

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES	
				1 21	
2. AMENDMENT/MODIFICATION NO.		3. EFFECTIVE DATE		4. REQUISITION/PURCHASE REQ. NO.	
P00080		See Block 16C			
6. ISSUED BY		CODE		5. PROJECT NO. (If applicable)	
		893032		03003	
EM-Carlsbad EMCBC U.S. Department of Energy Carlsbad Project Office P.O. Box 3090 Carlsbad NM 88221		7. ADMINISTERED BY (If other than Item 6) EMCBC - Carlsbad U.S. Department of Energy Carlsbad Project Office P.O. Box 3090 Carlsbad NM 88221			
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)		9A. AMENDMENT OF SOLICITATION NO.			
SALADO ISOLATION MINING CONTRACTORS, LLC Attn: Marty Gonzales 12011 SUNSET HILLS RD STE 110 Reston VA 201905919		(x)			
		9B. DATED (SEE ITEM 11)			
		x			
		10A. MODIFICATION OF CONTRACT/ORDER NO. 89303322DEM000077			
		10B. DATED (SEE ITEM 13)			
CODE MHKNRXGKTS6		FACILITY CODE		07/11/2022	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended. ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
See Schedule

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: with I.227 DEAR 970.5243-1 Changes (Jul 2009); and FAR 43.103 (a) Bilateral modification.
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
UEI: MHKNRXGKTS6
see page 2.
Payment:
Period of Performance: 11/08/2022 to 11/07/2026

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

15A. NAME AND TITLE OF SIGNER (Type or print) Mike Rocha - Vice President and Baseline Integration Manager		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Daniel D. Burke	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA (Signature of Contracting Officer)	16C. DATE SIGNED 09/30/2025

The purpose of this modification is to incorporate the FY26 PEMP into the contract. The contract is modified in accordance with I.227 DEAR 970.5243-1 Changes (Jul 2009) and in accordance with FAR 43.103 (a) Bilateral modification. The contract is revised as follows:

1. Section B, B.3 Transition Cost, Anticipated Funding, and Total Available Performance Fee, Table B.2 is replaced in its entirety with Modification Attachment 1 – FY26 PEMP.
2. In addition and if applicable, SIMCO may inform this office in writing of any PBIs that you determine to be unclear or subjective and provide proposed clarifying language, including a negative response, no later than October 31, 2025. Submittal of proposed clarifying language does not constitute acceptance by DOE. If necessary, conversations subsequent to the submittal may take place.

- End of Changes -

All other Contract Terms and Conditions remain unchanged and in full force and effect

**PERFORMANCE EVALUATION AND MEASUREMENT PLAN
WASTE ISOLATION PILOT PLANT (WIPP) MANAGEMENT AND OPERATING (M&O)
CONTRACT 89303322DEM000077
October 1, 2025, through September 30, 2026
Revision 0, dated XXX**

I. INTRODUCTION

This Performance Evaluation and Measurement Plan (PEMP) contains a standard process for development, administration, and coordination of all phases of the fee determination process for the WIPP M&O contract consistent with Section B.3 of the contract. This PEMP will provide the expectations for the evaluation period. Criteria are provided on how fee will be earned for the evaluation period. The WIPP M&O Contractor (hereafter referred to as the Contractor) must manage the funds allotted so that costs incurred for the work executed and the fee earned is within their authorized spending levels per year.

II. ORGANIZATIONAL STRUCTURE AND DUTIES

The following organizational structure is established for administering the fee provisions of the contract.

A. Roles and Responsibilities

1. Fee Determination Official (FDO)/Carlsbad Field Office (CBFO) Manager
 - a. The Head of Contracting Activity (HCA) has appointed the CBFO Manager as the FDO. The FDO determines the final performance fee amount earned for the evaluation period based upon all the information furnished.
 - b. The FDO will coordinate with the Contracting Officer's Representative(s) (CORs) and the Contracting Officer (CO) in the development of the PEMP; performance monitoring; performance validation; approval of minor changes to the PEMP; and performance reporting.
2. WIPP M&O Contract CO
 - a. The CO is an advisor in the development and establishment of the PEMP.
 - b. The CO will ensure appropriate coordination of performance expectations and the evaluation criteria with Headquarters (HQ) program and policy organizations. The CO will coordinate with the Environmental Management Consolidated Business Center (EMCBC) to submit the PEMP and/or the evaluation criteria for necessary HCA approval and headquarters reviews.
 - c. The CO, if required, in conjunction with the COR and Capital Asset Projects (CAP) Federal Project Director (FPD), will coordinate major changes to performance expectations and the evaluation criteria with the

HCA through the EMCBC.

