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

99-PRO-851

SEP 3 0 1999

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

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 – CONTRACT MODIFICATION M082

Enclosed for your signatures are three copies of the subject contract modification. This modification will revise twelve FY 1999 Performance Agreements (PA's), and add two new FY 1999 PA's. Please sign, date, and return all three copies of the modification to this office. Upon signature by an RL Contracting Officer, a fully executed copy will be returned for your files. Should you have any questions, please contact me at (509) 376-8948.

Sincerely,

Sally A. Sieracki
Contracting Officer

PRO:EJB

Enclosure

cc w/encl:
J. L. Jacobsen, FDH

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT	1. CONTRACT ID CODE	PAGE 1 OF PAGES 16

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
M082	See Block 16C	N/A	

6. ISSUED BY CODE	7. ADMINISTERED BY *(If other than Item 6)* CODE
U.S. Department of Energy Richland Operations Office P.O. Box 550, A7-80 Richland, WA 99352	Same as in Block 6.

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, city, county, state and zip code)*	(X)	9A. AMENDMENT OF SOLICITATION NO.
Fluor Daniel Hanford, Inc. P.O. Box 1000 Richland, Benton, Washington 99352		9B. DATED *(SEE ITEM 11)*
	X	10A. MODIFICATION OF CONTRACT/ ORDER NO. DE-AC06-96RL13200
CODE / FACILITY CODE		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 ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

N/A

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

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause H.41 Performance, Objectives, Measures, Expectations, and Fee Dist.
	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ◯ is not, ◉ is required to sign this document and return 2 copies to the issuing office.

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

A. The purpose of this modification is to revise FY 1999 Performance Agreements WM 2.1.1, SNF 1.1.1, SNF 1.1.2, SNF 1.1.3, SNF 1.2.3, FS 1.1.2A, FS 1.1.4, FS 2.1.1, TWR 1.1.1, TWR 1.1.2, TWR 6.1.5, TWR 6.2.1, and to add FS 1.6.1 and TWR 1.2.2. Revised pages are attached.

B. There is no change in contract amount, schedule, or funding.

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

15A. NAME AND TITLE OF SIGNER *(Type or print)*		16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*	
		Sally A. Sieracki, Contracting Officer	
15B. CONTRACTOR/OFFEROR *(Signature of person authorized to sign)*	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA *(Signature of Contracting Officer)*	16C. DATE SIGNED

WASTE MANAGEMENT				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
WM 2: Effectively utilize Waste Management cross-cutting services to maximize progress towards site-wide, critical outcomes. Ensure pollution prevention goals are met for minimizing waste generation. 0.0% at Objective Level	WM 2.1: 222-S Laboratory Operations. 0.0% at Measure Level	WM 2.1.1: By September 30, 1999, the Contractor shall provide analytical support of up to 20 analytical equivalent units (AEU's) as required by the Tank Waste Remediation System (TWRS) Program. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.84% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is completed and the **222-S laboratory achieves an internal critical error rate improvement (based on quality data validation) for all TWRS characterization sample analyses completed and validated during the last three quarters of FY 1999; and the contractor submits a letter report to RL-WPD by October 29, 1999 documenting the actual number of critical errors committed during the last three quarters of FY 1999.**	N/A
	WM 2.2: Corrective Actions. 0.0% at Measure Level	WM 2.2.1: Meet the requirements of Milestone M32-03-T06 and support site decontamination and waste treatment needs by completion of Project W-259 construction activities, issuance of a contractor declaration of readiness to restart operations at the 2706-T Facility, and completion of identified dangerous waste tank corrective actions (see Note 1) for T Plant by September 30, 1999. 100 percent of the incentive fee for this PA may be earned by the contractor for meeting the Performance Expectation. 0.70% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
SNF 1: All Hanford spent nuclear fuel consolidated in the 200 Areas in safe, cost effective, dry, interim storage pending national decisions on ultimate disposition. 0.0% at Objective Level	SNF 1.1: K Basin Readiness. 0.0% at Measure Level	SNF 1.1.1 **Performance Expectation:** **Item 1: 75 percent of the incentive fee for this PA may be earned by the contractor for successful completion of 105-KW Fuel Retrieval System Construction by July 31, 1999.** **Item 2: 25 percent of the incentive fee for this PA may be earned by the contractor for successful completion of the PCM wash basket and drive assembly installation by September 30, 1999.** 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by **75 percent of the total fee available for this PA for failure to meet the Performance Expectation Item 1 by September 28, 1999 and 25 percent of the total fee available for this PA for failure to meet the Performance Expectation Item 2 by October 28, 1999.**
		SNF 1.1.2 **Performance Expectation:** Complete 105-KW Integrated Water Treatment System (IWTS) Construction by **July 7**, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to meet the Performance Expectation by August **15**, 1999.
		SNF 1.1.3: Complete the 105-KW Cask Transportation Facility Modification (CTFM) by September 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	SNF 1.2: Canister Storage Building (CSB) Readiness. 0.0% at Measure Level	SNF 1.2.1: Complete Pre-Operational Testing of the Multi-Canister Overpack (MCO) Handling Machine by June 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.75% at Expectation Level	N/A	N/A
		SNF 1.2.2: Complete Sampling Station Pre-Operational Testing by September 23, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A
		SNF 1.2.3 **Performance Expectation:** Complete **placement of the Standard Canister Storage Building Storage Tubes within the building by August 30, 1999.** 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 1: Mitigate urgent risks, transition and decommission the facility, and maintain safe storage of special nuclear material (SNM) in the Plutonium Finishing Plant (PFP). 0.0% at Objective Level	FS 1.1: Perform Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1 stabilization activities at PFP. 0.0% at Measure Level	FS 1.1.1: Restart the thermal stabilization process at PFP and demonstrate strong progress in stabilizing the inventory of higher risk plutonium-bearing materials, as referenced in Section 5, by September 30, 1999. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 4.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and a combination of onsite stabilization and/or disposition (i.e., shipment to the onsite Central Waste Complex or RL-designated offsite locations) of an additional 150 kilograms of special nuclear material above and beyond the selected stabilization case in Section 5, "Performance Expectation Level" is completed.	The Contractor's total earned incentive fee will be reduced by 30 percent of the total incentive fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
		FS 1.1.2A **Performance Expectation: The Contractor shall declare readiness to execute the restart plan for prototype calciner by July 19, 1999.** 85 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	95 percent of the incentive fee for this PA may be earned by the Contractor if **the Performance Expectation is met by July 9, 1999.** **100% of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met by July 1, 1999.**	The Contractor's total earned incentive fee will be reduced by 30 percent of the total incentive fee available for this PA for failure to **meet the Performance Expectation by August 23, 1999.**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		FS 1.1.3: Complete preparation of the PFP processes for accelerated stabilization and inventory disposition in accordance with Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1. 1.0% at Expectation Level	Accelerate completion one or both of the following FY 2000/2001 activities by September 30, 1999: 1) 50 percent of the incentive fee for this PA may be earned by the Contractor for completing installation of three (3) additional muffle furnaces in Glovebox HA-21I; 2) 50 percent of the incentive fee for this PA may be earned by the Contractor for cleanout and preparations for the resumption of the cementation process.	N/A
		FS 1.1.4 Performance Expectation: Accelerate completion of Magnesium Hydroxide [$Mg(OH)_2$] glove box and process equipment design in FY 1999. **1) 50 percent of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 30, 1999.** **2) 30 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 30, 1999.** **1.0% at Expectation Level**	**1) An additional 15 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 19, 1999.** **2) An additional 5 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 20, 1999.**	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.2: Perform remediation activities on Tank 241-Z-361at PFP. 0.0% at Measure Level	FS 1.2.1: Obtain two core samples from Tank 241-Z-361 per the Tank 241-Z-361 Characterization Plan and deliver the samples to a qualified laboratory by September 30, 1999. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and laboratory characterization work for the two core samples has been completed by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 60 percent of the total fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
	FS 1.3: Develop PFP Integrated Project Management Plan. 0.0% at Measure Level	FS 1.3.1: Issue an Integrated Project Management Plan and supporting detailed, resource-loaded schedules by April 30, 1999. The Integrated Project Management Plan must conform to Section 8 of the *Federal Facility Agreement and Consent Order* (See Note 1). Final facility deactivation and dismantling schedules and estimates will necessarily be at a higher level than those for nearer-term surveillance and maintenance and material stabilization scope. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if a corresponding Basis of Estimate that provides a firm foundation for the FY 2000 Multi-Year Work Plan is available by May 15, 1999.	The Contractor's total earned incentive fee will be reduced by 80 percent of the total fee available for this PA for failure to complete the Performance Expectation by June 15, 1999.

