented by collective bargaining units, not in excess of those in appropriate collective bargaining agreements including the Hanford Site Stabilization Agreement, shall be allowable. The costs associated with grievance processing and settlements, arbitration, and arbitration awards shall be allowable in accordance with the provisions of the Contract Section I Clause entitled, *Insurance – Litigation and Claims*.

H.33 ADVANCE UNDERSTANDING ON PERSONNEL COSTS, POLICIES AND PROCEDURES

The U.S. Department of Energy (DOE) has reached an advance understanding with the Contractor on certain personnel costs, related expenses, policies, and procedures. These costs are those associated with personnel policies and procedures, which the Contractor will apply to work under this Contract.

Advance review by DOE and written approval by the Contracting Officer of such personnel policies and procedures is required. Any exceptions noted in the Contracting Officer's written approval will govern the Contractor's application of the personnel policies and procedures under this contract. Any deviation from the personnel policies and procedures so approved must have DOE approval before costs occasioned thereby will be considered allowable (either direct or indirect) under the subject contract. In addition, DOE approval will be required for total annual compensation paid to each person designated as Key Personnel and identified in the Section I Clause entitled, *Key Personnel*, exclusive of bonus or incentive compensation pay which will not be an allowable cost under this contract. The Advance Understanding will be part of this Contract and included in Section J, *List of Documents, Exhibits, and Other Attachments*.

H.34 DETERMINATION OF APPROPRIATE LABOR STANDARDS

The U.S. Department of Energy (DOE) shall determine the appropriate labor standards in accordance with the *Davis-Bacon Act*, which shall apply to work performed under this contract. Where requested by DOE, the Contractor shall provide such information in the form and timeframe required by DOE, as may be necessary for DOE to make such labor standards determinations. The Contractor will then be responsible for ensuring that the appropriate labor standards provisions are included in subcontracts.

H.35 SERVICE CONTRACT ACT (SCA) WAGE DETERMINATION

For any subcontract subject wholly or in part to the provisions of the *McNamara-O'Hara Service Contract Act* (SCA), the Contractor shall require the subcontractor to pay service employees employed thereunder no less than the minimum wage and fringe benefits set forth in the applicable currently effective wage determination(s). Prior to the beginning of each contract year/option period, the agency Contracting Officer shall file a request for a revised wage determination with the U.S. Department of Labor. Any revised wage determination received shall be incorporated into the affected subcontract by modification.

H.36 IMPLEMENTATION OF THE HANFORD SITE STABILIZATION AGREEMENT

- (a) The Site Stabilization Agreement for all construction work for the U.S. Department of Energy (DOE) at the Hanford Site, consists of a Basic Agreement dated September 10, 1984, plus an Appendix A. (The Site Stabilization Agreement is available in the DOE Public Reading Room. The Site Stabilization Agreement will be made a part of this Contract by reference upon award. The Contractor shall be required to comply with the most current Site Stabilization Agreement, and as modified throughout performance of the Contract.)
- (b) This Clause applies to employees performing work under U.S. Department of Energy Office of River Protection (DOE-ORP) contracts or subcontracts subject to the *Davis-Bacon Act*, in the classifications set forth in the Site Stabilization Agreement for work performed at the Hanford Site.

- (c) Contractors and subcontractors at all tiers who are parties to an agreement(s) for construction work with a Local Union having jurisdiction over DOE-ORP construction work performed at the Hanford Site, or who are parties to a national labor agreement for such construction work, shall become signatory to the Site Stabilization Agreement and shall abide by all of its provisions, including Appendix A. Subcontractors at all tiers who have subcontracts with a signatory contractor or subcontractor shall become signatory to the Site Stabilization Agreement and shall abide by all of its provisions, including its Appendix A.
- (d) Contractors and subcontractors at all tiers who are not signatory to the Site Stabilization Agreement and who are not required under paragraph (c) above to become signatory to the Site Stabilization Agreement, shall pay not less and no more than the wages, fringe benefits, and other employee compensation set forth in Appendix A and shall adhere, except as otherwise directed by the Contracting Officer, to the following provisions of the Site Stabilization Agreement:
 - (1) Article VII, Employment, Section 2 only
 - (2) Article XII, Non-Signatory Contractor Requirements
 - (3) Article XIII, Hours of Work, Shifts, and Overtime
 - (4) Article XIV, Holidays
 - (5) Article XV, Wage Scales and Fringe Benefits, Sections 1 and 2 only
 - (6) Article XVII, Payment of Wages - Checking In and Out, Section 3 only
 - (7) Article XX, General Working Conditions
 - (8) Article XXI, Safety and Health
- (e) The Contractor agrees to make no contributions in connection with this Contract to industry Promotion funds, or similar funds, except with the prior approval of the Contracting Officer.
- (f) The obligation of the Contractor and its subcontractors to pay fringe benefits shall be discharged by making payments required by this Contract in accordance with the provisions of the amendments to the *Davis-Bacon Act* contained in the Act of July 2, 1964 (*Public Law 88-349-78, Statutes 238-239*), and the U.S. Department of Labor regulations in implementation thereof (29 Code of Federal Regulations (CFR) Parts 1, 3, 5).
- (g) The Contracting Officer may direct the Contractor to pay amounts for wages, fringe benefits, and other employee compensation if the Site Stabilization Agreement, including its Appendix A, is modified by the involved parties.
- (h)
 - (1) In the event of failure to comply with paragraphs (c), (d), (e), (f), and (g) above, or failure to perform any of the obligations imposed upon the Contractor and its subcontractors, the Contracting Officer may withhold any payments due to the Contractor and may terminate the Contract for default.
 - (2) The rights and remedies of the Government provided in this paragraph (1) above shall not be exclusive and are in addition to any other rights and remedies of the Government provided by law or under this Contract.

- (i) The requirements of this paragraph are in addition to, and shall not relieve the Contractor of any obligation imposed by other clauses of the Contract, including those entitled, *Davis Bacon Act, Contract Work Hours and Safety Standards Act-Overtime Compensation, Payrolls and Basic Records, Compliance with Copeland Act Requirements, Withholding of Funds, and Contract Termination-Debarment.*
- (j) The Contractor agrees to maintain its bid or proposal records showing rates and amounts used for computing wages and other compensation, and its payroll and personnel records during the course of work subject to this paragraph, and to preserve such records for a period of three (3) years thereafter, for all employees performing such work. Such records will contain the name, address, social security number of each such employee, correct classification, rate of pay, daily and weekly number of hours worked, and dates and hours of the day within which work was performed, deductions made, and amounts for wages and other compensation covered by paragraphs (c), (d), (e), (f), and (g) of this Contract Clause. The Contractor agrees to make these records available for inspection by the Contracting Officer and will permit employee interviews during working hours on the job.
- (k) The Contractor agrees to insert this Clause, including this paragraph (k), in all subcontracts for the performance of work subject to the *Davis-Bacon Act.*

H.37 WORKERS COMPENSATION

The Section I Clause entitled, *Insurance-Litigation and Claims* is implemented as follows with respect to Workers Compensation:

Pursuant to State of Washington Revised Code (RCW) Title 51, Section 51.04.130 Industrial Insurance Coverage for Hanford Worker - Special Agreements, the U.S. Department of Energy (DOE) Office of River Protection (DOE-ORP) is a group self-insurer for purposes of workers' compensation coverage. The coverage afforded by the workers' compensation statutes shall, for performance of work under this Contract at the Hanford Site, be subject to the following:

- (a) The Contractor shall be relieved of all obligations to pay premiums for such coverage, DOE having agreed, under the terms of a Contract with the U.S. Department of Labor and Industries of the State of Washington (L&I) to bear the actual cost of such coverage.
- (b) The Contractor shall submit to DOE (or other party as designated by DOE), for transmittal to the L&I, such payroll records as are required by the said statutes.
- (c) The Contractor shall submit to DOE (or other party as designated by DOE), for transmittal to DOE, the accident reports provided for by RCW Title 51, Section 51.28.010.
- (d) The Contractor shall take such action, and only such action, as DOE requests in connection with any accident reports, including assistance in the investigation and disposition of any claim thereunder and, subject to the direction and control of DOE, the conduct of litigation in the Contractor's own name in connection therewith.
- (e) The Contractor shall be responsible for making all payments and submitting all reports required by RCW Title 51, Section 51.32.073.

H.38 INFORMATION

- (a) Release of Information
- (1) The Contractor shall be responsible for developing, planning, and coordinating proactive approaches to timely dissemination of information regarding U.S. Department of Energy (DOE) unclassified activities onsite and offsite as directed by the Contracting Officer.
 - (2) The Contractor shall be responsible for following DOE guidelines and/or procedures for all oral, written and audio/visual information material prepared for public use, including technical information.
- (b) Unclassified, Controlled, Nuclear Information (UCNI): Documents originated by the Contractor or furnished by the Government to the Contractor, in connection with this contract, may contain Unclassified, Controlled, and Nuclear Information as determined pursuant to Section 148 of the *Atomic Energy Act of 1954*, as amended. The Contractor shall be responsible for protecting such information from unauthorized dissemination in accordance with DOE regulations and directives, and Section I Clauses entitled, *Security and Classification/Declassification*.
- (c) Confidentiality of Information: To the extent that the work under this contract requires that the Contractor be given access to confidential or proprietary business, technical, or financial information belonging to the Government or other companies, the Contractor shall, after receipt thereof, treat such information as confidential and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized by the Contracting Officer in writing. The foregoing obligations, however, shall not apply to:
- (1) Information which, at the time of receipt by the Contractor, is in the public domain;
 - (2) Information that is published after receipt thereof by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;
 - (3) Information that the Contractor can demonstrate was in its possession at the time of receipt thereof and was not acquired directly or indirectly from the Government or other companies;
 - (4) Information that the Contractor can demonstrate was received by it from a third party that did not require the Contractor to hold it in confidence.

The Contractor shall obtain the written agreement, in a form satisfactory to the Contracting Officer, of each employee permitted access to such information, whereby the employee agrees that he will not discuss, divulge or disclose any such information or data to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the contract.

The Contractor agrees, if requested by the Government, to sign an agreement identical, in all material respects, to the provisions of this subparagraph (d), with each company supplying information to the Contractor under this contract, and to supply a copy of such agreement to the Contracting Officer. From time to time upon request of the Contracting Officer, the Contractor shall supply the Government with reports itemizing information received as confidential or proprietary and setting forth the company or companies from which the Contractor received such information.

The Contractor agrees that upon request by DOE, it will execute a DOE-approved agreement with any party whose facilities or proprietary data it is given access to or is furnished, restricting use and disclosure of the data or the information obtained from the facilities. Upon request by DOE, Contractor personnel shall also sign such an agreement.

- (d) The Government reserves the right to require the Contractor to include this Clause or a modified version of this Clause in any subcontract as directed in writing by the Contracting Officer.

H.39 LOBBYING RESTRICTIONS (ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001)

The Contractor or awardee agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 United States Code 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.40 LOBBYING RESTRICTIONS (DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001)

The Contractor agrees that none of the funds obligated on this award shall be made available for any activity of the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which Congressional action is not complete. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.41 AGREEMENT REGARDING PROPOSED CLAUSES

This contract modification includes clauses that have not been finalized through the formal rule making process (e.g., Section I Clause entitled, *Conditional Payment of Fee, Profit, or Incentives*, etc.). The U.S. Department of Energy (DOE) anticipates promulgation of formal clauses, or revisions to the clauses, contained in this contract modification prior to, or shortly after, the effective date of this modification. Subsequent to such promulgation, the Contractor agrees to negotiate, in good faith, the substitution of these revised clauses for the corresponding existing contract clauses. Absent material changes to the above clauses in the Final Rule(s) promulgating the clauses that would substantially increase the Contractor's financial or corporate risk, the Contractor agrees to accept the final DOE versions of these Clauses.

H.42 USE OF DOE FACILITIES

The Contractor may conduct programs of local community assistance to mitigate adverse impacts of closure or reconfiguration of U.S. Department of Energy (DOE) facilities. Such programs may provide for the lease or transfer of DOE property at less than fair market value in accordance with the *Hall Amendment* (Public Law 103-160, Section 3154 and 3155). Any lease or transfer of DOE property must be prior-approved in writing by the Contracting Officer.

H.43 SHARING EARNED FEES WITH EMPLOYEES

The Contractor will establish an employee fee-sharing program under this contract. The Contractor shall set aside at least five (5) percent of its earned fee to be shared with its employees consistent with the performance objectives set by its Board of Directors. The fee sharing process and percentage of earned fee to be shared will be described in its procedures.

H.44 PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS-SENSE OF CONGRESS

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-Made.

**PART II – CONTRACT CLAUSES
 SECTION I
 CONTRACT CLAUSES**

Clause No.	FAR/DEAR Reference	Title	Fill-In Information (See FAR 52.104(d))
I.1	FAR 52.201-1	Definitions (OCT 1995)	None
I.2	FAR 52.203-3	Gratuities (APR 1984)	None
I.3	FAR 52.203-5	Covenant Against Contingent Fees (APR 1984)	None
I.4	FAR 52.203-6	Restrictions on Subcontractor Sales to the Government (JUL 1995)	None
I.5	FAR 52.203-7	Anti-Kickback Procedures (JUL 1995)	None
I.6	FAR 52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997)	None
I.7	FAR 52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (JAN 1997)	None
I.8	FAR 52.203-12	Limitation on Payments to Influence Certain Federal Transactions (JUN 1997)	None
I.9	FAR 52.204-4	Printing/Copying Double-Sided on Recycled Paper (JUN 1996)	None
I.10	FAR 52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (JUL 1995)	None
I.11	FAR 52.211-5	Material Requirements (OCT 1997)	None
I.12	FAR 52.215-2	Audit and Records – Negotiation (JUN 1999)	None
I.13	FAR 52.215-8	Order of Precedence – Uniform Contract Format (OCT 1997)	None
I.14	FAR 52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications (OCT 1997)	None
I.15	FAR 52.215-13	Subcontractor Cost or Pricing Data – Modifications (OCT 1997)	None
I.16	FAR 52.215-15	Pension Adjustments and Asset Reversions (DEC 1998)	None
I.17	FAR 52.215-17	Waiver of Facilities Capital Cost of Money (OCT 1997)	None
I.18	FAR 52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (OCT 1997)	None
I.19	FAR 52.215-19	Notification of Ownership Changes (OCT 1997)	None
I.20	FAR 52.216-7	Allowable Cost and Payment (MAR 2000)	None
I.21	FAR 52.219-8	Utilization of Small Business Concerns (OCT 2000)	None
I.22	FAR 52.219-9	Small Business Subcontracting Plan (OCT 2000) – Alternate II (JAN 1999)	None
I.23	FAR 52.219-16	Liquidated Damages – Subcontracting Plan (JAN 1999)	None
I.24	FAR 52.222-1	Notice to the Government of Labor Disputes (FEB 1997)	None
I.25	FAR 52.222-3	Convict Labor (AUG 1996)	None
I.26	FAR 52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation (SEP 2000)	None
I.27	FAR 52.222-21	Prohibition of Segregated Facilities (FEB 1999)	None
I.28	FAR 52.222-26	Equal Opportunity (FEB 1999)	None
I.29	FAR 52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (APR 1998)	None
I.30	FAR 52.222-36	Affirmative Action for Workers with Disabilities (JUN 1998)	None
I.31	FAR 52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (JAN 1999)	None
I.32	FAR 52.222-41	Service Contract Act of 1965, as Amended ((MAY 1989)	None
I.33	FAR 52.222-47	SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreements (CBA) (MAY 1989)	None
I.34	FAR 52.223-3	Hazardous Material Identification and Material Safety Data (JAN 1997) – Alternate I (JUL 1995)	(b) None

Clause No.	FAR/DEAR Reference	Title	Fill-In Information (See FAR 52.104(d))
I.35	FAR 52.223-5	Pollution Prevention and Right-to-Know Information (APR 1998)	None
I.36	FAR 52.223-6	Drug-Free Workplace (JAN 1997)	None
I.37	FAR 52.223-10	Waste Reduction Program (OCT 1997)	None
I.38	FAR 52.223-12	Refrigeration Equipment and Air Conditioners (MAY 1995)	None
I.39	FAR 52.223-14	Toxic Chemical Release Reporting (OCT 2000)	None
I.40	FAR 52.224-1	Privacy Act Notification (APR 1984)	None
I.41	FAR 52.224-2	Privacy Act (APR 1984)	None
I.42	FAR 52.225-13	Restrictions on Certain Foreign Purchases (JUL 2000)	None
I.43	FAR 52.226-1	Utilization of Indian Organizations and Indian-Owned Economic Enterprises (FEB 2000)	None
I.44	FAR 52.227-1	Authorization and Consent (JUL 1995)	None
I.45	FAR 52.227-2	Notice and Assistance Concerning Patent and Copyright Infringement (AUG 1996)	None
I.46	FAR 52.227-3	Patent Indemnity (APR 1984)	None
I.47	FAR 52.230-2	Cost Accounting Standards (APR 1998)	None
I.48	FAR 52.230-6	Administration of Cost Accounting Standards (NOV 1999)	None
I.49	FAR 52.232-17	Interest (JUN 1996)	None
I.50	FAR 52.232-22	Limitation of Funds (APR 1984)	None
I.51	FAR 52.232-24	Prohibition of Assignment of Claims	None
I.52	FAR 52.232-25	Prompt Payment (JUN 1997)	None
I.53	FAR 52.233-1	Disputes (DEC 1998) – Alternate I (DEC 1991)	None
I.54	FAR 52.233-3	Protest After Award (AUG 1996) – Alternate I ((JUN 1985)	None
I.55	FAR 52.236-8	Other Contracts (APR 1984)	None
I.56	FAR 52.237-2	Protection of Government Buildings, Equipment, and Vegetation (APR 1984)	None
I.57	FAR 52.237-3	Continuity of Services (JAN 1991)	None
I.58	FAR 52.242-1	Notice of Intent to Disallow Costs (APR 1984)	None
I.59	FAR 52.242-3	Penalties for Unallowable Costs (OCT 1995)	None
I.60	FAR 52.242-4	Certification of Final Indirect Costs (JAN 1997)	None
I.61	FAR 52.242-13	Bankruptcy (JUL 1995)	None
I.62	FAR 52.242-15	Stop-Work Order (AUG 1989) – Alternate I (APR 1984)	None
I.63	FAR 52.243-2	Changes-Cost Reimbursement (AUG 1987) – Alternate II (APR 1984)	None
I.64	FAR 52.243-6	Change Order Accounting (APR 1984)	None
I.65	FAR 52.243-7	Notification of Changes (APR 1984)	(b) 10 days. (d) 30 days.
I.66	FAR 52.244-2	Subcontracts (AUG 1998) – Alternate II (AUG 1998)	(e) None
I.67	FAR 52.244-5	Competition in Subcontracting (DEC 1996)	None
I.68	FAR 52.244-6	Subcontracts for Commercial Items and Commercial Components (OCT 1998)	None
I.69	FAR 52.246-25	Limitation of Liability – Services (FEB 1997)	None
I.70	FAR 52.247-1	Commercial Bill of Lading Notations (APR 1984)	(a) U.S. Department of Energy... (b) U.S. Department of Energy... Contract No. DE-AC27-99RL14047... U.S. Department of Energy, Office of River Protection, Office of Business Management and Administration, H6-60, P.O. Box 450, Richland, WA 99352
I.71	FAR 52.247-67	Submission of Commercial Transportation Bills to the General Services Administration for Audit (JUN 1997)	None
I.72	FAR 52.249-6	Termination (Cost Reimbursement) (SEP 1996)	None
I.73	FAR 52.249-14	Excusable Delays (APR 1984)	None

