

# **PLATEAU REMEDIATION CONTRACT**

**Contract No. DE-AC06-08RL14788**

**CONTRACT MANAGEMENT PLAN (Rev 3)**



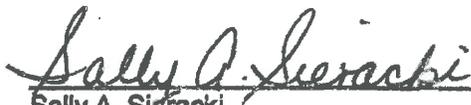
U.S. Department of Energy

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## LIST OF ACRONYMS AND ABBREVIATIONS

|         |   |
|---------|---|
| AE      | Acquisition Executive                                   |
| AMB     | Assistant Manager for Business and Financial Operations |
| AMRP    | Assistant Manager River and Plateau                     |
| ANSI    | American National Standards Institute                   |
| ARRA    | American Recovery and Reinvestment Act                  |
| CA      | Contracting Activity                                    |
| CAO     | Contract Administration Office                          |
| CMP     | Contract Management Plan                                |
| CMT     | Contract Management Team                                |
| CO      | Contracting Officer                                     |
| COR     | Contracting Officer's Representative                    |
| CRS     | Certified Realty Specialist                             |
| CS      | Contract Specialist                                     |
| DEAR    | Department of Energy Acquisition Regulation             |
| DNFSB   | Defense Nuclear Facilities Safety Board                 |
| DOE     | Department of Energy                                    |
| DOE-EM  | DOE Environmental Management                            |
| DOE-HQ  | DOE Headquarters  |
| DOE-ORP | DOE Office of River Protection                          |
| DOE-RL  | DOE Richland Operations Office                          |
| EIA     | Electronic Industries Association                       |
| EM      | Environmental Management                                |
| ERDF    | Environmental Restoration Disposal Facility             |
| ESH&Q   | Environment, Safety, Health, and Quality                |
| ESPC    | Energy Savings Performance Contract                     |
| EVMS    | Earned Value Management System                          |
| FAR     | Federal Acquisition Regulation                          |
| FDO     | Fee Determining Official                                |
| FFTF    | Fast Flux Test Facility                                 |
| FPD     | Federal Project Director                                |

|       |   |
|-------|---|
| FRAM  | Functions, Responsibilities, and Authorities Manual     |
| GFS/I | Government Furnished Service/Information                |
| HASC  | Hanford Analytical Services Contract                    |
| HCA   | Head of Contracting Activity                            |
| HPMP  | Hanford Integrated Programmatic Risk Management Program |
| iCMT  | Integrated Contract Management Team                     |
| IEP   | Integrated Evaluation Plan                              |
| IGE   | Independent Government Estimate                         |
| IPT   | Integrated Project Team                                 |
| ISS   | Interim Safe Storage                                    |
| LIGO  | Laser Interferometer Gravitational Wave Observatory     |
| LLW   | Low-Level Waste   |
| MLLW  | Mixed Low-Level Waste                                   |
| MSC   | Mission Support Contract                                |
| NRDWL | Non-Radioactive Dangerous Waste Landfill                |
| NTE   | Not to Exceed   |
| OAM   | Operations Activity Manager                             |
| PBI   | Performance Based Incentive                             |
| PD    | Program Director  |
| PEMP  | Performance Evaluation Management Plan                  |
| PFP   | Plutonium Finishing Plant                               |
| PNNL  | Pacific Northwest National Laboratory                   |
| PNSO  | Pacific Northwest Site Office                           |
| PRC   | Plateau Remediation Contract                            |
| RCCC  | River Corridor Closure Contract                         |
| REA   | Request for Equitable Adjustment                        |
| RIMS  | RL Integrated Management System                         |
| RL    | Richland Operations Office                              |
| S&M   | Surveillance and Maintenance                            |
| SNF   | Spent Nuclear Fuel                                      |
| SNM   | Special Nuclear Material                                |
| SOW   | Statement of Work                                       |
| TFC   | Tank Farm Contract                                      |

|      |  |
|------|--|
| TOC  | Tank Operations Contract                 |
| TPA  | Tri Party Agreement                      |
| TRU  | Transuranic (waste)                      |
| WESF | Waste Encapsulation and Storage Facility |
| WTP  | Waste Treatment Plant                    |

## **CONTRACT MANAGEMENT PLAN FOR THE PLATEAU REMEDIATION CONTRACT**

### **1.0 PURPOSE OF PLAN**

The purpose of this Contract Management Plan (CMP) is to provide guidance to Richland Operations Office (RL) employees involved with the management and administration of the contract. Such guidance should be a useful tool to help the Department of Energy (DOE) ensure that CH2MHILL Plateau Remediation Company and RL comply with all terms and conditions that govern the contract. This CMP was developed with the guiding principles that it:

- Shall be a useful tool for administering the contract.
- Shall be an executive summary of the roles and responsibilities of the contracting parties.
- Shall identify who is responsible for various contract administration activities.
- Shall be flexible and adapt to changing circumstances.

This CMP does not include every action that RL must take to make the contract successful. Instead, it summarizes the higher-level requirements, deliverables, and tasks necessary, and describes the overall process with which the tasks are performed. It describes the various contract management processes and how they fit together, but does not contain all of the step-by-step details of those processes. For the most part, these details are contained in the RL Integrated Management System (RIMS) processes and procedures, and specific desk instructions and documents. Appropriate references to these details are included in the CMP. Familiarization with this CMP and its related references is vital to all RL employees involved in contract management, and each staff member involved in overseeing the Plateau Remediation Contract (PRC) is required to read the current contract.

### **Disclaimer**

This CMP is intended solely to provide guidance to Government employees and should not be construed to create any rights or obligations on the part of any person or entity, including the Contractor and its employees. It is not intended to be either prescriptive or inclusive of all actions necessary to support and/or administer the contract.

### **2.0 CONTRACT SUMMARY AND BACKGROUND OF THE SCOPE OF WORK**

The Hanford Site is located along the Columbia River in southeastern Washington State. The site covers 586-square-miles and consists of a plutonium production complex with nine nuclear reactors and associated processing facilities. Hanford played a pivotal role in the nation's defense for more than 40 years, beginning in the 1940s with the Manhattan Project. Today, under the direction of the U.S. Department of Energy, Hanford is engaged in the world's largest environmental cleanup project, with a number of overlapping technical, political, regulatory, financial, and cultural issues.

DOE has two Federal offices at Hanford, whose mission is environmental cleanup -- the DOE Richland Operations Office (DOE-RL), which is responsible for nuclear waste and facility cleanup, and overall management of the Hanford Site; DOE-RL's mission is to restore the

Columbia River corridor and transition the Hanford Central Plateau. The DOE Office of River Protection (DOE-ORP), which is responsible for cleanup of Hanford Site tank waste; DOE-ORP's mission is to retrieve and treat Hanford's tank waste and close the tank farms to protect the Columbia River. Each Office oversees separate contracts held by private companies. For purposes of this Contract, the land, facilities, property, projects and work performed and overseen by DOE-RL and DOE-ORP constitute the "Hanford Site."

The purpose of this contract is to continue the environmental cleanup of selected portions of the Hanford Site to include completion of the Plutonium Finishing Plant (PFP) project; non-tank farm waste disposal activities: groundwater monitoring and remediation; facility and waste site characterization, surveillance and maintenance, regulatory document preparation, and remediation. The contract also includes optional work under a separate contract line item number (CLIN) to remediate facilities and waste sites. The Contractor has the responsibility for determining the specific methods and approaches for accomplishing the identified work. This contract applies performance-based contracting approaches and expects the Contractor to implement techniques that emphasize safe, efficient, and measurable results.

In addition to the Plateau Remediation Contract, DOE-RL manages the following major contracts:

- Energy Savings Performance Contract (ESPC) includes steam service to support heating and other operations at 200 Area facilities. The contract may include energy conservation measures, such as upgrading lighting systems, pumping systems, automation systems, heating, ventilation, and air conditioning system; and adding utility monitoring and control systems.
- Hanford Site Occupational Medical Services Contract provides occupational health services to personnel at Hanford including medical monitoring and qualification examinations, human reliability testing, and records management.
- Mission Support Contract (MSC) will provide DOE-RL, DOE-ORP, and their contractors with the infrastructure and site services necessary to accomplish the Site mission.
- River Corridor Closure Contract (RCCC) includes closing the Hanford Site River Corridor through deactivation, decontamination, decommissioning, and demolishing excess facilities; placing former production reactors in an interim safe and stable condition; remediating waste sites and burial grounds; and transitioning the River Corridor to long-term stewardship.

The following major contracts are managed by DOE-ORP:

- Hanford Analytical Services Contract (HASC) provides analysis of highly radioactive samples in support of Hanford Site projects. These services are performed in the 222-S Laboratory Complex located in the 200 Area of the Hanford Site.
- Tank Operations Contract (TOC) will include operations and construction activities necessary to store, retrieve and treat Hanford tank waste, store and dispose of treated waste, and begin to close the tank farm waste management areas to protect the Columbia River.
-

- Waste Treatment and Immobilization Plant (WTP) Contract includes design, construction and commissioning of a vitrification facility that will convert radioactive tank wastes into glass logs for long-term storage. The WTP is being constructed on the Hanford Site Central Plateau.