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.5: *Improve PFP* Integrated Scheduling 0.0% at Measure Level	FS 1.5.1: *Improve PFP scheduling* efficiency and planning methods as *defined in Section 5.* 25 percent of this PA incentive fee amount may be earned by the Contractor for successful completion of each three-month period. 2.0% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete in the last three quarters of FY 1999 an average of at least 30 scheduled commitments per month and maintain an average of 40 completed maintenance work packages per month considering scheduled, emergent and fill-in type of activities. For this provision, the first quarter test period results will not be applicable for the scheduled commitments and completed maintenance work packages.
	FS 1.6: **0.0% at Measure Level**	**FS 1.6.1 Performance Expectation:** **100% of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor by submitting the Bagless Transfer System Update for Project W-460 90% Conceptual Design Report and cost estimate (CDR) to DOE-RL for review by August 1, 1999.** **1.0% at the Expectation Level**	**N/A**	**N/A**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 2: Transition the 324/327 Buildings to a low-cost, stable deactivated condition and disposition their nuclear materials. *0.0% at Objective Level*	FS 2.1: Remove materials from 324 B-Cell. 0.0% at Measure Level	FS 2.1.1 **Performance Expectation: Size reduce 1A Rack within B-Cell in support of B-Cell closure and clean out A-Cell by September 30, 1999.** 65 percent: **Complete 1A Rack size reduction 2) Containerize the 1A Rack non-mixed waste 3) Complete clean out of A-Cell. The following equipment will be removed from A-Cell and packaged for burial: canister liner, canister storage rack, electro-polisher ventilation system, electro-polisher power rack, electropolisher, water-cooled storage rack, and any other items necessary to allow storage of spent fuel. There will be no further documentation of the cell walls, floor, or ceiling. 4) Complete Spent Fuel Transfer preparation per WBS 1K4BC1.** *4.5% at Expectation Level*	**An additional 25 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing 2A Rack size reduction and placement of non-mixed waste in grout containers by September 30, 1999.** **An additional 8 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing preparations at the burial gorunds to receive B-Cell RH-TRU grout containers, procure and put in place a storage system for 12 B-Cell grout containers and receive correspondence from WMH that documents readiness to accept shipments.** **An additional 2 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing shipment of at least one (1) RH-TRU grout container to the RH-TRU storage facility by September 30, 1999.**	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete the Performance Expectation by October 29, 1999.

