



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

98-PRO-660

AUG 12 1998

Mr. R. D. Hanson, Acting President
Fluor Daniel Hanford, Inc.
Richland, Washington 99352

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 - FLUOR DANIEL HANFORD, INC. EXECUTED
MODIFICATION M032

In response to letter FDH-9856506 A R1 dated August 4, 1998, from J. L. Jacobsen to
S. A. Sieracki, RL, same subject, enclosed for your files is a fully executed original Modification
M032, signed by both the FDH and RL Contracting Officer. Should you have any questions
regarding the above, please contact me on (509) 376-8948, or Alan Hopko on (509) 376-2031.

Sincerely,

Sally A. Sieracki
Sally A. Sieracki
Contracting Officer

PRO:AEH

Enclosure

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. M032	3. EFF. DATE 8/4/98	4. REQUISITION/PURCHASE REQ.	5. PROJECT NO. (If applicable)	
6. ISSUED BY U.S. Department of Energy Richland Operations Office 825 Jadwin Avenue MSIN A7-80 Richland WA 99352		7. ADMINISTERED BY (If other than Item 6) U.S. Department of Energy Richland Operations Office P.O. Box 550 MSIN A7-80 Richland WA 99352		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP) C Fluor Daniel Hanford, Inc. P.O. Box 1000 Richland WA 99352			9A. AMENDMENT OF SOLICITATION NO.	
CODE			9B. DATED (SEE ITEM 11)	
FACILITY CODE			10A. MODIFICATION OF CONTRACT/ORDER NO. X DE-AC06-96RL13200	
			10B. DATED (SEE ITEM 13)	08/06/96

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required) N/A \$0.00

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

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.	
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b).	
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR.243-2 (ALT II)
	D. OTHER (Specify type of modification and authority)
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return <u>2</u> copies to issuing office.	

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

- A. The purpose of this modification is to incorporate the changes listed on page two.
- B. All other terms and conditions remain unchanged.



Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Edward W. Penn, Jr., Vice President Project Control		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Marcia N. Roske Contracting Officer	
15B. CONTRACTOR/OFFEROR <i>[Signature]</i> (Signature of person authorized to sign)	15C. DATE SIGNED 8/4/98	16B. UNITED STATES OF AMERICA BY <i>[Signature]</i> (Signature of Contracting Officer)	16C. DATE SIGNED 8/4/98

C. The Fluor Daniel Hanford (FDH) Integrated Environment, Safety and Health Management System (ISMS) Plan Rev. 0. was approved by DOE/RL Sept 25, 1997. This contract modification makes changes to incorporate DOE Clauses and the submittal and approval of the FDH ISMS Plan. Clause H.58, Authorization Agreements, is added to the contract. Modification Attachments 1, 2, 3, and 4 are replacement pages to contract Sections C, H, J (Appendix E), and J (Appendix F), respectively. Vertical lines in the replacement pages margins highlight changes.

Attachment 1--

- a) Page C-10, replace the term "Authorization Basis" with the term "Authorization Envelope".
- b) Pages C-10, C-11 and C-40, change the name "ES&H Management Plan" to "Integrated Environment, Safety and Health Management System Plan," reflecting the final name given the document.

Attachment 2--

- a) Pages H-14, H-14A, and H-15, replace Clause H.5 with DEAR Clause 970.5204-2 (Integration Of Environment Safety, And Health Into Work Planning And Execution), as directed by DOE Acquisition Letter 97-07, 9/26/97.
- b) Page H-17, revise Clause H.7 (Sitewide Safety Plan) to reflect the FDH role in identifying those safety elements which are appropriate to be promulgated sitewide, such as Lock & Tag, Hoisting & Rigging, Radiological Control, Respiratory Protection, and others. To further address this contractual requirement, FDH shall identify to RL any additional functional areas recommended for site wide implementation, including a basis for the recommendation.
- c) Pages H-22 and H-23, replace Clause H.14 with DEAR clause 970.5204-78, as directed by DOE Acquisition Letter 97-07, 9/26/97.
- d) Page H-68, change the name "ES&H Management Plan" to "Integrated Environment, Safety and Health Management System Plan," to reflect the final name given the document.
- e) Page H-81, add new clause H.58 (Authorization Agreements).

Attachment 3--

- a) Page J-E-1, change the name "ES&H Management Plan" to "Integrated Environment, Safety and Health Management System Plan."