Another DOE Office -- the Pacific Northwest Site Office (PNSO), a component of the DOE's Office of Science -- oversees the science and technology mission operated by the contractor-operated Pacific Northwest National Laboratory (PNNL). PNNL is an Office of Science multi-program laboratory that conducts research and development activities, including technology programs related to the Hanford cleanup mission.

In addition to the cleanup mission, DOE leases Hanford land to non-DOE entities, such as the Laser Interferometer Gravitational Wave Observatory (LIGO), and the State of Washington, which in turn leases the land to US Ecology, Inc., a private firm that operates the Hanford Site burial grounds for commercial low-level waste. DOE also leases land to Energy Northwest (a consortium of public utility companies) that oversees the Northwest's only operating commercial nuclear power reactor, the *Columbia Generating Station*. None of these operations is associated with the Federal cleanup work at Hanford.

The detailed workscope for this contract includes:

- *Plutonium Finishing Plant (PFP) Closure*. Provide safe and compliant storage of special nuclear material (SNM) at PFP until it has been removed from the PFP complex; operate and maintain the PFP facilities and associated waste sites, structures, operating systems and equipment, and monitoring systems in a safe, compliant, and energy-efficient manner within the authorization envelope; maintain radiological control and access control to ensure personnel safety; remove SNM from PFP and transport to an assigned location; demolish PFP complex facilities to slab-on-grade condition; and prepare, package, and disposition waste streams, as required.
- *Waste Treatment and Disposal*. Perform activities necessary for safe and secure underwater storage of cesium and strontium capsules, and storage of spent nuclear fuels (SNF); liquid waste storage and treatment; waste storage and disposal; low-level waste (LLW) and mixed low-level waste (MLLW) treatment; transuranic (TRU) waste certification support; waste retrieval; Tri Party Agreement (TPA) Milestone M-91 upgrades to T Plant; and overall facility operations.
- *Groundwater/Vadose Zone Project*. Perform groundwater and ecological sampling and monitoring, well installation, well maintenance, borehole logging, on-going/new remedy operations, and well decommissioning.
- *Facility and Waste Site Minimum-Safe/Surveillance and Maintenance (S&M)*. Perform activities necessary for Hanford Site structures and waste sites identified in the Section J Attachment entitled, *Supplemental Work Description Tables*.
- *Fast Flux Test Facility*. Maintain FFTF in a safe and compliant manner and perform near-term shutdown activities.
- *Geographical Zone Remediation*. Remediate and close U Plant and Non-Radioactive Dangerous Waste Landfill (NRDWL)/BC Control geographical zones.

- *Groundwater, Soil, and Facility Regulatory Decision/Other Documents.* Characterize assigned waste sites and facilities, complete analysis of remediation options, and prepare required regulatory and other decision documents necessary to implement remedial actions.
- *100 K Area.* Maintain 100K Area in a safe and compliant manner; dewater K East Basin; demolish K East Basin; transfer K Basin Sludge off the Columbia River to a safe storage location; complete procurement, construction, and acceptance testing of the K Basin Sludge Treatment System; treat the balance of K Basin sludge; dewater K West basin, demolish K West basin and superstructure; place K East and K West reactors in an Interim Safe Storage (ISS) configuration; and remediate and close the remainder of the 100K Area.

In addition to the above activities, the PRC may also perform (on a funding available basis):

- Remediation and closure of other specified geographical zones;
- Transfer of cesium and strontium capsules from Waste Encapsulation and Storage Facility (WESF) to dry storage;
- Operation of the Environmental Restoration Disposal Facility (ERDF).
- Design of the Fuel Preparation Facility; and
- Design and construction of alternate TRUPACT loadout capability

The majority of these funding-dependent activities are not authorized pursuant to Clause B.14, DOE Authorization of Work.

#### Activities Funded Under the American Recovery and Reinvestment Act, 2009

On April 9, 2009, a modification was executed to add American Recovery and Reinvestment Act (ARRA) funding to the PRC. Following are the work activities that were conducted with ARRA funds under CLIN 6:

- (1) WBS 011, Nuclear Material Stabilization and Disposition PFP:
  - (i) Disposition process equipment, glove boxes, and laboratory hoods from 234-5Z facility,
  - (ii) Disposition low-level and TRU waste, and
  - (iii) Prepare ancillary facilities for demolition.
- (2) WBS 013, Solid Waste Stabilization and Disposition:
  - (i) Continue retrieving and re-packaging contact handled Transuranic (TRU) waste,
  - (ii) Initiate retrieval and disposition of remote-handled TRU waste (including large package waste),
  - (iii) Continue building backlog of waste for shipments to the Waste Isolation Pilot Plant, and begin shipping in March 2010,
  - (iv) Support installation and utilization by the Central Characterization Project of a High Energy Real Time Radiography unit at the Hanford site,
  - (v) Continue treatment of current backlog of legacy mixed, low-level waste,
  - (vi) Complete activities required to support disposition and deliver plutonium

- (vii) 238 drums to shipper,
  - (vii) Prepare and submit analysis/recommendations for wastes with uncertain disposition path including strontium and cesium capsules; initiate disposition of these wastes as directed by DOE, and
  - (viii) Support increased disposal capabilities at the Environmental Restoration Disposal Facility and Integrated Disposal Facility.
- (3) WBS 030, Soil and Groundwater Remediation, Groundwater/Vadose Zone:
- (i) Accelerate construction of the pump and treat facility, expand current pump and treat operations, and install additional wells in the 100 D/H Areas,
  - (ii) Accelerate construction of the pump and treat system for groundwater contaminants in both 200 West Area operable units,
  - (iii) Accelerate completion of remedial investigations, treatability tests, cleanup decisions, and groundwater well decommissioning in the Central Plateau Area, and
  - (iv) Continue groundwater remediation and well drilling to support overall reduction of active clean-up of the Hanford Site
- (4) WBS 040, Nuclear Facility D&D - Remainder of Hanford:
- (i) 200 North Area:
    - (A) Demolish spent fuel transfer storage facilities,
    - (B) Remediate waste sites, and
    - (C) Dispose of locomotive and rail cars.
  - (ii) Complete cleanup of B/C Control Area,
  - (iii) Initiate remediation of other waste sites in the Central Plateau,
  - (iv) U Plant Zone:
    - (A) Demolish 5 remaining ancillary facilities,
    - (B) Disposition Cell 30 tank contents, and
    - (C) Clear canyon deck and grout-fill cells.
  - (v) Complete demolition of up to 15 facilities in the Central Plateau Inner Zone,
  - (vi) Prepare and submit an evaluation of utilization of a landfill for non-hazardous waste debris,
  - (vii) Complete demolition of DOE facilities and clean-up debris areas on the Arid Lands Ecology Reserve, and
  - (viii) Complete remediation activities for North Slope and prepare applicable closure documentation for ALE and North Slope.
  - (ix) Disposition near-term personnel hazards associated with asbestos.
- (5) WBS 041, Nuclear Facility D&D – River Corridor, 100 K Area:
- (i) Remediate waste sites along the river in the 100 K Area,
  - (ii) Accelerate D&D of 100 K ancillary facilities,
  - (iii) Accelerate 100 K waste site remediation,
  - (iv) Complete Reactor disposition study/engineering, and
  - (v) Accelerate ISS of both reactors 105KE and 105KW and initiate preparations for 105KE disposition.

The PRC scope is divided among seven (7) Contract Line Item Numbers (CLINs). Identification of the above general scope contained in each CLIN is as follows:

- CLIN 1 – General Operations including minimum safe activities, surveillance and maintenance, general and administrative functions, and routine waste management and groundwater operations.
- CLIN 2 – Plutonium Finishing Plant Closure Project.
- CLIN 3 – Workscope subject to regulatory completion milestones within the contract period of performance.
- CLIN 4 – Workscope subject to regulatory completion milestones outside of the contract period of performance.
- CLIN 5 – Remediation activities in the 100-K Area, including the Sludge Treatment Project and 100-K East and West Reactor cocooning.
- CLIN 6 – American Recovery and Reinvestment Act work scope.
- CLIN 7 – Work for which there is insufficient funding and is not authorized pursuant to Clause B.14, DOE Authorization of Work.

### **3.0 IDENTIFICATION OF KEY CONTRACT MANAGEMENT TEAM MEMBERS, INCLUDING AUTHORITIES AND LIMITATIONS**

The Richland Operations Office is a Contracting Activity (CA) and the Contract Administration Office (CAO) responsible for the PRC.<sup>1</sup> The PRC Contract Management Team (CMT) is the group within the CAO that has the primary responsibility for assuring that the contractor delivers the products and services necessary to support successful program element completion.

Successful management and administration of the PRC contract by the CMT requires the coordinated efforts of a variety of RL personnel. Some of these key personnel on the CMT include the RL Manager and senior staff, Contracting Officer(s) (CO), Contracting Officer's Representative(s) (COR), Contract Specialist(s) (CS), Program Director(s) (PD), Federal Project Director(s) (FPD), technical support staff, and subject matter experts. This CMP delineates the roles and responsibilities of these team members and describes their key contract administration duties.