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
TWR 1: Stage for low-activity waste pretreatment and immobilization and pretreat and stage high-level waste. 0.0% at Objective Level	TWR 1.1: Develop plans and technologies for tank farm closure. 0.0% at Measure Level	TWR 1.1.1 **Performance Expectation: Complete Light Duty Utility Arm (LDUA) Contractor declaration of readiness for deployment in Tank 241-AX-104 by March 11, 1999.** **100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation.** **.25% at Expectation Level.**	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	MEASURE	EXPECTATION	INCREASED	NEGATIVE
		TWR 1.1.2 Performance Expectation: 1. Submit the completed Preliminary Site Specific Single Shell Tank (SST) Waste Management Area (WMA) Phase I RFI/CMS work plan addenda for WMA S-SX to RL by April 26, 1999. (Proposed Tri-Party Agreement Milestone M-45-52-T01) 2. Complete drilling a borehole for the Waste Management Area S-SX characterization by September 30, 1999. 3. Complete installation of new leak tight dry well caps on all SST farm dry wells RL by June 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-57) 4. Complete decommissioning of Borehole41-09-39 by August 15, 1999. 5. Submit the completed Phase I RFI/CMS Work Plan for SST WMAs to RL by August 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-51) 20, 25, 5, 20, and 30 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectations Items 1,2,3,4, and 5, respectively.	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 1.1.2 Performance Expectation (Cont'd): 1.0% at Expectation Level		
	TWR 1.2: Complete Supporting Projects. 0.0% at Measure Level	TWR 1.2.1: Remove two feet of waste from Tank C-106 by April 30, 1999. 60 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 5.1% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if four feet of waste are removed from Tank C-106 by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to complete the Performance Expectation by May 30, 1999.
		TWR 1.2.2 Performance Expectation: Complete sluicing retrieval of waste from Tank C-106 (~ 6-ft) and provide the documented evidence of completion of sluicing by September 30, 1999. **0.5% at Expectation Level**	N/A	N/A
	TWR 1.3: Prepare for waste feed delivery from double-shell tanks (DSTs) and single-shell tanks (SSTs). 0.0% at Measure Level	TWR 1.3.1: Issue Project W-211 Title II Design for Tank AN-105 by May 31, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.84% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for completing Project W-211 Title II Design for Tank AN-105 by April 30, 1999.	N/A
		TWR 1.3.2: Complete an Alternative Generation Analysis (AGA) for the SST retrieval of Tank C-104 by September 30, 1999. 70 percent of the fee available for this	100 percent of the fee available for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and issuing a Phase I Tank Source Selection AGA by	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		PA may be earned by the Contractor for meeting the Performance Expectation. 0.45% at Expectation Level	May 31, 1999.	
		TWR 1.3.3: Issue the operations and maintenance (O&M) concept document for waste feed delivery, to validate ability to meet waste feed delivery schedule for the first three source tanks, by August 30, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting this Performance Expectation. 3.0% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and conducting a risk assessment of the O&M concept in the Performance Expectation, per HNF-IP-0842, Volume IV, Section 2.6, "Risk Management," by September 30, 1999.	N/A
		TWR 1.3.4: Update the Tank Waste Remediation System Operations and Utilization Plan (TWRS O&UP) and deliver to RL by May 5, 1999. 50 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.6% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and documenting verification and validation of the Hanford Tank Waste Operations Simulator (HTWOS) model against the Operational Waste Volume Projections (OWVP) requirements by September 30, 1999.	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5: 1. By December 31, 1998 submit a report documenting the options and evaluations being undertaken to close the crust level unreviewed safety question (USQ) for Tank 241-SY-101. 2. By March 1, 1999 submit a recommended path forward and an Advance Work Authorization (AWA) or Baseline Change Request (BCR) for **ORP** approval. 3. **By June 1, 1999 issue a letter to ORP notifying the completion of Design Review.** 4. **By September 30, 1999 issue a letter to ORP notifying the complete installation of all hardware and instrumentation to perform the small transfer of waste from Tank 241-SY-101 to Tank 241-SY-102.** **8.8** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 1 of the Performance Expectation. **26.7** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 2 of the Performance Expectation. **10** percent of the incentive fee for this PA **may be earned by the Contractor for completing Item 3 of the Performance Expectation.**	**The Contractor shall earn 25 percent of the award fee by commencing waste transfer from Tank SY-101 to Tank SY-102 by October 28, 1999.**	The Contractor's total earned incentive fee will be reduced by **8.8** percent of the total fee available for this PA for failure to meet Item 1 of the Performance Expectation by January 7, 1999. The Contractor's total earned incentive fee will be reduced by **26.7** percent of the total fee available for this PA for failure to meet Item 2 of the Performance Expectation by March 22, 1999. **The Contractor's total earned incentive fee will be reduced by 53 percent of the total fee available for this PA, regardless of their performance on Items 3 and 4, if the Contractor fails to take emergency actions (if necessary) to maintain the tank surface level measurement, as taken by the ENRAF in Riser 1A, below the double containment elevation (stated currently as 458 inches) less 0.5 inches (i.e., level exceeds 457.5 inches) in Tank SY-101 on or before October 30, 1999.**

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5 (Cont'd): **29.5 percent of the incentive fee for this PA may be earned by the Contractor for completing Item 4 of the Performance Expectation.** 2.20% at Expectation Level		
	TWR 6.2: Characterize tank waste to meet Tri-Party Agreement (TPA) and Defense Nuclear Facilities Safety Board (DNFSB) Milestones.	TWR 6.2.1 **Performance Expectation**: Complete sampling to meet the requirements of the Characterization Project to support closure of DNFSB 93-5 and the Privatization Project's contract with BNFL Inc. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the following product due dates: Major Deliverables, Milestone #, Product Due Dates: 13 Core Samples, **T01-99-123**, September 30, 1999. Major Deliverables, Milestone #, Product Due Dates: **16** Grab Samples, **T01-99-125**, September 30, 1999. 0.9% at Expectation Level	N/A	N/A
		TWR 6.2.2: Complete the FY 2000 Waste Information Requirements Document (WIRD), Tank Characterization Reports (TCRs), and WIRD deliverables. 25 percent of the incentive fee for this PA may be earned by the Contractor for completing the FY 2000 WIRD by	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		August 23, 1999. 75 percent of the incentive fee for this PA may be earned by the Contractor for completing 17 TCRs by September 20, 1999 and for meeting the final WIRD deliverables by September 20, 1999. 0.7% at Expectation Level		
		TWR 6.2.3: Complete and issue a report, by June 30, 1999, to provide the basis for DOE to recommend closure of DNFSB Recommendation 93-5 milestone 5.6.3.1.j. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.312% at Expectation Level	N/A	N/A

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT	1. CONTRACT ID CODE	PAGE 1 OF PAGES 16

AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
M082	See Block 16C	N/A	

ISSUED BY CODE

U.S. Department of Energy
Richland Operations Office
P.O. Box 550, A7-80
Richland, WA 99352

7. ADMINISTERED BY (If other than Item 6) CODE

Same as in Block 6.

NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code)

Fluor Daniel Hanford, Inc.
P.O. Box 1000
Richland, Benton, Washington 99352

CODE FACILITY CODE

(X) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

X 10A. MODIFICATION OF CONTRACT/ ORDER NO. DE-AC06-96RL13200

10B. DATED (SEE ITEM 13) 08/06/96

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. The purpose of this modification is to revise FY 1999 Performance Agreements WM 2.1.1, NF 1.1.1, SNF 1.1.2, SNF 1.1.3, SNF 1.2.3, FS 1.1.2A, FS 1.1.4, FS 2.1.1, TWR 1.1.1, TWR .1.2, TWR 6.1.5, TWR 6.2.1, and to add FS 1.6.1 and TWR 1.2.2. Revised pages are attached.

. There is no change in contract amount, schedule, or funding.

xcept 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 nd effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		Sally A. Sieracki, Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

