

PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)

AWARD FEE PLAN (AFP)

1 OCTOBER 2012 through 30 SEPTEMBER 2013

Contract No. DE- EM-0001971

I. INTRODUCTION

This Performance Evaluation and Measurement Plan (PEMP) provides a standard process for development, administration, and coordination of all phases of the fee determination process consistent with Section B.2 of the subject contract.

Fee determinations are not subject to the Disputes Clause of the 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 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 PBIs. 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 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 primary 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 amount 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 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 paragraph H-10.
- 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 CFBO 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 provisional payments, and recommend 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 Assistant Contracting Officer Representative (ACOR)

The ACORs (previously referred to as Technical Monitors (TMs) assist the COR in carrying out the following responsibilities as requested:

- a. Develop the evaluation criteria related to assigned area.
- 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.

III. PEMP DEVELOPMENT PROCESS

While PEMP incentives may be unilaterally developed by 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.

Approval of Evaluation Criteria and Fee Amount

The evaluation criteria and fee amount are developed by the COR in consultation with CBFO Manager, the CO, and TMs prior to obtaining HCA approval (if not delegated to the CBFO Manager).

Approval by the CBFO COR, CO and the 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, HCA approval is required (if not delegated to the CBFO Manager). 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. The CBFO CO should provide at least 30 days advance notice to the contractor of any changes to the evaluation criteria and fee allocation. At the discretion of DOE, if an evaluation criterion is cancelled or modified, any fee associated with that criterion may be allocated to another evaluation criterion or criteria

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 schedule performance; management performance; technical performance; and cost control. Means to measure fulfillment of the criteria are provided in Attachment 2, Award Fee Performance Metrics. These may be adjusted on an annual basis. The fee amount associated with the subjective component of the criteria will not exceed **Exempt**% of the available fee during any year of the contract and will be equally apportioned amongst the four 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., Schedule Performance, Management Performance, Technical Performance, or Cost Control), the allocation scheme may be revised at the discretion of the FDO to appropriately reflect the impact of the identified problems. **Exempt**% of Available Fee for 2013, NTE \$**Exemption 4**)

- (1) Schedule Performance – The Contractor’s performance in meeting schedules (does not include Contractor internal documents) will be assessed based on:
 - (i) The degree of Contractor conformance with schedules as established;
 - (ii) The Contractor’s early identification of schedule problems and initiative observed in overcoming the problems to maintain progress; and
 - (iii) The extent to which deliverables were submitted in accordance with established schedules.

- (2) Management Performance - The Contractor’s effective and efficient control of all areas of effort including the management effort required to meet contract requirements and ensure safety. In addition to safety performance, the following areas will be considered:
 - (i) Achieving the community commitments required by the contract.
 - (ii) Maintenance and upkeep of WIPP site facilities, systems and equipment.
 - (iii) Establishment of internal controls to assure proper supervision of the work force and efficient completion of assigned tasks;
 - (iv) Coordination and cooperation with cognizant DOE officials to resolve problems that may arise in communications, planning, scheduling or other related areas; and
 - (v) Overall effective use of available resources, dependability and general coordination with the CBFO, including response to dynamic/urgent requirements.
 - (vi) Whether the Contractor’s status reports reflect monthly costs and show budget/schedule deviations at major milestones or from planned expenditures.
 - (vii) Support of Research and Development initiatives and alternative usage of the Land Withdrawal Act Area including the underground research laboratory.

- (vii) Effectiveness of the Contractor's implementation of applicable program/project management requirements, including the establishment of a change control process to report and control changes to the defined costs, scope, and schedule of the work.
- (3) Technical Performance - The Contractor's technical performance to assess the following:
- (i) Overall technical approach and rationale;
 - (ii) Thoroughness of approach;
 - (iii) Innovativeness and creativity in approach; and
 - (iv) Integration of technical efforts.
 - (v) Quality of delivered products and services including:
 - a. whether products/services delivered comply with DOE orders and applicable federal and state requirements, directives, regulations, and statutes, as well as the Contractor's program documents, procedures and Contractor management policies and instructions;
 - b. whether products/services demonstrate an appropriate level of professional due diligence, accuracy, clarity, and mission focus;
 - c. the overall quality of the Contractor's deliverable work products;
 - d. the extent and accuracy of any documentation, references, and background material accompanying a finished deliverable product; and
 - e. the appropriateness of the format and clarity of written products, considering the intended audience for the deliverable product,
 - f. the self Reporting of issues, events, NCRs, and deficiencies.
- (4) Cost Control - The Contractor's cost control will be evaluated to assess:
- (i) Whether the actual costs for the performance are reasonable for the work effort completed and within task order estimates;
 - (ii) Effectiveness of cost planning;
 - (iii) Timeliness and accuracy of cost reporting;
 - (iv) Clarity of and ability to trace cost relative to work schedule/technical progress; and
 - (v) Effectiveness of cost reduction/cost avoidance initiatives.

