

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

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PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX A

The positions listed below represent the current list of key positions:

R. G. Gallagher	President & CEO
G. W. Jackson.	Vice President & Chief Operating Officer -- Responsible for Project Management
N. G. Powell	Business Services

APPENDIX B

ADVANCE UNDERSTANDING ON PERSONNEL COSTS POLICIES AND PROCEDURES

1.0 INTRODUCTION

This Advance Understanding sets forth the basis for determining the allowability of those Contractor and Major Subcontractor 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 Richland Operations Office (RL) in accordance with this Contract. Costs not specifically addressed in this advance understanding will be treated in accordance with applicable FAR cost principles.

The Contractor and Major Subcontractors 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 B to the Contracting Officer or designated representative. The Contractor and the DOE recognize that other data requests may be made from time to time and the parties agree to cooperate in meeting such requests.

2.0 GENERAL

Subject to the specific limitations, conditions, and exclusions of Subpart 31.2 of the Federal Acquisition Regulations (FAR) as supplemented by DOE Acquisition 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 and Major Subcontractors in accordance with the Contractor's corporate-wide policies consistently and uniformly applied throughout the corporation's domestic operations, and which have been furnished to and accepted by DOE-RL, are allowable. Such policies will be summarized and submitted in the form of a Personnel Policies Manual applicable to this Contract.

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

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3.0 DEFINITIONS

Contractors

The Contractor – Fluor Hanford, Inc.

Major Subcontractors – Subcontractors included in the terms of this Appendix B and throughout this contract are:

Numatec Hanford Corporation
Duratek Federal Services of Hanford, Inc.

In addition, Protection Technology Hanford is included in the terms of this Appendix 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.

FAR – Federal Acquisition Regulation

Workweek – The basic (or regular) workweek shall be 40 hours. Alternative workweeks may be established with the approval of the Contracting Officer.

4.0 DIRECT COMPENSATION

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

4.1 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.

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 under 4.1.8.

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 may 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.

- 4.1.2 Top Management Official Salary Approval – The base annual salary for the Contractor's Top Management Official is reimbursable only to the extent the 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) 30 days in advance of the effective date.

- 4.1.3 Incentive Compensation, Bonuses and Project Assignment Allowances – Except as specifically set forth in 4.1.8 "Recruitment and Retention Incentives", other forms of Incentive Compensation, Bonuses, and Project Assignment Allowances will not be allowable costs under this Contract unless specifically approved in advance by the Contracting Officer.
- 4.1.4 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. No salary above the maximum of the salary range shall be allowable except in those cases where a "red circle" rate is authorized by the Contracting Officer.
- 4.1.5 Overtime Control Plan – If the overtime premium cost exceeds 12 percent of total payroll, the Contractor shall submit to the Contracting Officer for approval an annual overtime control plan that includes at a minimum (1) an

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:

- (1) Total cost of overtime;
- (2) Total cost of straight-time;
- (3) Overtime cost as a percentage of straight-time cost;
- (4) Total overtime hours;
- (5) Total straight-time hours; and
- (6) 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 or Major Subcontractors, assigned to Contract work on a temporary basis, will be administered and paid in accordance with the policies of the affiliate.

- 4.1.6 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.
- 4.1.7 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.
- 4.1.8 Recruitment and Retention Incentives - Recruitment and retention incentives are considered necessary to attract and retain certain core critical skills under current market conditions. A plan for recruitment and retention will be included as a component of a

variable pay plan within the annual compensation increase plan. The recruitment and retention plan will contain projected critical skill needs, with justification for each critical skill. In the event critical skill needs change during the year, after Contracting Officer review and approval of the compensation increase plan, the Contractor shall submit a request for Contracting Officer review and approval to modify critical skill needs in the plan.

The Contractor will establish an annual pool exclusive of any merit funds for which incurred costs are allowable under the Contract subject to the following conditions:

1. The Contractor will submit an annual report for actual recruitment/retention incentives paid during the calendar year to include identification of the individual, previous annual salary, proposed annual salary, amount of incentive incurred, and brief description of rationale supporting the necessity. The annual report will be a part of the annual salary reporting required by DOE Order 350.1.
2. The Contractor will annually review the approved annual pool amount to determine if a material change in the annual amount for recruitment/retention incentives is necessary. If so, the Contractor shall formally request advance approval from the Contracting Officer.
3. The Contractor will establish a separate account for recording all retention/recruitment incentive costs subject to this provision.
4. Recruitment or retention incentives may be provided for both exempt and non-exempt employees based upon a critical need. The lump sum amount of incentives should not exceed 20 percent of the employee's annual salary, however, if necessary, the Contractor may exceed that target ceiling when written approval has been obtained from the Contracting Officer.
5. Recruitment incentives shall not be used for attracting a prospective employee that predominately works on another DOE Contract. Exceptions may be approved in advance by the Contracting Officer.
6. Contractor employees will receive the recruitment/retention incentives in the form of a one-time lump sum payment and/or in the form of a one-time increase to their personal time bank.
7. Employees who receive recruitment incentives and voluntarily leave within 12 months of receipt of the incentive will be required to pay back the incentive. Employees transferring from the PHMC to an affiliate company will be considered as a voluntary termination and will be required to reimburse the recruitment incentive in accordance with this provision.

8. PHMC employees, who receive a retention incentive and voluntarily leave before the end of the period for which the retention incentive was provided, will be required to pay back the full amount of the paid incentive. Employees transferring from the PHMC to an affiliate company will be considered as a voluntary termination and will be required to reimburse the retention incentive in accordance with this provision.
9. Regardless of the Contractor's ability to collect recruitment/retention amounts from employees who have voluntarily terminated employment, such amounts are unallowable under the Contract. In addition, attorney and collection service fees in pursuit of collection of retention/recruitment amounts are unallowable.

4.2 COMPENSATION - EMPLOYEE WELFARE AND OTHER BENEFIT PLANS

4.2.1 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:

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

Other Benefit Plans

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

4.2.2 Separation Pay

- A. 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.
- B. 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.

4.2.3 FAS 106 Valuation – The Contractor will provide a copy of the FAS 106 Valuation annually to the DOE.

4.2.4 Multiple Employer Welfare Arrangement (MEWA) – The Contractor shall, as a separate legal entity, administer the Hanford Employee Welfare Trust.

4.3 GROUP PENSION PLANS

4.3.1 General – Costs of the Contractor's and Major Subcontractors' participation with other Hanford Site Contractors in the Operations and Engineering Pension Plan, the Hanford Contractors Multi-Employer Pension Plan for HAMTC Represented Employees, and the Hanford Guards Union Pension Plan, or other 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 more of the plans in accordance with their terms. The plans must be established and maintained as qualified defined benefit pension plans under the regulations of the Internal Revenue Code (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 each of the plans, the parties agree as follows:

4.3.2 Administration of the Plans

- A. 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's 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.

- B. The Contractor will provide to DOE copies of the following annual reports:
- (1) Accounting reports and annual actuarial valuations. The reports and valuations will include at least the information specified in DOE Order 350.1, Chapter VI.
 - (2) DOL Form 5500 with schedules and attachments, as submitted to the Department of Labor each year.
 - (3) 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.

- C. 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.
- D. 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, as amended valuation for the most recent plan year. The fund shall be a trust.
- E. 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.
- F. 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. If the Contractor and DOE agree

to terminate a defined benefit pension plan, the provisions of Sections 4.3.3 and 4.3.4 below will apply.

- G. 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.

4.3.3 Actions Required at Contract Termination or Expiration

- A. No Replacement Contractor - If this contract expires or terminates without a replacement contractor, the DOE and the Contractor shall meet to determine the ultimate disposition of all pension, post-retirement welfare, and post-employment plans.
- B. 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.
- C. Change of Plan Sponsor - The DOE shall have the unilateral right to change a plan sponsor upon termination or expiration of the Contract.
- D. Determination of Contract Service Pension Plan Assets and Liabilities
 - (1) Contract Service Assets - Contract Service Assets shall be determined in accordance with 4.3.2 B(1) 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.
 - (2) 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.

- 4.3.4 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.

Successor Contractor. Any DOE-reimbursed assets awaiting transfer to a successor trustee or to DOE shall be actively managed by the Contractor until the successor trustee or DOE is able to assume stewardship of those assets.

- 4.3.5 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.

4.4 GROUP SAVINGS PLANS

The Contractor and Major Subcontractors will maintain three savings plans for employees who are eligible to participate in accordance with their terms; two plans 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 Internal Revenue Code. 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:

- A. 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.
- B. 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.
- C. 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.
- D. 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.

- E. 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.

4.5 PAID ABSENCES

- 4.5.1 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. All absences for exempt employees will be charged to the PTB account in full day increments.

Eligible Employee: Regular full-time or part-time exempt and salaried non-exempt employees.

Pay Rate: Hours taken as time off will be paid at the employee’s base salary rate in effect at the time of absence.

Composition: Accrual rates will include the following:

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

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

Sick Personnel:	Exempt	40 hrs/yr
	Salaried non-exempt	56 hrs/yr

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); absences of less than full day increments for exempt employees, 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.

Cash Out Provision: During periods of active service, eligible employees may request a partial cash out of accrued PTB hours.

- Employees will be allowed one cash out in a calendar year except in those cases where the employee is terminating.
- At least 120 hours must remain in the employee's account after the cash out.
- The maximum hours which may be cashed out in a calendar year are 120 hours in 2000 and thereafter.
- 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.
- Employees may opt to put the cash directly into their after-tax Savings Plan account.

Maximum PTB Hours: An employee may accumulate up to a maximum number of PTB hours as follows:

- In 2000 900 hours
- In 2001 and thereafter 1000 hours

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

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

4.6 CORPORATE EMPLOYEES

Certain employees of the Contractor and Major Subcontractors 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. The 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.

5.0 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 beyond that recognized under Section 3161 (see H Clause, Transfer Relocation Allowance). In accordance with these regulations, Contractor employees, including Major Subcontractors, 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. Special allowances for relocation of employees of Numatec shall be as set out in Schedule I., attached hereto.

6.0 COLLECTIVE BARGAINING AGREEMENTS

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

7.0 WORK FORCE RESTRUCTURING

The contractor is authorized to implement workforce restructuring actions, including involuntary reductions of force, as set forth by the limits herein. Reductions impacting less than 50 employees in a rolling twelve-month period shall require verbal notification to the DOE Contracting Officer at least fifteen calendars days in advance. Reductions impacting 50 or more employees in a rolling twelve-month period shall require formal written pre-approval from the DOE Contracting Officer. The request for approval is to include a listing of the number of impacted employees by job position and an adverse impact analysis of protected class employees.

8.0 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.

SCHEDULE 1

**SPECIAL ALLOWANCES FOR COGEMA/SGN EMPLOYEES
ASSIGNED TO NUMATEC**

Changes were made to this schedule as a result of Modification M086. The changes and Schedule are considered business sensitive and have been redacted. The schedule contains the changes that were redacted and approved by the Contracting Officer.

**PART III – LIST OF DOCUMENTS
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SECTION J

APPENDIX C

REQUIREMENT SOURCES AND IMPLEMENTING DOCUMENTS

This appendix lists the Federal, State and local laws and regulations, DOE Directives, Site-specific manuals for functions and programs, and other agreements that contribute to the planning basis required for the work scope set forth in Section C. The list of laws and regulations is not comprehensive. Omission of any applicable law or regulation from this list does not affect the obligation of the Contractor to comply with such law or regulation.

The Contractor will 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.

New requirements or changes to the requirements identified below will be assessed for impact by the Contractor. The Contractor will as appropriate, request elimination, a waiver or submit a Baseline Change Request before incorporating and working to the new or changed requirement.

The requirements listed in this section will be applied to discrete work activities as the Contractor determines to be applicable. The Contractor will maintain an applicability matrix to manage requirements in direct support of cleanup and closure work. The matrix will be subject to RL assessment. Facility-specific agreements will establish the work specific applicability.

J.C.1 FEDERAL, STATE AND LOCAL LAWS AND REGULATIONS

J.C.1.1 Code of Federal Regulations (CFR)

Document Number	Title
10 CFR 71	Packaging And Transportation Of Radioactive Material
10 CFR 72	Licensing Requirements For The Independent Storage Of Spent Nuclear Fuel
10 CFR 73	Physical Protection Of Plants And Materials
10 CFR 436	Federal Energy Management And Planning Programs
10 CFR 707	Workplace Substance Abuse Programs At DOE Sites
10 CFR 708	DOE Contractor Employee Protection Program
10 CFR 710	Criteria And Procedures For Determining Eligibility For Access To Classified Matter Or Special Nuclear Material
10 CFR 712	Human Reliability Program
10 CFR 820	Procedural Rules For DOE Nuclear Activities
10 CFR 830	Nuclear Safety Management
10 CFR 824	Procedural Rules for the Assessment of Civil Penalties for Classified Information Security Violations
10 CFR 835	Occupational Radiation Protection
10 CFR 850	Chronic Beryllium Disease Prevention Program
10 CFR 1021	National Environmental Policy Act Implementing Procedures
29 CFR 1904	Recording And Reporting Occupational Injuries And Illnesses
29 CFR 1910	Occupational Safety And Health Standards
29 CFR 1926	Safety And Health Regulations For Construction
36 CFR 1220	Federal Records, General
36 CFR 1222	Creation And Maintenance Of Federal Records
36 CFR 1228	Disposition Of Federal Records
36 CFR 1230	Micrographic Records Management
36 CFR 1232	Audiovisual Records Management
36 CFR 1234	Electronic Records Management
36 CFR 1236	Management of Vital Records
36 CFR 60	National Register Of Historic Places
40 CFR 61	National Emission Standards for Hazardous Air Pollutants
40 CFR 82	Protection of Stratospheric Ozone
40 CFR 122	EPA Administered Permit Programs: The National Pollutant Discharge Elimination System
40 CFR 262	Standards Applicable To Generators Of Hazardous Waste
40 CFR 264	Standards For Owners And Operators Of Hazardous Waste Treatment, Storage, And Disposal Facilities
40 CFR 265	Interim Status Standards For Owners And Operators Of Hazardous Waste Treatment, Storage, And Disposal Facilities
40 CFR 268	Land Disposal Restrictions
40 CFR 302	Designation, Reportable Quantities, and Notification
40 CFR 355	Emergency Planning And Notification
40 CFR 370	Hazardous Chemical Reporting: Community Right-To-Know
40 CFR 372	Toxic Chemical Release Reporting: Community Right-To-Know
40 CFR 761	Polychlorinated Biphenyls (PCBs) Manufacturing, Processing, Distribution in Commerce, and use Prohibitions
40 CFR 763	Asbestos
40 CFR 60.150	Standards Of Performance For New Stationary Sources
41 CFR 101	Federal Property Management Regulations
41 CFR 102-192	Mail Management
48 CFR 970	DOE Management and Operating Contracts
49 CFR 40	Procedures For Transportation Workplace Drug Testing Programs
49 CFR 130	Oil Spill Prevention and Response Plans
49 CFR 107	Hazardous Materials Program Procedures
49 CFR 171	General Information, Regulations, and Definitions
49 CFR 172	Hazardous Materials Table, Special Provisions, Hazardous Materials Communications, Emergency

Document Number	Title
	Response Information and Training Requirements
49 CFR 173	Shippers -- General Requirements for Shipments and Packagings
49 CFR 174	Carriage By Rail
49 CFR 177	Carriage by Public Highway.
49 CFR 178	Specifications For Packagings
49 CFR 179	Specifications For Tank Cars
49 CFR 180	Continuing Qualification And Maintenance Of Packagings
49 CFR 383	Commercial Driver's License Standards, Requirements and Penalties
49 CFR 387	Minimum Levels Of Financial Responsibility For Motor Carriers
49 CFR 390	Federal Motor Carrier Safety Regulations: General
49 CFR 391	Qualifications of Drivers
49 CFR 392	Driving of Commercial Motor Vehicles
49 CFR 393	Parts and Accessories Necessary for Safe Operations
49 CFR 395	Hours Of Service Of Drivers
49 CFR 396	Inspection, Repair and Maintenance
49 CFR 397	Transportation of Hazardous Materials, Driving and Parking Rules

J.C.1.2 U.S. Code (USC)