- d. The CO will forward the approved PEMP, including the evaluation criteria and available fee amounts to the Contractor through a contract modification.
 - e. The CO will prepare a letter for the FDO's signature notifying the Contractor of the amount of performance fee earned by the Contractor for the evaluation period. This notification will identify specific areas of strengths and areas for improvement in the Contractor's performance.
 - f. The CO will unilaterally modify the contract to reflect the FDO's final determination of the amount of performance fee earned by the Contractor for the evaluation period. The modification, which will reflect earned and unearned fee for the evaluation period, will be issued to the Contractor within 14 calendar days after the CO receives the FDO's decision, and approval by the HCA.
3. WIPP M&O Contract COR(s) and Line-Item Capital Asset Projects (CAP) Federal Project Director (FPD)
- a. The COR(s) monitor, evaluate, assess and validate the Contractor's performance against subjective evaluation criteria.
 - b. The COR(s) perform periodic reviews of the Contractor to evaluate progress towards completion of requirements for Performance Based Incentives (PBIs).
 - c. The COR(s) support the CO and FDO by ensuring that all technical components of the work are closely monitored and that they have the information required to effectively accomplish their duties as defined by this plan.
 - d. The COR(s) focuses on all non-CAP related work scope in its entirety. The Line-Item CAP FPD focuses on Line-Item CAP related work scope. The COR functions as the technical interface with the Contractor regarding performance on non-Line-Item CAP related work scope. The Line-Item CAP FPD supports the COR(s) in interfacing with the Contractor regarding performance of Line-Item CAP related work scope, as needed.
 - e. The COR is responsible for preparing the annual performance evaluation report and associated scorecard based on the recommendations of the Award Fee Evaluation Board.
 - f. The COR(s) and FDO review and comment on the Technical Monitor's PBI evaluations.
4. Technical Monitors (TM)
- a. Monitor, evaluate, assess and validate the Contractor's performance

against the criteria in the PEMP for their respective sections.

- b. The Technical Monitors will provide input to the COR to support his/her overall evaluation of the Contractor's performance and PBIs for which they are responsible.
- c. TMs may include, but are not limited to, the following:

Technical Monitors
NTP Certification Division Director
NTP Operations Division Director
Site Operations and Infrastructure Division Director
Safety Programs Division Director
Safety Systems Oversight Division Director
Quality Assurance Division Director
Facility Oversight Division Director
Environmental Regulatory Compliance Division Director
Budgets and Contracts Division Director
Information Technology Division Director

III. PEMP DEVELOPMENT PROCESS

While PEMP incentives may be unilaterally developed by the U.S. Department of Energy (DOE), a teaming approach between the DOE and the Contractor provides significant benefits. When incentives are developed jointly, performance expectations are better understood by the parties and tend to focus more on substantive outcomes. A teaming approach enhances communication and partnering between and among the parties, which results in greater trust, openness, alignment, understanding of expectations, and cooperation for achieving the DOE's goals and objectives. However, DOE reserves the right to issue the PEMP unilaterally consistent with the contract.

Changes to the allocation of fee during the performance period should not be made to benefit or penalize the Contractor and the fee amounts should not be modified unless there are budget modifications (in accordance with Section B.3, *Transition Cost, Anticipated Funding, and Total Available Performance Fee*, of the contract). This includes when actions fall out of the control of the Contractor and DOE cannot provide sufficient alternatives by allocating the fee to another PBI. At the discretion of DOE, if a PBI is cancelled or modified, any fee associated with that PBI may be allocated to another PBI(s). However, unearned fee shall not be rolled over. This does not obligate DOE to compensate the Contractor for partially completed PBIs but will encourage the FDO to consider events outside the control of the Contractor when making fee determinations.

Approval by the CBFO Manager and the DOE Office of Management (through the Head of Contracting Activity), with concurrence from the COR and CO are required for any changes to the PEMP, other than administrative changes.

The amount of fee earned by the Contractor is within the sole discretion of the FDO.