Clause No.	FAR/DEAR Reference	Title	Fill-In Information (See FAR 52.104(d))
I.74	FAR 52.251-1	Government Supply Sources (APR 1984)	None
I.75	FAR 52.251-2	Interagency Fleet Management System Vehicles and Related Services (JAN 1991)	None
I.76	FAR 52.252-2	Clauses Incorporated by Reference (FEB 1998)	http://www.arnet.gov/far ; http://www.pr.doe.gov/dear.html
I.77	FAR 52.252-6	Authorized Deviations in Clauses (APR 1984)	(b) The use in this contract of any Department of Energy Acquisition Regulation (48 CFR Part 9) Clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation
I.78	FAR 52.253-1	Computer Generated Forms (JAN 1991)	None
DEAR 952 CLAUSES			
I.79	DEAR 952.202-1	Definitions (JAN 1997)	None
I.80	DEAR 952.203-70	Whistleblower Protection for Contractor Employees (DEC 2000)	None
I.81	DEAR 952.204-2	Security (SEP 1997)	None
I.82	DEAR 952.204-70	Classification/Declassification (SEP 1997)	None
I.83	DEAR 952.204-71	Sensitive Foreign Nations Controls (APR 1994)	None
I.84	DEAR 952.204-72	Disclosure of Information (APR 1994)	None
I.85	DEAR 952.204-73	Foreign Ownership, Control, or Influence Over Contractor (Representation) (JUL 1997)	None
I.86	DEAR 952.204-74	Foreign Ownership, Control, or Influence Over Contractor (APR 1984)	(c) Submit Questionnaire Prior to Award
I.87	DEAR 952.204-75	Public Affairs (DEC 2000)	None
I.88	DEAR 952.208-7	Tagging of Leased Vehicles (APR 1984)	None
I.89	DEAR 952.208-70	Printing (APR 1984)	None
I.90	DEAR 952.209-72	Organizational Conflicts of Interest (JUN 1997) – Alternate 1	None
I.91	DEAR 952.215-70	Key Personnel (DEC 2000)	Section J, Appendix A
I.92	DEAR 952.217-70	Acquisition of Real Property (APR 1984)	None
I.93	DEAR 952.223-75	Preservation of Individual Occupational Radiation Exposure Records ((APR 1984)	None
I.94	DEAR 952.224-70	Paperwork Reduction Act (APR 1994)	None
I.95	DEAR 952.226-74	Displaced Employee Hiring Preference (JUN 1997)	None
I.96	DEAR 952.227-9	Refund of Royalties (FEB 1995)	None
I.97	DEAR 952.227-13	Patent Rights-Acquisition by the Government (SEP 1997)	None
I.98	DEAR 952.242-70	Technical Direction (DEC 2000)	None
I.99	DEAR 952.247-70	Foreign Travel (DEC 2000)	None
I.100	DEAR 952.250-70	Nuclear Hazards Indemnity Agreement (JUN 1996)	None
I.101	DEAR 952.251-70	Contractor Employee Travel Discounts (DEC 2000)	None
DEAR 970 CLAUSES			
I.102	DEAR 970.5203-1	Management Controls (DEC 2000)	None
I.103	DEAR 970.5203-2	Performance Improvement and Collaboration (DEC 2000)	None
I.104	DEAR 970.5203-3	Contractor's Organization (DEC 2000)	None
I.105	DEAR 970.5204-1	Counterintelligence (DEC 2000)	None
I.106	DEAR 970.5204-2	Laws, Regulations, and DOE Directives (DEC 2000)	None
I.107	DEAR 970.5204-3	Access to and Ownership of Records (DEC 2000)	None
I.108	DEAR 970.5215-1	Total Available Fee: Base Fee Amount and Performance Fee Amount (DEC 2000)	(a) (base fee is zero)
I.109	DEAR 970.5215-2	Make-or-Buy Plan (DEC 2000)	None

Clause No.	FAR/DEAR Reference	Title	Fill-In Information (See FAR 52.104(d))
I.110	DEAR 970.5215-3	Conditional Payment of Fee, Profit, or Incentives (DEC 2000) – Alternate I (DEC 2000)	None
I.111	DEAR 970.5215.4	Cost Reduction (DEC 2000)	None
I.112	DEAR 970.5222-1	Collective Bargaining Agreements Management and Operating Contracts (DEC 2000)	None
I.113	DEAR 970.5222-2	Overtime Management (DEC 2000)	None
I.114	DEAR 970.5223-1	Integration of Environment, Safety, and Health into Work Planning and Execution (DEC 2000)	None
I.115	DEAR 970.5223-2	Acquisition and Use of Environmentally Preferable Products and Services (DEC 2000)	None
I.116	DEAR 970.5223-4	Workplace Substance Abuse Programs at DOE Sites (DEC 2000)	None
I.117	DEAR 970.5226-1	Diversity Plan (DEC 2000)	None
I.118	DEAR 970.5226-2	Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (DEC 2000)	None
I.119	DEAR 970.5226-3	Community Commitment (DEC 2000)	None
I.120	DEAR 970.5227-1	Rights in Data – Facilities (DEC 2000)	None
I.121	DEAR 970.5227-4	Authorization and Consent (DEC 2000)	None
I.122	DEAR 970.5227-5	Notice and Assistance Regarding Patent and Copyright Infringement (DEC 2000)	None
I.123	DEAR 970.5227-6	Patent Indemnity – Subcontracts (DEC 2000)	None
I.124	DEAR 970.5227-7	Royalty Information (DEC 2000)	None
I.125	DEAR 970.5227-8	Refund of Royalties (DEC 2000)	None
I.126	DEAR 970.5228-1	Insurance – Litigation and Claims (DEC 2000)	None
I.127	DEAR 970.5229-1	State and Local Taxes (DEC 2000)	None
I.128	DEAR 970.5231-4	Preexisting Conditions (DEC 2000)	(a) September 30, 1999
I.129	DEAR 970.5232-1	Reduction or Suspension of Advance, Partial, or Progress Payments (DEC 2000)	None
I.130	DEAR 970.5232-2	Payments and Advances (DEC 2000) – Alternate II (DEC 2000) and Alternate IV (DEC 2000)	(c) "Appendix K"
I.131	DEAR 970.5232-3	Accounts, Records, and Inspection (DEC 2000)	None
I.132	DEAR 970.5232-4	Obligation of Funds (DEC 2000)	(a) See Section B, Clause B.2 for amount
I.133	DEAR 970.5232-5	Liability with Respect to Cost Accounting Standards (DEC 2000)	None
I.134	DEAR 970.5232-6	Work for Others Funding Authorization (DEC 2000)	None
I.135	DEAR 970.5232-7	Financial Management System (DEC 2000)	None
I.136	DEAR 970.5236-1	Government Facility Subcontract Approval (DEC 2000)	None
I.137	DEAR 970.5237-2	Facilities Management (DEC 2000)	None
I.138	DEAR 970.5244-1	Contractor Purchasing System (DEC 2000)	None
I.139	DEAR 970.5245-1	Property (DEC 2000)	None
CONSTRUCTION CLAUSES			
I.140	FAR 52.202-1	Definitions (OCT 1995) – Alternate I (APR 1984)	See Note
I.141	FAR 52.211-10	Commencement, Prosecution and Completion of Work (APR 1984) – Alternate I (APR 1984)	See Note
I.142	FAR 52.211-12	Liquidated Damages – Construction (SEP 2000)	See Note
I.143	FAR 52.216-9	Fixed Fee – Construction (MAR 1997)	See Note
I.144	FAR 52.222-6	Davis-Bacon Act (FEB 1995)	See Note
I.145	FAR 52.222-7	Withholding of Funds (FEB 1988)	See Note
I.146	FAR 52.222-8	Payrolls and Basic Records (FEB 1988)	See Note
I.147	FAR 52.222-9	Apprentices and Trainees (FEB 1988)	See Note
I.148	FAR 52.222-10	Compliance with Copeland Act Requirements (FEB 1988)	See Note
I.149	FAR 52.222-11	Subcontracts (Labor Standards) (FEB 1988)	See Note
I.150	FAR 52.222-12	Contract Termination – Debarment (FEB 1988)	See Note
I.151	FAR 52.222-13	Compliance with Davis-Bacon and Related Act Regulations (FEB 1988)	See Note

Clause No.	FAR/DEAR Reference	Title	Fill-in Information (See FAR 52.104(d))
I.152	FAR 52.222-14	Disputes Concerning Labor Standards (FEB 1988)	See Note
I.153	FAR 52.222-15	Certification of Eligibility (FEB 1988)	See Note
I.154	FAR 52.222-20	Walsh-Healey Public Contracts Act (DEC 1996)	See Note
I.155	FAR 52.222-22	Previous Contracts and Compliance Reports (FEB 1999)	See Note
I.156	FAR 52.222-23	Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity for Construction (FEB 1999)	See Note
I.157	FAR 52.222-27	Affirmative Action Compliance Requirements for Construction (FEB 1999)	See Note
I.158	FAR 52.225-11	Buy American Act – Balance of Payments Program – Construction Materials under Trade Agreements (FEB 2000)	See Note
I.159	FAR 52.225-12	Notice of Buy American Act/Balance of Payments Program Requirement-Construction Materials Under Trade Agreements (FEB 2000)	See Note
I.160	FAR 52.225-13	Restrictions on Certain Foreign Purchases (FEB 2000)	See Note
I.161	FAR 52.227-4	Patent Indemnity-Construction Contracts (APR 1984)	See Note
I.162	FAR 52.229-4	Federal, State, and Local Taxes (Noncompetitive Contracts) (JAN 1991)	See Note
I.163	FAR 52.232-5	Payments Under Fixed-Price Construction Contracts (MAY 1997)	See Note
I.164	FAR 52.232-27	Prompt Payment for Construction Contracts (JUN 1997)	See Note
I.165	FAR 52.236-1	Performance of Work by the Contractor (APR 1984)	See Note
I.166	FAR 52.236-2	Differing Site Conditions (APR 1984)	See Note
I.167	FAR 52.236-3	Site Investigation and Conditions Affecting the Work (APR 1984)	See Note
I.168	FAR 52.236-4	Physical Data (APR 1984)	See Note
I.169	FAR 52.236-5	Material and Workmanship (APR 1984)	See Note
I.170	FAR 52.236-6	Superintendence by the Contractor (APR 1984)	See Note
I.171	FAR 52.236-8	Other Contracts (APR 1984)	See Note
I.172	FAR 52.236-9	Protection of Existing Vegetation, Structures, Equipment, Utilities, and Improvements (APR 1984)	See Note
I.173	FAR 52.236-10	Operations and Storage Areas (APR 1984)	See Note
I.174	FAR 52.236-11	Use and Possession Prior to Completion (APR 1984)	See Note
I.175	FAR 52.236-12	Cleaning Up (APR 1984)	See Note
I.176	FAR 52.236-13	Accident Prevention (NOV 1991)	See Note
I.177	FAR 52.236-14	Availability and Use of Utility Services (APR 1984)	See Note
I.178	FAR 52.236-17	Layout of Work (APR 1984)	See Note
I.179	FAR 52.236-18	Work Oversight in Cost-Reimbursement Construction Contracts (APR 1984)	See Note
I.180	FAR 52.236-19	Organization and Direction of the Work (APR 1984)	See Note
I.181	FAR 52.236-21	Specifications and Drawings for Construction (FEB 1997)	See Note
I.182	FAR 52.242-14	Suspension of Work (FEB 1984)	See Note
I.183	FAR 52.243-2	Changes – Cost Reimbursement (AUG 1987) – Alternate III (APR 1984)	See Note
I.184	FAR 52.243-4	Changes (AUG 1987)	See Note
I.185	FAR 52.245-2	Government Property (Fixed-Price Contracts) (DEC 1989)	See Note
I.186	FAR 52.245-3	Identification of Government-Furnished Property (APR 1984)	See Note
I.187	FAR 52.245-18	Special Test Equipment (FEB 1993)	See Note
I.188	FAR 52.249-2	Termination for Convenience of the Government (Fixed-Price) (SEP 1996) – Alternate I (SEP 1996)	See Note
I.189	FAR 52.249-10	Default (Fixed-Price Construction) (APR 1984)	See Note

Note: The Construction Clauses shall apply WHEN APPLICABLE to construction work performed under this Contract whether performed by the Contractor or a subcontractor.

PART III - LIST OF DOCUMENTS EXHIBITS, AND OTHER ATTACHMENTS
SECTION J
LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

Appendix	Title
A	Key Personnel
B	Advance Understanding on Personnel Costs, Policies and Procedures
C	DOE Directives
D	Performance Based Incentives
E	Guidance for Other Required Plans
F	Environment, Safety, and Health Budget Planning And Execution
G	Guidance for Preparation of Diversity Plan
H	Reserved
I	Small Business Subcontracting Plan (See Modification No. M021)
J	Wage Determinations under the Service Contract Act (See Modification No. M023)
K	Special Bank Account Agreement (See Modification No. M028)

APPENDIX A - KEY PERSONNEL

<u>Name</u>	<u>Title</u>
M. P. DeLozier	President and General Manager, CH2M HILL Hanford Group, Inc.
A. M. Parker	Executive Vice President, CH2M HILL Hanford Group, Inc.
M. A. Payne	Senior Vice President, CH2M HILL Hanford Group, Inc.
D. I. Allen	Senior Vice President, CH2M HILL Hanford Group, Inc.

APPENDIX B - ADVANCE UNDERSTANDING ON PERSONNEL COSTS POLICIES AND PROCEDURES

JB.1 INTRODUCTION

This Advance Understanding sets forth the basis for determining the allowability of Contractor human resource management policies and related expenses that have cost implications under the Contract. This agreement is intended to cover the majority of the human resources costs incurred by the Contractor for work performed by employees assigned to work tasks authorized by the U.S. Department of Energy (DOE), Office of River Protection (DOE-ORP) in accordance with this Contract. Costs not specifically addressed in this advance understanding will be treated in accordance with applicable Federal Acquisition Regulation (FAR) cost principles.

The Contractor shall select, employ, manage, and direct the work force, and apply the policies set forth herein in general conformity with the methods used in the Contractor's private operations insofar as those methods are consistent with this Contract. The Contractor shall use effective management review procedures and internal controls to assure that the allowable costs set forth herein are not exceeded, and that areas which require prior approval of the DOE Contracting Officer or designated representative are reviewed and approved prior to incurrence of costs.

The Contractor shall promptly furnish all reports and information required or otherwise indicated in this Appendix to the Contracting Officer or designated representative. The Contractor recognizes that other data requests may be made from time to time and the Contractor agrees to cooperate in meeting such requests.

JB.2 GENERAL

Subject to the specific limitations, conditions, and exclusions of FAR Subpart 31.2 as supplemented by Department of Energy Regulation (DEAR) 931.2, and to the special conditions set forth below, personnel and related costs incurred for work under this contract by the Contractor in accordance with the Contractor's corporate-wide policies consistently and uniformly applied throughout the corporation's domestic operations, and approved by DOE-ORP, are allowable. Such policies will be summarized and submitted in the form of a Personnel Policies Manual applicable to this Contract by January 31, 2001.

Revisions to corporate-wide or contract-only policies and employee benefit plans which increase costs will be provided to DOE-ORP for review for allowability prior to incurrence of costs.

JB.3 DEFINITIONS

- (a) Contractor – CH2M HILL Hanford Group, Inc.
- (b) Credited Service – Length of service for employees shall mean employment with the Contractor or Major Subcontractors including recognized credited service with predecessor DOE Hanford Contractors. Service credit will be applied in accordance with this Contract and the Contractor's service credit policies regarding leave accrual, severance pay, and other benefit programs.
- (c) FAR – Federal Acquisition Regulation
- (d) Work Week – The basic (or regular) work week shall be 40 hours. Alternative work weeks may be established with the approval of the Contracting Officer. Submit all Proposed Alternative work weeks to the Contracting Officer for approval by April 1, 2001.

JB.4 DIRECT COMPENSATION

The Contractor shall submit its Compensation Program applicable to work under this Contract to the Contracting Officer for initial approval by April 1, 2001. Proposed Compensation Program design changes, which affect costs, will also be submitted for review and approval by the Contracting Officer.

(a) Administration of Wages and Salaries of Nonrepresented Employees

Administration of Wages and Salaries of Nonrepresented Employees shall be carried out in accordance with sound wage and salary administration principles and in a manner which shall provide for equitable treatment of personnel on a definitive, systematic basis consistent with economic business practices and judicious expenditure of public funds and which shall result in payment of total compensation to individual employees conforming to the standards of reasonableness as contemplated by FAR Subpart 31.205-6.

- (1) Compensation Increase Plan – Prior to each salary program year, the Contractor will develop and justify, in a manner prescribed by the Contracting Officer, a Compensation Increase Plan for exempt employees and a Compensation Increase Plan for non-exempt.

Non-bargaining employees for review and approval. The funds are calculated as a percentage of exempt and non-exempt, non-bargaining base payroll at the end of the prior salary year, expressed as an annualized amount. The plans will include a separate fund for retention and recruitment incentives as defined in the FAR.

All increases are charged to the fund on an annualized basis. Once an individual's salary increase is charged to the fund, reuse of that amount, i.e., recovery, for any other purpose during the salary year is unallowable. If an individual terminates before receiving an increase, the portion of the fund allocated for that increase might remain in the fund.

The Contractor shall also provide a copy of the annually developed salary guidelines prepared for supervisory use, indicating the parameters for granting various increases based on employee performance and current salary.

The dollar amounts of the funds shall be subject to review and adjustment by the Contracting Officer upon a significant reduction in Contractor employment levels, as in a reduction-in-force.

- (2) Individual Employee Salary Approval – The base annual salary costs for employees of the Contractor designated as Key Personnel are reimbursable only to the extent each such salary has been approved on DOE Form 3220.5, *Application for Contractor Compensation Approval*, or other approved form, by the Contracting Officer.

The Contractor will provide supporting information with DOE Form 3220.5 (or other approved form) on all such compensation actions in advance of the effective date.

- (3) Incentive Compensation, Bonuses and Project Assignment Allowances will not be allowable costs under this Contract unless specifically approved in advance by the Contracting Officer.

- (4) **Salary Structures** – The Contractor shall establish separate salary structures containing position grades, classifications, and salary ranges for exempt and for non-exempt, non-bargaining employees who are assigned to work on the Contract. The structures shall be submitted to the Contracting Officer for review and approval in advance of incurrence of costs and no later than January 31, 2001. No salary above the maximum of the salary range shall be allowable except in those cases where the Contracting Officer authorizes a “red circle” rate.
- (5) **Overtime Control Plan** – The Contractor shall submit to the Contracting Officer for approval an annual overtime control plan that includes at a minimum (1) an overtime premium fund (maximum dollar amount); (2) specific controls for casual overtime for nonexempt employees; and (3) an evaluation of alternatives to the use of overtime.

The Overtime Control Plan shall also include the following historical data for non-exempt and exempt employees:

- (i) Total cost of overtime;
- (ii) Total cost of straight-time;
- (iii) Overtime cost as a percentage of straight-time cost;
- (iv) Total overtime hours;
- (v) Total straight-time hours; and
- (vi) Overtime hours as a percentage of straight-time hours.

Exempt employees are not eligible for overtime pay except as approved by the Contracting Officer.

The Contractor shall submit to the Contracting Officer for approval any additional overtime premium funds or plan changes based on mission requirements.

The Contractor shall submit any request for an extended workweek to the Contracting Officer for approval. An extended workweek is a workweek regularly scheduled and established in excess of the basic workweek of 40 hours and for a period of more than four consecutive weeks.

Overtime pay shall be based on a 40-hour workweek.

Overtime work performed by employees of affiliate companies of the Contractor assigned to Contract work on a temporary basis, will be administered and paid in accordance with the policies of the affiliate.

- (6) **Premium Pay** - The Compensation Program shall contain provisions for any established premium payments to employees, such as overtime, shift differential and special qualification or certification pay.
- (7) **Compensation Reports** - The Contractor shall submit reports and information relating to the administration of wages, salaries and benefits as the Contracting Officer may require from time-to-time to evaluate the reasonableness of the Contractor's total compensation program.

(b) Compensation - Employee Welfare and Other Benefit Plans

(1) General

Net costs of employer payments for the following non-statutory employee benefit plans, as related to work under this Contract, are allowable subject to the limitations and conditions set out in FAR 31.2. The initial terms and conditions of the plans shall be submitted to and must be approved by the Contracting Officer. Copies of employee communications, such as Summary Plan Descriptions, shall be provided to DOE when issued. Costs incurred in the administration of the following plans are allowable:

- (i) Life Insurance (Basic, AD&D, Personal Accident, Dependent, other)
- (ii) Disability Plans (Short Term and Long Term)
- (iii) Medical Insurance Plan (Indemnity, HMO, PPO, other)
- (iv) Dental Insurance Plans
- (v) Vision Plan
- (vi) Retiree Medical and Life Insurance Plans

Other Benefit Plans

- (vii) Flexible Spending Account(s) and similar programs (e.g., VEBAs)
- (viii) Employee Assistance Program
- (ix) Other supplemental employee paid plans such as Group Universal Life, Long Term Care

(2) Separation Pay

- (i) The cost of separation pay allowances for employees with one (1) or more years of continuous service, who are involuntarily separated, will be allowable in accordance with the Contractor's policy. The initial policy, and any changes thereto which increase costs, require the approval of the Contracting Officer.
- (ii) In the event that responsibility for performance of work and services or operation of part or all of the government-owned facilities under this Contract (including standby protection and maintenance functions) is assumed by another Contractor or Government agency, employees who are transferred to the employ of, or who are offered employment within their same classification or at positions of comparable responsibility by such Contractor or agency, which employment will commence within thirty (30) days after being laid off, will not be paid any separation pay allowance.

- (3) FAS 106 Valuation – The Contractor will provide a copy of the FAS 106 Valuation to the DOE.

(c) Group Pension Plans

- (1) General – Costs of the Contractor's participation with other Hanford Site Contractors in the Operations and Engineering Pension Plan, and the Hanford Contractors Multi-Employer Pension Plan for Hanford Atomic Metal Trades Council (HAMTC) Represented Employees, or identical plans as approved by the Contracting Officer, will be allowable for the purpose of providing retirement benefits only to employees under the Contract, and former employees of predecessor Hanford Contractors, who are eligible to participate in one or the

other of the Plans in accordance with their terms. The Plans must be established and maintained as qualified defined benefit plans under the regulations of the Internal Revenue Code Service. The Plan and Trust documents and any amendments thereto which effect substantive changes or increase costs are subject to the approval of DOE. With respect to each of the plans, the parties agree as follows:

(2) Administration of the Plans

- (i) Costs of employer contributions incurred under the terms of said plans and costs incurred in the course of their administration are allowable to the extent approved by the Contracting Officer. At DOE request, the Contractor shall provide an itemization of costs incurred for administration. The plan fund, not the Contractor, shall be liable for costs incurred in the course of administration.
- (ii) The Contractor will provide to DOE copies of the following annual reports:
 - (A) Accounting reports and annual actuarial valuations. The reports and valuations will include at least the information specified in DOE Order 350.1, Chapter VI.
 - (B) DOL Form 5500 with schedules and attachments, as submitted to the Department of Labor each year.
 - (C) Financial Accounting Standards Board (FASB) Statement 87 Report. A copy of the FASB 87 report is prepared each year to satisfy the expense-reporting requirement of the Office of Management and Budget.

