PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)

ANNUAL FEE PLAN (AFP)

1 OCTOBER 2015 THROUGH 30 SEPTEMBER 2016

CONTRACT DE-EM0001971

August 9, 2016

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 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 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 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 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.

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 (TM) 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 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.

CBFO has developed a procedure on PEMP development that follows the process in this PEMP and guidance from the HCA. This management procedure “Performance Evaluation and Measurement Plan Development, Reporting, and Fee Determination” (CBFO MP5.8, Revision 0) was developed to provide the process that CBFO will use for all issues related to the PEMP. It lays out the roles and responsibilities of the CO, COR, CBFO Manager,
FDO, TM, and the Performance Evaluation Board. It also includes the responsibilities of the Environmental Management Consolidated Business Center (EMCBC) and HCA on the approval process. The procedure defines how the fee pool and fee base is determined, how the subjective measures and objective measures are developed, monitored, status, and reporting are accomplished, and the process for validating and closing the measures. The procedure also provides the process for any proposed change to a subjective or objective measure. The procedure provides the process for PEMP evaluation and Fee Determination and any Conditional Payment of Fee.

The evaluation criteria and fee amount were developed by the COR in consultation with 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, 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 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; management performance; Environment, Safety and Health (ES&H) 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 four criteria.

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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: management performance; ES&H 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. Starting in FY 2015, the FDO may directly reduce the fee amount for ES&H 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 30 CFR 100 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 from the Subjective Criteria is 25% of the Total Available Fee for FY 2016, NTE $3,371,310 (25% of $13,485,242).

(1) Mission Performance – The Contractor’s performance in progressing towards the WIPP mission of characterizing, transporting and disposing of TRU waste will be evaluated based on:

   (i) WIPP Plant availability to support recovery and readiness to resume TRU waste disposal operations in FY2017.

   (ii) The extent to which Central Characterization Program waste characterization capability remains available to assigned sites;

   (iii) The degree of Contractor conformance with established baseline schedules with an emphasis on readiness activities to support commencement of TRU waste emplacement;

   (iv) The performance of the Contractor managing the waste transportation schedule and providing adequate monitoring service for in route shipments.

   (v) The performance of the Contractor managing the Centralized Procurement Program for Type A transportation assets;

   (vi) Availability of Type B transportation assets through maintenance of Nuclear Regulatory Commission Certificates of Compliance and physical maintenance and repair to support TRU waste shipments; and,

   (vii) Support and performance of stakeholder outreach and interaction (i.e. training and roadshows).

   (viii) Support development of a strategy to ensure that future defense TRU waste inventory can be disposed in WIPP.

(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. This includes:

   (i) Implement effective corrective action closures to address Judgments of Needs from the Accident Investigation Board Reports on the Underground Salt Haul Truck Fire Event of February 5, 2014 and the Radiological Release Event of February 14, 2014 and prevent recurrence.

   (ii) Achieving the community commitments described in clause H.47 of the contract;
(iii) Hardware delivered to WIPP is properly inspected upon receipt to ensure
defective equipment or parts do not enter into the WIPP inventory;
(iv) 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 and procedures;
(v) Provide effective Contractor Human Relations Management.
(vi) Work Planning and Control improvements to effectively operate a Hazard
Category 2 Nuclear Facility;
(vii) Performance in meeting annual Small, Small Disadvantaged and Women-
Owned Small Business Subcontracting Plan goals;
(viii) Subcontracting packages submitted to CBFO in a timely manner that is of at
least adequate quality;
(ix) Information Resource Management providing a reliable information technology
infrastructure along with timely software application development and
deployment;
(x) Contract costs and schedule management to baseline with thorough
assessment of variances and implementation of effective corrective actions
and adequate monthly progress reports on baseline management.
(xi) Greater than 90% of equipment PMs executed before the grace period
expires, or equipment taken out of service;
(xii) Overall reduction of non-PM facility mission and safety actions backlog; and,
(xiii) Management encourages employees to self-report issues and concerns as
required by applicable program documents, procedures, and training.
Management prioritizes resolution of these issues and concerns in a timely
and effective manner.

(3) ES&H Performance - The Contractor’s performance to manage the following:

(i) Environmental and Regulatory Compliance;
(ii) Safeguards and Security Compliance and Implementation;
(iii) The Contractor’s safety programs reflect a mature and effective nuclear safety
culture that fosters continuous improvement;
(iv) Contractor’s Environmental Management System that fosters continuous
improvement;
(v) Modifications to WIPP’s regulatory envelope to improve efficiency and support
WIPP recovery efforts;
(vi) Contractor assurance program works with the CBFO oversight program to
assure contractor programs meet or exceed DOE orders and result in timely
and effective closure of issues;
(vii) Safe execution of work; and,
(viii) Support collecting radiological data such as analysis from worker lapel air
samples and surface radiological samples and readings to support building a
data set to justify down posting selected areas in the underground from a
Contamination Area/Airborne Radioactivity Area to a Radiological Buffer Area
in FY2017;

(4) Cost Control - The Contractor’s cost control will be evaluated to assess:

(i) Effectiveness of cost planning;

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(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 a CBFO assessment of the processes, procedures, and documentation for the declaration of a compliant Earned Value Management System (EVMS), including the application of earned value techniques in the development of the work scope, schedule, and cost estimates for FY2018 Integrated Priority List (IPL) development and the start of FY 2017 budget execution planning.
(x) Support of a CBFO assessment of the contractor’s training readiness of the control account managers and other personnel for the application of an EVMS system.