WASTE MANAGEMENT				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
WM 2: Effectively utilize Waste Management cross-cutting services to maximize progress towards site-wide, critical outcomes. Ensure pollution prevention goals are met for minimizing waste generation. 0.0% at Objective Level	WM 2.1: 222-S Laboratory Operations. 0.0% at Measure Level	WM 2.1.1: By September 30, 1999, the Contractor shall provide analytical support of up to 20 analytical equivalent units (AEU's) as required by the Tank Waste Remediation System (TWRS) Program. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.84% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is completed and the **222-S laboratory achieves an internal critical error rate improvement (based on quality data validation) for all TWRS characterization sample analyses completed and validated during the last three quarters of FY 1999; and the contractor submits a letter report to RL-WPD by October 29, 1999 documenting the actual number of critical errors committed during the last three quarters of FY 1999.**	N/A
	WM 2.2: Corrective Actions. 0.0% at Measure Level	WM 2.2.1: Meet the requirements of Milestone M32-03-T06 and support site decontamination and waste treatment needs by completion of Project W-259 construction activities, issuance of a contractor declaration of readiness to restart operations at the 2706-T Facility, and completion of identified dangerous waste tank corrective actions (see Note 1) for T Plant by September 30, 1999. 100 percent of the incentive fee for this PA may be earned by the contractor for meeting the Performance Expectation. 0.70% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
SNF 1: All Hanford spent nuclear fuel consolidated in the 200 Areas in safe, cost effective, dry, interim storage pending national decisions on ultimate disposition. 0.0% at Objective Level	SNF 1.1: K Basin Readiness. 0.0% at Measure Level	SNF 1.1.1 **Performance Expectation:** **Item 1: 75 percent of the incentive fee for this PA may be earned by the contractor for successful completion of 105-KW Fuel Retrieval System Construction by July 31, 1999.** **Item 2: 25 percent of the incentive fee for this PA may be earned by the contractor for successful completion of the PCM wash basket and drive assembly installation by September 30, 1999.** 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by **75 percent of the total fee available for this PA for failure to meet the Performance Expectation Item 1 by September 28, 1999 and 25 *percent of the total fee available* for this PA for failure to meet the Performance Expectation Item 2 by October 28, 1999.**
		SNF 1.1.2 **Performance Expectation:** Complete 105-KW Integrated Water Treatment System (IWTS) Construction by **July 7**, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to meet the Performance Expectation by August 15, 1999.
		SNF 1.1.3: Complete the 105-KW Cask Transportation Facility Modification (CTFM) by September 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	SNF 1.2: Canister Storage Building (CSB) Readiness. 0.0% at Measure Level	SNF 1.2.1: Complete Pre-Operational Testing of the Multi-Canister Overpack (MCO) Handling Machine by June 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.75% at Expectation Level	N/A	N/A
		SNF 1.2.2: Complete Sampling Station Pre-Operational Testing by September 23, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A
		SNF 1.2.3 **Performance Expectation**: Complete **placement of the Standard Canister Storage Building Storage Tubes within the building by August 30, 1999.** 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 1: Mitigate urgent risks, transition and decommission the facility, and maintain safe storage of special nuclear material (SNM) in the Plutonium Finishing Plant (PFP). 0.0% at Objective Level	FS 1.1: Perform Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1 stabilization activities at PFP. 0.0% at Measure Level	FS 1.1.1: Restart the thermal stabilization process at PFP and demonstrate strong progress in stabilizing the inventory of higher risk plutonium-bearing materials, as referenced in Section 5, by September 30, 1999. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 4.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and a combination of onsite stabilization and/or disposition (i.e., shipment to the onsite Central Waste Complex or RL-designated offsite locations) of an additional 150 kilograms of special nuclear material above and beyond the selected stabilization case in Section 5, "Performance Expectation Level" is completed.	The Contractor's total earned incentive fee will be reduced by 30 percent of the total incentive fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
		FS 1.1.2A **Performance Expectation: The Contractor shall declare readiness to execute the restart plan for prototype calciner by July 19, 1999.** 85 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	95 percent of the incentive fee for this PA may be earned by the Contractor if **the Performance Expectation is met by July 9, 1999.** **100% of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met by July 1, 1999.**	The Contractor's total earned incentive fee will be reduced by 30 percent of the total incentive fee available for this PA for failure to **meet the Performance Expectation by August 23, 1999.**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		FS 1.1.3: Complete preparation of the PFP processes for accelerated stabilization and inventory disposition in accordance with Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1. 1.0% at Expectation Level	Accelerate completion one or both of the following FY 2000/2001 activities by September 30, 1999: 1) 50 percent of the incentive fee for this PA may be earned by the Contractor for completing installation of three (3) additional muffle furnaces in Glovebox HA-21I; 2) 50 percent of the incentive fee for this PA may be earned by the Contractor for cleanout and preparations for the resumption of the cementation process.	N/A
		FS 1.1.4 Performance Expectation: Accelerate completion of Magnesium Hydroxide [$Mg(OH)_2$] glove box and process equipment design in FY 1999. **1) 50 percent of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 30, 1999.** **2) 30 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 30, 1999.** **1.0% at Expectation Level**	**1) An additional 15 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 19, 1999.** **2) An additional 5 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 20, 1999.**	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.2: Perform remediation activities on Tank 241-Z-361at PFP. 0.0% at Measure Level	FS 1.2.1: Obtain two core samples from Tank 241-Z-361 per the Tank 241-Z-361 Characterization Plan and deliver the samples to a qualified laboratory by September 30, 1999. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and laboratory characterization work for the two core samples has been completed by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 60 percent of the total fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
	FS 1.3: Develop PFP Integrated Project Management Plan. 0.0% at Measure Level	FS 1.3.1: Issue an Integrated Project Management Plan and supporting detailed, resource-loaded schedules by April 30, 1999. The Integrated Project Management Plan must conform to Section 8 of the *Federal Facility Agreement and Consent Order* (See Note 1). Final facility deactivation and dismantling schedules and estimates will necessarily be at a higher level than those for nearer-term surveillance and maintenance and material stabilization scope. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if a corresponding Basis of Estimate that provides a firm foundation for the FY 2000 Multi-Year Work Plan is available by May 15, 1999.	The Contractor's total earned incentive fee will be reduced by 80 percent of the total fee available for this PA for failure to complete the Performance Expectation by June 15, 1999.

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.5: Improve PFP Integrated Scheduling 0.0% at Measure Level	FS 1.5.1: Improve PFP scheduling efficiency and planning methods as defined in Section 5. 25 percent of this PA incentive fee amount may be earned by the Contractor for successful completion of each three-month period. 2.0% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete in the last three quarters of FY 1999 an average of at least 30 scheduled commitments per month and maintain an average of 40 completed maintenance work packages per month considering scheduled, emergent and fill-in type of activities. For this provision, the first quarter test period results will not be applicable for the scheduled commitments and completed maintenance work packages.
	FS 1.6: **0.0% at Measure Level**	**FS 1.6.1 Performance Expectation:** **100% of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor by submitting the Bagless Transfer System Update for Project W-460 90% Conceptual Design Report and cost estimate (CDR) to DOE-RL for review by August 1, 1999.** **1.0% at the Expectation Level**	**N/A**	**N/A**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 2: Transition the 324/327 Buildings to a low-cost, stable deactivated condition and disposition their nuclear materials. 0.0% at Objective Level	FS 2.1: Remove materials from 324 B-Cell. 0.0% at Measure Level	FS 2.1.1 **Performance Expectation: Size reduce 1A Rack within B-Cell in support of B-Cell closure and clean out A-Cell by September 30, 1999.** 65 percent: **Complete 1A Rack size reduction 2) Containerize the 1A Rack non-mixed waste 3) Complete clean out of A-Cell. The following equipment will be removed from A-Cell and packaged for burial: canister liner, canister storage rack, electro-polisher ventilation system, electro-polisher power rack, electropolisher, water-cooled storage rack, and any other items necessary to allow storage of spent fuel. There will be no further documentation of the cell walls, floor, or ceiling. 4) Complete Spent Fuel Transfer preparation per WBS 1K4BC1.** 4.5% at Expectation Level	**An additional 25 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing 2A Rack size reduction and placement of non-mixed waste in grout containers by September 30, 1999.** **An additional 8 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing preparations at the burial gorunds to receive B-Cell RH-TRU grout containers, procure and put in place a storage system for 12 B-Cell grout containers and receive correspondence from WMH that documents readiness to accept shipments.** **An additional 2 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing shipment of at least one (1) RH-TRU grout container to the RH-TRU storage facility by September 30, 1999.**	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete the Performance Expectation by October 29, 1999.