Document Number	Title
17 USC 506	Copyright Infringement and Remedies, Criminal Offences
18 USC 2319	Stolen Property, Criminal Infringement of a Copyright
33 USC 1251-1376	Clean Water Act
42 USC 13101	Findings & Policy
42 USC 13106	Source Reduction & Recycling Data Collection
42 USC 6962	Resource Conservation And Recovery Act (RCRA) Of 1976
42 USC 7401	Clean Air Act
43 USC 1701	Federal Land Policy And Management Act Of 1976
44 USC 3103	Transfer Of Records To Records Center
44 USC 3105	Safeguards
44 USC 3309	Preservations of Claims of Government Until Settled in General Accounting Office; Disposal Authorized Upon Written Approval of Comptroller General
44 USC 3312	Photographs or Microphotographs of Records Considered as Originals; Certified Reproductions Admissible in Evidence
44 USC 3506	Federal Agency Responsibilities
5 USC 552	Public Information; Agency Rules, Opinions, Orders, Records, and Proceedings
5 USC 552A	Records Maintained on Individuals

J.C.1.3 Executive Orders

Document Number	Title
Executive Order 12516	Final Guidance on Administrative Records for Selecting CERCLA Response Actions
Executive Order 13101	Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition
Executive Order 13123	Greening the Government Through Efficient Energy Management
Executive Order 13148	Greening the Government Through Leadership in Environmental Management
Executive Order 13221	Energy Efficient Standby Power Devices

J.C.1.4 Office of Management and Budget Circulars (OMB)

Document Number	Title
OMB Circular A-130	Management of Federal Information Resources

J.C.1.5 Washington Administrative Code (WAC)

Document Number	Title
WAC 46-48	Transportation Of Hazardous Materials
WAC 173-200	Water Quality Standards for Ground Waters of the State of Washington
WAC 173-216	State Waste Discharge Permit Program
WAC 173-218	Underground Injection Control Program

Document Number	Title
WAC 173-240	Submission of Plans and Reports for Construction of Wastewater Facilities
WAC 173-303	Dangerous Waste Regulations
WAC 173-304	Minimum Function Standards for Solid Waste Handling
WAC 173-340	Model Toxics Control Act -- Cleanup
WAC 173-360	Underground Storage Tank Regulations
WAC 173-400	General Regulations For Air Pollution Sources
WAC 173-401	Operating Permit Regulation
WAC 173-460	Controls for New Sources of Toxic Air Pollutants
WAC 173-480	Ambient Air Quality Standards and Emission Limits for Radionuclide
WAC 197-11	SEPA Rules
WAC 246-247	Radiation Protection -- Air Emissions
WAC 246-272	On-Site Sewage Systems
WAC 246-290	Public Water Supplies
WAC 246-291	Group B Public Water Systems
WAC 246-292	Water Works Operator Certification Regulations
WAC 296- 65	Asbestos Removal and Encapsulation
WAC 446-65	WAC Commercial Motor Vehicle Regulations
WAC 470-12	Transporting Rules

J.C.1.6 Permits

Document Number	Title
AOP 00-05-006	Hanford Site Air Operating Permit
WA-000374-3	National Pollutant Discharge Elimination System Permit for the 100 K Area Water Treatment Plant
WA-002591-7	National Pollutant Discharge Elimination System Permit for the 300 Area TEDF
WA780008967	Hanford Facility Resource Conservation and Recovery Act (RCRA) Permit

J.C.1.7 Local Laws and Regulations

Document Number	Title
BCAA REGULATION	County Air Pollution Control Authority

J.C.2 DOE DIRECTIVES AND AGREEMENTS

J.C.2.1 Directives, Regulations, Policies, and Standards

Document Number	Title
CRD M 140.1-1B	Interface with the Defense Nuclear Facilities Safety Board
CRD O 142.1	Classified Visits Involving Foreign Nationals
CRD O 142.2	Safeguards Agreement and Protocol with the International Atomic Energy Agency
CRD O 142.3	Unclassified Foreign Visits and Assignments
CRD O 151.1A	Comprehensive Emergency Management System
CRD N 205.2	Foreign National Access to DOE Cyber Systems
CRD M 205.1-1	Incident Prevention, Warning, and Response (IPWAR) Manual
CRD N 205.3	Password Generation, Protection, and Use
CRD O 221.1	Reporting Fraud, Waste, and Abuse to the Office of Inspector General
CRD O 221.2	Cooperation With the Office of the Inspector General
CRD O 225.1A	Accident Investigations
CRD M 231.1-1A, Chg 1	Environment, Safety, and Health Reporting Manual (Implement per RL letter 04-PRO-0565, dated 9/2/04, and RL letter 05-SED-0138, dated 6/17/05)
CRD O 241.1	Scientific and Technical Information Management
CRD O 350.1, Chg 1	Contractor Human Resources Management Program
CRD O 413.1A	Management Control Program
CRD O 414.1A	Quality Assurance
CRD O 433.1	Maintenance Management Program for DOE Nuclear Facilities
CRD O 450.1	Environmental Protection Program
CRD O 460.1B	Packaging and Transportation Safety
CRD O 460.2, Chg 1	Contractor Requirements Document Departmental Materials Transportation & Packaging Management
CRD O 461.1	Packaging and Transfer or Transportation of Materials of National Security
CRD M 470.1-1	Safeguards and Security Awareness Program
CRD M 471.2-1B	Classified Matter Protection and Control Manual (Only Chapter III, Paragraphs 1 and 2, are applicable)
CRD M 471.2-2	Classified Information Systems Security Manual
CRD M 471.3-1	Manual for Identifying and Protecting Official Use Only Information (Implement per RL letter 05-PRO-0180, dated 3/15/05, and 05-SES-0155 dated 6/17/05)
CRD O 472.1C	Personnel Security Activities
CRD O 473.1	Physical Protection Program
CRD O 473.2	Protective Force Program
CRD M 473.2-1A	Firearms Qualification Courses Manual
CRD M 474.1-2A	Nuclear Materials Management and Safeguards System Reporting and Data Submission Manual
CRD O 474.1A	Control and Accountability of Nuclear Materials
CRD M 475.1-1A	Identifying Classified Information
CRD O 522.1	Pricing of Departmental Materials & Services
DOE 1340.1B	Management of Public Communications Publications and Scientific, Technical and Engineering Publications
DOE 1350.1, Chg 1	Audiovisual and Exhibits Management
DOE 5400.5, Chg 1&2	Radiation Protection of the Public and the Environment
CRD 5480.20A	Personnel Selection, Qualifications, and Training Requirements of DOE Nuclear Facilities
DOE 5530.3, Chg 1	Radiological Assistance Program
DOE 5610.2, Chg 1	Control of Weapon Data

J.C.2.2 DOE-RL Supplemented Contractor Requirement Documents

Document Number	Title
CRD O 110.3 (5/8/00)	Conference Management
CRD O 200.1 (Supp Rev 1)	Information Management Program
CRD N 205.1 (Supp Rev 0)	Unclassified Cyber Security Program
CRD M 231.1-2 (Supp Rev 3)	Occurrence Reporting and Processing of Operations Information
CRD O 420.1A (Supp Rev 2)	Facility Safety (Implement per RL letter 03-PRO-0502, dated 6/13/03 directing implementation of phase 1, not phase 2)
CRD O 425.1B (Supp Rev 1)	Startup And Restart Of Nuclear Facilities

Document Number	Title
CRD O 430.1A (Supp Rev 2)	Life Cycle Asset Management
CRD O 435.1, Chg 1 (Supp Rev 0)	Radioactive Waste Management
CRD O 440.1A (Supp Rev 0)	Worker Protection Management of DOE Federal and Contractor Employees
CRD O 440.2A (Supp Rev 1)	Aviation Management and Safety
CRD O 442.1A (Supp Rev 1)	Department Of Energy Employee Concerns Program
CRD O 470.1, Chg 1 (Supp Rev 1)	Safeguards and Security Program Requirements
CRD O 470.2B (Supp Rev 2)	Independent Oversight and Performance Assurance Program (Implement per RL letter 03-PRO-0590, dated 7/18/03)
CRD O 471.1A (Supp Rev 0)	Identification and Protection of Unclassified Controlled Nuclear Information
CRD M 471.2-1C Chg 1 (Supp Rev 1)	Classified Matter Protection and Control Manual
CRD M 471.2-4 (Supp Rev 0)	Technical Surveillance Countermeasures Manual
CRD O 471.2A (Supp Rev 2)	Information Security Program
CRD O 471.4 (Supp Rev 0)	Incidents of Security Concern (Implement per RL letter 05-SES-0021, dated November 3, 2004
CRD O 471.3 (Supp Rev 1)	Identifying and Protecting Official Use Only Information (Implement per RL letter 05-PRO-0180 dated 3/15/05, and RL letter 05-SES-0155, dated 6/17/05)
CRD M 473.1-1 (Supp Rev 0)	Physical Protection Program Manual
CRD M 473.2-2, Chg 1 (Supp Rev 0)	Protective Force Program Manual
CRD N 473.8 (Supp Rev 1)	Security Conditions
CRD M 474.1-1B (Supp Rev 0)	Manual for Control and Accountability of Nuclear Materials
CRD O 481.1B (Supp Rev 0)	Work for Others (Non Department of Energy Funded Work)
CRD O 551.1B (Supp Rev 0)	Official Foreign Travel
CRD O 5480.19 Chg 2 (Supp Rev 1)	Conduct of Operations Requirements for DOE Facilities

J.C.2.3 DOE-RL Implementing Documents

Document Number	Title
DOE-0223	RL Emergency Implementing Procedures
DOE/RL-2001-0036, REV. 0 - A	Hanford Sitewide Transportation Safety Document
DOE/RL-2002-12	Hanford Radiological Health and Safety Document
DOE/RL-89-10	Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement)
DOE/RL-94-02	Hanford Emergency Management Plan
DOE/RL-96-68, Rev 2	Hanford Analytical Services Quality Assurance Requirements Document
DOE/RW-0333P, Rev. 8	Office of Civilian Radioactive Waste Management - Quality Assurance Requirements and Description for the Civilian Radioactive Waste Management Program.

J.C.2.5 Record of Decisions (ROD)

Document Number	Title
(none)	200-ZP-1 Interim Action Declaration of the ROD
53 FR 12449, April 14, 1988, No. 72, pp. 12449	Disposal of Hanford Defense High-Level, Transuranic, and Tank Waste Environmental Impact Statement, Hanford Site, Richland, Washington: Record of Decision (ROD)
61 FR 10736, March 15, 1996, Doc. 96-6291	Record of Decision: Management of Spent Nuclear Fuel From the K Basins
61 FR 36352, July 10, 1996, Doc. 96-17561	Record of Decision for the Plutonium Finishing Plant Stabilization
61 FR 41956, August 9, 1996, Doc. 96-20237	Record of Decision for the Disposal of Decommissioned, Defueled Cruiser, Ohio Class, and Los Angeles Class Naval Reactor Plants
62 FR 3014, January 21, 1997, Doc. 97-1355	Record of Decision for the Storage and Disposition of Weapons-Usable Fissile Materials Final Programmatic Environmental Impact Statement
63 FR 3623, January 23, 1998, Doc. 98-1653	Record of Decision for the Waste Isolation Pilot Plant Disposal Phase
63 FR 3629, January 23, 1998, Doc. 98-1654	Record of Decision for the Waste Management Program: Treatment and Storage of Transuranic Waste
63 FR 41810, August 5, 1998, Doc. 98-20895	Record of Decision for the Waste Management Program: Treatment of Non-wastewater Hazardous Was
63 FR 43386, August 13, 1998, Doc. 98-21744	Amended Record of Decision for Storage and Disposition of Weapons-Usable Fissile Materials
64 FR 46661, August 26, 1999, Doc. 95-29313	Record of Decision; Safe Interim Storage of Hanford Tank Wastes
64 FR 46661, August 26, 1999, Doc. 99-22149	Record of Decision for the DOE Waste Management Program: Storage of High-Level Radioactive Waste
64 FR 61615, November 12, 1999, Doc. 99-29325	Record of Decision: Hanford Comprehensive Land-Use Plan Environmental Impact Statement (HCP EIS)
65 FR 10061, February 25, 2000, Doc. 00-4439	Record of Decision for the Waste Management Program: Treatment and Disposal of Low-Level Waste and Mixed Low-Level Waste; Amendment of the Record of Decision for the Nevada Test Site
DOE/EA-0987	Disposition of Alkali Metal Test Loops, Hanford Site, Richland, Washington

Document Number	Title
DOE/EA-0993	Environmental Assessment, Shutdown of the Fast Flux Test Facility, Hanford Site, Richland, Washington
DOE/EA-1185	Management of Hanford Site Non-Defense Production Reactor Spent Fuel
DOE/EA-1319	Disposition of Surplus Hanford Site Uranium, Hanford Site, Richland Washington
DOE/EIS-0222-F	Comprehensive Land Use Plan EIS
DOE/EIS-0244-FS-1	Supplement Analyses
DOE/EIS-0244-FS-2	Supplement Analyses
DOE/EIS-0244-FS-3	Supplement Analyses
DOE/EIS-0244-FS-4	Supplement Analyses
DOE/EIS-0244-FS-5	Supplement Analyses
DOE/EIS-0244-FS-6	Supplement Analyses
DOE/EIS-0244-FS-7	Supplement Analyses
DOE/EIS-0244-FS-8	Supplement Analyses
DOE-EIS-0244-FS-9	Supplement Analyses
DOE/EIS-0244F	Record of Decision for Plutonium Finishing Plant Stabilization Final EIS, June 1996
DOE/EIS-0245-SA1	Supplemental Analysis for EIS-0245F
DOE/EIS-0283	Record of Decision for the Surplus Plutonium Disposition Final EIS, January 2000
DOE/EIS-0310	Final Programmatic Environmental Impact Statement for Accomplishing Expanded Civilian Nuclear Energy Research and Development and Isotope Production Missions in the United States Including the Role of the Fast Flux Test Facility
(none)	Interim Action ROD for the 200-UP-1 Operable Unit
(none)	Interim Action ROD for the DOE Hanford 100-HR-3 and 100-KR-4 Operable Units
(none)	Interim Action ROD for the DOE Hanford 100-NR-1 and 100-NR-2 Operable Units
(none)	Interim Action ROD for the DOE Hanford 300-FF-2 Operable Unit, April 2001

J.C.2.6 Authorization Agreements

Document Number	Title
HNF-10611	WESF Authorization Agreement
HNF-9830	Plutonium Finishing Plant Authorization Agreement
03-ABD-0022	Waste Receiving and Processing (WRAP) Facility Authorization Agreement
03-ABD-0124	Central Waste Complex (CWC) and Low Level Burial Ground (LLBG) Authorization Agreement
03-ABD-0065	T Plant Authorization Agreement
HNF-11186	B Plant Authorization Agreement
HNF-11187, Rev 1	Plutonium-Uranium Extraction Authorization Agreement (Includes PUREX Facility and PUREX Storage Tunnels)
HNF-5356	Spent Nuclear Fuel Project Authorization Agreement
HNF-5810	324 Building Deactivation Project Authorization Agreement FFTF Authorization Agreement
HNF-19225	U Plant Authorization Agreement
HNF-20747	Reduction and Oxidation Facility (REDOX)

J.C.2.7 Acceptance Criteria

Document Number	Title
BHI-00139	Environmental Restoration Disposal Facility Waste Acceptance Criteria
CAO-94-1012	Quality Assurance Program Document (QAPD)
DOE-STD-3013	Stabilization, Packaging and Storage of Plutonium - Bearing Materials
DOE/RW-0351 Rev 3	Waste Acceptance System Requirements Document, E000000000-00811-1708-0001 REV 03
DOE/WIPP-02-3122 Rev. 0.1	Contact-Handled Transuranic Waste Acceptance Criteria for the Waste Isolation Pilot Plant
HNF-2599, Rev. 6	Hanford Site Transuranic Waste Characterization Quality Assurance Project Plan
G-ESR-G-00035, Rev. 1, dated July 26, 2000	Savannah River Site Stabilization and Packaging Requirements for Plutonium Bearing Materials in Storage
HNF-2600, Rev. 7	Hanford Site Transuranic Waste Certification Plan
HNF-3172	Hanford Site Liquid Waste Acceptance Criteria
HNF-EP-0063	Hanford Solid Waste Acceptance Criteria
HNF-SD-SNF-OCD-001, Rev. 6	Spent Nuclear Fuel Project Product Specification
LA-UR-00-3245	Integrated Surveillance Program in Support of Long-Term Storage of Pu-Bearing Materials
SNF-4894	Spent Nuclear Fuel Project Acceptance Criteria for LWR Spent Fuel Storage System
SNF-7199	Shippingport PWR Core 2 Blanket Fuel Assemblies Acceptance Criteria

