

**PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)**

**ANNUAL FEE PLAN (AFP)**

**1 OCTOBER 2016 THROUGH 30 SEPTEMBER 2017**

**CONTRACT DE-EM0001971**

**June 19, 2017**

**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 consistent with Section B.2 (Annual Fee Base – CLINS 1-11) of the subject contract.

**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) – The Head of Contracting Activity (HCA) has appointed the Carlsbad Field Office (CBFO) Manager as the FDO. The FDO determines the final performance fee amount based upon all the information furnished and assigns a final percent of performance fee amount that can be earned for the evaluation period. The FDO will notify the Carlsbad Field Office (CBFO) Contracting Officer (CO) in writing or via electronic correspondence of his/her final determination of that performance fee amount.

2. CBFO Manager

The CBFO Manager or qualified designee will be the point of organizational authority within CBFO for: development and coordination of the PEMP (which includes the Annual Fee Plan (AFP); approval of minor changes to the PEMP; obtaining HCA approval of major changes, if required; performance monitoring; performance validation; performance reporting; and payment of fees related to Performance Based Incentives (PBI)s. Primary responsibilities are:

- a. Develops and establishes the evaluation criteria and incorporates them into the PEMP.

- b. Assures appropriate coordination of performance expectations and the evaluation criteria with Headquarters (HQ) program and policy organizations.
- c. If required, submits the PEMP and/or the evaluation criteria for necessary HCA approval and headquarters reviews.
- d. If required, in conjunction with the CO and COR, coordinates major changes with the HCA and provides minor changes to performance expectations and the evaluation criteria to the HCA.

3. CBFO CO

- a. The CBFO CO is an advisor and negotiator in the development and establishment of the Evaluation Criteria and Fee amounts.
- b. The CBFO CO will forward the approved PEMP and/or the evaluation criteria to the Contractor through a contract modification.
- c. The CBFO CO will prepare a letter for the FDO's signature notifying the contractor of the amount of performance fee that can be earned by the Contractor for the evaluation period.
- d. The CBFO CO will unilaterally modify the contract to reflect the FDO's final determination of performance fee amount that can be earned by the Contractor for the evaluation period. The modification will reflect earned and unearned fee and will be issued to the Contractor within 14 calendar days after the CBFO CO receives the FDO's decision.
- e. At the end of the rating period, after the determination of the award fee, the CBFO CO will notify the Contractor of the amount of total fee earned during the period. This notification will identify specific areas of strength or weakness in the Contractor's performance.

4. CBFO COR

- a. The CBFO COR is responsible for providing technical direction to the contractor in accordance with the contract clause H.10 Technical Direction – DEAR 952.242.70 (DEC 2000).
- b. The CBFO COR provides performance oversight to ensure the products and services are delivered by the contractor in accordance with the terms and conditions of the contract, including quality.
- c. The CBFO COR leads the technical component of the negotiation of the fee criteria and fee allocations with the contractor.

- d. The CBFO COR appoints and works closely with the CBFO Technical Monitors (TMs) to evaluate performance against evaluation criteria and address any proposed modifications to these criteria.
  - e. The CBFO COR performs periodic reviews of the contractor to evaluate progress and completion payments, and recommends final fee.
  - f. The CBFO COR supports the CBFO CO and CBFO Manager 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.
5. CBFO Technical Monitors (TMs)

The TMs assist the COR in carrying out the following responsibilities as requested:

- a. Develop the evaluation criteria related to their assigned areas.
  - b. Assist in negotiation of the evaluation criteria and fee allocations with the Contractor, if requested by the CO or COR.
  - c. Review the Contractor's request for change to the evaluation criteria and recommend approval or disapproval.
  - d. Monitor, evaluate, assess and validate the Contractor's performance against the PBIs in the PEMP.
6. CBFO Staff
- a. As requested by the FDO, CO, COR, TMs, or supervisor, evaluate the performance of the contractor in areas specific to their oversight responsibilities.
  - b. Evaluate fee supporting documentation submitted by the Contractor and provide documentation of the evaluation to the appropriate TM, COR or CO.
  - c. Provide a recommendation regarding the request for fee payment submitted by the Contractor.

### **III. PEMP DEVELOPMENT PROCESS**

While PEMP incentives may be unilaterally developed by the Department of Energy (DOE), a teaming approach between the CBFO 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, and cooperation for achieving DOE's goals and objectives.

The evaluation criteria and fee amounts were developed by the COR in consultation with the CBFO Manager, the CO, and TMs, as applicable. In addition, CBFO met with Contractor personnel to discuss the content of this PEMP. HCA approval was obtained.

Approval by the COR, CO and the CBFO Manager will be required for any changes to the evaluation criteria and fee allocation. If the change results in an increase in the fee amount(s), HCA approval is required. Any changes should be made by 31 March of the performance year to ensure that the contractor has ample opportunity to accomplish the work during the performance period. Changes to the allocation of fee during the performance period should not be made to benefit or penalize the contractor and the annual fee amount should not be modified unless there are substantial budget modifications (in accordance with Section B, Supplies or Services and Prices/Costs, of the contract). The contractor should be appropriately compensated for any performance toward abandoned or modified evaluation criteria. This includes when actions fall out of the control of the contractor and DOE cannot provide sufficient alternatives. The CBFO CO should provide at least 30 calendar days advance notice to the contractor of any changes to the evaluation criteria and fee allocation. At the discretion of DOE in consultation with the Contractor, if an evaluation criterion is cancelled or modified, any fee associated with that criterion may be allocated to another evaluation criterion or criteria.

The amount of fee earned by the Contractor is within the sole discretion of the FDO. The Contractor may express disagreement with the fee determination; however, the final amount of fee earned is the FDO's unilateral decision. If the Contractor does not agree with the final decision of the FDO, the Contractor may dispute the assessment under the Disputes clause of this contract.

#### **IV. EVALUATION CRITERIA**

The performance fee amount will consist of 1) a subjective fee component and 2) an objective fee component. All earnable fee is at risk.

##### **1. Subjective Criteria**

Subjective criteria have been established that include mission performance; regulatory compliance; management performance; safety and health performance; and cost control. These subjective criteria may be adjusted on an annual basis. In addition, these criteria are not all-inclusive in the evaluation of the subjective portion of the PEMP. CBFO may consider other performance information and data when evaluating the contractor's performance for the subjective portion of the fee. The fee amount associated with the subjective component of the criteria will not exceed 25% of the available fee during any year of the contract and will be equally apportioned amongst the five criteria.

Areas 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. If significant problems are identified in the evaluated performance for any particular criteria (i.e., mission performance; regulatory compliance; management performance; safety and health performance; and cost control), the allocation scheme may be revised at the discretion of

the FDO to appropriately reflect the impact of the identified problems. The FDO may directly reduce the fee amount for safety and health performance as a result of citations issued by the Mine Safety and Health Administration (MSHA) in the performance period corresponding to the equivalent fine values of those citations as cited in 30CFR100 *Criteria and Procedures for Proposed Assessment of Civil Penalties*. MSHA or related safety performance recognition (such as mine rescue competition awards) will be considered in off-setting these reductions.