The final accounting period shall end with the effective date of Contract termination or expiration.

- (iii) Actuarial gains and losses developed by annual valuations will be taken into account for purposes of establishing contributions to the Plan as soon as reasonably possible and consistent with requirements of the Employee Retirement Income Security Act of 1974, amendments thereto, and any other applicable laws.
- (iv) The aggregate annual contribution to the pension fund may range from the minimum specified by the Internal Revenue Code (IRC) Section 412(b) to the amount necessary to fully fund the year-end expected current liability. However, the aggregate annual contribution to each plan shall be no less than the minimum specified by IRC Section 412(b) nor greater than the tax-deductible limit specified by the IRC Section 404. All contributions to each pension fund shall equal the total amount currently attributable to participants in the plans. These contributions will be based on the actuarial valuation, as determined by the *Employee Retirement Income Security Act of 1974* (ERISA), as amended valuation for the most recent plan year. The fund shall be a trust.

- (v) If requested by DOE to do so, the Contractor will participate in pension plans established on a multiple or multi-employer basis applicable to some or all DOE prime cost-type Contractors on the Hanford Site.

The Contractor will take no action concerning the termination, merger, or spin-off or other action affecting the status of the plans as separate contract-only plans without the approval of the Contracting Officer.

- (vi) Unless otherwise required by federal law or resulting from the collective bargaining process, no amendment to any of the pension plans shall result in allowable costs under this contract if the adoption date of such amendment is later than twelve (12) months before the termination or expiration date of the Contract.

(3) Actions Required at Contract Termination or Expiration

- (i) No Replacement Contractor - In the event that the Contract expires or is terminated without a replacement contractor; all employee-accrued benefits are to become 100 percent vested immediately irrespective of the Plan's vesting schedule. All employees would receive benefits equivalent to the value of their vested portion consistent with ERISA, as amended.
- (ii) Replacement Contractor Situation - In the event of reassignment of all or a portion of the Contractor's work under this contract to a replacement Contractor(s) or upon termination or expiration of said contract followed by a replacement Contractor(s) the Contractor will assist DOE in the necessary arrangements for the replacement Contractor(s) to take over the plans, plan assets and plan liabilities. Such arrangements shall include preserving for these employees their accrued pension benefit and vesting service time under the Contract by carrying forward Contractor pension service time to the replacement Contractor. Granting of such service credits shall not result in duplicate benefits for the same service time.
- (iii) Change of Plan Sponsor - The DOE shall have the unilateral right to change a plan sponsor upon termination or expiration of the Contract.
- (iv) Determination of Contract Service Pension Plan Assets and Liabilities
 - (A) Contract Service Assets - Contract Service Assets shall be determined in accordance with paragraph JB.4(c)(2)(ii)(A) above and shall include all assets attributable to DOE-funded employer contributions (including investment earnings thereon) and the employee accumulations (including investment earnings thereon) determined at current market value until the date of payment or transfer.
 - (B) Liabilities for Present and Future Benefits - The Contractor's actuary shall quantify liabilities for employee plan benefits as of the contract termination or expiration date.

- (4) **Financial Requirements** – Funds to be paid or transferred to any party as a result of settlements relating to pension plan termination or spin-off shall be placed in short-term investment funds from a date stipulated by the Contracting Officer until the actual date of funds transfer. The Contractor shall actively manage any DOE-reimbursed assets awaiting transfer to a successor trustee or to DOE until the successor trustee or DOE is able to assume stewardship of those assets.
- (5) **Special Programs** – The Contractor shall request DOE prior approval for each early-out program, window benefit, disability program, plan-loan feature, employee contribution refund, asset reversion, or incidental benefit. Such costs are unallowable until specifically approved by the Contracting Officer.

(d) Group Savings Plans

The Contractor will maintain two savings plans for employees who are eligible to participate in accordance with their terms; one plan for bargaining unit employees and one plan for non-bargaining employees (exempt and nonexempt). The plans must be established and maintained as qualified defined contribution plans under the regulations of the IRC. The plan and trust documents and any amendments thereto which effect substantive changes or increase costs are subject to the approval of the Contracting Officer. With respect to the Plans, the parties agree as follows:

- (1) Costs of employer matching contributions incurred and accrued under the terms of the plans are allowable. The plan fund, not the Contractor, shall be liable for the costs incurred in the course of its administration.
- (2) The Contractor will provide DOE with annual accounting reports within seven months after the close of a plan year. In addition, a copy of IRS Form 5500 will be provided to DOE each year when prepared by the Contractor.
- (3) Employee forfeitures of accrued benefits shall be in accordance with the terms of the Plan and such forfeitures shall be used to reduce Contractor contributions made on behalf of remaining participating employees.
- (4) In the event of Contract expiration or termination, the Contractor, if requested by DOE to do so, will transfer to a replacement Contractor the Plan, plan assets and plan liabilities.
- (5) The Contractor will take no action concerning termination, merger, spin-off, or other action affecting the status of the plans as separate, contract-only plans without the approval of DOE.

(e) Paid Absences

- (1) **Personal Time Off** – A Personal Time Bank (PTB) is established for eligible employees. Absences for leisure time off, personal time off, facility closure days (holidays), time away from work due to illness or injury, family emergencies or medical/dental appointments will be charged to the employee's PTB account if the employee wishes to receive pay for the absence.
 - (i) **Eligible Employee:** Regular full-time or part-time exempt and salaried non-exempt employees.
 - (ii) **Pay Rate:** Hours taken as time off will be paid at the employee's base salary rate in effect at the time of absence.

- (iii) Composition: Accrual rates will include the following:
- (iv) Vacation:

0-5 years service	80 hrs/yr
>5 years service	120 hrs/yr
>10 years service	160 hrs/yr
>20 years service	200 hrs/yr
- (v) Holidays: 72 hours designated as facility closure
Days 8 hours designated by employee as floater

The facility closure days include New Year's Day, President's Day*, Memorial Day*, July 4th, Labor Day, Thanksgiving Day, Friday After Thanksgiving, December 24, and Christmas Day.

*These days are observed on the day specified by Federal Law
- (vi) Sick/Personal:

Exempt	40 hrs/yr
Salaried non-exempt	56 hrs/yr
- (vii) Time Not Included: Absences for the following will not be taken from an employee's PTB account: Death in the family (up to 5 days per event), excused absence (EA) time (8 hours per year for employees who work north of the Wye Barricade), jury duty, military, road conditions, plant injury, volunteerism, and miscellaneous absences as defined in the PTB Policy.
- (viii) Cash Out Provision: During periods of active service, eligible employees may request partial cash out of accrued PTB hours.
 - (A) Employees will be allowed one cash out in a calendar year except in those cases where the employee is terminating.
 - (B) At least 120 hours must remain in the employee's account after the cash out.
 - (C) The maximum hours which may be cashed out in a calendar year are 120 hours in 2000 and thereafter.
 - (D) The rate of cash out will be at the base salary at the time of cash out. Cash out will be in one-hour increments.
 - (E) Employees may opt to put the cash directly into their after-tax Savings Plan account.
- (ix) Maximum PTB Hours: An employee may accumulate up to a maximum number of PTB hours as follows:
 - (A) In 2001 and thereafter – 1000 hours

(2) EXEMPT ACCRUALS (hours per biweekly pay period)

	<u>2000 and thereafter</u>
0-5 years of service	7.69
5-10 years of service	9.23
10 to 20 years of service	10.77
More than 20 years of service	12.31

(3) SALARIED NONEXEMPT ACCRUALS (hours per biweekly pay period)

	<u>2000 and thereafter</u>
0-5 years of service	8.31
5-10 years of service	9.85
10-20 years of service	11.38
More than 20 years of service	12.92

(f) Corporate Employees

Certain employees of the Contractor transferred from an affiliate to work under the Contract may continue to participate in their corporate group insurance, pension and savings, and severance pay plans. Costs for such continued participation while assigned to work under the Contract shall be billed to the Contract pursuant to applicable FAR cost principles and/or Cost Accounting Standards. DOE shall have no further obligation for costs incurred by the parent organizations on behalf of such employees after reassignment or termination from Contract work.

JB.5 TRAVEL AND RELOCATION COSTS

Necessary and reasonable expenses incurred by employees and prospective employees for travel and relocation at the request of the company in connection with work under this Contract are allowable, subject to applicable provisions of FAR Subpart 31.2. Project Assignment Allowances and outbound relocation costs upon termination or expiration are unallowable. In accordance with these regulations, Contractor employees transferred from corporate entities will be administered under the Contractor's common Relocation and Travel policies, which are subject to the review and approval of the Contracting Officer.

JB.6 COLLECTIVE BARGAINING AGREEMENTS

The Contractor will consult with DOE on all parameters before and during negotiations.

JB.7 WORK FORCE RESTRUCTURING

The Contractor will comply with the requirements of the applicable Hanford Site Work Force Restructuring Plan, which implements Section 3161 of the *National Defense Authorization Act for Fiscal Year 1993*. Costs associated with the implementation shall be allowable for those activities described in the applicable Plan

JB.8 EMPLOYEE MORALE, RECREATION, SERVICE AWARDS, AND WELFARE PROGRAMS

Costs incurred for such programs are allowable in an amount not to exceed thirty-five dollars (\$35.00) per employee per year.

APPENDIX C - DOE DIRECTIVES

Federal Regulations and applicable Washington Administrative Code (i.e., WAC 173-303, etc.) governing DOE activities, and the following directives as revised are applicable to work and activities conducted/accomplished by contractors at the Hanford Site. The applicability of given Environment, Safety, and Health (ES&H) directives to a specific facility or work activity/project may be determined through the Standards/Requirements Identification Document (S/RID) process, as approved by the appropriate DOE authority. Upon approval of an S/RID, that set of requirements is the ES&H directive/requirements set applicable to the facility, work/activity or project and supersedes the ES&H directives included in this list of directives.

DOE ORDERS AND NOTICES

ORDER NUMBER/CHANGES	TITLE
DOE O 110.3	Conference Management
DOE O 130.1	Budget Formulation Process
DOE M 140.1-1A	Interface with the Defense Nuclear Facilities Safety Board
DOE N 142.1	Unclassified Foreign Visits and Assignments
DOE O 151.1/1&2	Comprehensive Emergency Management System
DOE N 205.1	Unclassified Cyber Security Program
DOE O 210.1/1&2	Performance Indicators and Analysis of Operations Information
DOE O 224.1	Contractor Performance-Based Business Management Process
DOE O 225.1A	Accident Investigations
DOE O 231.1	Environment, Safety, and Health Reporting
DOE O 232.1A	Occurrence Reporting and Processing of Operations Information
DOE M 232.1-1A	Occurrence Reporting and Processing of Operations Information
DOE O 241.1	Scientific and Technical Information Management
DOE O 251.1A	Directives System Order
DOE O 311.1A	Equal Opportunity and Diversity Program
DOE O 350.1	Contractor Human Resources Management Programs
DOE O 413.1	Management Control Program
DOE O 413.3	Program and Project Management for the Acquisition of Capital Assets
DOE O 414.1A	Quality Assurance
DOE O 420.1/2	Facility Safety
DOE O 425.1A	Startup and Restart of Nuclear Facilities
DOE O 434.1 CRD	Accounting
DOE O 430.1A	Life-Cycle Asset Management
DOE O 435.1	Radioactive Waste Management
DOE O 440.1A	Worker Protection Management for DOE and Contractors
DOE O 440.2/1&2	Aviation
DOE M 440.2	Aviation Manual
DOE O 442.1	Department of Energy Employee Concerns Program
DOE P 450.5	Line Environment, Safety and Health Oversight
DOE O 451.1A	National Environmental Protection Act Compliance Program
DOE O 460.1A	Packaging and Transportation Safety
DOE O 460.2/1	Departmental Materials Transportation and Packaging Management
DOE O 460.2 CRD	Departmental Materials Transportation and Packaging Management
DOE O 470.1/1	Safeguards and Security Program
DOE O 470.2A	Safeguards and Security Independent Oversight Program
DOE O 471.1A	Identification and Protection of Unclassified Controlled Nuclear Information

DOE M 471.1-1	Identification and Protection of Unclassified Controlled Nuclear Information Manual
DOE O 471.2A	Information Security Program
DOE M 471.2-1B	Classified Matter Protection and Control Manual
DOE O 472.1B	Personnel Security Activities
DOE O 474.1	Control and Accountability for Nuclear Materials
DOE M 474.1-2/1&2	Nuclear Materials Management and Safeguards System Reporting and Data Submission
DOE M 475.1/1	Identifying Classified Information
DOE O 481-1	Work for Others (Non Department of Energy Funded Work)
DOE M 481.1-1	Reimbursable Work for Non-Federal Sponsors Process Manual
DOE O 534.1	Accounting
DOE O 551.1A	Official Foreign Travel
DOE 1220.1A/1	Congressional and Intergovernmental Affairs
DOE 1230.2	American Indian Tribal Government Policy
DOE 1270.2B	Safeguards Agreement with the International Atomic Energy Agency
DOE 1340.1B	Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1450.4	Consensual Listening-In To or Recording Telephone/Radio Conversations
DOE 1800.1A/1	Privacy Act
DOE 2030.4B	Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE 2100.8A	Cost Accounting, Cost Recovery, & Interagency Sharing of Information Technology Facilities
DOE 2110.1A/1&2	Pricing of Departmental Materials and Services
DOE 2300.1B	Audit Resolution and Follow-Up
DOE 2320.1C	Cooperation with the Office of the Inspector General
DOE 2320.2B	Establishment of Departmental Position on Inspector General Reports
DOE 4330.2D	In-House Energy Management
DOE 4330.4B	Maintenance Management
DOE 5400.1	General Environmental Protection Program
DOE 5400.5/1&2	Radiation Protection of the Public and the Environment
DOE N 5400.9	Sealed Radioactive Source Accountability
DOE 5480.10	Contractor Industrial Hygiene Program
DOE 5480.11/1-3	Radiation Protection for Occupational Workers
DOE N 5480.11	Extension of Radiological Control Manual, Rev. 1
DOE 5480.19/1	Conduct of Operations Requirements for DOE Facilities
DOE 5480.20A	Personnel Selection, Qualifications, and Training Requirements for DOE Nuclear Facilities
DOE 5480.21	Unreviewed Safety Questions
DOE 5480.22/1&2	Technical Safety Requirements
DOE 5480.23/1	Nuclear Safety Analysis Reports
DOE 5480.4/1-4	Environmental Protection, Safety, and Health Protection Standards
DOE 5530.1A	Accident Response Group
DOE 5530.2	Nuclear Emergency Search Team
DOE 5530.3/1	Radiological Assistance Program
DOE 5530.4	Aerial Measuring System
DOE 5530.5/1	Federal Radiological Monitoring and Assessment Center
DOE 5560.1A	Priorities and Allocations Program
DOE 5610.13	Joint Department of Energy/Department of Defense Nuclear Weapon Safety, Security, and Control Activities
DOE 5610.2/1	Control of Weapon Data
DOE 5632.1C	Protection and Control of Safeguards and Security Interests
DOE M 5632.1C-1/1	Manual for Protection and Control of Safeguards and Security Interests (Except Chapter III, paragraphs 1, 2, and 4 through 9)
DOE 5660.1B	Management of Nuclear Materials

DOE 5670.1A	Management and Control of Foreign Intelligence
DOE 5670.3	Counterintelligence Program
DOE 5820.2A	Radioactive Waste Management
DOE 6430.1A	General Design Criteria
DOE/RW-0333P	Rev. 8, Quality Assurance Requirements and Descriptions
SEN-22-90	DOE Policy on Signatures of RCRA Permit Applications
SEN-35-91	Nuclear Safety Policy

DOE Accounting Practices and Procedures Handbook (APPH), Chapter X, Product Cost Accounting, dated June 30, 1980.

S/RIDS

<u>DOC. NUMBER</u>	<u>REVISION</u>	<u>TITLE</u>
HNF-SD-MP-SRID 001	2	River Protection Project Standards/Requirements Identification Document

RL/DOE-ORP DIRECTIVES

<u>DOC. NUMBER</u>	<u>TITLE</u>
HSL&T-1	Hanford Site Lock and Tag Standard, DOE-RL-SOD-INST-L&T.001
ORPID 110.1A	ORP Facility Representative Program
DOE-0223	RL Emergency Implementing Procedures
DOE-0225	Hanford Emergency Assessment Resource Manual (HEARM)
HFID 232.1B	Notification, Reporting, and Processing Operations Information
RLID 430.1	Systems Engineering Criteria Document and Implementing Directive
RLPD 430.1	Hanford Site Systems Engineering Policy
RLPD 450.1	Hanford Environment, Safety and Health Policy
RLID 470.1	Safeguards and Security Corrective Action Management System
RLID 470.2	Facility Approval and Registration of Activities
RLID 471.2B	Information Security Program
RLID 473.1	Protection of Safeguards and Security Interests
RLID 473.2	Hanford Site Access Eligibility
RLIPP 1322.1B	RL Forms Management
RLID 1360.2B	Unclassified Computer Security Program
RLID 5000.1	Baseline Execution and Management Process
RLPD 5000.1	Richland Operations Office Site Management System
RLID 5000.2	Long Range Planning Process
HNF-5183	Tank Farm Radiological Control Manual
RLID 5480.19	Conduct of Operations Requirements for RL
RLID 5480.29	RL Employee Concerns Program
RLID 5480.31	Startup and Restart of Facilities Operational Readiness Review and Readiness Assessment
RLIP 5484.1A	Environmental Protection, Safety, and Health Protection Information Reporting Requirements
RLID 5633.3	Control and Accountability of Nuclear Materials at RL
RLID 5635.1	Special Access and Top Secret Access Authorization
RLID 5670.3A	Counterintelligence Program
DOE/RL-92-36	Hanford Site Hoisting and Rigging Manual
DOE/RL-92-49	Radiological Assistance Program Plan - Region 8
DOE/RL-93-75	Hanford Facility Contingency Plan
DOE/RL-94-02, Rev 2	Hanford Emergency Response Plan
DOE/RL-94-55	Hanford Analytical Services QA Plan

CH2M HILL Hanford Group, Inc.
Contract No. DE-AC27-99RL14047, Modification M030

Part III
Section J

DOE/RL-94-97 Selection of Analytical Methods for Mixed Waste Analysis at Hanford
DOE/RL-94-125 Federal Building Self Protection Plan
DOE/RL-96-68 2 Hanford Analytical Services Quality Assurance Requirements Document
DOE/RL-96-109 Rev 2 Hanford Site Radiological Control Manual (HSRCM-1, Rev.2)

APPENDIX D - PERFORMANCE BASED INCENTIVES

This Appendix D, in combination with Section C, *Statement of Work*, constitutes the minimum performance requirements of the Contract. In addition, successful achievement of all funded work set forth in Section C and the performance-based incentives (PBI) contained in this Appendix D, constitutes satisfactory Contract performance. Table D-1 is a summary of the fiscal year (FY) 2001 through 2006 PBIs, including a list of potential SSPBI areas.

Table D-1
 Summary of FY2001 through FY2006
 Performance Based Incentives

Number	Title	Percent of Available Fee Pool	Available Fee Pool	Estimated Cost of Work Scope (000)
ORP-1	Project W-314	15.40%		\$ 236,256
ORP-2	Retrieval Systems (W-211 and W-521)	4.10%		\$ 43,213
ORP-3	Store Immobilized High Level Waste (IHLW)	2.90%		\$ 55,873
ORP-4	Dispose of Immobilized Low Activity Waste (ILAW)	5.50%		\$ 65,324
ORP-5	SST Interim Stabilization	8.00%		\$ 80,972
ORP-6	Initial Waste Feed Delivery	5.70%		\$ 112,366
ORP-7	SST Retrieval - Tank C-104	9.60%		\$ 88,475
ORP-8	Facility Stabilization	4.70%		\$ 25,236
ORP-9	Life Cycle Asset Management	6.40%		\$ 49,693
ORP-10	DST Integrity Assessment Reports	3.40%		\$ 18,617
ORP-11	242-A Evaporator Life Cycle Asset Management	1.30%		\$ 6,536
ORP-12	Tank Characterization	1.80%		\$ 25,167
ORP-13	Tank Farm - Closure Support	6.40%		\$ 57,939
ORP-14	SST Retrieval - Tank S-102 (Note: includes SSPBI work, see below)	1.60%		\$ 18,998
ORP-15	Corporate Performance	14.70%		NA
ORP-16	WTP Interim Design and Transition	2.30%		\$ 56,500
	Unallocated Fee (See Clause H.1)	6.20%		NA
	Total	100.00%	\$ 106,100,000	
FY 2000 through FY 2006 Super Stretch Performance Incentives				
Number	Title	Available Fee		
	The following SSPBIs are Negotiated and Approved:			See Note 2
ORP2.1.3S	Advanced Preparation of 241-SY-101 for Retrieval and for Receiving and Staging	\$ 1,390,000		\$ 6,948
ORP3.8.2S	Transfer Waste from 241-AW-104 to Evaporator Feed Tank	\$ 760,000		\$ 4,526
ORP8.1.2S	Acceleration of Project W-519	\$ 400,000		NA
ORP-19	DST Caustic Addition	\$ 1,386,000		\$ 8,047
	Total	\$ 3,936,000		
	The following SSPBIs are Pending Final Negotiation:			
ORP-14	SST Retrieval - Tank S-102	TBD		\$ 73,731
ORP-17	FY2001 Deferred Work Scope	TBD		\$ 8,994
ORP-18	Accelerate W-520 Construction of the ILAW Disposal Facility	TBD		\$ 11,826
ORP-20	SST Retrieval Tank S-112	TBD		\$ 36,870
ORP-22	Accelerate W-464 Construction of IHLW Storage Facility	TBD		\$ 30,000
ORP-23	Accelerate W-525 Construction of the Tank Farm Infrastructure and Compliance Upgrades	TBD		\$ 47,576
See Note 1				
	Estimated Cost of Work Associated with Specific Incentives			\$ 1,169,683
	Estimated Cost of Work Subject to ORP-15 and Unallocated Fee			\$ 1,324,929
	Baseline per Section C, Clause C.3(a) and Technical Exhibit A			\$ 2,494,612
Note 1: The number "ORP-21" is Reserved at this time.				
Note 2: Estimated cost of SSPBI work scope excludes fee.				