Document Number	Title
WHC-SD-SNF-TI-001	Hanford Spent Fuel Inventory Baseline

J.C.2.8 Mutual Aid Agreements

Document Number	Title
(none)	The Memorandum Of Understanding Between The U.S. Fish And Wildlife Service (FWS) And The U.S. Department Of Energy, Richland Operations Office, (DOE-RL) For The Operation Of The Fitzner-Eberhardt Arid Lands Ecology Reserve At The Hanford Site
(none)	Memorandum of Understanding for Mutual Law Enforcement Assistance
0103719/01-SES-293	Air Tanker Support
(none)	Tri-County Mutual Aid Agreement
13700-2-J0595	Cooperative Agreement Between U.S. Fish And Wildlife Service, Hanford Reach National Monument/Saddle Mountain National Wildlife Refuge And Columbia National Wildlife Refuge And The DOE/RL Hanford Fire Department.
(none)	Letter Of Agreement Between U.S. Department Of Energy, Richland Operations Office (RL) And National Weather Service (NWS) For Possible Response To An Emergency At The Hanford Site
(none)	Memorandum Of Understanding Between Energy Northwest And U.S. Department Of Energy, Richland Operations Office For Emergency Preparedness and Response
(none)	Memorandum Of Understanding Between Siemens Power Corporation And U.S. Department Of Energy, Richland Operations Office
(none)	Memorandum Of Understanding (MOU) Between The U.S. Department Of Energy, Richland Operations Office (RL) And Kadlec Medical Center (KMC)
(none)	Memorandum Of Understanding Between The United States Department Of Energy-Richland Operations Office (RL) And Kennewick General Hospital
(none)	Memorandum Of Understanding Between The United States Department Of Energy-Richland Operations Office (RL) And Our Lady of Lourdes Medical Center
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And Benton County Emergency Services For Emergency Preparedness
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And Franklin County For Emergency Preparedness
(none)	Memorandum Of Understanding Between U.S. Department Of Energy Richland Operations Office And Grant County For Emergency Preparedness
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office, And Hanford Environmental Health Foundation And Energy Northwest For Treatment Of Radiologically Contaminated Persons
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And Hanford Environmental Health Foundation And Allied Technology Group, Inc. For The Use Of The Emergency Decontamination Facility
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And Hanford Environmental Health Foundation And Siemens Power Corporation For The Use Of The Emergency Decontamination Facility December 1999
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And The State Of Oregon For Emergency Preparedness
(none)	Memorandum Of Understanding Between U.S. Department Of Energy, Richland Operations Office And Washington State For Emergency Preparedness
(none)	Memorandum Of Understanding Between The Washington State Department Of Agriculture, Adams County Noxious Weed Control Board, Benton County Noxious Weed Control Board, Franklin County Noxious Weed Control Board, Grant County Noxious Weed Control Board and United States Department Of Energy Richland Field Office For Management Of Noxious Weed And Undesirable Plants.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-011, NM Stabilization and Disposition – PFP

Allocated Fee: \$54.8M of the fee available in Contract B.4

Performance Objective 1: Complete Pu Stabilization and Packaging, legacy Pu holdup removal and PFP de-inventory by 30 September 2006

\$24M of the fee available in Contract B.4

Performance Objective 1a: Complete stabilization & packaging of DNFSB 2000-1 Pu bearing materials by 18 February 2004. COMPLETE

- 1) Increments as follows:
 - a) \$2.5 M for 9 increments of 500 items and 1 increment of 166 items of polycubes and oxides stabilized and packaged. **COMPLETE**
 - b) \$1.0M upon completion of all polycubes. **COMPLETE**
 - c) \$5.0M upon completion of all stabilization and packaging of Pu bearing materials by 18 February 2004. **COMPLETE**

Performance Objective 1b: Complete the deinventory of the PFP DOE-STD-3013 containers and unirradiated fuel by shipping them to Savannah River or other approved location by 30 September 2006.

- 1) \$1.0M may be earned as progress payment for initial shipment to SRS
- 2) \$3.8M may be earned as progress payment in 8 equal increments for 3013 containers shipped and 2 equal increments for un-irradiated fuel pins and assemblies shipped to SRS.

Completion Criteria:

- A SNM shipment is considered complete when the shipment leaves the PFP PA either by SST or commercial shipment.

Assumptions:

- None identified.

Government Furnished Services/Items:

- DOE will provide authorization to allow shipment of Hanford Pu to SRS to begin by 30 August 2004
- Minimum of 32 SST convoys (3 SSTs per convoy at a rate of 18 convoys between FY 2004 and FY 2005, and 14 convoys in FY 2006) for PFP de-inventory by 15 September 2006 not to exceed more than 3 convoys in one month.
- DOE will provide authorization to allow shipment of un-irradiated fuel pins and assemblies including contaminated driver fuel assemblies in MFFPs to SRS by 30 September 2005. This does not include NRC approval of PFP payload in MFFP SARP.
- SRS will empty MFFP shipping casks and make available for return to Hanford.

Performance Objective 1c: Remove and disposition plutonium holdup in process equipment at PFP by 30 September 2005

- 1) \$6.8M may be earned as provisional payment in 10 increments of 10% Pu holdup removed and dispositioned. Provisional payment converts to progress payment upon completion of Pu holdup removal and disposition by 9/30/05. Increments payable as follows:
 - a) 10 increments of 10% of Pu holdup removed and dispositioned.
 - i) Increment 1-2 at \$1M each. **(COMPLETE)**
 - ii) Increment 3-6 at \$0.6M each.
 - iii) Increment 7-10 at \$0.6M each.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-011, NM Stabilization and Disposition – PFP

Allocated Fee: \$54.8M of the fee available in Contract B.4

Completion Criteria:

- 1) Legacy holdup removal is considered complete when sufficient plutonium holdup has been removed and dispositioned such that the remaining legacy plutonium does not require protected area controls. Disposition is complete when the plutonium has been either stabilized and packaged to meet DOE-STD-3013 and placed in vault storage, or has been prepared and packaged for disposal at WIPP in accordance with Hanford Solid Waste Acceptance Criteria (which incorporates the WIPP Waste Acceptance Criteria), or removed from the PFP protected area, or removed from the Material Control and Accountability (MC&A) records.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 1d: Disposition miscellaneous nuclear materials stored at PFP

- 1) \$1.5M may be earned as progress payment in 3 increments as follows:
 - a) 1 increment of \$0.5M for initial shipment of miscellaneous nuclear material
 - b) \$1M in 2 increments of \$0.5M for disposition of each 50% of remaining miscellaneous nuclear materials

Completion Criteria:

- Materials to be dispositioned are the following at PFP as of 1 May 2004:
 - HEU fuel pins
 - Sodium bonded fuel
 - Potentially NaK bonded fuel
 - Pu-Be sources
 - Am-Be sources
 - Pu-238 sources
 - Surplus californium items
 - Surplus thorium items
 - Surplus strontium items
 - Surplus neptunium items
 - Surplus selenium items
 - Surplus rubidium items
 - Surplus uranium items (excluding U-233)
 - Surplus U-233 items
 - Surplus americium items (excluding Am-Be)
 - Sources/standards not needed to support D&D of PFP
- Disposition of the nuclear material listed above is considered complete when the materials/fuel have been removed from the Protected Area and dispositioned as waste or shipped to another site/facility. Sources and standards that are needed for D&D are not included.

Assumptions:

- None identified

Government Furnished Services/Items:

- None identified

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-011, NM Stabilization and Disposition – PFP

Allocated Fee: \$54.8M of the fee available in Contract B.4

Performance Objective 1e: Remove remaining SNM from PFP such that safeguards and security controls for a protected area are no longer required.

- 1) \$2.4M may be earned as progress payment in 3 increments as follows:
 - a. \$1M upon completion of shipment of LAMPRE fuel,
 - b. \$1M upon completion of shipment of slightly irradiated FFTF fuel
 - c. \$0.4M upon completion of removal of remaining SNM from PFP such that special access and safeguards and security controls for the PFP protected area are no longer required as determined by a security risk assessment or equivalent. Limited area “islands” will be used and are acceptable for the protection of information and any remaining SNM at PFP.

Completion Criteria:

- Shipment of LAMPRE and slightly irradiated fuel is considered complete when the shipment leaves the PFP PA and accountability is transferred to the receiving organization. Removal of remaining SNM from PFP is complete when special access and safeguards and security controls for the PFP protected area are no longer required as determined by a security risk assessment or equivalent. Limited area “islands” will be used and are acceptable for the protection of information and any remaining SNM at PFP. Provide documentation showing that the remaining nuclear material at PFP no longer requires a protected area per the DOE Orders. Actual elimination of the PFP PA controls is not required as part of this performance incentive.

Assumption

- None identified

Government Furnished Services/Items

- Approved Safeguards and Security waivers for the CSB as follows: 1) protected area, 2) secondary alarm station, and 3) material control and accountability associated with the storage of Category I special nuclear materials within 90 days of submittal.

**Performance Objective 2: Demolish PFP consistent with the Action Memoranda (AM)
\$30.797M of the fee available in Contract Clause B.4**

Performance Objective 2a: Transition facilities at PFP per the PFP Complex End Point Criteria and in accordance with applicable TPA milestones

- 1) \$0.5M may be earned as progress payments in 2 equal increments of \$0.25M each upon demolition of ten PFP facilities at PFP to slab-on-grade by 30 September 2005.
- 2) \$2.0M may be earned as progress payments upon demolition of the highly contaminated 232-Z Pu waste incinerator facility to slab-on-grade by 31 March 2006.

Completion Criteria:

- 1) Transition of facilities is complete when the facility specific end point criteria have been met and signed off as complete except the contamination control cap may be omitted provided contamination control is provided per Hanford Site criteria. Omission of the contamination control cap allows the economical installation of final contamination control caps at the end of the project. The 10 facilities to be transitioned are MO-834, MO-839, MO-264 (excessed), 234-ZB, 234-ZC, 241-ZB, 2731-Z, 2735-Z, 2902-Z, and 2904-ZA. Substitution of other buildings on the DOE-HQ gold metrics nuclear facilities list is allowed for the listed facilities not required to be removed for Design Basis Threat requirements.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-011, NM Stabilization and Disposition – PFP

Allocated Fee: \$54.8M of the fee available in Contract B.4

- 2) Transition of 232-Z is complete when the facility specific end point criteria have been met consistent with the Action Memorandum and signed off complete except the contamination control cap may be omitted provided contamination control is provided per Hanford Site criteria.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 2b: Complete decontamination or removal of the highest hazard Pu process and waste handling equipment and systems by 30 September 2006

- 1) \$3.6M may be earned as progress payment upon isolation of the 241-Z high-level waste storage tank facility from the underground transfer line to Tank Farms in accordance with TPA milestone M-83-31 by 30 June 2005.
- 2) \$0.3M may be earned as progress payment upon transition of the 241-Z/ZA high-level waste storage tank facility to demolition ready by 30 September 2006.
- 3) a) \$3.0M may be earned as progress payment upon removal or decontamination to low-level waste criteria pencil tanks in the highly contaminated 236-Z Pu Reclamation Facility by 30 September 2006. Fee is payable in 4 increments of 11 pencil tanks each. Increments 1-2 at \$1M each. Increments 3-4 at \$0.5M each.
b) \$2.5M may be earned as progress payment in 2 increments upon removal or decontamination to low-level waste process equipment in the highly contaminated 236-Z Pu Reclamation Facility by 30 September 2006, as follows:
 - i) \$1.0M upon completion of removal or decontamination to low-level waste process equipment in room 50 and 60
 - ii) \$1.5M upon completion of removal or decontamination to low-level waste of the remaining process equipment
- 4) \$16M may be earned as 10 equal payments in 10% increments for removal or decontamination to low-level waste criteria of 189 Pu contaminated gloveboxes and hoods in 234-5Z Pu processing facility by 30 September 2006. First five increments will provisional payments and the 2nd five increments will be progress payments. Provisional payments convert to progress payment upon completion of the 5th increment.
- 5) \$2M may be earned as progress payment, in 2 increments as follows:
 - a) \$0.5M for initial entry and characterization of 242-Z
 - b) \$1.5M upon completion of the clean out of Pu and Americium contaminated gloveboxes and contaminated chemical processing tanks in the highly contaminated 242-Z Americium extraction facility if completed by 30 September 2006
- 6) \$0.297M may be earned as progress payment for completion of Area 6.I, Chemical Make-up Rooms 336 & 337 (23 chemical storage tanks) under the original PI. – **COMPLETE.**
- 7) \$0.1M may be earned as progress payment upon completion of size reduction and disposition or decontamination of LLW HA-20MB glovebox by 31 March 2006.
- 8) \$0.5M may be earned as progress payment upon disposition of approximately 600 contaminated plutonium nitrate solution storage containers located at PFP by 30 September 2006. Fee is payable in 4 increments of 25% at \$0.125M per increment.

Completion Criteria:

- 1) 241-Z isolation is complete when the TPA milestone has been met.
- 2) 241-Z/ZA is considered ready for demolition when the facility has been isolated from Tank Farms and

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-011, NM Stabilization and Disposition – PFP

Allocated Fee: \$54.8M of the fee available in Contract B.4

all incoming feeds, waste tanks and associated piping within the vaults have been dispositioned in accordance with the 241-Z/ZA Closure Plan or EE/CA and Action Memorandum, contamination has been fixed, all utilities have been isolated, and permits are in place to initiate demolition of the above grade structure. The final filters and stack may remain operational in support of surveillance and maintenance and demolition activities.

- 3) 236-Z
 - a) 236-Z Pencil tank removal or decontamination is considered complete when pencil tanks have been removed or decontaminated to LLW criteria. Resultant waste has been packaged and dispositioned per the Hanford Waste Acceptance Criteria.
 - b) 236-Z Process Equipment is considered complete when gloveboxes, tanks, pipes, and ducts that were designed as primary confinement of plutonium have been removed or decontaminated to LLW criteria for removal as part of the building rubble to be dispositioned at ERDF as low-level waste or per agreed upon endpoint. The final filters and stacks may remain operational in support of surveillance and maintenance and demolition activities.
- 4) 234-5Z Glovebox and hood removal is considered complete when the glovebox and hood have been removed and dispositioned as waste per the Hanford Waste Acceptance Criteria or the glovebox and hood and remaining equipment and components inside the glovebox and hood have been determined to be LLW.
- 5) 242-Z Cleanout
 - a) Initial entry and characterization is considered complete when the initial entry is made, safety system conditions are identified and safety systems are confirmed to be operable or made operable
 - b) 242-Z Cleanout is considered complete when chemical feed lines are gravity drained to where they enter the glovebox/process tank, tanks meet the RCRA definition of "empty," and gloveboxes have had SNM and ion exchange columns removed to allow the glovebox to be size reduced for later disposal.
- 6) Chemical Make-up Rooms 336 & 337 are considered complete per the completion criteria in Performance Incentive S-5, 6.I, as transmitted in contract modification 166. COMPLETE.
- 7) HA-20MB glovebox is complete when the HA-20MB Closure Plan has been met.
- 8) Solution Storage container disposal is considered complete when all used plutonium solution containers at PFP have been packaged and dispositioned per the Hanford Waste Acceptance Criteria and removed from the PA.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None Identified.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-012, SNF Stabilization and Disposition

Allocated Fee: \$46.7M of the fee available in Contract Clause B.4

Performance Objective 1: Deactivate and Remove K Basins

Performance Objective 1a: Remove SNF from K Basins

\$9.0M of the fee available in Contract Clause B.4

Removal of the K-East Basin fuel enables removal of associated sludge and water, thus eliminating a major environmental risk to the Columbia River. Removal of the fuel from K-West Basin to the 200 Area Plateau moves highly radioactive material away from the river and enables the K-West Basin to be decommissioned, thus reducing the risk of contaminant release to the environment in the event of a basin leak.

- 1) \$2.0M may be earned as provisional payment in 10 Increments of 360 fuel canisters transferred from K-East to K-West as follows:
 - a) Increment 1-2 at \$500K each. **COMPLETE**
 - b) Increment 3-6 at \$200K each. **COMPLETE**
 - c) Increment 7-9 at \$50K each **COMPLETE**
 - d) Increment 10 at \$50K each

This provisional payment shall convert to progress payment upon completion of permanent removal of water from K-East Basin by 31 January 2006.

