

**FY-13 AWARD FEE PLAN
for
Fluor-B&W Portsmouth, LLC**

**Portsmouth Gaseous Diffusion Plant
Decontamination and Decommissioning
Contract # DE-AC30-10CC40017**

Base Period of Performance, Evaluation Period 3

October 1, 2012 to September 30, 2013



CONCUR:



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Portsmouth/Paducah Project Office



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APPROVED:



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PART I – AWARD FEE MASTER PLAN

1. INTRODUCTION

- a. **Purpose:** The purpose of this award fee plan is to define the methodology and responsibilities associated with determining the fee to be awarded to **Fluor B&W Portsmouth, LLC (FBP)** (hereafter referred to as the contractor). The plan outlines the organization, procedures, and evaluation periods for implementing the award fee provisions of the contract. The purpose of the award fee is to motivate the contractor to substantially exceed standards and to emphasize key areas of performance and concern without jeopardizing minimum acceptable performance in all other areas.
- b. **Award Fee Period:** The Award Fee Plan (AFP), updated each Fiscal Year (FY), covers the performance period beginning after completion of the Contract Transition (no fee) and extends for the duration of the contract. The award fee period, including the optional period of performance, is from March 29, 2011 through March 28, 2021. Fee attributes, as originally awarded, are defined and maintained herein to allow traceability to the contractor's proposal while at the same time specific requirements are identified yearly for the current period of performance by updating the award fee plan by FY. Award fee is provided to the contractor through contract modifications which implement the Fee Determining Official (FDO) assessment of contractor performance against the criteria set forth in this plan.
- c. **Contract Attributes:** Contract Number *DE-AC30-10CC40017*, *Portsmouth Gaseous Diffusion Plant Decontamination and Decommissioning*, awarded to FBP in 2010 is a Performance Based, Cost-Plus Award Fee Contract for the Decontamination and Decommissioning (D&D) and Environmental Remediation (ER) of the Portsmouth Gaseous Diffusion Plant (PORTS) at the U.S. Department of Energy (DOE), Piketon, Ohio. The award Fee Plan follows DEAR 915.404-4-72 which defines the approach for determining base and award fee.

The Performance Work Statement is divided into seven (7) Contract Line Item Numbers (CLINs) or Sub-CLINs allowing Environmental Management (EM) a mechanism to incrementally authorize work. In accordance with the contract, base fee may be earned through successful performance of defined Performance Work Statement (PWS) paragraphs and also Award Fee may be earned as detailed in this Award Fee Plan (AFP). Fee will only be available for performance of work scope authorized by the Contracting Officer.

The contract CLINS and the associated Performance Work Statement (PWS) are identified in Table 1 (below). This FY-13 Award Fee Plan is specific to the Base Period of Performance (PoP), (CLIN 0002- March 29, 2011 to March 28, 2016), and this document specifically covers period 3 of the base period.

Table 1, CLINS & PWS Paragraphs

CLIN/ SubCLIN	Description	Period of Performance (PoP)	PWS Paragraph	Status & Other Info
0001	Transition Period	Sept 14, 2010 - Mar 28, 2011	C.2.1	- Effort Complete - No Fee Payable
0002	Base Period	Mar 29, 2011 - Mar 28, 2016	C.2.1	CURRENT AFP
0003	Optional Contract Period	Mar 29, 2016 - Mar 28, 2021	C.2.1	Not exercised
0004	Options	(OSWDF may be exercised at any time during Base or Optional Contract Period)		
0004AA	On-Site Waste Disposal Facility (OSWDF) Construction Option		C.2.5.4.2	Not exercised
0004AB	OSWDF Startup and Operations Option		C.2.5.4.3	Not exercised
0005	ARRA	Mar 29, 2011 - Sept 30, 2011	C.2.6	- Added by Modification #2 - Effort Complete
0006	Base Period Non- D&D Work	Oct 1, 2011 - Mar 28, 2016	C.3	- Added by Modification #20

c. **Contract Cost & Fee:** Identified in **Table 2** (below), is a summary of estimated costs and associated base and award fee pools, current as of Modification 29 to the contract by CLIN.

Table 2, Contract Cost & Fee Pools

	CLIN 0001 (No-Fee)	CLIN 0002	CLIN 0003	CLIN 0004AA	CLIN 0004AB	CLIN 0005 (Award Fee captured in CLIN 0002)	CLIN 0006 (Base Fee only)	Sum
Estimated Cost	\$17,419,701	\$1,063,261,585	\$676,563,734	\$109,984,160	\$117,249,052	\$8,000,000	\$8,369,730	\$2,000,847,962
Base Fee		\$6,544,250	\$5,478,729					\$12,022,979
Fee Pool		\$66,638,434	\$36,230,398	\$9,898,574	\$10,552,415			\$123,319,821
Total Price	\$17,419,701	\$1,136,444,269	\$718,272,861	\$119,882,734	\$127,801,467	\$8,000,000	\$8,369,730	\$2,136,190,762

2. FEE STRUCTURE

The contract fee pool is established with both base and award fee. CLIN 0006 is base fee only while CLINs 0002 & CLIN 0003 contains both base and award fee provisions. Option SubCLINS 0004AA & 0004AB are award fee only.

a. **Base Fee:** Base fee included in CLIN 0002 & 0006 (Base Period of Performance) and CLIN 0003 & 0006 (Optional Contract Period), is two (2%). Base fee is paid for satisfactory performance in the PWS paragraphs identified in Table 2, (below) and is evaluated monthly by the Site Technical Lead as outlined in Contract Section B.5 (b). Payment of base fee is subject to the requirements of Section I Clause 123, DEAR 952.223-76, Conditional Payment of Fee or Profit – Safeguarding Restricted Data and Other Classified Information and Protection of Worker Safety and Health (JAN 2004). If the CO reduces fee in accordance with the clause, the award fee pool for the annual evaluation period shall be decreased by the equivalent amount and may not be earned in this or future periods. Base fee is not subject to the evaluation provisions and criteria established in this Award Fee Plan.

Table 3, Base Fee PWS Paragraphs

CLINs Applicable	PWS Description	PWS
0002	Facility Surveillance and Maintenance and Stabilization	C.2.2
0002	Regulatory Compliance and Permits	C.2.7.4
0002	Sampling and Analysis and Data Management	C.2.7.5
0002	Environmental Monitoring and Reporting	C.2.7.6
0002	Security	C.2.7.7
0002	Cyber Security	C.2.7.8
0002	Records Management and Document Control	C.2.7.9
0002	External Affairs	C.2.7.10
0002	Real and Personal Property Management	C.2.7.11
0002	Asset Recovery and Recycling	C.2.7.12
0002	Pension and Benefit Administration	C.2.7.13
0006	Government Furnished Services and Items	C.3

b. **Award Fee:** The award fee amount applicable for the FY-13 Award Fee Plan for Period 3 is **\$6,704,472** current through issuance of Modification 29 and is consistent with Section B of the contract. This plan, as outlined below, will define how the contractor may earn fee by component, through completion of technical incentives identified as objective Performance Based Incentives (PBI) and Subjective Categories of Performance (CP). In accordance with FAR 16.401, the amount of award fee earned shall be commensurate with the contractor's overall cost, schedule, and technical performance as measured against contract requirements in accordance with the criteria stated in the award-fee plan.

3. AWARD FEE COMPONENTS

The Award Fee Pool contains three components as identified in the original Request for Proposal (RFP) which resulted in contract award: (1) Super PBI's; (2) Objective PBIs; (3) Subjective CP. The plan, consistent with FAR 16.4 will discuss the award fee available in each period and how the fee for this particular period (FY13) may be earned. The plan PBIs are cost, technical and schedule completion type incentives and the subjective component may be earned based on the DOE analysis against the defined measures in the plan.

a. **Total Award Fee:** To establish the fee in each of the three components, the total award fee, as awarded and documented in Section B of the contract, is identified, as modified, in Table 4 (below).