IV. EVALUATION CRITERIA

The performance fee amount will consist of 1) a subjective fee component and 2) an

objective fee component. All available fee is at risk. Performance evaluation will be conducted in accordance with H.23, *Standards of Contractor Performance Evaluation*, of the contract.

A. Subjective Criteria: Award Fee Criteria

Subjective criteria have been established that include Quality, Schedule, Cost Control, Management, and Regulatory Compliance. DOE may consider other related performance information and data when evaluating the Contractor's performance for the subjective portion of the fee. Safety is inherent to performance of work at all DOE facilities and adherence to safe and compliant execution of work scope is a key component under the evaluation of all the subjective criteria.

Areas for consideration within an evaluation criterion are not sub-criteria and will not be individually rated but considered in the overall evaluation for that particular evaluation criterion.

The total fee available for the Subjective Criteria is 40% of the Total Available Fee. The maximum fee available for each of the following five subjective criteria is specified below next to each criterion as a percentage of the total fee available for the award fee (subjective) criteria.

Attachment 1, Adjectival Ratings, provides the adjectival ratings, and their definitions used in the evaluation of the award fee (subjective) criteria. Attachment 2, Subjective Criteria, provides example factors that will be taken into consideration for evaluation.

1. Quality (20%)
2. Schedule (20%)
3. Cost Control (25%)
4. Management (20%)
5. Regulatory Compliance (15%)

These five (5) award fee (subjective) criteria are aligned with the evaluation categories in the Contractor Performance Assessment and Reporting System (CPARS). However, Small Business Subcontracting is established as a separate evaluation criterion in CPARS. Subcontracting evaluation criteria are captured within the Management award fee criteria in this PEMP.

B. Objective Criteria: Performance Based Incentives (PBIs):

PBIs are an objectively measurable evaluation of Contractor performance. In most cases, PBIs will be evaluated based on quantifiable measurements in the form of a metric (e.g., a unit processing rate) or a milestone (e.g., completion of a task on or before a specific date).

PBIs have specified fee allocated and are payable upon full completion of identified levels of work accomplished. All PBIs, whether completed or not, will be measured and evaluated at the end of each fiscal year (in the same timeframe as the subjective criteria). Payment for fully completed PBI sub-sections (e.g., 3.1.A, but not 3.1.A.I) may be requested. While the Contractor may request early evaluation of PBIs upon full completion prior to the end of the fiscal year, early evaluations are not final until the end

of year evaluation is complete. All fee remains provisional per Section B.5 of the contract until the end of the year evaluation is complete and the FDO has made a final decision. The total fee available for the PBIs is targeted at 60% of the Total Available Fee.

C. Fee Pool Distribution:

	Total Fee Available (Section B)	Award Fee (40%) Allocation	PBI (60%) Allocation
Base Work (Operations and Maintenance)	\$12,656,648	\$5,062,659	\$7,593,989
Utility Shaft (US) CAP	\$170,000	\$68,000	\$102,000
Hoisting CAP	\$170,000	\$68,000	\$102,000
Total	\$12,996,648	\$5,198,659	\$7,797,989

PBI	PBI Category	PBI (60%) Allocation (\$)	PBI Roll-up	PBI Title	Incentive Fee (\$)
1	Operations and Maintenance	\$5,563,989	1.1	TRU Waste Disposition	\$4,613,989
			1.2	CH Program Certification	\$100,000
			1.3	SCA Procurement	\$850,000
2	Capital Asset Projects	\$204,000	2.1	Utility Shaft Closeout	\$102,000
			2.2	Hoisting Capability	\$102,000
3	Infrastructure	\$2,030,000	3.1	Information Technology	\$190,000
			3.2	Upgrade Shipping Equipment	\$100,000
			3.3	Increase Overpack Efficiency	\$100,000
			3.4	Site Data Center CMR CMS HVAC System	\$200,000
			3.5	Liner Replacement	\$1,050,000
			3.6	Surface and Underground Safety and Cost Effectiveness	\$390,000

V. PERFORMANCE EVALUATION

Monitoring and Evaluation of Performance

DOE will monitor Contractor performance against the established subjective evaluation criteria throughout the evaluation period. Attachment 1 provides the adjectival ratings

used by DOE. Attachment 2 contains the five subjective evaluation categories and the types of performance related information that the TMs are to consider as part of their evaluation.

To encourage continuance of positive performance and to identify performance issues early so they can be remedied, performance feedback to the Contractor will be provided quarterly throughout the year.