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 (i.e., waste processing rate) or a milestone (i.e., 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.

PBIs can be determined to be annual or Multi-year. Annual PBIs will be measured and evaluated at the end of the fiscal year or on a schedule negotiated with the Contractor. Multi-year incentives will be measured and evaluated upon completion of identified work.

The current PBIs can be found in Attachment 1 to this plan.

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 may 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 its performance. Performance evaluation will include, but not 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 Carlsbad Field Office Manager with input from the Contracting Officer's Representative (COR) will determine the amount of Performance Based Incentive (PBI) fee earned. Within 30 calendar days of receipt of the Contractor's request for fee payment, 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 days after receipt of the Contractor's self-assessment. A consolidated report will be prepared by the COR with assistance from the ACORs 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 subjective criteria evaluation, the following adjectival ratings will be used:

EXCELLENT	Contractor has achieved all or almost all of the award-fee criteria (>90%) and has exceeded overall performance requirements of the contract as defined and measured against the award fee plan for the
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award fee evaluation period with no unsatisfactory performance.

VERY GOOD

Contractor has achieved most of the award fee criteria and has met overall performance requirements of the contract as defined and measured against the award fee plan for the award fee evaluation period. All unsatisfactory performance identified during the period was considered minor in nature and has been addressed appropriately.

GOOD

Contractor has achieved some of the award fee criteria and has met overall performance requirements of the contract as defined and measured against the award fee plan. Some unsatisfactory performance may have been identified for the award fee evaluation period, but it had limited impact and has been addressed.

SATISFACTORY

Contractor has met overall performance requirements of the contract as defined and measured against the criteria in the award fee plan for the award fee evaluation period. Any unsatisfactory performance has been or is in the process of being addressed

UNSATISFACTORY

Contractor has failed to meet overall performance requirements of the contract 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 of Fee Earned
EXCELLENT	91 to 100%
VERY GOOD	76 to 90%
GOOD	51 to 75%
SATISFACTORY	No Greater than 50%
UNSATISFACTORY	0%

Attachment 2 to this plan provides the Award Fee Table that will be used as the worksheet to document the subjective evaluation and determination of the rating.

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.

ATTACHMENT 1

PERFORMANCE BASED OBJECTIVES (PBIs)

Performance Based Objectives (PBIs)

SECTION I – GENERAL INFORMATION

Performance Incentive Number: CBFO-PBI #1 Performance Period: 10/1/2012 through 9/30/2013
Performance Incentive Short Title: TRU Waste Disposal at WIPP and Improving WIPP Site Material Condition
Revision Number and Date: **Revision 0, 10/01/2012**

SECTION II- ACCOUNTING/PROJECT INFORMATION

Initial Budgeted Cost of Work Scheduled (BCWS) under this PM: **\$ Exemption 4**
Maximum Available Incentive Fee Associated with this Measure: **\$Exemption 4**

CBFO Management Control Packages: NA

SECTION III – INCENTIVE INFORMATION

Difficulty: High Medium Low
Duration: Annual Multi-year
Fee Payment type: Completion and Progress Provisional

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 cleanup results are achieved. In addition, to ensure that the Contractor stays focused on addressing specific WIPP site issues, this PBI includes specific milestones containing additional earnings that the Contractor can be paid for when those milestones are completed. The Contractor may earn fee for accelerated risk reduction based on cubic meters dispositioned from the TRU waste inventory. This PBI has an added difficulty component due to the work necessary to be done by generator sites to achieve the desired results that is not under the control of the Contractor or funded by the Contractor. Risk reduction fees will be earned as follows:

1. For cubic meters of TRU waste dispositioned.
2. For reinvesting cost savings to complete WIPP site maintenance actions to improve the site material condition

In accordance with risk reduction, the following metrics and milestones shall be used to measure performance and determine fees earned by the Contractor under this Rating Plan element.