Table 4, Award Fee Summary

Award Fee Pool Summary (Award Detailed – Section B)			
CLIN	Description	Fee Amount	
0002	Base Period	\$66,638,434	
0003	Option Contract Period	\$36,230,398	
	Subtotal		\$102,868,832
0004AA	OSWDF Construction Option	\$9,898,574	
0004AB	OSWDF Startup and Operations Option	\$10,552,415	
	Total Fee Available in Award		\$123,319,821

Mod 23 to CLIN 0002 increased available award fee by the amount of \$2,229,869, for DOE directed changes (29 Mar 11 – 30 Sept 11).

b. **Component 1 - Super PBI's:** The contractor proposed certain sums for Super PBI's (Award Fee Component 1) in response to the Request for Proposal. These PBIs are considered multiple-year PBIs, in accordance with B.5 and as such need to be identified in the plan yearly until they are completed or changed as negotiated. Super PBI's will be paid after contractor completion, to occur on or before the defined milestone dates below. The fee amounts were incorporated as proposed into the contract though Attachment J-6, Performance Based Incentives (PBI) for D&D, and are identified in Table 5 (below).

Table 5, Super PBIs

Award Fee Criteria ¹	Fee Type	Fee Amount ²	Milestone
D&D X-326 to slab	PBI	\$ 14,529,772	1/15/2014 ³
Remediate Soils below X-326	PBI	\$ 3,632,443	3/20/2014 ³
D&D X-330 to Slab	PBI	\$ 8,475,700	6/14/2014 ³
Remediate Soils below X-330	PBI	\$ 2,421,629	8/19/2014 ³
D&D X-333 to Slab	PBI	\$ 7,264,886	9/28/2016 ⁴
Remediate Soils below X-333	PBI	\$ 2,421,629	3/27/2017 ⁴
Total for Super PBI's		\$ 38,746,059	

¹ D&D and remediation includes waste disposition

² 32% of the total award fee amount shall be reasonable allocated to these six (6) PBIs based on its technical Base Period approach. After award, the CO may request the contractor to provide interim milestones.

³ PBIs in Base Period, CLIN 0002, PWS paragraphs C.2.3.2 and C.2.3.3

⁴ PBIs in Option Period, CLIN 0003, PWS paragraph C.2.3.1

c. **Component 2 & 3 Total Available Fee Pool:** The Super PBI sum was subtracted from the total available fee for CLINS 0002 and 0003, identified in Table 6 (below). The amount

remaining was allocated to each of the upcoming ten (10) periods of performance by FY in accordance with the proposal. Fee within each FY is then split by a defined percentage for evaluation by Components 2 and 3 outlined herein.

Table 6, Total Fee Allocated by Period

Fee for CLINS 0002 & 0003	- Less Super PBIs	= Fee to be allocated each period
\$102,868,832	- \$38,746,059	= \$64,122,773

d. **Award Fee by FY:** Lastly, the award fee amounts allocated to each period and fee amounts previously earned are identified in Table 6 (below).

Table 7, Award Fee by FY

CLIN 0002	Pool Breakout by FY	Fee Awarded
FY-11 Apr-Sept (Six Months)	\$6,190,992 ¹	\$5,779,687
FY-12	\$7,922,246	To Be Determined (TBD)
FY-13	\$6,704,472	TBD
FY-14	\$6,704,472	TBD
FY-15	\$6,704,472	TBD
FY-16 Oct-Mar (Six Months)	\$3,352,236	TBD
CLIN 0003	Pool Breakout by FY	Fee Awarded
FY-16 Apr-Sept (Six Months)	\$2,654,388	TBD
FY-17	\$5,308,777	TBD
FY-18	\$5,308,777	TBD
FY-19	\$5,308,777	TBD
FY-20	\$5,308,777	TBD
FY-21 Oct-Mar (Six Months)	\$2,654,387 ²	TBD
	\$64,122,773	TBD

¹FY-11 fee was originally \$3,961,124. DOE directed changes, definitized by Modification 23, increased the available award fee in FY-11 by \$2,229,869 to total \$6,190,992 above.

²Lowered one dollar

4. DEFINITION OF TERMS

a. **Award Fee Amount:** The Award Fee Amount is the amount of award fee earned during a particular evaluation period, and must be commensurate with the contractor's overall cost, schedule, and technical performance as measured against contract requirements in accordance with the criteria stated in the award fee plan (FAR 16.401(e)(2)).

b. **Award Fee Pool Amount:** For the contract, the amount of available award fee that can be allocated across all of the contract's evaluation periods; for an evaluation period, it is the amount of the contract's available award fee that is allocated to the period.

- c. **Contracting Officer (CO)**: The individual authorized to commit and obligate the government through the life of the contract. The CO is an advisor to the Performance Evaluation Board (PEB).
- d. **Cost Plus Award Fee Contract**: A cost plus award fee contract is a cost-reimbursement contract that provides for a fee consisting of a base amount (base fee) fixed at inception of the contract and an award amount, based upon a judgmental evaluation by the Government, sufficient to provide motivation for excellence in contract performance (FAR 16.305).
- e. **Evaluation Period(s)**: Stated intervals during the contract period of performance so that the contractor will be periodically informed of the quality of its performance and the areas in which improvement is expected (e.g. six month intervals).
- f. **Fee Determining Official (FDO)**: The designated Agency Official who reviews the recommendations of the Performance Evaluation Board (PEB) in determining the amount of award fee to be earned by the contractor for the evaluation period (FAR 16.001). The FDO is the Manager of the Portsmouth/Paducah Project Office. This authority has been delegated by the Office of Environmental Management Head of Contracting Activity.
- g. **Performance Evaluation Board (PEB)**: The group of individuals identified in the award fee plan who have been designated to assist the FDO in making award fee determinations (FAR 16.001). Members of and advisors to the PEB are indicated in Exhibit 1.
- h. **Performance Evaluation Board Chair**: The PEB chairperson is the U.S. Department of Energy (DOE) Portsmouth Site Director. The Site Director is the senior executive responsible for all DOE activities at the Portsmouth site.
- i. **Project Team Evaluator (PTE)**: The individual(s) assigned to monitor and evaluate the contractor's performance on a continuing basis. The PTE's evaluation is the primary point of reference in determining the recommended award fee, especially the technical support area of performance. The PTEs are responsible for providing their input in areas of their experience with the contractor, as requested, to the Portsmouth Site Technical Lead. The PTEs are advisors to the PEB through the Portsmouth Site Technical Lead.
- j. **Technical Lead**: The individual who is most directly responsible for the satisfactory performance of the Portsmouth Decontamination & Decommissioning (D&D) Project. The Technical Lead receives the evaluation reports from the PTEs, manages the award fee evaluation process, coordinates the development of the award fee plan and subsequent revisions, and also serves as the recorder. This individual will be responsible for ensuring the PEB is properly convened, which includes meeting place, time, advising all PEB members, preparing the agenda, and taking minutes. The Technical Lead is an advisor to the PEB and as such, is the primary recipient of advisory reports, if any.

5. ORGANIZATIONAL STRUCTURE

The organizational structure of the award fee process is established to ensure a fair and full evaluation of the contractor's performance. Independent assessments, first performed at the site level, are reviewed at each stage and presented through the Technical Lead and PEB to the FDO. The FDO then performs an independent assessment at an executive-level.

