

PART I – THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

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B.1 DOE-B-2012 SUPPLIES/SERVICES BEING PROCURED/DELIVERY REQUIREMENTS (OCT 2014)

The Contractor shall furnish all personnel, facilities, equipment, material, supplies, and services (except as may be expressly set for in this contract as furnished by the Government) and otherwise do all things necessary for, or incident to, the performance of work as described in Section C, Performance Work Statement.

B.2 CONTRACT COST AND FEE

(a) This is a performance based contract that includes Cost-Plus-Award-Fee (CPAF), Cost Reimbursable (CR) (non-fee bearing), and Indefinite-Delivery Indefinite-Quantity (IDIQ) type Contract Line Item Numbers (CLINs).

(b) The Contract consists of the following CLINs:

Table B.2-1 Contract CLIN Structure				
	CLIN	CLIN Title	Contract Type	PWS Section
	0001	Contract Transition	CR (no fee)	C.0.4
Base Period	0101	Liquid Waste Operations	CPAF	C.1.1, C.1.2, C.1.3, C.2.7
	0102	SWPF Integration & Transition	CPAF	C.2.2, C.2.3
	0103	SWPF Operations <u>(option)</u>	CPAF	C.1.4
	0104	SDU Construction	CPAF	C.2.1
	0105	Tank Closures	CPAF	C.2.4
	0106	Safety Basis Upgrade	CPAF	C.2.5
	0107	System Optimization	CPAF	C.2.6
	0108	Liquid Waste Program Support	CPAF	C.3
Option Period	0201	Liquid Waste Operations	CPAF	C.1, C.2.7
	0202	SDU Construction	CPAF	C.2.1
	0203	Tank Closures	CPAF	C.2.4
	0204	Safety Basis Upgrade	CPAF	C.2.5
	0205	System Optimization	CPAF	C.2.6
	0206	Liquid Waste Program Support	CPAF	C.3
Base	0002	IDIQ	IDIQ	C.4
Option	0003	IDIQ	IDIQ	C.4

(c) This Section establishes the estimated Contract Cost and Fee for each CLIN. Within Table B.2-2, the following definitions apply:

- (1) *Estimated Cost* for each CLIN is defined as the cost to perform the CLIN agreed to by the parties at contract inception, as may be revised by modification to the contract in accordance with the contract terms. The exception is the IDIQ CLINs, for which the amount shown in Table B.2-2 reflects the maximum quantity of supplies or services the Government will acquire under the IDIQ CLINs (inclusive of any fee or profit).
- (2) *Available Award Fee* is defined as the amount of award fee that may be earned under the Contract for each applicable CLIN.

(3) *Target Activity PBI Fee* is defined as the amount of fee that may be earned for Activity Completion Milestone Performance Based Incentives (PBIs) for each applicable CLIN.

(4) *Estimated Cost and Fee/Contract Price* is defined as the total of the Estimated Cost, Available Award Fee, and Target Activity PBI Fee.

Table B.2-2 Contract Cost and Fee [Table to be completed by offeror and inserted by DOE at time of contract award]					
CLIN	CLIN Title	Estimated Cost	Available Award Fee*	Target Activity PBI Fee	Contract Price Estimated Cost and Fee
0001	Contract Transition ¹		N/A	N/A	
0101	Liquid Waste Operations ²				
0102	SWPF Integration & Transition ³			N/A	
0103	SWPF Operations (option) ²				
0104	SDU Construction ³			N/A	
0105	Tank Closures ⁴				
0106	Safety Basis Upgrade ³			N/A	
0107	System Optimization ³			N/A	
0108	Liquid Waste Program Support ³			N/A	
	Base Period – Total				
0201	Liquid Waste Operations ²				
0202	SDU Construction ³			N/A	
0203	Tank Closures ⁴				
0204	Safety Basis Upgrade ³			N/A	
0205	System Optimization ³			N/A	
0206	Liquid Waste Program Support ³			N/A	
	Option Period – Total				
0002	IDIQ – Base ⁵	TBD\$56,000,000	TBD	TBD	\$56,000,000
0003	IDIQ – Option ⁵	TBD\$56,000,000	TBD	TBD	56,000,000
	⁶ Contract – Total <u>Contract Value</u>				

*Available Award Fee will include award fee and PBIs as defined in B.9, DOE-H-2060 Base and Award Fee. Additional PBIs will be defined during contract performance as part of the Performance Evaluation Management Plan (PEMP). Also, no base fee is payable under this contract.

¹ ~~No fee is payable for the contract transition CLIN.~~

² ~~Available Award Fee proposed shall not exceed 2.5% of the estimated CLIN cost and Target Activity PBI Fee shall not exceed 6.5% of the estimated CLIN cost.~~

³ ~~Available Award Fee proposed shall not exceed 8% of the estimated CLIN cost, and no Target Activity PBI Fee is payable.~~

⁴ ~~Available Award Fee proposed shall not exceed 2% of the estimated CLIN cost and Target~~

~~Activity PBI Fee shall not exceed 8% of the estimated CLIN cost.~~

~~⁶The amounts shown in Table B.2-2 for the IDIQ CLINs are collectively consistent with the IDIQ maximum value of \$112,000,000, and include estimated costs and fee. No separate fee shall be proposed for the IDIQ CLINs in Table B.2-2, as fee will be established in each individual Task Order in accordance with DOE-B-2015.~~

~~⁶The total contract amount equals the sum of the base period total amount, the option period total amount, and the IDIQ CLIN amounts.~~

- (d) Payment of fee will be made in accordance with B.8, Target Activity PBI Fee, and B.9, DOE-H-2060 Base and Award Fee.
- (e) Under the IDIQ CLIN, the Government may issue CPAF or Firm-Fixed-Price Task Orders depending on the nature of the requirement for the delivery of work. Payment for the services ordered and delivered shall be made in accordance with applicable contract clause addressing payment as included in each individual task order.

The minimum ordering guarantee for the IDIQ CLIN is satisfied by execution of the ~~base period~~Notice to Proceed for the Contract Transition CLINs (0001). The maximum quantity of supplies or services the Government will acquire under the IDIQ CLINs is \$112,000,000. The IDIQ maximum value of \$112,000,000 is for the full period of performance, including the base period and option period, if exercised. The performance period for the IDIQ CLIN is identified in Section F, Deliveries or Performance, and is expected to be extended if the option period is exercised.

B.3 DOE-B-2013 OBLIGATION OF FUNDS (OCT 2014)

This is a Cost-Plus-Award Fee type contract. Pursuant to the clause of this contract at FAR 52.232-22, Limitation of Funds, total funds in the amount(s) specified below are obligated for the payment of allowable costs and fee. It is estimated that this amount is sufficient to cover performance through the date(s) shown below.