Attachment 4--

- a) Pages J-F-1 and J-F-2 incorporate specific budget planning and execution requirements in a revised, abbreviated Appendix F.

6) Continually promote **diversity** in all aspects of the work under this contract. A Diversity Plan, as set forth in Section J, Appendix E, shall be submitted to DOE by October 1, 1996, and updated annually thereafter.

(7) Provide an independent **internal audit** capability to review its activities and those of its Major Subcontractors. An Internal Audit Plan as set forth in Section J, Appendix E shall be submitted to DOE for approval by October 1, 1996, and updated annually thereafter.

D. ENVIRONMENT, SAFETY & HEALTH (ES&H)

The Contractor shall take effective steps to avoid injuries, incidents, and insults to the environment and ensure work performance at all levels of the Contractor and subcontractors is in compliance with applicable, necessary, and sufficient environmental, safety, and health (ES&H) requirements. ES&H systems and programs will empower workers in ES&H through the use of safety committees, employee involvement, worksite analysis, hazard prevention/ mitigation/control, and ES&H training. Leadership and management commitment to ES&H programs shall be demonstrable. Worker injuries and chemical and radiological exposures and contaminations must be tracked and appropriately treated/mitigated. The Contractor shall:

(1) Develop and maintain an Authorization Envelope for the operation of each facility and/or project under this contract. Submit for DOE approval those documents when required by Clause H.14 of this contract. This Authorization Envelope shall consist of the Contractor's response (Implementation Plans, compliance commitments, etc., as appropriate) to Federal/State Statutes and Regulations, and the imposition of standards necessary, to protect the environment and public and worker safety and health. Documents typically constituting an Authorization Envelope are approved S/RID (See C.2.A.(2)(D)), Safety Analysis Reports (SAR), Health and Safety Plans (HASP), Environmental Permits, etc.

(2) Develop and submit to DOE for approval, a final **Integrated Environment, Safety and Health Management System Plan (ISMS Plan)** for ES&H risk-based planning, which identifies how the contractor will fully integrate ES&H into budget recommendations, program execution, comprehensive self assessments, and all work activities. Manage Contractor and subcontractor operations at the site in accordance with the approved plan.

- (3) Implement programs to identify and mitigate or resolve ES&H issues.
- (4) Implement a comprehensive Hanford ES&H program to address hazards associated with the management, storage, and disposal of radioactive and hazardous materials, industrial safety hazards, and other occupational and nuclear hazards.
- (5) Establish solid **work control, self assessment, and conduct of operations** discipline in the performance of all work.
- (6) Implement programs based on the principles of programs such as the **Voluntary Protection Program (VPP) Star Status** or the Chemical Manufacturer's Association (CMA) **Responsible Care** program.
- (7) Ensure performance-based, comprehensive **ES&H training** via the sitewide training program.
- (8) Implement program to track/address **environmental compliance** issues and implement requirements (e.g., sitewide permitting, sitewide environmental reporting, Tri-Party Agreement reporting/management, NEPA).
- (9) Recommend and implement **ES&H performance measures** to monitor the effectiveness of and the implementation of ES&H programs as committed to in the approved ISMS Plan.
- (10) **Occupational Health Services** - Occupational Health Services are provided to the Hanford site by the Hanford Environmental Health Foundation (HEHF). The Contractor shall obtain for itself and require of all subcontractors performing work on the Hanford site the following services from HEHF: occupational medical evaluations including return to work evaluations and work restriction reviews, medical surveillance evaluations, occupational primary care, health care centers/first aid, work conditioning, case management, worksite health programs including blood-borne pathogens and immunizations, behavioral health services including employee assistance programs, MSDS services, and health information services such as medical records and medical scheduling.