The Manager, Portsmouth/Paducah Project Office, serves as the FDO and has established a PEB. The PEB assists the FDO in the award fee determination by recommending an award fee for the contractor's performance and documenting the analysis and recommendation in the Performance Evaluation Report (PER). If a PEB member is absent, the FDO will approve a substitute with similar qualifications. Technical and functional experts, as required, may serve in an advisory (non-voting) capacity to the PEB. See Exhibit 1 for PEB members and potential advisors. See Exhibit 6 for the flowchart of the Award Fee Process.

6. RESPONSIBILITIES

a. Performance Technical Evaluators

The PTE(s) continually monitor and evaluate the contractor's performance. The PTE(s) work closely with the CO and Technical Lead in performing surveillance duties.

b. Technical Lead

The Technical Lead serves as advisor to and coordinator for the PEB. The Technical Lead will document the adjective ratings for each Subjective Category of Performance and PBI recommendations and will provide a site summary assessment to the PEB. The Technical Lead will be thoroughly familiar with current award fee policy, guidance, regulations, and correspondence pertinent to the award fee process. The Technical Lead coordinates required evaluation actions such as receiving PTE evaluation inputs, compiling and tabulating the PTE ratings (weighted results) and providing the Technical Lead summary assessment for presentation to the PEB, as well as the draft Performance Evaluation Report (PER). The Technical Lead performs other administrative actions required by the PTE(s), the PEB, and the FDO such as receiving, processing, and distributing performance evaluation inputs, scheduling and assisting with internal milestones, i.e., PEB briefings, and other actions as required for the smooth operation of the award fee process. The Technical Lead is also responsible for ensuring the contractor is provided the opportunity to present (written, oral, or both) the contractor position to the PEB.

c. Performance Evaluation Board

The PEB members will review the summary assessment and recommended adjectival ratings and PBI evaluations, consider information from the contractor and other pertinent sources and develop a fee recommendation with supporting PER. The PEB chairperson will review the PEB input and finalize the PER for forwarding with the fee recommendation to the FDO.

d. **Fee Determining Official**

The FDO will review the PEB's recommendations, consider all appropriate data, and notify the CO in writing of the final fee determination after receiving Head of Contracting Activity (HCA) coordination. The CO will prepare a letter for FDO signature notifying the contractor of the award fee amount. The CO will modify the contract to reflect the earned award fee for the performance evaluation period.

e. **Advisors to PEB**

Advisors consist of the Technical Lead, the Contracting Officer, and the assigned legal analyst. The advisors shall assist as requested and shall review the process to ensure the contract, the award fee plan and other requirements are being followed.

7. AWARD FEE PROCESS

Performance reviews will be conducted on a semi-annual basis during the evaluation period to examine the Contractor's performance against the established annual award fee criteria and PBIs listed in the Annual Award Fee Plan. Informal feedback of strengths and weaknesses for the purpose of providing comments from DOE will be provided on a semi-annual review, while a formal fee evaluation and determination by the FDO will be issued on an annual basis. As defined in Exhibit 6, Award Fee Process Flowchart, the following depicts the Award Fee process:

a. **PTE Actions**

(1) **Continual Evaluation**: PTEs will continually monitor and evaluate the contractor's performance on Award Fee Components (Super PBIs, FY PBIs, Subjective Category of Performance). Individual PTEs will contribute input on areas of experience with the contractor, they are not required to comment on areas outside of their areas of experience.

(2) **Subjective Category of Performance (CP)**: The PTEs will review and evaluate all criteria for each CP item (semi-annual presentation and annual evaluation). The PTE will use Exhibit 3, Rating Criteria to develop the Subjective CP strengths and weaknesses (opportunities for improvement) for presentation to the Technical Lead who then is responsible for presenting both the semi-annual review to the contractor and presenting all evaluation documentation to the PEB at the end of the period. The PTE will maintain all file documentation for presentation to the Technical Lead. The PTE will review and document information to ensure the contractor has established adequate procedures to prevent recurrence of weaknesses.

(3) **Objective PBI's**: The PTE will also monitor and evaluate on an annual and semi-annual basis the contractor's completion status in relation to both the FY PBIs (Exhibit 7) and the six major milestone PBIs (Super PBI's) if any were completed during the period (semi or annual).

(4) **Annual Evaluation**: At the end of the annual period, the PTE will submit to the Portsmouth Site Technical Lead, the Rating Criteria, Exhibit 3, for all CP items and PBI completion status

using Exhibit 7. Based on the evaluation results, each PTE will select the appropriate CP numerical rating with written notes on the strengths and weaknesses of the contractor to report to the Technical Lead.

b. **Technical Lead Actions**

(1) **Semi-Annual Presentation**: The Technical Lead is responsible for compiling and completing the assessment, Exhibit 3, of strengths and weaknesses (opportunities for improvement) for the six month (semi-annual) presentation. The presentation to the contractor will be a summary compilation of the PTE and Technical Lead assessment; however, the Technical Lead will coordinate the presentation with the PEB and FDO before presenting the information to the contractor. The semi-annual presentation is to occur 30 days after the end of the six month period (October 1 - March 30).

(2) **Annual Evaluation**: The Technical Lead will compile and tabulate the PTE's numerical rating, write a summary assessment and then select the Technical Lead adjective rating for each of the CP items based on his/her personal observations of performance considering also the ratings reported by the PTEs. The adjective ratings are only presented in the yearly evaluation (30 days after September 30th of each FY). The Technical Lead will use Exhibit 4, Rating Summary Table, to record the PTE's ratings and provide the Technical Lead's adjective rating and summary analysis to the PEB. The Technical Lead is not permitted to change the PTE's ratings but the Technical Lead adjective rating may differ from the PTE's rating. In addition to reporting the PTE's numerical rating, the Technical Lead will annotate his/her rationale for selecting a particular adjective rating in the summary assessment.

The Technical Lead will also advise the contractor of their opportunity to provide self-assessment input to the PEB for the annual evaluation.

(3) **Annual Award Fee Summary**: The Technical Lead will use Exhibit 5, Annual Award Fee Summary, to record the date of the semi-annual presentation and record the FDO adjective rating for the annual award fee. Using the PBI completion status as documented in Exhibit 7, the Technical Lead will provide his concurrence as to whether any FY PBI or any of the six major milestones PBI has been completed.

(4) **Notification to Conduct the PEB**: The Technical Lead notifies the PEB members and any advisors of the date and time of the annual PEB meeting in accordance with the schedule established by the PEB chairperson. Additionally, the Technical Lead notifies the contractor of the date and time of PEB meeting and advises the contractor of when and how (written, oral, or both) he/she will be permitted to address the PEB as determined by the PEB chairperson. Generally, the contractor will be provided the opportunity to provide written materials (limited to no more than 20 total pages) and make an oral presentation of up to 30 minutes. The presentation should be provided five working days in advance of the evaluation period to the CO and should be in the form of a self-assessment measured against each annual award fee criteria section (PBIs and CP). Prior to the PEB meeting, the Technical Lead will provide the PEB members with page-numbered binders to include, at a minimum, the input from the PTE members; the contractor's award fee presentation; the Technical Lead summary assessment; the

draft PER; and all Exhibits including the Exhibits the PEB will be required to fill out during the evaluation meeting.

(5) PEB Briefing: Utilizing the PTE information, the Technical Lead may also prepare a briefing for the PEB as determined by the PEB chairperson. If prepared, the briefing becomes a part of the formal record. The briefing should include a mix of specific and global evaluation comments so the PEB can review a holistic assessment of the contractor's performance.

c. PEB Actions

(1) The PEB Chairperson will meet with the contractor's manager semi-annually, and at other times as determined by the PEB Chairperson, to discuss PTE and Technical Lead documented strengths and weaknesses. Communicating issues with the contractor gives the contractor an opportunity to make corrective actions prior to the annual meeting of the PEB.