#### **3.1 Contracting Officer**

The RL PRC Contracting Officer is appointed by the Environmental Management (EM) Head of Contracting Activity (HCA) and is the functional leader of the PRC Contract Management Team. Additional EM-appointed COs may also be assigned administrative responsibilities on the PRC. Contracts may be entered into and signed on behalf of the Government only by an appointed CO. The CO has the responsibility and authority to administer the contract and make related determinations and findings. Pursuant to clause G.3, Modification Authority, only the CO is authorized to accept non-conforming work; waive any requirement of the contract; or modify any term or condition of the contract. A CO/COR List is available on the Hanford Intranet, which includes CO/COR authorities and limitations. CO Responsibilities and Authorities are described in the Federal Acquisition Regulation (FAR) Subpart 1.602, Contracting Officer.

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<sup>1</sup> FAR Subpart 2.1 - Definitions

### 3.2 Contracting Officer Representative

The primary role of a COR is to assist the CO in performing certain technical functions in administering the contract. A COR is officially designated in writing by the CO who provides a formal Letter of Designation that defines the CORs specific roles and responsibilities. A COR acts solely as a technical representative of the contracting officer and is not authorized to perform any function that results in a change in the scope, price, or terms and conditions of the contract.<sup>2</sup> Technical direction provided by a COR is defined in Department of Energy Acquisition Regulation (DEAR) 952.242-70, Technical Direction. A COR has the following general responsibilities:

- Provide assistance in areas such as technical monitoring, to include:
  - ⇒ Provide performance oversight to ensure the products and services for which the COR is responsible are delivered by the Contractor in accordance with the terms and conditions of the contract, including quality.
  - ⇒ Review and where authorized, approve drawings, testing, samples, and technical information to be delivered under the contract.
  - ⇒ Monitor expenditures.
  - ⇒ Perform inspection and acceptance of work, as required.
  - ⇒ Conduct periodic reviews, audits, and surveillances of the Contractor to ensure compliance with the contract, as required.
  - ⇒ Perform periodic reviews of the Contractor to evaluate invoices, incremental and provisional payments, and recommend final fee.
  - ⇒ Provide technical and/or administrative direction to the Contractor in accordance with clause I.134, Technical Direction, and the COR's Letter of Designation.
- Keep the Contracting Officer informed of the contractor's progress and provide prompt notification of any contractual problems or issues.

### 3.3 Technical Monitors

Technical Monitors assist the COR(s) in areas such as technical monitoring, and keep the Contracting Officer/Contracting Officer's Representative informed of the contractor's progress and provides prompt notification of any contractual problems or issues.

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<sup>2</sup> **Supplement 942.270-1 -- Contracting Officer's Representatives.**

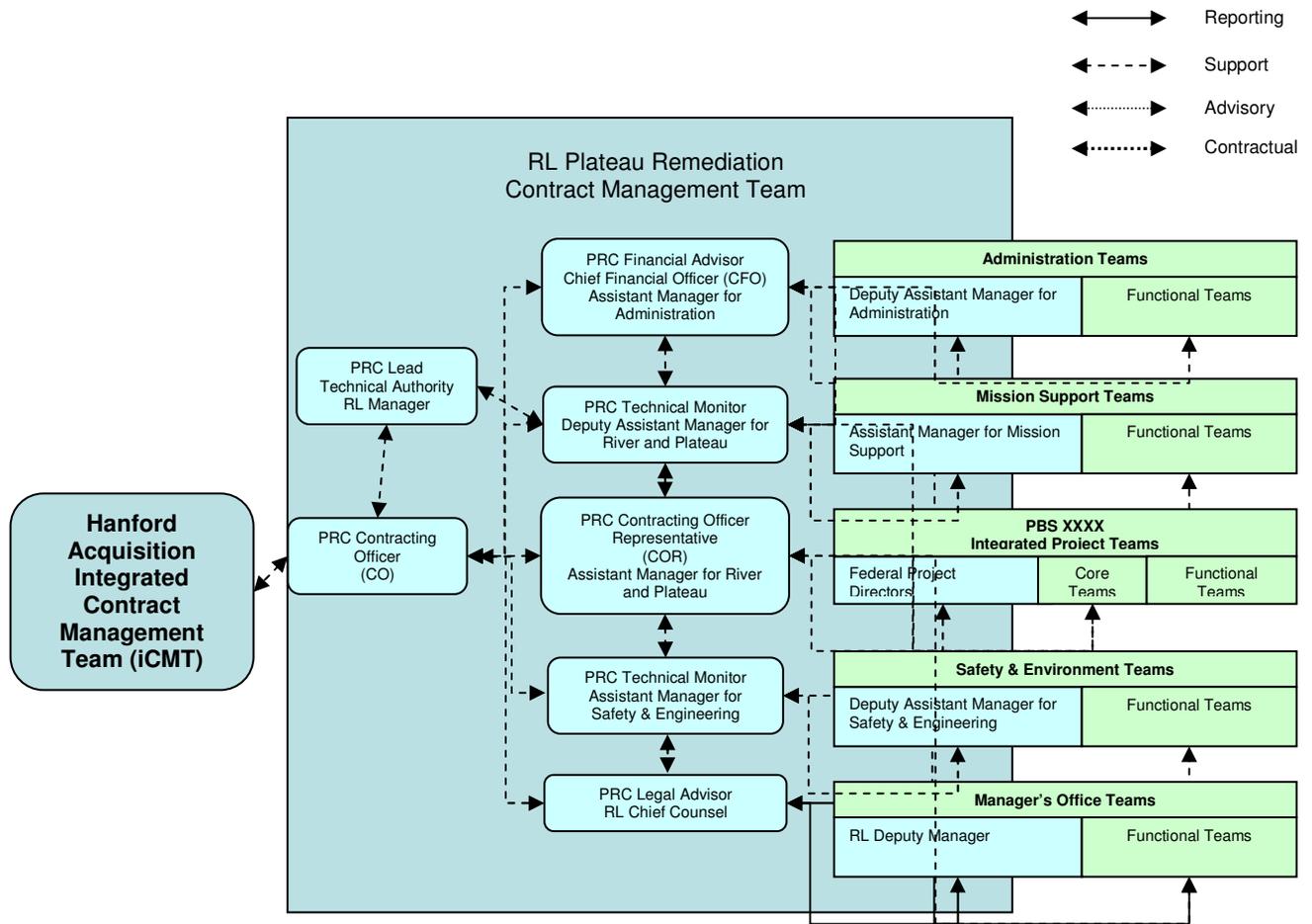
*The contracting officer may designate other qualified personnel to be the Contracting Officer's Representative (COR) for the purpose of performing certain technical functions in administering a contract. These functions include, but are not limited to, technical monitoring, inspection, approval of shop drawings, testing, and approval of samples. The COR acts solely as a technical representative of the contracting officer and is not authorized to perform any function that results in a change in the scope, price, terms or conditions of the contract. COR designations must be made in writing by the contracting officer, and shall identify the responsibilities and limitations of the designation. A copy of the COR designation must be furnished to the contractor and the contract administration office.*

#### 4.0 CONTRACT MANAGEMENT TEAM COORDINATION

The PRC CMT is an integral part of the overall Hanford environmental cleanup program. The CMT is responsible for assuring that the contractor delivers the products and services necessary to achieve the applicable overall Hanford acquisition plan objectives and environmental program goals defined in the contract and applicable regulatory requirements.

The PRC CMT interfaces with associated Integrated Product Teams (IPT), other Hanford CMTs, Program Managers, the Hanford Acquisition Team, Technical Monitors, and support groups. Diagram 1 below shows the enterprise level functional relationships of the PRC CMT

**Diagram 1**



The contract is the primary tool that the CMT and associated IPTs reference to identify that the contractor's performance complies with the various program and project level objectives defined in the Acquisition Plan. The FPD's membership in the CMT will bolster the CMT's positive influence in obtaining program objectives. The PRC CMT will coordinate with other CMTs in RL

and Office of River Protection to include the River Corridor Closure Contract, Mission Support Contract, and Tank Operations Contract. The CMT will also have a direct interface with the IPT for each project within the PRC scope.

#### **4.1 Manager, Richland Operations Office**

The RL Manager provides the EM onsite presence and is responsible for implementing DOE-HQ policy and direction. The RL Manager has line-management authority and responsibility to integrate administrative and operations requirements into program missions. These responsibilities include, but are not limited to: (1) Establish and communicate expectations, integrate DOE requirements, and provide feedback to the contractor; (2) serve as the Fee Determining Official (FDO); (3) monitor overall operations, review work and coordinate activities related to assigned programs and projects; (4) maintain and protect Federal assets; and (5) manage RL staff and administrative systems to assure effective operations.