Metric/Milestone 1: The Contractor's performance will be measured quarterly for its success in the safe, compliant and efficient disposition of cubic meters of TRU waste.

- a. For each cubic meter of CH waste dispositioned (removed from the TRU inventory or disposed of at WIPP) under Metric 1, a fee of **\$ Exemption 4** will be earned up to a maximum total of **\$Exemption 4** (approximately 5,000 cubic meters dispositioned).
- b. For each cubic meter of RH waste dispositioned (removed from the TRU inventory or disposed of at WIPP) under Metric 1, a fee of **\$ Exemption 4** will be earned up to a maximum total of **\$Exemption 4**.
- c. The contractor will earn **\$Exemption 4** if by December 31, 2012 the remainder of the 4,954 cubic meters of legacy TRU waste at SRS is certified as being ready to ship.
- d. If at the end of the fiscal year, the total volume of CH and RH waste dispositioned exceeds 5,050 cubic meters, the contractor will earn an additional **\$Exemption 4**.

The estimated amount of fee required to fund all elements under Metric/Milestone 1 during FY2013 is \$Exemption 4.

Metric/Milestone 2: Through the implementation of identified and approved initiatives, the contractor will reinvest \$Exemption 4 (direct and indirect labor and equipment) into DOE approved site maintenance and improvement activities. The contractor will utilize the 'buy-back' list as modified in consultation with DOE to prioritize projects and activities to be incentivized. The contractor may group completed projects and activities and request fee payment on a quarterly basis. The DOE CO will unilaterally decide whether actual cost savings were achieved. Fee will be earned at a rate of ^{Exempt}% of the actual cost of the work performed as validated by DOE staff (^{Exempt}% for the savings and ^{Exempt}% for completion of the work). Project and activity completion will be verified and accepted by the DOE prior to payment. At the end of the fourth quarter, the final payment may be prorated based on the total cost savings and the value of work completed from the buy-back list to account for projects in process and not yet completed.

The maximum amount of fee available to fund all elements under Metric/Milestone 2 during 2013 is \$Exemption 4

SECTION V - PERFORMANCE REQUIREMENTS

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

Payment Metric/Milestone 1: Each month TRU waste that has been dispositioned, the Contractor will submit provisional requests for payment of 85% of the fee earned monthly, and the total fee earned will be finalized after the end of the applicable quarter, at which time the balance for the quarter will also be due. The request for payment shall document the total cubic meters of TRU waste removed from generator site inventory. CBFO will verify the request submitted by the Contractor from information in the WIPP Waste Data System (WDS) database and as reported by the DOE office responsible for TRU waste disposition.

Payment Metric/Milestone 2: For completion of the maintenance activities at the WIPP site, the Contractor will submit a request for completion payment earned under this metric. CBFO will verify the request submitted by the Contractor by performing an assessment to verify completion of the maintenance activity. Payments may be made quarterly.

DEFINITIONS:

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

Cubic Meters: As used herein, cubic meters refer to the dispositioned volume of the TRU waste inventory as identified in WDS and other DOE approved reporting systems.

Dispositioned: Waste characterized by NWP allowing its removal from the TRU waste inventory by WIPP disposal, low-level waste disposal, or other methods approved by EM.

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.)

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

WDS: WIPP Waste Data System

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

None

GENERAL REQUIREMENTS:

To earn incentive fee under this Performance Incentive, 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, coordinating hearing preparation as needed, and coordinating implementation of approved regulatory changes.

An expected minimum level of performance for this PBI in any fiscal year is the disposition of 4,000 cubic meters of TRU waste

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Report, the document(s) that should be submitted/ data that should be available/ actions to be taken by evaluator, to determine actual performance to the requirements stated above.*

Note: The Contractor will provide documentation to the Contracting Officer as follows:

Metric 1: (Completion Payment) Fee shall be payable per cubic meter of TRU waste inventory dispositioned (removed from TRU inventory as MLLW or disposed of at WIPP) times the applicable fee per cubic meter upon submittal quarterly of appropriate documentation from the WDS database and confirmation from generator site data. Fee shall be provisionally payable monthly, based on 85% of the total fee earned for cubic meters of TRU waste inventory dispositioned (removed from TRU inventory as MLLW or disposed of at WIPP). The balance of the total fee earned will be due at the end of each quarter.