(2). The PEB Chairperson will establish dates, times, and places for the PEB meeting and notify the Portsmouth Site Technical Lead for appropriate notification to members, advisors, and the contractor. The chairperson will schedule the PEB meeting to ensure the PEB's recommended fee is presented to the FDO within 30 days following the close of the evaluation period.

(3) PEB members will consider all information from the following sources in determining its award fee recommendation to the FDO:

(a) Evaluations submitted by the PTEs and Technical Lead including the completion status of FY PBIs and six major milestone PBIs. Chairperson may require oral briefings by the functional area personnel.

(b) Information submitted by other sources as considered appropriate by the PEB.

(c) Contractor's written or oral (or both as determined by chairperson) self-assessment of performance.

(4) Using Exhibit 4, Rating Summary Table; each PEB member will individually document an adjective rating from Exhibit 2, Award Fee Rating Table, and provide supporting rationale by attaching notes to Exhibit 4 for their selection. In addition, the team will provide a consensus opinion using Exhibit 4 as well as opinion on completion status of PBIs using the table in Exhibit 7.

(5) The PEB Chairperson will collect the PEB members' Rating Summary Table, Exhibit 4, and review them. If any member's adjective rating is below "Satisfactory" and this rating is lower than the PTE corresponding adjective rating for that same area, appropriate discussions with the member should be conducted to determine the member's rationale behind the rating. Lowering the adjective rating to below "Satisfactory" requires specific reasons and must be presented to the Chairperson. The PEB will then strive to gain consensus on a fee/fee range recommendation for presentation to the FDO.

(6) Once the PEB Chairperson completes the review of the PEB and after ensuring the process was followed, the Chairperson will forward the individual member's rating sheets and consensus along with the PER to the FDO supplemented with any written comments required. The chairperson will prepare a cover letter to the FDO to transmit the final PER as well as the PEB assessments using Exhibits 3, 4 and 7.

d. **Contractor Self-Assessment**

When the contractor chooses to submit a self-evaluation, it must be submitted to the CO within five working days before the end of the current six month (6) interval and/or annual evaluation periods being reviewed. This written assessment of the contractor's performance throughout the evaluation period may also contain any information that may be reasonably expected to assist the PEB in evaluating the contractor's performance. The Contractor's self-assessment may not exceed 20 total pages.

e. **FDO Actions**

(1) The FDO approves PEB members.

(2) The FDO determines the final fee based upon all the information furnished and assigns a final percent of award fee earned for the evaluation period using the Exhibit 2, Award Fee Conversion Chart as the basis.

(3) The FDO obtains HCA coordination and notifies the CO in writing or via electronic correspondence of his/her final determination of award fee.

f. **CO Actions**

(1) The CO will prepare a letter for the FDO's signature notifying the contractor of the amount of award fee earned for the annual period. Additionally, the letter will identify any specific areas of strengths and weaknesses in the contractor's performance.

(2) The CO will unilaterally modify the contract to reflect the FDO's final determination of award fee. This modification will decrease the total value of the contract commensurate with the amount of the fee unearned. The modification will be issued to the contractor within 14 days after the CO receives the FDO's decision.

(3) In accordance with Head of Contracting Activity, Office of Environmental Management Directive, (EM HCA Directive 2.6, Dated June 11, 2012), the CO will post the (a) Modification (if applicable), (b) one-page scorecard, (c) Award Fee Determination Letter, (d) final Performance Evaluation Report.

8. AWARD FEE TERMS

a. Cumulative SPI/CPI

The contractor is prohibited from earning any award fee when the contractor's overall cost, schedule and technical performance fails to meet contract requirements. If the contractor's Annual Work Plan (AWP) cumulative annual Schedule Performance Index (SPI) and/or Cost Performance Index (CPI) for the FY being evaluated, is calculated at or below $\leq .80$ (red) at the end of the performance period, the award fee allocated to the period, shall be reduced by 50%, and not be available in this or any other award fee period. If reduced, the fee remaining in the period, shall be unilaterally reallocated, proportionally as stated in the plan, by the FDO before making the fee determination. The SPI/CPI calculation for the award fee period (October 1st through September 30th) shall be independently measured by DOE against the approved AWP for the period.

b. Provisional and Final Invoices

Consistent with Section B.5 (f), the Contractor may submit a fee invoice at the end of each quarter for provisional award fee, excluding Super PBIs of the contract in Section J-6, equal to 17.5% of the total available award fee for each quarter (17.5% X 4 quarters = 70% provisional award fee payment). Upon the FDO's final determination of the earned award fee for the evaluation period, the Contractor will invoice the actual dollar amount of the determination minus provisional fee payments paid during evaluation period. Should the amount of the final FDO determination be less than what was previously provisionally paid, the Contractor will provide a credit to DOE on the following invoice. The FDO may also approve the CO to authorize payment of a PBI upon completion during the period after performance is evaluated in accordance with the plan.

c. Issuance of Award Fee Plan

Contract Section B.5, Base and Award Fee, describes the award fee provisions and (e) states that the CO will prepare and issue the Annual Award Fee Plan prior to the start of each FY. The CO may provide draft annual award fee criteria and PBIs for contractor review and input; however, the CO reserves unilateral discretion to issue and modify the Annual Award Fee Plan without contractor review.

d. Fee Plan Change Procedure

All significant changes are approved by the FDO; the PEB Chairperson approves other changes. Examples of significant changes include changing evaluation criteria, adjusting weights to redirect contractor's emphasis to areas needing improvement, and revising the distribution of fee dollars. The CO will provide a notice of changes to the contractor, 30 days prior to making changes. Changes that do not impact the award fee criteria or process, such as editorial clarifications, personnel changes or other insignificant changes may be made and implemented within the period without providing the 30 day advance notice to the contractor. The contractor

may recommend changes to the CO no later than 60 days prior to the beginning of the new evaluation period. After approval, the CO shall notify the contractor in writing of any change(s). Unilateral changes may be made to the fee plan if the contractor is provided written notification by the CO before the start of the upcoming evaluation period or as provided in B.5, Base and Award Fee, of the contract. Contract modifications effecting estimated cost and available fee, may require a change to the Award Fee Plan. Such changes shall be incorporated in accordance with clause B.5 and DOE Acquisition Guide, Chapter 16.2 (July 2012) and may be incorporated by attaching an approved amendment to the Award Fee Plan.

e. **Requests to Contracting Officer**

In the event that the contractor believes circumstances completely beyond its control have prevented the contractor from successfully completing a PBI, the contractor may request DOE replace the PBI or remove and restructure the fee proportionally to remaining PBIs. The contractor's request must be made in writing to the Contracting Officer and include substantial, verifiable justification. The written request must be submitted as soon as practicable after the event or events occurred; however, under no circumstances shall the request be made after the required completion date. Upon receipt of the contractor's request, DOE will determine whether circumstances completely beyond the control of the contractor have in fact prevented the contractor from successfully completing the PBI. In the event DOE does not make a determination, the contractor's request shall be deemed denied. In the event DOE does make an affirmative determination, DOE may, in its sole discretion, replace the PBI or remove and restructure the fee proportionally. DOE's decision to grant or deny the contractor's request is final and shall not be subject to reconsideration, dispute, claim or any other challenge by the contractor in any forum. In the event the contractor does not successfully complete the replacement PBI, the award fee associated with the replacement PBI shall not be available in this or any other award fee period.

f. **Termination for Convenience**

In the event that the contract is terminated for the convenience of the Government (Clause I.108), the remaining award fee payable for the current period may be available for equitable adjustment in accordance with the termination clause of the contract. The remaining out year(s) fee for all periods after the termination shall not be considered earned and therefore shall not be paid.

g. **Termination for Default**

In the event the contract is terminated for default, the remaining award fee payable for the current period shall not be considered earned and therefore shall not be paid. The remaining fee for all periods, after termination, shall not be considered earned and therefore shall not be paid.