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
TWR 1: Stage for low-activity waste pretreatment and immobilization and pretreat and stage high-level waste. 0.0% at Objective Level	TWR 1.1: Develop plans and technologies for tank farm closure. 0.0% at Measure Level	TWR 1.1.1 **Performance Expectation: Complete Light Duty Utility Arm (LDUA) Contractor declaration of readiness for deployment in Tank 241-AX-104 by March 11, 1999.** **100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation.** **.25% at Expectation Level.**	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 1.1.2 Performance Expectation: **1. Submit the completed Preliminary Site Specific Single Shell Tank (SST) Waste Management Area (WMA) Phase I RFI/CMS work plan addenda for WMA S-SX to RL by April 26, 1999. (Proposed Tri-Party Agreement Milestone M-45-52-T01)** **2. Complete drilling a borehole for the Waste Management Area S-SX characterization by September 30, 1999.** **3. Complete installation of new leak tight dry well caps on all SST farm dry wells RL by June 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-57)** **4. Complete decommissioning of Borehole41-09-39 by August 15, 1999.** **5. Submit the completed Phase I RFI/CMS Work Plan for SST WMAs to RL by August 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-51)** **20, 25, 5, 20, and 30 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectations Items 1,2,3,4, and 5, respectively.**	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 1.1.2 Performance Expectation (Cont'd): 1.0% at Expectation Level		
	TWR 1.2: Complete Supporting Projects. 0.0% at Measure Level	TWR 1.2.1: Remove two feet of waste from Tank C-106 by April 30, 1999. 60 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 5.1% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if four feet of waste are removed from Tank C-106 by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to complete the Performance Expectation by May 30, 1999.
		TWR 1.2.2 Performance Expectation: Complete sluicing retrieval of waste from Tank C-106 (~ 6-ft) and provide the documented evidence of completion of sluicing by September 30, 1999. **0.5% at Expectation Level**	**N/A**	**N/A**
	TWR 1.3: Prepare for waste feed delivery from double-shell tanks (DSTs) and single-shell tanks (SSTs). 0.0% at Measure Level	TWR 1.3.1: Issue Project W-211 Title II Design for Tank AN-105 by May 31, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.84% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for completing Project W-211 Title II Design for Tank AN-105 by April 30, 1999.	N/A
		TWR 1.3.2: Complete an Alternative Generation Analysis (AGA) for the SST retrieval of Tank C-104 by September 30, 1999. 70 percent of the fee available for this	100 percent of the fee available for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and issuing a Phase I Tank Source Selection AGA by	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		PA may be earned by the Contractor for meeting the Performance Expectation. 0.45% at Expectation Level	May 31, 1999.	
		TWR 1.3.3: Issue the operations and maintenance (O&M) concept document for waste feed delivery, to validate ability to meet waste feed delivery schedule for the first three source tanks, by August 30, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting this Performance Expectation. 3.0% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and conducting a risk assessment of the O&M concept in the Performance Expectation, per HNF-IP-0842, Volume IV, Section 2.6, "Risk Management," by September 30, 1999.	N/A
		TWR 1.3.4: Update the Tank Waste Remediation System Operations and Utilization Plan (TWRS O&UP) and deliver to RL by May 5, 1999. 50 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.6% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and documenting verification and validation of the Hanford Tank Waste Operations Simulator (HTWOS) model against the Operational Waste Volume Projections (OWVP) requirements by September 30, 1999.	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5: 1. By December 31, 1998 submit a report documenting the options and evaluations being undertaken to close the crust level unreviewed safety question (USQ) for Tank 241-SY-101. 2. By March 1, 1999 submit a recommended path forward and an Advance Work Authorization (AWA) or Baseline Change Request (BCR) for **ORP** approval. 3. **By June 1, 1999 issue a letter to ORP notifying the completion of Design Review.** 4. **By September 30, 1999 issue a letter to ORP notifying the complete installation of all hardware and instrumentation to perform the small transfer of waste from Tank 241-SY-101 to Tank 241-SY-102.** **8.8** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 1 of the Performance Expectation. **26.7** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 2 of the Performance Expectation. **10** percent of the incentive fee for this PA **may be earned by the Contractor for completing Item 3 of the Performance Expectation.**	**The Contractor shall earn 25 percent of the award fee by commencing waste transfer from Tank SY-101 to Tank SY-102 by October 28, 1999.**	The Contractor's total earned incentive fee will be reduced by **8.8** percent of the total fee available for this PA for failure to meet Item 1 of the Performance Expectation by January 7, 1999. The Contractor's total earned incentive fee will be reduced by **26.7** percent of the total fee available for this PA for failure to meet Item 2 of the Performance Expectation by March 22, 1999. **The Contractor's total earned incentive fee will be reduced by 53 percent of the total fee available for this PA, regardless of their performance on Items 3 and 4, if the Contractor fails to take emergency actions (if necessary) to maintain the tank surface level measurement, as taken by the ENRAF in Riser 1A, below the double containment elevation (stated currently as 458 inches) less 0.5 inches (i.e., level exceeds 457.5 inches) in Tank SY-101 on or before October 30, 1999.**

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5 (Cont'd): **29.5 percent of the incentive fee for this PA may be earned by the Contractor for completing Item 4 of the Performance Expectation.** **2.20%** at Expectation Level		
	TWR 6.2: Characterize tank waste to meet Tri-Party Agreement (TPA) and Defense Nuclear Facilities Safety Board (DNFSB) Milestones.	TWR 6.2.1 **Performance Expectation**: Complete sampling to meet the requirements of the Characterization Project to support closure of DNFSB 93-5 and the Privatization Project's contract with BNFL Inc. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the following product due dates: Major Deliverables, Milestone #, Product Due Dates: **13** Core Samples, **T01-99-123**, September 30, 1999. Major Deliverables, Milestone #, Product Due Dates: **16** Grab Samples, **T01-99-125**, September 30, 1999. 0.9% at Expectation Level	N/A	N/A
		TWR 6.2.2: Complete the FY 2000 Waste Information Requirements Document (WIRD), Tank Characterization Reports (TCRs), and WIRD deliverables. 25 percent of the incentive fee for this PA may be earned by the Contractor for completing the FY 2000 WIRD by	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		August 23, 1999. 75 percent of the incentive fee for this PA may be earned by the Contractor for completing 17 TCRs by September 20, 1999 and for meeting the final WIRD deliverables by September 20, 1999. 0.7% at Expectation Level		
		TWR 6.2.3: Complete and issue a report, by June 30, 1999, to provide the basis for DOE to recommend closure of DNFSB Recommendation 93-5 milestone 5.6.3.1.j. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.312% at Expectation Level	N/A	N/A

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		16

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
M082	See Block 16C	N/A	

6. ISSUED BY CODE

U.S. Department of Energy
Richland Operations Office
P.O. Box 550, A7-80
Richland, WA 99352

7. ADMINISTERED BY *(If other than Item 6)* CODE

Same as in Block 6.

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, city, county, state and zip code)*

Fluor Daniel Hanford, Inc.
P.O. Box 1000
Richland, Benton, Washington 99352

CODE FACILITY CODE

(X)	
	9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED *(SEE ITEM 11)*
X	10A. MODIFICATION OF CONTRACT/ ORDER NO. 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 ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

N/A

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

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause H.41 Performance, Objectives, Measures, Expectations, and Fee Dist.
	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ◯ is not, ◉ is required to sign this document and return 2 copies to the issuing office.

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

A. The purpose of this modification is to revise FY 1999 Performance Agreements WM 2.1.1, SNF 1.1.1, SNF 1.1.2, SNF 1.1.3, SNF 1.2.3, FS 1.1.2A, FS 1.1.4, FS 2.1.1, TWR 1.1.1, TWR 1.1.2, TWR 6.1.5, TWR 6.2.1, and to add FS 1.6.1 and TWR 1.2.2. Revised pages are attached.

B. There is no change in contract amount, schedule, or funding.

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

15A. NAME AND TITLE OF SIGNER *(Type or print)*		16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*	
		Sally A. Sieracki, Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		*(Signature of Contracting Officer)*	

WASTE MANAGEMENT				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
WM 2: Effectively utilize Waste Management cross-cutting services to maximize progress towards site-wide, critical outcomes. Ensure pollution prevention goals are met for minimizing waste generation. 0.0% at Objective Level	WM 2.1: 222-S Laboratory Operations. 0.0% at Measure Level	WM 2.1.1: By September 30, 1999, the Contractor shall provide analytical support of up to 20 analytical equivalent units (AEU's) as required by the Tank Waste Remediation System (TWRS) Program. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.84% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is completed and the **222-S laboratory achieves an internal critical error rate improvement (based on quality data validation) for all TWRS characterization sample analyses completed and validated during the last three quarters of FY 1999; and the contractor submits a letter report to RL-WPD by October 29, 1999 documenting the actual number of critical errors committed during the last three quarters of FY 1999.**	N/A
	WM 2.2: Corrective Actions. 0.0% at Measure Level	WM 2.2.1: Meet the requirements of Milestone M32-03-T06 and support site decontamination and waste treatment needs by completion of Project W-259 construction activities, issuance of a contractor declaration of readiness to restart operations at the 2706-T Facility, and completion of identified dangerous waste tank corrective actions (see Note 1) for T Plant by September 30, 1999. 100 percent of the incentive fee for this PA may be earned by the contractor for meeting the Performance Expectation. 0.70% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
SNF 1: All Hanford spent nuclear fuel consolidated in the 200 Areas in safe, cost effective, dry, interim storage pending national decisions on ultimate disposition. 0.0% at Objective Level	SNF 1.1: K Basin Readiness. 0.0% at Measure Level	SNF 1.1.1 **Performance Expectation:** **Item 1: 75 percent of the incentive fee for this PA may be earned by the contractor for successful completion of 105-KW Fuel Retrieval System Construction by July 31, 1999.** **Item 2: 25 percent of the incentive fee for this PA may be earned by the contractor for successful completion of the PCM wash basket and drive assembly installation by September 30, 1999.** 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by **75 percent of the total fee available for this PA for failure to meet the Performance Expectation Item 1 by September 28, 1999 and 25 percent of the total fee available for this PA for failure to meet the Performance Expectation Item 2 by October 28, 1999.**
		SNF 1.1.2 **Performance Expectation:** Complete 105-KW Integrated Water Treatment System (IWTS) Construction by **July** 7, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.25% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to meet the Performance Expectation by August **15**, 1999.
		SNF 1.1.3: Complete the 105-KW Cask Transportation Facility Modification (CTFM) by September 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	N/A	N/A

SPENT NUCLEAR FUELS				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	SNF 1.2: Canister Storage Building (CSB) Readiness. 0.0% at Measure Level	SNF 1.2.1: Complete Pre-Operational Testing of the Multi-Canister Overpack (MCO) Handling Machine by June 22, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.75% at Expectation Level	N/A	N/A
		SNF 1.2.2: Complete Sampling Station Pre-Operational Testing by September 23, 1999. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A
		SNF 1.2.3 **Performance Expectation:** Complete **placement of the Standard Canister Storage Building Storage Tubes within the building by August 30, 1999.** 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	N/A	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 1: Mitigate urgent risks, transition and decommission the facility, and maintain safe storage of special nuclear material (SNM) in the Plutonium Finishing Plant (PFP). 0.0% at Objective Level	FS 1.1: Perform Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1 stabilization activities at PFP. 0.0% at Measure Level	FS 1.1.1: Restart the thermal stabilization process at PFP and demonstrate strong progress in stabilizing the inventory of higher risk plutonium-bearing materials, as referenced in Section 5, by September 30, 1999. 80 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 4.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and a combination of onsite stabilization and/or disposition (i.e., shipment to the onsite Central Waste Complex or RL-designated offsite locations) of an additional 150 kilograms of special nuclear material above and beyond the selected stabilization case in Section 5, "Performance Expectation Level" is completed.	The Contractor's total earned incentive fee will be reduced by 30 percent of the total incentive fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
		FS 1.1.2A **Performance Expectation: The Contractor shall declare readiness to execute the restart plan for prototype calciner by July 19, 1999.** **85** percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	**95** percent of the incentive fee for this PA may be earned by the Contractor if **the Performance Expectation is met by July 9, 1999.** **100% of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met by July 1, 1999.**	The Contractor's total earned incentive fee will be reduced by **30** percent of the total incentive fee available for this PA for failure to **meet the Performance Expectation by August 23, 1999.**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		FS 1.1.3: Complete preparation of the PFP processes for accelerated stabilization and inventory disposition in accordance with Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 94-1. 1.0% at Expectation Level	Accelerate completion one or both of the following FY 2000/2001 activities by September 30, 1999: 1) 50 percent of the incentive fee for this PA may be earned by the Contractor for completing installation of three (3) additional muffle furnaces in Glovebox HA-21I; 2) 50 percent of the incentive fee for this PA may be earned by the Contractor for cleanout and preparations for the resumption of the cementation process.	N/A
		FS 1.1.4 Performance Expectation: Accelerate completion of Magnesium Hydroxide [$Mg(OH)_2$] glove box and process equipment design in FY 1999. **1) 50 percent of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 30, 1999.** **2) 30 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 30, 1999.** **1.0% at Expectation Level**	**1) An additional 15 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ glove box design by July 19, 1999.** **2) An additional 5 percent of the incentive fee for this PA may be earned by the Contractor for completing the $Mg(OH)_2$ process equipment design by September 20, 1999.**	N/A