Metric 2: (Completion Payment) Fee shall be payable upon submission of documentation that proves that the maintenance actions for each Group have been completed and CBFO verification of that work has been completed.

SECTION VI - EARNINGS SCHEDULE

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.)

Not Applicable

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 sole discretion of the Contracting Officer. The CO may award reduced fee for late performance. Fee earned from late performance will be reduced by 10 percent for each month or portion of a month which the milestone is missed.

ATTACHMENT 2

AWARD FEE PERFORMANCE METRICS

AWARD FEE METRICS

Period of Performance: 1 October 2012 – 30 September 2013

Item		Evaluation Criteria
1	Schedule Performance – The Contractor’s performance in meeting schedules will be assessed based on:	Based on conformance to schedules for Objective Criteria (PBIs). <ul style="list-style-type: none"> • Use of NWP and CBFO agreed upon performance indicator charts for TRU waste initiatives. • Other activities that require schedule variance reporting.
1.1	The degree of Contractor conformance with schedules as established;	Utilize the Schedule Performance Index (SPI) measure for project schedule performance. VERY GOOD performance is an SPI of 1 – 1.1, as validated by CBFO.
1.2	The Contractor’s early identification of schedule problems and initiative observed in overcoming the problems to maintain progress; and	Number of times the contractor failed to give advance notice of schedule problems (30 days on work extending more than 6 months, 1 week otherwise) per the number of scheduled deliverables during period. VERY GOOD performance is expected to be no more than 3 failures to provide advanced notice
1.3	The extent to which deliverables were submitted in accordance with established schedules.	Number of times deliverables were delivered late vs. number of deliverables during period. Highest rating is zero late deliverables, VERY GOOD performance is 80 percent of deliverables are provided on or ahead of schedule.
2	Management Performance - The Contractor’s effective and efficient control of all areas of effort including management and technical effort required to meet contract requirements. Particularly to be considered are:	The quarterly performance indicator (PI) package can demonstrate overall management effectiveness. For example, there are no specific safety objectives in the PEMP but it is accounted for in overall management performance. Overall management items such as safety performance are addressed in the quarterly PI package. In addition to the safety performance, this criterion will specifically evaluate the sub-criteria listed in 2.1-2.8 below.
2.1	Achieving the community commitments required by the contract;	Measure against the Contractor Community Commitment Plan. VERY GOOD performance is 80 percent compliance with commitments and schedules.
2.2	Maintenance and upkeep of WIPP site facilities, systems and equipment;	Performance Indicators; Maintenance Backlog PIs; POD schedule performance of maintenance items. VERY GOOD performance is 80 percent compliance with weekly scheduled maintenance.

2.3	Establishment of internal controls to assure proper supervision of the work force and efficient completion of assigned tasks;	The internal control program is established and ensures that proper supervision of the workforce is maintained and work is accomplished efficiently. VERY GOOD performance is based on DOE oversight not documenting more than three lapses of supervision resulting in worker injury or established PBI project delays.
2.4	Coordination and cooperation with cognizant DOE officials to resolve problems that may arise in communications, planning, scheduling or other related areas;	Address issues identified in OA reports through the WIPP issue management process. Performance indicators associated with closing of issues on schedule. VERY GOOD performance is based on 90 percent of corrective actions addressing OA concerns being completed by the approved due date. (Unless extended by DOE.)
2.5	Overall effective use of available resources, dependability and general coordination with the CBFO including response to dynamic/urgent requirements;	Responsiveness to the Contracting Officer's letters of direction. Maintain a log of actions, due dates and completion. VERY GOOD performance is 90 percent compliance with commitments and schedules.
2.6	The Contractor's program/project management status reports reflect monthly costs and show budget/schedule deviations at major milestones or from planned expenditures;	Data contained in WIPP Monthly Project Report. VERY GOOD performance is 90 percent compliance with dynamic/urgent requests, maintaining timely monthly Project Status Meetings and demonstrating in the monthly reports that resources are being utilized effectively.
2.7	Support of Research and Development (R&D) initiatives and alternative usage of the Land Withdrawal Act Area including the underground; and	VERY GOOD performance is 90 percent compliance with commitments, mining and other major R&D milestones. (Mining rate averaging 1,180 tons per week for Phase I and II mains and a target date for completion of Phase I mining of 25 Feb 2013.)
2.8	Effectiveness of the Contractor's implementation of applicable program/project management requirements, including the establishment of a change control process to report and control changes to the defined costs, scope, and schedule of the work.	VERY GOOD performance would be the creation and implementation of the new cost report by 30 Nov 30 for Oct 2012 and the formalization of the Change Control Board process including the institution of a Buy-Back process to accomplish additional work as savings are recognized by 1 Nov.