PART II – AWARD FEE PLAN/CURRENT YEAR - UPDATED

1. FEE SUMMARY FOR FY-13

a. **Award Fee Amount:** FY-13 award fee period includes 12 months of performance and the award fee pool is **\$6,704,472** (CLIN 0002). This fee will be evaluated using a combination of objective PBIs and two subjective Category of Performance evaluation factors. The PBI's represent seventy (70%) of the fee and the Subjective CP represents 30% of the fee.

b. **Objective PBI/Subjective CP Split**

Seventy percent (70%) of the available FY-13 fee (**\$4,693,130**) will be evaluated using PBIs, **Component 2**. The PBI Fee amounts were determined based on DOE analysis of project costs and importance to the D&D project.

The remaining thirty percent (30%) or **\$2,011,342** of the award fee will be based on the aforementioned **Component 3**, Subjective Category of Performance evaluation factors (Exhibit 3).

Super PBIs may be completed during the period and fee paid based on completion; however, the fee is identified in Table 5 herein and Section J, Attachment 6 of the contract.

c. **Total Completion:** Completion of the PBI requires total activity completion as defined herein to earn fee; however, to better incentivize the contractor toward exceptional performance, some PBIs allow fee to be earned on a sliding scale whereas, partial fee may be earned for partial performance as defined in the PBI. For example, PBI #1 requires completion of 40 cells to earn 75% of fee but additional fee, on a sliding scale may be earned for each additional cell completed up to 100% of fee for 50 complete cells.

d. **WBS Accounting and Funding:** PBIs shall be accomplished within the approved funding and shall be charged against the appropriate WBS. In the event a PBI is accomplished that was not associated with work in the AWP, the contractor shall only be entitled to earn the corresponding fee if there is no additional funding required for the work associated with this PBI and all other work under the AWP. In no event shall the contractor be entitled to a Request for Equitable Adjustment (REA) for cost overruns based on the contractors completion of the work associated with the PBI.

e. **PBI Development:** DOE reviewed the contractor's submitted FY-13 Annual Work Plan delivered June 15, 2012, in addition to the contractor's proposed PBIs in developing the FY-13 award fee schedule. The objective PBI criteria for FY-13, Period 3 of the Base Period of Performance and the corresponding award fee amount is identified in Table 8, (below).

2. FY-13 PBIs

Table 8, PBI Criteria

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
1	Cut, cap, and remove Process Gas Equipment (PGE) from X-326	EM.PO.04.01.03 X-326 Process Building	30-Sep-13	\$2,200,000	<p>Cut, cap, & remove off the cell floor process gas equipment, from X-326.</p> <p>Fee allocated as follows:</p> <p>40 complete cells for 75% of fee; additional 2% for each complete cell up to 45 cells for 85% of fee; additional 3% for each complete cell from up to 50 cells for 100% of fee.</p> <p>One cell of process gas equipment equals 12 converters, 12 coolers, 12 compressors & related cell process gas piping, instrument lines, x-joints & control valves.</p> <p>Allowing for D&D efficiencies and the rolling wave approach, cell completion calculations may be based on an equivalency of work using the following percentages:</p> <p>Cut and Cap:</p> <ul style="list-style-type: none"> - 12 Converters = 27% - 12 Compressors = 18% - 12 Coolers = 9% <p>Removal from Cell Floor:</p> <ul style="list-style-type: none"> - 12 Converters = 9% - 12 Compressors = 6% - 12 Coolers = 3% <p>Additional removal activities (per cell):</p> <ul style="list-style-type: none"> - Cell Preparation = 6% - Cut & stage PG piping = 22% (including all instrument lines, x-joints & control valves)

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
1	Cut, cap, and remove Process Gas Equipment (PGE) from X-326 (CONTINUED)	EM.PO.04.01.03 X-326 Process Building			<p>To meet 100% completion of one (1) cell, the contractor shall perform cut and cap and removal work on the various components equal to an equivalent of a cell or 100% of credit per cell. For example, two converters from two different cells may be removed to equal $(2 \times 0.27) / 12$ or 4.5% of an equivalent cell removal.</p> <p>Verification Note¹</p>
2	Ship PGE from X-326	EM.PO.05.01.02 Waste Management	30-Sep-13	\$700,000	<p>Package & ship off-site process gas equipment from X-326 in accordance with the Nevada National Security Site (NNSS) Waste Acceptance Criteria (WAC) & performed meeting Quality System (QS) for Non-Destructive Assay (NDA) requirements.</p> <p>Fee allocated as follows: 25 complete cells for 50% of fee; additional 2.5% of fee for each complete cell shipped up to 45 cells for 100% of fee.</p> <p>One cell of process gas equipment equals 12 converters, 12 coolers, 12 compressors & related cell process gas piping, instrument lines, x-joints & control valves.</p> <p>Allowing for D&D efficiencies and the rolling wave approach, cell completion calculations may be based on an equivalency shipment using the following percentages:</p> <ul style="list-style-type: none"> - 12 Converters = 35% - 12 Compressors = 20% - 12 Coolers = 10% - All PGE piping = 25% - All PGE Instrument line, x-joint & control valves = 10%

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
2	Ship PGE from X-326 (CONTINUED)	EM.PO.05.01.02 Waste Management			To meet 100% shipment completion of one (1) cell, the contractor shall package and ship the various components equal to an equivalent of a cell or 100% of credit per cell. For example, two converters from two different cells may be shipped to equal $(2 * 0.35) / 12$ or 5.83% of an equivalent cell shipment. Verification Note ¹
3	Downgrading Plan X-326, X-330 & X-333	EM.PO.01.03.13 Nuclear Safety & Engineering	30-Aug-13	\$50,000	Submit to DOE a comprehensive plan for downgrading the X-326, X-330 & X-333 Process Buildings from Hazard Category II to meet the Radiological facility requirements per DOE Standard 1027 through reduction of inventory. Verification Note ¹
4	Recycle/reuse of mixed scrap metal & transformers	EM.PO.05.01.06 Asset Recovery & Recycling	30-Sep-13	\$75,000	Complete recycle/reuse of mixed scrap metal & 6/8 megavolt-ampere (MVA) former polychlorinated biphenyl (PCB) transformers from the operating floor of the X-333 facility. Fee allocated for scrap metal is as follows: <ul style="list-style-type: none"> - $\geq 450,000$ lbs. scrap metal for 30%; or - $\geq 500,000$ lbs. scrap metal 35% Fee allocated for transformers is as follows: <ul style="list-style-type: none"> - 80 transformers for 55% of fee; or - 100 transformers for 65% of fee The weight of the transformers shall not be counted toward the weight of scrap metal for recycle/reuse. Verification Note ¹