[To be inserted by the Government at the time of contract award]

B.4 DOE-B-2014 OPTION TO EXTEND THE TERM OF THE CONTRACT: ESTIMATED COST, FEE AND PERIOD OF PERFORMANCE (OCT 2014)

- (a) In accordance with the clause at FAR 52.217-9, Option to Extend the Term of the Contract, the Government may unilaterally extend the contract period of performance (as set forth in Section F, Deliveries) to require the Contractor to perform the work set out by Section C, Description/Specs/Work Statement of the contract. In the event that the Government elects to exercise its unilateral right to extend the term of the contract pursuant to this clause and FAR 52.217-9, all terms and conditions of the contract will remain in full force and effect.
- (b) The Contracting Officer will consider factors set forth in FAR 17.207, Exercise of Options, in determining whether to exercise an option to extend the term of the contract. The Government is concerned with ensuring that the Contractor's performance meets, or exceeds, the performance requirements of the contract in a

cost-effective manner. Accordingly, the Contracting Officer will consider the Contractor's performance as part of the determination to exercise any option to extend the contract term.

- (c) The Estimated Cost, Fee, and Period of Performance of each option to extend the term of the contract are set forth in Table B.2-1, Table B.2-2, and Section F, Deliveries.

B.5 DOE-B-2015 TASK ORDER FEE CEILING (OCT 2014) (DEVIATION)

~~(a) The fee amount, specified as a percentage, is TBD% for cost-plus-fixed-fee type Task Orders and shall serve as the fee ceiling for all cost-plus-fixed-fee Task Orders issued under the contract.~~

~~(b)~~ (a) The fee amount, specified as a percentage, is TBD10% for cost-plus-award-fee type Task Orders and shall serve as the fee ceiling for all cost-plus-award-fee Task Orders issued under the contract.

~~(b)~~ (e) The fee amount for each Task Order will be negotiated and established in each individual Task Order. The Contractor may propose whatever fee amount it determines appropriate for the individual task order, provided that the fee amount as a percentage of the estimated cost of each proposed Task Order does not exceed the fee percentage ceiling for ~~cost-plus-fixed-fee or~~ cost-plus-award-fee Task Orders, as specified above. For cost-plus-award-fee Task Orders, the fee ceiling percentage applies to the total of the amount proposed for award fee.

~~(d) The fee ceiling percentage shall at no time exceed any statutory limitations imposed by 10 U.S.C. 2306(d), 41 U.S.C. 254(b), and FAR 15.404-4(c)(4)(i).~~

B.6 EXECUTION OF CLINS

(a) Sequence of Execution. Upon the Notice to Proceed, the Transition CLIN (0001) will be executed. Upon completion of Transition, the base period Liquid Waste Operations CLIN (0101), the Liquid Waste Operations Support CLINs (0102, 0104, 0105, 0106, and 0107), and the Liquid Waste Program Support CLIN (0108) will be executed. The base period SWPF Operations CLIN (0103) is an option that may be exercised by the Government. Option period CLINs 0201, 0202, 0203, 0204, 0205, and 0206 may be exercised in accordance with FAR 52.217-9, Option to Extend the Term of the Contract. The exercise of any option under this contract is a unilateral right of the Government. An estimated start date for SWPF Operations CLIN (0103), if exercised, is indicated in Section F, clause DOE-F-2003.

~~(a)(b) The exercise of the option for CLIN 0103 is a unilateral right of the Government. The option, if exercised, will be exercised by modification to the contract within the base period of performance of the contract, and will otherwise be exercised in accordance with FAR 17.204. The Contractor is required to begin work on CLIN 0103 within 60 days of the option being exercised, provided that the Contracting Officer has provided the Contractor with a Nonbinding Notice of the Government's Intent to Exercise the CLIN 0103 Option at least 30 days prior to the option exercise.~~

B.7 ESTIMATED ANNUAL CONTRACT ~~PRICE~~VALUE

- (a) DOE ~~expects to obligate funding to the Contract in accordance with the estimated annual Contract value~~intends to obligate funding to the Contract in accordance with the estimated annual Contract price:

Table B.7-1 Estimated Annual Contract PriceValue <u>[Table to be completed by DOE at time of contract award based on the offeror's proposal]</u>	
Gov't Fiscal Year	Contract Price-Value (in \$M)*
FY17 (Transition)	TBD
FY17	TBD
FY18	TBD
FY19	TBD
FY20	TBD
FY21	TBD
FY22	TBD
FY23	TBD
FY24	TBD
Base Period Total	TBD
FY24	TBD
FY25	TBD
FY26	TBD
FY27	TBD
Option Period Total	TBD
Contract Total	TBD

* ~~Projected FY contract value less the IDIQ maximum value. Estimated Annual Contract Price shall align with the Total Estimated Contract Price in Table B.2-2, less the IDIQ maximum value.~~
Table B.7-1 will be updated as IDIQ task orders are awarded.

- (b) The above is anticipated funding only and is subject to the appropriations of Congress. It is not a guarantee that the funding will be provided or obligated in the amounts stated.

B.8 TARGET ACTIVITY PBI FEE

- (a) The DOE objective under this Contract is to support the SRS Liquid Waste mission work. The primary focus of the liquid waste mission work is salt waste processing and disposition, bulk waste removal, and waste tank closures. DOE's goal is to incentivize the ~~e~~Contractor to meet or exceed the Contract performance requirements, and to do so within the total estimated contract ~~price-value~~ and completion dates. Incentives are structured to ensure a strong financial motivation for the Contractor to achieve the Contract requirements. As outlined below, there is a performance expectation for the Contractor to earn Target Activity PBI Fee based on completion of salt waste processing and disposition, bulk waste removal, and waste tank closures.

Target Activity PBI Fee will be part of the annual PEMP, and is established for CLINs 0101, 0103, 0105, 0201, and 0203 as indicated in Table B.2-2 above. Target Activity PBIs will be set forth in the PEMP for salt waste processing (C.1.1.2.2), bulk waste removal (C.1.1.2.4), and waste tank closures (C.2.4).

(b) Target Activity PBI Fee will be earned based on the successful completion of liquid waste processing activities set forth in the PWS. The Target Activity PBI Fee shall be calculated as follows for the specified Activity Completion Milestones:

(1) Base Period Target Activity PBI Fee:

(i) CLIN 0101 and CLIN 0103 – Target Activity PBI Fee

Target Activity PBI Fee for CLINs 0101 and 0103 is split between salt waste processing (90%) and bulk waste removal (10%).

(A) Salt Waste Processing (Rate per gallon)

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#1} \end{array} = \frac{(\text{CLIN 0101 Total Target Activity PBI Fee Dollars} + \text{CLIN 0103 Total Target Activity PBI Fee Dollars}) \times 90\%}{4542,000,000 \text{ gallons}}$$

Cumulative Base Period Salt Waste Processed (BPSWP) = the total volume of salt waste processed to date, as measured in accordance with Section C.1.1.2.2, for all years of the contract base period.