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.

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 to this plan (Performance Based Incentives [PBIs]).

3. Minimal Performance Expectation

If the contractor receives a rating of "Unsatisfactory” for any of the four 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 12, of Attachment 1 to this plan.

The total fee available from the Objective Criteria is 75% of the Total Available Fee for FY2016, NTE $10,113,932 (75% of $13,485,242).

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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 evaluation 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 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 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 evaluating each subjective criterion (i.e. mission performance, management performance, ES&H performance, and cost control), the following adjectival ratings will be used:

**EXCELLENT** Contractor has exceeded almost all of the performance requirements of the applicable criterion for the award-fee evaluation period.

**VERY GOOD** 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.

**GOOD** 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.

**SATISFACTORY** 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.

**UNSATISFACTORY** 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:

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

Provisional fee may be requested and drawn by the 25th calendar day of each month up to one-twelfth (1/12th) 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 EMCBC and 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.
ATTACHMENT 1

**PERFORMANCE BASED INCENTIVES (PBIs)**
Performance Based Incentives (PBIs)

SECTION I – GENERAL INFORMATION

Performance Incentive Number: CBFO-PBI #1
Performance Period: 10/1/2015 through 9/30/2016

Revision Number and Date: Revision 1, 3/31/2016

SECTION II - ACCOUNTING/PROJECT INFORMATION

Contract Performance Baseline (CPB): $253,426,860
Maximum Available Incentive Fee: $10,113,932 (75% of 13,485,242)

CBFO Management Control Packages: NA

SECTION III – INCENTIVE INFORMATION

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

SECTION IV - PERFORMANCE MEASUREMENT

Description: Recognizing that managing the safe disposal of TRU waste is CBFO’s primary mission, but that mission was suspended due to the Underground Fire and Radiological Release Events of February 2014, this PBI represents a fee model in which earnings are at risk and the Contractor is paid when specific WIPP recovery results and achievable programmatic results are achieved including: underground safety and ventilation system reliability improvements, establishing and maintaining a CBFO-approved Recovery Performance Measurement Baseline, and site material condition improvements. In addition, to ensure that the Contractor stays focused on TRU waste certification to support TRU waste site cleanup, this PBI includes specific milestones containing additional earnings that the Contractor can be paid when those metrics/milestones are completed. The Contractor may earn fee for accelerated risk reduction based on cubic meters characterized to establish backlogs of certifiable RH TRU waste during the period that WIPP is not available for disposal. 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. Fees will be earned as follows:

1. For the completion and progress of WIPP site recovery including readiness activities.
2. For completing the enhanced Acceptable Knowledge process for 6 CH TRU waste streams and for characterizing RH TRU waste during the performance period.
3. For implementation of a Material Condition and Aging Management Program (MCAMP).
4. For upgrade/revitalization activities that improve the site material condition and support extended future WIPP operations.
5. For continuing the Permanent Ventilation System capital asset projects (Safety Significant Confinement Ventilation System and Exhaust Shaft and Drifts) with a certifiable earned value management system (EVMS) to support Critical Decision 2/3.
6. This metric/milestone was removed as an objective PBI and added as a subjective measure to the award fee Mission Performance criterion in Section IV of this PEMP beginning with Revision 1. The numbering was retained to maintain PEMP format configuration through FY2016.
7. For implementing a graded approach for earned value techniques in budget and execution planning.
8. For the Contractor developing an overarching vision and strategy for WIPP to achieve its operational lifetime through FY 2050 with both near term and long term operational activities and projects.
9. For the radiological down-posting of Panel 7 from a High Contamination Area to a Contamination Area.
Metric/Milestone 1: The Contractor will earn fee for WIPP site recovery and readiness activities by performing the following:

a. For the progress and completion of contractor responsible activities to achieve the Commence Waste Emplacement milestone date with an 80% confident schedule from the approved Waste Isolation Pilot Plant Integrated Performance Measurement Baseline (Revision 2, December 2015), the contractor may earn up to $2,760,000 fee in support of approval by the Startup Approval Authority (SAA) to commence the DOE Operational Readiness Review (ORR) for the Commence Waste Emplacement Activity in FY2017. Payments against each activity listed below may be earned for the activities completed in accordance with the approved baseline schedule through September 30, 2016. These Readiness Review activities will be in accordance with the requirements of DOE Order 425.1D, Admin Change 1 “Verification of Readiness to Start Up or Restart Nuclear Facilities” and will include the following activities:

1) Achieve approval of the Contractor ORR Plan of Action (POA) for Commence Waste Emplacement Activity from the SAA and CBFO Manager by June 30, 2016 to earn $552,000 in fee;
2) Deliver the Contractor ORR Implementation Plan for Commence Waste Emplacement to the SAA and CBFO Manager by July 31, 2016 to earn $552,000 in fee;
3) Deliver an approved Readiness to Proceed (RTP) Memorandum for the Contractor ORR for Commence Waste Emplacement Activity to the SAA and CBFO Manager by August 31, 2016 to earn $1,104,000 in fee. The RTP Memorandum must certify that the following Safety Management Programs have been reviewed by the contractor and are found to be effective or have corrective actions in place for those Safety Management Programs that have been found partially effective or ineffective to proceed with readiness review activities.
   - Radiation Protection
   - Hazardous Materials Protection
   - Radioactive and Hazardous Waste Management
   - Initial Testing, In-Service Surveillance and Maintenance
   - Operational Safety
   - Procedures and Training
   - Quality Assurance
   - Emergency Preparedness Program
   - Waste Acceptance Criteria Compliance Program; and
4) Deliver the approved Contractor ORR Final Report for the Commence Waste Emplacement Activity to the SAA and CBFO Manager by September 30, 2016 to earn $552,000 in fee.

b. For implementation and integration of the Learning Management System into the WIPP Training Program and populated with Contractor employee training data for use by the employees who have need to use the data for support of the readiness reviews by December 31, 2015, the contractor will earn $100,000 in fee.

c. For initial implementation (as described in the DOE approved Authorization Agreement) of the DOE approved Documented Safety Analysis (DSA) Revision 5 within 60 calendar days from contractor receipt of approved DOE Safety Evaluation Report (SER), $1,200,000 of fee will be earned. For completion of initial implementation beyond 60 calendar days from contractor receipt of approval of the DOE SER, the fee will be decremented $10,000 each day on a linear sliding scale up to 120 calendar days from contractor receipt of approval of the DOE SER. For completion beyond 121 up to 150 calendar days, the fee will be decremented $20,000 each day on a linear sliding scale. Completion after 150 calendar days will earn no fee.

d. Metric/Milestone 1.d was deleted with this Revision 1 of the PEMP and combined with Metric/Milestone 1.a above.

e. In Revision 2, this metric/milestone was revised and moved to metric/milestone 2a of this PEMP. The numbering was retained to maintain PEMP format configuration through FY2016.

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each up to $70,000 total can be earned for the first 7 chambers physically installed. The remaining $90,000 will be earned upon physical installation of the 8th chamber. Physical installation is defined as completion of ground control activities at each location, downloading the chamber from the surface into the underground and assembling the chamber at the designated underground location.

g. For completion of catch-up bolting and ground control in the contaminated area by September 30, 2016, such that access is maintained to switch station 5, Panel 7, and the three remaining lateral drifts (E-170, E-300, W-30), the contractor will earn $450,000 in fee. 50% or $225,000 of fee will be earned upon completion of switch station 5 and panel 7 catch-up bolting and $225,000 will be earned for completion of catch-up bolting in the three lateral drifts. (Does not include areas in the drifts that require additional mining.) This effort is in parallel to maintaining the normal ground control program in other areas of the underground.

The maximum amount of fee available to fund all elements under Metric/Milestone 1 during fiscal year (FY) 2016 is $4,670,000.

**Metric/Milestone 2:** The Contractor's performance will be measured for completing the enhanced Acceptable Knowledge process for the waste streams in the Waste Handling Building (6 waste streams) and cubic meters of RH-TRU waste characterized in excess of 3 cubic meters during the performance period.

a. For implementing the enhanced Chemical Compatibility Evaluation (CCE) process for the containers stored in the Waste Handling Building (WHB) at the Waste Isolation Pilot Plant (WIPP) for the 6 Central Characterization Project (CCP) waste streams, a fee of $75,000 will be earned per waste stream up to a maximum total of $450,000.

b. For each cubic meter of RH-TRU waste characterized in excess of 3 cubic meters, a fee of $16,666.66 will be earned up to a maximum total of $100,000 (9 cubic meters characterized).

The maximum amount of fee required to fund all elements under Metric/Milestone 2 during FY 2016 is $550,000.

**Metric/Milestone 3:** Develop a Material Condition and Aging Management Program (MCAMP) and evaluate recommendations from the CBFO Infrastructure Improvement Plan for the WIPP Program (CBFO-15-3553, Rev. 0) Sections 5 and 7 by performing the following:

a. Develop and implement a MCAMP at WIPP following the actions in Section 5 of CBFO Infrastructure Improvement Plan for the WIPP Program (CBFO-15-3553), Rev. 0. A fee of $500,000 will be earned for the completion of 100% of the four activities listed below. For each activity that fails to meet its milestone date for completion and success criteria, the available fee for this measure will be reduced by $125,000.
   1. Develop a risk based MCAMP plan with a prioritized list of activities for assets and success criteria by January 31, 2016 for CBFO approval;
   2. Implement the MCAMP plan for assets with high risk and complete material condition assessments of the assets with high risk by May 31, 2016. The contractor will provide a list of high risk assets to be evaluated through the material condition assessment to CBFO;
   3. Update CMMS database for repair needs and deferred maintenance from material condition assessments from the MCAMP for all assets with high risk and from the Facility Information Management System (FIMS) condition assessment survey by June 30, 2016; and,

b. Complete the following actions from Section 7 of CBFO Infrastructure Improvement Plan for the WIPP Program (CBFO-15-3553), Rev. 0:
1. Evaluate Institute of Nuclear Power Operations, AP-913, Equipment Reliability Process

2. Description for inclusion in WIPP Nuclear Maintenance Management Plan and provide CBFO a recommendation by December 31, 2015, a fee of $25,000 will be earned.

3. Provide a recommendation to CBFO on the replacement and/or upgrade of CHAMPS, the Computerized Maintenance Management Program (CMMS) by December 30, 2015 and develop an Execution Plan for approval by CBFO by February 29, 2016. Based on approval of the Execution Plan by DOE within 30 days from submittal by the contractor, the contractor will earn $318,932 fee for meeting all milestones and deliverables in accordance with the Execution Plan.

   a. Provide a list of Systems Description Documents (SDD) that require revisions as determined by DSA/TSR draft Revision 5 to CBFO by December 1, 2015. For completion of the revision of the "Pre-Start" SDDs to conform to DOE-STD-3024-2011 prior to the start of the Contractor Readiness Review a fee of $100,000 will be earned.

   b. From the functional classification determinations by DSA/TSR Revision 5, as described in the listed SDDs from Milestone 3.c, perform the graded approach evaluation to determine the proper Management Level, quality assurance requirements, and inspection requirements. This information will be entered into the Management Level Determination (MLD) and the Master Equipment List (MEL) databases. For any other assets added to the MEL during the year that are not covered by an existing MLD, the contractor shall perform a management level determination and populate the MLD database for that item. The contractor will track the number of new entries in the MLD database during each month of the year and report as a trend. For completion of this measure, the contractor will earn $100,000 fee.

The maximum amount of fee available to fund all elements under Metric/Milestone 3 during FY2016 is $1,043,932.

**Metric/Milestone 4:** The Contractor will earn fee for infrastructure improvements, revitalization and upgrade activities that improve the site material condition and support extended future WIPP operations by performing the following.

   a. A total fee of $600,000 will be earned for completion of the 5 projects by September 30, 2016. The fee will be distributed equally amongst the projects and the fee for individual projects may be earned upon completion.

      1. Installation of the fire suppression system for the 5 identified load areas in the underground (maintenance shop, maintenance office, operations office, lunchroom, oil storage).

      2. Underground notification system for personnel evacuation that will provide immediate notification based on an alternatives analysis and selected scope.

   3. IT activities (treated as one project) to support facility improvements that include:

      i. Installation of the first 12 network switches identified in the Central Monitoring System upgrade project to replace obsolete switches;

      ii. Completion and Contractor approval of design and Engineering Change Order (ECO) for the Central Monitoring System upgrade;

      iii. Completion of 10 digital signage (employee information Kiosks) and turned over to operations;

      iv. Completion of installation of a mobile monitoring camera at the location where waste will be emplaced upon resumption of waste emplacement activities. The video will have the capability to be saved and retrieved for a period of two (2) weeks;

      v. Complete design for an Emergency Communications Network at Skeen Whitlock Building EOC, and WIPP on-site EOC for voice, data, essential records storage, and video.

   3. Design, installation, and turned over to operations a portable evaporative cooler to support mining and maintenance crews habitability conditions.
4. For completion of the redesign of the entire surface and subsurface fire detection and suppressions systems to alleviate current system degradation issues and fire impairments and support future mission work. Subsurface is defined as the components of the surface fire detection and suppression system that are buried below ground level, but support the surface fire detection and suppression system. Subsurface is not defined as the underground repository.

b. Planning for surface storage capability. Complete a needs analysis, an alternatives analysis, regulatory strategy such as National Environmental Policy Act and Hazardous Waste Facility Permit, and a conceptual design for a surge capacity storage capability. Provide monthly status report of planning effort to CBFO. Documents shall be the equivalent level of development as for a critical decision 1. For delivery by September 30, 2016 of these documents ready for Government acceptance of planning for surface storage capability, the contractor will earn a fee of $300,000.

c. For completing FIMS Improvement Needs from Section 6 of the CBFO Infrastructure Improvement Plan for the WIPP Program (DOE/CBFO-15-3553, Rev. 0), a fee of $600,000 will be earned for the following activities and milestone dates. For each missed milestone date and completion of activity, the fee earned on this measure will be reduced by $50,000.
   1. Develop FIMS Improvement Plan by October 31, 2015.
   3. Input repair needs and deferred maintenance from the 50% condition assessment surveys due on May 31, 2016 into the CMMS and FIMS by June 30, 2016.
   4. Update Replacement Plant Value (RPV) for the 50% completed condition assessment surveys in FIMS by June 30, 2016.
   5. Perform remaining 50% of condition assessment surveys by August 31, 2016.
   6. Input repair needs and deferred maintenance from the remaining 50% of condition assessment surveys due on August 31, 2016 into the CMMS and FIMS by September 30, 2016.
   7. Update Replacement Plant Value (RPV) for the remaining 50% of completed condition assessment surveys in FIMS by September 30, 2016.
   8. Determine the frequency of FIMS condition assessment surveys for assets as part of the MCAMP by September 30, 2016.

d. For development of a Warehousing Management Program that ensures the proper warehousing and storage of personal property, to include warehousing and storage of personal property that require general and special controls (environmental, loss, or hazardous properties) and accountability and submit for approval to CBFO by March 31, 2016. (Assumes receipt of approval within 30 days of submittal.) Complete agreed upon activities from the Warehousing Management Program for fiscal year 2016 activities by September 30, 2016, $200,000 amount of fee will be earned.

The maximum amount of fee available to fund all elements under Metric/Milestone 4 during FY2016 is $1,700,000.

Metric/Milestone 5: The Contractor will earn fee for progress made on the Permanent Ventilation System capital asset projects (Safety Significant Confinement Ventilation System and Exhaust Shaft and Drifts) in support of Critical Decision 2/3 as follows:
   a. For declaring the Earned Value Management System (EVMS) to be compliant with EIA/ANSI-748C by July 31, 2016, the contractor will earn $300,000 in fee.
   b. For declaring the Earned Value Management System (EVMS) to be ready for Certification Assessment by DOE by September 30, 2016, the contractor will earn $300,000.
   c. For completing the following deliverables in preparation of CD-2/3 for the safety significant confinement ventilation and exhaust shafts and drifts capital asset projects, the contractor will
earn a total of $300,000 in fee ($150,000 for each deliverable, which can be invoiced at the time of completion).

1. Provide “Notice to Proceed” to execute the procurement contract for preliminary design for the building/ventilation system by July 8, 2016 (Schedule Activity NFB00430 provided predecessor activities are completed to ensure the referenced Activity dates are met).

2. Submit a 30% Preliminary Building Ventilation Design by September 16, 2016 (Schedule Activity NFB00440).

The maximum amount of fee available to Metric/Milestone 5 during FY2016 is $900,000.

Metric/Milestone 6: This metric/milestone was removed as an objective PBI and added as a subjective measure to the award fee Mission Performance criterion in Section IV of this PEMP beginning with Revision 1. The numbering was retained to maintain PEMP format configuration through FY2016.

Metric/Milestone 7: The Contractor will earn fee for implementing a graded approach for earned value techniques, across the work breakdown structure (WBS), in budget planning for FY 2018 integrated priority list (IPL) development for cost and schedule estimates, and for FY 2017 execution year planning for cost and schedule estimates and baseline management. The contractor will provide a Project Controls System Description that outlines the graded approach to be used for earned value techniques, activity based cost (ABC) sheets with scope, schedule, and cost estimates for FY2018 IPL development. For FY2017 execution year planning, the contractor will provide ABC sheets with scope, schedule, and cost estimates, P6 schedule, and Cobra cost reports for a FY2017 execution year PMB using the graded approach to earned value techniques. For FY2018 IPL development, the ABC sheets will be built to the Control Account Manager (CAM) evaluation of needs for FY2018 and delivered with the Project Controls System Description by March 31, 2016. The Project Controls System Description will be delivered for approval by CBFO (Note: This requires contractor budget targets to be provided by January 30, 2016). For completion of these activities the contractor will earn $250,000 in fee.

The maximum amount of fee available to fund all elements under Metric/Milestone 7 during FY2016 is $250,000.

Metric/Milestone 8: The contractor will earn fee for leading an integrated project team to develop an overarching vision/strategy and plan for WIPP to achieve its operational lifetime through FY 2050 with both near term and long term operational activities and will include the below deliverables.

a. Contractor to develop robust model for predicting and anticipating RH and CH TRU emplacement rates through 2021. Model will consider all anticipated constraints specific to WIPP and allow accurate prediction of emplacement rates and understanding of the impacts of constraints such as mine safety, ventilation, maintenance activities, resource limitations, and funding constraints. Contractor will earn a fee of $100,000 for delivery by January 31, 2016.

b. Contractor will deliver lifecycle model and overarching vision/strategy for future expansion of the WIPP facility to accommodate future waste emplacement through 2050. Model will include the availability to evaluate options for physical layout of panels and drifts, new required shafts, and proposed operational approaches (ventilation, access, types and quantities of equipment, etc.). Model will include the capability to conduct cost benefit analysis, discussion of required permit actions, and projected budget requirements for next five (5) years. Model will include planning considerations for necessary physical plant upgrades. Contractor will deliver a draft by January 31, 2016 and a final model by June 30, 2016. A fee of $50,000 will be earned for delivery of the draft model by January 31, 2016. A fee of $100,000 will be earned for delivery of the final model by June 30, 2016.

The maximum amount of fee available to fund all elements under Metric/Milestone 8 during FY2016 is $250,000.

Metric/Milestone 9: For the radiological down-posting of the following 5 areas associated with Panel 7 from a high contamination area (HCA) to a contamination area (CA) by September 30, 2016, the
contractor will earn a total of $750,000 in fee. Fee in the amount of $150,000 may be earned for each of the 5 areas down-posted from an HCA to a CA. The 5 areas are as follows: Panel 7, Rooms 2, 3, 4, 5 are the first four areas and the fifth area consists of the W-170 and S-2520 intersection and intake drift into Panel 7 up to the entrance of Room 5.

The maximum amount of fee available for Metric/Milestone 9 is $750,000.

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.

Minimal Performance Expectation

If the contractor receives a rating of "Unsatisfactory" for any of the four 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 an assessment to validate completion of the requested activities. For delivery of approved documents for Metric/Milestone 1, the contractor will request completion payments. CBFO will verify the request submitted by the Contractor by performing assessments to validate completion of the requested activities. Each assessment will have the following criteria:

- For Metric/Milestone 1.a.1, the CBFO assessment will verify that the contractor has achieved approval of the Contractor ORR POA for Commence Waste Emplacement Activity that meets the requirements of DOE Order 425.1D, Verification of Readiness to Start Up or Restart Nuclear Facilities for Commence Waste Emplacement from the SAA and CBFO Manager by June 30, 2016.
- For Metric/Milestone 1.a.2, the CBFO assessment will verify that the contractor has delivered the Contractor ORR Implementation Plan in accordance with DOE Order 425.1D, Verification of Readiness to Start Up or Restart Nuclear Facilities, for Commence Waste Emplacement Activity to the SAA and CBFO Manager by July 31, 2016.
- For Metric/Milestone 1.a.3, the CBFO assessment will verify that the contractor has delivered an approved Readiness to Proceed (RTP) Memorandum for the Contractor ORR for Commence Waste Emplacement Activity in accordance with DOE Order 425.1D, Verification of Readiness to Start Up or Restart Nuclear Facilities by August 31, 2016. The CBFO assessment will verify the RTP memorandum certification that contractor reviews were completed for all of the SMPs specified in Metric/Milestone 1.a.3 including the identification, categorization, and plan to resolve each of the corrective actions identified in those contractor reviews as described in Metric/Milestone 1.a.3.
- For Metric/Milestone 1.a.4, the CBFO assessment will verify that the contractor has delivered the approved Contractor ORR Final Report in accordance with DOE Order 425.1D, Verification of Readiness to Start Up or Restart Nuclear Facilities for the Commence Waste Emplacement Activity to the SAA and CBFO Manager by September 30, 2016.
- For Metric/Milestone 1.b, the CBFO assessment will verify that the implementation and integration of the Learning Management System into the WIPP Training Program and populated with Contractor employee training data for use by the employees who have need to use the data for support of the
readiness reviews by December 31, 2015.

- For Metric/Milestone 1.c, the CBFO assessment (performed by conducting a DOE Independent Verification Review [IVR]) will verify that the initial implementation (as described in the DOE approved Authorization Agreement) of the DOE-approved DSA Revision 5 has been completed, including the number of calendar days from contractor receipt of approved DOE Safety Evaluation Report (SER) that the initial implementation was completed.
- For Metric/Milestone 1.e, revision moved to Milestone 2.a.
- For Metric/Milestone 1.f, the CBFO assessment will verify the number, condition and location of all chambers physically installed in the underground by September 30, 2016.
- For Metric/Milestone 1.g, the CBFO assessment will verify that catch-up bolting and ground control in the contaminated areas underground are completed such that access to switch station 5, Panel 7, and the three remaining lateral drifts (E-170, E-300, and W-30) are maintained by September 30, 2016 as described in Metric/Milestone 1.g.

**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. Each assessment will have the following criteria:

- For Metric/Milestone 2.a, the Contractor will submit a request for payment as each CCE for containers stored in the WHB by waste stream has been submitted to CBFO for review. The CCE is not required to include all of the containers in that waste stream; only those containers in the waste stream that are currently stored in the WHB. The following is the list of the 6 CCP waste streams with containers stored in the WHB that apply to this metric/milestone:
  - ID-RF-S3114
  - SR-221H-PUOX
  - SR-MD-PAD1
  - SR-W027-HBL-BOX
  - LA-MHD04.001
  - LA-MHD01.001

CBFO will verify the request submitted by the Contractor by performing a review to validate completion of the enhanced CCE activities for the waste containers stored in the WHB by waste stream. This review will verify accurate descriptions and adequate CCEs in accordance with the contractor’s applicable procedures of the contents of the waste containers stored in the WHB for each waste stream submitted to CBFO by September 30, 2016. A CCE that identifies chemical incompatibility within specific waste containers stored in the WHB for that waste stream is acceptable as long as the CCE contains accurate descriptions and adequate evaluations in accordance with the contractor’s applicable procedures and a reasonable attempt was made to determine acceptability of the containers, as determined by CBFO. For this metric/milestone, CBFO may require 30-60 calendar days, but no longer than the end of calendar year 2016, to review the fee request and authorize payment (as stated in Section V.A.2) due to the rigorous CBFO interactive review process required to assess the adequacy of these CCEs.

1. “Accurate descriptions and adequate CCEs [or evaluations]” of the waste contents are achieved through compliance with NWP procedure CCP-TP-005, Acceptable Knowledge Documentation.
2. A "Reasonable attempt" to determine acceptability of the containers is the evidence that the AK expert performed actions to prove that the contents of the container are chemically compatible. But if the information showing incompatibility is irrefutable, then the AK expert will document the accuracy of that information.
3. The “CBFO interactive review process” is a review by the waste experts assigned by CBFO from WIPP participant organizations such as Los Alamos National Laboratory – Carlsbad Operations (LANL-CO) and the CBFO Technical Assistance Contractor (CTAC) as well as CBFO that review and comment on the CCE and must receive acceptable resolutions of their
comments through long discussions before accepting the CCE. This process may take several weeks to reach resolution but ends in a CCE that is acceptable to CBFO to meet all applicable requirements.

- For Metric/Milestone 2.b, after the minimum annual RH-TRU waste volume thresholds are met, the Contractor will submit monthly progress payments for 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 RH-TRU waste characterized at TRU waste sites that are funded by CBFO. CBFO will validate the request submitted by the Contractor from information in the Integrated Data Center (IDC) and confirmation from DOE oversight at the applicable RH-TRU waste site.

**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. Each assessment will have the following criteria:

- For Metric/Milestone 3.a.1, the CBFO assessment will verify that the contractor has developed a risk-based MCAMP Plan submitted for CBFO approval by January 31, 2016 that follows the actions in Section 5 of the CBFO Infrastructure Improvement Plan for the WIPP Program (CBFO-15-3553, Rev. 0). CBFO will provide comments to NWP for incorporation/resolution in MCAMP for CBFO approval, as necessary.
- For Metric/Milestone 3.a.2, CBFO will assess the completion of the material condition assessment for high risk assets identified in the MCAMP plan to verify that the MCAMP has been implemented, including a list of high risk assets to be evaluated through the material condition assessment to CBFO, by May 31, 2016.
- For Metric/Milestone 3.a.3, CBFO will assess the CMMS database and the FIMS database for the inclusion of the material condition assessments from the MCAMP for all assets with high risk and FIMS condition assessment surveys and their outcomes for repair needs and deferred maintenance of assets to verify that the CMMS database has been updated as described in Metric/Milestone 3.a.3 by June 30, 2016.
- For Metric/Milestone 3.a.4, the CBFO assessment will be performed to validate completion of FY2016 activities for the MCAMP as outlined in Section 5 of the CBFO Infrastructure Improvement Plan for the WIPP Program (CBFO-15-3553, Rev 0) by September 30, 2016.
- For Metric/Milestone 3.b.1, the CBFO assessment will verify that the contractor has evaluated the Institute of Nuclear Power Operations, AP-913, *Equipment Reliability Process Description* for inclusion in WIPP Nuclear Maintenance Management Plan and provided CBFO with a recommendation by December 31, 2015.
- For Metric/Milestone 3.b.2, the CBFO assessment will verify that the contractor provided a recommendation to CBFO on the replacement and/or upgrade of CHAMPS, the Computerized Maintenance Management Program (CMMS) by December 30, 2015, developed an Execution Plan for approval by CBFO by February 29, 2016, the Execution Plan was approved by DOE within 30 days from the contractor's submittal, and the contractor met all milestones and deliverables in accordance with the Execution Plan.
- For Metric/Milestone 3.c, the CBFO assessment will verify that the contractor provided the list of the SDDs that required revisions as determined by DSA/TSR draft Revision 5 to CBFO by December 1, 2015 and the “Pre-Start” SDDs were revised in accordance with DOE-STD-3024-2011 to support DSA/TSR Revision 5 prior to the start of the Contractor ORR.
- For Metric/Milestone 3.d, in order for CBFO to conduct its assessment to verify completion of this metric/milestone, starting with the approval of this Revision 1 of the FY2016 PEMP, the Contractor will provide a list of components that are credited as Safety Significant in DSA/TSR Revision 5 along with their associated MLD numbers as a cross reference. This list will be approved by Contractor Nuclear Safety as an inclusive list of credited components. For other assets added to the CHAMPS equipment register (MEL), Contractor will provide a full listing of the assets added from October 1, 2015 to the present, with their associated MLD document number. This information will be submitted monthly for the previous month through September 2016. CBFO will verify completion through an assessment of the listed items against functional requirements and the design bases in the applicable
Payment Metric/Milestone 4: For completion of the incentivized projects/activities, the Contractor will submit a request for completion payment earned under this metric/milestone. CBFO will verify the requests submitted by the Contractor by performing assessments to validate completion of the requested activities. Each assessment will have the following criteria:

- For Metric/Milestone 4.a, CBFO will perform an assessment to validate completion of the projects as described in Metric/Milestone 4.a. CBFO will attend project reviews, analysis of alternatives, regulatory strategy meetings, and operational awareness of project activities throughout the performance period to collect information in preparation of completing the assessment.
- Completion of metric/measure 4.b, in order for CBFO to conduct its assessment to verify completion of this metric/milestone, starting with the approval of this Revision 1 of the FY2016 PEMP, the Contractor will provide monthly status reports of the planning efforts to CBFO on a monthly basis. The CBFO assessment will verify conceptual design completion, submittal of a permit modification request for the WIPP hazardous waste facility permit to the New Mexico Environment Department, and submittal of a schedule and regulatory strategy for the National Environmental Policy Act review with approval by CBFO of the proposed action by September 30, 2016.
- For Metric/Milestone 4.c, the CBFO assessment of the activities listed in Metric/Milestone 4.c will be performed against the requirements list for FIMS improvement Needs from Section 6 of the CBFO Infrastructure Improvement Plan for the WIPP Program (DOE/CBFO-15-3553, rev.0) to validate the input of information into the FIMS system by the required time frames.
- For Metric/Milestone 4.d, CBFO will review, provide comments and approve the submitted Warehousing Management Program within 30 days of submittal and will perform an assessment of the agreed-upon activities from the document for FY2016 for completion.

Payment Metric/Milestone 5: For completion of the incentivized activities in this metric/milestone to support the progress of the Permanent Ventilation System Capital Asset Project(s), 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. Each assessment will have the following criteria:

- For Metric/Milestone 5.a, CBFO will perform an assessment of the processes, procedures, and documentation for the declaration of a compliant EVMS system. This assessment will include the application of earned value techniques in the development of the work scope, schedule, and cost estimates for FY 2018 Integrated Priority List development and the start of FY 2017 budget execution planning. In addition, an assessment will be performed of the contractor’s training readiness of the control account managers and other personnel for the application of an EVMS system.
- For Metric/Milestone 5.b, several review activities will be performed and assessment of their performance will be accomplished by CBFO. A “White Hat” Review will be performed by internal Contractor resources and an independent EVMS subject matter expert team. After completion of the “White Hat” Review, a “Black Hat” review will be performed consisting of AECOM corporate resources with Contractor resources lead by an independent EVMS subject matter expert team. After the “Black Hat” Review, a Self-Certification Review will be accomplished that will include members from Contractor and AECOM corporate resources and from DOE including CBFO, and/or the Offices of Environmental Management, and Project Management (PM-30). The Self Certification Review Team will develop a Corrective Action Plan with an implementation schedule for all outstanding corrective actions to achieve EVMS certification by Critical Decision 2/3. CBFO will perform a series of evaluations during all of these reviews and will validate that the contractor is on track for EVMS certification.
- For Metric/Milestone 5.c.1, CBFO will validate that the approval of a procurement package of adequate quality is provided in time to approve the package with a Notice to Proceed by July 8, 2016 to execute the preliminary design contract for the building/ventilation system.
- For Metric/Milestone 5.c.2, CBFO and/or the Offices of Environmental Management, Office of Project Management Oversight and Assessments will participate in the 30% Preliminary Building Ventilation Design and provide an assessment that the contractor has met the design maturity of a 30% design.
Payment Metric/Milestone 6: Metric/Milestone 6 was deleted in Revision 1 of this PEMP. Not applicable.

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 an assessment to validate completion of the requested activities. In the CBFO assessment, CBFO will validate that the submitted Project Controls System Description describes a graded approach for earned value techniques that can be applied across the WBS with ABC sheets that include scope, schedule, and cost estimates built to Control Account Manager (CAM) evaluation needs for FY2018 IPL development. For FY2017, CBFO will validate ABC sheets with scope, schedule, and cost estimates, P6 schedule, and Cobra cost reports for the FY2017 execution year PMB using the graded approach to earned value techniques from the Project Controls System Description. CBFO will validate that the Project Controls Description was provided to CBFO for approval by March 31, 2016.

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 an assessment to validate completion of the requested activities. The CBFO assessment will validate the delivery of the final lifecycle model and overarching vision/strategy to 2050 to CBFO by June 30, 2016. The model has the ability to include potential new missions, panel layouts, physical plant upgrades, cost benefit analysis, permit actions, and budget requirements. The assessment will also validate that the integrated project team has coordinated this effort with other WIPP participant organizations responsible for the National TRU Program, the infrastructure planning, and budget/project controls.

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 an assessment to validate completion of the requested activities. The CBFO assessment will verify the areas in the underground that have been down-posted from a high contamination area (HCA) to a contamination area (CA) by September 30, 2016 against the 5 areas listed in Metric/Milestone 9.

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.

Certified: TRU waste certified for WIPP disposal

Characterized: TRU waste characterized in accordance with CCP Procedures.

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 certified volume of the TRU waste inventory as identified in WDS.

Disposed: Characterized/certified TRU waste emplaced at WIPP.

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

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

**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.)*

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.