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.2: Perform remediation activities on Tank 241-Z-361at PFP. 0.0% at Measure Level	FS 1.2.1: Obtain two core samples from Tank 241-Z-361 per the Tank 241-Z-361 Characterization Plan and deliver the samples to a qualified laboratory by September 30, 1999. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 1.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and laboratory characterization work for the two core samples has been completed by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 60 percent of the total fee available for this PA for failure to meet the Performance Expectation by October 29, 1999.
	FS 1.3: Develop PFP Integrated Project Management Plan. 0.0% at Measure Level	FS 1.3.1: Issue an Integrated Project Management Plan and supporting detailed, resource-loaded schedules by April 30, 1999. The Integrated Project Management Plan must conform to Section 8 of the *Federal Facility Agreement and Consent Order* (See Note 1). Final facility deactivation and dismantling schedules and estimates will necessarily be at a higher level than those for nearer-term surveillance and maintenance and material stabilization scope. 90 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 2.0% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if a corresponding Basis of Estimate that provides a firm foundation for the FY 2000 Multi-Year Work Plan is available by May 15, 1999.	The Contractor's total earned incentive fee will be reduced by 80 percent of the total fee available for this PA for failure to complete the Performance Expectation by June 15, 1999.

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
	FS 1.5: Improve PFP Integrated Scheduling 0.0% at Measure Level	FS 1.5.1: Improve PFP scheduling efficiency and planning methods as defined in Section 5. 25 percent of this PA incentive fee amount may be earned by the Contractor for successful completion of each three-month period. 2.0% at Expectation Level	N/A	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete in the last three quarters of FY 1999 an average of at least 30 scheduled commitments per month and maintain an average of 40 completed maintenance work packages per month considering scheduled, emergent and fill-in type of activities. For this provision, the first quarter test period results will not be applicable for the scheduled commitments and completed maintenance work packages.
	FS 1.6: **0.0% at Measure Level**	**FS 1.6.1 Performance Expectation:** **100% of the incentive fee for this Performance Agreement (PA) may be earned by the Contractor by submitting the Bagless Transfer System Update for Project W-460 90% Conceptual Design Report and cost estimate (CDR) to DOE-RL for review by August 1, 1999.** **1.0% at the Expectation Level**	**N/A**	**N/A**

FACILITIES STABILIZATION				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
FS 2: Transition the 324/327 Buildings to a low-cost, stable deactivated condition and disposition their nuclear materials. 0.0% at Objective Level	FS 2.1: Remove materials from 324 B-Cell. 0.0% at Measure Level	FS 2.1.1 **Performance Expectation: Size reduce 1A Rack within B-Cell in support of B-Cell closure and clean out A-Cell by September 30, 1999.** 65 percent: **Complete 1A Rack size reduction 2) Containerize the 1A Rack non-mixed waste 3) Complete clean out of A-Cell. The following equipment will be removed from A-Cell and packaged for burial: canister liner, canister storage rack, electro-polisher ventilation system, electro-polisher power rack, electropolisher, water-cooled storage rack, and any other items necessary to allow storage of spent fuel. There will be no further documentation of the cell walls, floor, or ceiling. 4) Complete Spent Fuel Transfer preparation per WBS 1K4BC1.** 4.5% at Expectation Level	**An additional 25 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing 2A Rack size reduction and placement of non-mixed waste in grout containers by September 30, 1999.** **An additional 8 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing preparations at the burial gorunds to receive B-Cell RH-TRU grout containers, procure and put in place a storage system for 12 B-Cell grout containers and receive correspondence from WMH that documents readiness to accept shipments.** **An additional 2 percent of the incentive fee for this PA may be earned by the Contractor if the Performance Expectation is met and for completing shipment of at least one (1) RH-TRU grout container to the RH-TRU storage facility by September 30, 1999.**	The Contractor's total earned incentive fee will be reduced by 40 percent of the total fee available for this PA for failure to complete the Performance Expectation by October 29, 1999.