#### **4.2 Assistant Manager for the River and Plateau [AMRP]**

The AMRP may be designated as the primary COR who leads the oversight of assigned Hanford Cleanup activities associated with the PRC. Additional AMRP responsibilities, accountabilities, and authorities are available on the RL Roles, Responsibilities, Accountabilities, and Authorities page on the RIMS web site. AMRP responsibilities include:

- Participating as a key member of the PRC CMT.
- Coordinating with the CO and other CORs to assure that the contractor is delivering the necessary programmatic deliverables.
- Delivering assigned government furnished service/information (GFS/I) consistent with the contract.
- Maintaining in-depth operational awareness of projects.
- Monitoring contractor performance in meeting performance incentives, TPA milestones, and Defense Nuclear Facilities Safety Board (DNFSB) commitments.
- Providing RL management with accurate and objective information regarding project performance.
- Monitoring cost and schedule variance of projects.
- Promptly notifying management of events that significantly affect project performance.
- May be designated as the primary COR for the contract.

#### **4.3 Federal Project Director or Operations Activity Manager**

A Federal Project Director (FPD) or Operations Activity Manager (OAM) is also a technical monitor who leads the oversight of an assigned Hanford Cleanup project as part of the overall program administered under the PRC. Additional FPD/OAM responsibilities, accountabilities, and authorities are available on the RL Roles, Responsibilities, Accountabilities, and Authorities page on the RIMS web site. FPDs/OAMs are assigned the following responsibilities as they apply to each project or activity:

- Participating as a member of the PRC CMT.
- Performing contract technical monitor or COR role.

- Leading the assigned project team for their assigned project or activity.
- Assuring delivery of assigned GFS/I consistent with the contract.
- Maintaining overall operational awareness of the assigned project or activity.
- Coordinating the monitoring of contractor performance in meeting performance incentives, TPA milestones, and DNFSB commitments.
- Providing timely recommendations to their manager and the CO and other affected CORs to correct performance consistent with the contract.
- Providing management and the CO and other affected CORs with accurate and objective information regarding project or activity performance.
- Leading the development of the RL Integrated Evaluation Plan (IEP) for their assigned project or activity.
- Monitoring cost and schedule variance of assigned project or activity.
- Performing variance analysis (what and why) of significant (>5%) favorable and unfavorable variances.
- Promptly notifying management of events that significantly affect project or activity performance.

#### **4.4 Federal Project Staff**

Federal project staff members assist in the oversight of an assigned Hanford Cleanup project as part of the overall program. General federal project staff responsibilities, accountabilities, and authorities are available on the RL Roles, Responsibilities, Accountabilities, and Authorities page on the RIMS web site. Federal project staff responsibilities include:

- Supporting the integrated project team for their assigned project.
- Delivering assigned GFS/I consistent with the contract.
- Maintaining in-depth operational awareness of the assigned project.
- Monitoring contractor performance in meeting performance incentives, TPA milestones, and DNFSB commitments.
- Assisting the FPD/OAM in developing timely recommendations to their manager to correct performance consistent with the contract.
- Providing the FPD/OAM with accurate and objective information regarding project performance.
- Assisting in the development of the RL IEP for their assigned responsibilities.
- Monitoring cost and schedule variance of assigned project.
- Promptly notifying management of events that significantly affect project performance.

#### **4.5 Subject Matter Experts**

Federal staff members provide specific technical assistance to project staff and management involved in the oversight of an assigned Hanford Cleanup project as part of the overall program. General federal staff responsibilities, accountabilities, and authorities are available on the RL Roles, Responsibilities, Accountabilities, and Authorities page on the RIMS web site. Federal staff responsibilities include:

- Supporting the project teams.
- Delivering assigned GFS/I consistent with the contract.

- Maintaining in-depth operational awareness in the assigned subject areas.
- Assisting the FPD/OAM in developing timely recommendations to their manager to correct performance consistent with the contract.
- Providing the FPD/OAM with accurate and objective information regarding project performance.
- Assisting in the development of the RL IEP for their assigned roles.
- Promptly notifying management of events that significantly affect project performance.

#### **4.6 Legal Counsel/Litigation COR**

The legal counsel/litigation COR has primary responsibility for providing legal advice related to the area of litigation management and legal policy.

#### **4.7 Accounting/Finance**

The Finance Division, Assistant Manager for Business and Financial Operations, is responsible for ensuring that the contractor's accounting and billing systems are adequate and reflect accurate reporting of costs along with all aspects of financial management including executing procedures, policies, and programs related to budgeting, accounting, financial review, audit, and financial analysis activities. The Finance Division coordinates with contractors and RL line organizations for budget preparation and tracking, and provides funds control for all RL funds.

#### **4.8 Industrial Relations/Human Resources**

The Contractor Industrial Relations Team provides the following support to RL: (1) Administers the RL/ORP workforce restructuring program; (2) monitors Hanford labor relations programs and reviews/coordinates economic bargaining parameters; (3) serves as a member of the Labor Standards Board for review and approval of plant force work reviews; (4) oversees and approves the RL/ORP prime contractors' personnel policies and procedures; (5) oversees the third-party administration of Hanford contractors' workers' compensation claims; (6) provides lead oversight of the Rocky Flats Closure workers' compensation claims and settlements; (7) provides lead oversight of the pension and benefits plans for Hanford Site contractors; and (8) provides lead oversight of identified DOE Closure Site legacy pension and benefits plans.

#### **4.9 Certified Realty Specialist**

The Certified Realty Specialist (CRS) provides the review and approvals required to acquire, manage, and dispose of real property. The CRS provides all approvals and recommendations to the PRC CO. In accordance with regulations and DOE guidance, only the PRC CO can provide approval of real estate actions to the contractor.

#### **4.10 Other Contract Administration Parties**

The PRC CMT will work in coordination with other CMTs in both ORP and RL to ensure coordinated contract administration practices are followed across the Hanford Site.

## 5.0 CONTRACT IDENTIFICATION

Contractor name: CH2M Hill Plateau Remediation Company

Contract number: DE-AC06-08RL14788

Contract title: Plateau Remediation Contract (PRC)

Performance period: October 1, 2008, though September 30, 2018  
(Notice to Proceed issued July 14, 2008, with Transition Period from August 1, 2008, through September 30, 2008)

Total contract price: \$4.5B (at award)

Contract type: Cost-plus-award-fee with performance based incentives

Contractor key personnel: Contractor Key Personnel are listed in contract clause H.15, Key Personnel

## 6.0 CONTRACT MANAGEMENT PROCESSES

### 6.1 Contract Transition Planning

A comprehensive acquisition transition plan was prepared to integrate the transition from the Project Hanford Management Contract and Tank Farm Contracts to the three new contracts; the Mission Support Contract; Plateau Remediation Contract; and Tank Operations Contract. Transition of the PRC and TOC was completed on September 30, 2008. Transition of the MSC was completed on August 23, 2009.

### 6.2 Contract Communication Protocol

#### 6.2.1 Formal Communications with the Contractor

All formal direction to the Contractor is issued by the CO, or the COR within designated authority. Such direction will be in writing, but may be provided orally in meetings, briefings, phone, or video conferencing. A written record of direction will be created for such oral directions. All formal written correspondence to the Contractor should include the contract number within the subject line. Correspondence will include the following statement, where applicable—

"The Government considers this action to be within the scope of the existing contract and therefore, the action does not involve or authorize any delay in delivery or additional cost to the Government, either direct or indirect."

The following caveat should be included within the body of correspondence issued by CORs:

“If, in my capacity as a Contracting Officer’s Representative (COR), I provide any direction which your company believes exceeds my authority or changes price, quality, quantity, delivery, or other terms and conditions of the contract, you are to immediately notify the Contracting Officer and request clarification prior to complying with the direction.”

The CO must be on concurrence for all correspondence to the Contractor (e.g., technical direction by the COR) and receive a copy when issued. Only the CO has the authority to interpret the contract terms and conditions or make changes to the contract. The CO/COR List is available on the Hanford Intranet.

To ensure correspondence control, all formal correspondence will be addressed to the Contractor’s local principal executive, and cite the contract number and applicable contract clause, deliverable number, and/or GFI/S item number in the letter’s subject line. Formal communication from the Contractor should follow a formal contract correspondence tracking system with commitments appropriately assigned and tracked for timely completion.

#### 6.2.2 Informal Communications with the Contractor

Informal communications can occur between an RL employee and any Contractor employee. This type of communication is non-binding for both the Government and the Contractor and does not constitute contract direction (i.e., formal communication). Informal communication can take the form of electronic mail, retrievable databases, telephone, facsimile, presentations, meetings, and other means.

Informal communications between RL and Contractor staff are needed for proper oversight coordination. This communication should be constructive in nature. Avoid requesting information obtainable by other means. In their informal communications, RL employees need to avoid the impression the communications are formal. Particularly, when COs or CORs are engaging in informal communications, they must be careful to identify those communications as non-binding. CORs should inform the Contractor as to whether or not the communications or portions thereof are formal or informal. More specific expectations for RL interfaces with Contractors are described in the RIMS Contract Management and Oversight Performance crosscutting processes.

#### 6.2.3 Non-RL Communications

The Contractor will be required to communicate with other than RL staff in conjunction with its responsibilities and work scope. The following parties most likely to be involved are DOE-Headquarters; other federal agencies and offices including the Environmental Protection Agency and Government Accountability Office, the DNFSB; other Hanford Contractors; Hanford Advisory Board; State agencies and officials including the Washington State Departments of Ecology & Health; Tribal Nations; and the general public. Because these entities are outside of the contractual relationship between the Contractor and RL, their communications to the Contractor may not be construed as contractual direction to change the scope or terms and conditions of the contract. It is expected, however, that these “stakeholder” communications are coordinated or monitored by the CO, COR, or responsible IPT participant as described in RIMS Intergovernmental Affairs and Public Affairs crosscutting processes.

### **6.3 Government-Furnished Services/Information Review Process**

The Government has a responsibility to enable contract performance by ensuring that Government Furnished Services and Information (GFS/I) are available, timely and of the required quality. Contract PRC Section C.1, Plateau Remediation Contract Overview and General Requirements, describes the Statement of Work (SOW) structure including GFI/S requirements. This Section explains that the contract workscope is divided into 3 key Sections, with Section C.1 containing the background, contract purpose and overview, scope summary and organization of the Statement of Work; Section C.2, Description of Project Performance Requirements, containing specific scope for the projects within the PRC; and Section C.3, Description of Project Support Performance Requirements contains the functional areas such as, Project Management, Integrated Safety Management System, Security and Emergency Services, and Interactions. Each project area contains specific scope descriptions, requirements, deliverables and the GFS/I that are necessary to accomplish the workscope. Typical GFS/I include RL approval of Contractor submittals such as authorization bases and regulatory decision documents and reports; and approval of management products and controls deliverables. If GFS/I are not furnished as specified in the contract, the Contractor may be due an equitable adjustment.

Contract Section C.4, Government-Furnished Services/Information, describes the process for managing the GFS/I to be furnished under the Contract and to evaluate the additional GFS/I that may be required by the Contractor. If additional Contractor-requested GFS/I can be supported by DOE, the Contracting Officer will modify the Section J Attachment entitled, *Government-Furnished Services and Information (GFS/I)*, as a DOE commitment to the Contractor.

The Contractor's property management program is governed by FAR 52.245-1 – Government Property (Aug 2010) Alternate I (Aug 2010), contained in Contract Clause I.107. The Contractor will establish and maintain a program in accordance with FAR subpart 45.5 and DEAR subpart 945.5. The system will be reviewed and, if satisfactory, approved in writing by the RL Organizational Property Management Officer (OPMO). Once the system is approved, it will be monitored by the assigned Property Administrator, in coordination with the OPMO, RIMS document [Asset and Infrastructure Management](#), and DOE Order (O) 580.1. The Contractor submits the BSC Plan on an annual basis for approval, and conducts an annual self-assessment, utilizing the performance metrics contained in the BSC Plan. Results of the contractor's BSC self-assessment are submitted to the Contracting Officer. If at any time CHPRC does not manage property commensurate to the terms and conditions to the contract their fee may be reduced depending on the severity of the infraction.

### **6.4 Method for Monitoring Performance Measures**

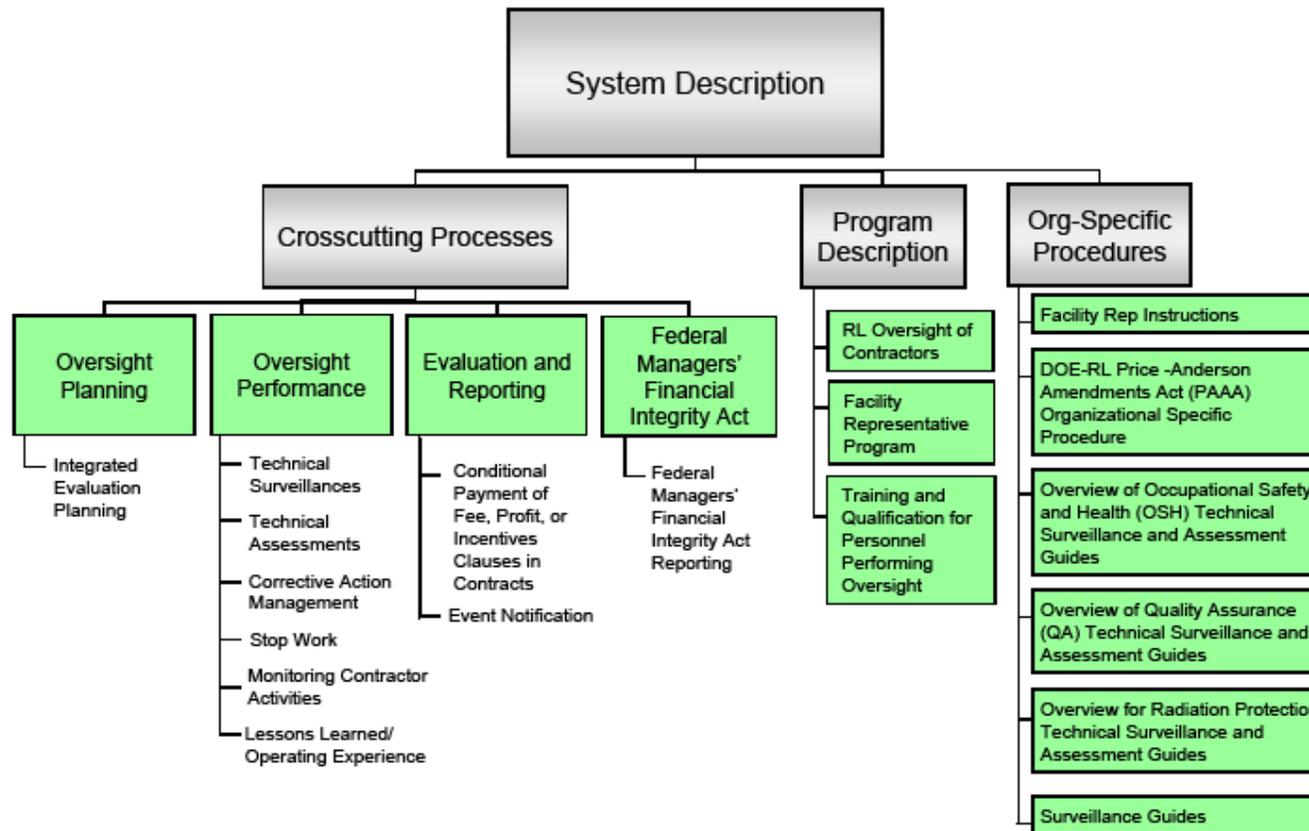
Various RL organizational elements have contract management responsibilities and ownership for actions associated with this contract. RL's Functions, Responsibilities, and Authorities Manual (FRAM) establishes these key responsibilities. Each project organization is responsible for monitoring performance measures within its control. AMRP is responsible for overall

monitoring of performance measures. The primary method used for monitoring contractor performance is Earned Value Management through the contract baseline.

The overall quality assurance surveillance plan for the PRC is described by RL's Contractor Integrated Performance Evaluation Management System in RIMS. The Contractor Integrated Performance Evaluation Management System identifies the crosscutting processes, procedures, and programs used by RL staff to plan and perform oversight of contractor work as well as to evaluate and report contractor performance against applicable contractual requirements (e.g., ESH&Q, security and emergency services, and business management). The framework and hierarchy for the Contractor Integrated Performance Evaluation Management System are illustrated in its "Think Chart," shown below. Responsibilities and authorities upon which the Contractor Integrated Performance Evaluation Management System is based are identified in the FRAM.

RL increased oversight of work accomplished under the American Recovery and Reinvestment Act (ARRA). This included specific oversight of the contractor's ability to track and maintain separation of ARRA funds from baseline funds, track jobs created and retained, and overall accomplishment of the ARRA workscope by September 30, 2011.

## Contractor Integrated Performance Evaluation



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## **6.5 Project Management Activities**

The PRC FPDs are responsible for the overall project management oversight for all discrete PRC projects in accordance with the roles, responsibilities, authorities, and accountabilities defined within DOE O 413.3B, Program and Project Management for the Acquisition of Capital Assets. The PRC FPDs use the IPT approach for the acquisition of capital assets. The IPT for each project is a formal team, with the FPD serving as the team leader. IPT membership is comprised of representatives from all the business and technical disciplines; such as, legal, financial, contracting, safety, environmental health, and others necessary for successful execution of the project. Each PRC FPD has achieved or will achieve (if new FPDs are assigned) within two years of appointment either level 2, 3, or 4 project management certification. The PRC contains the requirements of DOE O 413.3B. RL staff ensures that program and project management requirements are integrated into the contractor's management systems. Project management tools currently contained in DOE O 413.3B provide excellent means to ensure that DOE contracts and projects are properly managed. Integral to the effective management of the contract under the requirements of DOE O 413.3B is the monitoring of schedule and cost performance through an EVMS. As with several contractor management systems, RL has defined expectations for a formal project management system and can accurately measure performance. Through RL oversight/surveillance and external reviews, RL ensures that the contractor's performance in this area is effective and efficient, that issues requiring resolution are identified, and that the system is meeting its intended purpose.

The Contractor's plan to achieve contract requirements is managed through the approved baseline. The role of the FPDs and the IPTs is to develop the overall project strategy; establish requirements and performance expectations; manage the technical aspects of the contract, monitor and assess performance; and proactively anticipate and resolve issues that impact project success. The contractor manages daily execution consistent with the approved baseline.