The following is a list of Potential SSPBI Areas			
Remove Organic Layer from C-103			\$ 2,500
Accelerate Salt Cake Retrieval			\$ 2,700
Remove SY-103 from Watch List			\$ 8,630
Vadose Zone Work Acceleration in Support of SST Farm Closure			\$ 1,330
Accelerate SST Retrieval Crawler Development			\$ 2,000
C-106 Closure Evaluation			\$ 1,325
Accelerate SST Leak Detection Upgrade			\$ 3,050
Enhanced Interim Stabilization of Equipment			\$ 15,000
Enhance Interim Stabilization of BY-103 and A-103			\$ 4,600
Subtotal Estimated Cost of Work (Excluding Fee) for Potential SSPBI Areas			\$ 41,135

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Project W-314

Project Baseline Summary (PBS): TW03 Work Breakdown Structure (WBS) 1.01.02.02.01

Maximum Available Incentive Fee: 15.4 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/T. Hoertkorn

Contractor Point of Contact: D. Allen/R. Root

**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:

1. Complete the following upgrades by September 30, 2001: Items a) through c) below, provide a general scope of construction.
 - a) AY tank farm upgrades for Pit AY-02A and line SN-633 backfill and new SY tank farm annulus ventilation exhauster. (Earn 9% of fee.)
 - b) AW tank farm upgrades: AW tank farm definitive design, Pit AW-B construction that requires open pit, complete new cover block installation, remove cover blocks from Pit AW-A, complete fabrication of nozzle seals, drain plugs, valve handles and actuators, and pour new cover blocks. (Earn 9% of fee.)
 - c) AZ tank farm upgrades: for Pit AZ-01A, Pit AZ-02A and backfill of Lines SN-631, SN-632, and DR-100. (Earn 8% of fee.)
2.
 - a) Complete Installation of the Master Pump Shutdown System by 9/30/02. (Earn 8% of fee.)
 - b) 200 East Waste Transfer System upgrades: new AZ valve pit, lines SLN-3150 and SLL-3160 Acceptance Test Procedures (ATPs) (pressure boundary testing) lines SN-630, SN-634, SN-636, and SN-637 ATPs (pressure boundary testing) by 09/30/02. (Earn 8% of fee.)
3. Complete AZ/AY Transfer System Upgrades and AN Tank Farm Upgrades (Phase 1 and 2) by 9/30/03. (Earn 21% of fee)
4. Complete AP Tank Farm Upgrades by 9/30/04. (Earn 16% of fee.)
5. Complete Project W-314 baseline scope by 6/30/05. (Earn 21% 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 through 4 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 1, 2, 3, or 4 are completed late, the fee associated with the missed performance expectation(s) will be deferred until Performance Expectation 5 is completed. Performance Expectation 5 must be completed by 6/30/05, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 5.

1. Items a) through c) below give a general scope of construction.
 - a) AY & SY tank farm upgrades:
 - a. Complete ATP for Pit AY-02A.
 - b. Complete Line SN-633 backfill.
 - c. Complete Operational Test Procedure (OTP) for SY annulus ventilation exhauster.
 - b) AW tank farm upgrades:
 - a. Complete AW tank farm definitive design.
 - b. Complete Pit AW-B construction that requires open pit, complete new cover block installation, leak detector installation, and pour shield collar.
 - c. Remove cover blocks from Pit AW-A, complete fabrication of nozzle seals, drain plugs, valve handles and actuators, and pour new cover blocks.
 - c) AZ tank farm upgrades:
 - a. Complete ATP for Pit AZ-01A upgrades.
 - b. Complete ATP for Pit AZ-02A upgrades.
 - c. Complete backfill of Lines SN-631, SN-632, and DR-100.
2. The Master Pump Shutdown System (Programmable Logic Controllers and Human Machine Interfaces) will be installed and the Acceptance Test Report will be issued. Complete ATPs for Waste Transfer System (WTS) Construction.
3. Completion of AZ and AY valve pit and transfer line and AN Tank Farm Upgrade construction.
4. Complete ATPs for AP Tank Farm Upgrades.
5. Project W-314 construction and required startup and turnover activities will be complete. CHG will complete the approved baseline (that is within the CHG/DOE contract period) for project completion including startup and turnover for operation.

Construction completion must meet the criteria in the Project Design Requirements Document and be complete in accordance with design drawings and procurement specifications, which are relied upon by ORP, this would include ORP directed changes to such documents subject to change control approval.

Pit Upgrades & New Pit Construction: Completion is successfully completing construction in accordance with design documents, Acceptance Inspections and ATP, unless otherwise defined in 1-5 above.

For Transfer & Drain lines: Welding complete and accepted and lines hydro tested. Line SN-633, SN-631, SN-632, and DR-100 will be backfilled.

For WTS:

- for pits completion is successfully completing construction in accordance with design documents, and Acceptance Inspections and ATPs.
- for transfer lines completion is successfully completing construction in accordance with design documents, and Acceptance Inspections and ATPs (lines hydro tested).
- WTS transfer lines will be tied into the cross site transfer prior to completion of Project W-314.

DEFINITIONS: *(define terms)*

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

Completion of definitive designs shall be documented by an approved Engineering Data Transmittal (EDT).

Completion of construction and testing activities shall be documented by an approved Job Control System sign-off sheet or status sheet for work related packages and by a Contractor letter documenting completion.

Submittal of the Acceptance Test Report (ATR) is evidence that ATP is complete and shall be submitted with the Performance Expectation Completion Notice.

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

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Retrieval Systems (W-211/W-521)

Project Baseline Summary (PBS): TW04 Work Breakdown Structure (WBS): 1.01.02.02.01

Maximum Available Incentive Fee: 4.1 percent of the total available FY 2001 - 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/T. Hoertkorn

Contractor Point of Contact: D. Allen/R. Root

**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:

1. Complete AZ-101 Title II design, which includes detailed design of a transfer pump, piping jumpers, and supporting equipment that will work in conjunction with the existing AZ-101 mixer pumps to deliver feed to the future processing plant. Designs shall be completed by 9/30/01. (Earn 6% of fee.)
2. Complete TFC/WTP Title II design, which includes detailed design of four transfer lines from the proposed location of the new AP valve pit interface point to the Waste Treatment Plant property line (interface point). Designs shall be completed by 9/30/01. (Earn 6% of fee.)
3. Complete W-211 construction of the new AP-271 annex and existing AP-271 building modifications (W-211-AP24-C2 package), the AZ-156 control building modifications (W-211-AN5-C2 package), and the new AN caustic supply system (W-211-AN5-C3 package) by 5/16/01. (Earn 8% of fee.)
4. Complete AZ-101 retrieval system procurement and construction by 9/30/04. (Earn 20% of fee.)
5. Complete AN-101 retrieval system design, procurement and construction by 9/30/05. (Earn 40% of fee.)
6. Complete Construction/Procurement for AP Farm to Waste Treatment Plant transfer system, including pit modifications and new transfer line by 9/30/06. (Earn 20% 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 through 5 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 1, 2, 3, 4, or 5 are completed late, the fee associated with the missed performance expectation(s) will be deferred until Performance Expectation 6 is completed. Performance Expectation 6 must be completed by 9/30/06, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 6.

1. By 9/30/01, release the approved AZ-101 design media into the Hanford Document Control System. Completion is defined by approval of the Engineering Data Transmittal associated with the design package. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG-approved design to ORP for critical review.
2. By 9/30/01, release the approved TFC-WTP pipeline design media into the Hanford Document Control System. Completion is defined by approval of the Engineering Data Transmittal associated with the design package. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG-approved design to ORP for critical review.
3. By 5/16/01, complete W-211 construction of the AP-271/AZ-156 control building modifications and the AN caustic supply system. Completion is defined by approval of the Acceptance of Completed Work form.
4. Complete AZ-101 retrieval system procurement and construction. Completion is defined as:
 - Acceptance Test Procedures (ATP) – Each ATP developed during definitive design shall be completed with all steps signed off, exceptions noted, and signed by the government's A/I representative.
 - As-Built Drawings – Field walkdowns shall be completed, Engineering Change Notices (ECNs) and Nonconformance Reports (NCRs) incorporated, and drawings released to Engineering Document Control.
 - Acceptance for Beneficial Use (ABU) – Each ABU requirement shall be verified as complete, with the ABU approved by Project Management and Operations.
 - Construction Completion – Construction completion shall be documented on the Construction Completion Document approved by the Project, Operations, and the Acceptance Inspection (A/I), and submitted to ORP.
5. Complete AN-101 retrieval system design and procurement and construction. Completion is defined as:
 - Acceptance Test Procedures (ATP) – Each ATP developed during definitive design shall be completed with all steps signed off, exceptions noted, and signed by the government's A/I representative.
 - As-Built Drawings – Field walkdowns shall be completed, ECNs and NCRs incorporated, and drawings released to Engineering Document Control.
 - Acceptance for Beneficial Use – Each ABU requirement shall be verified as complete, with the ABU approved by Project Management and Operations.
 - Construction Completion – Construction completion shall be documented on the Construction Completion Document approved by the Project, Operations, and the A/I, and submitted to ORP.
6. Complete Construction/Procurement for AP Farm to Waste Treatment Plant transfer system, including pit modifications and new transfer. Completion is defined as:
 - Acceptance Test Procedures (ATP) – Each ATP developed during definitive design shall be completed with all steps signed off, exceptions noted, and signed by the government's A/I representative.
 - As-Built Drawings – Field walkdowns shall be completed, ECNs and NCRs incorporated, and drawings released to Engineering Document Control.
 - Acceptance for Beneficial Use – Each ABU requirement shall be verified as complete, with the ABU approved by Project Management and Operations.
 - Construction Completion – Construction completion shall be documented on the Construction Completion Document approved by the Project, Operations, and the A/I, and submitted to ORP.

DEFINITIONS: *(define terms)***Design Milestones:**

Title II design will consist of H-14 drawings, a transfer pump procurement specification, and a construction specification.

The Engineering Data Transmittal is the form used to release the design into the Hanford Document Control System.

Construction Milestones:

The AP-271 control building construction consists of a new AP-271 annex and modifications to the existing AP-271 control building as shown in the W-211-AP24-C2 design package.

The AZ-156 control building construction consists of modifications to the existing AZ-156 control building as shown in the W-211-AN5-C2 design package.

The AN caustic supply system construction consists of the installation of a new caustic supply system near AN Tank Farm as shown in the W-211-AN5-C3 design package.

The Acceptance of Completed Work (ACW) is the form used to document acceptance of the completed construction by the facility. In the case of the AN caustic supply system the ACW form will be used to document construction completion.

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

AZ-101 Retrieval System:

- AZ-101 retrieval system H-14 design drawings, as shown on the final master drawing list.
- AZ-101 transfer pump procurement specification.
- AZ-101 construction specification.
- Approved Engineering Data Transmittal for release of the design package.

2. TFC-WTP Pipeline:

- TFC-WTP pipeline Pit H design drawings, as shown on the final master drawing list.
- TFC-WTP pipeline pit procurement specifications.
- TFC-WTP pipeline pit construction specifications.
- Approved Engineering Data Transmittal for release of the design package.

3. Complete W-211 Construction:

- ACWform for the AP-271 control building construction.
- ACWform for the AZ-156 control building construction.
- ACWform for the AN caustic supply system construction.

4. Requirements items 4, 5, and 6 will be documented through a letter of completion of construction.

Completion of construction of systems shall be defined as: (see Section 4)

- a. Acceptance Test Procedure
- b. As-Built Drawings
- c. Acceptance for Beneficial Use
- d. Construction Completion Document

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS: *(For reasonably foreseeable impacts to performance that are within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Store Immobilized High Level Waste (IHLW)

Project Baseline Summary (PBS): TW09 Work Breakdown Structure (WBS): 1.01.04.02.02

Maximum Available Incentive Fee: 2.9 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/P. LaMont

Contractor Point of Contact: D. Allen/R. Root

**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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

PI consists of six elements:

1. Issue Project W-464 Project Execution Plan (PEP) and Design Requirements Document (DRD) and award contract for Preliminary Design for W-464. Due 7/02/01. (Earn 17% of fee)
2. Submit Project W-464 Part B Application, Rev.0, to ORP in support of TPA Milestone M-20-056. Due 5/30/2002. (Earn 18% of fee)
3. Submit Project W-464 Canister Storage Building (CSB) Final Safety Analysis Report (FSAR) markup Preliminary Safety Analysis Report (PSAR) and Safety Analysis Report for Packaging (SARP) to ORP for approval. Due 9/30/2002. (Earn 10% of fee)
4. Complete Project W-464 Design. Due 7/31/2004. (Earn 28% of fee)
5. Design of Shielded Canister Transporter completed. Due 12/31/2005. (Earn 13% of fee)
6. Complete construction of CSB annex except for CSB wall breaching. Due 9/30/2006. (Earn 14% 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 Expectation 1 is a target date. Fee can be earned by completing the performance expectation by the target date. If Performance Expectation 1 is completed late, the fee associated with the missed performance expectation will be deferred until Performance Expectation 2 is completed. Performance Expectation 2 must be completed by 5/30/02, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 2.

The completion dates for Performance Expectations 3 through 5 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 3, 4, or 5 are completed late, the fee associated with the missed performance expectation(s) will be deferred until Performance Expectation 6 is completed. Performance Expectation 6 must be completed by 9/30/06, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 6.

1. By February 7, 2001, submit Draft Project W-464 PEP and DRD for DOE-ORP review and comment in accordance with Review Comment Record (RCR) process. Comments from DOE-ORP shall be returned within 15 working days of the draft submittal date. Comments will be dispositioned. If a comment is not accepted, it will be dispositioned with a written explanation of non-acceptance. Final PEP and DRD will be issued for Project implementation by May 18, 2001. By July 2, 2001 a letter providing the Notice of Award for Preliminary Design of Project W-464 will be issued.
2. Submittal of Project W-464 Part B Application, Rev. 0, to ORP. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 5/30/2002.
3. Submit a copy of Project W-464 CSB FSAR markup (PSAR) and SARP to ORP for approval.
4. Release the approved Project W-464 design media into the Hanford Document Control System. Completion is defined by approval of the Engineering Data Transmittal associated with the design package. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG approved design to ORP for critical review.
5. Design of Shielded Canister Transporter approved by CHG.
6. Construction of CSB annex completed (except for CSB wall breaching) consistent with Title III inspection requirements defined in FY 2005.

DEFINITIONS: (define terms)

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

1. Letter (Notice of Award).
2. Project W-464 Part B Application.
3. Letter to ORP providing a copy of Project W-464 CSB FSAR markup (PSAR) and SARP.
4. Letter documenting completion of Project W-464 Design.
5. Letter documenting CHG approval of design of Shielded Canister Transporter.
6. Letter documenting construction of CSB annex completed except for CSB wall breaching.

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.)*

1. Assumes the Critical Decision process, or other ORP required reviews and approvals not specified in Section 4, will be performed within a time period of 30 calendar days. For example, ORP shall provide formal response for Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30-calendar day response.
2. Assumes renegotiation of TPA Milestone M-90-11, "Complete Canister Storage Facility Construction," from 2/01/2007 to 9/30/2009.

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Dispose Immobilized Low Activity Waste (ILAW)

Project Baseline Summary (PBS): TW09

Work Breakdown Structure (WBS): 1.01.04.01.02

Maximum Available Incentive Fee: 5.5 percent of the total available FY 2001 - 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Author: W. Taylor/P. LaMont

Contractor Point of Contact: D. Allen/R. Root

**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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:**PI consists of ten elements:**

1. Issue a draft FY 2001 Performance Assessment for review by U.S. Department of Energy Headquarters (DOE-HQ). Due 3/29/01. (Earn 5% of Fee)
2. Complete the Conceptual Design Report (CDR) for Project W-520. Due 5/31/01. (Earn 5% of Fee)
3. Obtain Borehole Number 2 samples and issue a summary report on the samples. Due 9/27/01. (Earn 5% of Fee)
4. Submit Project W-520 Part B Application, Rev.0, to ORP in support of TPA Milestone M-20-057. Due 7/31/2002. (Earn 10% of fee)
5. Issue Project W-520 Execution Plan. Due 9/30/2002. (Earn 5% of fee)
6. Submit a recommendation to ORP for the preferred concept and contractor scope of work for transportation and disposal of DOE immobilized high-level waste (IHLW) and immobilized low-activity waste (ILAW) samples and failed High Level and Low Activity melters. Due 12/31/2003. (Earn 12% of fee)
7. Complete Project W-520 design (TPA Milestone M-90-09-T01). Due 2/28/2005. (Earn 20 % of fee)
8. Submit Project W-520 Preliminary Safety Analysis Report (PSAR) and Safety Analysis Report for Packaging (SARP) to ORP for approval. Due 3/31/2005. (Earn 15% of fee)
9. Issue a draft FY 2005 Performance Assessment update for review by DOE-HQ. Due 3/31/2005. (Earn 9% of fee)
10. Start Construction of Project W-520 (TPA Milestone M-90-08). Due 2/28/2006. (Earn 14% 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.)*

1. By December 29, 2000, submit a draft FY 2001 Performance Assessment for U.S. Department of Energy – Office of River Protection (DOE-ORP) review and comment in accordance with the Review Comment Record (RCR) process. Comments from DOE-ORP shall be returned within 25 working days after December 29, 2000. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as "not accepted" with a written explanation for nonacceptance. A revised draft FY 2001 Performance Assessment with RCR comments incorporated shall be submitted by March 29, 2001 for review by DOE-HQ.
2. By April 20, 2001, submit a draft 90% CDR to DOE-ORP for review and comment in accordance with the RCR process. The 90% draft will include sketches, outline specifications, preliminary safety evaluation, block flow diagrams, cost estimates, design and construction schedules, and Budget Authority/Budget Outlay [BA/BO] schedules. The CDR shall meet the requirements of DOE Order 430.1A. Comments from DOE-ORP shall be returned within 15 working days from the draft submittal date in accordance with the RCR process. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as "not accepted" with a written explanation for nonacceptance. The final CDR shall be provided to DOE-ORP no later than May 31, 2001.
3. By March 29, 2001, complete drilling and collection of samples from Borehole Number 2 for the Immobilized Low-Activity Waste Disposal site. The borehole will be drilled, cased, and samples collected per the approved borehole sample plan. By August 30, 2001, a draft Borehole Number 2 Summary Report on sample properties shall be submitted to DOE-ORP for review and comment in accordance with the RCR process. Comments shall be returned within 15 working days from submittal of the draft report. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as "not accepted" with a written explanation for nonacceptance. The final Borehole Number 2 Summary Report on sample properties will be issued by September 27, 2001.
4. Submittal of Project W-520 Part B, Rev.0, Application to ORP. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 7/31/2002.
5. Submittal of Project W-520 Execution Plan. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 9/30/2002.
6. Letter to ORP providing a recommendation for the preferred concept and the proposed contractor scope of work for transportation and disposal of DOE IHLW and ILAW samples and failed High Level and Low Activity melters. The letter report shall provide an evaluation of a range of options that address cost, schedule, implementation risk, and regulatory concerns for each option. The letter report shall provide sufficient basis for selecting a preferred option.
7. Release the approved Project W-520 design media into the Hanford Document Control System. Completion is defined by approval of the Engineering Data Transmittal associated with the design package. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG approved design to ORP for critical review.
8. Submittal of Project W-520 PSAR and SARP to ORP for approval.
9. Submittal of draft FY 2005 Performance Assessment update for review by DOE-HQ. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 3/31/2005.
10. Letter reporting start of construction of Project W-520.

DEFINITIONS: *(define terms)*

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

1. Project W-520 FY 2001 Performance Assessment.
2. Project W-520 Conceptual Design Report.
3. Borehole Number 2 Summary Report on sample properties
4. Submittal of Project W-520 Part B Application, Rev. 0, to ORP.
5. Submittal of Project W-520 Execution Plan.

Letter to ORP containing the proposed contractor scope of work for transportation and disposal of DOE IHLW and ILAW samples and failed High Level and Low Activity melters.

- 7. Letter reporting completion of Project W-520 design.
- 8. Submittal of Project W-520 PSAR and SARP to ORP for approval.
- 9. Submittal of draft FY 2005 ILAW Performance Assessment update to ORP for review by DOE-HQ.
- 10. Letter reporting start of construction of Project W-520.