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
TWR 1: Stage for low-activity waste pretreatment and immobilization and pretreat and stage high-level waste. 0.0% at Objective Level	TWR 1.1: Develop plans and technologies for tank farm closure. 0.0% at Measure Level	TWR 1.1.1 **Performance Expectation: Complete Light Duty Utility Arm (LDUA) Contractor declaration of readiness for deployment in Tank 241-AX-104 by March 11, 1999.** **100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation.** **.25% at Expectation Level.**	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 1.1.2 Performance Expectation: **1. Submit the completed Preliminary Site Specific Single Shell Tank (SST) Waste Management Area (WMA) Phase I RFI/CMS work plan addenda for WMA S-SX to RL by April 26, 1999. (Proposed Tri-Party Agreement Milestone M-45-52-T01)** **2. Complete drilling a borehole for the Waste Management Area S-SX characterization by September 30, 1999.** **3. Complete installation of new leak tight dry well caps on all SST farm dry wells RL by June 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-57)** **4. Complete decommissioning of Borehole41-09-39 by August 15, 1999.** **5. Submit the completed Phase I RFI/CMS Work Plan for SST WMAs to RL by August 23, 1999. (Proposed Tri-Party Agreement Milestone M-45-51)** **20, 25, 5, 20, and 30 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectations Items 1,2,3,4, and 5, respectively.**	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 1.1.2 Performance Expectation (Cont'd): 1.0% at Expectation Level		
	TWR 1.2: Complete Supporting Projects. 0.0% at Measure Level	TWR 1.2.1: Remove two feet of waste from Tank C-106 by April 30, 1999. 60 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 5.1% at Expectation Level	100 percent of the incentive fee for this PA may be earned by the Contractor if four feet of waste are removed from Tank C-106 by September 30, 1999.	The Contractor's total earned incentive fee will be reduced by 100 percent of the total fee available for this PA for failure to complete the Performance Expectation by May 30, 1999.
		TWR 1.2.2 Performance Expectation: Complete sluicing retrieval of waste from Tank C-106 (~ 6-ft) and provide the documented evidence of completion of sluicing by September 30, 1999. **0.5% at Expectation Level**	**N/A**	**N/A**
	TWR 1.3: Prepare for waste feed delivery from double-shell tanks (DSTs) and single-shell tanks (SSTs). 0.0% at Measure Level	TWR 1.3.1: Issue Project W-211 Title II Design for Tank AN-105 by May 31, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.84% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for completing Project W-211 Title II Design for Tank AN-105 by April 30, 1999.	N/A
		TWR 1.3.2: Complete an Alternative Generation Analysis (AGA) for the SST retrieval of Tank C-104 by September 30, 1999. 70 percent of the fee available for this	100 percent of the fee available for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and issuing a Phase I Tank Source Selection AGA by	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		PA may be earned by the Contractor for meeting the Performance Expectation. 0.45% at Expectation Level	May 31, 1999.	
		TWR 1.3.3: Issue the operations and maintenance (O&M) concept document for waste feed delivery, to validate ability to meet waste feed delivery schedule for the first three source tanks, by August 30, 1999. 70 percent of the incentive fee for this PA may be earned by the Contractor for meeting this Performance Expectation. 3.0% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and conducting a risk assessment of the O&M concept in the Performance Expectation, per HNF-IP-0842, Volume IV, Section 2.6, "Risk Management," by September 30, 1999.	N/A
		TWR 1.3.4: Update the Tank Waste Remediation System Operations and Utilization Plan (TWRS O&UP) and deliver to RL by May 5, 1999. 50 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.6% at Expectation Level	100 percent of the incentive fee for this Performance Agreement may be earned by the Contractor for meeting the Performance Expectation and documenting verification and validation of the Hanford Tank Waste Operations Simulator (HTWOS) model against the Operational Waste Volume Projections (OWVP) requirements by September 30, 1999.	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5: 1. By December 31, 1998 submit a report documenting the options and evaluations being undertaken to close the crust level unreviewed safety question (USQ) for Tank 241-SY-101. 2. By March 1, 1999 submit a recommended path forward and an Advance Work Authorization (AWA) or Baseline Change Request (BCR) for ORP approval. 3. **By June 1, 1999 issue a letter to ORP notifying the completion of Design Review.** 4. **By September 30, 1999 issue a letter to ORP notifying the complete installation of all hardware and instrumentation to perform the small transfer of waste from Tank 241-SY-101 to Tank 241-SY-102.** **8.8** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 1 of the Performance Expectation. **26.7** percent of the incentive fee for this PA may be earned by the Contractor for completing Item 2 of the Performance Expectation. **10** percent of the incentive fee for this PA **may be earned by the Contractor for completing Item 3 of the Performance Expectation.**	**The Contractor shall earn 25 percent of the award fee by commencing waste transfer from Tank SY-101 to Tank SY-102 by October 28, 1999.**	The Contractor's total earned incentive fee will be reduced by **8.8** percent of the total fee available for this PA for failure to meet Item 1 of the Performance Expectation by January 7, 1999. The Contractor's total earned incentive fee will be reduced by **26.7** percent of the total fee available for this PA for failure to meet Item 2 of the Performance Expectation by March 22, 1999. **The Contractor's total earned incentive fee will be reduced by 53 percent of the total fee available for this PA, regardless of their performance on Items 3 and 4, if the Contractor fails to take emergency actions (if necessary) to maintain the tank surface level measurement, as taken by the ENRAF in Riser 1A, below the double containment elevation (stated currently as 458 inches) less 0.5 inches (i.e., level exceeds 457.5 inches) in Tank SY-101 on or before October 30, 1999.**

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		TWR 6.1.5 (Cont'd): **29.5 percent of the incentive fee for this PA may be earned by the Contractor for completing Item 4 of the Performance Expectation.** **2.20%** at Expectation Level		
	TWR 6.2: Characterize tank waste to meet Tri-Party Agreement (TPA) and Defense Nuclear Facilities Safety Board (DNFSB) Milestones.	TWR 6.2.1 **Performance Expectation**: Complete sampling to meet the requirements of the Characterization Project to support closure of DNFSB 93-5 and the Privatization Project's contract with BNFL Inc. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the following product due dates: Major Deliverables, Milestone #, Product Due Dates: **13** Core Samples, **T01-99-123**, September 30, 1999. Major Deliverables, Milestone #, Product Due Dates: **16** Grab Samples, **T01-99-125**, September 30, 1999. 0.9% at Expectation Level	N/A	N/A
		TWR 6.2.2: Complete the FY 2000 Waste Information Requirements Document (WIRD), Tank Characterization Reports (TCRs), and WIRD deliverables. 25 percent of the incentive fee for this PA may be earned by the Contractor for completing the FY 2000 WIRD by	N/A	N/A

TANK WASTE REMEDIATION SYSTEM				
OBJECTIVE	**MEASURE**	**EXPECTATION**	**INCREASED**	**NEGATIVE**
		August 23, 1999. 75 percent of the incentive fee for this PA may be earned by the Contractor for completing 17 TCRs by September 20, 1999 and for meeting the final WIRD deliverables by September 20, 1999. 0.7% at Expectation Level		
		TWR 6.2.3: Complete and issue a report, by June 30, 1999, to provide the basis for DOE to recommend closure of DNFSB Recommendation 93-5 milestone 5.6.3.1.j. 100 percent of the incentive fee for this PA may be earned by the Contractor for meeting the Performance Expectation. 0.312% at Expectation Level	N/A	N/A

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

SEP 3 0 1999

99-PRO-851

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

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 – CONTRACT MODIFICATION M082

Enclosed for your signatures are three copies of the subject contract modification. This modification will revise twelve FY 1999 Performance Agreements (PA's), and add two new FY 1999 PA's. Please sign, date, and return all three copies of the modification to this office. Upon signature by an RL Contracting Officer, a fully executed copy will be returned for your files. Should you have any questions, please contact me at (509) 376-8948.

Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
Contracting Officer

PRO:EJB

Enclosure

cc w/encl:
J. L. Jacobsen, FDH

RECEIVED

SEP 3 0 1999
DOE RL / CCC

bcc: PRO Off File
PRO Rdg File
CCC Rdg File w/encl
Record Note: This closes ltrs. FDH-9954323 R1, FDH-9953564 R1, FDH-995271 R1, FDH-9953120 R1, FDH-9953523 R1, FDH-9954408 R1, FDH-9955272 R1
E:\Rosie\Baumann\RL13200_M082 #851

Office >	PRO	PRO				
Surname >	BAUMANN	SIERACKI				
Date >	9/27/99	30 Sep 99				

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

Document No. 14965