Award Periodic Volume of Salt Waste Processed (APVSWP) = the BPSWP at the end of the award period (year or partial year) minus the BPSWP at the end of the previous award period.

~~For up to and including 4542,000,000 gallons (cumulative):~~

For all years or fraction of a year for which the BPSWP is less than or equal to 42 Mgal, formula #1 below will be used, after which formula #2 below will be used.

Formula #1: Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #1 x Annual Volume of Salt Waste Processed APVSWP = Annual Fee Dollars Earned

~~For greater than 4542,000,000 gallons (cumulative):~~

Formula #2: Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #1 x Annual Volume of Salt Waste Processed APVSWP x 125% = Annual Fee Dollars Earned

~~Bulk Waste Removal (Rate per tank)~~

~~(A)(B)~~

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#2} \end{array} = \frac{(\text{CLIN 0101 Total Target Activity PBI Fee Dollars} + \text{CLIN 0103 Total Target Activity PBI Fee Dollars}) \times 10\%}{9.8 \text{ tanks}}$$

For up to and including 9.8 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #2 x Annual Tanks Bulk Waste Removal = Annual Fee Dollars Earned

For greater than 9.8 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #2 x Annual Tanks Bulk Waste Removal x 125% = Annual Fee Dollars Earned

(ii) CLIN 0105 – Target Activity PBI Fee

(A) Waste Tank Closures (Rate per tank)

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#3} \end{array} = \frac{\text{CLIN 0105 Target Activity PBI Fee Dollars}}{6.5 \text{ tanks}}$$

For up to and including 6.5 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #3 x Annual Tanks Closed = Annual Fee Dollars Earned

For greater than 6.5 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #3 x Annual Tanks Closed x 125% = Annual Fee Dollars Earned

(2) Option Period Target Activity PBI Fee

(i) CLIN 0201 – Target Activity PBI Fee

Target Activity PBI Fee for CLIN 0201 is split between salt waste processing (90%) and bulk waste removal (10%).

(A) Salt Waste Processing (Rate per gallon)

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#4} \end{array} = \frac{\text{CLIN 0201 Target Activity PBI Fee Dollars} \times 90\%}{2726,000,000 \text{ gallons}}$$

Cumulative Option Period Salt Waste Processed (OPSWP) = the total volume of salt waste processed to date, as measured in accordance with Contract Section C.1.1.2.2, for all years of the contract option period.

Award Periodic Volume of Salt Waste Processed (APVSWP) = the OPSWP at the end of the award period (year or partial year) minus the OPSWP at the end of the previous award period.

For up to and including 2726,000,000 gallons (cumulative):

For all years or fraction of a year for which the BPSWP is less than or equal to 26 Mgal, formula #1 below will be used, after which formula #2 below will be used.

Formula #1: Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #4 x ~~Annual Volume of Salt Waste Processed~~ APVSWP = Annual Fee Dollars Earned

~~For greater than 2726,000,000 gallons (cumulative):~~

Formula #2: Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #4 x ~~Annual Volume of Salt Waste Processed~~ APVSWP x 125% = Annual Fee Dollars Earned

(B) Bulk Waste Removal (Rate per tank)

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#5} \end{array} = \frac{\text{CLIN 0201 Target Activity PBI Fee Dollars x 10\%}}{2 \text{ tanks}}$$

For up to and including 2 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #5 x Annual Tanks Bulk Waste Removal = Annual Fee Dollars Earned

For greater than 2 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #5 x Annual Tanks Bulk Waste Removal x 125% = Annual Fee Dollars Earned

(ii) CLIN 0203 – Target Activity PBI Fee

(A) Waste Tank Closures (Rate per tank)

$$\begin{array}{l} \text{Target} \\ \text{Activity} \\ \text{PBI} \\ \text{Rate \#6} \end{array} = \frac{\text{CLIN 0203 Target Activity PBI Fee Dollars}}{\underline{\text{3-2 tanks}}}$$

For up to and including 3-2 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #6 x Annual Tanks Closed = Annual Fee Dollars Earned

For greater than 3-2 tanks (cumulative):

Annual Target Activity PBI Fee Earning Calculation: Target Activity PBI Rate #6 x Annual Tanks Closed x 125% = Annual Fee Dollars Earned

- (c) Target Activity PBI Fee Payments: Incentives are earned and payable annually upon the Contracting Officer's written determination that the Contractor has completed the target activity milestones for PWS work scope in accordance with the criteria set forth in the PEMP.

B.9 DOE-H-2060 BASE AND AWARD FEE (OCT 2014)

- (a) The Government shall pay the Contractor for performing this contract the base fee, if any, and any award-fee that may be earned from the available award-fee, specified in Section B in accordance with this clause and other applicable clauses of the contract.
- (b) Base Fee Payment. The base fee, if any, shall be payable on a schedule specified in another clause of this contract or as determined by the Contracting Officer and subject to the following provisions. The Contracting Officer shall withhold a reserve not to exceed 15 percent of the total base fee or \$100,000, whichever is less, to protect the Government's interest.
- (c) Award-fee.
- (1) Performance Evaluation Management Plan.
- (A) A Performance Evaluation Management Plan (PEMP) shall be issued unilaterally by the Contracting Officer for each evaluation period that establishes the criteria and procedures for evaluating the Contractor's performance for the purpose of determining any award-fee earned. The PEMP shall include, as a minimum, the following:
- (i) Evaluation criteria linked to the contract's performance objectives as defined in terms of cost, schedule, technical, or other contract performance requirements or objectives;
- (ii) Means of how the Contractor's performance will be measured against the evaluation criteria;

- (iii) Award-fee evaluation period;
 - (iv) Amount of the total available award-fee that is allocated to the evaluation period, including the allocation for award-fee criteria and performance-based incentive criteria; and
 - (v) Methodology for application of subjective evaluation ratings or attainment of predetermined objectives to earned fee.
- (B) There are two categories of evaluation criteria that may be used in determining award-fee earned: award-fee criteria and performance-based incentive criteria. Each of these categories, in general, is defined as follows:
- (i) Award-fee Criteria – Evaluation criteria that are qualitative or subjective for which it is neither feasible nor effective to devise pre-determined objective criteria applicable to cost, schedule, technical or other contract performance requirements or objectives. These types of criteria require a judgmental evaluation process and allow the Government the flexibility to evaluate both actual performance and the conditions under which it was achieved.
 - (ii) Performance-Based Incentive Criteria – Evaluation Criteria which can be defined by predetermined, objective incentive criteria applicable to cost, schedule, technical or other contract performance requirements or objectives. Performance measurement standards contain well-defined parameters for measuring performance against evaluation criteria. These criteria may extend beyond one evaluation period when appropriate to incentivize the completion of long-term objectives.
- (C) The length of evaluation periods shall be determined unilaterally by the Contracting Officer. The evaluation periods should provide a balance between the Contractor's ability to have sufficient performance time for the Government to evaluate; but evaluation periods should provide the ability for the Government to provide timely evaluations on the Contractor's performance without being administratively burdensome.
- (D) The PEMP shall be provided to the Contractor 1 calendar day prior to the beginning of the first and each successive evaluation period. If there is not sufficient time for the PEMP to be provided to the Contractor in the required number of days in advance of the beginning of the evaluation period, the Contractor shall not be evaluated on its performance until 1 calendar day after the PEMP is received by the Contractor. The PEMP may be revised unilaterally at any time during the evaluation period; but the revised PEMP, or revised portion thereof, shall not be effective until 1 calendar day after the Contractor receives the revised PEMP.
- (2) Performance Evaluation and Fee Determination.
- (A) Monitoring Performance. During the evaluation period, performance monitors will track the Contractor's performance in accordance with the PEMP. Interim