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
5	D2 Waste Disposition Record of Decision (ROD)	EM.PO.01.03.12 Environmental Protection	12-Apr-13	\$50,000	Prepare & submit D2 of Waste Disposition ROD, including Responsiveness Summary to DOE ready for submission to the Ohio Environmental Protection Agency (OEPA). Verification Note ² & Definition Note
6	D2 Process Building ROD	EM.PO.01.03.12 Environmental Protection	22-May-13	\$50,000	Prepare & submit D2 of Process Building ROD including Responsiveness Summary to DOE ready for submission to the OEPA. Verification Note ² & Definition Note ¹
7	Reduce DOE Services & Infrastructure Support Costs	EM.PO.01.03.06 Government Furnished Services & Infrastructure	30-Sep-13	\$250,000	Reduce DOE Services & Infrastructure Support annualized costs. Using the Fiscal Year (FY) 12 Government Furnished Services & Items (GFS&I) actual costs (costs TBD by DOE at end of period) as the basis for the WBS's listed below, reduce the FY-13 cumulative GFS&I annual costs. Fee allocated as follows: $\geq 5\%$ for 75% of fee; or $\geq 10\%$ for 100% of fee. 1) 01.03.06.01.06 Sanitary Water, 2) 01.03.06.01.07 Sanitary Sewage, 3) 01.03.06.01.08 Recirculating Cooling Water, 4) 01.03.06.01.09 Plant Dry Air, 5) 01.03.06.01.10 Nitrogen System, 6) 01.03.06.01.11 Steam*, 7) 01.03.06.01.12 Electric Power Distribution, 8) 01.03.06.01.13 Laundry, & 9) 01.03.06.01.15 PSS. * Due to replacement of the X-600 Steam Plant Facility, the basis for 01.03.06.01.11 will be the approved FY-13 Annual Work Plan Verification Note ¹

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
8	X-550 Facility Construction	EM.PO.01.03.06 Government Furnished Services & Infrastructure	28-Jun-13	\$150,000	<p>Complete X-550 facility construction including equipment installation & component testing; ready for operation (excluding final tie-ins at the load).</p> <p>Fee allocated as follows: 75% based upon meeting the completion date; or 100% based upon completion 30 days prior (May 29, 2013) to the completion date.</p> <p>Verification Note¹</p>
9	X-608A Facility Water Line Bypass	EM.PO.01.03.06 Government Furnished Services & Infrastructure	28-Jun-13	\$50,000	<p>Complete the X-608A water line bypass including electrical isolation of Well 4 & segregation of the associated water line.</p> <p>Verification Note¹</p>
10	Reduce Program Management Costs	EM.PO.01.03.10 Project Management	30-Sep-13	\$150,000	<p>Reduce Program Management annualized costs. Using the FY-12 Program Management actual costs (costs TBD by DOE at end of period) as the basis, reduce the FY-13 cumulative Program Management cost for EM.PO.01.03.10.</p> <p>Fee allocated as follows: ≥5% & <10% for 75% of fee; or ≥10% for 100 % of fee.</p> <p>Verification Note³</p>

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
11	D2 Gaseous Diffusion Plant (GDP) Historic Preservation Report	EM.PO.01.03.12 Environmental Protection	30 Apr 13	\$50,000	<p>Develop, submit and achieve approval for D2 GDP Comprehensive Summary of Cultural Resources Work Completed in accordance with National Historic Preservation Act (NHPA) requirements. The D2 submittal shall support the site Comprehensive Environmental Response, Compensation, & Liability Act (CERCLA) / Resource Conservation & Recovery Act (RCRA) requirement for completion of archaeological surveys.</p> <p>This is not the Historic Context Report Verification Note² & Definition Note¹</p>
12	Removal of the X-600 facilities complex	EM.PO.04.02.01 Balance of Plant (BOP)/Other Facilities	30-Sep-13	\$243,130	<p>Complete above grade demolition & waste disposition of the X-600, X-600B, & X-600C facilities, including cleanup & asset recovery of the coal pile area.</p> <p>Verification Note¹</p>
13	Removal of the X-102 & X-106 facilities	EM.PO.04.02.01 Balance of Plant (BOP)/Other Facilities	30-Sep-13	\$100,000	<p>Complete above grade demolition & waste disposition of the X-102 & X-106 facilities.</p> <p>Fee allocated as follows: 75% based upon meeting the completion date; or 100% based upon completion 31 days prior (Aug 31, 2013) to the completion date.</p> <p>Verification Note¹</p>
14	Removal of X-624-1 & X-744S facilities	EM.PO.04.02.01 Balance of Plant (BOP)/Other Facilities	30-Sep-13	\$100,000	<p>Complete above grade demolition & waste disposition of the X-624-1 & X-744S facilities.</p> <p>Fee allocated as follows: 75% based upon meeting the completion date; or 100% based upon completion 31 days prior (Aug 31, 2013) to the completion date.</p> <p>Verification Note¹</p>

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
15	Installation of the 13.8kV Distribution Project	EM.PO.01.03.06 Government Furnished Services & Infrastructure	30-Sep-13	\$100,000	Complete Installation of the 13.8kV distribution project (Site-wide) including installation of remaining cable trays, support structures, "hipot" testing & cable termination. Verification Note ¹
16	Transfer operations from X-7721	EM.PO.01.03.10 Project Management	30-Sep-13	\$75,000	Transfer DOE operations to include materials and personnel, from the X-7721 facility to fully transfer the building to the tenant on-site contractor. Verification Note ¹
17	Submit Critical Decision (CD) documents	EM.PO.01.03.06 Government Furnished Services & Infrastructure	31-Dec-12	\$50,000	Prepare & submit CD-2 & CD-3 documents for the X-5500 switchyard in accordance with DOE Order 413.3B. Verification Note ²
18	Complete material disposition from X-744G	EM.PO.05.01.02 Waste Management	30-Sep-13	\$50,000	Complete disposition and offsite shipment of 200 MTU from the X-774G. This shall include materials from the following: 1) Lots 3B, 3C1, 13A, 15C, 18 and 19; and/or 2) Lot 14; and/or 3) Lot 4A; and/or 4) Other materials as approved by DOE. Verification Note ¹

No.	Milestone	WBS Number/ Description	Completion Date	Amount	Work Scope & Completion Criteria
19	Complete cylinder processing from thin wall to thick wall	EM.PO.05.02.01 Site Uranium Inventory	30-Sep-13	\$200,000	The contractor shall complete processing of cylinders from thin wall to thick wall. 275 cylinders for 75 % of fee; or 300 cylinders for 100% of fee. Verification Note ¹
			Total	\$4,693,130	

Verification Note¹ - Verification of completion shall be accomplished by DOE through Portsmouth Site Technical Lead/FBP Project Manager (PM) site walk around with actual visual field observations/inspections followed by written contractor documentation (shipping manifest, acceptance/test reports, statement and proof of completion, etc.) and acceptance by DOE of work completion.

Verification Note² - Verification of completion shall be accomplished by DOE after the contractor resolves all comments, and through DOE visual review and verification the document is written such that it may be (a) submitted to the regulator or (b) used for the intended purpose

Verification Note³ - Verification of completion of PBI #7 and #10 require a calculation of total reduction against the basis. The basis is defined in the PBI (or will be defined after year-end total costs FY12 are determined by DOE). The cumulative reduction is defined as the aggregate cost reduction. This shall be calculated by taking the total costs of all the WBS elements at the end of FY-13 and subtracting the costs from the end of FY-12 (multiply by 100) to see the total percent reduction. Percentages between levels fall to the previous level.

Definition Note¹: D1 is defined as a document reviewed by DOE with all site comments resolved and incorporated by the contractor and the document is ready for submission to the applicable regulator for approval D2 is defined as a document reviewed by DOE with all regulator comments on the D1 version incorporated and ready for submission again to the applicable regulator for approval.

PERFORMANCE EVALUATION BOARD MEMBERS AND ADVISORS

Fee Determining Official:

Manager, PPPO Lexington

William E. Murphie

Following are PEB members and advisors:

Portsmouth Site Director (Chairperson)¹
Deputy Manager, PPPO Lexington
Procurement Director, PPPO Lexington

Vince Adams
Rachel Blumenfeld, Acting
Pamela Thompson

*Contracting Officer
*Contract Specialist
*Attorney Advisor

R. J. Bell
Marcella Wolfe
Bert Gawthorp

* Technical Lead
Project Team Evaluators

Joel B. Bradburne
M. Judson Lilly
Cid Voth
Kristi Wiehle
Amy Lawson
Matt Vick
Dick Mayer
Greg Simonton
Tom Hines
Gary Bumgardner
Mark Allen
James Woods
Russell McCallister

*Advisors to PEB - Non-Voting Participants

¹ The PEB Chairperson may add, remove or replace PTEs throughout the contract period of performance, as appropriate.