Within seven calendar days after the end of each quarter, the Contractor may submit a self-assessment for consideration by CBFO except for the Year End self-assessment which is due in accordance with deliverable #138 of Section J, Attachment J-6, *Contract Deliverables List*, which is due by October 10 of each year. All self-assessments that are submitted for consideration shall not exceed two pages per subjective criteria (10 pages total). Any self-assessment received after the due date may not be considered in CBFO's evaluation. The Contractor is, however, required to comply with the self-assessment requirements of Section H.23, *Standards of Contractor Performance Evaluation*, of the contract.

In addition to providing evidence of completion or partial completion of the PBIs, the Contractor may submit a summary of its evaluation against each of the PBIs for which the Contractor requests payment. This summary shall not exceed five pages in total per PBI, and shall include both fully and partially completed PBIs, including the estimated percentage completed (along with rationale) and the reason the PBIs were not completed as defined in the PEMP.

VI. FEE DETERMINATION

A. Notification of Completing PBI Milestones

The Contractor shall notify the CO and the COR after completion of a PBI in writing and shall make available sufficient information for DOE to confirm the successful completion of the PBI. Notification of completions (including demonstration of completion – e.g., documentation or physical verification, photos, etc.) by e-mail or delivery of physical documents may be submitted at any time after completion. All notifications must be submitted no later than October 15th of each year to be considered in that year's fee determination. Requests for fee award based on partial completion of PBIs prior to the end of the evaluation period (each FY) will not be considered, unless specifically allowed in the PBI description. DOE's fee determination regarding completed PBIs throughout the evaluation period remains provisional until the final fee determination is made by the FDO at the end of the evaluation period. The fee determination for subjective (award fee) and objective (PBI) criteria becomes final at the end of the rating period, unless noted otherwise.

B. Circumstances Outside of the Contractor's Control

For any of the PBIs described in Attachment 3, the Contractor may request payment of fee for missed metric/milestone(s) due to actions by DOE impacting Contractor performance or due to circumstances that are not reasonably the responsibility of the Contractor for consideration by the FDO. Failure to properly plan for, notify CBFO in a timely manner of issues, and manage project risks is not a circumstance outside of the Contractor's control. The Contractor should ensure proper posture

was taken to prevent delays. As an alternative to payment of fee within an annual performance period, the FDO may extend the completion dates and defer decision until the PBI is complete (with concurrence from the CO in alignment with the contract). DOE is not obligated to either pay fee or extend the performance period upon request by the Contractor, but may, at the FDO's sole discretion, do so in the interests of fairness.

C. CBFO Award Fee Evaluation Board

The CBFO Evaluation Board will consist of the following voting members:

CBFO Deputy Manager, or Manager's designee – Chairperson
Office of Environment, Safety, Health, & Quality Assurance (QA) Assistant Manager
Office of NTP Waste & Certification & Disposal Assistant Manager
Office of Business Operations Director
Line-Item Capital Asset Projects Federal Project Director(s)

The following individuals will serve in an advisory capacity:

WIPP M&O Contracting Officer
WIPP Legal Counsel
WIPP M&O COR(s)
WIPP Chief of Staff

The COR(s) will be responsible for the following:

1. Write the end of Period of Performance (POP) evaluations in the Performance Evaluation Report (PER) with Board/Manager scoring
2. Gather Award fee narrative summary sheets of quarterly performance evaluations in coordination with TMs and CAP FPD for each subjective category (No scores/rating) for final PER
3. Gather completed summary sheets of Performance Based Incentives (PBIs) evaluations from the TMs
4. Provide concurrence/non-concurrence of PBI evaluations by the TMs, and forward to the FDO.
5. Receive and review all Contractor provided self-assessments.
6. Providing a short presentation to the board, if requested.

D. Minimal Performance Expectation

If the Contractor receives a rating of "Unsatisfactory" for any of the five subjective fee criteria, then the total maximum fee the Contractor can earn is 50% of the available award fee (subjective), as determined by the FDO.

In accordance with FAR 16.401, award fee shall not be earned if the Contractor's overall cost, schedule, and technical performance, in the aggregate, is below satisfactory.

In addition, using overtime for the primary purpose of achieving PBIs is not allowed unless justified by the Contractor and approved by the Contracting Officer. The justification must demonstrate how the overtime payment for PBIs benefits the

government when there is already fee established for the work based on the importance of the PBIs. The benefits can be expressed in terms of reduced fee for allowing overtime, direct cost savings it will generate in future work, etc.