- 2) \$5.0M may be earned as progress payments in 9 increments of 113 MTHM and 1 final increment of remaining MTHM of SNF moved from K-West.
 - a) Increments 1-7 at \$500K each. **COMPLETE**
 - b) Increments 8-10 at \$500K each
- 3) \$2.0M may be earned as progress payments in 4 increments of 80 MCOs and 1 final increment of 80 plus MCOs welded and stored in CSB in final configuration.
 - a) Increments 1-2 at \$400K each. **COMPLETE**
 - b) Increments 3-5 at \$400K each.

Completion Criteria:

- 1) All spent nuclear fuel removed from the K-East Basin (excluding fuel fragments that may be discovered during subsequent sludge removal).
- 2) All spent nuclear fuel removed from the K-West Basin (excluding fuel fragments that may be discovered during subsequent sludge removal).
- 3) MCOs stored in Canister Storage Building, welded and in final configuration ready for transfer to national geologic repository. Included are only the MCOs containing K Basins fuel and the Shippingport Spent Fuel Containers (SSFCs) containing the Shippingport PWR fuel removed from T-Plant. Excluded is the final welding of the MCOs designated in the MCO Monitoring Plan, SNF-5536, for long-term monitoring.

Assumptions:

- None identified

Government Furnished Services/Items:

- None identified

Performance Objective 1b: Remove and Treat K Basin Sludge

\$20M of the fee available in Contract Clause B.4

- 1) \$4M may be earned as progress payment upon transfer of K-East sludge into containers in K-West by 31 July 2005, linearly decreasing to \$0 by 30 October 2005. The K-East Basin has leaked in the past, resulting in releases to the soil column only 400 feet from the Columbia River. Removing the sludge from K-East and transferring it to containers in K-West will allow for expedited D&D of the K-East Basin and elimination of the mobile source term (i.e., contaminated water, unfixed contamination on structures and equipment) within the K-East Basin.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-012, SNF Stabilization and Disposition

Allocated Fee: \$46.7M of the fee available in Contract Clause B.4

- 2) \$2M may be earned as a progress payment upon the retrieval and treatment of 1 m³ of sludge to a WIPP certifiable waste form.
- 3) \$4M may be earned in two equal increments upon removal of found fuel and fuel scrap from K Basins. Removal of fuel pieces found during sludge containerizations allows for the basins water to be removed and the basins to undergo D&D.
 - a) \$2M may be earned as provisional payment upon transfer of found fuel and fuel scrap from KE to KW by 31 July 2005.
 - b) \$2M may be earned as progress payment and the provisional payment shall convert to progress payment upon removal of found fuel and fuel scrap from KW by 30 September 2006.
- 4) \$10M may be earned as progress payment upon commencement of floor and canister sludge treatment into the current draft WIPP certifiable waste form by 30 March 2006, linearly declining to \$8M on 30 September 2006. Accelerates sludge treatment by over 12 years and eliminates long term storage and processing at T-Plant and the associated costs and risk of release. Allows for earlier closure of T-Plant.

Completion Criteria:

- 1) Sludge removed from K-East Basin as required to allow removal of the basin as a low-level waste (consistent with sludge end-point criteria contained within HNF-20632 [draft] "End-Point Criteria for K Basin Interim Remedial Action").
- 2) An initial quantity of sludge will be retrieved from K Basins and treated to a waste form "certifiable" under the WIPP WAC.
- 3) Found fuel and scrap removed from K Basins packaged in MCOs, and the loaded MCOs processed through the CVD facility and shipped to the CSB.
- 4) Sludge treatment is considered to have commenced following processing of the first 50 remote handled waste packages into a waste form that is certifiable under the draft RH-TRU WIPP WAC. The sludge treatment systems are capable of treating each sludge form.

Assumptions:

- None identified.

Government Furnished Services/Items:

- Review and respond to MC&A Plan and Deviation Request for the current sludge disposition path within 45 days of submittal.

**Performance Objective 1c: Deactivate, Immobilize or Encapsulate, De-water, and Remove K-East Basin; and initiate Deactivation and Removal of K-West Basin
\$17.7M of the fee available in Contract Clause B.4**

- 1) \$3M may be earned as provisional payment upon completion of permanent water removal from K-East Basin, payable in 2 increments as follows:
 - a) \$1M may be earned as provisional payment for risk reduction achieved by initiating permanent water removal from the K-East Basin.
 - b) \$2M may be earned as provisional payment upon completion of permanent water removal from K-East Basin.The provisional payment shall convert to progress payment upon completion of Performance Objective 2b below.
- 2) \$3.2M may be earned as progress payments for removal, immobilization or encapsulation of K-East Basin contamination as follows:
 - a) \$1M may be earned upon achievement of risk reduction by immobilizing or encapsulating the construction joint, the location of past basin water leakage, in the K-East Basin Discharge Chute by 30 December 2004.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-012, SNF Stabilization and Disposition

Allocated Fee: \$46.7M of the fee available in Contract Clause B.4

- b) \$2.2M may be earned upon decontamination or immobilization of contamination, and encapsulation of all 3 K-East Basin Bays by 28 February 2006.
- 3) \$7.5M may be earned as progress payment upon completion of removal and transport of the K-East Basin to ERDF payable in 3 increments as follows:
 - a) \$1M may be earned for removal of K-East Basin superstructure by 30 June 2006, linearly decreasing to \$0 by 31 July 2006.
 - b) \$1M may be earned for removal of the first encapsulated K-East Basin section by 31 July 2006, linearly decreasing to \$0 by 31 August 2006.
 - c) \$5.5M may be earned for removal of the final K-East Basin sections to ERDF by 30 September 2006.
- 4) \$4M may be earned as progress payment upon removal, encapsulation or immobilization of K-West Basin contamination, payable in 3 increments as follows:
 - a) \$1M upon immobilization or encapsulation of the K-West Basin discharge chute and associated water removal by 31 December 2005.
 - b) \$1M upon removal of contaminated Fuel Canisters to support technical basis for D&D from the K-West Basin (source term and risk reduction) by 31 January 2006, linearly decreasing to \$0 by 1 March 2006.
 - c) \$2M upon decontamination or immobilization of 7,600 ft² of the K-West Basin walls by 31 August 2006, linearly decreasing to \$0 by 30 September 2006.

Completion Criteria:

- 1) Water from K-East Basin removed and transferred to the 200 Area Effluent Treatment Facility (ETF) or equivalent approved disposition.
Water removal is completed when the last tanker truck leaves the K Basins for ETF or other permanent removal disposition.
- 2) K-East Basin debris and contamination removed or immobilized, only to the extent necessary to meet ERDF WAC, (consistent with basin end-point criteria contained within HNF-20632 [draft] "End-Point Criteria for K Basin Interim Remedial Action").
 - a) Immobilization or encapsulation of K-East Basin discharge chute is completed when concrete/grout placement is complete and cured for 7 days.
 - b) Immobilization or encapsulation of all 3 K-East Basin bays is complete when concrete/grout placement is complete and cured for 7 days.
- 3) K-East Basin removed and transported to the Environmental Restoration Disposal Facility (ERDF), consistent with existing CERCLA Records of Decision.
 - a) Completion of superstructure removal is when K-East superstructure is demolished and delivered to ERDF for subsequent disposal.
 - b) Removal of the K-East Basin sections is initiated by the removal of the first section and delivery to ERDF.
 - c) Completion is when the last K Basin section is delivered to a suitable location at ERDF. Only the engineered structures will be removed; the excavation at 105-K-East will not be backfilled.
- 4) Removal, encapsulation or immobilization of K-West Basin.
 - a) Immobilization or encapsulation of K-West Basin discharge chute is completed when concrete/grout placement is complete and cured for 7 days. Water removal from the K-West Basin is initiated when the first water tanker truck is filled and shipped to ETF or other permanent removal disposition.
 - b) Contaminated fuel canister removal is completed when sufficient canisters have been removed to allow K Basin encapsulation to meet ERDF WAC.
 - c) Decontamination of basin walls shall be considered earned upon completion of 7,600 ft² of the circumferential surface area. Area decontaminated must be sufficient to allow K Basin dewatering

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-012, SNF Stabilization and Disposition

Allocated Fee: \$46.7M of the fee available in Contract Clause B.4

to support D&D. Walls to be decontaminated to approximately the same level around the circumference to support subsequent lowering of water level.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-013-1 Solid Waste Stabilization and Disposition – 200 Area (TRU Shipment)

Allocated Fee: \$13.5M of the fee available in Contract Clause B.4

**Performance Objective 1: Reduce the risk of continued interim storage by shipping TRU waste for permanent disposal in the geologic repository
\$13.5M of the fee available in Contract Clause B.4**

Performance Objective 1a: Ship TRU to WIPP

\$13.5M may be earned as progress payment as follows:

- 1) \$0.8M for shipment of 256 m³ of TRU waste (COMPLETE)
- 2) \$11.2M for shipment of an additional 2144 m³ of TRU waste in 8 increments of 268 m³ of TRU waste.
- 3) An additional \$0.5M may be earned as progress payment if 2,400 m³ of TRU waste cumulatively is completed by 31 March 2006, linearly declining to \$0 on 30 June 2006.
- 4) \$1M for shipment of an additional 500 m³ of TRU waste (2,900 m³ of TRU waste cumulatively) by 30 September 2006.

Completion Criteria:

- Ship TRU to WIPP
 - Shipment is defined as complete upon departure of the waste from the Hanford Site. Transportation may be accomplished either by truck or rail.
 - If volume reduction is utilized for packaging of the TRU waste, the pre-packaging volume may be utilized for completion of this Performance Incentive. For example, if five 55-gallon drums of transuranic waste are compacted and packaged in an 85-gallon over-pack drum, then one cubic meter of transuranic waste may be counted for certification.
 - Meet all acceptance criteria for WIPP.
 - One cubic meter (m³) of TRU is defined as five 55-gallon drums or three 85-gallon drums.
 - One standard waste box is defined as 1.8 m³ of TRU.

Assumptions:

- None identified.

Government Furnished Services/Items:

- DOE provides TRUPACT shipping casks, trailers, drivers, TRUPACT spare parts to perform an average of 8 shipments per month in FY 2004 with a maximum of 16 and an average of 18 shipments per month in FY 2005 and FY 2006 with a maximum of 24.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-013-2 Solid Waste Stabilization and Disposition – 200 Area (Treat/Dispose MLLW and Retrieve Suspect TRU)

Allocated Fee: \$28.1M of the fee available in Contract Clause B.4

Performance Objective 1: Reduce the risk of interim storage by treating and/or disposing of Mixed Low-Level Waste (MLLW)

\$10.389M of the fee available in Contract Clause B.4

Performance Objective 1a: Treat and/or Dispose Mixed Low-Level Waste

\$10.389M may be earned as progress payments as follows:

- 1) \$1.6M for 2544 m³ of MLLW (COMPLETE). 2000 m³ completed under this performance expectation counts towards the cumulative 5,600m³
- 2) \$6.4M for treatment and/or disposition of an additional 2,480 m³ of MLLW in 8 increments of 310 m³ of MLLW.
- 3) An additional \$.589M may be earned as progress payment if 4,480 m³ of MLLW cumulatively is completed by 31 March 2006, linearly declining to \$0 on 30 June 2006.
- 4) \$1.8M for treatment and/or disposition of an additional 1,120 m³ of MLLW (5,600 m³ of MLLW cumulatively) by 30 September 2006

Completion Criteria:

- Treat and/or dispose Mixed Low-Level Waste
 - Mixed Low-Level Waste that has been treated by the generator may be directly disposed and counted towards the required volumes of this Performance Incentive.
 - Volumes under this Performance Incentive are pretreatment volumes and consistent with M-91 milestones.
 - Waste currently categorized as MLLW, and in storage, may be counted towards the required volumes of this Performance Incentive if regulatory requirements for disposal are met.
 - Decommissioned Naval Reactor Compartments may not be counted towards the required volumes of this Performance Incentive.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 2: Remove the threat of release to the environment (including groundwater) by retrieving suspect TRU (below ground)

\$17.711M of the fee available in Contract Clause B.4

\$17.711M may be earned as progress payments as follows:

- 1) \$0.211M for 160 m³ of suspect TRU (COMPLETED)
- 2) \$13.2M retrieval of an additional 3,040m³ of suspect TRU in 8 increments of 380 m³.
- 3) An additional \$0.5M may be earned as progress payment if 3,200 m³ of suspect TRU cumulatively is completed by 31 March 2006, linearly declining to \$0 on 30 June 2006.
- 4) \$3M for retrieval of an additional 1,000 m³ (4,200 m³ cumulatively) by 30 September 2006
- 5) \$0.4M upon completion of a test dig in Burial Ground 218-E-12B by 30 September 2005.
- 6) \$0.4M upon completion of a test dig in Burial Ground 218-W-3A by 31 March 2006.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-013-2 Solid Waste Stabilization and Disposition – 200 Area (Treat/Dispose MLLW and Retrieve Suspect TRU)

Allocated Fee: \$28.1M of the fee available in Contract Clause B.4

Completion Criteria:

- Retrieve suspect TRU from those locations as defined in the Settlement Agreement.
 - Retrieval is defined as removing the drums or boxes from the stack, making a determination as to TRU or non-TRU, performing designation, and transportation to a TSD or other compliant disposal facility. For purposes of completing this Performance Incentive, TRU and TRUM (TRU Mixed) are considered synonymous.
 - Retrieved volumes from test digs are 10 m³ from Burial Ground 12B and 10 m³ from Burial Ground 3A. Alternative techniques that meet data quality objectives may be substituted for excavation with RL approval.
- Test dig must provide useable evidence as defined in an RL approved Data Quality Objective (DQO) document to determine condition of buried waste.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-030 Soil and Water Remediation – GWVZ Nuclear Facility

Allocated Fee: \$9.6M of the fee available in Contract Clause B.4

**Performance Objective 1: Implement Groundwater Remedies
\$6.1M of the fee available in Contract Clause B.4**

Performance Objective 1a: Implement Groundwater Remedies

\$6.1M may be earned as progress payment upon implementation of the groundwater remedies to address compliance with Record of Decision to reduce/eliminate risks of strontium-90, chromium, technetium-99, uranium, and carbon tetrachloride to human health and the environment by 30 September 2006.

- 1) \$0.75M for 100-HR-3 (H Area):
 - a) \$.6M upon attainment of remedial action objectives (RAOs), as specified in the existing Record of Decision, for chromium at 100-HR-3 (H Area) by 31 March 2006.
 - b) \$.15M upon completion of active remediation at 100-HR-3 (H Area) by 30 September 2006.
- 2) \$0.75M for 200-UP-1:
 - a) \$.6M upon attainment of remedial action objectives (RAOs), as specified in the existing Record of Decision, for uranium and technetium 99 at 200-UP-1 by 31 March 2006.
 - b) \$.150M upon completion of active remediation at 200-UP-1 by 30 September 2006.
- 3) \$1.3M for 100-NR-2:
 - a) \$.0.15M upon completion of active remediation of 100-NR-2 by 30 March 2006.
 - b) \$1.15M upon installation of a sequestration barrier at 100-NR-2 by 30 September 2006.
- 4) \$1.65M for 100-HR-3D (D Area) upon expansion of the pump and treat system to capture the high concentration portion (>22 ppb) of the chromium as required in the Record of Decision by 31 March 2006.
- 5) \$1.65M for 200-ZP-1 upon expansion of the pump and treat system to capture the high concentration portion (>2000 ppb) of the carbon tetrachloride plume as required in the Record of Decision by 31 March 2006.

Completion Criteria:

Implement groundwater remedies to address compliance with Record of Decision to reduce/eliminate risks of strontium-90, chromium, technetium-99, uranium, and carbon tetrachloride to human health and the environment by 30 September 2006.

- 1) For 100-HR-3:
 - a) Complete the groundwater remedies by meeting the remedial action objective for reducing concentrations as described in the interim action Record of Decisions for 100-HR-3 (H Area). The Remedial Design Report and Remedial Action Work Plan for the 100-HR-3 and 100-KR-4 Groundwater Operable Units' Interim Action DOE/RL-96-84 Rev. 0 provides the criteria for successful completion of the interim action at the 100-H Area
 - b) Completion of active remediation for 100-HR-3 (H Area) will be considered performed upon removal of the power source for the extraction wells after the remedial action objective has been met.
- 2) For 200-UP-1:
 - a) Complete the groundwater remedies by meeting the remedial action objective for reducing concentrations as described in the interim action Record of Decisions for 200-UP-1. This performance incentive for 200-UP-1 will be considered having been met when concentrations of Tc-99 and uranium have been successfully reduced to below action levels (Tc-99: 9,000 pCi/L and U: 480 ug/L) specified in the 200-UP-1 Interim Record of Decision for a minimum period of one year.
 - b) Completion of active remediation of 200-UP-1 will be considered performed upon removal of the power source for the extraction wells after remedial action objectives have been met.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-030 Soil and Water Remediation – GWVZ Nuclear Facility

Allocated Fee: \$9.6M of the fee available in Contract Clause B.4

- 3) For 100-NR-2:
 - a) Completion of active remediation of 100-NR-2 will be done with the removal of clinoptilite from the treatment vessels and the removal of the power source for the extraction wells.
 - b) Complete installation of a 300-foot barrier.
- 4) For 100-D:
 - Complete the expansion of the pump and treat system by constructing/tying in additional wells compliant with the DOE-approved capture zone analysis.
- 5) For 200-ZP-1:
 - Complete the expansion of the pump and treat system by constructing/tying in additional wells compliant with the DOE-approved capture zone analysis.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified

**Performance Objective 2: Eliminate Natural and Artificial Recharge
\$2.5M of the fee available in Contract Clause B.4**

- 1) \$0.3M may be earned as progress payment upon completion of the Central Plateau water run-on/run-off controls for high risk waste sites to limit driving contamination to the aquifer by 31 March 2006.
- 2) \$1.75M may be earned as progress payment upon decommissioning of 520 high priority Central Plateau wells to eliminate the potential rapid movement and flushing of contaminants to the groundwater by 30 September 2006 as follows:
 - a) \$0.5M may be earned upon decommissioning 70 high-risk, high priority wells by 30 September 2005.
 - b) \$0.75M may be earned upon decommissioning, 270 high priority wells in 3 increments of 90, to support Central Plateau area closures by 31 March 2006.
 - c) \$0.5M may be earned upon decommissioning, an additional 180 high priority wells in 2 increments of 90, to support Central Plateau area closures by 30 September 2006.
- 3) \$0.45M may be earned as progress payment upon completion of twelve Central Plateau water system renovations and elimination of the U Plant septic system discharges by 30 September 2006.

Completion Criteria:

- a) Complete regrading, berming, and/or channeling measures to control surface water run-on/run-off at and around high-risk waste sites.
- b) Decommission 520 high priority wells, which are closest to waste sites and of poor construction (and/or are geographically in proximity to such wells and support a regional closure, optimization approach), in accordance with Washington Administrative Code. Completion of Webster or "Webster type" wells and all other wells will be documented with field activity reports and submission of decommissioning documentation to State Department of Ecology.
- c) Complete the following Central Plateau water system renovations by installing, refurbishing, replacing, or isolating (cut and cap water lines) to eliminate recharge to the groundwater:
 - S-Plant water supply lines S of 16th and N of 19th (L-341)
 - 242-A Evaporator/Canton Street waterline upgrade (L-388)
 - Automate 182-B export water pumps (L-412)
 - 200 East Area raw water reservoir (L-317)
 - 20 inch South "A" Farm raw water supply line in 200 East (L-352)
 - 8 inch North "A" Farm raw water supply line in 200 East (L-353)

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-030 Soil and Water Remediation – GWVZ Nuclear Facility

Allocated Fee: \$9.6M of the fee available in Contract Clause B.4

- 10 inch B-Plant potable water supply line in 200 East (L-398)
- 200 West Area reservoir (L-311)
- 20 inch S-Labs raw water supply line in 200 West (L-397)
- 12 inch T-Plant potable water supply line in 200 West (L-399)
- 14" 242S raw water supply line in 200 West (L-355)
- U Plant Area water lines (L-441)
- Complete upgrades to eliminate U Plant Area septic system discharges (L-442)

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

**Performance Objective 3: Ensure the protectiveness of remedial actions
\$1M of the fee available in Contract Clause B.4**

EPA and Ecology agreed installation of 60 monitoring wells with multiple uses (RCRA compliance, CERCLA characterization, remediation monitoring) would bring the monitoring well network into compliance and would not required the 240 wells requested by them. This results in costing saving to the government of ~\$36M. (Based on an estimated average installation cost of ~\$200K per well (180 wells times \$200K = ~\$36M)).

\$1M may be earned as progress payment upon completion of early detection groundwater monitoring network wells in accordance with approved regulatory decision documents by 31 December 2005 as follows:

- \$.5M upon completion of 30 wells.
- \$.5M upon completion of an additional 30 wells (cumulative 60 wells).

Completion Criteria:

- Completion of wells identified in the TPA Milestone M-24-57.
 - Complete integrated groundwater monitoring system.
 - Certify that the wells are sample-ready and are in accordance with the Data Quality Objectives Summary Report for Establishing a RCRA/CERCLA Integrated 200 West and 200 East Area Groundwater Monitoring Network, CP-15329, Rev. 0, March 2003.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K.A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-040 Nuclear Facility D&D – Remainder of Hanford

Allocated Fee: \$12M of the fee available in Contract Clause B.4

**Performance Objective 1: Remediate High Risk Waste Sites and Shrink Contaminated Areas
\$6M of the fee available in Contract Clause B.4**

Performance Objective 1a: Remediate U Plant area waste sites

\$3.1M may be earned as progress payment upon remediation of U Plant area waste sites to reduce/eliminate risks of uranium and technetium-99 to human health and the environment as follows:

- 1) \$3.1M may be earned as progress payment in 4 equal increment of \$0.775M upon the remediation of four U Plant area high risk waste sites (216-U-1, 216-U-2, 216-U-8, and 216-U-12 Cribs) in the U Plant Regional Closure Area as identified in the waste site proposed plan (DOE/RL-2003-24) by 30 September 2006.

Completion Criteria:

1a: Remediate U Plant area waste sites

- Complete the remediation of U Plant area waste sites to reduce/eliminate risks of uranium and technetium-99 to human health and the environment.
- Remediate four high risk waste sites (216-U-1, 216-U-2, 216-U-8, 216-U-12) in the U Plant Area that are outside the proposed environmental cap to be placed over the 221-U facility and ancillary facility debris (DOE-RL 2001-11, Final Feasibility Study for the Canyon Disposition Initiative (CDI), 221-U Facility). Remediation means installation of remedy in accordance with U Plant Area Waste Sites Record of Decision. Waste site remediation does not include final backfilling and re-vegetation or verification/closeout sampling. Remaining activities will be as identified in Rev. 0 of the RDR/RAWP.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 1b: Remediate BC Cribs and Trenches

- 1) \$2.9M may be earned as progress payment in two equal increments of \$1.45M upon remediation of BC Cribs and Trenches to reduce/eliminate risks of nitrate, technetium-99, cesium-137, and strontium-90 to human health and the environment by completing at least two of the following waste site groupings by 30 September 2006.
 - Cribs 216-B-14 through 216-B-19, includes 216-E-14 Siphon Tank
 - Trenches 216-B-20 through 216-B-22
 - Trenches 216-B-23 through 216-B-28 and 216-B-52
 - Trenches 216-B-29 through 216-B-34

Completion Criteria:

1b: Remediate BC Cribs and Trenches

- Complete the remediation of BC Cribs and Trenches to reduce/eliminate risks of nitrate, technetium-99, cesium-137, and strontium-90 to human health and the environment.
- Complete BC Cribs and Trenches Area cribs, trenches and pipeline remediation in accordance with the proposed plan (DOE/RL-2004-10) and the Records of Decision. Remediation of waste sites means completion of all protective measures (e.g., installation of engineered barriers) in accordance with the applicable Record of Decision. Waste site remediation does not include final backfilling and re-vegetation or verification/closeout sampling. Remaining activities will be as identified in Rev. 0 of the RDR/RAWP.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-040 Nuclear Facility D&D – Remainder of Hanford

Allocated Fee: \$12M of the fee available in Contract Clause B.4

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

**Performance Objective 2: Disposition Excess Hazardous Facilities by 30 September 2006
\$6M of the fee available in Contract Clause B.4**

Performance Objective 2a: Demolish 233-S and 233-SA by 30 June 2004

- 1) \$2.5M may be earned as progress payment upon demolition of the 233-S (Pu Concentration Facility) and 233-SA (Exhaust Filter Building) to slab-on-grade by 30 June 2004. - **COMPLETE**

Completion Criteria:

- 1) 233-S (Pu Concentration Facility) and 233-SA (Exhaust Filter Building) demolished to slab-on-grade by 30 June 2004.

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 2b: Demolition of Canyon ancillary facilities as follows by 30 September 2006

- 1) \$2M may be earned as progress payment upon demolition to slab-on-grade 10 U Plant Ancillary Facilities and structures and 10 B Plant structures by 31 March 2006, linearly decreasing to \$0 by 30 June 2006.
- 2) \$0.5M may be earned as progress payment upon demolition to slab-on-grade 12 additional B Plant structures by 30 September 2006.

Completion Criteria:

- 1) Ten U Plant Ancillary Facilities and structures identified in Table A, including at least one nuclear facility as identified in the Hanford Site Technical Database (HSTD), demolished to slab-on-grade by 31 March 2006.
- 2) Ten B Plant structures, identified in Table B, including at least one radiological facility as identified in the HSTD, demolished to slab on grade by 31 March 2006.
- 3) Twelve additional B Plant structures identified in Table B, demolished to slab-on-grade by 30 September 2006.
- 4) The Slab-on-Grade definition is
 - Building and project generated debris packaged and shipped off the demolition project site or in accordance with the Action Memorandum.
 - Final site surveys and sampling is complete.
 - Appropriate stabilization of the slab area is complete and properly posted.
 - Site demobilization is complete.

Assumptions:

- None identified.

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-040 Nuclear Facility D&D – Remainder of Hanford

Allocated Fee: \$12M of the fee available in Contract Clause B.4

Government Furnished Services/Items:

- None identified.

Table A – U Plant Ancillary Facilities Applicable to Performance Objective 2b:

Note: 10 of 12 facilities are within funding guidance. FH will disposition 10 of 12 listed, one of which is a nuclear facility as defined in the HSTD.

- U Plant Ancillary Facilities include the following:
 - 2714-U UO3 Storage Facility
 - 2715-U Oil Storage Building
 - 2715-UA Insulators Shop
 - 2716-U UO3 Plant Fire Protection
 - 2726-U Propane Gas Storage Facility
 - 203-U – Uranium Storage Tank Enclosure
 - 211-U Chemical Tank Farms
 - 211-UA Chemical Tank Farms
 - 2709-A Change House at 2714-U
 - 222-U Laboratory
 - 272-U – Hot Shop/Cold Maintenance Shop
 - 275-UR Storage Warehouse

Table B – B Plant Structures Applicable to Performance Objective 2b:

- B Plant construction lay down yard structures include the following:
 - 272BC Construction Multi-Craft Storage
 - 2200B Construction Portal Monitoring Building
 - 2201B Construction Ice House at 227B
 - 2238E Electrical Supervisors Office
 - 2239E Carpenters Supervisors Office
 - 2240E Paint Shop
 - 2241B Laborer's Storage
 - 2244B Multi Craft Fabrication Shop
 - 2245B Electrician's Lunchroom/Office
 - 2247B Ironworker's Shop
 - 2251E Storage Building
 - 2252E Storage Building
 - 2253E Storage Building
 - 2254E Storage Building
 - 2255E Storage Building
 - 2256E Storage Building
 - 2257E Storage Building
 - MO958 Mobile Office
 - MO959 Mobile Office – Restroom
 - MO964 Mobile Office
 - MO965 Mobile Office – Storage
 - MO967 Mobile Office

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-040 Nuclear Facility D&D – Remainder of Hanford

Allocated Fee: \$12M of the fee available in Contract Clause B.4

Performance Objective 2c: Complete regulatory documentation supporting U Plant Regional Disposition by 31 December 2005

- 1) \$1M may be earned as progress payment upon issuance of the CERCLA decisions for U Plant Canyon Disposition Initiative (CDI) and U Plant Ancillary Facilities by 31 December 2005.

Completion Criteria:

- 1) The scope will be considered complete when the following actions have occurred:
 - a) Action Memorandum for U Plant Ancillary Facilities has received regulator concurrence.
 - b) Record of Decision for Canyon Disposition Initiative (221-U Facility) has been issued by the regulators.

Assumptions:

- Utilizing a sound technical and legal basis jointly developed by FH and DOE, DOE will defend and support delivery of the CDI FS/PP, by 30 September 2004 to the Regulator for concurrence.

Government Furnished Services/Items:

- None identified.

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K. A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0, June 10, 2004

PBS: RL-041 River Corridor Closure Project

Allocated Fee: \$1M of the fee available in Contract Clause B.4

Performance Objective 1: Package, ship and dispose of remaining N Reactor Fuel by 31 March 2006 to meet TPA Milestone MX-92-06-T02, due 30 September 2006. \$1M of the fee available in Contract Clause B.4

- 1) \$1M may be earned as progress payment upon completion of packaging, shipping and disposal of 823 MT of uranium metal fuel from three Nuclear Facilities in the 300 Area in accordance with the following increments:
- a) \$0.8M may be earned as a progress payment for the packaging, shipping and disposal of 665.3MT of 0.71 and 0.95 enriched Uranium Fuel.
 - b) \$0.2M may be earned as a progress payment for the packaging, shipping and disposal of 158.19MT of 1.25 enriched Uranium Fuel.

Completion Criteria:

- 1a) 665.3 MT of uranium metal fuel listed in Table A packaged, shipped and disposed from the 300 Area
- 1b) 158.19 MT of uranium metal fuel listed in Table A packaged, shipped, and disposed from the 300 Area.

Assumptions:

- None identified.

Government Furnished Services/Items:

- Review and respond to an ERDF Authorization Basis Document (0600X-AB-G0004/BHI-00370) change, if needed, within 90 days after submittal of the AB.
- Review and respond to request for amendment to the SARP addressing the 1.25 enriched fuel and scrap and allowing shipments below 60 degrees Fahrenheit within 90 days of submittal.

Table A - Uranium Metal Fuels Inventory – (Totals Are in MTU)

Location	0.71 U	0.95 U	1.25 U	Total	Material Type
303-B	0	0	39.19 – 72 Red Boxes	39.19 – 72 Red Boxes	Contaminated fuel assemblies
3712	53.90 – 67 Red Boxes	488.20 – 628 Red Boxes	104.28 – 195 Red Boxes	646.38 – 890 Red Boxes	Fuel assemblies
3712	0.14 – 1 Scrap Box	1.06 – 1 Red Box 5 Scrap Boxes	0.08 – 1 Red Box	1.28 – 2 Red Boxes 6 Scrap Boxes	Scrap
3716	8.68 – 12 Red Boxes 9 Scrap Boxes	113.37 – 144 Red Boxes 125 Scrap Boxes	14.64 – 50 Red Boxes	136.69 – 206 Red Boxes 134 Scrap Boxes	Unfinished fuel assemblies
Total	62.72	602.63	158.19	823.54	

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K. A. Klein, Manager
Richland Operations Office

Date

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0 June 10, 2004

PBS: RL-042 Nuclear Facility FFTF

Allocated Fee: \$7M of the fee available in Contract Clause B.4

**Performance Objective 1: Fast Flux Test Facility Complex Hazard Reduction
\$7M of the fee available in Contract Clause B.4**

Performance Objective 1a: Remove all remaining FFTF reactor fuel from the 400 Area and transfer it to the 200 Area Interim Storage Area (ISA)

- 1) \$1.5M may be earned as progress payment for removal of 81 fuel assemblies (COMPLETE).
- 2) \$1.5M may be earned as progress payments for the completion of loading and transferring 5 additional interim storage casks (ISCs), in increments of \$0.3M per ISC, by 31 August 2004.
- 3) \$2.1M may be earned as provisional payments in increments of \$0.21M per ISC for the completion of loading and transferring each of 10 additional ISCs by 31 March 2005. If contract transition occurs prior to work completion, remaining fee from this expectation will be re-allocated to existing incentivized work scope associated with RL-030. The provisional payment will convert to progress payment upon completion of Performance Objective 1b, below.
- 4) \$0.4M may be earned as a progress payment for the disassembly of fuel assembly MFF-1 and loading of fuel pins into Ident 69 pin containers or pin baskets, as appropriate, by 31 July 2004.

Completion Criteria:

- Interim storage casks (ISCs) loaded and transferred to the 200 Area Interim Storage Area (ISA).

Assumptions:

- None identified.

Government Furnished Services/Items:

- None identified.

Performance Objective 1b: Perform additional risk reduction activities at the FFTF to include:

\$1M may be earned as progress payment upon completion of selected reactor sodium and sodium-potassium alloy drain activities by the completion of FFTF contract transition.

Completion Criteria:

- Sodium flush completed for the two in-containment sodium-potassium (NaK) alloy cooling systems (primary cold trap cooling, and Interim Decay Storage vessel cooling). Following the flush, the NaK systems will be drained to the maximum extent practical and the remaining NaK and frozen sodium residuals will be maintained under an inert gas blanket pending later disposition.
- The reactor vessel sodium level lowered to just above the tops of the immersion heaters and the three primary heat transport system loops drained to the maximum extent practical. The sodium transferred into the Sodium Storage Facility (SSF). Associated trace heat systems de-energized and primary pony motors secured. Completion does not include actions to drain the reactor vessel and primary auxiliary sodium systems or disposition of residual sodium in cold traps and other portions of the system, or shutdown and lay-up of associated cover gas, electrical support, heating & ventilation, primary pump skids, or other support systems.
- In the Fuel Storage Facility (FSF), the portion of the NaK cooling loop external to the fuel storage vessel drained. Non-drainable NaK in the loop within the FSF storage vessel and in the NaK-to-air heat exchangers removed to the extent practical. The NaK loop will then be maintained under an inert gas blanket pending later disposition. The removed NaK, including that stored in the FSF NaK storage tank, transferred into the FSF storage vessel sodium.

Assumptions:

- None identified

FY 2003 – FY 2006 FHI PERFORMANCE INCENTIVE

Rev. 0 June 10, 2004

PBS: RL-042 Nuclear Facility FFTF

Allocated Fee: \$7M of the fee available in Contract Clause B.4

Government Furnished Services/Items:

- None identified

Performance Objective 1c: Drain secondary sodium

\$0.5M may be earned as progress payment upon removal of secondary sodium (COMPLETE).

Signatures

R. G. Gallagher, President & Chief Executive Officer
Fluor Hanford, Inc.

Date

K. A. Klein, Manager
Richland Operations Office

Date

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX E

(RESERVED)

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX F

**ENVIRONMENT, SAFETY, AND HEALTH BUDGET
PLANNING AND EXECUTION**

The following represents additional criteria for environment, safety and health budget planning and execution, to be included as part of the requirements of the clause entitled, "Integration of Environment, Safety and Health into Work Planning and Execution" (June 1997), Paragraphs (d) and (e), of this contract.

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.

1.1 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.

1.2 ES&H Budget Summary

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

1.3 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.

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.

2.1 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.

2.2 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.)

**PART III - LIST OF DOCUMENTS
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SECTION J

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 Department 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. The Contractor shall submit to DOE an updated Diversity Plan each January.

Work Force

This contract includes certain provisions on Equal Opportunity and Affirmative Action. These provisions are found in clauses contained in Section I, entitled, FAR 52.222-26 Equal Opportunity (FEB 1999), FAR 52-222-27 Affirmative Action Compliance Requirements For Construction (FEB 1999), FAR 52.222-35 Affirmative Action For Special Disabled Veterans And Veterans Of The Vietnam Era (APR 1998), FAR 52.222-36 Affirmative Action For Workers With Disabilities (JUN 1998), and FAR 52.222-37 Employment Reports On Disabled Veterans And Veterans Of The Vietnam Era (JAN 1999), and regulatory guidance is found at FAR Part 22 (48 CFR Part 22). The Contractor should discuss its policies and plans for implementation of these provisions in its operations. If the Contractor already has procedures in place, these should be discussed and copies of any policies provided.

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 already be discussed in the offer submitted under this RFP or in the executed contract and could 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 the Department's intent that the Contractor develop 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.

Community Involvement and Outreach

An offer submitted under a RFP or contained in the executed contract may include a section already dealing with community involvement and outreach activities. In that event, those sections may be cross-referenced and do not need to be repeated. 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.

Subcontracting

The RFP or finalized contract action will contain FAR 52.219-9 "Small Business Subcontracting Plan" (OCT 1999) and other small business related clauses. (see Section I, Clauses entitled, FAR 52.219-8 Utilization Of Small Business Concerns (OCT 1999), FAR 52.219-9 Small Business Subcontracting Plan (OCT 1999), FAR 52.219-10 Incentive Subcontracting Program (JAN 1999), and FAR 52.219-16 Liquidated Damages--Subcontracting Plan (JAN 1999). Additionally, the RFP contains additional guidance in an Appendix entitled "Small Business Subcontracting Plan" (see Section J, Appendix I). If the Contractor has already met the requirements under the contract clause entitled, "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 Department's 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.

Economic Development (Including Technology Transfer)

Many of the Department's contract actions include Technology Transfer provisions which may be found in the H Section, Special Contract provisions, or among the patent and intellectual property clauses of Section I, Standard Clauses. 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.

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX H

(RESERVED)

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX I

**SMALL, SMALL HUBZONE, SMALL DISADVANTAGED AND WOMAN-OWNED
SMALL BUSINESS SUBCONTRACTING PLAN FOR FY 2004**

September 30, 2003

(consisting of 6 pages including this cover page)

SUBCONTRACTING PLAN

1. Name of Prime Contractor: Fluor Hanford, Inc.
Address: Post Office Box 1000, MSIN H7-02
Richland, Washington 99352
2. Contract of Solicitation No.: DE-AC06-96RL13200

Total Amount of Contract: \$7.58 Billion
Period of Performance: October 1, 2001 through September 30, 2006
Place of Performance: Richland, WA

Description of Contract Requirements: Fluor Hanford, Inc. (FH) shall provide all materials, supplies, services and transportation necessary to perform the Statement of Work as Management Contractor for DOE, Richland Operations Office.

Items 3 through 7 are based on FY04 dollars only. The 25% is based on \$568¹ million of FH cost for FY04.

3. Total amount of planned subcontracting: \$140,000,000

Percentage of total amount of contract: 25%
4. Total planned for subcontracting to Small Business \$56,000,000
(Small Business) (Including item 5, 6, 7 and 8 below):

Percentage of total amount of planned subcontracting: 40%
5. Total planned for subcontracting to Small Dis-
advantaged Business (part of item 4): \$ 7,000,000

Percentage of total amount of planned subcontracting: (part of item 4) 5%
6. Total planned for subcontracting to HUBZone Small
Business (part of item 4): \$ 4,200,000

Percentage of total amount of planned Subcontracting: (part of item 4) 3%
7. Total planned for subcontracting to Woman-Owned
Small Business (part of item 4) \$7,000,000

Percentage of total amount of planned subcontracting: (part of item 4) 5%

¹ Excludes goal and base dollars associated with RL Directed, Non-Defense and Environmental Restoration work, affiliate work issued as an interdivisional transfer at cost and other DOE Government Contractors, including National Labs.

8. Total planned for subcontracting to Disabled Veteran-Owned Small Business (part of item 4) \$140,000
- Percentage of total amount of planned subcontracting: (part of item 4) 0.1%
9. Total planned for subcontracting to Veteran-Owned Small Business (part of item 4) \$700,000
- Percentage of total amount of planned Subcontracting: (part of item 4) 0.5%
10. Items to be subcontracted under this contract and the types of businesses supplying them are: (Check all that apply)

Subcontracting Items	Large Businesses	SB	SDB	HUBZone	Veteran-Owned	Disabled Veteran	WOSB
Office Supplies		X	X	X	TBD	TBD	X
Janitorial Supplies		X	X	TBD	TBD	TBD	X
Office Equipment		X	X	TBD	TBD	TBD	X
Temporary Empl. Services	X	X	X	TBD	TBD	TBD	X
A/E Services		X	X	X	TBD	TBD	X
Safety Equipment		X	X	TBD	TBD	TBD	X
Fuels		X	X	TBD			
Operating Materials	X	X	X	TBD	TBD	TBD	X
Real Estate	X	X					
Miscellaneous Services	X	X	X	TBD	TBD	TBD	X

11. The method used to develop the subcontracting goals for Small, Small HUBZone, Small Disadvantaged, Disabled Veteran and Woman-Owned Small Business concerns is described as follows:

In formulating the goals for Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns for FY 2004, FH utilized current guidance from the U.S. Department of Energy, Richland Operations Office. FH used historical data from actual accomplishments for FY 2003. In addition, the following were considered:

- FH believes these goals are achievable-based on historical data and what we see as the opportunity and

condition of the supplier community. FH will do their best in making a good faith effort to achieve these goals.

- Due to the committed FY04 placement dollars, approximately 42% of the total estimated FY 2004 base (\$140M) is already committed and 90% of those dollars committed are to large businesses.
- The goals above reflect a FH target for 60% placement of new procurements during FY 2004 with small businesses. This represents an ambitious effort given the unique nature of the types of goods and services that are not already tied up in multi-year agreements.
- These goals are based on current SBA certification requirements.
- The limited availability of HUBZone and Disabled Veteran Small Businesses for the projected needs of FH in FY 2004 continues to influence these goals.
- FH Supplier Advocacy Office, in coordination with the contract specialists, continues to seek the maximum practicable procurement opportunities for small businesses. FH Contracts, working with various project customers, has issued a number of solicitations in which requirements were structured to allow for multiple awards to facilitate greater participation by small businesses. For example, the old JIT contracts as they expire, are being re-competed using a "Market Place," web-based concept, which allows several small businesses to be awarded the contract and listed as a source for the specific products, e.g. office products. This contract was set aside for small local businesses and was awarded to three small, HUBZone and Woman-owned businesses. Using this new "Market Place" web-based concept allows more small businesses to participate and provides FH a wider selection in procuring those goods we need as well as providing competitive pricing and availability. In addition, FH has a staff augmentation BOA in place with over 50+ local businesses participating, thus providing a greater opportunity for local small business participation. Changing our business strategy for E-commerce (eStore) to open up high volume commodities to more than one local small business, from single to multiple awards, provides a greater opportunity for small businesses to participate in the procurement process.

12. The method used to identify potential sources for solicitation purposes is as follows:

Existing company source lists: Small Business Administration including regional and Headquarters and Fluor Corporate database; Pro-Net; small, small HUBZone, Small Disadvantaged, Disabled Veteran, woman-owned Small Business concerns trade associations; Trade Fairs; conferences/conventions; and workshops. Also, Chamber of Commerce (all four) meetings, TRIDEC, and networking with the small business community.

13. Indirect costs are () are not (X) included in the above goals (*check one*).

14. The following individual will administer the subcontracting program:

Name: VJ Meadows
Title: Small Business Advocate, Supplier Advocacy Office
Address- P.O. Box 1000, MSIN H7-02
Richland, Washington 99352
Telephone: (509) 376-4697

This individual's specific duties as they relate to the firm's subcontracting program are as follows:

- a. Ensuring, in the project's acquisition of goods and services, that Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Women-Owned Small Business concerns are provided the maximum opportunity practicable to compete for subcontracted work and purchased materials.
- b. Ensuring the establishment and maintenance of records of the total dollar value of solicitations and awards to Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Women-Owned Small Business concerns, large business concerns and total solicitations and awards.
- c. Preparing and submitting semi-annual reports (SF294) on direct procurements to the contracting officer.

- d. Developing and maintaining source files (Pro-Net and others) of Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Women-Owned Small Business concerns for use by the project in preparing bidders lists for solicitations of direct and indirect goods and services.
 - e. Participating or ensuring participation of company representatives in Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Women-Owned Small Business trade associations, seminars, and business opportunity workshops and outreach programs.
 - f. Conducting or arranging for conduct of instructional and motivational workshops for procurement and contracts personnel and others in the duties and methods of enhancing the participation of Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Women-Owned Small Business firms in Project Hanford's acquisitions.
 - g. Coordinating project activities during conduct of compliance reviews by federal agencies.
 - h. Cooperating in any studies or surveys or submission of reports (in addition to those in Item C, above) as may be required by the Department of Energy or the Small Business Administration.
 - i. Establishing and maintaining adequate records of the above activities to document compliance with this subcontracting plan.
 - j. Assisting in implementing a procurement system, which uses the information highway to expand access by Small, Small Disadvantaged, Women-Owned Small Business concerns to the procurement process.
15. The following efforts will be made to assure that Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns will have an equitable opportunity to compete for subcontracts.
- a. Identify potential projects or portion of projects that can be performed by Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns.
 - b. Include Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns in Request for Quotes where such concerns are known to exist and are qualified to supply the items or services being procured.
 - c. Assist Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns with mentoring through the Supplier Advocacy Office, Small Business Liaison.
 - d. Arrange bid solicitation; time for preparation of proposals, quantities, specifications and delivery schedules to facilitate participation.
 - e. Provide training for Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns in doing business with the PHMC (Project Hanford Management Contract).
16. The clause entitled "Utilization of Small Business Concerns" will be included in all subcontracts that offer further subcontracting opportunities and all subcontractors (except Small Business concerns) who receive subcontracts in excess of \$500,000 (*\$1,000,000 for construction of any public facility*) will be required to adopt a plan similar to the plan agreed to by the offeror.
17. The contractor will cooperate in any studies or surveys as may be required; submit periodic reports in order to allow the Government to determine the extent of compliance by the offeror with the subcontracting plan; submit Standard Form 294, "Subcontracting Report for Individual Contracts," and Standard Form 295, "

Summary Subcontract Report," in accordance with the instructions on the forms; and ensure that its subcontractors agree to submit Standard Forms 294 and 295.

18. The following types of records will be maintained to demonstrate procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of its efforts to locate Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):
- a. Source lists, guides and other data that identify Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business concerns.
 - b. Organizations contacted in an attempt to locate sources that are Small, Small HUBZone, Small Disadvantaged, or Woman-Owned Small Business concerns.
 - c. Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating (1) whether Small Business concerns were solicited and if not, why not, (2) whether Small HUBZone Business concerns were solicited and if not, why not, (3) whether Small Disadvantaged Business concerns were solicited and if not, why not, (4) whether Woman-Owned Small Business concerns were solicited and if not, why not, and (5) if applicable, the reason award was not made to a Small Business concern.
 - d. Records of any outreach efforts to contact (1) trade associations, (2) business development organizations, and (3) conferences and trade fairs to locate Small, Small HUBZone, Small Disadvantaged, Disabled Veteran, Woman-Owned Small Business sources.
 - e. Records of internal guidance and encouragement provided to buyers through (1) workshops, seminars, training, etc., and (2) monitoring performance to evaluate compliance with the program's requirements.
 - f. On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address and business size of each subcontractor. (Contractors having company or division-wide annual plans need not comply with this requirement.)

Plan Submitted by:

VJ Meadows

VJ Meadows,
Small Business Advocate
FH Supplier Advocacy Office

Plan accepted by:

Sally P. Swacki
(Contracting Officer)

Date:

September 30, 2003

Date:

30 Sep 03

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX J

(RESERVED)

**PART III - LIST OF DOCUMENTS
EXHIBITS AND OTHER ATTACHMENTS**

SECTION J

APPENDIX K

ORGANIZATIONAL CONFLICT OF INTEREST

Complete, as appropriate, either the Disclosure Statement or the Representation, sign and date form.

Disclosure Statement: (Attach additional pages if more space is needed)

Disclose all information required in DEAR 952.209070(a)(1) (See Section K, No. 22). The list may be in columnar format showing:

- (1) The company or agency for which the work is being, has been, or will be performed;
- (2) Nature of the work (brief description);
- (3) Period of performance for the work;
- (4) Dollar value of the work; and
- (5) Sales and marketing activity.

DEAR 970.209-70(a)(2) requires a similar disclosure for any consultants and subcontractors performing covered services under the Statement of Work.

Representation

In accord with DEAR 952.209-70(b), the Offeror, _____ hereby certifies that to the best of its knowledge, no facts exist, as described in DEAR 952.209-70(a)(1), that are relevant to the work to be performed under this contract.

Signature

Offeror's Name _____

RFP/Contract No. _____

Signature _____

Title _____

Date _____

**PART III - LIST OF DOCUMENTS
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SECTION J

APPENDIX L

CUSTOM COMPUTER SOFTWARE AGREEMENT

1. Background

The Department of Energy (“DOE”) has entered into a contract, DE-AC06-96RL13200, (the “Contract”), with Fluor Hanford, Inc. (FH) under which FH will perform certain management and integration services (the “Services”) at the Hanford site near Richland, WA (the “Site”). Fluor Hanford has developed and is continuing to develop proprietary computer software relating to the management, tracking and reporting activities for complex projects (“FD Software”). FH can directly utilize certain portions of the FD Software in the performance of the Services. Other portions of the FD Software can be used as a starting point to develop software specific to the Site which is useful in the performance of the Services. Further, software will be originally developed under the Contract by FH to be used in performing the Services. To maximize the usefulness and efficiency of the foregoing software, FH will develop the interfacial software required to integrate the separate portions of the software into an internally consistent suite of project management software specific to the Site to be used in performing the Services (the “Site Software”).

2. Purpose

The agreement sets forth the ownership and use rights of Fluor Hanford, FH and DOE regarding all portions of software comprising the FD Software and the Site Software.

3. Origination of Software

Fluor Hanford will provide FD Software which, in the opinion of Fluor Hanford and FH with concurrence by DOE, will be useful in the performance of Services or which will be useful in the development of Site Software. Such FD Software is identified in Attachment A (Fluor Hanford U.S. Computer Charge Schedule), hereto which shall be updated from time to time as required, and these

updates will be delivered to FH and licensed under the terms of this agreement. FH will develop software specific to its needs at the site by modification of licensed FD Software, referred to in this agreement as the site Software. Interfacial software required to integrate some FD Software will be developed by FH prior to Fluor Hanford developing that same software in its normal course of business.

4. Site Software

The purpose of the Site Software is to facilitate the performance of the Services by FH or a successor contractor. The Site Software will of necessity include trade secret information of Fluor Hanford embodied in the FD Software. The Site Software will be modified as necessary during performance of the Services in response to changing needs and conditions at the Site. Continual modification will, over time, obscure the identity of FD Software, in whole or in part, in the Site Software; however, the Site Software will still retain the Fluor Hanford trade secrets embodied in the original version of the FD Software as initially incorporated into the Site Software. The Site Software shall be known as the "Hanford Data Integrator" or "HANDI."

5. Rights in Software

48 CPR 952.227-78, RIGHTS IN TECHNICAL DATA -- FACILITY (APR SOFTWARE AGREEMENT 1984)

(a) Definitions.

(1) "Technical data" means recorded information, regardless of form or characteristic, of a scientific or technical nature. It may, for example, document research, experimental, developmental, demonstration, or engineering work or be usable or used to define a design or process or to procure, produce, support, maintain, or operate material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents, or computer software (including computer programs, computer software databases and computer software documentation). Examples of technical data include research and engineering data, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identification, and related information. Technical data as used herein do not include financial reports, costs analyses, and other information incidental to contract administration.

(2) "Proprietary data" means technical data which embody trade secrets developed at private expense, such as design procedures or techniques, chemical composition of materials, or manufacturing methods, processes, or treatments, including minor modifications thereof, provided that such data:

- (i) Are not generally known or available from other sources without obligation concerning their confidentiality;
 - (ii) Have not been made available by the owner to others without obligation concerning their confidentiality; and
 - (iii) Are not already available to the Government without obligation concerning their confidentiality.
- (3) “Unlimited rights” mean rights to use, duplicate, or disclose technical data, in whole or in part, solely in performance of the remedial services at Hanford
- (b) Allocation of rights.
- (1) The Government shall have:
 - (i) Ownership in all technical data first produced in the performance of the contract;
 - (ii) The rights to inspect technical data first produced or specifically used in the performance of the contract at all reasonable times (for which inspection of the proper facilities shall be afforded DOE by the contractor);
 - (iii) The right to have all technical data first produced or specifically used in the performance of the contract delivered to the Government or otherwise disposed of by the contractor, either as the contracting officer may from time to time direct during the progress of the work or in any event as the contracting officer shall direct upon completion or termination of this contract, provided that nothing contained in this paragraph shall require FH to actually deliver any technical data, the delivery of which is excused by this Rights in Technical Data clause;
 - (iv) Unlimited rights in technical data specifically used in the performance of this contract, except technical data pertaining to items of standard commercial design; FH agrees to leave a copy of such technical data at the facility or plant to which such data relate, and to make available for access or to deliver to the Government such data upon request by the contracting officer; provided, that if such data are proprietary, the rights of the Government in such data shall be governed solely by the provisions of optional paragraph (e) hereof -- “Limited Rights in Proprietary Data;”
 - (v) The right to remove, cancel, correct, or ignore any marking not authorized by the terms of this contract on an technical data furnished hereunder if, in response to a written inquiry by DOE concerning the propriety of the markings, FH fails to respond thereto within 60 days or fails to substantiate the propriety of the markings. In either case DOE will notify the FH of the action taken.

- (2) Fluor Hanford through FH shall have:
 - (i) The right to withhold its proprietary data in accordance with the provisions of this clause; and
 - (ii) The right to use for its private purposes, subject to patent, security or other provisions of this contract, technical data it first produces in the performance of this contract provided the data requirement of this contract have been met as of the date of the private use of such data. FH agrees that to the extent it receives or is given access to proprietary data or other technical, business or financial data in the form of recorded information from DOE or a DOE contractor or subcontractor, FH shall treat such data in accordance with any restricted legend contained thereon, unless use is specifically authorized by prior written approval of the contracting officer.
 - (3) Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any licenses or other rights otherwise granted to the Government under any patent or be construed as affecting the scope of any licenses or other rights otherwise granted to the Government under any patent.
- (c) Copyrighted material.
- (1) FH shall not, without prior written authorization of the Patent Council establish a claim to statutory copyright in any technical data first produced in the performance of this contract. To the extent such authorization is granted, the Government reserves for itself and others acting on its behalf, a royalty-free, nonexclusive, irrevocable, license for Governmental purposes in the performance of the management and integration services at Hanford.
 - (2) FH agrees not to include in the technical data delivered under the contract any material copyrighted by Fluor Hanford or FH and not to knowingly include any material copyrighted by others without first granting or obtaining at no cost a license therein for the benefit of the Government of the same scope as set forth in paragraph (c) (1) above. If FH believes that such copyrighted material for which the license cannot be obtained must be included in the technical data to be delivered, rather than merely incorporated therein by reference, FH shall obtain the written authorization of the contracting officer to include such material in the technical data prior to its delivery.

48 CFR 952.227-79, LIMITED RIGHTS IN PROPRIETARY DATA

Except as may be otherwise specified in this contract as technical data which are not subject to this paragraph, FH agrees to and does hereby grant to the Government an irrevocable, nonexclusive paid-up license and right to use by or for the Government, any proprietary data of Fluor Hanford specifically used in the performance of this contract; provided, however, that to the extent that any proprietary data when furnished or delivered are specifically identified by FH

at the time or initial deliver to the Government or a representative of the Government, such data shall not be used within or outside the Government, except as provided in the "Limited Rights Legend" set forth below. All such proprietary data shall be marked with the following "Limited Rights Legend."

LIMITS RIGHTS LEGEND (APR 1984)

This technical data contains "proprietary data" furnished under Contract No. DE-AC06-96RL13200, with the U.S. Department of Energy which may be duplicated and used by the Government with the express limitations that the "proprietary data" may not be disclosed outside of the Government or be used for the purposes of manufacture without prior permission of the following purposes:

- (a) This "proprietary data" may be disclosed to other contractors participating in the Government's program of which this contract is a part for information or seen in connection with the work performed under their contracts and under the restriction that the "proprietary data" be retained in confidence and not be further used or disclosed; or
- (b) This "proprietary data" may be used by the Government or others on its behalf for emergency repair or overhaul work under the restriction that the "proprietary data" be retained in confidence and not be further used or disclosed.

In addition, this agreement shall be governed by 48 CFR 52.227-23, Rights in Proposal Data, 41 CFR 9-9.102.1, Authorization and Consent, 41 CFR 9-9.110 (a), Notice and Assistance and 41 CFR 9-9.110 (c), Reporting or Royalties, as required under Prime Contract No. DE-AC06-96RL13200.

6. Use of Site Software

DOE is entitled to issue the Site Software in whole or in part, solely for the performance of the Services at the Site by FH or a successor contractor. FH, or a successor contractor, shall be entitled to use the Site Software solely to perform the Services at the Site. Fluor Hanford and/or FH are entitled to use internally only those portions of the Site Software required to integrate the FD Software identified in Attachment A, solely in the conductance of their normal business activities. Such use by Fluor Hanford and/or FH does not extend to the sale of said software nor to utilization of said software to perform services for others in the manner of a service bureau.

7. Protection of Trade Secrets

FH and DOE will hold all Site Software in confidence and will restrict its internal disclosure to only those FH/Subcontractors and DOE employees having a bona fide need for the Site Software who have been advised of the confidentiality and use restrictions herein. Further, FH or DOE will not disclose the Site Software, in whole or in part, to any third party. The foregoing notwithstanding, DOE may disclose the Site Software to FH's successor contractors. Prior to such disclosure, DOE will require such contractors to complete a declaration by which such contractors agree not to disclose the Site Software or any of it to any third party, not to make any

copies of the Site Software or any of it except as reasonably required to perform the Services at the Site, and not to use the Site Software or any of it other than to perform the Services at the Site.

8. Definition of Software

The terms Site Software and FD Software apply to both source and object code versions of the computer programs and include all design, interface and program specifications, flow charts, schematics, annotations and other information, documentation and manuals required to understand, operate, maintain and/or modify the computer programs.

9. License

Fluor Hanford is providing the FD Software listed in Attachment A and incorporated, the whole or part, into the Site Software in consideration of a paid-up annual license fee to include upgrade costs and maintenance of [DELETE] [DELETE] for each individual software package as cited in Attachment A with unlimited site concurrent users. During the time FH is performing the Services, Fluor Hanford will provide, as part of the license fee, updates, upgrades and enhancements made to FD Software, and prompt assistance to correct or work around any errors in the FD Software listed in Attachment A. This license fee does not include installation or the cost of implementing Site Specific Enhancements.

10. Term and Termination

The term of this Agreement begins on the date first above written and continues until terminated by either party. The provisions of Paragraphs 6, 7, 11 and 12 will survive termination of this Agreement.

11. Representations and Warranties

Fluor Hanford warrants that it has full power and authority to grant the rights granted by the agreement and that to the best of its knowledge the software does not infringe or violate any patent, copyright, trade secret, trademark or any other rights of a third party. Fluor Hanford indemnifies FH and the Government for any liability including costs and expenses for infringement or violation of such third party rights.

12. General

This Agreement represents the entire agreement between Fluor Hanford, FH and DOE regarding the FD Software and the Site Software. Except for Attachment A, it will be changed only by written agreement of Fluor Hanford, FH and DOE. If one party does not enforce a particular provision of this Agreement at any particular time, that provision can still be enforced later. If any provision of this Agreement is determined to be unenforceable, the rest of the provisions still remain in effect. Headings have been used for convenience but they are not a part of this Agreement. This Agreement will be construed and enforced in accordance with the laws of the State of California.

Fluor Hanford and FH confirm their agreement to the foregoing by having this Agreement signed on their behalf in the space provided below.

FLUOR HANFORD, Inc.

FLUOR HANFORD, Inc.

BY: signed by J. Brennan

BY: signed by H. J. Hatch

NAME: Joseph L. Brennan

NAME: Henry J. Hatch

TITLE: Vice President

TITLE: President

DATE: July 10, 1996

DATE: July 10, 1996

DEPARTMENT OF ENERGY

BY: signed by John D. Wagoner

NAME: _____

TITLE: _____

DATE: _____

REDACT ALL OF
ATTACHMENT A
HERETO

**PART III – LIST OF DOCUMENTS
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SECTION J

APPENDIX M

**WAGE DETERMINATIONS UNDER THE
SERVICE CONTRACT ACT**

(The following wage determinations apply)

<u>Att. #</u>	<u>Wage Determination #</u>	<u>Application Period</u>	<u>Mod. #</u>	<u># of Pages</u>
1	94-2570, Rev. 3	8/6/96 to 8/6/97	Original	22
2	94-2569, Rev. 3	8/6/96 to 8/6/97	M074	11
3	94-2569, Rev. 5 94-2570, Rev. 4	8/6/97 to 8/6/98 8/6/97 to 8/6/98	M074 M074	22
4	94-2569, Rev. 8	8/6/98 to 8/6/99	M074	14
5	98-109, Rev. 0 94-2570, Rev. 6	Per Collective Bargaining Agreements 8/6/98 to 8/6/00	M039 M039	17
6	98-0109, Rev. 1 94-2569, Rev.10	Per Collective Bargaining Agreements 8/6/99 to 8/6/00	M089 M089	14
7	98-0109, Rev. 5 94-2569, Rev. 10 94-2570, Rev. 6	Per Collective Bargaining Agreements 8/6/00 to 8/6/01 8/6/00 to 8/6/01	M101 M101 M101	13
8	98-0109, Rev. 5 94-2569, Rev. 15 94-2570, Rev. 6	Per Collective Bargaining Agreements 8/6/01 to 8/6/02 8/6/01 to 8/6/02	M139 M139 M139	12

<u>Att. #</u>	<u>Wage Determination #</u>	<u>Application Period</u>	<u>Mod. #</u>	<u># of Pages</u>
9	98-0109, Rev. 6	Per Collective Bargaining Agreements	M168	26
	94-2569, Rev. 18	8/6/02 to 8/6/03	M168	
	94-2570, Rev. 12	8/6/02 to 8/6/03	M168	
10	98-0109, Rev. 7	Per Collective Bargaining Agreements	M190	23
	94-2569, Rev. 19	8/6/03 to 8/6/04	M190	
	94-2570, Rev. 13	8/6/03 to 8/6/04	M190	
11	94-2569, Rev. 22	8/6/04 to 8/6/05	M211	19
	94-2570, Rev. 16	8/6/04 to 8/6/05	M211	
12	98-0109, Rev. 8	Per Collective Bargaining Agreements	M229	20
	94-2569, Rev. 24	8/6/05 to 8/6/06	M229	
	94-2570, Rev. 18	8/6/05 to 8/6/06	M229	

(Note: Of the above wage determinations, the following were issued to FH subcontractors under the Blanket Wage Determination Program with the identified application dates).

<u>Wage Determination #</u>	<u>Application Date</u>
94-2569, Rev. 3	2/28/96 to 2/28/97
94-2569, Rev. 5	2/28/97 to 2/28/98
94-2569, Rev. 8	2/28/98 to 2/28/99

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Attachment 1**

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2570, Rev. 3	8/6/96 to 8/6/97	22 (Pages issued in original contract)

Note: Electronic copy can be found at: <http://www.hanford.gov/phmc/contract/phmc-toc.htm>

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Attachment 2

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 3	8/6/96 to 8/6/97	11

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 5	8/6/97 to 8/6/98	22
94-2570, Rev. 4	8/6/97 to 8/6/98	Included above

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 8	8/6/98 to 8/6/99	14

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m074/index.html>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 00	Per Collective Bargaining Agreements	7
94-2570, Rev. 6	8/6/98 to 8/6/99	10

(pages issued in Mod M039)

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m039/index.html>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 1	Per Collective Bargaining Agreements	3
94-2569, Rev. 10	8/6/98 to 8/6/00	11

(pages issued in Mod M089)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m089/m089.pdf>

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<u>Wage Determination # Page)</u>	<u>Application Period</u>	<u># of Pages (Including Cover</u>
98-0109, Rev. 5	Per Collective Bargaining Agreements	1
94-2569, Rev. 10	8/6/00 to 8/6/01	12
94-2570, Rev. 6	8/6/00 to 8/6/01	

(pages issued in Mod M101)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m101/m101.pdf>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 5	Per Collective Bargaining Agreements	12
94-2569, Rev. 15	8/6/01 to 8/6/02	
94-2570, Rev. 6	8/6/01 to 8/6/02	

(pages issued in Mod M139)

Note: Electronic copy can be found at:

<http://www.hanford.gov/phmc/contract/mods/m139/m139.pdf>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 6	Per Collective Bargaining Agreements	26
94-2569, Rev. 18	8/6/02 to 8/6/03	
94-2570, Rev. 12	8/6/02 to 8/6/03	

(pages issued in Mod M168)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m168/m168.pdf>

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Attachment 10

<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 7	Per Collective Bargaining Agreements	26
94-2569, Rev. 19	8/6/03 to 8/6/04	
94-2570, Rev. 13	8/6/03 to 8/6/04	

(pages issued in Mod M190)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m190/m190.pdf>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
94-2569, Rev. 22	8/6/04 to 8/6/05	19
94-2570, Rev. 16	8/6/04 to 8/6/05	

(pages issued in Mod M211)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m211/m211.pdf>

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<u>Wage Determination #</u>	<u>Application Period</u>	<u># of Pages (Including Cover Page)</u>
98-0109, Rev. 8	Per Collective Bargaining Agreements	20
94-2569, Rev. 24	8/6/04 to 8/6/05	
94-2570, Rev. 18	8/6/04 to 8/6/05	

(pages issued in Mod M229)

Note: Electronic copy can be found at:
<http://www.hanford.gov/phmc/contract/mods/m229/m229.pdf>

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APPENDIX N

**SPECIAL BANK ACCOUNT AGREEMENT FOR USE WITH
THE CHECKS – PAID METHOD OF LETTER OF CREDIT
FINANCING**

OCTOBER 1, 2000, THROUGH SEPTEMBER 30, 2005
(consisting of ten pages including this cover page)

FLUOR HANFORD, INC.
CONTRACT NO. 402794-A-C3

SCHEDULE

This agreement is entered into this 1st day of October, 2000, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as DOE); FLUOR HANFORD, INC, corporation/legal entity existing under the laws of the State of Washington (hereinafter referred to as the Recipient); and U.S. Bank, a banking corporation under the laws of the State of Washington located at Richland, Washington (hereinafter referred to as the Bank).