Component 3 – Category of Performance (Subjective Quality Evaluation Factors)

<u>AWARD FEE RATING TABLE</u>		
<u>ADJECTIVE RATING</u>		<u>DEFINITION</u>
EXCELLENT	91%-100%	Contractor has exceeded all or almost all of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the contract and the award fee plan for the award fee evaluation period.
VERY GOOD	76%-90%	Contractor has exceeded many of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the contract and the award fee plan for the award fee evaluation period.
GOOD	51%-75%	Contractor has exceeded some of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the contract and the award fee plan for the award fee evaluation period.
SATISFACTORY	No Greater Than 50%*	Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the contract and the award fee plan for the award fee evaluation period.
UNSATISFACTORY	0%*	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the contract and the award fee plan for the award fee evaluation period.

*NOTE: For those elements receiving a score of 50 or below, no fee will be earned. Any unearned fee will be forfeited and not available in subsequent evaluation periods.

Component 3 – Category of Performance (Subjective Quality Evaluation Factors)

AWARD FEE CONVERSION CHART		
ADJECTIVE RATING	EVALUATION POINTS (OVERALL WEIGHTED RESULT)	POSSIBLE PERCENTAGE OF AWARD FEE EARNED
EXCELLENT	23-25	91 to 100%
VERY GOOD	19-22	76 to 90%
GOOD	14-18	51 to 75%
SATISFACTORY	8-13	No Greater Than 50%
UNSATISFACTORY	0-7	0%

CATEGORY OF PERFORMANCE (CP)	Relative Weightings of Fee by CP
1. Quality and Effectiveness Performing the DOE Mission and D&D to include Project Management	60%
2. Quality and Effectiveness in Performing ESH&Q & Regulatory	40%

Subjective Award Fee Calculation Methodology:

1. PTE assigns rating (0-25) for each Category of Performance
2. Multiply weighting percentage to each CP to arrive at weighted result.
3. Add weighted results together to arrive at overall weighted result.

Example: PTE Ratings-

1. Quality and Effectiveness in Performing the DOE Mission and D&D = 23
2. Quality and Effectiveness in Performing ESH&Q and Regulatory = 22

Weighted Result: $(23 \times 60\%) + (22 \times 40\%) = 22.6$ or 23

Adjective rating (Award Fee Conversion Chart) = Excellent

Rounding Rule: .5 and above is rounded up to the next whole number.

FDO Decision

The earned award fee amount indicated by the use of a conversion table or graph is a guide to the FDO. Use of the Award Fee Conversion Chart does not remove the element of judgment from the award fee process.

RATING CRITERIA					
COMPONENT 3 – Category of Performance (Subjective Quality Evaluation Factors)					
(FY13-Period 3)	RATING (PTE documents strengths/weaknesses –Technical Lead Recommends Rating)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
Performance of DOE Mission and D&D to include Project Management pursuant to DE-AC30-10CC40017 (60%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
<p>A. DOE Mission: Demonstrated ability to perform the overall DOE Mission with little or no Government intervention and maximum effective communication with DOE and interested parties. The contractor will be evaluated on their ability to accomplish the following. (1) Perform services across the PORTS Site; coordinating and integrating resources, activities, and interfaces; and maintaining relationships with DOE, customers, and stakeholders based on open, honest, and effective communication, (2) Provide leadership to improve management effectiveness, collaborate and participate proactively with customers, value workers, and provide a supportive environment, (3) Communicate activities and resolve issues at the lowest and most appropriate level, including site contractors and within and between State and Federal Government entities, (4) Work with DOE in a spirit of cooperation during the negotiation process, including submission of requests for additional data, timely counteroffers, and conveying</p>					

Performance of DOE Mission and D&D including Project Management pursuant to Contract # DE-AC30-10CC40017 (60%)
(Continued)

a positive and professional attitude to achieve fair and timely settlement of change order proposals or requests for equitable adjustment; (5) Submit (within 60 days or as authorized by the Contracting Officer), complete proposals, including change order proposals, or requests for equitable adjustment proposals that meet all FAR requirements, including compliance with the formatting requirements in FAR 15.408, Table 15-2; (6) Effectively perform and report, as required, subcontractor management, including tracking activities and schedules and timely negotiation and awarding of subcontracts; (7) Perform work authorizations for DOE and site contractors and resolve all issues with little or no Government intervention; (8) Integrate activities and cooperate with all site contractors including problem identification and corrective action plans; (9) Submit documents allowing time for sufficient DOE review; (10) Develop and submit documents, properly identified, suitable for the intended purpose with little or no Government feedback or rewrite required; (11) Track and document field work with before and after pictures with the most advantageous planning and detail; (12) Perform cost/benefit analysis as required for optimal decision making; (13) Comply with federal and departmental acquisition regulations, procedures, and guidance; (14) Ensure timely completion of workforce labor agreements.

**Performance of DOE Mission and D&D including Project Management pursuant to Contract # DE-AC30-10CC40017 (60%)
(Continued)**

B. D&D and Project Management:

Ability to timely and effectively complete D&D of facilities (C.2.3) including project planning, integration and interface (C.2.7.1). Evaluation will include contractor's efforts toward completing additional cell work (cut, cap, move to cell floor & ship) in X-326 over and above the stated objective requirements.

*A cumulative Schedule Performance Indicator (SPI) and Cost Performance Indicator (CPI) of $\geq .90$ for cumulative work in each of the PWS paragraphs (C.2.3 and C.2.7.1) is required to receive an "excellent" rating.

Methods of Surveillance/Assessment:

1. The contractor may submit a self-assessment within five working days before the end of the current six (6) month interval and/or annual evaluation periods. This self-assessment shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period by paragraph by listing and describing specific occurrences, work processes, and/or accomplishments. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies to avoid reoccurrences.
2. Any applicable stakeholder feedback (Non-DOE) available to DOE.

**Performance of DOE Mission and D&D
including Project Management pursuant to
Contract # DE-AC30-10CC40017 (60%)
(Continued)**

3. DOE's evaluation of the quality and effectiveness of the performance will include, but not be limited to:
- a. DOE Observations through PTE Assessments;
 - b. Site Technical Lead through daily Assessments

RATING CRITERIA					
COMPONENT 3 – Category of Performance (Subjective Quality Evaluation Factors)					
<i>(FY13-Period 3)</i>	RATING (PTE documents strengths/weaknesses –Technical Lead Recommends Rating)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	*EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
ESH&Q and Regulatory (40%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA: Ability to demonstrate a strong environmental, safety and quality culture including strict compliance with established environmental, safety and health regulatory requirements demonstrated by successful safety records (C.2.7.3). Ability to manage environmental remediation, waste management and nuclear material storage, disposition and accountability in accordance with (C.2.4; C.2.5; and C.2.6). <u>Methods of Surveillance/Assessment:</u> 1. The contractor may submit a self-assessment within five working days before the end of the current six (6) month interval and/or annual evaluation periods. This self-assessment shall address both the strengths and weaknesses of the Contractor’s performance during the evaluation period by paragraph by listing and describing specific occurrences, work processes, and/or accomplishments. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies to avoid reoccurrences.	NOTES ON STRENGTHS AND WEAKNESSES				

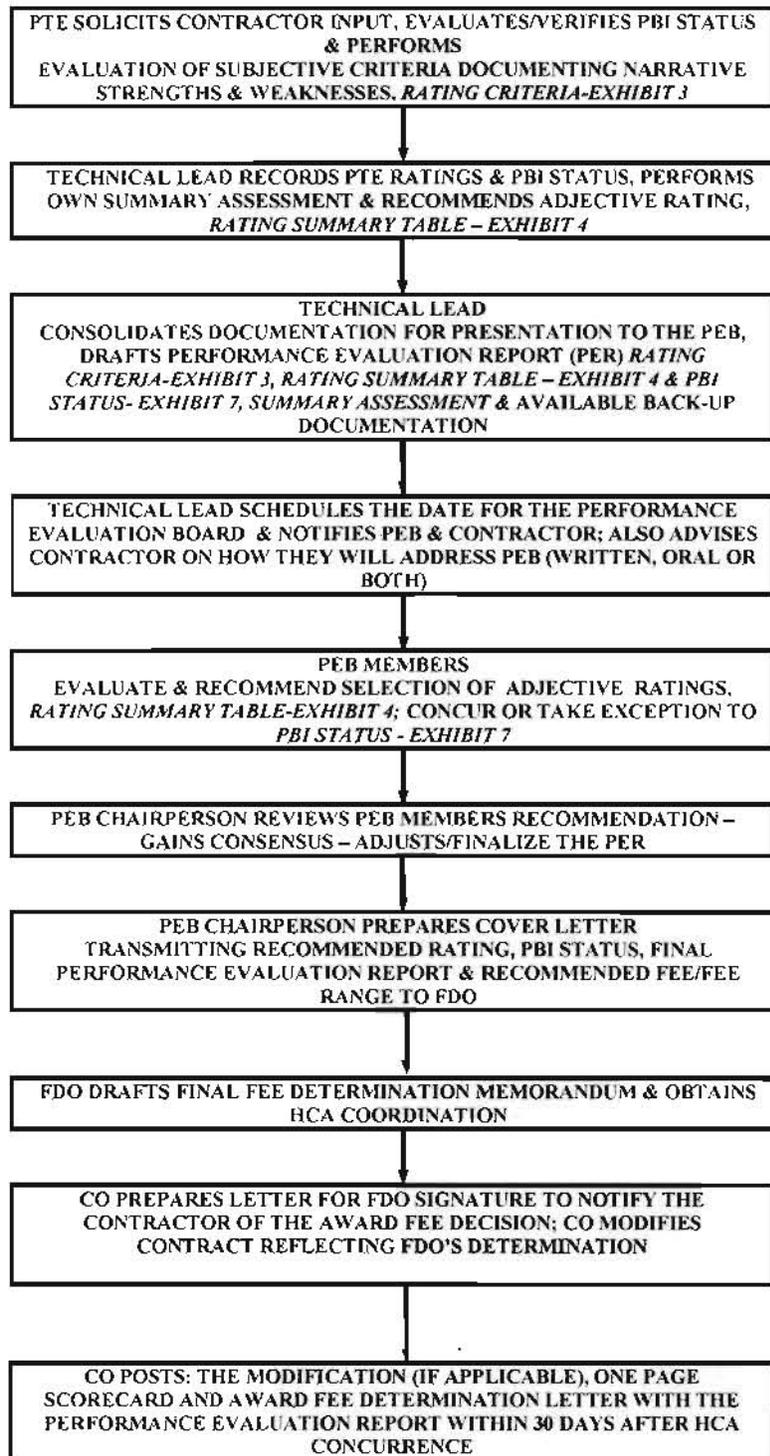
<p>ESH&Q and Regulatory (40%) (Continued)</p> <hr/> <p>2. Any applicable stakeholder feedback (Non-DOE) available to DOE.</p> <p>3. DOE's evaluation of the quality and effectiveness of the performance will include, but not be limited to:</p> <ul style="list-style-type: none">a. DOE Observations through PTE Assessments;b. Site Technical Lead through daily Assessments.	
<p>*A cumulative Schedule Performance Indicator (SPI) and Cost Performance Indicator (CPI) of $\geq .90$ for cumulative work in each of the four PWS paragraphs (C.2.7.3, C.2.4, C.2.5 and C.2.6) is required to receive an "excellent" rating.</p>	

<u>RATING SUMMARY TABLE</u>		
<u>PTE RATINGS</u>		
(FY13-PERIOD 3)		
PTE'S CATEGORY OF PERFORMANCE RATING	Performance of DOE Mission and D&D to include Project Management (C.2.3 and C.2.7.1) pursuant to # DE-AC30-10CC40017	ESH&Q and Regulatory (C.2.7.3; C.2.4; C.2.5; and C.2.6)
<i>Instructions: Each PTE Member assigns ratings (0-25 evaluation points) for the applicable Category of Performance in the spaces below & the Technical Lead select Adjective Rating. --PTE members are <u>not</u> obligated to score each category. PTE members may designate a category as "N/A" for any category not in their experience for the period.</i>		
<i>Signature of PTE</i>		
WEIGHTED RESULTS		
<i>Signature and Rating of Site Technical Lead</i>		
Technical Lead tabulates PTE ratings in the weighted results and then provides his/her own overall rating for presentation to PEB. Include comments here and also a fully documented written summary assessment.		

<u>RATING SUMMARY TABLE</u>		
<u>PEB EVALUATION AND SELECTION OF ADJECTIVE RATINGS</u>		
(FY13-Period 3)		
	Performance of DOE Mission and D&D to include Project Management (C.2.3 and C.2.7.1) pursuant to # DE-AC30-10CC40017	ESH&Q and Regulatory (C.2.7.3; C.2.4; C.2.5; and C.2.6)
<i>PEB Member Selects Adjective Rating</i>		
<i>Signature of PEB</i>		
<i>Signature of PEB</i>		
<i>Signature of PEB</i>		
<i>Technical Lead Summarizes</i>		
<u>Chairperson Review & PEB Recommendations</u>		<u>Comments</u>
<i>Signature of PEB Chairperson</i>		
<u>FDO Review & Makes Fee Determination</u>		<u>Comments</u>
<i>Signature of FDO</i>		

ANNUAL AWARD FEE SUMMARY		
<i>(FY13-Period 3)</i>		ADJECTIVE RATING
<u>CATEGORY OF PERFORMANCE</u>	Date Semi-Annual Review Completed	Recommended Adjective Rating for the Year
Performance of DOE Mission and D&D to include Project Management (C.2.3 and C.2.7.1) pursuant to DE-AC30-10CC40017		
ESH&Q and Regulatory (C.2.7.3; C.2.4; C.2.5; and C.2.6)		

AWARD FEE EVALUATION PROCESS



PBI Completion Status

No.	Milestone	Evaluation
1	Cut, cap, and remove Process Gas Equipment (PGE) from X-326	
2	Ship PGE from X-326	
3	Downgrading Plan X-326, X-330 & X-333	
4	Recycle/reuse of mixed scrap metal & transformers	
5	D2 Waste Disposition Record of Decision (ROD)	
6	D2 Process Building ROD	
7	Reduce DOE Services and Infrastructure Support Costs	
8	X-550 Facility Construction	
9	X-608A Facility Water Line Bypass	
10	Reduce Program Management Costs	
11	D2 Gaseous Diffusion Plant (GDP) Historic Preservation Report	
12	Removal of the X-600 facilities complex	
13	Removal of the X-102 & X-106 facilities	
14	Removal of X-624-1 & X-744S facilities	
15	Installation of the 13.8kV Distribution Project	
16	Transfer operations from X-7721	
17	Submit Critical Decision (CD) documents	
18	Disposition Lot 14 materials	
19	Complete processing of cylinders from thin wall to thick wall	