E. FDO Determination

The FDO, with input from the CBFO Evaluation Board, will determine the amount of overall fee earned (subjective and objective). This determination is purely discretionary and is based solely on the judgment of the FDO. If PBI 1.1 and/or 1.3.B is not 100% complete, it is within the FDO's discretion to award partial fee. If the FDO decides to award partial fee for an incomplete PBI, based on demonstrated progress towards completion of the specified deliverable or objective, there is no obligation to act similarly for other incomplete PBIs. There is no minimum or partial PBI fee that must be awarded.

F. Unearned Fee

Fee that is not earned due to nonperformance of the PBI requirements or under the subjective criteria, as set forth in the PEMP, shall not be returned to the fee pool, and shall be forfeited. DOE will re-distribute unearned fee to specified projects work as cost dollars and the Contractor will not be able to earn fee on that additional scope.

Attachment 1 – ADJECTIVAL RATINGS

For evaluating each subjective criterion (i.e. Quality, Schedule, Cost Control, Management, and Regulatory Compliance), the following adjectival ratings will be used:

EXCELLENT	Contractor has exceeded 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 award-fee plan for the award-fee evaluation period.
VERY GOOD	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 award-fee plan for the award-fee evaluation period.
GOOD	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 award-fee plan for the award-fee evaluation period.
SATISFACTORY	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 award-fee plan for the award-fee evaluation period.
UNSATISFACTORY	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 award-fee plan for the award-fee evaluation period.

The following is applied to the final adjectival rating(s) for the subjective evaluation criteria:

Adjective Rating	Percentage of Subjective Component Fee Earned
EXCELLENT	91 to 100%
VERY GOOD	76 to 90%
GOOD	51 to 75%
SATISFACTORY	No greater than 50%
UNSATISFACTORY	0%

Attachment 2 - SUBJECTIVE CRITERIA

Quality of Products and Services (20%)

The following items are examples of what will be considered for evaluation, but are not all-inclusive:

- Quality of Products – The Contractor delivers products of high quality consistent with applicable requirements.
- Quality of Services – The Contractor delivers services of high quality consistent with the contract and promulgated requirements.
- The Contractor conforms to contract requirements, specifications and standards of good workmanship.
- The Contractor meets program/project quality objectives such as producibility, reliability, and maintainability.
- QA Program – The Contractor maintains and implements an effective Quality Assurance program, with emphasis on Nuclear Quality Assurance (NQA)-1. SIMCO ensures compliance with and implementation of the prime contract requirements. The Contractor's implementing policies, plans, and procedures are clear and effective.
- Assessments – The Contractor's QA program effectively tracks assessment results and Non-Conformance Reports/Corrective Action Reports (NCR/CAR) within the Central Characterization Program (CCP) program and the following high-risk functional areas at the WIPP site: Configuration Management, Training Programs, Conduct of Operations, Maintenance, Design Control, Contractor Assurance Systems, and Waste Handling. Assessment results and timeliness are improved, or robust causal analysis and lessons learned implemented for degradations.
- Contractor Assurance System (CAS) – The Contractor demonstrates that CAS Performance Indicators are improving, and the CAS is effective. CAS effectiveness evaluation will also include other oversight tools available, e.g., PEMP, Correspondences (Quality, tracking, follow-up, etc.) based on areas of risk.
- Demonstrated improvement in the quality of the FIMS data

Schedule (20%)

The following items are examples of what will be considered for evaluation, but are not all-inclusive:

- Timeliness of the Contractor against the completion of milestones, delivery schedules, and administrative requirements (e.g., efforts that contribute to or affect the schedule variance). This evaluation of the Contractor's adherence to the required delivery schedule should include the Contractor's efforts during the evaluation period that contribute to or affect schedule variance.
- Address significance of scheduled events (e.g., design reviews), discuss causes, and assess the effectiveness of Contractor's corrective actions to recover schedule variance.
- Ensure all necessary actions are taken in a timely manner to ensure certified waste availability to fill the shipping pipeline.
- The status of overall and specific program/project performance against the approved baseline; the management and recovery of schedule variance; and the effectiveness of schedule variance mitigation strategies.
- The timeliness of all submittals to DOE including Regulatory documents; contract documents such as Notifications of Contract Changed Conditions; project documents such as Baseline Change Proposals and Programmatic Change Requests; and safety documents such as Technical Safety Requirements to provide sufficient time for review, comment resolution, and revision in advance of document due dates or impacts to work. The frequency, magnitude, and justification for deliverable and document extension requests will be considered.
- Timely and effective communication (e.g., appropriate information, identification of issues) to DOE.
- The timeliness of completing scheduled Predictive and Preventative Maintenance (PM) actions to maximize equipment availability.
- NCR/Corrective Action – The Contractor metrics and surveillance show timely (avg <180 days) closure, and appropriate grading of open NCRs, CARs, and WIPP issues that are the responsibility of the Contractor to close.
- The timeliness of review and closure of current and future CAPs and MCP project construction work packages, and adherence to the approved baseline schedule.
- The timeliness of managing subcontract package reviews within the Procurement Threshold requirements, to include commodity vendors and commodity orders.
- Proactive management of the supply chain to prevent or mitigate delays in mission accomplishment or work stoppages.
- Timely resolution and closeout of subcontractor Request for Equitable Adjustments (REAs) and Engineering Change Notices (ECNs).

- Projects have schedule performance indicators above 0.90.

Cost Control (25%)

The following items are examples of what will be considered for evaluation, but are not all-inclusive:

- The Contractor's effectiveness in forecasting, managing, and controlling contract cost. If the Contractor is experiencing cost growth or underrun, discuss the causes and Contractor-proposed solutions for the cost overruns or underruns.
- The extent to which the Contractor demonstrates a sense of cost responsibility through the efficient use of resources.
- The management of all obligated funds to preclude anti-deficiency.
- Demonstration of all efficiencies and real cost savings/avoidance, and how these savings were used to benefit DOE. This includes optimizing efficiencies in Min-Safe/Base Operations, without impacting overall mission performance/success with the goal of improving cost effectiveness while maintaining equivalent levels of safety, quality and security.
- Accurate project controls, cost estimating, budgeting and cost monitoring that allow for long range planning to control costs.
- Effectiveness/accuracy of the Earned Value Management System (EVMS) and operations activities cost reporting as well as the development and implementation of cost mitigation strategies to recover cost variances.
- The ability to stay within the approved Performance Measurement Baseline (PMB) for the work completed, as applicable.
- Demonstration of significant progress toward achieving a certified EVMS program.
- Projects have cost performance indicators above 0.90.

Management (20%)

The following items are examples of what will be considered for evaluation, but are not all-inclusive:

- Setting and communicating priorities and a vision for WIPP that is consistent with the contract and DOE established mission and vision statements.
- Establishing and maintaining operational excellence and a strong safety culture.
- Effective Key Personnel management, including performance in selecting, retaining, supporting, and replacing, when necessary, key personnel, and overall ability of the Key Personnel to work together along with individual position performance.
- Effective problem resolution (e.g., reasonable and cooperative behavior to include timely identification of issues and responsiveness to customers).
- Effective risk management practices, and appropriate corrective action, as needed.
- Demonstrate effective subcontract management, including award of subcontracts as scheduled, inclusion of all requirements, subcontractor audits, and subcontract administration. Contractor will monitor subcontractor performance to ensure compliance with all requirements including small business subcontracting plans and DOE goals, Buy American Act, and applicable labor statutes.
- Cyber Security and Information Resource Management that provide a secure, reliable, and efficient Information Technology infrastructure along with timely software application development and deployment.
- Effective partnering relationships with regulators, stakeholders, and DOE generator sites, and maintaining a positive public relation.
- The responsiveness to reviews, assessments, inspections, and inquiries from external organizations.
- An effective safety and health program appropriately tailored for the uniqueness of nuclear and underground operations, including maintaining safe underground control conditions above a safety factor of 1.5.
- Effectiveness of the WIPP Safety Management Programs (Radcon, HazMat, RadHaz Waste Mgmt, Testing/Surveillance/Maint, Op Safety (ConOps/Fire Protection/Ground Control), Procedures/Training, QA, Emergency Mgmt, Mgmt org, and WAC compliance).
- Supports all Long-Range Planning and Life Cycle Baseline development, including infrastructure maintenance and upgrade planning.
- Demonstrates the ability to proactively develop and maintain award-ready infrastructure project packages aligned with site needs and funding expectations.
- Establishment of timelines to correct identified data validation issues in FIMS