evaluations may be provided to the Contractor to identify strengths, weaknesses and deficiencies in the Contractor's performance during the current evaluation period. At the end of an evaluation period, performance monitors will assess the Contractor's performance in accordance with the PEMP and report the results to the Award-fee Board (AFB).

- (B) Contractor Self-Assessment. Following each evaluation period, the Contractor may provide a written self-assessment of its performance to the AFB to be considered in its report to the Fee Determining Official (FDO). The self-assessment shall be submitted not later than 21 calendar days after the end of each evaluation period. The self-assessment shall address strengths, weaknesses and deficiencies in the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor should describe the actions planned or taken to correct such deficiencies to avoid their recurrence.
 - (C) Award-fee Board Recommendation. The AFB will consider the performance monitors' reports and any other pertinent information, including the Contractor's self-assessment, and prepare a report for the FDO with findings and recommendations. The Contractor will be provided a draft copy of the AFB's report and will be afforded an opportunity to identify factual errors. The AFB's draft report is not subject to negotiation with the Contractor. The Contractor will be provided a copy of the final AFB report immediately after the report is finalized.
 - (D) Award-fee Determination. The FDO will review the AFB's recommendation, the Contractor's self-assessment and other pertinent information related to the Contractor's performance. The FDO will make a final, written determination, consistent with the PEMP, as to the amount of the award-fee earned. The FDO's final determination will be provided to the Contractor no later than 90 calendar days after the end of the evaluation period. The FDO, AFB representative, or Contracting Officer will provide a debriefing to the Contractor on the final determination. All FDO decisions regarding award-fee are made solely at the discretion of the Government, including but not limited to, the characterization of the Contractor's performance, amount of earned fee, if any, and the methodology used to calculate the earned fee.
- (3) Unsatisfactory Performance. No award-fee shall be earned if the Contractor's overall performance in the aggregate is below satisfactory.
 - (4) Unearned Award-fee. Any unearned award-fee, for which the Contractor had the opportunity to earn during an evaluation period, shall not be transferred to subsequent evaluation periods, thus allowing the Contractor an additional opportunity to earn that previously unearned award-fee.
 - (5) Award-fee Payment. After the FDO's award-fee determination, the Contracting Officer will issue a unilateral modification to the contract setting forth the amount of earned fee. Payment will be made after the modification has been issued and consistent with other clauses of this contract related to payments. The PEMP may provide for the payment of earned fee for performance-based incentives

completed prior to the end of the evaluation period or provisional payments of earned fee based on established progress in meeting performance-based incentives extending beyond an individual evaluation period.

B.10 FEE REDUCTIONS

- (a) All annual available fee in each year of Contract performance is subject to reductions imposed by the terms and conditions of this Contract, including, but not limited to:
- (1) Section B Clause entitled, *Target Activity PBI Fee*;
 - (2) Section B Clause entitled, *DOE-H-2060 Base and Award Fee*;
 - (3) Section B Clause entitled, *Small Business Subcontracting Fee Reduction*;
 - (4) Section E Clause entitled, *FAR 52.246-3, Inspection of Supplies – Cost Reimbursement*;
 - (5) Section E Clause entitled, *FAR 52.246-5, Inspection of Services – Cost Reimbursement*;
 - (6) Section H Clause entitled, *DOE-H-2070 Key Personnel*;
 - (7) Section I Clause entitled, *FAR 52.203-10, Price or Fee Adjustment for Illegal or Improper Activity*;
 - (8) Section I Clause entitled, *FAR 52.215-11, Price Reduction for Defective Cost or Pricing Data – Modifications*;
 - (9) Section I Clause entitled, *FAR 52.215-13, Subcontractor Cost or Pricing Data – Modifications*;
 - (10) Section I Clause entitled, *FAR 52.219-16, Liquidated Damages – Subcontracting Plan*;
 - (11) Section I Clause entitled, *FAR 52.243-2, Changes – Cost Reimbursement*; and
 - (12) Section I Clause entitled, *DEAR 952.223-76, Conditional Payment of Fee or Profit – Safeguarding Restricted Data and Other Classified Information and Protection of Worker Safety and Health*.
- (b) The maximum fee reduction in any annual period of Contract performance is the allocated *Annual Award Fee*, as defined in the PEMP that can be earned in the annual period the event occurred.

B.11 SMALL BUSINESS SUBCONTRACTING FEE REDUCTION

For the purpose of implementing this Clause, the percentage goals established in the Section J Attachment entitled, *Small Business Subcontracting Plan*, will remain in effect for the duration of the Contract.

- (a) The Contractor's performance in meeting small business performance percentage goals in accordance with the Section H Clause entitled, ~~Self-Performed/Subcontracted~~ Work, and the Contractor's Small Business Subcontracting Plan, will be evaluated at the end of each performance period indicated below. The evaluation will be based on the small business subcontracting for each specific contract performance period, providing meaningful involvement for small businesses will be evaluated as part of the:
- (1) ~~Second PEMP evaluation~~ At the end of the Base Pperiod; and
 - (2) ~~Each successive PEMP evaluation~~ At the end of the Option Pperiod (if this option is exercised).
- (b) If the Contractor has not met any or all of the subcontracting goals, and/or has failed to provide meaningful ~~involvement work~~ for small businesses, ~~DOE the Contracting Officer~~ may reduce the annual award fee earned for the last year of each performance period. The reduction amount may be up to 25% of the annual award fee ~~criteria~~ earned for the last year of the Base Period and 15% for the last year of the Option Period, except for the Total Target Activity PBI Fee earned which will not be impacted by this clause.

B.12 ALLOWABILITY OF SUBCONTRACTOR FEE

- (a) If the Contractor is part of a teaming arrangement as described in FAR Subpart 9.601(1), *Contractor Team Arrangements*, the team shall share in the *Total Available Award Fee* and *Total Target Activity PBI Fee* as shown in Table B.2-2. Separate, additional critical subcontractor fee is not an allowable cost under this Contract for individual team members, or for a subcontractor, supplier, or lower-tier subcontractor that is a wholly-owned, majority-owned, or affiliate of any team member.
- (b) The subcontractor fee restriction in paragraph (a) does not apply to members of the Contractor's team that are: (1) small business(es); (2) Protégé firms as part of an approved Mentor-Protégé relationship ~~under the Section H Clause entitled, Mentor-Protégé Programs~~ identified in the Contractor's Diversity Plan as per the Section H clause at DOE-H-2046, Diversity Program; (3) subcontractors under a competitively awarded firm-fixed price or firm-fixed unit price subcontract; or (4) commercial items as defined in FAR Subpart 2.1, *Definitions*.

B.13 CONDITIONAL/PROVISIONAL PAYMENT OF FEE

- (a) Notwithstanding any other term or condition of this contract to the contrary, this clause applies to and has precedence over all other terms and conditions of this contract that provide for provisional payment of fee.
- (b) The Contractor must notify the Contracting Officer immediately if it believes any incongruence exists between this clause and any other term or condition of this contract that provides for provisional payment of fee. If a term or condition of this contract provides for provisional payment of fee but fails to include all of the

requirements of this clause, that term or condition will be considered to include the omitted requirements.

(c) This clause conforms to the Federal Acquisition Regulation and Department of Energy fee policy and constructs. The following definitions and concepts apply.

(1) Price means cost plus any fee or profit applicable to the contract.

(2) The terms profit and fee are synonymous.

(3) Incentive means a term or condition whose purpose is to motivate the Contractor to provide supplies or services at lower costs, and in certain instances with improved delivery or technical performance, by relating the amount of profit or fee earned to the Contractor's performance.

(4) Earned fee for an incentive means fee due the Contractor by virtue of its meeting the contract's requirements entitling it to fee. Earned fee does not occur until the Contractor has met all conditions stated in the contract for earning fee.

(5) Available fee for an incentive means the fee the Contractor might earn but has not yet earned.

(6) Provisional payment of fee for an incentive means the Government's paying available fee for an incentive to the Contractor for making progress towards meeting the performance measures for the incentive before the Contractor has earned the available fee.

(7) Provisional payment of fee has no implications for the Government's eventual determination that the Contractor has or has not earned the associated available fee. Provisional payment of fee is a separate and distinct concept from earned fee. The Contractor could, for example, receive 100% of possible provisional fee payments yet not earn any fee (the Contractor would be required to return all of the provisional fee payments). The Contractor could, for example, receive 0% of possible provisional fee payments yet earn the entire amount of available fee (it would not receive any fee payments until the Government's determination that the Contractor had earned the associated available fee for the incentive).

(8) Clause means a term or condition used in this contract.

(d) This contract's price, incentives included in its price, and all other terms and conditions reflect the Government's and the Contractor's agreement to link, to the maximum extent practical, the Contractor's earning of fee to its achievement of final outcomes rather than interim accomplishments.

(e) Certain terms and conditions of this contract provide for provisional payment of fee for certain incentives. Other terms and conditions of this contract provide for each such incentive the requirements the Contractor must meet to earn the fee linked to the incentive. The terms and conditions of this contract that provide for provisional payment of fee for certain incentives include for each such incentive the requirements the Contractor must meet before the Government is obligated to pay

fee, provisionally, to the Contractor and for the Contractor to have any right to retain the provisionally paid fee.

(f) The Contracting Officer, at his/her sole discretion, will determine if the Contractor has met the requirements under which the Government will be obligated to pay fee, provisionally, to the Contractor and for the Contractor to have any right to retain the provisionally paid fee.

(g) If the Contracting Officer determines the Contractor has not met the requirements to retain any provisionally paid fee and notifies the Contractor, the Contractor must return that provisionally paid fee to the Government within 30 days: (i) the Contractor's obligation to return the provisional paid fee is independent of its intent to dispute or its disputing the Contracting Officer's determination; and (ii) if the Contractor fails to return the provisionally paid fee within 30 days of the Contracting Officer's determination, the Government, in addition to all other rights that accrue to the Government and all other consequences for the Contractor due to the Contractor's failure, may deduct the amount of the provisionally paid fee from: amounts it owes under invoices; amounts it would otherwise authorize the Contractor to draw down under a Letter of Credit; or any other amount it owes the Contractor for payment, financing, or other obligation.

(h) If the Contractor has earned fee associated with an incentive in an amount greater than the provisional fee the Government paid to the Contractor for the incentive, the Contractor will be entitled to retain the provisional fee and the Government will pay it the difference between the earned fee and the provisional fee.

~~Based on the importance DOE places on the Contractor's and Contractor employees' compliance with the terms and conditions of this contract relating to environment, safety and health (ES&H) (which includes worker safety and health and performance under an approved Integrated Safety Management System (ISMS)) and the safeguarding of restricted data and other classified information, fee determinations are subject to unilateral reductions. See Section I Clause DEAR-952.223-76, Conditional Payment of Fee or Profit — Safeguarding Restricted Data and Other Classified Information and Protection of Worker Safety and Health.~~

PART I – THE SCHEDULE
SECTION C – PERFORMANCE WORK STATEMENT
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C.0 Savannah River Site Liquid Waste Contract Overview and Objectives

C.0.1 Background

The Department of Energy (DOE) Savannah River Site (SRS) is located in western South Carolina, covering 310 square miles in Aiken, Allendale and Barnwell counties. SRS was constructed during the early 1950s to produce basic materials used in fabrication of nuclear weapons, primarily tritium and plutonium-239, in support of our nation's defense programs.

The SRS cleanup strategy is to eliminate or minimize nuclear materials, spent nuclear fuel (SNF), and waste through safe stabilization, treatment, and/or disposition; reduce costs of continuing operations and surveillance and maintenance; and decommissioning facilities, as well as remediate surface water, groundwater and contaminated soils consistent with regulatory agreements and permits. The Department's completion strategy provides a comprehensive risk-based methodology to the legacy cleanup project, such as dispositioning radioactive liquid waste (LW) through vitrification of high activity waste constituents at the site's Defense Waste Processing Facility (DWPF), using existing SRS facilities to receive, store, and disposition aluminum-clad SNF, and decommissioning all facilities not required for continuing missions.

Major activities at SRS include radioactive liquid waste stabilization and disposition projects to safely and effectively store, treat, stabilize, and dispose of approximately ~~37~~36 million gallons of legacy radioactive waste currently stored in more than 40 underground storage tanks.