3	Technical Performance - The Contractor's technical performance to assess the following:	<p>Base on performance of Objective Criteria (PBIs)</p> <ul style="list-style-type: none"> • Use NWP and CBFO agreed upon performance indicator charts for TRU waste initiatives. • Other activities that require schedule variance reporting. • <p>The analysis and corrective actions of technical issues that arise from these activities will be important documentation of performance in this area.</p>
3.1	Overall technical approach and rationale;	VERY GOOD performance is based on the development and maintenance of the baseline. The
		baseline should be of high quality, in conformance with DOE direction and delivered as scheduled.
3.2	Thoroughness of approach;	VERY GOOD performance is based on the completeness and timeliness of the Fiscal Year Work Plan (FYWP) and ABC Sheets.
3.3	Innovativeness and creativity in approach; and	VERY GOOD performance is based on a mutually agreed upon strategy to be submitted to CBFO by November 30, 2012 which establishes the priority and timeframe for evaluation of 100 percent of the 56 initiatives proposed by NWP, with the implementation of initiatives being contingent upon funding and DOE concurrence on approach.
3.4	Integration of technical efforts.	VERY GOOD performance is based on the coordination between the shipping sites and the WIPP that ensures there are no violations of the storage limits at the WIPP. And, the inability for NWP to characterize waste does not exceed two consecutive weeks, at sites where NWP is operating and a backlog of retrieved waste exists.
3.5	Quality of delivered products and services including:	See breakout below:
3.5.1	- whether products/services delivered comply with DOE orders and applicable federal and state requirements, directives, regulations, and statutes, as well as the Contractor's program documents, procedures and Contractor management policies and instructions;	VERY GOOD performance is based on NWP risk evaluation of issues identified as conditions adverse to quality over a reporting period with an average score of less than 20 points, with criteria to include such things as compliance, operational impact, and past corrective actions.

3.5.2	- whether products/services demonstrate an appropriate level of professional due diligence, accuracy, clarity, and mission focus;	VERY GOOD performance is based on the quality of products/services conducted by NWP including deliverables to the CBFO or Regulators. 95 percent of all products/services shall be free of any technical errors.
3.5.3	- the overall quality of the Contractor's deliverable work products;	VERY Good performance is based on NWP identifying and documenting at least 97% of defects for supplier provided equipment/items received before the equipment/items are installed at the WIPP Site or delivery/use at generator sites.
3.5.4	- the extent and accuracy of any documentation, references, and background material accompanying a finished deliverable product; and	VERY GOOD performance is based on demonstrating that 95 percent of the formally transmitted documentation, references and background material is technically accurate and complete. Additionally, no errors impact the overall conclusions, scientific basis or regulatory compliance aspect of the product.
3.5.5	- the appropriateness of the format and clarity of written products, considering the intended audience for the deliverable product.	VERY GOOD performance is based on 90 percent of the formally transmitted written products being in an appropriate format and of sufficient clarity for the intended audience.
3.5.6	- the self Reporting of Issues, events, NCRs, and deficiencies	VERY GOOD performance is based on NWP self-discovering at least 65% of Issues Management Program items.
4	Cost Control - The Contractor's cost control will be evaluated to assess:	The WIPP Monthly Cost Report will be utilized to monitor cost control.
4.1	Whether the actual costs for the performance are reasonable for the work effort completed and within task order estimates;	VERY GOOD performance is based on 95 percent of the actual costs being considered reasonable as measured against the approved estimates. Approved estimates are those reflected on the signed ABC sheets or cost estimates approved by the Change Control Board.
4.2	Effectiveness of cost planning;	VERY GOOD performance is based on 95 percent of the costs being within +/- 20 percent of the Change Control Board approved cost estimate as evaluated and approved by the COR.
4.3	Timeliness and accuracy of cost reporting;	VERY GOOD performance is based on 95 percent of the monthly cost reports being available by the date agreed to with DOE.
4.4	Clarity of and ability to trace cost relative to work schedule/technical progress; and	VERY GOOD performance is based on 95 percent of the costs being reported being tied directly to the WBS and baseline.