Regulatory Compliance (15%)

The following items are examples of what will be considered for evaluation, but are not all-inclusive:

- Compliance with all terms and conditions of the contract relating to applicable regulations and codes.
- Compliance with financial, environmental, safety, and labor regulations, as well as any other reporting requirements in the contract terms and conditions.
- Performance against Compliance Recertification Application requirements.
- Performance against WIPP Hazardous Waste Facility Permit (HWFP) requirements.
- Performance against the Environmental Management System.
- Performance against TRU waste transportation requirements.
- Performance against implementing and maintaining a compliant Safeguards and Security Program.
- Performance against 10 CFR 851 (Worker Safety and Health) requirements, which includes compliance with Mine Safety and Health Administration (MSHA) requirements.
- Performance against all other DOE and regulatory requirements (e.g., Executive Orders, DOE Policies, DOE Orders, DOE Standards, Federal regulations, applicable State and Local regulations/statutes, permits, etc.).

Attachment 3 - PERFORMANCE BASED INCENTIVES (PBIs)

PBI 1 Operations and Maintenance – (\$5,563,989)

1.1 TRU Waste Disposition (\$4,613,989) –The Contractor will maintain capability of personnel and equipment for receipt and emplacement of certified TRU waste to meet the shipping demand of the generator sites. The allocation of waste receipts will be based on LANL certified waste being the highest priority, and then to achieve Idaho National Laboratory (INL) receipts at a level of 55% or more of the total TRU waste received for the evaluation period.

The Contractor shall demonstrate the following criteria are met:

- A. SIMCO will demonstrate the capability to receive 15 shipments per week for 40 shipping weeks with a surge capacity to 17 shipments per week during FY26, by September 30, 2026. (\$1,313,989)
- B. SIMCO will earn \$3,333.33 for each shipment receipt up to 300 total shipments based off expected generator site production and the planned WIPP shipping outages, by September 30, 2026. (\$1,000,000)
- C. SIMCO will earn \$10,000 for each shipment of Shielded Container Assemblies up to 30 shipments based on expected generator site production and the planned WIPP shipping outages, by September 30, 2026. (\$300,000)
- D. SIMCO will maintain a certified TRU waste backlog of 40 shipments, averaged over the period of 40 shipping weeks, by September 30, 2026. (\$200,000)
- E. SIMCO will provide expertise to the generator sites, Difficult Waste Team, Waste Stream Task Force, and the Technical Advisory Board (TAB) to address the National TRU Program priorities from across the TRU waste complex that increases waste availability by 5%, by September 30, 2026. (\$200,000)
- F. Mission Critical Equipment is maintained such that 5% of this fee will be reduced for each missed shipment that is attributable to any lack of Mission Critical Equipment, by September 30, 2026. (\$600,000)
- G. Shipping fleet of TRUPACTs and HalfPACTs is maintained and certified. 10% of available fee will be reduced for each shipment that is missed due to unavailability of shipping packages, by September 30, 2026. (\$500,000)
- H. Due to the priority of receiving waste from LANL, an additional \$12,500 will be earned for each of the first 40 shipments from LANL, by September 30, 2026. (\$500,000)

1.2 CH Program Certification (\$100,000) – The Contractor shall achieve initial WIPP Certified Program approval from CBFO for a CH TRU waste characterization/certification program at Hanford by September 30, 2026.

1.3 Shielded Container Assembly (SCA) Procurement (\$850,000) – The Contractor shall:

- A. Utilize detailed decisive data gathered from generator sites in FY 2026, to deliver a comprehensive, complex-wide annual purchase plan for SCAs, by March 30, 2026. (\$100,000)
- B. Complete the procurement and delivery of at least 50 SCAs to support the RH shipping goals delineated in the 3-Year Operational Shipping Plan, on condition that generator sites provide sufficient funding for those SCAs in accordance with the procurement process, by September 30, 2026. (\$750,000)

PBI 2 Capital Asset Projects – (\$204,000)

2.1 Utility Shaft (US) Closeout (\$102,000) - The Contractor shall submit the initial closeout report for US project within 90 days of receiving CD-4.

2.2 Hoisting Capability (\$102,000) - The Contractor shall provide to DOE all Contractor documents required by DOE O413.3B to support CBFO submittal of a CD-2/3 package, or equivalent, by September 30, 2026.