C.0.2 Contract Purpose and Objectives

The purpose of this Contract is to achieve measureable progress toward completion of the DOE Environmental Management (EM) mission at SRS to process and stabilize high level waste into borosilicate glass and low activity waste into cementitious material in accordance with the requirements of a regulatory framework that includes: 1) Section 3116~~(a)~~ of the Ronald W. Reagan National Defense Authorization Act (NDAA) for Fiscal Year 2005 ; 2) the Federal Facilities Agreement (FFA); 3) permits and requirements issued by the South Carolina Department of Health and Environmental Control (SCDHEC); and 4) applicable DOE Orders and federal regulations.

The liquid waste system is divided by function into four operational sub-systems: (1) waste storage, retrieval, sludge pretreatment, salt batch preparation, and closure of underground LW

storage tanks/systems in the F-Area and H-Area Tank Farms (Tank Farms¹); (2) salt waste treatment in processing facilities; (3) high activity waste treatment by vitrification in the DWPF with onsite glass storage until a disposal facility is available; and (4) stabilization of low level liquid waste in the Saltstone Production Facility (SPF) with permanent disposition as grout in Saltstone disposal units. The Contract scope includes the future operation and maintenance of the Salt Waste Processing Facility (SWPF), currently being commissioned under another contract that also includes an initial operational period of one year.

EM mission completion at SRS involves the safe stabilization, treatment, and disposal of radioactive liquid wastes presently stored in more than 40 underground radioactive waste storage tanks as well as future radioactive liquid waste resulting from planned nuclear materials stabilization activities; operational closure of underground waste storage tanks; and deactivation of major facilities and equipment that comprise the radioactive liquid waste system. An overview diagram of the liquid waste system process is included in Attachment 1. An aerial view of the liquid waste facilities is illustrated in Attachment 2.

The major objectives of this Contract during the base and option period of performance include the following:

- Safely operate and optimize the liquid waste system. Identify, develop, and implement improved supplemental, or replacement processes, approaches, and technologies for waste treatment, waste removal, tank closure, and waste disposal that reduce program lifecycle costs, accelerate radioactive liquid waste disposition schedules, or otherwise optimize system performance.
- Support timely completion, startup and initial operation of the SWPF by fulfilling all interface responsibilities, e.g. waste transfer infrastructure, delivery of qualified salt batches from waste removal operations as feed for SWPF, and receipt from SWPF of (a) two high-activity feed streams for processing at DWPF and (b) a low-activity feed stream for processing and disposal at the Saltstone Facility.
- After the transfer of operational responsibility, operate and maintain the SWPF to process salt waste at SWPF to yield two high-activity salt streams which meet waste feed acceptance criteria for processing at DWPF and a low-activity salt stream which

¹ The official facility nomenclature for the "Tank Farms" is the Concentration, Storage, and Transfer Facilities (CSTF). This document uses various terms including Tank Farms, F-Tank Farm, H-Tank Farm, etc... to refer to the CSTF.

meets waste feed acceptance criteria for processing and disposal at the Saltstone Facility.

- Operate Tank Farms to maintain a constant source of waste feed to Liquid Waste processing facilities in keeping with each facility's capability to receive and process waste. This will include planning and staging to support a continued and uninterrupted source of waste feed to Liquid Waste processing facilities to include:
 - o Receive liquid radioactive waste from H Canyon nuclear material stabilization activities.
 - o Deliver salt waste feed, fully conforming with the SWPF ~~salt feed~~ waste acceptance criteria, to SWPF for processing.
 - o Operate and maintain the Actinide Removal Process (ARP) and the Modular Caustic Side Solvent Extraction Unit (MCU) pending the start of SWPF operations to process salt waste from waste removal operations into two high-activity feed streams for processing at DWPF and a low-activity feed stream for processing and disposal at the Saltstone Facility.
 - o Deliver sludge waste feed, fully conforming with DWPF waste acceptance criteria, to DWPF for processing.
- Operate and maintain the DWPF to produce DWPF canisters at optimal sludge and salt waste loadings.
- Operate and maintain Glass Waste Storage Building (GWSB) #1 and #2 to store the vitrified waste canisters produced by DWPF.
- Operate and maintain the Saltstone Facility consisting of the SPF and the Saltstone Disposal Facility (SDF) to process and dispose of low-level waste.
- Construct SDUs to support the continued and uninterrupted disposal of low-level waste at the SDF.
- Operationally close liquid radioactive waste storage tanks and associated facilities in support of the FFA- and State approved plans.
- Operate and maintain the Effluent Treatment Facility (ETF) (also known as Effluent Treatment Project) to process aqueous waste streams from Liquid Waste system operations and from other site operations into a form suitable for (a) release to a permitted outfall or (b) processing and disposal at the Saltstone Facility.
- Maintain an interactive program/system planning process for Liquid Waste program milestones and execution schedules including comprehensive salt and sludge batch planning.

C.0.3 Description of Performance Requirements

This Contract reflects application of performance-based contracting approaches and techniques emphasizing measurable results/outcomes. The Contractor has responsibility for total performance under the Contract, including determining specific methods and approaches for accomplishing work.

All activities at SRS are managed by DOE EM site leadership. The Contractor shall be required to coordinate some of its activities by participating in a government-managed site integration process (including Government Furnished Services & Items (GFS&I)) to the extent necessary to ensure safe conduct of all site activities and completion of Contract requirements.

The Contractor has responsibility for managing, integrating, and executing work described in this Performance Work Statement (PWS). The Contractor shall assure that all activities are conducted in compliance with applicable environmental laws and regulations and within the parameters set forth in the following National Environmental Policy Act documents and associated Records of Decision.

- DWPF Final Environmental Impact Statement (FEIS) (DOE/EIS-0082)
- Supplement Analysis Salt Processing Alternatives (DOE/EIS-0082-SA-01)
- Final Waste Management Programmatic Environmental Impact Statement (PEIS) (DOE/EIS-0200-F)
- SRS Waste Management Final Environmental Impact Statement (EIS) (DOE/EIS-0217)
- Interim Management of Nuclear Materials EIS (DOE/EIS-0220)
- SRS High-Level Waste Tank Closure Final EIS (DOE/EIS-0303) and its two supplement analyses (DOE/EIS-0303-SA-01 and DOE/EIS-0303-SA-02)
- Environmental Assessment (EA) for the Closure of the HLW Tanks in F- and H-Areas at SRS (DOE/EA-1164)
- SRS Salt Processing Alternatives Final Supplemental Environmental Impact Statement (SEIS) (DOE/EIS-0082-S2)

During conduct of authorized work scope, the Contractor shall also comply with applicable provisions of all other Comprehensive Environmental Response, Compensation and Liability Act of 1980 decision documents in effect for the site.

The PWS scope contains both operational and capital asset acquisition activities which shall be identified as subprojects. The Contract scope shall be managed using a formal decision/approval process consistent with program and project management principles. The Contractor shall be responsible for integration and management of Contract and subproject scope. Scope performance must clearly link funding to cost reporting. A Work Breakdown Structure (WBS) that breaks down the work scope to levels below the WBS provided in this document as Section J, Attachment J-3 shall be developed to provide for efficient program and cost management. All work is subject to the development and implementation of an Earned Value Management System (EVMS). ~~Since the Contract scope shall be managed as a project,~~ theThe Contractor shall be responsible for developing a ~~cost performance measurement~~

~~system, in addition to an~~compliant EVMS, ~~at the Contract and subproject levels~~ consistent with DOE-H-2024. The Contractor’s participation in the DOE Project Assessment and Reporting System is required for capital asset project performance reporting.

The Contractor must comply with DOE and site requirements. Requirements that have been incorporated into the Contract remain in effect throughout the term of the Contract unless, and until, the Contract or regulatory commitment is modified to either eliminate requirements that are no longer applicable or substitute a new set of requirements.

This PWS is structured such that required actions are shown directly under each section header and WBS element. Subheadings entitled “Supplemental Information” provide varying levels of detailed information on the work scope that bidders may find useful in developing proposals. Supplemental information shall not be construed as providing work scope requirements or defining the only acceptable approach to operating a facility, system, or process.

Listed below are the performance requirement metrics for this contract during the base period of performance and during the option period.

Table 1: Contract Performance Requirements

Performance Metric	Salt Waste Processed (gallons)	Bulk Waste Removal (tanks)	Tank Closures (tanks)
Base Contract Period	4542 ,000,000	98	65
Option Period	2726 ,000,000	2	32
Total Contract Term	7268 ,000,000	110	97

C.0.4 Transition

~~The duration of contract transition shall be 90 calendar days.~~ The Contractor shall transition all on-going work scope from the incumbent including existing Service Level Agreements (SLAs); ~~re-assign any~~ applicable subcontract work from the incumbent to continue under an existing subcontract; and complete workforce transition in accordance with the requirements of the Contract. All Government-owned real and personal property currently accountable to the incumbent contractor for contract performance will be provided to the Contractor. During the contract transition period an inventory record of such property in the DOE Facilities Information Management System (FIMS) and incumbent contractor’s personal property databases will be provided to the Contractor.

The Contractor shall establish the necessary logistical support ~~(office space, computers, telephone, etc.)~~ to execute transition and shall ensure all necessary personnel, including key personnel for the Contractor, are on-site during the transition period.

At the end of the transition phase, the Contractor shall notify the Contracting Officer (CO) in writing that it is ready to assume full responsibility for the scope of the Contract.

C.0.4.1 Key Scope and Requirements

Sections C.0.4.1.1 through C.0.4.1.~~89~~ below identify major elements necessary for transition of the Contract.

C.0.4.1.1 Transition Plan

The Contractor shall submit a Transition Plan that provides a description of all necessary transition activities, involved organizations, and transition schedule. The objectives of the Transition Plan are to prepare for implementation of the Contract and minimize the impacts on continuity of operations. The Contractor is responsible for performing due diligence to ensure that all transition activities are identified and completed during the Transition Period. The Transition Plan shall be submitted within 14 calendar days after issuance of the Notice to Proceed (NTP).

C.0.4.1.2 Service Level Agreements ~~and Inter-Contractor Ordering Agreements~~

~~The Contractor shall develop the Service Level Agreements and Inter-Contractor Ordering Agreements that are necessary to support transition and Contract performance, and shall be responsible for the costs incurred under these agreements. SLAs are negotiated between the LW Contractor and other SRS contractors.~~

During the Contract Transition period, the LW Contractor shall review the existing Service Level Agreements (SLAs) and determine whether the agreements should be revised, cancelled, or continued unchanged as required for Contract performance. Revision or cancellation of SLAs during the transition process is by mutual agreement with the M&O contractor and subject to DOE approval.

C.0.4.1.3 Contract Performance ~~Management~~ Baseline

The Contractor shall submit a Contract Performance ~~Management~~ Baseline (PMBCPB), including an EVMS description, for the Contract Base Period of Performance that details the work activities to be performed. The Contractor shall develop the initial PMBCPB based on the Department of Energy Savannah River (DOE-SR) WBS (Section J, Attachment J-3-), and in accordance with the Section H clause entitled "Integrated Work Control Systems and Reporting Requirements."

C.0.4.1.4 Status Reports-Transition Activities

The Contractor shall provide a weekly status report of transition activities to DOE. The Contractor shall establish routine status meetings with DOE and affected contractors to review transition activities and issues.

C.0.4.1.5 Government-Owned Property

The Contractor shall conduct a joint reconciliation of the Government property inventory with the incumbent contractor. The incumbent contractor will provide an inventory record at the

inception of the Transition Period of all real and personal property for which they are accountable. The incumbent contractor and the Contractor shall perform a joint ~~wall-to-wall~~ physical inventory of all LW assets during the Transition Period, after which the Contractor shall report any discrepancies to the CO and the DOE Property Manager. This information shall be used to provide a baseline for this Contract as well as information to close out the incumbent contract.

C.0.4.1.6 DOE Safeguards and Security Survey

During the Contract transition period and prior to assuming control and responsibility for Safeguards and Security (SAS) responsibilities, the Contractor shall be subject to a DOE SAS initial survey conducted in accordance with U.S. DOE Order 470-~~2~~4B, Safeguards and Security Program. The results of the survey shall be documented and shall form the basis for DOE authorization to assume SAS responsibilities, ~~in particular, responsibility for Special Nuclear Material.~~ Upon DOE authorization, the Contractor shall assume responsibility for all applicable SAS resources, materials, facilities, documents, and equipment.

C.0.4.1.7 Identification of Material Differences

During the Transition Period, the Contractor shall identify any material differences in the systems, facilities, waste sites, property and services described in this PWS and actual conditions at the end of the transition period. The Contractor shall prepare and submit a Statement of Material Differences within 45 days of the NTP. If the Material Differences require revisions to the Contract, the Contractor shall submit a change proposal to reconcile the material differences with the Contract by the end of the contract transition period.

C.0.4.1.8 Stakeholder Engagement

During the Transition Period, the Contractor shall brief workers, Federal staff and stakeholders on the Contractor's approach and commitments for accomplishing the PWS. The timing and frequency of these briefings shall be agreed to by DOE and the Contractor within 5 business days of the NTP.

Within 72 hours following a NTP, the Contractor shall release on its own website a brief Executive Summary of its offer including the following elements:

- Name of Contractor including the identification of any Teaming Partners and Major Subcontractors and a description of the experience that each brings to the project.
- Summary/Description of Contractor's Technical Approach
- Organizational Structure and Identification of Key Personnel
- Commitments to the Community for the Period of Performance
- Total Contract Value Commitment to Small Business Subcontracting
- Contractor Performance Commitments
- Brief overview of Contractor's Work on Similar Projects

The purpose of this Executive Summary is to provide immediate release of relevant information to stakeholders and the public at large.