- (3) Perform a complete inventory of all DOE-owned capital and sensitive property for accountability which will transfer to the Contractor.
- (4) Complete an inventory of all special nuclear material for which accountability will be transferred to the Contractor.
- (5) Complete and document assessment(s) of existing conditions of site and facilities and obtain DOE concurrence in the assessment(s). (See Clause H.3)
- (6) Execute any necessary transition or ancillary agreements with incumbent site contractors, including those necessary to define the infrastructure requirements. DOE approval must be obtained prior to execution by the Contractor.
- (7) Update and finalize the Management and Integration Plan submitted with the proposal to reflect results of negotiation including but not limited to a schedule for the implementation of the elements of the management system.
- (8) Develop and submit to DOE for approval by September 30, 1997 a final **ISMS Plan** for ES&H risk-based planning, which identifies how the contractor will fully integrate ES&H into budget recommendations, program execution, comprehensive self assessments, and all work activities.
- (9) Submit proposed billing rates for the FY-97 to DOE prior to September 1, 1996.
- (10) Submit for DOE approval by October 1, 1996, an acceptable Safeguards and Security Plan as required by Section J, Appendix E.
- (11) Work with RL and the incumbent site contractor to transition the FY-97 baseline which is already part of the FY-97 Budget to effect an orderly transition of required reporting and performance measurement. Work with RL and the incumbent contractor on the planning for the execution of the FY-98 Budget.

**H.5 INTEGRATION OF ENVIRONMENT, SAFETY, AND HEALTH INTO WORK
PLANNING AND EXECUTION DEAR 970.5204-2 (June 1997)**

- A. For the purposes of this clause,
- (1) Safety encompasses environment, safety and health, including pollution prevention and waste minimization; and
 - (2) Employees include subcontractor employees.
- B. In performing work under this contract, the Contractor shall perform work safely, in a manner that ensures adequate protection for employees, the public, and the environment, and shall be accountable for the safe performance of work. The Contractor shall exercise a degree of care commensurate with the work and the associated hazards. The Contractor shall ensure that management of environment, safety and health (ES&H) functions and activities becomes an integral but visible part of the Contractor's work planning and execution processes. The Contractor shall, in the performance of work, ensure that:
- (1) Line management is responsible for the protection of employees, the public, and the environment. Line management includes those Contractor and subcontractor employees managing or supervising employees performing work.
 - (2) Clear and unambiguous lines of authority and responsibility for ensuring ES&H are established and maintained at all organizational levels.
 - (3) Personnel possess the experience, knowledge, skills, and abilities that are necessary to discharge their responsibilities.
 - (4) Resources are effectively allocated to address ES&H, programmatic, and operational considerations. Protecting employees, the public, and the environment is a priority whenever activities are planned and performed.
 - (5) Before work is performed, the associated hazards are evaluated and an agreed-upon set of ES&H standards and requirements are established which, if properly implemented, provide adequate assurance that employees, the public, and the environment are protected from adverse consequences.
 - (6) Administrative and engineering controls to prevent and mitigate hazards are tailored to the work being performed and associated hazards. Emphasis should be on designing the work and/or controls to reduce or eliminate the hazards and to prevent accidents and unplanned releases and exposures.
 - (7) The conditions and requirements to be satisfied for operations to be initiated and conducted are established and agreed-upon by DOE and the Contractor. These agreed-upon conditions and requirements are requirements of the contract and binding upon the Contractor. The extent of documentation and level of authority for agreement shall be tailored to the complexity and hazards associated with the work and shall be established in a Safety Management System.

- C. The Contractor shall manage and perform work in accordance with a documented Safety Management System (System) that fulfills all conditions in paragraph (B) of this clause at a minimum. Documentation of the System shall describe how the Contractor will:
- (1) Define the scope of work;
 - (2) Identify and analyze hazards associated with the work;
 - (3) Develop and implement hazard controls;
 - (4) Perform work within controls; and
 - (5) Provide feedback on adequacy of controls and continue to improve safety management.
- D. The System shall describe how the Contractor will establish, document, and implement safety performance objectives, performance measures, and commitments in response to DOE program and budget execution guidance while maintaining the integrity of the System. The System shall also describe how the Contractor will measure system effectiveness.
- E. The Contractor shall submit to the Contracting Officer documentation of its System for review and approval. Dates for submittal, discussions, and revisions to the System will be established by the Contracting Officer. Guidance on the preparation, content, review, and approval of the System will be provided by the Contracting Officer. On an annual basis, the Contractor shall review and update, for DOE approval, its safety performance objectives, performance measures, and commitments consistent with and in response to DOE's program and budget execution guidance and direction. Resources shall be identified and allocated to meet the safety objectives and performance commitments as well as maintain the integrity of the entire System. Accordingly, the System shall be integrated with the Contractor's business processes for work planning, budgeting, authorization, execution, and change control.
- F. The Contractor shall comply with, and assist the Department of Energy in complying with, ES&H requirements of all applicable laws and regulations, and applicable directives identified in the clause of this contract on Laws, Regulations, and DOE Directives. The Contractor shall cooperate with Federal and non-Federal agencies having jurisdiction over ES&H matters under this contract.
- G. The Contractor shall promptly evaluate and resolve any noncompliance with applicable ES&H requirements and the System. If the Contractor fails to provide resolution or if, at any time, the Contractor's acts or failure to act causes substantial harm or an imminent danger to the environment or health and safety of employees or the public, the