The total fee available for the Subjective Criteria is 25% of the Total Available Fee for FY 2017, not to exceed (NTE) \$2,987,071 (25% of \$11,948,286). The maximum fee available for each of the following five subjective criteria is \$597,414.20 (20% of \$2,987,071).

- (1) Mission Performance – The Contractor’s performance in progressing towards the Waste Isolation Pilot Plant (WIPP) mission of characterizing, transporting and disposing of Transuranic (TRU) waste will be evaluated based on:
  - (i) WIPP Plant availability to support TRU waste disposal operations in FY2017.
  - (ii) Central Characterization Program waste characterization capability and availability at assigned sites;
  - (iii) Performance in managing and continuous process improvement in TRU waste emplacement activities;
  - (iv) Performance in managing the waste transportation schedule and providing adequate monitoring service for in route shipments;
  - (v) Performance in managing the Centralized Procurement Program for Department of Transportation (DOT) Type A transportation assets;
  - (vi) Availability of Nuclear Regulatory Commission (NRC) Type B transportation assets to support TRU waste shipments; and,
  - (vii) Support and performance of stakeholder outreach and interaction (i.e., communication, training, and roadshows).
  
- (2) Regulatory Compliance - The Contractor’s adherence to all regulatory requirements:
  - (i) Performance in Compliance Recertification Application requirements;
  - (ii) Performance in WIPP Hazardous Waste Facility Permit (HWFP) requirements;
  - (iii) Performance in DOE Hazard Category II Nuclear Facility requirements;
  - (iv) Contractor’s Environmental Management System fosters continuous improvement;
  - (v) Performance in TRU waste transportation requirements;
  - (vi) Safeguards and Security Compliance Implementation (success in meeting required response times for Incidence of Security Concerns reporting, fulfillment of protective force positions, consistent monthly briefings); and,
  - (vii) Taking initiative to review the overall regulatory envelope for potential modifications that will improve efficiency.
  
- (3) Management Performance - The Contractor’s effective and efficient control of all areas of effort including management and technical effort required to meet contract requirements, including:
  - (i) Effective Contractor Human Resources Management;

- (ii) Effective planning, i.e., adequate, quality, innovative, self-initiated and timely planning of activities; effective utilization of personnel; quality of responses;
  - (iii) Achieving the community commitments described in clause H.47 of the contract;
  - (iv) Maintaining a mature and effective receipt inspection program;
  - (v) Performance in meeting annual Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan goals;
  - (vi) Information Resource Management that provides reliable information technology infrastructure along with timely software application development and deployment;
  - (vii) Contract scope, schedule, and risk management to approved baseline with thorough assessment of variances and implementation of effective corrective actions and adequate monthly progress reports on baseline management;
  - (viii) Contractor management encourages employees to self-report issues and concerns as required by applicable program documents, procedures, and training;
  - (ix) Performance and continuous improvement in work planning and control to effectively operate a Hazard Category II Nuclear Facility;
  - (x) Effective management of facility and equipment Preventive Maintenance (PM) and aggressive reduction of non-PM facility mission and safety actions backlog; and,
  - (xi) Maintain positive public relations efforts to ensure continued overall program improvement initiatives are communicated effectively to stakeholders, e.g., communicate progress in reducing contamination in the underground (U/G) and intent to extend WIPP lifecycle.
- (4) Safety and Health Performance - The Contractor's performance to manage or ensure the following:
- (i) The Contractor's safety programs reflect a mature and effective nuclear safety culture that fosters continuous improvement;
  - (ii) Contractor assurance program works with the CBFO oversight program to assure contractor programs meet or exceed DOE orders and results in prioritized, timely and effective closure of issues;
  - (iii) Safe execution of work;
  - (iv) Maintaining a comprehensive Emergency Management Program in Compliance with DOE Order 151.1C, Comprehensive Emergency Management System; and,
  - (v) Sustainment and continuing improvement in emergency management program effectiveness.
- (5) Cost Control - The Contractor's cost control will be evaluated to assess:
- (i) Effectiveness of cost planning;
  - (ii) Timeliness and accuracy of cost reporting;
  - (iii) Clarity of and ability to trace cost relative to work schedule/technical progress;
  - (iv) Effectiveness of cost reduction/cost avoidance initiatives;
  - (v) Cost estimating excellence, to include timeliness, accuracy and complete proposals;

- (vi) Scheduling and tracking to support efficient operations;
- (vii) DOE reporting information is updated and accurate;
- (viii) Completeness and accuracy of monthly project status reports to CBFO to include the scope, schedule, cost for completion, key milestones and risks of milestone-related projects, validated through design reviews, construction site visits, operational awareness tours, and documentation reviews; and,
- (ix) Support of the Office of Project Management Oversight and Assessment (PM) Earned Value Management System (EVMS) certification and closure of any identified corrective actions.

## 2. Objective Criteria

### Performance Based Incentives (PBIs):

PBIs are typically characterized by objectively measurable evaluation of Contractor performance. Such incentives reflect specified criteria against which actual performance will be evaluated. 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 scheduled date).

PBIs have specified fee allocated and payable upon completion of identified levels of work accomplished.

Annual PBIs will be measured and evaluated at the end of the fiscal year or on a schedule negotiated with the Contractor.

The current PBIs can be found in Attachment 1, Performance Based Incentives.

## 3. Minimal Performance Expectation

If the contractor receives a rating of "Unsatisfactory" for any of the five subjective fee criteria, then the maximum fee the contractor can earn under each Performance Based Incentive within the Objective Fee Component is 50% of the Maximum Available Incentive Fee specified in Section II, page 11 of Attachment 1, Performance Based Incentives..

The total fee available from the Objective Criteria is 75% of the Total Available Fee for FY2017, NTE \$8,961,215 (75% of \$11,948,286).

## V. PERFORMANCE EVALUATION AND FEE DETERMINATION

### A. Monitoring and Evaluation of Performance

1. **Monitoring Performance:** CBFO will monitor Contractor performance against the established subjective and objective evaluation criteria throughout the year and term of the PBI(s). Performance feedback to contractor will be provided periodically throughout the year.
2. **Evaluating Performance:** Annually, the Contractor shall submit a self-assessment within 30 calendar days after the end of the period. This self-assessment shall

address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies and avoid their recurrence. The CBFO will review the Contractor's self-assessment as part of the evaluation of the Contractor's management during the period. An unrealistic self-assessment may result in lower performance fee amount determinations. Deficiencies noted by the Contractor may be reflected in the Government's evaluation. The self-assessment itself will not be the basis for the performance fee determination.

CBFO will perform evaluations of all subjective and objective evaluation criteria including validating the Contractor's performance. Performance evaluations will include, but will not be limited to: physical walk-throughs, documentation of accomplishments, review of Contractor PBI invoices, and any other methods that can validate the established evaluation criteria. Validation is accomplished before payment of earned fee can be made. Validation of performance is documented by CBFO.

The Fee Determination Official (FDO) with input from DOE staff will determine the amount of Performance Based Incentive (PBI) fee earned. This determination is purely discretionary, and is based solely on the judgment of the FDO. There is no minimum PBI fee that may be granted based on the FDO's review. The review is qualitative, not quantitative and the Contractor will not necessarily be granted credit for its percentage complete of PBI milestones if those milestones are in fact, not 100% completed by the milestone dates (completion of any particular milestone will be determined by the DOE in accordance with the contract.) Within 30 calendar days of receipt of the Contractor's request for fee payment for progress payments or for completion of PBI metrics, CBFO will either authorize payment of the invoice or return it to the Contractor for clarification or further information.

CBFO will conduct annual performance reviews which will be prepared 30 calendar days after receipt of the Contractor's self-assessment. A late Contractor's self-assessment may negatively impact the PEMP evaluation period. A consolidated report will be prepared by the COR with assistance from the Alternate COR(s) and input from the technical monitors and submitted to the FDO for determination of the final fee for the period. This consolidated report will include both an evaluation of the subjective criteria and an evaluation of the PBIs (including those completed earlier during the performance period).

For evaluating each subjective criterion (i.e. mission performance, regulatory compliance, management performance, safety and health performance, and cost control), the following adjectival ratings will be used:



<b>EXCELLENT</b>	Contractor has exceeded almost all of the performance requirements of the applicable criterion for the award-fee evaluation period.
<b>VERY GOOD</b>	Contractor has exceeded many of the performance requirements of the applicable criterion for the award-fee evaluation period. All unsatisfactory performance identified for the criterion during the period was considered minor in nature and has been addressed appropriately.
<b>GOOD</b>	Contractor has exceeded some of the performance requirements of the applicable criterion for the award-fee evaluation period. Some unsatisfactory performance may have been identified for the criterion during the award fee evaluation period, but it had limited impact and has been addressed.
<b>SATISFACTORY</b>	Contractor has generally met the performance requirements of the applicable criterion for the award-fee evaluation period. Any unsatisfactory performance has been or is in the process of being addressed.
<b>UNSATISFACTORY</b>	Contractor has failed to meet the performance requirements of the applicable criterion for the award-fee evaluation period.

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

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

Provisional fee may be requested and drawn by the 25<sup>th</sup> calendar day of each month up to one-twelfth (1/12<sup>th</sup>) of 60% of the total available fee allocated to the award fee.

PBI fee may be requested by and given to the Contractor provisionally until the applicable metric/milestone is met as described and allowed in the PBI section.

**B. Fee Pool**

Fee which is not earned due to nonperformance of the performance incentive requirements set forth in the PEMP shall not be returned to the fee pool, but shall be forfeited. Fee not awarded under the subjective criteria portion of this plan shall not be carried over to additional performance periods and will be forfeited.

At the discretion of DOE, if an evaluation criterion is cancelled or modified, any unearned fee may be allocated to another evaluation criterion or criteria. This reallocation requires review and approval by DOE Environmental Management Consolidated Business Center (EMCBC) and Headquarters (HQ). Fee which is not earned due to nonperformance of the performance incentive requirements set forth in the PEMP shall not be returned to the fee pool, but shall be forfeited.

**PERFORMANCE BASED INCENTIVES (PBIs)**

**SECTION I – GENERAL INFORMATION**

Performance Incentive Number: CBFO-PBI #1 Performance Period: 10/1/2016 through 9/30/2017  
 Performance Incentive Short Title: TRU Waste Disposal at WIPP

Revision Number and Date: **Revision 1 (Mod 179), 6/19/2017**

**SECTION II- ACCOUNTING/PROJECT INFORMATION**

Contract Performance Baseline (CPB)	Maximum Available Incentive Fee
Anticipated Funding:	Associated with this Measure:
<b>\$211,475,701</b>	<b>\$8,961,215 (75% of \$11,948,286)</b>

CBFO Management Control Packages: NA

**SECTION III – INCENTIVE INFORMATION**

Difficulty:	High <input checked="" type="checkbox"/>	Medium <input type="checkbox"/>	Low <input type="checkbox"/>
Duration:	Annual <input checked="" type="checkbox"/>	Multi-year <input type="checkbox"/>	
Fee Payment type:	Completion <input checked="" type="checkbox"/>	and	Progress <input checked="" type="checkbox"/>
		and	Provisional <input checked="" type="checkbox"/>

**SECTION IV - PERFORMANCE MEASUREMENT**

**Description:** Recognizing that managing the safe disposal of TRU waste is CBFO's primary mission, this PBI represents a fee model in which earnings are at risk and the Contractor is paid when specific WIPP operational and achievable programmatic results are achieved. This PBI has an added difficulty component due to the work that must be completed by generator sites and the approvals that must be granted from the regulators to achieve the desired results that are not under the direct control of the Contractor or funded by the Contractor. For metric/milestone 6a, 6b, and 8a mutual agreement between CBFO and the Contractor shall be reached by December 31, 2016. Fees will be earned for the following:

1. Commence waste emplacement and resume TRU waste shipments.
2. Complete further contamination mitigation activities.
3. Complete and maintain catch-up bolting and other necessary ground control activities.
4. Resume mining operations.
5. Complete Critical Decision (CD) 2/3 packages for commencement of reviews for capital asset projects;
6. Complete Generator Site Technical Reviews (GSTRs) and enhanced Acceptable Knowledge (AK) activities.
7. Prepare Triennial Review.
8. Complete select work scopes associated with infrastructure recapitalization and strategic planning activities.
9. For the Above Ground Storage Capability (AGSC), complete regulatory documents.
10. Timely submittal of complete subcontract consent packages and affiliate requests.

**Metric/Milestone 1:** The Contractor will earn fee for commencing waste emplacement and resuming TRU waste shipments by performing the following:

- a. In accordance with the approved baseline schedule; complete the first on-site surface waste emplacement (Commence Waste Emplacement Milestone) by the approved baseline date to earn \$2,100,000.00 in fee. For completion of the first waste emplacement beyond the approved baseline date, the fee will be decremented \$35,000.00 each day up to 60 calendar days.
- b. Complete all remaining on-site surface waste emplacement and emplace the first off-site waste receipt within 90 calendar days of completing metric/milestone 1.a above to earn \$2,100,000.00 in fee. For emplacement of the balance of the on-site surface waste and first off-site waste receipt beyond 90 calendar days, the fee will be decremented \$35,000.00 each day up to 60 calendar days.