4.5	Effectiveness of cost reduction/cost avoidance initiatives.	VERY GOOD performance is based on a projected reduction in project costs (including cost avoidances) of 5 percent during the year through the evaluation of the 56 planned initiatives as evaluated and approved by the COR based on a strategy to be submitted to CBFO by 30 Nov 2012.
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ATTACHMENT 3

AWARD FEE TABLE

AWARD FEE TABLE

Period of Performance: 1 October 2012 – 30 September 2013

Item		Justification	Rating
1	Schedule Performance – The Contractor’s performance in meeting schedules will be assessed based on:	Overall -	
1.1	The degree of Contractor conformance with schedules as established;		
1.2	The Contractor’s early identification of schedule problems and initiative observed in overcoming the problems to maintain progress; and		
1.3	The extent to which deliverables were submitted in accordance with established schedules.		
2	Management Performance - The Contractor’s effective and efficient control of all areas of effort including management and technical effort required to meet contract requirements. Particularly to be considered are:	Overall -	
2.1	Achieving the community commitments required by the contract;		
2.2	Maintenance and upkeep of WIPP site facilities, systems and equipment;		
2.3	Establishment of internal controls to assure proper supervision of the work force and efficient completion of assigned tasks;		
2.4	Coordination and cooperation with cognizant DOE officials to resolve problems that may arise in communications, planning, scheduling or other related areas;		
2.5	Overall effective use of available resources, dependability and general coordination with the CBFO including response to dynamic/urgent requirements;		
2.6	Whether the Contractor’s program/project management		

	status reports reflect monthly costs and show budget/schedule deviations at major milestones or from planned expenditures;		
2.7	Support of Research and Develop initiatives and alternative usage of the Land Withdrawal Act Area including the underground; and		
2.8	Effectiveness of the Contractor's implementation of applicable program/project management requirements, including the establishment of a change control process to report and control changes to the defined costs, scope, and schedule of the work.		
3	Technical Performance - The Contractor's technical performance to assess the following:	Overall -	
3.1	Overall technical approach and rationale;		
3.2	Thoroughness of approach;		
3.3	Innovativeness and creativity in approach; and		
3.4	Integration of technical efforts.		
3.5	Quality of delivered products and services including:		
3.5.1	- whether products/services delivered comply with DOE orders and applicable federal and state requirements, directives, regulations, and statutes, as well as the Contractor's program documents, procedures and Contractor management policies and instructions;		
3.5.2	- whether products/services demonstrate an appropriate level of professional due diligence, accuracy, clarity, and mission focus;		
3.5.3	- the overall quality of the Contractor's deliverable work products;		
3.5.4	- the extent and accuracy of any documentation, references, and background material		

	accompanying a finished deliverable product; and		
3.5.5	- the appropriateness of the format and clarity of written products, considering the intended audience for the deliverable product.		
4	Cost Control - The Contractor's cost control will be evaluated to assess:	Overall -	
4.1	Whether the actual costs for the performance are reasonable for the work effort completed and within task order estimates;		
4.2	Effectiveness of cost planning;		
4.3	Timeliness and accuracy of cost reporting;		
4.4	Clarity of and ability to trace cost relative to work schedule/technical progress; and		
4.5	Effectiveness of cost reduction/cost avoidance initiatives.		

SUMMARY TABLE

Item	Rating	Summary
Schedule Performance		
Management Performance		
Technical Performance		
Cost Control		
Overall		

FEE PERCENTAGE AWARDED:

Comments: