

Performance Based Incentive

FY13

Contractor: Nuclear Waste Partnership
Contract: M&O - Waste Isolation Pilot Plant **Contract Number:** DE-EM0001971
Award Period: 10/1/12-9/30/17- five-year option to 9/30/2:

Metric 1:

Basis of Evaluation

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 \$800 will be earned up to a maximum total of \$4,000,000 (approximately 5,000 cubic meters dispositioned).

PBI formula

$$m^3 \times \$800/m^3$$

PBI Fee Earned			
Quarter	Cubic Meters x	\$800/m ³ =	Fee Earned
1 st	1806.77	\$800	\$1,445,416
2 nd	912.68	\$800	\$730,144
3 rd	1,644.30	\$800	\$1,183,440
4 th	870.84	\$800	\$484,000

8/12/2013

9/1/2013

11/3/13 - fee of \$1,315,440 reduced by \$132,000

12/18/13 - available fee of 509,000 remaining reduced by \$25,000

\$3,843,000

Basis of Evaluation

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 \$16,000 will be earned up to a maximum of \$800,000.

PBI formula

$$m^3 \times \$16,000/m^3$$

PBI Fee Earned			
Quarter	Cubic Meters x	\$16,000/m ³ =	Fee Earned
1 st	14.89	\$16,000	\$238,240
2 nd	6.97	\$16,000	\$111,520
3 rd	21	\$16,000	\$336,000
4 th	13.11	\$16,000	\$114,240

8/12/2013

9/1/2013

11/3/2013

12/18/2013

TOTAL

\$800,000

Performance Based Incentive

Basis of Evaluation

c. The contractor will earn \$500,000 if by December 31, 2012 the remainder of the 4,965 cubic meters of legacy TRU waste at SRS is certified as being ready to ship.

PBI formula

Lump Sum payment of \$500,000

Earned fee of \$500,000	6/10/2013
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Basis of Evaluation

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 \$250,000.

PBI formula

Lump Sum payment of \$250,000

Earned fee of \$250,000	11/8/2013
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Metric 2:

Basis of Evaluation

Through identified and approved initiatives, the contractor will reinvest \$4,000,000 (direct and indirect labor and equipment) into DOE approved site maintenance and improvement activities.

PBI formula

Max fee \$594,671

7.5% cost-saving initiative

7.5% work completed

	Value of Projects	7.5% Saving	7.5% Work Completed	Total Fee Earned
	Contractor reinvested \$4M in DOE-approved infrastructure and site improvements	297,335.50	297,335.50	\$594,671

TOTAL AVAILABLE PERFORMANCE-BASED FEE FOR FY13

\$6,144,671

TOTAL FEE EARNED

\$5,987,671