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.)*

- 1. Assumes the Critical Decision process, or other ORP required reviews and approvals not specified in Section 4, will be performed within a time period of 30 calendar days. For example, ORP shall provide formal response for Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30-calendar day response.
- 2. Assumes renegotiation of TPA Milestone M-90-09-T01, "Complete ILAW Disposal Facility Detailed Design," from 3/20/2004 to 3/31/2005.
- 3. Assumes renegotiation of TPA Milestone M-90-08, "Initiate ILAW Disposal Facility Construction," from 7/31/2004 to 3/31/2006.
- 4. Assumes renegotiation of TPA Milestone M-90-10, "Initiate Placement of ILAW Waste Canisters in ILAW Disposal Facility," from 1/31/2007 to 9/30/2008.

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001-2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Single-Shell Tank Interim Stabilization

Project Baseline Summary (PBS): TW03

Work Breakdown Structure (WBS): 1.01.01.03

Maximum Available Incentive Fee: *8 percent of the total available FY 2001 – 2006 incentive fee pool*

Type: Standard

**SECTION 2
Technical Contacts**ORP Point of Contact: *D. Bryson/W. Abdul*Contractor Point of Contact: *R Raymond/T. Hissong***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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

1. Complete Interim Stabilization of four tanks by September 30, 2001. (Earn 5% of fee per tank)
2. Reinitiate pumping of tanks A-101 and AX-101. (Earn 5.5% of fee per tank)
 - a) Initiate pumping of tank A-101 by February 12, 2001.
 - b) Initiate pumping of tank AX-101 by March 30, 2001.
3. Complete initiation of pumping of all Single-Shell Tanks (SSTs) (except tank C-103) listed in the Consent Decree no. CT-99-5076-EFS by September 30, 2002. (Earn 30% of fee)
4. Complete Interim Stabilization of all SSTs (except tank C-103) listed in the Consent Decree no. CT-99-5076-EFS by September 30, 2003. (Earn 31% of fee)
5. Complete Interim Isolation of remaining SSTs in accordance with the Project Plan (HNF-2358) by September 30, 2004. (Earn 8% of fee)

Contractor's failure to meet any of the Consent Decree requirements associated with the above milestone(s) may result in forfeiture of the fee for the associated milestone(s).

FY 2001-2006 PERFORMANCE BASED INCENTIVE

**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.)*

Items 2, 3:

- a) Initiation of interim stabilization for each tank will be accomplished when actual pump operation has commenced and the pump operates at least 60% of the time over a 72-hour consecutive period, transferring a total of not less than 500 gallons of pumpable liquid tank waste.
- b) Submit an Initiate Pumping Report to the ORP Director for Operations within 30 calendar days of completing the above requirement. This report shall include contractor validation packages for completed work.

Items 1 and 4:

- a) The Interim stabilization criteria are: (i) There is less than 5,000 gallons of supernate, and (ii) there is less than 50,000 gallons of drainable interstitial liquids, and (iii) the sustainable pumping rate (refill rate) is less than 0.05 gallons per minute. Requirement "(iii)" may be waived in the case of "major equipment failure," however, ORP may require the contractor to make the necessary repairs and pump additional liquid from the tank.
- b) Submit letter within 10 working days after a tank pumping has been stopped in anticipation of meeting the interim stabilization criteria documenting the rationale for shut down at that point.
- c) A cost benefit analysis shall also be provided in cases where the "major equipment failure criteria" are to be used. Tank will be considered interim stabilized only if it's accepted by DOE-ORP.

Item 5: Interim isolation is complete when the requirements for isolation specified in the Project Plan are met, and a letter is submitted to ORP documenting completion on or before 9/30/04.

Changes to the Project Plan shall be subject to ORP approval.

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

Liquid Waste Removal Reports
Initiate Pumping Reports
Tank stabilization reports.

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.)*

Completion of interim stabilization date is based on historical data for pumpable volume and liquid drain rates. Variations for actual pumpable volume or drain rates for a specific tank may constitute bases for adjustment and renegotiation assuming pump start dates and operating efficiencies of 45 percent were met for that specific tank.

FY 2001-2006 PERFORMANCE BASED INCENTIVE

**SECTION 5
Signatures**

~~ORP Contracting Officer's Representative/Date~~

~~CHG President and General Manager/Date~~

~~ORP Contracting Officer/Date~~

~~CHG Contract Representative/Date~~

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Initial Waste Feed Delivery

Project Baseline Summary (PBS): TW04

Work Breakdown Structure (WBS): 1.01.02.02.01

Maximum Available Incentive Fee: 5.7 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Point of Contact: N. Brown/J. Cruz

Contractor Point of Contact: D. Allen/R. Dodd

**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:

1. Install Transfer pump into tank AP-101 by 9/30/04. (Earn 14% Fee)
2. Obtain waste treatment plant certification samples of AZ-101 by 9/30/05. (Earn 5% Fee)
3. Obtain waste treatment plant certification samples of AP-101 by 9/30/05. (Earn 5% Fee)
4. Complete AP-101 Transfer system preparations and Integrated testing. Complete CHG Startup Checklist for transfer of Tank Waste to the Waste Treatment Plant by 9/30/05. (Earn 19% of Fee)
5. Complete AN-101 transfer system preparation and operational testing. Complete CHG startup checklist for transfer of waste by 9/30/06. (Earn 28% of Fee)
6. Complete AZ-101 Transfer system preparations and Integrated testing. Complete CHG Startup Checklist for transfer of Tank Waste to the Waste Treatment Plant by 9/30/06. (Earn 29% 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 3 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 1 or 3 are completed late, the fee associated with the missed performance expectation(s) will be deferred until Performance Expectation 4 is completed. Performance Expectation 4 must be completed by 9/30/05, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 4.

The completion date for Performance Expectation 2 is a target date. Fee can be earned by completing the performance expectation by a target date. If Performance Expectation 2 is completed late, the fee associated with the missed performance expectation will be deferred until Performance Expectation 6 is completed. Performance Expectation 6 must be completed by 9/30/06, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 6.

1. Install Transfer pump into tank AP-101
 - Procurement of new transfer pump and testing.
 - Removal and Disposal of the current pump.
 - Installation of new transfer pump and Connections.
 - Testing of the new transfer pump.

2. Obtain waste treatment plant certification samples of AZ-101.
 - Obtain core samples from AZ-101 to support the certification analysis.
 - Ship the samples to the laboratories.
 - Completion of analysis is not included in this Performance Based Incentive (PI).

Obtain waste treatment plant certification samples of AP-101

 - Obtain grab samples from AP-101 to support the certification analysis.
 - Ship the samples to the laboratories Note: Completion of laboratory analysis is not included in this PI.

4. Complete AP-101 Transfer system preparations and Integrated testing to support transfer of LAW to the WTP
 - Trained operations, Engineering, and Maintenance personnel.
 - Complete Operations and Maintenance procedures.
 - Complete operational Testing on components required to be operational and not tested by the projects and test system interfaces.
 - Complete PMs, calibrations, and functional tests which will be due prior to transfer.
 - Complete AB/Environmental compliance matrix documenting the instrumentation and processes used to comply with requirements.
 - Complete a startup checklist verifying completion of project construction work, testing, PMs and calibrations, training, O&M procedures, AB and environmental permitting requirements documentation. This includes completion of prestart activities identified in the checklist.

5. Complete AN-101 transfer system preparations and operational testing
 - Trained Operations, Engineering, and Maintenance personnel.
 - Complete O&M procedures.
 - Complete Operational Testing on components required to be operational and not tested by the projects and test system interfaces.
 - Complete PMs, calibrations, and functional tests which will be due prior to transfer.
 - Complete AB/Environmental compliance matrix documenting the instrumentation and processes used to comply with various requirements.
 - Complete a startup checklist verifying completion of project construction work, testing, PMs and calibrations, training, O&M procedures, AB and environmental permitting requirements documentation. This includes completion of prestart activities identified in the checklist.

Complete AZ-101 Transfer system preparations and Integrated testing.

- Trained Operations, Engineering, and Maintenance personnel.
- Complete Operations and Maintenance (O&M) procedures.
- Complete Operational Testing on components required to be operational and not tested by the projects and test system interfaces.
- Complete preventive maintenance (PMs), calibrations, and functional tests which will be due prior to transfer.
- Complete authorization basis (AB)/Environmental compliance matrix documenting the instrumentation and processes used to comply with various requirements.
- Complete a startup checklist verifying completion of project construction work, testing, PMs and calibrations, training, O&M procedures, AB and environmental permitting requirements documentation. This includes completion of prestart activities identified in the checklist.

DEFINITIONS: *(define terms) None*

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

1. Install transfer pump into tank AP-101
 - Complete work package for the removal and installation of the new transfer pump.
2. Acceptance test report documenting satisfactory operation of the AP-101 pump.
3. Obtain waste treatment plant certification samples of AZ-101.
 - Chain of custody form from the laboratories documenting acceptance of the samples.
4. Obtain waste treatment plant certification samples of AP-101
 - Chain of custody form from the laboratories documenting acceptance of the samples.
5. Complete AP-101 transfer system preparations and integrated testing.
 - Training completion rosters for necessary people obtaining system training.
 - Completed operations and maintenance procedures.
 - Completed work packages for the satisfactory performance of PMs and calibrations for needed components.
 - Operational Test Report documenting satisfactory performance of the transfer system.
 - AB/Environmental compliance matrix.
 - Complete startup checklist for the AP-101 transfer system.
6. Letter from Contractor to ORP documenting readiness to transfer AP-101 waste as stipulated in this document.
7. Complete AN-101 transfer system preparations and integrated testing.
 - Training completion rosters for necessary people obtaining system training.
 - Completed operations and Maintenance procedures.
 - Completed work packages for the satisfactory performance of PMs and calibrations for needed components.
 - Operational Test Report documenting satisfactory performance of the transfer system.
 - AB/Environmental compliance matrix.
 - Complete startup checklist for the AN-101 transfer system.

- Complete AZ-101 transfer system preparations and integrated testing.
- Training completion rosters for necessary people obtaining system training.
 - Completed operations and maintenance procedures.
 - Completed work packages for the satisfactory performance of PMs and calibrations for needed components.
 - Operational Test Report documenting satisfactory performance of the transfer system.
 - AB/Environmental compliance matrix.
 - Complete startup checklist for the AZ-101 transfer system.

9. Letter from Contractor documenting readiness to transfer AZ-101 waste as stipulated in this document.

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.)*

- The AZ-101 mixer pumps currently installed remain functional and do not need to be replaced.

SECTION 5
Signatures

ORP Contracting Officer's Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001-2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Single-Shell Tank Retrieval – Tank C-104

Project Baseline Summary (PBS): TW04

Work Breakdown Structure (WBS): 1.01.02.01

Maximum Available Incentive Fee: *9.6 percent of the total available FY 2001 – 2006 incentive fee pool*

Type: Stretch

**SECTION 2
Technical Contacts**ORP Point of Contact: *L. Erickson/R. Lober*Contractor Point of Contact: *R. Raymond/R. Wilson***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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

1. Acquire Cold Test, Training, and Mock-up Facility (CTTMF) and initiate testing in facility by June 30, 2002. The CTTMF must incorporate features that support the identified near term (2000-2006) needs of the Single-Shell Tank (SST) Program or have the capability to cost effectively add these features later to support the TPA milestone M-45 series. (Earn 17% of fee.)
2. Complete and submit to ORP the Conceptual Design Report (CDR) for C-104 Retrieval by September 28, 2001. (Earn 4% of fee.)
3. Complete draft Functions and Requirements (F&R) document for tank C-104, and submit to ORP by April 30, 2001. F&R document will detail SST target retrieval specification, leak detection monitoring and mitigation (LDMM) specification, both based on environmental risk/cost and retrieval/leak loss instrumentation and operational experience from DOE and industry as prescribed in M45-03-T04. (Earn 4% of fee.)
4. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval cold demonstration by April 30, 2004. This full-scale demonstration will be sufficient to support final design and testing of equipment, including LDMM approach used in the actual system. The demonstration must satisfy TPA M-45-03G). (Earn 17% of fee.)
5. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval design (to include physical systems including design and operating strategies necessary for LDMM) by July 30, 2004. (Earn 17% of fee.)

6. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval construction (to include physical systems including those necessary for LDMM) by July 30, 2006. (Earn 41% 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.)*

1. The CTTMF must allow the testing and evaluation of waste transfer components in simulated tank conditions and will provide a training area for the crews that remove/install waste transfer systems and components. By January 15, 2001, submit the CTTMF acquisition strategy to ORP documenting the procurement strategy, schedule, and necessary DOE actions and due dates. By July 30, 2001, release the procurement documentation. Completion is defined by CHG issuance of the Request for Proposal. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG-approved procurement package to ORP. By August 30, 2001, the RPP baseline must reflect a completion for obtaining beneficial occupancy and initiate testing by June 30, 2002.
2. Complete and submit to ORP by September 28, 2001, the CDR for C-104 Retrieval. The CDR will meet the requirements of a standard CDR with sufficient detail to support updating cost, schedule, and initiation of final design. Preliminary conceptual design activities may be initiated prior to obtaining Critical Decision 1.
3. Complete draft F&R document for tank C-104 and submit to the DOE (ORP) by April 30, 2001. This F&R document will address the elements discussed in M-45-03-T04 (e.g., Retrieval Performance Evaluations, LDMM strategy, lessons learned as well as standard F&R elements). Note for information only, this document will be submitted to Ecology for their comments (not approval) to support completion of the M-45-03-T04 TPA milestone.
4. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval cold demonstration. The demonstration will establish the performance of the equipment specified in the functions and requirements document. A letter report will be submitted to ORP to document the results of the cold demonstration. This product will meet the elements specified in TPA M-45-03G and will be submitted as a contractor approved document to ORP on or before April 30, 2004. (TPA date is 6/30/04 for ORP to submit letter to Ecology.)
5. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval design (to include physical systems including design and operating strategies necessary for LDMM. Design will be considered complete when CHG has approved 90% of the design for fabrication and/or construction and a letter is submitted to ORP documenting compliance with this requirement by the Contractor on or before July 31, 2004. This product will meet the elements specified in TPA M-45-03H. (TPA date is 9/30/2004.)
6. Complete C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval construction (to include physical systems including those necessary for leak detection monitoring and mitigation). Construction will be considered complete when process equipment is installed and acceptance test procedures (ATPs) are completed. The contractor will submit a letter documenting the completion of this activity to ORP on or before July 30, 2006. (TPA date is 9/30/2006.) This product will meet the elements specified in TPA M-45-03I.

DEFINITIONS: *(define terms)*

None identified.

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

1. Letter reports to ORP documenting CTTMF: a) acquisition strategy (procurement strategy, schedule, and necessary DOE actions and due dates, b) procurement documentation, c) baseline update to reflect completion of the CTTMF facility, and d) documenting beneficial occupancy and initiation of testing in the CTTMF.
2. Formal Contractor-approved CDR, C-104 Retrieval Demonstration.
3. Formal engineering report, F&R for C-104 Retrieval Demonstration. (DRAFT for Ecology review).
4. Letter report documenting the results of the cold demonstration which will establish the performance of the equipment specified in the functions and requirements document.
5. Letter to ORP documenting completion of the Design of the C-104 sludge/hard heel, confined sluicing and robotic technologies, waste retrieval design.
6. Letter to ORP documenting completion of construction of the C-104 sludge/hard heel, confined sluicing and robotic retrieval demonstration systems.

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.)*

1. The Critical Decision process, or other ORP required reviews or approvals, will be formally responded to within a time period of 30 calendar days. For example, ORP shall formally respond to Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of milestones will be given to the Contractor for delays beyond the 30 calendar day review.

**SECTION 5
Signatures**

ORP Contracting Officer's Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Facility Stabilization

Project Baseline Summary (PBS): TW03

Work Breakdown Structure (WBS) 1.01.05

Maximum Available Incentive Fee: 4.7 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Stretch

**SECTION 2
Technical Contacts**

ORP Point of Contact: D. Bryson/M. Barnard

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:

1. Establish acceptance criteria for transferring 242-T evaporator for Deactivation and Demolition (D&D). (10/30/02) (Earn 7% of Fee)
2. Complete the interim stabilization of 244-AR vault in accordance with M-45-11A. (9/30/03) (Earn 45% of Fee)
3. Complete the interim stabilization of 244-CR Vault per RPP-6029 Rev 0. (9/30/04) (Earn 21% of Fee)
4. Perform all work defined in the acceptance criteria for turnover of 242-T evaporator to the D&D contractor. (9/30/05) (Earn 27% 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, 3, and 4 are target dates. Fee can be earned by completing the performance expectation by a target date. If Performance Expectations 1, 3, or 4 are completed late, the fee associated with the missed performance expectation(s) will be deferred until completion of Performance Expectations 1, 3, and 4. Performance Expectations 1, 3, and 4 must be completed by 9/30/06, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectations 1, 3, and 4.

1. The acceptance criteria shall:
 - Define the deliverables and organizational responsibilities, scope of work, and required objectives to achieve turnover of the 242-T evaporator to the D&D contractor.
 - Provide a cost estimate for performing the scope of work.
 - Provide a schedule for performing the scope of work.
 - Complete the scope of work as defined by the acceptance criteria for transitioning to the 242-T evaporator facility.
2. Complete Stabilization of the 244-AR Vault in accordance with TPA agreement M-45-11A as defined in "244-AR Vault Interim Stabilization Project Plan," RPP-5635, Rev. 0, dated March 24, 2000.
 - Removal of pumpable liquid from 244-AR Vault tanks.
 - Removal of pumpable liquids from the vault itself and its associated sumps.
 - Isolation of the 244-AR vault.
 - Provisions for the removal of pumpable liquids which may accumulate in the future.
 - Installation of intrusion prevention mechanisms as may be necessary.
 - Establishment of periodic liquid level monitoring systems for the detection of accumulating liquids prior to final closure.
3. Complete the interim stabilization of 244-CR Vault per RPP-6029, Rev. 0, "244-CR Vault Interim Stabilization Project Plan."
 - Removal of pumpable liquid from 244-CR Vault tanks.
 - Removal of pumpable liquids from the vault itself and its associated sumps.
 - Isolation of the 244-CR vault.
 - Provisions for the removal of pumpable liquids which may accumulate in the future.
 - Installation of intrusion prevention mechanisms as may be necessary.
 - Establishment of periodic liquid level monitoring systems for the detection of accumulating liquids prior to final closure.
4. Complete the scope of work defined in the acceptance criteria for turnover of 242-T evaporator to the D&D contractor.

DEFINITIONS: *(define terms) None*

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

1. Acceptance criteria.
2. Letter from Contractor documenting completion of TPA M-45-11A, 244-AR interim stabilization.
3. Letter from Contractor documenting completion of 244-CR interim stabilization.
4. Letter from Contractor documenting turnover of 242-T evaporator to the D&D contractor.

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's Representative/Date

~~_____~~
CHG President and General Manager/Date

~~_____~~
ORP Contracting Officer/Date

~~_____~~
CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Life Cycle Asset Management
Project Baseline Summary (PBS): TW03 Work Breakdown Structure (WBS) 1.01.01.02
Maximum Available Incentive Fee: 6.4 percent of the total available FY 2001 – 2006 incentive fee pool
Type: Stretch

**SECTION 2
Technical Contacts**

ORP Point of Contact: A. Sidpara/D. Bryson
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 (PI) 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 Tank Farm equipment, and evaluate the capability of that equipment to support long-term missions. This Performance Based Incentive (PI) consists of seven elements:

1. Implement and commence execution of the Reliability Centered Maintenance (RCM) program for the Double Shell Tank (DST) Farms. Scope is to develop an administrative procedure for RCM, train key operations, maintenance and engineering personnel and implement as a pilot on one DST system. (9/30/2001) (Earn 19% of fee)
2. Condition assessment evaluations for four tank farms – AW, AP, AY and SY. Scope includes updating the present condition assessment survey procedure to incorporate DOE O 430.1A requirements as it relates to condition assessments, assessing the capability of critical systems to support the long-term Waste Feed Delivery (WFD) mission, and evaluating essential spares and the required maintenance of spares needed to support the WFD mission. (2/28/2002) (Earn 25% of fee)
3. Expand the RCM program developed in FY 2001 to encompass DST ventilation systems. The expanded program will be operational. (9/30/2003) (Earn 13% of fee)
4. Implement pilot predictive maintenance program for DST ventilation systems. (6/30/2003) (Earn 10% of fee)
5. Update Master Equipment List and provide an Operations and Maintenance (O&M) strategy for Tank Farm operations through 2018. (12/31/2004) (Earn 13% of fee)

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

6. Accomplish C Farm upgrades to support retrieval of C-104. (7/30/2006) (Earn 5% of fee)
7. Complete LCAM Baseline Assessments 5 Year update. (6/30/2006) (Earn 15% 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.)*

1. Completion documentation for RCM implementation and commencement of execution shall consist of:
 - Administrative procedure defining RCM implementation for Double Shell Tank Farms
 - Training materials and course completion rosters
 - Report documenting completion of implementation for the pilot system, including system analysis and the resulting new and/or revised maintenance tasks
2. Completion documentation for condition assessment shall consist of:
 - Reports for AP, AW, AY, and SY documenting results and recommendations from the condition assessment evaluations
3. Completion documentation for RCM implementation shall consist of:
 - Report documenting completion of implementation of RCM for DST ventilation systems, including system analysis and the resulting new and/or revised maintenance tasks
4. Completion documentation for implementation of pilot predictive maintenance program for DST ventilation systems shall consist of a letter to ORP providing a copy of the implementing procedure, training rosters, and a report of the baseline readings obtained on the ventilation systems.
5. Completion documentation for the updates accomplished to the Master Equipment List shall consist of a letter detailing the updates made. Complete letter report detailing O&M strategy through 2018.
6. Completion documentation for the C Farm upgrades to support retrieval of C-104 shall be a letter detailing the upgrades.
7. Completion documentation for 5-year update to the LCAM Assessments shall consist of a report for each DST Tank Farm documenting results and recommendations from the condition assessment evaluations, consistent with the acceptance criteria defined by DOE.