### **6.5.1 Baseline Management and Control**

RL has a defined lifecycle baseline scope description, cost estimate, and schedule for the PRC workscope. Execution of baseline is conducted through the contract. The baseline scope descriptions are linked to the SOW; baseline cost estimates are linked to contract budget profile constraints; and the baseline schedule is linked to contract performance incentives, SOW deliverables, and contractual GFS/I.

The RL baseline is approved by DOE-EM through the DOE O 413.3B critical decision process. Changes at lower levels of detail will be controlled and monitored by DOE in accordance with formal change control board procedures. RL FPDs are required to process baseline changes for approval by the appropriate change control board, as appropriate.

## **6.6 Inspection and Acceptance Process (Services)**

DOE is implementing a tailored performance evaluation approach that focuses on areas of greatest significance and risk while relying on a planned approach to ensure that the balance of the contractor's overall performance is addressed. RL's tailored approach to evaluation is based on:

- An understanding of the performance-based nature of the contract
- Knowledge of the contractor's baseline in response to the SOW
- Awareness of the type and level of associated risks and hazards
- Insight on the technical and management approaches to mitigating programmatic risks and controlling hazards
- Familiarity with the contractor's approved management systems (particularly integrated safety management and project management control)
- Overall public and Government Accountability Office/DOE Inspector General scrutiny of the use of ARRA funds

Increased evaluation efforts are placed on those areas where there are indications of poor or suspect contractor performance, indicated by contractor self-assessment or by IPT surveillance and analysis. The level of review is reduced when there are indications that the contractor's performance is strong and the contractor's self-assessment and corrective action programs are effective. In general, DOE's intent is to minimize the level of DOE involvement and allow the contractor to perform to, or exceed, the contract requirements. DOE's goal is to reduce evaluations when the contractor demonstrates an effective self-assessment program that includes self-identification, taking appropriate corrective actions, and successful follow-on action to prevent recurrence and improve performance. If the contractor's performance is deficient, and it appears that the contractor's management processes have not produced the desired result(s), DOE can increase evaluations in order to protect the Government's interests. Additional DOE inspection and acceptance rights can be found in Section E of the contract.

In accordance with RIMS Procedure, "Performance Evaluation and Reporting," the CO, together with AMRP, will report through the current DOE past performance reporting system, at intervals required by regulation and DOE procedure.

## **6.7 Special Financial Institution Account Agreement**

There are no invoices submitted to DOE under the contract, except for award fee or PBI. DOE, the contractor, and its financial institution (USBank) entered into a tripartite agreement for providing for the transfer of funds on a payments-cleared basis as described in Attachment J.9 of the contract. DOE requires that amounts transferred to the contractor be deposited in a special bank account at a financial institution covered by a U.S. Department of the Treasury-approved Government deposit insurance organization identified in I TFM 6-9000. The special bank account must be kept separate from the contractor's general or other funds, and the parties have agreed to deposit amounts with the financial institution to cover incurred costs under the contract. The Government has the title to the credit balance in the special bank account to secure the repayment of all funds transferred to the contractor, and under the agreement this title shall be superior to any lien, title, or claim of the financial institution or others, with respect to the special bank account.

DOE, or its authorized representatives, has access to financial records maintained by the financial institution, with respect to such special bank account, at all reasonable times and for all reasonable purposes, including, but without limitation to, the inspection or copying of such

financial records and any or all memoranda, checks, payment requests, correspondence, or documents pertaining thereto. Such financial records shall be preserved by the financial institution for a period of six years after the final payment under the special bank account agreement. Under the agreement the financial institution is required to maintain an average daily balance as close to zero as possible. The responsible DOE organization for maintaining the Financial Institution Account Agreement is the RL Finance Division.

## **6.8 Fee Administration**

Contract clauses concerning payments and fee include:

- B.4, Contract Cost and Contract Fee
- B.5, Changes to Contract Cost and Contract Fee
- B.6, Basis for Total Available Fee
- B.7, Fee Structure
- B.8, Fee Determination and Payment
- B.9, Fee Reductions
- B.10, Small Business Subcontracting Fee Reduction
- B.11, Allowability of Subcontractor Fee
- B.12, Conditional Payment of Fee, Profit, and Other Incentives—Facility Management Contracts
- B.13, Conditional Payment of Fee, DOE Richland Operations Office Site-Specific Performance Criteria/Requirements
- G.1, Contract Administration
- H.15, Key Personnel
- H.22, Financial Management System Requirements
- H.23, Payments and Advances
- I.77, Limitation on Withholding of Payments
- I.78, Advance Payments
- I.83, Prompt Payments
- I.84, Payment of Electronic Funds Transfer—Central Contract Registration
- I.128, Allowable Cost and Payment

The fee on the PRC is administered primarily in accordance with contract clause B.7, Fee Structure. The contractor will have the opportunity to earn 100% of the available fee through objective fee components and/or subjective fee components contained in the Performance Evaluation and Measurement Plan (PEMP). The PEMP may contain annual and multi-year performance measures. Final fee determinations for performance measures are made and fees are paid per contract clauses B.8, Fee Determination and Payment, and B.9, Fee Reductions. The RL Manager has been delegated the responsibilities as the FDO for this contract.

Under clause B.12, Conditional Payment of Fee, Profit, and other Incentives – Facility Management Contracts (Alternate II) (JAN 2004) [Deviation] and clause B.13, Conditional Payment of Fee (CPOF) DOE Richland Operations Office Site-Specific Performance Criteria/Requirements, DOE may unilaterally reduce earned fees for failure to meet minimum requirements of the environmental, safety, and health (ES&H) management systems or for

failures in safeguards and security systems. This unilateral right also extends to a catastrophic event, failures to comply with the SOW, or cost performance failures.

## **6.9 Contract Change Control Process**

There is a direct correlation between the contract estimated cost and fee and the contractor's project performance measurement baseline. The contractor's project performance measurement baseline total cost, plus management reserve (contractor's contingency), should equal the contract total estimated price.

Changes to project performance measurement baselines or the receipt of a revised baseline from the contractor, does not constitute a contract change or a change proposal. RL COs are not authorized to modify a contract's estimated cost and fee/price or contractually-required delivery dates/schedules based on a contractor's initial or revised project performance measurement baseline, even if the baseline has been validated by DOE'S Office of Acquisition and Project Management (APM). In addition, a validated contractor project performance measurement baseline does not remove the CO's responsibility for evaluating and negotiating outstanding contract changes and requests for equitable adjustment (REAs), even if the contractor may have accounted for these items in the revised baseline.

Changes to the performance measurement baseline that impact the PRC cost, fee, schedule, and/or SOW require identification as such on the change control form and require resolution through the PRC CO and appropriate contract change order processes. The structure for managing change control relating to scope, cost, and schedule, as well as mitigating variances to approved scope, cost, or schedule is explained in the RIMS RL Integrated Baseline Management crosscutting process. Upon receipt of a request to issue a directed change, the CO will confer with the FPD and other members of the CMT to determine the recommended path forward. The FPD will prepare a change control form stating the necessity for change; justification for change; and include an Independent Government Estimate (IGE) and schedule impact. If possible, the IGE shall address the impact of the original planned method of performance and effect on continued performance. Using the IGE the CO will determine if the change is likely to fall within local authority. If it appears to be over local authority limits, the CO together with the FPD will brief the acquisition executive (AE) on the nature of the change and necessity to provide notice to proceed prior to price agreement.

Once authorized, the CO will issue the directed change using the SF 30 which will include a not to exceed (NTE) limit on costs incurred prior to agreement. The NTE amount should be sufficient to allow the contractor to re-plan the work, prepare detailed cost and schedule estimates, and if necessary, initiate new long lead procurements, fund subcontract and supplier initial costs, and reopen the design process. The contractor may request additional funding if other initial activities are needed. The SF 30 should establish a definitization schedule for the contractor to submit their detailed proposal. Normally this is 30 days; however, complex changes may require additional time. The CO will also evaluate and notify the FPD if eventual cost analysis of the contractor's proposal will be sufficient. To the maximum extent practicable, changes shall be definitized within 180 days.

## **6.10 Review of Contractor's Requests for Equitable Adjustment**

Changes to the performance measurement baseline that impact the PRC cost, fee, schedule and/or SOW as a result of a contractor-submitted REA, require identification as such on the change control form and require resolution through the PRC CO and appropriate contract change order processes.

**Note:** Fee may be paid on contract change orders and REAs with entitlement in accordance with applicable Federal Acquisition Regulation (FAR) fee policy based on the net cost of the added and/or deleted work. Contractor performance that will result in the earning of minimum or no fee is not justification for adding more fees to the contract. Fee may not be based on initial or revised project performance measurement baselines. Fee may not be calculated or paid on estimated work to go or on cost overruns. Contract change orders and REAs, including the associated contract fee, will be negotiated to the extent possible prior to the incurrence of significant costs. Incentive or performance fees may not be established or paid on incurred costs, past delivery dates, or other actions that have been accomplished by the contractor prior to the negotiation of the fee. To the extent that changes and REAs involve significant costs incurred prior to agreement on contract price, the fee objective will be reduced to reflect decreased cost risk. Only fixed fee adjusted for reduced cost risk shall be negotiated on changes and REAs after all costs have been incurred.

## **6.11 Contractor Litigation Management**

The Department of Energy established regulations covering contractor legal management requirements. The RIMS Litigation Management - Contractor crosscutting process was written to assist personnel in controlling and overseeing litigation costs for which contractors seek reimbursement under the terms of their contracts, including general legal services. It also provides information for instances when the contractor is required to provide Richland Operations Office Chief Counsel with a Staffing and Resource Plan for litigation where legal costs over the life of the matter are expected to exceed \$100,000.

## **6.12 Contractor Employee Claims System**

The Procurement Division is responsible to ensure that the Contractor conducts expedient reporting and processing of employee compensation claims. The RIMS procedure, RL Oversight of Contractor Human Resource Programs, describes this area of RL oversight activities. Contract requirements related to Contractor Human Resource Programs are included in the first 15 clauses of Section H of the PRC.

## **6.13 Proposed Settlement of Costs for Post-Contract Liabilities**

Post-contract liabilities include site Pension and Retiree Medical expenses. The Contractor is tasked with prudently managing these benefits and it is DOE policy that, to the greatest extent possible, no new employees are added to the pool of employees eligible for these post contract benefits. Since completion of all site work will extend beyond the performance period of the PRC, management of these programs may be transferred to successor Contractor(s).

## **6.14 Contract Records**

All records acquired or generated by the contractor in performing this contract are the property of the Government except for those defined as "contractor-owned" in contract clause I.141 "Access to and Ownership of Records" (DEAR Clause 970.5204-3). These records must be delivered to the Government or otherwise disposed of at contract completion or termination, as directed by the CO. Additional Contractor requirements concerning records management are found in clauses H.37, "Information" and H.28, "Privacy Act Systems of Records." The Contract Clause entitled "Access to and Ownership of Records" addresses records management with respect to occupational health records and radiation exposure records.

All occupational health records generated during the performance of Hanford-related activities will be maintained by the Occupational/Medical Services Contractor and are the property of DOE. All radiation exposure records generated during the performance of Hanford-related activities are the property of DOE and are maintained by Battelle staff at PNNL.

## **6.15 Contract Closeout**

When the Contractor has completed the work scope, the process of verification of contract completion and initiation of contract closeout can commence. RIMS covers the major elements of contract closeout in the Contract Management crosscutting process, *Contract Management - Closeout* procedure. Contract closeout will conform to the requirements of FAR 4.804, Closeout of Contract Files.

## **7.0 CONTRACT DELIVERABLES AND PERFORMANCE RISK AREAS**

### **7.1 Contract Deliverables**

PRC deliverables identified throughout the SOW and consolidated in Section C, Table C.5, Summary of Contract Deliverables, are shown in Attachment A. Specific PBI deliverables will be shown in the PEMP, Section J, Attachment J.4. These deliverables are monitored by the responsible federal project staff assigned responsibility in RL's FRAM.

In addition, the PRC is required to provide input to support Hanford Site-wide reporting performed by the MSC (e.g., environmental permits, use of recovered materials, and pollution prevention activities), as defined in Section J, Attachment J.3, Hanford Site Services and Interface Requirements Matrix. The contract defines requirements for the interfaces between the PRC and MSC in the Section H clause H.42, Hanford Site Services and Interface Requirements Matrix. These deliverables are monitored by the responsible support organizations or subject matter experts assigned responsibility in RL's FRAM.

### **7.2 Key Contract Vulnerabilities or Performance Risk Areas**

The Performance Management Plan for the Accelerated Cleanup of the Hanford Site is the overall strategy for reducing risk to workers, the public, and the environment. RL progress in achieving major goals is tracked in the Gold Chart. The Hanford Integrated Programmatic Risk

Management Program (HPMP) documents RL’s approach to identify, analyze, prioritize, mitigate, and monitor the programmatic risks associated with the accelerated cleanup initiatives, including assumptions and uncertainties, presented in the HPMP and its subsequent updates. This program description along with the Strategic Programmatic Risk Management crosscutting process implements risk management at RL. Specific risk management documents for this contract and associated projects are maintained by the Project Integration and Control Division and are available to authorized individuals. Additionally, in accordance with Section C of the contract, the Contractor is required to implement a risk management process. The following risks and mitigation strategies have been identified and are critical to the overall success of the CMT:

| <b>Risk Description</b>   | <b>Basis</b> | <b>Mitigation Strategy</b>  |
|---|--------------|---|
| Ensuring the successful integration of three (3) new site contractors TOC, PRC, and MSC | Low          | <ul style="list-style-type: none"> <li>• Integrated meetings between TOC/PRC/MSC</li> <li>• Open communication as a result of proximity of both the IPT’s and CMT’s.</li> <li>• Joint ORP/RL configuration control of attachments J.3, J.13, and J.14 ensuring consistency among the three contracts</li> </ul>   |
| Continuously changing directive system impacting cost and schedule                      | Medium       | <ul style="list-style-type: none"> <li>• Precise specification of directive applicability</li> <li>• Be just as vigilant in regards to removing expired orders as we are in adding new ones</li> <li>• Have a questioning attitude. Why does this apply, how does it apply, what is the specific cost</li> <li>• Request waivers for those that don’t provide a direct benefit</li> <li>• There is an established process of review, accountability, coordination, and tracking through a single individual</li> </ul>  |
| Establishment of the interface/portfolio management process across the site             | Low          | <ul style="list-style-type: none"> <li>• Hanford Portfolio Planning, Analysis &amp; Performance Assessment function is a DOE-RL and DOE-ORP Integrated Hanford Life-Cycle Clean-up Plan that optimizes the mission life-cycle, enabling DOE to ensure cost and schedule efficiency while adequately anticipating and managing programmatic risk</li> <li>• Rely and follow the lead of the Mission Support Contract who has primary responsibility for portfolio management</li> <li>• Ensure current, accurate information is provided to the MSC to complete their tasks</li> </ul> |

|  |        |  |
|--|--------|--|
| Ensuring the successful use of funds provided under the ARRA | Medium | <ul style="list-style-type: none"> <li>- Increased oversight and the separate accounting of ARRA funds</li> <li>- Specific federal FTE(s) and GSSC support to oversee the work accomplished using ARRA funds</li> <li>- Increased GAO/IG oversight of activities utilizing ARRA funds               <ul style="list-style-type: none"> <li>• - Specific controls established through the creation of Section H clause H.45 Special Provisions Relating to Work Funded under American Recovery and Reinvestment Act of 2009 (FEB 2009)</li> </ul> </li> </ul> |
|--|--------|--|

## 8.0 STRATEGY FOR COST REDUCTION

Opportunities for cost reduction may be identified by individuals or organizations within the federal or contractor workforce. These opportunities need to be captured and documented for review and analysis by the appropriate contract management team and/or acquisition integrated contract management team (iCMT) if it is a system or enterprise-level improvement. The CMT will submit any cost reduction proposals to the iCMT for crosscutting review. The iCMT will prepare a formal analysis and recommendation for the consideration of the Manager. If approved, the iCMT will forward to the appropriate CMT(s) for implementation.

## 9.0 KEY PERFORMANCE METRICS FOR DETERMINING CONTRACTOR PROGRESS

Contractor progress and fee are determined by Contractor success in meeting end states established in the Statement of Work and performance incentives, as well as compliance with minimum contract requirements. All work must be performed in accordance with applicable Law, Regulation, and/or DOE Directive. Failures in contract performance as defined in contract clause B.9; Fee Reductions may be the basis for reduction of fee. The contract Section E, Inspection and Acceptance is also the basis for Contractor rework for performance that does not meet contract requirements.

## 10.0 AGREEMENTS WITH STATE, COMMUNITY, OR OTHER ENTITIES

The contractor and/or RL are parties to agreements and understandings with Federal, state, and local government agencies as mentioned in the SOW, section C.1, Plateau Remediation Contract Overview and General Requirements. Specifically the Hanford Federal Facility Agreement and Consent Order, commonly called the Tri Party Agreement, is maintained collectively by the U.S. Department of Energy, the U.S. Environmental Protection Agency, and the State of Washington Department of Ecology.

## **11.0 OTHER SPECIAL EMPHASIS AREAS**

The contract performance and administration experience should be reviewed and evaluated for Lessons Learned. The RIMS Lessons Learned program description explains RL's approach at a high level.

**Attachment A – Contract Deliverables**

The following table is excerpted from the contract (Modification 302) and contains the deliverables identified throughout scope of work contained in Section C.