PBI 3 Infrastructure – (\$2,030,000)

3.1 Information Technology (\$190,000) – The Contractor shall:

3.1.A Enterprise Architecture (\$90,000) - The Contractor shall mature the WIPP Enterprise Architecture (EA) to better support cybersecurity, IT operations, and Office of the Chief Information Officer (OCIO) data request, as described:

- I. Update EA repository to align and support OCIO Data Call requests, by December 31, 2025. (\$30,000)
- II. Update EA data dictionary to improve support for regulatory, contractual, and operational requirements/needs, by April 30, 2026. (\$30,000)
- III. Demonstrate EA governance implementation consistent with the WIPP EA Policy, by September 30, 2026. (\$30,000)

3.1.B AI Integration (\$100,000) - The Contractor shall leverage and demonstrate artificial intelligence to enhance WIPP Operations while also managing the security risks associated with AI systems, by September 30, 2026.

3.2 Upgrade Shipping Equipment (\$100,000) - SIMCO will complete procurement, receipt, and revision of all applicable procedures, provide training, and place in service across all applicable generator sites and WIPP 6 Adjustable Center of Gravity Lift Fixture (ACGLF) by September 30, 2026.

3.3 Increase Efficient use of Overpacks (\$100,000) - Prepare Nuclear Regulatory Commission (NRC) and Department of Transportation (DOT) test plans, perform testing, compile data results, and prepare and submit NRC Safety Analysis Report (SAR) application to the NRC. This will include performing physical drop testing of test articles (6 drops total),

measuring and recording the drops (high speed video) and assessing the damage impact to the test articles. This SAR application will include the Criticality Control Overpack (CCO) phase 2 & overpack modules in the CH-TRAMPAC and will be submitted by September 30, 2026.

3.4 Site Data Center CMR HVAC System (\$200,000) – Procure, complete site acceptance testing and complete commissioning of the Site Data Center Central Monitoring Room (CMR) Heating, Ventilation, and Air Conditioning (HVAC) System Installation Project by September 30, 2026.

3.5 Liner Replacement (\$1,050,000) – The Contractor shall:

3.5.A Site and Preliminary Design Validation (SPDV) Liner (\$500,000) – Procure, install, test, and submit the Basic Data Report in accordance with the Discharge Permit DP-831 to the CBFO by September 30, 2026.

3.5.B Salt Ponds 2 and 3 Liner Replacement (\$550,000) – Remove both the existing primary and secondary liners, procure, install, and commission Salt Pond 2 and 3 liner replacement closure package(s) in accordance with DP-831 discharge permit and NMED requirements to CBFO by September 30, 2026.

3.6 Surface and Underground Safety and Cost Effectiveness (\$390,000) – The Contractor shall:

3.6.A Door 140 Replacement (\$50,000) – In order to eliminate the use of Special Administrative Controls associated with the Confinement Ventilation Zone in the CH Bay, the Contractor shall develop, procure, install, test, and confirm successful functionality of Door 140 between the CH Bay and the Conveyance Loading Room, by March 31, 2026.

3.6.B Mining – Mobile Miner (\$100,000) – In order to improve safety around the mobile mining machinery, the Contractor shall develop, implement, and successfully demonstrate a system that improves the situational awareness of workers near the mobile miners in the underground, by September 30, 2026.

3.6.C Mining – Ventilation Control Door (\$70,000) – In order to reduce operational and maintenance costs, the Contractor shall develop, implement, successfully demonstrate, and receive CBFO approval for an alternative to using compressed air to operate door actuation mechanisms in the underground, by June 1, 2026. The demonstrated alternative must maintain safety standards and reduce cost.

3.6.D Mining - Bolter Safety (\$100,000) – In order to improve safety in the underground, the Contractor shall develop, implement, successfully demonstrate, and receive CBFO approval for a method to eliminate manually handling drill steel and thread rods to install bolts in the underground, by September 30, 2026. The demonstrated method must maintain safety standards.

3.6.E Mining - Panel 11 (\$70,000) – In order to enhance safety, improve the longevity, increase the stability, and lessen the maintenance costs of Panel 11, the Contractor shall develop, implement, and execute an improved mining sequence with

enhanced ventilation and improved ground control. The contractor shall install geotechnical monitoring equipment to monitor convergence in the main drifts after the initial cut is completed to verify effectiveness of the new sequence, by September 30, 2026.