Contracting Officer may issue an order stopping work in whole or in part. Any stop work order issued by a Contracting Officer under this clause (or issued by the Contractor to a subcontractor in accordance with paragraph (I) of this clause) shall be without prejudice to any other legal or contractual rights of the Government. In the event that the Contracting Officer issues a stop work order, an order authorizing the resumption of the work may be issued at the discretion of the contracting officer. The Contractor shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this clause.

- H. The Contractor is responsible for compliance with the ES&H requirements applicable to this contract regardless of the performer of the work.
- I. The Contractor shall include a clause substantially the same as this clause in subcontracts involving complex or hazardous work on site at a DOE-owned or -leased facility. Such subcontracts shall provide for the right to stop work under the conditions described in paragraph (G) of this clause. Depending on the complexity and hazards associated with the work, the Contractor may require that the subcontractor submit a Safety Management System for the Contractor's review and approval.

H.6 TOXIC CHEMICAL RELEASE REPORTING REQUIREMENTS (FAR 52.223-14) (OCT 1995)

- A. Unless otherwise exempt, the Contractor-owned or -operated facilities used in the performance of this contract shall file by July 1 for the prior calendar year an annual Toxic Chemical Release Inventory Form (Form R) as described in sections 313 (a) and (g) of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023 (a) and (g)), and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106). Such Contractor facilities shall file the annual Form R throughout the life of the contract.
- B. A Contractor is exempt from the requirement to file an annual Form R if none of the Contractor-owned or -operated facilities used in the performance of this contract--
 - (1) manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

through 39 as set forth in FAR 19.102, the substance of this clause, except this paragraph (E).

H.7 SITEWIDE SAFETY PROGRAM RECOMMENDATIONS

In order to provide consistency on the Hanford Site, the Contractor shall recommend to DOE those safety programs which are appropriate for Hanford sitewide implementation, to provide the proper emphasis and requirements for safety for both the Contractor and all subcontractors working at the site, including any provisions for sitewide training not currently in place. The Contractor shall include a justification for the programs selected as a part of that recommendation.

H.8 SITEWIDE QUALIFICATION AND TRAINING PLAN

- A. In order to provide consistency with personnel qualification on the Hanford Site, the Contractor shall submit a Sitewide Qualification and Training Plan (see Section J, Appendix E). This Plan shows how the Contractor will ensure that all personnel working at the Hanford Site meet and maintain qualification and training requirements in accordance with DOE and other applicable regulations. The plan shall include:
- (1) assignment of responsibilities both with the DOE Richland Operations Office (RL) and any Hanford central training organizations.
 - (2) how the Contractor will use a single point of contact project management approach to integrate and track the best available training resources to meet the diverse training needs of the Hanford Site.
 - (3) how the Contractor will recognize and use equivalent training and/or reciprocity for training.
 - (4) a system to track flowdown of training requirements to subcontractors.

- C. In complying with the requirements of Paragraph A of this clause, the Contractor shall coordinate its concerns and seek implementing guidance on Federal and Departmental policy, plans, and program guidance with the DOE recycling point of contact, who shall be identified by the Contracting Officer. Reports required pursuant to Paragraph B of this clause, shall be submitted through the DOE recycling point of contact.

H.14 LAWS, REGULATIONS, AND DOE DIRECTIVES
DEAR 970.5204-78 (June 1997)

- A. In performing work under this contract, the Contractor shall comply with the requirements of applicable Federal, State, and local laws and regulations (including DOE regulations), unless relief has been granted in writing by the appropriate regulatory agency. A List of Applicable Laws and regulations may be appended to this contract for information purposes. Omission of any applicable law or regulation from the List does not affect the obligation of the Contractor to comply with such law or regulation pursuant to this paragraph.
- B. In performing work under this contract, the Contractor shall comply with the requirements of those Department of Energy directives, or parts thereof, identified in Appendix C to this contract. Except as otherwise provided for in paragraph (C) of this clause, the Contracting Officer may, from time to time and at any time, revise Appendix C by unilateral modification to the contract to add, modify, or delete specific requirements. Prior to revising Appendix C, the Contracting Officer shall notify the Contractor in writing of the Department's intent to revise Appendix C and provide the Contractor with the opportunity to assess the effect of the Contractor's compliance with the revised list on contract cost and funding, technical performance, and schedule; and identify any potential inconsistencies between the revised list and the other terms and conditions of the contract. Within 30 days after receipt of the Contracting Officer's notice, the Contractor shall advise the Contracting Officer in writing of the potential impact of the Contractor's compliance with the revised list. Based on the information provided by the Contractor and any other information available, the Contracting Officer shall decide whether to revise Appendix C and so advise the Contractor not later than 30 days prior to the effective date of the revision of Appendix C. The Contractor and the Contracting Officer shall identify and, if appropriate, agree to any changes to other contract terms and conditions, including cost and schedule, associated with the revision of Appendix C pursuant to the clause entitled, Changes--Cost Reimbursement (Alternate II) of this contract.

- C. Environmental, safety, and health (ES&H) requirements appropriate for work conducted under this contract may be determined by a DOE approved process to evaluate the work and the associated hazards and identify an appropriately tailored set of standards, practices, and controls, such as a tailoring process included in a DOE approved Safety Management System implemented under 48 CFR (DEAR) 970.5204-2. When such a process is used, the set of tailored ES&H requirements, as approved by DOE pursuant to the process, shall be incorporated into Appendix C as contract requirements with full force and effect. These requirements shall supersede, in whole or in part, the contractual environmental, safety, and health requirements previously made applicable to the contract by Appendix C. If the tailored set of requirements identifies an alternative requirement varying from an ES&H requirement of an applicable law or regulation, the Contractor shall request an exemption or other appropriate regulatory relief specified in the regulation.
- D. The Contractor is responsible for compliance with the requirements made applicable to this contract, regardless of the performer of the work. The Contractor is responsible for flowing down the necessary provisions to subcontracts at any tier to which the Contractor determines such requirements apply.

H.15 INCORPORATION OF REVISED DEPARTMENTAL POLICIES AND PROCEDURES

The parties acknowledge that the DOE has undertaken a review of DOE policies and procedures applicable to contracts for management of Government-owned facilities. This review may result in further deletions, additions, or revisions to existing contract clauses, or other DOE regulations, Orders, or Directives which are issued after the effective date of this contract, and which could conflict with or supersede some aspects of this contract. It is the intent of DOE to modify this contract, as necessary, to incorporate these new or revised clauses, regulations, Orders, or Directives or delete requirements no longer needed. This clause does not imply the right of DOE to

B. Minimum Requirements

- (1) ES&H Program The Contractor shall develop, obtain DOE approval of, and implement a comprehensive ES&H Program across the appropriate ES&H functional areas. Such Program will be consistent with the Integrated Environment, Safety and Health Management System Plan (ISMS Plan). The minimal performance requirements of the Program will be set forth in the DOE approved ISMS Plan. The Contractor must achieve the minimum performance requirements of the program in order to receive any otherwise earned fee, profit, or share of cost savings.
- (2) Catastrophic Event If, in the performance of this contract, the Contractor should cause, through negligence or misconduct, a fatality or an event to occur that results in significant damage to the environment, and/or endangers the safety and health of workers and/or the public in excess of government (Federal, State and/or Local) regulated limits (if any), the Manager, Richland Operations Office, may reduce any otherwise earned fees (other than Base Fee,) in whole or in part.
- (3) Specified Level of Performance The level of satisfactory performance associated with this contract is the completion of 76% or more of all individual performance expectations as set forth in Section J, Appendix D, or as modified during contract performance.

The evaluation of the Contractor's achievement of the level of performance shall be unilaterally determined by the Manager, RL. To the extent that the Contractor fails to achieve the above stipulated performance levels, the specific fee/incentive determination, may be reduced in whole or in part.

C. Cost Performance

1. In the case of a performance type fee/award fee/incentive fee, the specific work effort incentivized must be performed within the cost specified for it in the contract/modification which incorporates the incentivized effort. Further, the performance of such work shall not result in an adverse impact to the cost for all other unrelated work effort.

H.57 “NEW CLAUSE ON 324/327 FACILITY TRANSFER”

- A. Reasonable costs incurred by Contractor as a result of PNNL’s operations at the 324 Facility shall be allowable.
- B. Reasonable costs incurred to modify the standards for compliance with 10 CFR 835 and 10 CFR 830.120 from the PNNL Radiation Protection Plan and Quality Assurance Implementation Plan to the FDH compliance documents shall be allowable.
- C. Clauses H.55, Transition and Transfer - Workslope and H.56, Transition and Transfer - Costs and Funding, shall be applied to this transfer as appropriate.

H.58 AUTHORIZATION AGREEMENTS

In accordance with the Integrated Environment, Safety and Health Management System Plan (ISMS), Authorization Agreements (AAs) will be developed, mutually agreed to and executed between FDH and DOE-RL. The purpose of an AA is to serve as a mechanism whereby the U.S. Department of Energy, Richland Operations Office (RL) and Fluor Daniel Hanford, Inc. (FDH) jointly clarify and agree to the key conditions for conducting work safely and efficiently in a facility. The AAs will be maintained by FDH. The AAs will not alter any terms and conditions of the Project Hanford Management Contract (PHMC) and do not impose on FDH or its major subcontractors any liabilities, fines, or penalties not already imposed under the terms and conditions of the PHMC and current statutes, rules, regulations and ordinances.

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

**MANAGEMENT AND INTEGRATION PLAN
SECTION J**

APPENDIX E

INTRODUCTION

An overall Management and Integration Plan for the operation of an integrated site shall be developed by the Contractor. This Plan shall be the executive summary of the total management process the Contractor will use at Hanford. A key element of the Management and Integration Plan is the proposed management system including integrated technical, cost, and schedule control requirements. The Plan will define the approach the Contractor will use to accomplish the work as defined in Section C, Statement of Work. The Plan shall include the subcontractor structure to best integrate and manage operational tasks and project activities.

The Contractor shall also provide the following subject specific plans which expand on the discussion in the Management and Integration Plan as appendices to it:

A. Integrated Environment, Safety & Health Management System (ISMS) Plan

Specific guidance on the PHMC ISMS Plan is found in Clause H.5., "Integration of Environment, Safety, and Health Into Work Planning and Execution", of this contract.

B. Safeguards and Security Plan

The Safeguards and Security Plan shall be consistent with the DOE's requirements as detailed in the 5600-series of DOE Orders and the Richland Operations Office 5600-series of Implementing Directives. The Plan shall take into consideration risk prioritization in security, the current efforts to reduce security clearances, and the security management program now in place.

This Plan shall also describe the administrative, technical, physical, and personnel safeguards employed to the unclassified computer systems and applications that process sensitive information using a graded approach based on the value and sensitivity of the information. The Plan shall address contingency and disaster

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

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

APPENDIX F

The following represents additional criteria for environment, safety and health budget planning and execution, to be included as part of the requirements of Clause H.5, 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.



Department of Energy
 Richland Operations Office
 P.O. Box 550
 Richland, Washington 99352

AUG 12 1998

98-PRO-660

Mr. R. D. Hanson, Acting President
 Fluor Daniel Hanford, Inc.
 Richland, Washington 99352

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 - FLUOR DANIEL HANFORD, INC. EXECUTED
 MODIFICATION M032

In response to letter FDH-9856506 A R1 dated August 4, 1998, from J. L. Jacobsen to
 S. A. Sieracki, RL, same subject, enclosed for your files is a fully executed original Modification
 M032, signed by both the FDH and RL Contracting Officer. Should you have any questions
 regarding the above, please contact me on (509) 376-8948, or Alan Hopko on (509) 376-2031.

Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
 Contracting Officer

PRO:AEH

Enclosure

bcc: PRO Off File
 PRO Rdg File
 CCC RdgFile
Record Note: None
 executedmodM032.ltr #4956

RECEIVED

AUG 12 1998

DOE-RL/RLCC

Office >	PRO	PRO <i>SA</i>			
Surname >	HOPKO <i>A</i>	SIERACKI <i>SA</i>			
Date >	<i>8/7/98</i>	<i>12 Aug 98</i>			

(Please return to Rosie Garza 6-7736 A7-80/FED FAX 6-5378)

Document No. 4956