Table C.5, Summary of Contract Deliverables

| Deliverable Number | Deliverable  | DOE         |                            | Deliverable Due Date <sup>3</sup>         |
|--------------------|--|-------------|----------------------------|---|
|                    |  | Action      | Response Time <sup>4</sup> |   |
| C.2.1-1            | Transition Plan  | Approve     | 5 working days             | No later than August 1, 2008 <sup>5</sup> |
| C.2.1-2            | Statement of Material Differences <sup>6</sup>                                     | Approve     | 30 days                    | 30 days after contract Notice to Proceed  |
| C.2.1-3            | Transition Agreement(s)  | Approve     | 15 days                    | 45 days after contract Notice to Proceed  |
| C.2.1-4            | Weekly Written Transition Status Reports   | Information | N/A                        | Weekly during Transition                  |
| C.2.2.4.1-1        | Lessons Learned Report for PFP Facilities  | Review      | N/A                        | TBD                                       |
| C.2.3.1-1          | Strategic Plan for integration of the waste treatment/disposal functions           | Approve     | 30 days                    | 180 days after completion of Transition   |
| C.2.3.12-1         | Update IDF Performance Assessment  | Approve     | 180 days                   | At DOE Direction                          |
| C.2.3.12-2         | Update IDF Waste Acceptance Criteria   | Approve     | 60 days                    | At DOE Direction                          |
| C.2.4.1.1-1        | Evaluation/Report with recommendations for changes in Groundwater Project activity | Information | N/A                        | 180 days after completion of Transition   |
| C.2.4.1.1-2        | Plan for gaining community and stakeholder understanding of                        | Review      | 30 days                    | 180 days after completion of              |

<sup>3</sup> All days refer to calendar days. When a scheduled date within this table falls on a Friday, weekend, or federal holiday, the deliverable or DOE response is due the next business day.

<sup>4</sup> Number of calendar days for DOE to execute its GFS/I responsibilities to provide review, approval, and/or certification action on the deliverable following Contractor submission of an acceptable product; or DOE comments on the deliverable following Contractor submission of an unacceptable product that will require revision and re-submission for DOE review, approval, and/or certification action.

<sup>5</sup> Deliverables that specify days from “contract Notice to Proceed” shall be calculated from August 1, 2008.

<sup>6</sup> Updates to the Statement of Material Differences may be made through day 45 after contract Notice to Proceed.

| Deliverable Number | Deliverable  | DOE         |                            | Deliverable Due Date <sup>3</sup>                                 |
|--------------------|--|-------------|----------------------------|---|
|                    |  | Action      | Response Time <sup>4</sup> |   |
|                    | groundwater objectives and approaches  |             |                            | Transition  |
| C.2.4.1.1-3        | Prioritized list of recommended service water line upgrades or storm water run off control projects  | Information | N/A                        | 180 days after completion of Transition and biennially thereafter |
| C.2.4.1.2-1        | Changes to document containing key physical, chemical, and other parameters/assumptions associated with modeling the fate and transport of environmental contaminants  | Approve     | 60 days                    | As Required   |
| C.2.4.1.2-2        | Site Specification document  | Approve     | 60 days                    | As Required   |
| C.2.4.1.2-3        | Prepare a process to manage risk assessment activities across the Hanford site.  | Approve     | 60 days                    | 180 days after completion of Transition                           |
| C.2.4.5-1          | Annual Groundwater Monitoring Report   | Approve     | 30 days                    | Annually  |
| C.2.4.6-1          | Removal Action Documentation <ul style="list-style-type: none"> <li>• Sampling and Analysis Plan</li> <li>• Engineering Evaluation/Cost Analysis</li> <li>• Removal Action Work Plan</li> </ul> Remedial Action Documentation <ul style="list-style-type: none"> <li>• Remedial Investigation/Feasibility Study Work Plan</li> <li>• Remedial Investigation Report</li> <li>• Feasibility Study Report</li> <li>• Proposed Plan Report</li> <li>• Remedial Design/Remedial Action Work Plan</li> </ul> | Approve     | 30 days for each document  | As Required   |
| C.2.5.3-1          | Plan for sequencing and structuring the content of Records of Decision and other disposition decision documents  | Review      | 60 days                    | 360 days after completion of Transition                           |
| C.2.5.3-2          | Plan for sequencing geographical zone remediation activities   | Review      | 60 days                    | At DOE Direction  |
| C.2.5.3-3          | Conceptual Design Report for each Central Plateau geographical zone  | Approve     | 60 days                    | At DOE Direction  |
| C.3.1.1-1          | Project Execution Plan (PEP)   | Approve     | 30 days                    | 30 days after contract Notice to Proceed                          |
| C.3.1.2.2-1        | PRC Baseline   | Approve     | 90 days                    | June 8, 2009  |
| C.3.1.2.2-2        | Performance Measurement Baseline annual updates  | Approve     | 60 days                    | Annually  |
| C.3.1.2.3-1        | PRC Performance Measurement  | Approve     | 30 days                    | 30 days after   |

| Deliverable Number | Deliverable   | DOE         |                            | Deliverable Due Date <sup>3</sup>                 |
|--------------------|---|-------------|----------------------------|---|
|                    |   | Action      | Response Time <sup>4</sup> |   |
|                    | Baseline Change Control Process   |             |                            | contract Notice to Proceed                        |
| C.3.1.3.1-1        | Monthly Performance Report  | Review      | N/A                        | Last Tuesday of each month                        |
| C.3.1.4-1          | Risk Management Plan  | Approve     | 30 days                    | 30 days after contract Notice to Proceed          |
| C.3.1.5.1-1        | List of standards to be used in the design of facilities and equipment                        | Approve     | 60 days                    | At DOE Direction                                  |
| C.3.1.5.2-1        | Procurement, Construction, and Acceptance Testing Plan  | Approve     | 60 days                    | At DOE Direction                                  |
| C.3.1.5.2-2        | Purchasing System   | Approve     | 60 days                    | At DOE Direction                                  |
| C.3.1.5.2-3        | Construction and Acceptance Testing Program   | Approve     | 60 days                    | At DOE Direction                                  |
| C.3.1.5.2-4        | As-built Program Description  | Approve     | 60 days                    | At DOE Direction                                  |
| C.3.2-1            | Adopted ISMS/EMS Description  | Information | N/A                        | 30 days after contract Notice to Proceed          |
| C.3.2-2            | ISMS/EMS Description  | Approve     | 90 days                    | 270 days after completion of Transition           |
| C.3.2-3            | ISMS/EMS Description Updates  | Approve     | 60 days                    | Annually, or as required                          |
| C.3.2-5            | ISMS/ESH&Q Performance Objectives, Measures, and Commitments                                  | Approve     | 60 days                    | Annually  |
| C.3.2.1-1          | Environmental Protection and Compliance Plan  | Approve     | 30 days                    | 30 days after contract Notice to Proceed          |
| C.3.2.2-1          | Revise existing Safety Basis documentation for Hazard Category 1, 2, and 3 nuclear facilities | Approve     | 120 days                   | Within 12 months of award and annually thereafter |
| C.3.2.2-2          | Adopted Unreviewed Safety Question (USQ) Process  | Approve     | 30 days                    | 30 days after contract Notice to Proceed          |
| C.3.2.2-3          | Unreviewed Safety Question (USQ) Process  | Approve     | 60 days                    | 180 days after completion of Transition           |
| C.3.2.3-1          | Adopted Worker Safety and Health Program  | Approve     | 30 days                    | 30 days after contract Notice to Proceed          |
| C.3.2.3-2          | Worker Safety and Health Program  | Approve     | 90 days                    | 180 days after completion of Transition           |
| C.3.2.3-3          | Adopted Radiation Protection Program (RPP)  | Approve     | 30 days                    | 30 days after contract Notice to                  |

| Deliverable Number | Deliverable  | DOE         |                            | Deliverable Due Date <sup>3</sup>                                    |
|--------------------|--|-------------|----------------------------|--|
|                    |  | Action      | Response Time <sup>4</sup> |  |
|                    |  |             |                            | Proceed  |
| C.3.2.3-4          | Radiation Protection Program (RPP)                               | Approve     | 180 days                   | 180 days after completion of Transition                              |
| C.3.2.3-5          | Adopted Chronic Beryllium Disease Prevention (CBDP) Program      | Approve     | 30 days                    | 30 days after contract Notice to Proceed                             |
| C.3.2.4-1          | Adopted QA Program(s)  | Approve     | 30 days                    | 30 days after contract Notice to Proceed                             |
| C.3.2.4-2          | QA Program(s)  | Approve     | 90 days                    | 180 days after completion of Transition                              |
| C.3.2.4-3          | Adopted Assurance System Description                             | Information | 30 days                    | 30 days after contract Notice to Proceed                             |
| C.3.2.4-4          | Assurance System Description                                     | Approve     | 90 days                    | 180 days after completion of Transition                              |
| C.3.2.4-5          | Quality Assurance Status Report on Spent Nuclear Fuel Activities | Information | N/A                        | 30 days after each fiscal year                                       |
| C.3.3.1.5-1        | Foreign Travel Projection  | Information | N/A                        | At DOE Direction   |
| C.3.4.1-1          | External Affairs Program Description                             | Approve     | 30 days                    | 30 days after contract Notice to Proceed and updated annually (12/1) |
| C.4-1              | Government-Furnished Services and Information Request            | Review      | 30 days                    | Annually, prior to each fiscal year                                  |
| C.4-2              | Government-Furnished Services and Information Request -- Update  | Review      | 30 days                    | Prior to each quarter, as necessary                                  |