RECITALS

- a. By mutual agreement of the parties, this Special Bank Account Agreement supersedes and replaces all Special Bank Account Agreements to which this Recipient, DOE, and the Bank have been parties.
- b. On the effective date of August 6, 1996, DOE and the Recipient entered into Contract(s) No. DE-AC06-96RL13200, providing for an advance of funds by a letter of credit. A copy of such advance provisions has been furnished to the Bank.
- c. DOE requires that amounts advanced to the Recipient thereunder be deposited in a Special Demand Deposit Account at a member bank covered by U.S. Department of Treasury approved government deposit insurance organizations that are identified in I TFM 6-9000. These special demand deposits must be kept separate from the Recipient's general or other funds; and the parties are agreeable to so depositing said amounts with the Bank.
- d. The "Special Demand Deposit Account" shall be designated "FLUOR HANFORD, INC., PURCHASE DRAFT, SALARY AND CONTRACT ACCOUNTS."

COVENANTS

In consideration of the foregoing, and for other good and valuable considerations, it is agreed that:

1. The Government shall have a title to the credit balance in said accounts to secure the repayment of all advance payments made to Recipient and said title shall be superior to any lien or claim of the Bank with respect to such accounts.
2. The Bank shall be bound by the provisions of said contract(s) between DOE and the Recipient relating to the deposit and withdrawal of funds in the above Special Demand Deposit Account, which are hereby incorporated into this Agreement by reference, but the Bank shall not be responsible for the application of funds withdrawn from said accounts. After receipt by the Bank of directions from DOE, the Bank shall act thereon and shall be under no liability to any party hereto for any action taken in accordance with the said written directions. Any written directions received by the Bank from the Government upon DOE stationery and purporting to be signed by, or signed at the written direction of, the Government may, insofar as the right, duties, and liabilities of the Bank are considered as having been properly issued and filed with the Bank by DOE.

3. The DOE, or its authorized representatives, shall have access to the books and records maintained by the Bank with respect to such Special Demand Deposit Account at all reasonable times and for all reasonable purposes, including, without limitation to, the inspection or copying of such books and records and any or all memoranda, checks, correspondence, or documents pertaining thereto. Such books and records shall be preserved by the Bank for a period of six (6) years after the final payment under this Agreement.
4. In the event of the service of any writ of attachment, levy of execution, or commencement of garnishment proceedings with respect to the Special Demand Deposit Account, the Bank shall promptly notify the Department of Energy at the Richland Operations Office, P.O. Box 550, Richland, Washington, 99352.
5. DOE shall authorize funds that shall remain available to the extent that obligations have been incurred in good faith there under by the recipient to the Bank for the benefit of the special demand deposit account. The Bank agrees to honor upon presentation for payment all payments issued by the Recipient and to restrict all withdrawals against the funds authorized to an amount sufficient to maintain the average daily balance in the special demand deposit account in a net positive and as close to zero as administratively possible.

The Bank agrees to service the account in this manner based on the requirements and specifications contained in solicitation No.402794, dated May 1, 2000 in consideration of the placement by DOE of a non-interest-bearing time deposit with the Bank in an amount determined by the quarterly analysis via the "Calculation of Time Account Balance Required", as adjusted to compensate for changes in volume of services, in the reserve requirement, in the cost of "float" and in the TT&L rate. The Bank agrees that per-item costs, detailed in the form "Schedule of Bank Processing Charges," contained in the Bank's aforesaid bid shall remain constant during the term of this Agreement. The Recipient shall withdraw the amount of funds determined in the quarterly "Calculation of Time Account Balance Required"; from the special demand deposit account and use such funds to make a non-interest-bearing time deposit in a separate account in the Bank. This account shall hereinafter be defined as the time deposit account. The funds in the time deposit account shall remain on deposit and shall not be withdrawn or used for any purpose without the authorization of DOE. The amount of the deposit may be adjusted upward or downward, but only with the approval of DOE..

6. The Bank shall post collateral, acceptable under Treasury Department Circular No. 176, with the Federal Reserve Bank in an amount equal to the net balances in all of the accounts included in this Agreement (including the non-interest-bearing time deposit account), less the Department of Treasury - approved deposit insurance.
7. This Agreement, with all its provision and covenants, shall be in effect for a term of one year, beginning on the first day of October, 2000 and extending through the thirtieth day of September, 2001, or through the option periods should DOE exercise the options to extend the agreement further in accordance with the provision of 7.a below. The exercise of any or all of the option periods is the unilateral right of the DOE.
 - a. DOE may extend the term of this Agreement for three years, with three one year options by written notice to the Recipient and the Bank provided that DOE shall give the Recipient and Bank a preliminary written notice of its intent at least 90 days before this Agreement expires. The preliminary notice does not commit DOE to an extension.
 - b. If the DOE exercises this option, the extended agreement shall be considered to include this option provision.

- c. The duration of the Agreement, including the exercise of any options under this covenant, shall not extend past September 30, 2006.
8. DOE, the Recipient, or the Bank may terminate this Agreement at any time within the agreement period upon submitting written notification to the other parties 90 (ninety) days prior to the desired termination date. The specific provisions for operating the account during this 90 (ninety) day period are contained in covenant (12).
9. DOE or the Recipient may terminate this Agreement at any time upon 30 days' written notice to the Bank if DOE or the Recipient, or both parties, find that the Bank has failed to substantially perform its obligations under this Agreement or that the Bank is performing its obligations in a manner which precludes administering the program in an effective and efficient manner or that precludes the effective utilization of the Government's cash resources.
10. Notwithstanding the provision of Covenants (8) and (9), in the event the contract (referenced in Recital (b) between the DOE and the Recipient is not renewed or is terminated, this Agreement between DOE, the Recipient and the Bank shall automatically be terminated upon the delivery of written notice to the Bank.
11. In the event of termination, the Bank agrees to retain the Recipient's special demand deposit account for an additional 90-day period to clear outstanding payment items. (For compensation by non-interest-bearing time deposit only.)

Within 7 days of the expiration of the Agreement term, an analysis of the special demand deposit account shall be made by DOE to determine whether an insufficient or excessive balance was maintained in the time deposit account to compensate the Bank for services rendered up to the expiration date.

- a. If the analysis indicates that the Bank has been insufficiently compensated for services rendered up to the expiration of the Agreement, the Recipient shall—
 1. Maintain on deposit, during this 90-day period, sufficient Federal funds to reimburse the Bank for prior cumulative loss of earnings, and
 2. Maintain on deposit in the time deposit account sufficient Federal funds to compensate the Bank for services rendered.
- b. If the analysis indicates that the Bank has been overcompensated for services rendered up to the expiration of the Agreement, DOE shall close out the time deposit account and secure from the Bank a payment in an amount equal to the cumulative excess compensation less compensation for estimated services to be rendered during the 90-day period.
- c. If cumulative excess compensation is not sufficient to compensate the Bank for services rendered during the 90-day period, adjustments shall be made to the time deposit account to compensate the Bank for the difference between the cost of services rendered during the 90-day period and the cumulative excess compensation.

This Agreement shall continue in effect for the 90-day additional period, with exception of the following:

1. Term Agreement (Covenant 7)
2. Termination of Agreement (Covenants 8 and 9)

All terms and conditions of the aforesaid bid submitted by the Bank that are not inconsistent with this 90-day additional term shall remain in effect for this period.

12. Any direction received by the Bank from DOE which alters any portion of the terms and conditions of this agreement, including the amount of the time deposit agreed to herein, shall not be valid unless signed by the Contracting Officer.
13. Contract Contents: In addition to this Schedule, the contract consists of:
 - Schedule of Bank Processing Charges
 - Calculation of Time Account Balance
 - Requirement Summary, dated May 1, 2000.
 - General Representations and Certifications: The representations and certifications dated June 16, 2000, as signed and submitted by the Bank in response to the RFP which resulted in the award of this contract are hereby incorporated by reference.
14. Reserved
15. Contract Modifications: This Contract contains the entire understanding between the parties, and there are no understandings or representations not set forth or incorporated by reference herein. No communication, written or oral, by other than a Fluor Contract Representative or DOE Contracting Officer shall be effective to modify or otherwise affect the provisions of the contract.

IN WITNESS WHEREOF the parties hereto have caused this agreement which consists of 27 pages including the documents incorporated by reference in covenant 13 to be executed as of the day and year first above written.

9/28/2000
Date Signed

By G. F. Champlain
(Typed Name of Contracting Officer)

G. F. Champlain
(Signature of Contracting Officer)

WITNESS

(Typed Name of Witness)

Fluor Hanford, Inc.
(Typed Name of Recipient)

(Signature of Witness)

By E. W. Penn
(Name of Recipient's Representative)

E. W. Penn
(Signature of Recipient's Representative)

NOTE: In the case of a corporation,
A witness is not required. Type or
Print names under all signatures

Vice President
(Title)

P. O. Box 1000, Richland, WA 99352
(Address)

9/21/00
(Date Signed)

(Name of Witness)

(Name of Bank)

US BANK

(Signature of Witness)

(Name of Bank)
Joe Heinselman
(Signature of Bank Representative)

Note: In the case of a corporation,
A witness is not required. Type or
Print names under all signatures.

Vice President, Relationship Manager

(Title) W. 428 Riverside Avenue
Spokane, WA 99202

(Address)
9/25/2000
(Date Signed)

11/28/00

14:32

509 353 7142

OR 11/28/00

NOTE

Bank, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, M. Theresa Parry, certify that I am the Relationship Assistant of the corporation named as Bank herein; that Gail Heinselman, who signed this Agreement on behalf of the Bank, was then Vice President of said corporation; and that said Agreement was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

M. Theresa Parry
(Corporate Seal) (Signature)

FLUOR HANFORD, INC.
CONTRACT NO. 402794-A-C3

MODIFICATION NO. 1

SCHEDULE

I. RECITALS

This is a modification to Contract 402794-A-C3, between the contracting parties between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as DOE); FLUOR HANFORD, INC, corporation/legal entity existing under the laws of the State of Washington (hereinafter referred to as the Recipient); and U.S. Bank, a banking corporation under the laws of the State of Washington located at Richland, Washington (hereinafter referred to as the Bank).

There is now in full force and effect between the parties a contract (Contract 402794-A-C3), entered into on September 21, 2000.

The parties to this contract desire to modify said contract by extending the contract completion date.

II. COVENANTS

1. COVENANTS, Section 7. shall be deleted and the following substituted therefor:

"This Agreement, with all its provision and covenants, shall be in effect for a term of two years, beginning on the first day of October, 2000 and extending through the thirtieth day of September, 2002, or through the option periods should DOE exercise the options to extend the agreement further in accordance with the provision of (7)(a) below. The exercise of any or all of the option periods is the unilateral right of the DOE.

2. It is understood and agreed that all other terms and conditions of Contract 402794-A-C3 shall remain unchanged.

III. SIGNATURES

By: <u>Donna D. Powell</u>	<div data-bbox="776 1402 885 1543" style="border: 1px solid black; padding: 2px; display: inline-block;">Reviewed 28 24 Approved</div>	By: <u>Gail Herselman</u>
Title: <u>Vice President</u>	LEGAL	Title: <u>Vice President</u>
Date: <u>August 23, 2001</u>	<div data-bbox="792 1585 901 1690" style="border: 1px solid black; border-radius: 50%; padding: 5px; display: inline-block;">LEGAL CONFIRMED APPROVED</div>	Date: <u>October 23, 2001</u>

By: Alan E. Hopko
Title: CONTRACT SPECIALIST
Date: OCTOBER 29, 2001

FLUOR HANFORD, INC.
CONTRACT NO. 402794-A-C3

MODIFICATION 2

SCHEDULE

I. RECITALS

This is a modification to Contract 402794-A-C3, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as DOE); FLUOR HANFORD, INC, corporation/legal entity existing under the laws of the State of Washington (hereinafter referred to as the Recipient); and U. S. Bank, a banking corporation under the laws of the State of Washington located in Richland, Washington (hereinafter referred to as the Bank).

There is now in full force and effect between the parties a contract (Contract 402794-A-C3) entered into on September 21, 2000.

DOE hereby exercises its option and extends the term of this agreement by one year, from October 1, 2002 to September 30, 2003.

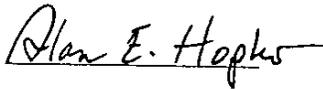
II. COVENANTS

1. COVENANTS, Section 7 is deleted and replace with the following:

This Agreement, with all its provisions and covenants, shall be in effect for a term of three years, beginning on the first day of October, 2000 and extending through the thirtieth day of September, 2003, or through the option periods should DOE exercise the options to extend the agreement further in accordance with the provision of 7.a. below. The exercise of any or all of the option periods is the unilateral right of the DOE.

2. It is understood and agreed that all other terms and conditions of Contract 402794-A-C3 shall remain unchanged.

III SIGNATURE



By: Alan E. Hopko

Title: Contracting Officer

Date: September 20, 2002

FLUOR HANFORD, INC.
CONTRACT NO. 402794-A-C3

MODIFICATION 3

SCHEDULE

I. RECITALS

This is a modification to Contract 402794-A-C3, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as DOE); FLUOR HANFORD, INC, corporation/legal entity existing under the laws of the State of Washington (hereinafter referred to as the Recipient); and U. S. Bank, a banking corporation under the laws of the State of Washington located in Richland, Washington (hereinafter referred to as the Bank).

There is now in full force and effect between the parties a contract (Contract 402794-A-C3) entered into on September 21, 2000.

The parties of this contract desire to modify said contract by extending the contract completion date.

II. COVENANTS

1. COVENANTS, Section 7 shall be deleted and the following substituted therefor:

"This Agreement, with all its provisions and covenants, shall be in effect for a term of three years, beginning on the first day of October, 2000 and extending through the thirtieth day of September, 2004, or through the option periods should DOE exercise the options to extend the agreement further in accordance with the provision of 7.a. below. The exercise of any or all of the option periods is the unilateral right of the DOE.

2. It is understood and agreed that all other terms and conditions of Contract 402794-A-C3 shall remain unchanged.

III SIGNATURE

By:


Keith A. Klein,

Title:

Manager

Date:

08/29/03

FLUOR HANFORD, INC.
CONTRACT NO. 402794-A-C3

MODIFICATION 4

SCHEDULE

I. RECITALS

This is a modification to Contract 402794-A-C3, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as DOE); FLUOR HANFORD, INC, corporation/legal entity existing under the laws of the State of Washington (hereinafter referred to as the Recipient); and U. S. Bank, a banking corporation under the laws of the State of Washington located in Richland, Washington (hereinafter referred to as the Bank).

There is now in full force and effect between the parties a contract (Contract 402794-A-C3) entered into on September 21, 2000.

The parties of this contract desire to modify said contract by extending the contract completion date.

II. COVENANTS

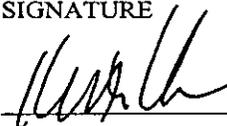
1. COVENANTS, Section 7 shall be deleted and the following substituted therefor:

"This Agreement, with all its provisions and covenants, shall be in effect for a term of three years, beginning on the first day of October, 2000 and extending through the thirtieth day of September, 2005, or through the option periods should DOE exercise the options to extend the agreement further in accordance with the provision of 7.a. below. The exercise of any or all of the option periods is the unilateral right of the DOE.

2. It is understood and agreed that all other terms and conditions of Contract 402794-A-C3 shall remain unchanged.

III. SIGNATURE

By:



Title:

Manager

Date:

8/30/04