The maximum available fee for Metric/Milestone 1 is \$4,200,000.00

**Metric/Milestone 2:** The Contractor will earn fee for completing the following contamination mitigation activities:

- a. Complete radiological characterization of all accessible areas of Panel 7 in accordance with a mutually-agreed site-specific Multi-Agency Radiation Survey and Site Investigation Manual (MARSSIM)-like characterization plan by September 30, 2017 to determine appropriate airborne contamination mitigation activities to earn \$100,000.
- b. Complete the evaluation of the airborne radiological conditions of all accessible areas of Panel 7 in accordance with a mutually-agreed air sampling and analysis plan by September 30, 2017 to determine appropriate airborne contamination mitigation activities to earn \$50,000.
- c. Complete contamination mitigation of accessible non-salt surfaces (i.e., electrical panels, conexes, horizontal metal surfaces, mobile equipment, etc.) in Panel 7 (after Metric/Milestones 2.a and 2.b above have been completed) by September 30, 2017 in accordance with a mutually-agreed airborne contamination mitigation plan to earn \$250,000. Ground support fixtures such as exposed roof bolts and chain link above 8 feet from the floor are excluded from requiring contamination mitigation to meet this Metric/Milestone.
- d. Develop a cost-benefit analysis plan that evaluates the options, resource requirements and timeframe to achieve down-posting Panel 7 from an Airborne Radioactivity Area (ARA). The plan will consider the impacts to other underground priorities such mining and ground control activities in comparison with the timeframe that Panel 7 will be filled with waste. For development and submittal of the plan by July 31, 2017, \$25,000 will be earned.

The maximum available fee for Metric/Milestone 2 is \$425,000.00

**Metric/Milestone 3:** The contractor will develop a designed support system that is installed and maintained to support the back, side wall, or floor in places in the underground where persons work or travel in the performance of their assigned tasks. The Contractor will earn fee for completing the following ground control activities:

- a. The contractor will install 110 to 160 resin bolts per week on average over the entire performance period. Fee will be earned on a sliding scale for a maximum amount of fee of \$400,000.00 for 160 resin bolts average and a minimum amount of fee of \$150,000.00 for 110 resin bolts average. The priority areas for bolting will be determined at the bi-weekly ground control meetings with CBFO. Less than 110 bolts per week on average will earn no fee. Planned maintenance outages will not count against the average weekly resin bolt installation requirement. In addition, the Contractor will conduct at least 20 bi-weekly ground control meetings and provide ground control status metrics to CBFO at each of those meetings during the performance period. Fee will be reduced from the available fee in this metric/milestone for resin bolt installation (3.a) as follows:
  - i. \$7,500 will be reduced from the available fee for each meeting with metrics provided to CBFO less than mandatory 20 meetings for the performance period.

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- ii. \$50,000 will be reduced from the available fee for each prohibited or restricted area established in an active work zone that remains in place more than 7 calendar days in a calendar month or to a mutually-agreed schedule.
- iii. \$50,000 will be reduced from the available fee if more than 10 % of an active travelway is not maintained in a safe travelable condition for any reason for more than 15 work days in a calendar month or to a mutually-agreed schedule.
- b. The contractor will average greater than or equal to 3 shifts per week scaling and broken bolt mitigation over the entire performance period to earn \$180,000.00 in fee. This metric will be included in the ground control metrics provided to CBFO in Metric/Milestone 3.a above. Planned maintenance outages will not count against the shifts available for scaling and broken bolt mitigation.

The maximum available fee for Metric/Milestone 3 is \$580,000.00.

**Metric/Milestone 4:** The Contractor will earn fee for completing the following activities associated with resuming mining operations:

- a. Complete the following activities to turnover Supplemental Ventilation System (SVS) to earn the following corresponding fees.
  - i. For completing the installation of SVS components and electrical tie-in, the contractor will earn \$125,000.
  - ii. For completing the installation of all bulkheads necessary to operate the SVS, the contractor will earn \$175,000.
  - iii. For completing the SVS restart activities, including the completion of pre-requisites activities and corrective actions to address all pre-start findings, the contractor will earn \$135,000.
  - iv. For turning over SVS to operations with sufficient ventilation capacity to support mining operations in Panel 8, using the equipment specified in the mutually agreed to list of equipment in Metric/Milestone 4.b below, while meeting the applicable regulatory requirements, the contractor will earn \$135,000.
- b. Complete the following activities to restart mining operations in Panel 8 to earn the following corresponding fees.
  - i. For completing roof bolting to the equipment needing removal in Panel 8, the contractor will earn \$25,000.
  - ii. For removing the equipment from Panel 8, the contractor will earn \$25,000.
  - iii. For completing mutually agreed maintenance activities on a mutually agreed to list of equipment needed to conduct Panel 8 mining, the contractor will earn \$175,000.
  - iv. For commencing mining in Panel 8, the contractor will earn \$150,000.
- c. Install and start-up a de-duster system. Prior to restarting mining operations, develop a plan to measure the airborne nuisance dust in the air upstream and downstream of the de-duster and conditions required to run the de-duster to earn \$25,000.00 in fee. Earn an additional \$25,000.00 in fee for running the de-duster and maximizing the differential of measured dust upstream versus downstream according to the process described in the Plan by September 30, 2017.
- d. Repair/refurbish mutually agreed upon salt shaft and hoist work according to recommendations in the Salt Upcasting Report and as defined in the project execution plan and associated schedule for completion in FY17 to earn \$200,000.00 in fee.

The maximum available fee for Metric/Milestone 4 is \$1,195,000.00

**Metric/Milestone 5:** The Contractor will earn fee for completing the following activities for the line item capital asset projects within the estimated cost of \$20,415,018 (includes FY15 and FY16 carryover) from the Fiscal Year 2017 Execution Year Planning Guidance for Management and Operating Contractor – Nuclear Waste Partnership, LLC, of March 29, 2016 for Capital Asset Projects 15-D-411 and 15-D-412:

- a. For the 15-D-411 Safety Significant Confinement Ventilation System, complete Critical Decision 2/3 Package through design reviews with these follow on activities (all schedule

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dates are subject to change based upon realization of risks or opportunities, and the scheduled reserve identified with those risks and opportunities, documented in the WIPP Underground Ventilation System Preliminary Risk Management Plan (WIPP UVS CDR 022) approved at Critical Decision 1):

- i. Submit all required review documents to commence Independent Project Review (performed by Office of Environmental Management (EM) Project Management Support Office EM-53) by May 10, 2017 (Schedule Activity NFB 00790) to earn \$300,000.00 in fee,
  - ii. Submit all required review documents to commence Performance Baseline External Independent Review (performed by Project Management Oversight and Assessment (PM)) by July 7, 2017 (Schedule Activity NFB00800) to earn \$250,000.00 in fee, and
  - iii. Ensure Long Lead Procurement Packages are ready for approval by DOE by July 21, 2017 (Schedule Activity NFB01120) to earn \$250,000.00 in fee.
- b. For the 15-D-412 Exhaust Shaft, complete Critical Decision 2/3 Package through design reviews to commence an Independent Project Review (performed by EM-53) and the Performance Baseline External Independent Review (performed by PM) by August 2, 2017 (Schedule Activities UES00490 and UES00480; all schedule dates are subject to change based upon realization of risks or opportunities, and the schedule reserve identified with those risks and opportunities, documented in the WIPP Underground Ventilation System Preliminary Risk Management Plan (WIPP UVS CDR 022) approved at Critical Decision 1) to earn \$400,000.00 in fee.

The maximum available fee for Metric/Milestone 5 is \$1,200,000.00. The available fee will be reduced by \$1 for each \$2 the actual cost of performance in FY17 exceeds the estimated cost of \$20,415,018 as stated above. Fee reduction will be capped at the total value of this metric.

**Metric/Milestone 6:** The Contractor will earn fee for completing the following Generator Site Technical Review (GSTR) and waste characterization activities:

- a. In accordance with the CBFO approved Notice to Proceed Critical Path Schedule, complete an initial GSTR for up to four mutually agreed upon generator sites, including reports on the results of the reviews. Mutual agreement shall be reached by December 31, 2016. \$50,000.00 in fee will be earned for each GSTR completed for a total maximum fee of \$200,000.00.
- b. Complete enhanced Acceptable Knowledge on five mutually agreed upon waste streams that the Central Characterization Project has responsibility for in FY17. Mutual agreement shall be reached by December 31, 2016. \$40,000.00 in fee will be earned for each waste stream completed for a total maximum fee of \$200,000.00.

The maximum available fee for Metric/Milestone 6 is \$400,000.00.

**Metric/Milestone 7:** The Contractor will earn fee for submission of the WIPP Triennial Review Scope of Work and Guidelines for New Mexico Environment Department (NMED) review by January 10, 2017 to earn \$100,000.00 in fee. For completing these activities beyond January 10, the fee will be decremented \$3,333.33 each day up to 30 calendar days.

The maximum available fee for Metric/Milestone 7 is \$100,000.00.

**Metric/Milestone 8:** The Contractor will earn fee for completing the following infrastructure recapitalization, revitalization, upgrade, and strategic planning activities that improve the site material condition, and improve overall maintenance and operational performance to support extended future WIPP operations:

- a. Complete mutually agreed upon infrastructure recapitalization work scopes in FY17 to earn fee of \$30,000.00.
- b. Complete FY17 activities related to the Upgrades to the Computerized Maintenance Management System (CMMS) to the latest client/server model (version 13 or later) in the

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WIPP production environment including identification of additional license and/or model features for transition to an Enterprise Resource Planning (ERP) system by March 31, 2017 to earn \$50,000.00 in fee. This does not include a completed ERP system, only the planning documentation for the ERP system. For delivery of the CMMS past March 31, 2017, the fee will be decremented by \$1,500.00 each day until the software is successfully demonstrated to be running in a production environment. Documentation supporting external interface integration with the CMMS ERP system to include data dictionaries of the relationship with defined external entities and migration paths, procedure changes, user and administrator training and lifecycle management plan will be provided for approval by CBFO by September 30, 2017.

- c. Update conditions and assumptions in emplacement and lifecycle models and provide an updated report and recommendations to CBFO by March 30, 2017, to earn \$30,000.00 in fee. For completing these activities beyond March 30, 2017, the fee will be decremented \$1,000.00 each day up to 30 calendar days.
- d. Evaluate and recommend Remote Handled (RH) TRU waste disposal enhancements/options to regain lost RH borehole volume and optimize emplacement concept for low-dose (<10 Rads/hour as packaged) waste streams by September 30, 2017, to earn \$100,000.00 in fee.
- e. Beginning October 1, 2016, correct fire impairments and deficiencies found after October 1, 2016 (not including planned impairments). If the Contractor either corrects every fire impairment and deficiency within 30 calendar days of discovery of each fire impairment and deficiency; or provides, within 30 calendar days, an equipment replacement, redesign, or modification schedule for those fire impairments and deficiencies expected to last longer than 30 calendar days and subsequently performs to the schedule throughout the performance period, the Contractor will earn \$250,000.00 fee. For any impairment or deficiency that is not completed or addressed, within 30 calendar days or within the approved schedule, the fee will be decremented \$5,000.00. Mutually agreed-upon changes can be made to the schedules for impairments expected to last greater than 30 calendar days. NWP will utilize a mutually agreed "Impairment Priority Matrix" to determine the order in which impairments are addressed. Impairments/deficiencies will be dispositioned based on risk ranking, not the date identified. Only those impairments/ deficiencies identified after October 1, 2016, will be included in the fee determination process.

The maximum available fee for Metric/Milestone 8 is \$460,000.00.

**Metric/Milestone 9:** The Contractor will earn fee for completing the following activities in support of compliance with requirements of the National Environmental Policy Act (NEPA) relating to the AGSC:

- Complete a review of existing NEPA documentation and other environmental impact analyses and provide an assessment and analysis document in accordance with the NEPA Strategy from the approved Preliminary Project Execution Plan for the AGSC at the Waste Isolation Pilot Plant (WIPP-AGSC-003) that will allow completion of the public comment period in FY17 and support evaluation of proposed action and alternatives for final project design and construction to start in FY 18 to earn \$50,000.00 in fee.
- Complete all activities required for the AGSC Project Permit Modification Request to the WIPP Hazardous Waste Facility Permit submitted to NMED to support final design and construction to start in FY18 to earn \$50,000.00 in fee.

The maximum available fee for Metric/Milestone 9 is \$100,000.00.

**Metric/Milestone 10:** For timely submittal of complete subcontract consent packages and affiliate requests with no more than three mandatory corrections per package, the contractor will earn fee of \$301,215.00 for FY17. For each late or incomplete package, or packages having more than three mandatory corrections, fee will be reduced by 2%. Fee reduction will be capped at the total value of this metric. The contractor shall provide a baseline of planned FY17 procurements to the CBFO based on the CBFO's thresholds for review by October 10, 2016 and update the list monthly as new awards are

planned. Procurement actions resulting from emergencies and unknown situations/conditions that could not be planned or anticipated, actions necessary to implement MSA, CORR, or DORR pre-start corrective actions in the time frames provided in the IPMB, or actions directed by CBFO, are exempt from this metric.

The maximum available fee for Metric/Milestone 10 is \$301,215.00.

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## **SECTION V - PERFORMANCE REQUIREMENTS**

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**DEFINE COMPLETION:** *Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documents/data against which completion documentation should be compared.*

### **Minimal Performance Expectation**

If the contractor receives a rating of "Unsatisfactory" for any of the five subjective fee criterion, then the maximum fee the contractor can earn under each Performance Based Incentive within the Objective Fee Component is 50% of the Maximum Available Incentive Fee specified in Section II of each Performance Based Incentive.

### **Circumstances Outside of the Contractor's Control**

For any of the metric/milestones described below, the contractor may request payment of fee for missed metric/milestone(s) due to circumstances outside of its control. CBFO will conduct an assessment to confirm or refute the claim by the contractor and submit the assessment, along with the contractor's request, to the CBFO Fee Determining Official for a determination of fee eligible/non-eligible for payment.

**Payment Metric/Milestone 1:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following: 1.a and 1.b – Verified in Waste Data System (WDS) that the contractor has emplaced the waste.

**Payment Metric/Milestone 2:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following: The contractor shall provide the following:

For Metric/Milestone 2.a:

- A mutually-agreed site-specific Multi-Agency Radiation Survey and Site Investigation Manual (MARSSIM)-like characterization plan for Panel 7.
- Radiological surveys and analyses that document the results of the radiological conditions in Panel 7 in accordance with the MARSSIM-like characterization plan above.

For Metric/Milestone 2.b:

- A mutually-agreed air sampling and analysis plan that meets the requirements of the WIPP Radiological Protection Program.
- Air sampling and analysis documentation completed in accordance with the air sampling and analysis plan described above.

For Metric/Milestone 2.c:

- A mutually-agreed contamination mitigation plan that contains the specific measures to reduce contamination levels on non-salt surfaces to mitigate airborne contamination in Panel 7.
- Radiological surveys and analyses to document the mitigation of contamination on non-salt surfaces in Panel 7.

For Metric/Milestone 2.d:

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- A cost-benefit analysis plan submitted to CBFO by July 31, 2017 that evaluates the options, resource requirements and timeframe to achieve down-posting Panel 7 from an Airborne Radioactivity Area (ARA). The plan will consider the impacts to other underground priorities such as mining and ground control activities in comparison with the timeframe that Panel 7 will be filled with waste.

The radiological surveys shall include adequate radiological air sampling data and associated radiological field surveys to demonstrate compliance (per WP 12-5 Radiation Safety Manual, WP 12-HP1100 Radiological Surveys, WP 12-HP1500 Radiological Posting and Access Control, and WP 12-HP3400 Contamination Control). The surveys will include sufficient radiological air sampling data to support and verify contamination mitigation activities, along with removable and total contamination surveys to indicate the reductions of radiological condition or status for the areas specified in this milestone, and will also address the potential alpha self-shielding issues from the salt dust and encapsulations. The contractor shall maintain full data package for each area of down posting decision for inspections, assessments, or audits in accordance with WP 12-5.

**Payment Metric/Milestone 3:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following:

3.a – The bolts per week average will be determined at the end of the performance period by the following:  $(\text{number of resin bolts installed during the fiscal year}) / (\text{total equivalent weeks of work per year of all bolting shifts minus the equivalent weeks of planned maintenance outages that affected bolting operations})$ . In addition, CBFO will periodically review operational daily logs and perform visual assessment to validate the bolting metrics provided at the bi-weekly ground control meetings. The number of bi-weekly ground control meetings conducted with ground control metrics provided to CBFO will be verified for the performance period. The ground control metrics will include the average shifts per week scaling and broken bolt mitigation during the performance period. CBFO will verify the number of bi-weekly ground control meetings conducted with CBFO with ground control metrics provided to CBFO at those meetings during performance period. CBFO will determine the number and duration of prohibited and restricted areas in active work areas during the performance period. CBFO will determine the percentage of active travel-ways that were not maintained in a safe travelable condition during the performance period.

3.b – The shifts per week average for scaling and bolt mitigation will be determined for the performance period. CBFO will periodically perform visual assessments to validate the reported metrics provided at the bi-weekly ground control meetings.

**Payment Metric/Milestone 4:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following:

4.a – The contractor has completed the following activities with trained and qualified operators performing with approved operating procedures and maintenance work control packages to turn over SVS to operations.

- i. Installation of SVS components and the electrical tie-in to plant power.
- ii. Installation of all bulkheads necessary to operate the SVS.
- iii. SVS restart activities, including the completion of pre-requisites activities and corrective actions to address all pre-start findings.
- iv. Turnover of SVS to operations with sufficient ventilation capacity to support mining operations in Panel 8, using the equipment specified in the mutually agreed to list of equipment in Metric/Milestone 4.b below, while meeting the applicable regulatory requirements.

For each of the above activities, the following will be verified, as applicable:

- Work Packages signed off as complete by the contractor Quality Assurance organization and line

- management;
  - the design is complete, red-line drawings have been updated to as-built drawings, and installed to meet the intended function of supporting mining;
  - training and qualifications for operations personnel, systems engineers, and others are complete that will allow safe operations;
  - a readiness review will be completed in accordance with the approved Start-Up Notification Report and all pre-start findings and requirements are completed;
  - a New Mexico Engineering Certification of the design has been submitted to NMED; and,
  - inclusion of the SVS and submittal of the MSHA-required Ventilation Plan;
- 4.b – The contractor has completed the following activities with trained and qualified operators performing with approved operating procedures and maintenance work control packages to restart Panel 8 mining.
- i. Roof bolting to allow safe removal of the mining equipment needing removal in Panel 8.
  - ii. Removal of the mining equipment from Panel 8.
  - iii. Mutually agreed maintenance activities on a mutually agreed to list of equipment needed to conduct Panel 8 mining.
  - iv. Commenced Panel 8 mining.

4.c – The contractor will 1) develop the plan and submit the plan for approval; and 2) execute the approved plan and submit a completed work package to document completion. CBFO will verify completion of the activities by approving the Plan within 30 calendar days of submittal and validating the work package completion.

4.d – Mutually agreed upon Salt Shaft refurbish/repair work scope will be determined by the project execution plan that defines the scope, schedule and cost for the activities as per the FY 2017 Execution Year Guidance, Drivers, and Assumptions. A monthly meeting will be held to discuss status. The monthly status report will be delivered to CBFO that includes progress on salt shaft refurbish and repair work scope. CBFO will perform a completion evaluation or status evaluation at the end of the fiscal year to ensure the salt shaft refurbish/repair work scope are met as defined in the project execution plan.

**Payment Metric/Milestone 5:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities within CBFO program guidance as issued by letter. These validations include the following:

5.a.i – Completion of the 90% design and the hosted 90% Design Review Assist Visit and Comment Resolution Meeting for CBFO, DOE, and Defense Nuclear Facility Safety Board (DNFSB) as per the approved Statement of Work, WIPP Permanent Ventilation System, System Upgrade Design, RFP 506003, Revision 3, February 29, 2016 and its requirements from Table 5.4.1 – Deliverable Schedule;

5.a.ii – Completion of the 100% design documents as per the approved Statement of Work, WIPP Permanent Ventilation System, System Upgrade Design, RFP 506003, Revision 3, February 29, 2016 and its requirements from Table 5.4.1 – Deliverable Schedule;

5.a.iii – Completion of the procurement packages with a final Request for Proposal with evaluation criteria for best value, Statement of Work, Technical Evaluation, Cost Evaluation, recommendation of award for long lead procurements based upon best value, and acquisition plan for long lead procurements; and,

5.b – Completion of the 90% design and the hosted 90% Design Review Assist Visit and Comment Resolution Meeting for CBFO, DOE, and DNFSB.

**Payment Metric/Milestone 6:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations will include the following:

6.a – Four draft Final GSTR Assessment Reports will be reviewed utilizing DOE/WIPP-16-3564, Rev. 0 Generator Site Technical Review Procedure. The reports must include: Executive Summary; Scope; Identification of Team Members, Identification of Personnel Contacted; Programs Reviewed; Objective Evidence Reviewed; Work Performance Observed; Results of the Review; and Issues Identified. CBFO will submit comments, if any, before the reports are finalized.

6.b – Five Chemical Compatibility Evaluations (CCE) will be submitted and reviewed utilizing CBFO MP 4.15, Rev. 0, the processing of TRU Waste Acceptable Knowledge Summary Reports. The CCE must have: Methodology/Approach; Technical Assumptions; Conclusions; Waste Stream Chemicals/Materials of Concern; Reactivity Group Number Compatibility Evaluation; EPA Hazardous Waste Compatibility Chart for Waste Stream; Waste Stream Insignificant Trace Chemicals/Material and Source Document Reference List.

**Payment Metric/Milestone 7:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations will include the following: The WIPP Triennial Review is one of the Supplemental Environmental Projects (SEP) in the Settlement Agreement and Stipulated Final Order from the NMED resolving Compliance Order No. HWB-14-2.1. For FY17, this SEP will include: Complete Discussions with NMED by October 31, 2016; and, Obtain CBFO Approval of Scope and Guidelines Document /Submit to NMED. This report will meet the DOE requirement for the WIPP Triennial Review Scope of Work and Guidelines for 2017 to be submitted to NMED.

**Payment Metric/Milestone 8:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following:

8.a – Infrastructure recapitalization work scope will be determined by mutual agreement between CBFO and NWP prior to submittal of the request for completion payment. A monthly meeting will be held to discuss status. A monthly project status report for all infrastructure recapitalization activities will be delivered to CBFO. CBFO will perform a completion evaluation or status evaluation at the end of the fiscal year to ensure the project requirements are met as defined in the mutual agreement.

8.b – Completion of the upgrade of CMMS version 13 or later will be validated based on the following items that will be approved by CBFO:

- Configuration management plan and board approval documentation of the version upgrade.
- Independent cyber security vulnerability report and risk status of the production system.
- Submission of training documentation for administrator and user training on the new system.
- Submission of Business Impact Analysis (BIA), Federal Information Processing Standard (FIPS) 199 categorization and lifecycle management plan.
- Demonstration to CBFO selected personnel of the production model of the CMMS software. Completion of the integration of the CMMS ERP with external entities will include the following:
- Proposed plan for transition from current version (13 or later) to the defined CMMS ERP model, including identification of external entities for integration, proposed module/license upgrades to achieve the goal. For each defined connection to an external entity for the ERP system, a table will be developed and maintained defining the additional functionality/feature, databases, tables needed and in use and cost of the defined model. Additionally, signature sheets will be provided documenting both the ERP and external interface owners' cognizance of linkage between the systems.
- Documentation of proposed data fields that will be retrieved from external systems for use within the ERP model. This documentation will include versioning numbers of the external interfaces and proposed methods for maintaining established links through external interfaces through version upgrades of both external and ERP system.
- Submission of BIA, FIPS-199 categorization and proposed lifecycle management plan.

8.c – The basis for validating completion includes: updated conditions and assumptions are complete; changes to funding profiles based upon the President's Budget Request in February 2017; reflects the current capabilities, facility status, and resources availability at both the surface and underground for the short term and projected long term with all anticipated projects and activities; waste availability assumptions for shipping from generator sites; projected research and development activities; and current plans for mining to meet ground control, ventilation project needs, and future emplacement panels.

8.d – The basis for validating completion includes: The RH disposal optimization recommendations shall be in the form of a conceptual plan that describes a new shipping and emplacement paradigm for RH waste with <10 Rad/hour dose rates. Since there is still a requirement to ship and emplace >10 Rad/hour shipping and emplacement waste streams, the existing borehole and RH72B shipment capability must be preserved. The optimization plan shall include: 1) Background and description of the issue (low-dose RH waste doesn't require degree of shielding provided by current shipment and emplacement process). 2) Evaluation and recommendations for decoupling CH and RH emplacement so that RH disposal space is not lost when CH disposal rates outpace RH receipt. This must include a geotechnical evaluation of dedicated (separate) RH and CH disposal locations. 3) Evaluation and recommendations for packaging low-dose RH wastes to enhance shipping efficiency of RH. 4) Evaluation and recommendations for unloading low-dose RH waste streams and moving it to the emplacement location. 5) Evaluation and recommendations for shielding low-dose RH waste streams so that workers may perform required duties in proximity to the emplaced waste (e.g., ground inspections in a disposal room before more waste is brought in). 6) Cost estimates for all new waste handling equipment, shipping packages, and facility modifications needed. 7) Preliminary design drawings of all new waste handling equipment, shipping packages, and facility modifications needed. 8) Conceptual schedule extending through conduct of a readiness review to begin low-dose RH waste emplacement operations in WIPP. 9) Stakeholder and regulatory communications plan for obtaining regulatory approval. 10) Modification of the WIPP system emplacement and lifecycle model with estimated time and motion input to predict the receipt rate limitations using both low and high-dose RH waste stream emplacement methods, and ongoing CH waste emplacement.

8.e – The basis for validating completion includes: submittal by the Contractor of documentation of completion such as work packages for each impairment and deficiency. CBFO will verify the completed scope against the mutually agreed Impairment Priority Matrix. CBFO will monitor performance through periodic attendance at Matrix meetings.

**Payment Metric/Milestone 9:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. These validations include the following:

9.a – The contractor will complete and submit a review of existing NEPA documentation and other environmental impact analyses and provide an assessment of the extent to which the impacts from the proposed action and alternatives have been analyzed. This submittal should include an analysis of the level of NEPA documentation (i.e., Categorical Exclusion, Supplement Analysis, Environmental Assessment, or Environmental Impact Statement) likely to be required. The contractor will submit the review, assessment, and analysis to the DOE NEPA Compliance Officer for DOE's determination of the NEPA documentation necessary. The contractor will provide all information, data, technical analyses, impact analyses, reports, and draft documents requested by the DOE NEPA Compliance Officer in support of preparation of draft NEPA documents consistent with DOE's NEPA regulations (10 CFR 1021) to the DOE NEPA Compliance Officer for approval. The requested information, data, technical analysis, impact analyses, reports, and draft documents will be submitted to the DOE NEPA Compliance Officer such that the public comment period is completed in FY17 to be on a path that will support DOE evaluation of the proposed action and alternatives for the final design and start of construction in FY18; and,

9.b – The contractor will perform the following activities pertaining to the Class 3 Permit Modification Request for the AGSC Project depending on the submittal date of the Permit Modification Request (PMR) to be on a path to allow construction to start in FY18: respond to technical comments from the NMED (i.e. technical incompleteness determination); review and comment on the draft Permit issued by the NMED; and, provide technical and legal support for public hearings.

**Payment Metric/Milestone 10:** For completion of the incentivized activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. For timeliness, CBFO will verify the date of the procurement and the receipt date of the subcontract/affiliate package against the planned award/start of performance date to determine timeliness  
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based on the value of the award. For completion, CBFO will review each subcontract/affiliate package to determine whether all required documentation was provided and that no more than three mandatory corrections were required and have been addressed for the package. CBFO will notify NWP in writing when a submitted package is determined to be untimely or incomplete. Mandatory corrections are any corrections needed to ensure packages are compliant with applicable FAR, DEAR, Federal Travel Regulations and applicable NWP procurement procedures/instructions.

**In order to provide DOE sufficient review time, timeliness for this metric is defined by the following submittal times:**

Affiliate and Subcontract packages below \$1M requiring CBFO approval – 30 calendar days prior to award/start of performance

Affiliate and Subcontract packages between \$1M - \$25M – 60 calendar days prior to award/start of performance

Affiliate and Subcontract packages between \$25M - \$50M – 90 calendar days prior to award/start of performance

Affiliate and Subcontract packages over \$50M – 120 calendar days prior to award/start of performance  
NWP will provide responses to CBFO comments on the packages within 10 calendar days.

**For affiliate requests, complete is defined as submittal of the following documents:**

Each package will require no more than three corrections.

Justification for selecting affiliate support on a sole-source basis rather than competing the requirement;

Cost analysis for labor and other costs with NWP's determination that price is reasonable;

Completed Request for Off-Site Services form (or substitute corporate form as required for the action)

Validation of W-2 hourly rates proposed for affiliate staff through screen shots or other documentation;

NWP's verification of billing rates for overhead rates, G&A, fringe benefits, or other various adders and copies of provisional billing agreements.

NWP's documented review of Organizational Conflict of Interests and how conflicts will be mitigated;

Documented technical analysis of the types and quantities of material proposed and the need for the types and quantities of labor hours and labor mix.

**For subcontract consent packages, complete is defined as submittal of the following documents:**

Each package will require no more than three corrections.

Draft subcontract that incorporates all changes from Request for Proposal (RFP) amendments and includes all pricing information and ceilings, including hourly rates, material costs, travel or other miscellaneous costs, option period pricing, if applicable, and appropriate terms, conditions, and clauses for the subcontract type.

Basis for selection of contract type make

Departmental and management approvals (when applicable)

Copy of RFP and all amendments

Copy of all proposals and subcontract quotes

Copy of Representation and Certifications

Certificate of Current Cost or Pricing Data (if applicable)

Determination of responsibility/capability

Negotiation summary/memorandum, when applicable

Clause flow-down of applicable clauses

Technical evaluation of the proposals against the evaluation criteria in the RFP that documents the review of each proposal against each evaluation criterion, documents strengths and weaknesses of proposals for each evaluation criterion, and provides a summary table of the ratings for the proposals.

Price analysis (for competed subcontracts) or cost analysis of each cost element with a determination of price/cost reasonableness; technical analysis of the types and quantities of material proposed and the need for the types and quantities of labor hours and labor mix.

NWP's review of completed Organizational Conflict of Interest form and how conflicts, if any, will be mitigated.

For sole-source subcontract awards, written justification for not competing the requirement.

Market research/surveys

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Make-or-Buy Decision  
Small and Disadvantaged Business Enterprise consideration  
Documentation that System for Award Management (SAM) Excluded Parties List was checked

**DEFINITIONS:**

**Catch-Up Bolting:** Bolting in areas in the U/G that have not been bolted since the February 2014 events. Once bolting is finished in one of these areas and is in normal maintenance mode, it is no longer a catch-up bolting area/activity.

**CH – Contact-Handled:** Packaged TRU waste with an external surface dose rate that does not exceed 200 mrem per hour.

**Disposed:** Characterized/certified TRU waste emplaced at WIPP.

**Ground Control:** The use of a designed support system that is installed and maintained to support the back, side wall, or floor in places in the underground where persons work or travel in the performance of their assigned tasks. The purpose of ground control activities is to provide a safe underground work place. The primary method of ground control is the installation of roof bolts, but also involves the removal of hazardous ground whether from the roof, walls, or floor through scaling, milling, and mining and involves the mitigation of broken bolts.

**RH – Remote-Handled:** Packaged TRU waste with an external surface dose rate that exceeds 200 mrem per hour but is less than 1,000 rem per hour unless the packaging is a “shielded container” (i.e. RH waste packaged in a shielded container is considered RH waste for disposal purposes. The shielded container itself is not considered a component of the waste.)

**Travelway:** As it pertains to the WIPP underground and as defined in 30 CFR 57.3000, a travelway is defined as a passage, walk, or haulageway regularly used or designated for persons to go from one place to another.

**TRU:** Transuranic Waste. Radioactive waste containing isotopes with an atomic number greater than 92, concentrations greater than 100 nanocuries per gram, and a half-life of greater than 20 years.

**Waste Managed as TRU:** Waste, suspected of being TRU waste, being actively managed by the generator as TRU waste. After assay, some of this waste may be reclassified as Low-Level/Mixed Low-Level waste (LLW/MLLW).

**WIPP:** Waste Isolation Pilot Plant

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**TECHNICAL BOUNDARY CONDITIONS:** (Fundamental technical assumptions that must be maintained in order to accomplish the work scope associated with this Performance Measure.)

None

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**GENERAL REQUIREMENTS:**

To earn award fee under this PBI, the Contractor shall meet the specific completion criteria and expectations set forth in this Performance Incentive. The objectives defined in the metrics and milestones above must be accomplished. The Contractor shall support obtaining necessary regulatory approvals to accomplish the metrics by preparing appropriate submittals with good quality, promptly responding to regulator requests for added information and coordinating the preparation of response material,

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coordinating hearing preparation as needed, and coordinating implementation of approved regulatory changes.

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## **SECTION VI - EARNINGS SCHEDULE**

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*List percent of PM fee available for completion of each Element, and the schedule by which the fee may be earned. (Schedule identifies point(s) at which fee may be earned - does not define completion.)*

See above in Section IV.

Fee that is not earned will be reduced from the award fee pool and is not recoverable by the Contractor, including that specified for individual milestones. If the milestone dates for the required activities cannot be met by the Contractor, the dates by which the activities must be completed may be revised prior to the milestone date at the discretion of the Contracting Officer with input from CBFO staff.