DEFINITIONS: *(define terms)*

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

1. Letter documenting completion of the RCM Implementation.
 - Administrative procedure defining the implementation of RCM in the DST Farms.
 - Training materials and course completion rosters for RCM.
 - Supporting document detailing the RCM analysis of the pilot system.

- New/revised maintenance procedures to implement the results of the RCM evaluation of the pilot system.
2. Letter documenting Completion of the condition assessments:
 - Supporting documents for AW, AP, AY, and SY tank farm condition assessments.
 3. Completion documentation for RCM implementation shall consist of:
 - Report documenting completion of implementation of RCM for DST ventilation systems, including system analysis and the resulting new and/or revised maintenance tasks.
 - New/revised maintenance procedures to implement the results of the RCM evaluation.
 4. Letter to ORP providing a copy of the implementing procedure, training rosters, and a report of the baseline readings obtained on the ventilation systems.
 5. Letter to ORP detailing the updates made to the Master Equipment List.
 6. Letter to ORP detailing the upgrades made to C Tank Farm to support retrieval of C-104.
 7. Completion documentation for 5 year update to the LCAM Assessment shall consist of a report for DST Tank Farms documenting results and recommendations from the condition assessment evaluations.

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

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001-2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Double Shell Tank Integrity Assessment Reports

Project Baseline Summary (PBS): TW03

Work Breakdown Structure (WBS): 1.01.01.02.04

Maximum Available Incentive Fee: 3.4 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Stretch

**SECTION 2
Technical Contacts**

ORP Point of Contact: D. Bryson/R. Harwood

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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

1. Perform Double Shell Tank (DST) integrity testing and reporting in accordance with State of Washington Administrative Orders 00NWPKW-1250 and 1251. Reporting documentation will be submitted to ORP 30 calendar days prior to the legal requirement to allow DOE review, comment incorporation, and transmittal to Ecology. Ecology's input to deliverables will be actively solicited. (15% total fee)
 - a) Submit a written report to ORP which meets the requirements of Section 5 of the above Administrative Orders by November 16, 2000. (Earn 5% of fee)
 - b) Submit a written report to ORP which meets the requirements of Section 6 of the above Administrative Orders by June 18, 2001. (Earn 5% of fee)
 - c) Submit a written report to ORP which meets the requirements of Section 7 of the above Administrative Orders by August 30, 2001. (Earn 5% of fee)

If the contractor fails to achieve one or more of the contract deliverable due dates above, and the contractor supports ORP to provide the deliverable to Ecology by the Administrative Order due dates, 3% of fee may be earned each for 1a, 1b and 1c. (Earn 3% of fee for each missed deliverable [1a, 1b and 1c] each for a total of up to 9% fee)

2. Submit a project plan to ORP that includes the deliverables required and defined by the above Administrative Orders by November 30, 2000. (Earn 4% of fee total)

FY 2001-2006 PERFORMANCE BASED INCENTIVE

3. Perform DST integrity testing and reporting in accordance with State of Washington Administrative Orders 00NWPKW-1250 and 1251. Reporting documentation will be submitted to ORP 30 calendar days prior to the legal requirement to allow DOE review, comment incorporation, and transmittal to Ecology. Ecology's input to deliverables will be actively solicited.
- a) Submit a written report to ORP, which meets the requirements of Section 8 of the Administrative Order, documenting results of ultrasonic testing of the primary tank walls in four DSTs not previously examined by ultrasonic testing by August 30, 2002. (Earn 19% of fee)
 - b) Submit a written report to ORP, which meets the requirements of Section 9 of the Administrative Order, documenting results of ultrasonic testing of the primary tank walls in four DSTs not previously examined by ultrasonic testing by August 30, 2003. (Earn 19% of fee)
 - c) Submit a written report to ORP, which meets the requirements of Section 10 of the Administrative Order, documenting results of ultrasonic testing of the primary tank walls in four DSTs not previously examined by ultrasonic testing by August 30, 2004. (Earn 19% of fee)
 - d) Submit a written report to ORP, which meets the requirements of Section 11 of the Administrative Order, documenting results of ultrasonic testing of the primary tank walls in four DSTs not previously examined by ultrasonic testing by August 30, 2005. (Earn 14% of fee)
 - e) Submit a written report to ORP, which meets 2 of 6 of the requirements of Section 13 of the Administrative Order, documenting results of ultrasonic testing of the primary tank walls in two DSTs previously examined by ultrasonic testing by August 30, 2006. (Earn 2% of fee)
 - f) Submit a written Integrity Assessment report for the DST system to ORP, which meets the requirements of Section 12 of the Administrative Order by February 28, 2006. (Earn 8% of fee)

If the contractor fails to achieve one or more of the contract deliverable due dates above, and the contractor supports ORP to provide the deliverable to Ecology by the Administrative Order due dates, 9% of fee may be earned each for 3a through 3d. (9% of fee for each missed deliverable [3a through 3d] each for a total of up to 36% fee)

Contractor's failure to meet any of the administrative order requirements associated with the above milestone(s) may result in forfeiture of the fee for the associated milestone(s). If Ecology can demonstrate that a deliverable does not meet the administrative order requirement then the associated fee paid above may be revoked.

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.)

- 1. Completion requirements for requirements 1.a) through 1.c), are defined in State of Washington Administrative Order 00NWPKW-1250 and 1251. ORP will provide comment to CHG within 10 working days of report delivery. CHG will provide revised report to ORP with comments resolved at least 5 working days prior to required delivery date of the Administrative Orders.

Tank System Structural Integrity Program Plan* will define and integrate the life cycle baseline for accomplishing the Administrative Order deliverables. Required scope, schedule and cost will be defined and submitted for incorporation into the ORP Baseline.

*Tank System Structural Integrity Program Plan will not include associated actions from requirement 3.1.a).

3. Completion requirements for requirements 3.a) through 3.f) are defined in State of Washington Administrative Order 00NWPKW-1250 and 1251. ORP will provide comment to CHG within 10 working days of report delivery. CHG will provide revised report to ORP with comments resolved at least 5 working days prior to required delivery date of the Administrative Orders.

DEFINITIONS: *(define terms)*

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

1. For requirement 1.a) through 1.c), Written reports as defined in State of Washington Department of Ecology Administrative Order 00NWPKW-1250 and 1251.
2. For requirement 2, Tank System Structural Integrity Program Plan.
3. For requirement 3.a) through 3. f), written reports as defined in State of Washington Department of Ecology Administrative Order 00NWPKW-1250 and 1251.

SECTION 5
Signatures

~~ORP Contracting Officer Representative/Date~~

~~CHG President and General Manager/Date:~~

~~ORP Contracting Officer/Date~~

~~CHG Contract Representative/Date~~

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

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Tank Characterization

Project Baseline Summary (PBS): TW01

Work Breakdown Structure (WBS): 1.01.06.08.01

Maximum Available Incentive Fee: *1.8 percent of the total available FY 2001 – 2006 incentive fee pool*

Type: Stretch

**SECTION 2
Technical Contacts**

ORP Point of Contact: D. Bryson/Wen-Shou Liou

Contractor Point of Contact: D. Allen/R. Powell

**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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

1. Perform the following tank waste samples by September 30, 2001: (60% of fee)
 - Complete 10 Core Samples
 - Complete 14 Grab Samples
 - Complete 6 Type IV Vapor Samples
2. Complete Laboratory Analysis Reports (LARs) for the following tank waste samples by September 30, 2001: (20% of fee)
 - 2 LARs Based on Core Samples
 - 12 LARs Based on Grab Samples
 - 6 LARs Based on Vapor Samples
3. Complete the Draft and Final FY 2002 Technical Sampling Basis – Waste Information Requirements Documents (TSB-WIRD), as follows: (10% of fee)
 - Complete the Draft TSB-WIRD by June 15, 2001 (5%)
 - Complete Final TSB-WIRD by August 20, 2001 (5%)

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

- 4. Complete the following: (10% of fee)
 - 12 Tank Characterization Reports (TCRs) by September 20, 2001,
 - deliverables defined in the FY01 TSB-WIRD by September 30, 2001. This includes changes documented in the FY01 TSB-WIRD quarterly reports. In addition, the record of completion will be documented in the fourth quarter TSB-WIRD quarterly Status Report due to DOE-ORP October 20, 2001, and
 - inputting the LAR Characterization Data into the electronic database within 7 days of LAR publication.

**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.)*

1. A core [grab, vapor] sample is completed when the last segment [sample bottle, vapor sample container] as specified in the Tank Sampling and Analysis Plan (TSAP) has been received by the analytical laboratory, and the chain of custody has been signed by the laboratory's sample receiving official. ORP will provide personnel to perform field verification.
2. A LAR is completed on the date of the document's cover page is signed.
3. The draft FY 2002 TSB-WIRD is complete when ORP coordination comments are resolved. The final FY 2002 TSB-WIRD is complete when DOE-ORP and Washington State Department of Ecology comments on the draft FY 2002 TSB-WIRD have been resolved and the final FY 2001 TSB-WIRD has been delivered to DOE-ORP.
4. The TCRs are completed when DOE-ORP comments have been resolved and the TCR is released to the public via the Tank Waste Information Network System (TWINS) at internet address <http://twins.pnl.gov/twins3/twins.htm>. The FY 2001 WIRD deliverables expectation is complete when completion of the field activities as of September 30, 2001, are documented in the fourth quarter FY 2001 WIRD Quarterly Status Report due in October 2001.

DEFINITIONS: *(define terms)*

1. A Core Sample is composed of one to 23, nineteen-inch segments of tank waste depending on the depth of the waste in the tank. The number of core samples required to meet programmatic needs is documented in the individual TSAP.
2. A Grab Sample is a volume of liquid or soft sludge taken from one tank riser at multiple tank depths. Sampling cost increases as volume increases. Therefore, Grab Samples are defined as follows:

Volume	Grab Sampling Events
0 - 1 (using 125ml sampler) or 0-5L (using 500ml sampler)	1
1 - 2 (using 125ml sampler) or 0-5L (using 500ml sampler)	1.2
2 - 3 (using 125ml sampler) or 0-5L (using 500ml sampler)	1.3
3 - 4 (using 125ml sampler)	1.5
4 - 5 (using 125ml sampler)	1.7

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

1. Chain-of-Custody form for each tank waste sample completed.
2. Laboratory Analysis Reports -- name is dependent on tank sampled. Document number is to be assigned.
3. Technical Sampling Basis-Waste Information Requirements Document for FY 2002.
4. Tank Characterization Reports. Availability of the Tank Characterization Reports on the TWINS at internet address <http://twins.pnl.gov/twins3/twins.htm> shall constitute the documentation of completion.
5. TSB-WIRD fourth quarterly report, letter from contractor to DOE-ORP.

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Tank Farm – Closure Support
 Project Baseline Summary (PBS): TW04 Work Breakdown Structure (WBS): 1.01.05.01
 Maximum Available Incentive Fee: 6.4 percent of total available FY 2001 – 2006 incentive fee pool
 Type: Stretch

**SECTION 2
Technical Contacts**

ORP Point of Contact: L. Erickson/R. Yasek-R. Lober
 Contractor Point of Contact: R. Raymond/R. Wilson/C. DeFigh-Price

**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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:

1. Complete and submit to ORP a draft update to the Single Shell Tank (SST) Closure Work Plan by August 30, 2001. Tank Closure Work Plan will include lessons learned from vadose zone RCRA Facility Investigation (RFI)/CMS and groundwater monitoring, regulatory uncertainties associated with retrieval and closure, C-106 retrieval path forward evaluation, and Retrieval Performance Evaluation on AX Tank Farm as prescribed in M45-06-T05. (2% of fee)
2. Complete and submit to ORP by April 15, 2001, the Options Report for identifying and assessing actions necessary to increase compliant tank space to retrieve SST waste as prescribed in M-45-12-T01. Draft will precede by 15 calendar days. (2% of fee)
3. Complete actions to minimize infiltration and run-on of water at Single-Shell Tank (SST) farms as identified in Engineering Report: "Single-Shell Tank Farms Interim Measures to Limit Infiltration Through the Vadose Zone," RPP-5002, Rev 0. Specific actions include:
 - a. Decommissioning unneeded water lines in Waste Management Area (WMA) S-SX that are currently active and potentially leaking water to the surrounding soil by August 30, 2001. (1% of fee)
 - b. Construct surface barriers or diversions to prevent run-on of water, at WMA U by August 30, 2001. (1% of fee)
- Complete soil sampling in two characterization boreholes per approved work plan in WMA B-BX-BY by August 30, 2001. (4% of fee)

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

5. T/TX-TY activities:
- a. Issue to ORP the T/TX-TY site-specific work plan addendum for submittal to the Washington State Department of Ecology by March 22, 2001. (2% of fee)
 - b. Complete borehole sampling by September 30, 2002, at WMAs T/TX-TY in accordance with the T/TX-TY site-specific work plan addendum submitted for M-45-54. (6% of fee)
6. Submit to ORP for review and comment the Field Investigation Report (FIR) for WMA B-BX-BY by September 15, 2002 to support M-45-55-T02. (4% of fee)
 7. Submit to ORP an update to the SST Closure Work Plan by March 15, 2002. This work plan will incorporate Ecology comments that were provided on the FY 2001 draft update to the SST Closure Work Plan. This document will incorporate the elements of TPA M-45-06-T05. (3% of fee)
 8. Submit to ORP for review and comment an FIR for WMA T/TX-TY by May 15, 2003 to support M-45-55-T03. (25% of fee)
 9. Submit to ORP for review and approval a Phase 1 RFI Report integrating results of data gathering activities and evaluations for WMAs S-SX, T/TX-TY, and B-BX-BY and related activities, including groundwater monitoring and impacts assessment using Hanford Site groundwater models, with conclusions and recommendations by January 15, 2004, to support M-45-55. (13% of fee)
 10. Complete and submit to ORP a draft update to the SST Closure Work Plan by May 30, 2004. This work plan update will incorporate updates to the vadose zone data as well as planning and fieldwork results for tank retrieval. This document will incorporate the elements of TPA M-45-06-T06. (12% of fee)
 11. Submit to ORP a draft update to the SST Closure Work Plan by May 30, 2006. This update will incorporate changes or new information resulting from updated retrieval performance evaluations, vadose zone characterizations regulatory evaluations and retrieval actions. This document will incorporate the elements of TPA-M-45-06-T07. (25% 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.)*

1. Submit to ORP a draft update to the SST Closure Work Plan by August 30, 2001, which includes lessons learned from vadose zone RFI/CMS and groundwater monitoring, regulatory uncertainties associated with retrieval and closure, C-106 retrieval path forward evaluation, and the Retrieval Performance Evaluation on AX Tank Farm as prescribed in M45-06-T05.
2. Complete and submit to ORP by March 31, 2001 the draft Options Report for identifying and assessing actions necessary to increase compliant tank space to retrieve SST waste as required by M-45-12-T01. ORP has 5 working days to provide any comments. The final Options Report will be transmitted to ORP by April 15, 2001.
3. Complete decommissioning unneeded water lines in or near WMA S-SX that are currently active and potentially leaking water to the surrounding soil and construct surface barriers or diversions to prevent run-on of water at WMA U by August 30, 2001. Completion will be documented in a letter report that includes field logs, photographs of capped

lines, results of line pressure testing and a description of the diversion/barrier added.

4. Complete soil sampling in two characterization boreholes in WMA B-BX-BY by August 30, 2001. If the locations of the soil boreholes cannot be used, ORP and Ecology will be notified of the reasons along with a proposed new location(s). A new location must be approved by ORP and Ecology within 10 working days of notification. Completion will be when samples have been taken as specified in the Work Plan, packaged and transported to the laboratory(s) for analysis. Completion will be documented in a letter to ORP documenting receipt of the samples at the laboratory(s).
5. T/TX-TY Activities
 - Issue to ORP the T/TX-TY site-specific work plan addendum for submittal to the Washington State Department of Ecology by March 22, 2001. ORP shall have 10 working days to provide comments. Issuance will occur when ORP comments are appropriately addressed, document modified accordingly, released through the engineering release station and transmitted to ORP.
 - Complete soil sampling in boreholes as specified in applicable site-specific work plan addendum for WMAs T/TX-TY. Completion will be when samples have been taken as specified in the Work Plan, packaged and transported to the laboratory(s) for analysis. Completion will be documented in a letter to ORP documenting receipt of the samples at the laboratory(s). If the estimated cost and/or scheduled duration for the scope of work for this item exceeds the budget and/or schedule in the baseline, this PI shall be renegotiated.
6. Complete the FIR for B-BX-BY by September 15, 2002. ORP shall have 10 working days to provide comments. Completion is defined as when ORP comments are appropriately addressed, the document modified accordingly and provided to ORP for submittal to the Washington State Department of Ecology. M-45-55-T02 (due on October 31, 2002 in TPA)
7. Submit to ORP an update to the SST Closure Work Plan by March 15, 2002. ORP shall have 10 working days to provide comments. This draft update to ORP will incorporate the elements identified in TPA M-45-06-T05 (due on June 30, 2002 in TPA). The update will also incorporate comments received on the earlier SST Closure Work Plan by ORP or regulators that has been formally provided to CHG by March 15, 2002.
8. Complete the FIR for T/TX-TY by May 15, 2003. ORP shall have 10 working days to provide comments. Completion is defined as when ORP comments are appropriately addressed and the document modified accordingly and provided to ORP for submittal to the Washington State Department of Ecology. M-45-55-T03 (due on June 30, 2003 in TPA).
9. Submit to ORP for approval by January 15, 2004, a Phase 1 RFI Report integrating results of data gathering activities and evaluations for WMAs S-SX, T/TX-TY, and B-BX-BY and related activities, including groundwater monitoring and impacts assessment using Hanford Site groundwater models, with conclusions and recommendations. ORP will transmit the document to Ecology for their review and concurrence to satisfy requirements of M-45-55 (due February 28, 2004 in TPA).
10. Submit to ORP a draft update to the SST Closure Work Plan by May 30, 2004. This draft update will incorporate the elements identified in TPA M-45-06-T06 (due on June 30, 2004 in TPA). The update will also incorporate comments received on the earlier SST Closure Work Plan by ORP or regulators that has been formally provided to CHG by March 15, 2004.
11. Complete and submit to ORP draft update to the SST Closure Work Plan by May 30, 2006. This draft update will incorporate the elements identified in TPA M-45-06-T07 (due on 6/30/2006 in TPA). The update will also incorporate comments received on the earlier SST Closure Work Plan by ORP or regulators that has been formally provided to CHG by March 15, 2006.

DEFINITIONS: *(define terms)*

The content of the FIRs and Remedial Field Investigation Report is defined in the Phase RFI/Corrective Measures Study Work Plan for SST Waste Management Areas and through refinements as a result of discussions between Ecology and DOE.

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

1. Issue draft SST Closure Work Plan update (update to DOE/RL 89-16, Rev 1).
2. Report on Options for Increasing Compliant Tank Space. Draft will precede by 15 calendar days (03/31/01).
3. Letter report documenting cutting/capping lines by S/SX farm and adding diversion barrier at U Farm.
4. Letter documenting that soil samples from WMA B-BX-BY have been received at laboratory.

- a. Issue addendum to T/TX-TY site-specific work plan
- b. Issue letter documenting soil samples from WMA T/TX-TY have been received at laboratory.
- 6. FIRs for WMA B-BX-BY.
- 7. Update to SST Closure Plan document (DOE/RL 89-16) as Rev 2.
- 8. FIRs for WMA T/TX-TY
- 9. RFI Report integrating results of data gathering activities and evaluations for Waste Management Areas S-SX, T/TX-TY and B-BX-BY.
- 10. SST Closure Work Plan updates (1 draft, 3 final).

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.)*

ORP will have 10 working days from receipt of FIR documents to provide final and complete comments back to the contractor for consideration and resolution. A day for day slip in dependent deliverables will result if the 10 working days is exceeded.

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

SECTION 1
General Information

Title: Single Shell Tank Retrieval – Tank S-102

Project Baseline Summary (PBS): TW04 Work Breakdown Structure (WBS) 1.01.02.01

Maximum Available Incentive Fee: Stretch: *1.6 percent of the total available FY 2001 – FY 2006 incentive fee pool*Superstretch: *Fee Potential = 10-20% of total BCWS**Total Superstretch BCWS = \$73,731K BCWS*

Type: Stretch X, Superstretch X

SECTION 2
Technical Contacts

ORP Point of Contact: L. Erickson/R. Lober

Contractor Point of Contact: R. Raymond/R. Wilson

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: Specific Requirement 1 is to be performed as a "Stretch" performance expectation and Specific Requirements 2, 3, 4 and 5 are to be performed as "Superstretch" performance expectations.

Stretch:

1. Complete contractor approved Functions and Requirements (F&R) document for tank S-102 and submit to ORP by August 31, 2002. The F&R document will detail SST target retrieval specification, leak detection monitoring and mitigation (LDMM) specification, both based on environmental risk/cost and retrieval/leak loss instrumentation and operational experience from DOE and industry as prescribed in the M45-05-T16 TPA milestone description. (Earn 100% of fee.)

Superstretch:

2. Award procurement subcontract(s) for equipment and/or systems that will be utilized in the retrieval of the contents of SST for tank S-102 by September 30, 2003. (Earn 10% of fee.)
3. Complete tank S-102 retrieval project design by January 31, 2004, to include physical systems including design and operating strategies necessary for LDMM. Design shall be submitted to ORP approved by the contractor meeting requirements of TPA M-45-05B. (Earn 35% of fee.)
4. Complete tank S-102 initial waste retrieval project construction by September 30, 2005, to include physical systems including those necessary for leak detection and monitoring and mitigation. Construction will be considered complete when process equipment is installed and acceptance tests are completed meeting the requirements of TPA M-45-05C. (Earn 35% of fee.)
5. Complete initial waste retrieval from Tank S-102 per TPA M-45-05A by July 31, 2006. Goals of this initial waste retrieval project shall include the retrieval to safe storage of approximately 490 curies of mobile long-lived radioisotopes (Tc-99, C-14, I-129, U-238, and Se) and 99% of tank contents by volume (per DOE best-basis inventory data, 8/01/2000). Completion of S-102 initial waste retrieval is subject to safe storage space availability consistent with M-45-00B. (Earn 20% 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.)

Item 1, below, is to satisfy the requirements of the "Stretch" portion of this Performance Based Incentive. Items 2, 3, 4 and 5, below, are to satisfy the requirements of the "Superstretch" portion of this Performance Based Incentive.

The completion dates for Performance Expectation 2 is a target date. Fee can be earned by completing the performance expectation by a target date. If Performance Expectation 2 is completed late, the fee associated with the missed performance expectation will be deferred until Performance Expectation 4 is completed. Performance Expectation 4 must be completed by 9/30/05, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 4.

1. Complete F&R documents for tank S-102 and submit as a contractor-approved document to the Department of Energy by August 31, 2002 (TPA date is October 30, 2002). This product will meet the elements specified in TPA M-45-05-T16. This document will establish demonstration system specifications (including LDMM system specifications) and will also include a scoping level Retrieval Performance Evaluation (RPE). The F&R document and its associated RPE shall also provide environmental and human health risk evaluation data/information associated with estimated waste volumes to be retrieved. The RPE will define the maximum volume, which could leak during retrieval, and risk from residual wastes and document known and estimated radionuclide contamination and contaminant migration within the vadose zone as bases of calculation. This document will incorporate lessons learned, including LDMM, retrieval, instrumentation, and operational experience from previous DOE and industry related retrieval projects. The S-102 LDMM strategy will be part of the F&R.
2. Develop procurement specification and award procurement subcontract(s) for equipment and/or systems that will be utilized in the retrieval of the contents of SST S-102.

Complete tank S-102 retrieval project design, to include physical systems including design and operating strategies necessary for LDMM. Design will be considered complete when the contractor has approved 90% of the design for fabrication and/or construction. Design shall be submitted to ORP approved by the Contractor. A letter from the contractor to ORP will be transmitted on or before January 31, 2004 (TPA date is March 31, 2004), documenting compliance with this completion requirement. This product will meet the elements specified in TPA M-45-05B.

4. Complete tank S-102 waste retrieval project construction, to include physical systems including those necessary for LDMM. Construction will be considered complete when the process equipment is installed and acceptance tests (ATPs) are completed. A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before September 30, 2005 (TPA date is November 30, 2005). This product will meet the elements specified in TPA M-45-05C.
5. Complete initial waste retrieval from Tank S-102. Goals of this initial waste retrieval project shall include the retrieval to safe storage of approximately 490 curies of mobile long-lived radioisotopes and 99% of tank contents by volume (per DOE best-basis inventory data, 8/01/2000). A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before July 31, 2006 (TPA date is September 30, 2006), stating the amount of material (curies and tank contents by volume) retrieved from Tank S-102. This product will meet the elements specified in TPA M-45-05A.

DEFINITIONS: (define terms)

None identified.

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

1. Contractor approved F&R Document for Tank S-102.
2. Letter from Contractor documenting initiation of procurement.
3. Letter from Contractor documenting completion of design as stipulated in this document.
4. Letter from Contractor documenting completion of the construction as stipulated in this document.
5. Letter from Contractor documenting completion of the initial retrieval of the contents from Tank S-102 as stipulated in this document.

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.)*

- The Critical Decision process, or other ORP required review and approval, will be performed within a time period of 30 calendar days. For example, ORP shall provide approval for Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30-calendar day review.
- If tank storage space is not available to retrieve S-102, this PI will be renegotiated.

SECTION 5
Signatures

ORP Contracting Officer's Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Corporate Performance (Comprehensive)

Project Baseline Summary (PBS): TW10 Work Breakdown Structure (WBS): 1.01.06.

Maximum Available Incentive Fee: 14.7 percent of the total available FY 2001-2006 incentive fee pool

Type: Other

**SECTION 2
Technical Contacts**

ORP Point of Contact: L. Erickson

Contractor Point of Contact: A. Parker

**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:

1. Baseline Management (Earn 40% of fee.)
 - Modify the Tank Farm Contractor (TFC) RPP baseline consistent with contract extension by May 15, 2001, and WTP contract by September 1, 2001. Provide the supporting TFC baseline package to ORP each year by March 1 fully integrated with the WTP contractor and supporting other Hanford contractors' baseline packages.
 - The CHG baseline shall be derived from an existing set of integrated requirements that define and achieve the ORP mission. Activities affecting cost, schedule, and technical performance are included in the baseline.
 - CHG understands and manages risks and uncertainties in the baseline.
 - Changes to the CHG baseline are controlled through a documented process that follows configuration management principles.
 - CHG has defined and implemented a project management system that meets the requirements of DOE O 413.3. CHG understands and uses the Project Definition Rating Index of the Office of Project Management (EM-6) as a basis for self-assessment.
 - CHG demonstrates ownership and accountability for the baseline. CHG management effectively evaluates the implications of proposed changes to the baseline and communicates clearly to ORP.
 - By December 15 of each year CHG will provide to ORP the appropriate allocation of funds for the next fiscal year by PBS and by line item.
 - Support Hanford Site by accepting compliant high-level waste in accordance with the baseline.
 - Support Hanford Site by performing vent and balance services.
 - Coordinate with and support other DOE contractors and sites interdependent with the River Protection Project. This will be a key determinate in fee earned for Baseline Management.

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

2. Quality Assurance (Earn 10% of fee.)

- The CHG Quality Assurance (QA) program fully meets the requirements of DOE O 414.1A, 10 CFR 830.120, and, as applicable, the requirements of DOE/RW-0333P, Rev. 8. The program is approved by ORP.
- The CHG QA program ensures that all items delivered and services and tasks performed meet applicable standards.
- The CHG QA program is fully integrated with the CHG integrated environment, safety and health management system.
- CHG management and staff understand and have implemented their responsibilities under the CHG QA program.
- CHG managers routinely assess organizational performance. Continuous quality improvement occurs and corrective actions are promptly, effectively, and completely addressed.
- CHG maintains a lessons learned process that captures and shares lessons learned from both internally and externally identified deficiencies and good practices and assures these lessons learned are effectively implemented by the organization.
- Implement a CHG independent level assessment program.
- Manage the Price Anderson Amendment Act (PAAA) compliance to minimize formal ORP involvement.

3. Technical Foundation (Earn 20% of fee.)

- CHG shall update and keep current the Systems Engineering Management Plan (SEMP) (Peck, 1998). Additionally, the Waste Feed Delivery Program System Engineering Implementation Plan, HNF-3384 (O'Toole, 1999), should be updated to describe the current retrieval engineering work flow.
- CHG engineering management should review the current overall status of the Level 1 and 2 specifications and develop an action plan to resolve remaining technical issues that will lead to the near-term release of all Level 1 and 2 specifications as baseline documents. Once established, Level 1 and 2 specifications shall be placed under configuration control.
- CHG shall develop a two-tiered technical requirements database as specified above. Once established, this database shall be maintained and placed on line for easy access for all engineering and design personnel to access.
- CHG will affectively manage tank space to maximize capacity for Hanford Site and ORP requirements.

4. Conduct of Engineering Program (Earn 20% of fee.)

- Cost effective implementation of authorization agreements.
- Timely resolution of emerging technical issues that could impact short and long-term operation of the Waste Treatment Complex.
- Proactive interactions with regulators and stakeholders to assure regulatory deliverables result in favorable mission outcomes.

5. Conduct of Operations (Earn 10% of fee.)

- Assure a sound conduct of operations program is maintained consistent with DOE regulatory framework.
- Direct involvement of management in directing and managing Tank Farm Operations.
- Maintain a management program assuring worker participation and involvement in Tank Farm Operations.
- CHG to continuously strive for identifying and implementing effective measures resulting in minimization of level of efforts and improvement of productivity.

DOE will conduct a semi-annual assessment of the Contractor's performance on the criteria described above and provide a formal report. Fee determination will be provided on an annual basis.

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

Fee will be allocated as follows:

Unsatisfactory	0%	
Marginal	40% to 69%	of the available award fee based upon the ORP Manager's assessment of the criteria stated above
Satisfactory	70% to 79%	of the available award fee based upon the ORP Manager's assessment of the criteria stated above
Good	80% to 92%	of the available award fee based upon the ORP Manager's assessment of the criteria stated above
Superior	93% to 100%	of the available award fee based upon the ORP Manager's assessment of the criteria stated above

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.)*

Contractor may submit a self-assessment input to be considered for the ORP Manager's review.

DEFINITIONS: *(define terms)*

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

See Section 3 for completion documents.

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

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: WTP Interim Design and Transition

Project Baseline Summary (PBS): TW06

Work Breakdown Structure (WBS): 1.01.03

Maximum Available Incentive Fee: 2.3 percent of the total available FY 2001 – FY 2006 incentive fee pool

Type: Standard

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor

Contractor Point of Contact: R. Ni

**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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

Specific Requirements:**General Assessment:****Earn up to 50% of fee:**

The Interim Design of the Waste Treatment and Immobilization Plant (WTP) workscope is detailed in the CHG letter CHG-0006687, "Interim Design of the Waste Treatment and Immobilization Plant; Resubmittal of Modified Statement of Work," dated December 7, 2000, and approved by ORP letter 00-SOD-074, "The U. S. Department of Energy (DOE), Office of River Protection (ORP) Approval and Comments on the Waste Treatment and Immobilization Plant (WTP) Work Plan and Statement of Work." As closure on the regulatory realignment is achieved, additional radiological, nuclear, process, and non-radiological worker safety details may be provided. Based upon a rating assigned by the ORP Transition Manager, the contractor may earn up to 50% of the fee assigned to this Performance Incentive (see the rating table below). General assessment areas include the following, and are detailed in the above letters:

- Transition to the new WTP Contractor
- Planning (Scope, Cost and Schedule)
- Research and Development
- Process and Facility Design
- Environmental Permitting
- Waste Form Qualification
- Quality Assurance
- Interfaces
- Radiological, nuclear and process safety
- Non-radiological worker safety

FY 2001 PERFORMANCE BASED INCENTIVE

In accordance with the above letters, ORP and CHG agreed on a work plan that accomplishes the interim design and transition requirements. Changes to the work plan (i.e., schedule changes, deliverables, etc.) will be approved by DOE and will constitute a change in the completion criteria for this Performance Incentive.

To minimize the number of outstanding items and/or issues at the time of transition the following Product Quality Assurance Performance Incentive Expectations exist:

- CHG shall complete actions committed to in Deviation and Corrective Action Reports (DCAR) issued by the DOE-ORP to BNFL Inc. (BNFL). CHG shall take timely and judicious actions to address any DCARs subsequently issued by the DOE-ORP.
- CHG shall adequately address concerns and completed commitments identified in audits and surveillances issued by the DOE ORP to BNFL. CHG shall take timely and judicious actions to address any concerns and/or commitments subsequently identified by the DOE-ORP in audits and surveillances.
- CHG shall adequately complete self-identified Quality Assurance Program improvements, as previously identified under the BNFL contract. CHG shall take timely and judicious actions to complete any subsequent self-identified Quality Assurance Program improvements.
- CHG shall adequately address open and formal comments submitted by DOE on the WTP deliverables (i.e., BNFL April 24, 2000 deliverables). CHG shall aggressively pursue closure of open actions and comments.

<u>Assessment Rating</u>	<u>% Fee Earned</u>	
Unsatisfactory	0%	of the available award fee based upon the ORP Manager's assessment of the criteria stated above
Marginal	40% to 69%	
Satisfactory	70% to 79%	
Good	80% to 92%	
Superior	93% to 100%	

Specific Deliverables:

Earn up to 50% of fee:

1. CHG shall complete the organization of the major design products in accordance with the details in the ORP letter 00-AMSA-036, "Clarification of Scope for Interim Design of the Waste Treatment and Immobilization Plant (WTP)," Section 6.4 and 6.5 and as amended by CHG letter, R. F. Wood to J. J. Short, "Completion of CH2M HILL Hanford Group, Inc. Scope of Work," Serial CCN#015737C, dated October 16, 2000. (Earn 20% of fee)
2. CHG shall complete the assigned optimization studies, provide recommendations, and implement or transfer the study to the new contractor, as directed by DOE. The studies are detailed in ORP letter 00-PRD-065, "Final List of System Optimization Studies". (Earn 10% of fee)
3. CHG shall submit a detailed transition plan (CHG to new WTP contractor transition) in draft by December 1, 2000, and shall work with DOE to obtain concurrence on this transition plan prior to January 15, 2001. CHG shall complete the transition activities in accordance with the transition plan. A high importance is placed on completing an efficient transition including project records, design databases, processes, programs (product quality, QARD, QA, safety, management, etc.), procedures, systems, equipment, personnel, etc. to the new WTP Contractor within 45 calendar days of the WTP Contract award. (Earn 20% of fee)

Modifications of specifications, scope and schedule formally documented and agreed to between CHG and DOE-ORP will institute a change in the criteria for the above deliverables.

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 Contractor may submit any self-assessment input within 14 calendar days after completion of transition, in order to be considered for the ORP Transition Manager's review.

DEFINITIONS: *(define terms)*

Transition – Transfer of most BNFL acquired personnel, subcontracts, equipment (e.g., office space, computers, office furniture, etc.), technical data, cost data, and information technology to the new WTP contractor. Details in the referenced letters.

Contract transition will begin on January 15, 2001 and is anticipated to be complete 45 days later.

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

Completion Documents or products are identified in the ORP letters:

- ORP 00-AMSA-036, "Clarification of Scope for Interim Design of the Waste Treatment and Immobilization Plant (WTP)," dated September 6, 2000.
- ORP 00-ORP-082, "Radiological and Nuclear Safety Workscope Guidance," dated August 31, 2000.
- ORP 00-SOD-074, "The U.S. Department of Energy (DOE), Office of River Protection (ORP) Approval and Comments on the Waste Treatment and Immobilization Plant (WTP) Work Plan and Statement of Work," dated December 22, 2000.

SECTION 5
Signatures

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 – 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: FY 2001 Deferred Work Scope

Project Baseline Summary (PBS): TW01-04

Work Breakdown Structure (WBS): 1.01

Maximum Available Incentive Fee: *Superstretch: Fee Potential = 10-20% of BCWS¹*
Total Estimated Superstretch BCWS = \$8,994K

Type: Superstretch

¹ Subject to final negotiations prior to authorization to proceed with the work associated with this Superstretch Performance Incentive.**SECTION 2
Technical Contacts**

ORP Point of Contact: L. Erickson

Contractor Point of Contact: A. Parker

**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:

Pursuant to Baseline Change Request (BCR) Number RPP-01-054, complete the following (fee for individual items will be earned in the year in which the work is completed):

1. Evaporator Condenser Replacement. (BCWS \$1200K)
2. Deactivation of 702-A. (BCWS \$737K)
3. Final Safety Analysis Report (FSAR) Crosswalk Closure/Tracking. (BCWS \$115K)
4. Long-length contaminated equipment (LLCE) Deployment. (BCWS \$400K)
5. Resolve Single-Shell Tank (SST) Domeload Conservatism. (BCWS \$462K)
6. FHA/FSAR Integration. (BCWS \$108.9K)
7. Standard Hydrogen Monitoring System (SHMS), remove and isolate. (BCWS \$248.4K)
8. Information Resource Management (IRM) Integrated Data Management System Pilot. (BCWS \$390K)
9. Inactive S/SX Work. (BCWS \$246K)
10. TMACS A/AZ Farms. (BCWS \$727.3K)
11. CASS to TMACS. (BCWS \$307.6K)
12. Reduce Contamination Zones in SST Farms. (BCWS \$1,183K)
13. ENRAF - Liquid Level Gauge Upgrades. (BCWS \$267K)
14. Drawing Upgrades. (BCWS \$797K)
15. Raw Water Totalizers. (BCWS \$109K)
16. Project W-420 Stack Monitoring Upgrade. (BCWS \$700K)
17. Electrical Circuit Verification Elementary Drawings. (BCWS \$513K)

FY 2001 – 2006 PERFORMANCE BASED INCENTIVE

- 18. Evaluate Retrieval Technology Solutions - defer Fluidics portion of scope. (BCWS \$145K)
- 19. Vadose Zone Activities - Assessment and Logging of Readily Accessible SX Tank Farm Laterals (BCWS \$175K)
- 20. Characterization Project Office (CPO) New Spray Wash Systems. (BCWS \$61.6K)
- 21. Liquid detection monitoring and mitigation (LDMM) Technology Assessment Comparison Report. (BCWS \$100K)

**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 Contractor will submit a letter report documenting completion for each item noted in the table below:

**FY 2001 WORKSCOPE
 Unfunded BCWS**

1. Evaporator Condenser replacement. (partial scope)	\$1,200.0
2. Deactivation of 702-A. (entire scope)	\$737.0
3. FSAR Crosswalk closure/tracking workscope. (partial scope)	\$115.0
4. Weather storage and partial upgrades for LLCE. (partial scope)	\$400.0
5. Reevaluation and analysis of existing dome-load restrictions for operational efficiencies. (entire scope)	\$462.0
6. All workscope for FHA integration with FSAR. (entire scope)	\$108.9
7. Removal of up to three (3) SHMS and isolation of up to two (2) SHMS. (entire scope)	\$248.4
8. Pilot in process for CHG Procedures area. IDMS includes workflow and electronic approvals (partial scope)	\$390.0
9. Removal of eight (8) WFIEs, one (1) Heat Trace Cabinet, two (2) Inactive Exhausters and Deactivation of sixteen (16) Vertical Storage Units in S and SX Farms.	\$246.0
10. Completion of sixteen (16) TMACS Connections. (partial scope)	\$727.3
11. Completion of CASS to TMACS Phase One installations for six (6) locations. Completion of CASS to TMACS Phase Two installations for nine (9) locations.	\$307.6
12. Reduction of contamination zones by approximately 400,000 square meters in Single Shell Tank Farms.	\$1,183.0

13. Completion of seven (7) ENRAF installations. (partial scope)	\$267.2
14. H-14 system drawing development for 244-TX; 244-U; 244-BX; 204-AR. Label replacement preparation and installation in C Farm; 244-A; 244-S; 244-TX; 244-U. (partial scope)	\$797.2
15. Installation of three (3) Raw Water Totalizers. (entire scope)	\$109.7
16. Design and fabrication workscope except for remaining monthly Management Reports, alternative engineering study and cost estimates. (partial scope)	\$700.0
17. Completion of eighteen (18) Tank Farms, five (5) DCRTs and two (2) facilities electrical circuit verifications (identification of power feeds to instrument cabinets).	\$513.2
18. Development/assessment of specifications for fluidic technologies (e.g., AEA, Russian) to support TFA (EM-50). Includes supporting documentation. (partial scope)	\$145.0
19. Assessment and Logging of Readily Accessible SX Tank Farm Laterals (partial scope)	\$175.0
20. Providing two (2) new spray wash systems. (partial scope)	\$61.6
21. Final comparison report for LDMM technology assessment.	\$100.0
	Total: \$8,994.1

DEFINITIONS: *(define terms)*

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

The Contractor will submit a letter report documenting completion for each item in Section 3.

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

~~ORP Contracting Officer Representative/Date~~

~~CHG President and General Manager/Date~~

~~ORP Contracting Officer/Date~~

~~CHG Contract Representative/Date~~

FY 2001-2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Accelerate Project W-520 Construction of the Immobilized Low Activity Waste Disposal Facility
Project Baseline Summary (PBS): TW08 Work Breakdown Structure (WBS): 1.01.04.01.02
Maximum Available Incentive Fee: *Superstretch: Fee Potential = 10-20% of BCWS¹*
Total Estimated Superstretch BCWS = \$11,826K

Type: Superstretch

¹ Subject to final negotiations prior to authorization to proceed with the work associated with this Superstretch Performance Incentive.

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/T. Hoertkorn

Contractor Point of Contact: D. Allen/R. Root

**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:

1. Complete 20 percent physical progress of construction of the Project W-520 Immobilized Low Activity Waste (ILAW) Disposal Facility by 9/30/05. (Earn 43% of fee.)
2. Complete 80 percent physical progress of construction of the Project W-520 ILAW Disposal Facility by 9/30/06. (Earn 57% 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.)

1. Completion is defined as achieving 20 percent physical progress of construction of the Project W-520 ILAW Disposal Facility.

Percent Complete = (Total Project Construction BCWP/Total Project Construction BCWS) X 100

Completion is defined as achieving 80 percent physical progress of construction of the Project W-520 ILAW Disposal Facility.

Percent Complete = (Total Project Construction BCWP/Total Project Construction BCWS) X 100

DEFINITIONS: *(define terms)*

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

1. Letter reporting completion of 20 percent of the construction of the Project W-520 ILAW Disposal Facility. The letter will contain the basis for the determination that construction is 20 percent complete.
2. Letter reporting completion of 80 percent of the construction of the Project W-520 ILAW Disposal Facility. The letter will contain the basis for the determination that construction is 80 percent complete.

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

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 -- 2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Descriptive Short Title: Double-Shell Tank Caustic Addition

Project Baseline Summary (PBS): TW03

Work Breakdown Structure (WBS): 1.01.01.02.

Maximum Available Incentive Fee: Superstretch Fee Potential = \$1,386K
\$1,266K (FY 2001), \$120K (FY 2002)²

Type: Superstretch

¹FY 2001: \$7,448K BCWS + \$1,266K Fee = \$8,714K Funds²FY 2002: \$599K BCWS + \$120K Fee = \$719K Funds**SECTION 2
Technical Contacts**

ORP Point of Contact: D. Bryson/R. Harwood

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 (PI) 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.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

SUPERSTRETCH (100%)

- A. Complete the addition of sufficient caustic to Tank AY-101 by September 30, 2001 to bring calculated bulk hydroxide concentration within chemistry specification – earn 9% of fee.
- B. Complete the addition of sufficient caustic to Tank AY-102 by September 30, 2001 to bring calculated bulk hydroxide concentration within chemistry specification – earn 9% of fee.
- C. Complete the addition of sufficient caustic to Tank AN-102 by September 30, 2001 to bring calculated bulk hydroxide concentration within chemistry specification – earn 29% of fee.
- D. Complete the addition of sufficient caustic to Tank AN-107 by September 30, 2001 to bring calculated bulk hydroxide concentration within chemistry specification – earn 32% of fee.
- E. Restore annulus ventilation flow to Tank AY-101, isolate source of water intrusion into the AY-101 annulus, and perform video inspection of the annulus for Tank AZ-102 by September 30, 2001. AN-107, AN-102, and AY-102 annulus ventilation systems must also be in operation in accordance with the existing baseline to earn this fee. – earn 4% of fee.
- F. Replace tank AN-107 corrosion probe by September 30, 2001 – earn 3% of fee.
- G. Procure an Ultra Sonic Testing (UT) crawler for the Tank Integrity Assessment Project by September 30, 2001 – earn 3% of fee.
- H. Develop a Double-Shell Tank (DST) chemistry surveillance program for corrosion protection by September 30, 2001 – earn 2% of fee.
- I. Complete verification sampling on tanks AY-101, AY-102, AN-102, and AN-107, and issue final report on chemistry status of tanks by September 30, 2002 – earn 9% of fee.

FY 2001 – 2006 PERFORMANCE BASED INCENTIVE**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.)*

Rebaseline scope, schedules, and completion milestones are provided in letter R. F. Wood, CHG, to J. J. Short, ORP, "Contract No. DE-AC27-99RL14047, Action Plan to Resolve Defense Nuclear Facilities Safety Board Issues Relating to the Hanford Site High-Level Waste Tank Structural Integrity Program," CHG-0004843 R2, dated November 15, 2000, including the "Double-Shell Tank Corrosion Mitigation Action Plan."

Completion of Expectations A-D shall be documented by CHG letter to ORP stating that the required calculated volume of caustic has been added to each tank per the specified Tank Farm Operating Procedure, with attached procedure data sheets. Characterization data necessary to verify caustic addition calculations will also be provided. This will provide the basis showing the tanks should now be in specification.

Completion of Expectation E shall be documented by CHG letter to ORP stating that the Tank AY-101 annulus vent system has been placed back into service per the applicable Tank Farm Operating Procedure, with attached procedure data sheets.

Completion of Expectation F shall be documented by CHG letter to ORP stating that the tank AN-107 corrosion probe has been replaced by September 30, 2001 as documented by an approved acceptance test report.

Completion of Expectation G shall be documented by CHG letter to ORP indicating that the UT crawler for the Tank Integrity Assessment Project has been procured, and attaching a copy of the receipt inspection report by September 30, 2001.

Completion of Expectation H shall be documented by CHG letter to ORP indicating that a plan containing a chemistry surveillance program for DST corrosion protection has been released by Document Control by September 30, 2001. Implementation of this plan by October 30, 2001 will be a quality criteria for payment of fee.

Completion of Expectation I shall be documented by CHG letter to ORP attaching a copy of final report on chemistry status of tanks AY-101, AY-102, AN-102, and AN-107 by September 30, 2002.

DEFINITIONS: (define terms)

Sufficient Caustic: Calculations to determine "sufficient caustic" for Expectations A-D are based on the DST chemistry specifications contained in Tank Farm Operating Specification Document OSD-T-151-00007 and on tank characterization data.

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

Letters to ORP as indicated in Define Completion above.

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.)*

Expectation D assumes that ORP will expedite the approval of an AB amendment, if needed, within 20 working days of receipt from CHG. CHG will involve ORP in the development of any AB amendment to facilitate this process.

Expectation E, for isolation of annulus water intrusion, is limited to water systems and pit sealing.

Expectation G, Contractor studies have determined that the UT crawler was the appropriate technology for performing the tank integrity assessment.

The mixer pump and caustic addition lines in Tank AN-107, and the transfer pump in tank AN-102 can be made operable without having to remove or replace them.

FY 2001 – 2006 PERFORMANCE BASED INCENTIVE

**SECTION 5
Signatures**

~~ORP Contracting Officer Representative/Date~~

~~CHG President and General Manager/Date~~

~~ORP Contracting Officer/Date~~

~~CHG Contract Representative/Date~~

FY 2001-2006 PERFORMANCE BASED INCENTIVE**SECTION 1
General Information**

Title: Single-Shell Tank Retrieval Tank S-112

Project Baseline Summary (PBS): TW04

Work Breakdown Structure (WBS) 1.01.02.01

Maximum Available Incentive Fee:

*Superstretch: Fee Potential = 10-20% of BCWS¹
Total Estimated Superstretch BCWS = \$36,870K*

Type: Superstretch

¹ Subject to final negotiations prior to authorization to proceed with the work associated with this Superstretch Performance Incentive.**SECTION 2
Technical Contacts**

ORP Point of Contact: L. Erickson/R. Lober

Contractor Point of Contact: R. Raymond/R. Wilson

**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:

1. Issue final Functions and Requirements (F&R) Document for tank S-112 to ORP. (Earn 23% of fee). (November 30, 2001)
2. Complete tank S-112 saltcake waste retrieval design (to include physical systems including design and operating strategies necessary for leak detection mitigation and monitoring (LDMM)) to meet the elements specified in M-45-03D. (Earn 23% of fee.) (March 31, 2003)
3. Complete tank S-112 saltcake waste retrieval construction (to include physical systems including design and operating strategies necessary for LDMM) to meet the elements specified in M-45-03E. (Earn 29% of fee) (July 31, 2004)
4. Complete full-scale saltcake waste retrieval demonstration at tank S-112. Waste shall be retrieved to the Double Shell Tank (DST) system to the limits of the technology (or technologies) selected. This product will meet the elements specified in M-45-03C. (Earn 25% of fee.) (July 31, 2005)

FY 2001-2006 PERFORMANCE BASED INCENTIVE**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 Expectation 1 is a target date. Fee can be earned by completing the performance expectation by the target date. If Performance Expectations 1 is completed late, the fee associated with the missed performance expectation will be deferred until Performance Expectation 2 is completed. Performance Expectation 2 must be completed by 3/31/03, in order to earn full available fee. All deferred fee will be paid upon completion of Performance Expectation 2.

1. Complete final F&R document for tank S-112 to submit to the ORP by November 30, 2001. This F&R document will address the elements discussed in M-45-03-T03 (e.g., Retrieval Performance Evaluations, LDMM strategy, lessons learned as well as standard F&R elements).
2. Complete tank S-112 Saltcake waste retrieval design (to include physical systems including design and operating strategies necessary for LDMM). Design will be considered complete when 90% of the design has been approved for fabrication and / or construction. Design shall be submitted to ORP approved by the contractor. A letter from the contractor to ORP will be transmitted on or before March 31, 2003. (TPA M-45-03D date is 5/31/03) documenting compliance with this completion requirement.
3. Complete S-112 Saltcake waste retrieval construction (to include physical systems including design and operating strategies necessary for LDMM.) Construction will be considered complete when the process equipment is installed and acceptance tests (ATPs) are completed. A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before July 31, 2004 (TPA M-45-03E date is 9/30/2004).
4. Complete full-scale saltcake waste retrieval technology demonstration at tank S-112. Waste shall be retrieved to the DST system to the limits of the technology (or technologies) selected, and the parties of this contract recognize and agree that this action is for demonstration and initial waste retrieval purposes. Documentation on the results of the waste retrieval operations/results, the operability and technical performance of the LDMM system and an evaluation as to the suitability for use of both the retrieval system and LDMM system in potentially leaking tanks will be provided. A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before July 31, 2005 (TPA M-45-03-C date is 9/30/2005).

DEFINITIONS: *(define terms)*
None identified.

FY 2001-2006 PERFORMANCE BASED INCENTIVE

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

1. Issuance of the Final Functions and Requirements Document for S-112 to ORP.
2. A letter from the contractor to ORP documenting compliance with the completion requirement for completion of the S-112 Saltcake waste retrieval technology demonstration design.
3. A letter will be transmitted by the contractor to ORP documenting compliance with the completion requirement for completion of construction.
4. A letter will be transmitted by the contractor to ORP documenting compliance with the completion requirement for full-scale saltcake waste retrieval demonstration for tank S-112.
5. Issuance of the Final F&R Document for tank S-112 to ORP.

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.)*

1. The Critical Decision process, or other ORP required review and approval, will be performed within a time period of 30 calendar days. For example, ORP shall provide approval for Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30 calendar day review.

SECTION 5
Signatures

ORP Contracting Officer's Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Accelerate Project W-464 Construction of the Immobilized High Level Waste (IHLW) Storage Facility

Project Baseline Summary (PBS): TW08 Work Breakdown Structure (WBS): 1.01.04.02.02

Maximum Available Incentive Fee: *Superstretch: Fee Potential = 10-20% of BCWS¹*
Total Estimated Superstretch BCWS = \$30,000K

Type: Superstretch

¹ Subject to final negotiations prior to authorization to proceed with the work associated with this Superstretch Performance Incentive.

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/T. Hoertkorn

Contractor Point of Contact: D. Allen/R. Root

**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:

1. Complete 20 percent physical progress of construction of the Project W-464 modifications to the Canister Storage Building by 9/30/05. (Earn 39% of fee.)
2. Complete 60 percent physical progress of construction of the Project W-464 modifications to the Canister Storage Building by 9/30/06. (Earn 61% 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.)*

1. Completion is defined as achieving 20 percent physical progress of construction of the Project W-464 modifications to the Canister Storage Building.
 - Percent Complete = (Total Project Construction BCWP/Total Project Construction BCWS) X 100
2. Completion is defined as achieving 60 percent physical progress of construction of the Project W-464 modifications to the Canister Storage Building.
 - Percent Complete = (Total Project Construction BCWP/Total Project Construction BCWS) X 100

DEFINITIONS: *(define terms)*

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

1. Letter reporting completion of 20 percent of the construction of the Project W-464 modifications to the Canister Storage Building. The letter will contain the basis for the determination that construction is 20 percent complete.
2. Letter reporting completion of 60 percent of the construction of the Project W-464 modifications to the Canister Storage Building. The letter will contain the basis for the determination that construction is 60 percent complete.

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

ORP Contracting Officer Representative/Date

CHG President and General Manager/Date

ORP Contracting Officer/Date

CHG Contract Representative/Date

FY 2001 – 2006 PERFORMANCE BASED INCENTIVE

**SECTION 1
General Information**

Title: Accelerate W-525 Construction of the Tank Farm Infrastructure and Compliance Upgrades

Project Baseline Summary (PBS): TW03 Work Breakdown Structure (WBS): 1.01.02.02.03.02

Maximum Available Incentive Fee: *Superstretch: Fee Potential = 10-20% BCWS¹*
Total Estimated Superstretch BCWS = \$47,576K

Type: Superstretch

¹ *Subject to final negotiations prior to authorization to proceed with the work associated with this Superstretch Performance Incentive.*

**SECTION 2
Technical Contacts**

ORP Point of Contact: W. Taylor/T. Hoertkorn

Contractor Point of Contact: D. Allen/R. Root

**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 (PI) 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:

By 12/31/01, CHG will deliver Conceptual Design Report (CDR) and Project Implementation Plan for ORP review and approval by 03/31/02. The current project estimated BCWS for this workscope is \$47.576M for the total project in this contract period. .

Specific requirements to be incentivized by this performance incentive including the BCWS and fee, will be negotiated based on the CDR and Project Implementation Plan.

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.)*

- Completion is To Be Determined.

DEFINITIONS: *(define terms)*

N/A

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

- Completion To Be Determined.

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

~~ORP Contracting Officer Representative/Date~~

~~CHG President and General Manager/Date~~

~~ORP Contracting Officer/Date~~

~~CHG Contract Representative/Date~~

APPENDIX E - GUIDANCE FOR OTHER REQUIRED PLANS

JE.1 INTRODUCTION

The Contractor shall provide the following subject specific plans which expand on the discussion in Section C, *Statement of Work*, or applicable contract clause.

(a) Integrated Environment, Safety and Health Management System (ISMS) Plan

Specific guidance on the ISMS Plan is found in the Section I Clause entitled, *Integration of Environment, Safety, and Health Into Work Planning and Execution*.

(b) Systems Engineering Management Plan

The Systems Engineering Management Plan shall describe in detail the approach the Contractor will take to integrate a Systems Engineering functional analysis in which mission requirements drive functions, and functions drive architecture, into the overall management and integration of the River Protection Project (RPP) workscope. System engineering techniques and principles shall be utilized to establish the technical integrity of the RPP workscope. Innovative technologies shall be evaluated against the baseline.

(c) Risk Management Plan

The Contractor shall provide a Risk Management Plan which describes the system to be used for identifying, evaluating, assessing and mitigating site risks of all types (e.g., financial, technical, safety, mortgages, environment, etc.). The Plan shall also describe how risk management is integrated and implemented into planning, work prioritization, and RPP decision-making. The application of innovative technologies to mitigate the risks is expected. Plan to collect history of adverse impacts and effectiveness of mitigation actions to support future planning.

(d) Internal Audit Plan

The Contractor shall submit an annual plan for internal audits of the Contractor and for audits of cost reimbursement subcontractors. The Plan shall list planned actual audits or areas to be audited and a schedule for such audits. The official audit report(s), including the working papers (as required), shall be submitted or made available to the Contracting Officer or his/her designee.

(e) Integrated RPP Communication Plan

The Contractor shall develop an Integrated RPP Communication Plan detailing how the full range of stakeholders will receive information in a timely, accurate, complete, and business-like manner. The Plan shall include the requirements of DOE Openness Initiatives and Public Involvement Policies.

APPENDIX F - ENVIRONMENT, SAFETY, AND HEALTH BUDGET PLANNING AND EXECUTION

The following represents additional criteria for environment, safety and health (ES&H) budget planning and execution, to be included as part of the requirements of this Contract.

JF.1 ES&H PLAN FOR BUDGET EXECUTION YEAR

Respond to the most recent Unicall Submittal, incorporate budget decisions, and include any new information for the upcoming execution year.

(a) ES&H Risk Management Conclusions

Summarize the risk management conclusions for the upcoming execution year (updated to reflect recent budgeting decisions), including a summary decision of the major risks and important ES&H issues being managed at the facility.

(b) ES&H Budget Summary

Summarize the ES&H budget for the upcoming execution year (analogous to the cost prepared for the Unicall Submittal).

(c) Performance Measures and Commitments

Include the proposed ES&H performance commitments (measures) for the upcoming execution year. It is important that these performance measures address the most significant risks identified, and have performance criteria that are measurable.

JF.2 SUMMARY OF PREVIOUS YEAR'S ES&H PERFORMANCE

Provide a summary of the previous year's ES&H performance, including the actual costs of implementing the ES&H activities.

(a) Status of Performance Measures and Commitments

Status of the previous year's performance with respect to the measures and commitments negotiated for the previous year.

Summary level conclusions from the previous year's self-assessments of ES&H programs and activities.

Status of any major commitments arising from Consent Orders or Agreements with State Agencies or the EPA regarding environmental/ecological obligations.

(b) Summary of Actual Costs

Summarize the actual ES&H expenditures for the previous year, and how this information will be used in preparing the ES&H Plan for the next budget cycle.

(See DOE letter 98-PRO-645 clarifying Appendix F.)

APPENDIX G - GUIDANCE FOR PREPARATION OF DIVERSITY PLAN

The purpose of this Guidance is to assist the Contractor in understanding the information being sought by the U.S. Department of Energy (DOE) for each of the Diversity elements and where these issues may already be addressed in a contract package. To the extent these issues are already addressed in a contract, the Contractor need only summarize or cross reference the parts of the Plan already developed elsewhere in the contract.

JG.1 WORK FORCE

This Contract includes certain provisions on Equal Opportunity and Affirmative Action. These provisions are found in clauses contained in the Section I Clauses entitled, *Equal Opportunity, Affirmative Action Compliance Requirements for Construction, Affirmative Action for Disabled Veterans – Veterans of the Vietnam War, Affirmative Action For Workers with Disabilities, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era*, and regulatory guidance is found at Federal Acquisition Regulation (FAR) Part 22 (48 Code of Federal Regulation (CFR) Part 22). The Contractor should discuss its policies and plans for implementing these provisions in its operations. If the Contractor already has procedures in place, these should be discussed and copies of any policies provided.

JG.2 EDUCATIONAL OUTREACH

The Contractor should outline or discuss any programs already provided, or which it intends to provide, which will provide employees an opportunity to improve their employment skills and opportunities. These programs may include: educational assistance allowances, provision for outside training programs either during or outside regular work hours, and executive training programs for non-executive employees. The Contractor should also discuss any plans to participate in any programs supporting Historically Black Colleges and Universities.

Employee training and educational opportunities may also be subject to collective bargaining agreements at the site. If that is the case, it is not DOE intent that the Contractor develops an independent structure for employee training and educational opportunities. In preparation of its Diversity Plan, the Contractor should outline the requirements already placed on it under existing bargaining agreements, discuss any proposals for changes to be raised at any future bargaining sessions, and discuss any educational or training programs which it operates, or will operate, independently of those provided by the unions.

JG.3 COMMUNITY INVOLVEMENT AND OUTREACH

Contractor community relations activities could include support for the following activities: support for science, mathematics and engineering education; support for community service organizations; assistance to governmental and community service organizations and for equal opportunity activities; and community assistance in connection with work force reduction plans. The Contractor may provide support to these activities through direct sponsorship or making individual employees available to work with the specific community activity. Depending upon the terms negotiated between the Department and the Contractor, some of these costs may be reimbursable. The Contractor's Diversity Plan should discuss the Contractor's existing and planned activities promoting community involvement of its employees as well as the corporation.

JG.4 SUBCONTRACTING

The Contract contains Section I Clauses entitled, *Small Business Subcontracting Plan*, and other small business-related clauses (e.g., Section I Clauses entitled, *Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan, Liquidated Damages-Subcontracting Plan*). Additional guidance is provided in Appendix H, *Small Business and Small Disadvantaged Business Subcontracting Plan*. If the Contractor has already met the requirements under Section I Clause entitled, *Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan*, and the referenced Appendix, this information should be briefly summarized and/or provided as an attachment to the Diversity Plan. If the Contractor is participating, or plans to participate, in the DOE Mentor Protégé Program, this involvement, or planned involvement, should be summarized or discussed. Information concerning its subcontracting plans already developed and submitted by the Contractor does not need to be redeveloped or renegotiated by the Contractor.

JG.5 ECONOMIC DEVELOPMENT (INCLUDING TECHNOLOGY TRANSFER)

Many of the DOE contract actions include Technology Transfer provisions that may be found in the Section I, *Contract Clauses*, or among the patent and intellectual property clauses of Section I. Planning or activities developed under the Technology Transfer clause may apply to this element of the Contractor's Diversity Plan. Additionally, some of the subcontracting activities planned by the Contractor with small business or small disadvantaged businesses may be entered into for the purpose of assisting the economic development of or transferring technology to such a business. The Contractor's Diversity Plan should outline and discuss its planned activities promoting economic diversification of the local community.

APPENDIX H - RESERVED

APPENDIX I - SMALL BUSINESS SUBCONTRACTING PLAN

(See Modification No. M021)

APPENDIX J - WAGE DETERMINATION UNDER THE SERVICE CONTRACT ACT

(See Modification No. M023)

APPENDIX K - SPECIAL BANK ACCOUNT AGREEMENT

(See Modification No. M028)