C.0.4.1.9 Implementation of Contractor Human Resources Management Requirements

The Contractor's Transition Plan required above in Section C.0.4.1.1 shall include a description of the Contractor's implementation of human resources management consistent with Workforce Transition and Contractor Human Resources Management requirements as described in Section H, Clauses H.4 through H.7, including:

- (a) Expected workforce composition and any immediate or anticipated workforce restructuring;
- (b) Identification of any existing issues under the National Labor Relations Act (NLRA) and its plan for engaging with any labor representatives;
- (c) A schedule for preparation and submission of any bargaining parameters requests;
- (d) Identification of any prevailing wage requirements, including any requirements under section 4(c) of the Service Contract Labor Standards statute as well as any NLRA requirements with respect to determination of wages and benefits;
- (e) Description of process for handling labor standards determinations for work packages;
- (f) Define any obligations with respect to pension and post-retirement benefit plans;
- (g) A plan for identification and resolution of any legal issues regarding any of the above; including the Contractor's plan for engaging outside counsel, if needed; and
- (h) A plan for communicating with DOE on these matters.

C.1 Liquid Waste Operations (WBS: 01)

The mission of LW Operations is to receive, store, treat, and dispose of radioactive liquid waste. The LW Operations are highly integrated involving safely storing liquid radioactive waste in underground storage tanks; removing, treating, and dispositioning the low activity waste fraction in concrete SDUs; vitrifying the higher activity waste at DWPF; and storing the vitrified waste in stainless steel canisters until permanent disposition.

The Contractor shall initially adopt the incumbent Contractor's programs and implementing procedures (e.g., Documented Safety Analysis (DSA), Technical Safety Requirements (TSRs), nuclear safety operating procedures, Performance Assessments, etc.) to facilitate continuity of operations and accomplishment of work. To ensure compliance with Contract requirements, current regulatory requirements, DOE directives and Contractor organizational roles and responsibilities, the Contractor is responsible to perform its own compliance verification of these programs and the implementing procedures. The Contractor, with DOE acceptance as appropriate, shall revise programs and implementing procedures it deems necessary to accommodate its technical approach, while maintaining compliance.

The Contractor shall maintain compliance with site-wide Manuals governing operations and maintenance requirements. These activities include routine operations, predictive, preventive and corrective maintenance, and infrastructure activities needed to support LW facilities and any facility improvements including general plant projects, major modifications, temporary modifications, and line item projects needed to sustain facility operations. Facilities shall be operated and maintained in a condition ~~such that the facilities can be operated to ensure~~ operability as designed beyond the end of the contract period of performance.

DOE maintains a comprehensive Master Infrastructure List of critical facility and infrastructure needs. Infrastructure for the purpose of this work scope includes all facility support structures; operational equipment; fire protection; electrical systems; plumbing; heating, ventilation and air conditioning equipment; superstructures; interior and exterior enclosures; roofing; foundations; basement construction; conveying systems; stairs; and furnishings. The areas of consideration include the Tank Farms and associated systems, structures and components, S-Area, Z-Area, ETF, and SWPF in J-Area, once the SWPF is transitioned to the Contractor. It also includes the office trailers and other supporting facilities in areas B, E, G and T-Areas (see Attachment J-12, Appendix A - LW ~~facilities12-8-2015~~).Facilities). The Contractor shall provide to DOE ~~updated~~ input by the end of each fiscal year, quarterly maintenance updates including a ~~prioritized~~ list of maintenance activities for these areas that were ~~accomplished~~completed during the ~~fiscal year, preceding quarter, a prioritized list of~~ maintenance activities that are scheduled to be performed, and newly identified maintenance activities. The maintenance activities shall be prioritized and risks associated with non-performance of the maintenance activities shall be identified and described with respect to safety and continued operations.

Supplemental information included in Section C is provided to aid in understanding the requirements and does not add any additional requirements.

C.1.1 Tank Farms (WBS: 01.01)

Tank Farms operation includes multiple facilities and processes, including the ARP/MCU, waste tank system transfers, evaporator operations, space management, salt and sludge feed batch retrieval and preparation of waste for transfer to other LW facilities, waste disposition, and, ultimately, tank closure.

C.1.1.1 Actinide Removal Process/Modular Caustic Side Solvent Extraction Unit (WBS: 01.01.01)

The Contractor shall manage and optimize interim salt processing and disposition of radioactive salt waste using the integrated ARP/MCU system, strategically reducing inventory and recovering tank space ~~supporting Canyon operations.~~ The Contractor shall deliver a low-activity clarified salt solution waste stream (i.e., treated to remove strontium and actinides, strontium if necessary, and cesium) as feed to the SPF for processing and to derive a high-activity concentrated radioactive cesium stream and possibly an actinide/strontium ~~salt~~ stream as feed for processing at the DWPF.

~~Following shutdown~~ ARP/MCU shall be shut down and isolated 30 days prior to allow for SWPF radioactive tie-ins to the liquid waste system, ~~the~~ The Contractor shall maintain the ARP/MCU processes and facilities in a lay-up status with waste having been flushed from all vessels, transfer lines, coalescers, contactors, instrument lines, ventilation system reheaters and condensers, cells, sumps, and all locations exposed to radioactive or chemical waste, to the maximum extent practicable until such time as SWPF has transitioned to the Contractor for continued operation. ~~Layup~~ Lay-up includes separation of all transfer lines and capping/blanking the lines. Ventilation system filters will continue to be maintained to ensure any residual contamination may not be released from the facilities.

Alternately, the Contractor may, with DOE approval, re-purpose the ARP/MCU systems as part of the system optimization activities for accomplishment of the PWS consistent with applicable requirements.

Supplemental Information

Attachment 3 provides a schematic diagram of the ARP/MCU process. Lower activity salt waste is currently processed through ARP/MCU. The ARP decontaminates salt solution via adsorption of strontium-90 (Sr-90), and actinide radionuclides, ~~and entrained sludge solids in the salt solution~~ onto ~~Mono-Sodium~~ Monosodium Titanate (MST), followed by filtration or settling ~~of the MST and entrained sludge solids in the salt solution~~. The ~~actinides, Sr-90, and MST laden sludge~~ high activity waste stream ~~are~~ is transferred to DWPF for vitrification and the remaining clarified salt solution is transferred to the MCU process. The MCU process extracts cesium-137 (Cs-137) from the clarified salt solution using Caustic Side Solvent Extraction (CSSX) chemistry. The low Cs-137/low actinide Decontaminated Salt Solution (DSS) is subsequently transferred to Tank 50H for feed to the SPF, and the cesium containing Strip Effluent (SE) solution ~~of cesium nitrate~~ from the CSSX process is transferred to the DWPF for

vitrification. In combination with evaporation, the operation of ARP/MCU reclaims valuable space in the F-Area and H-Area waste storage tanks and supports continued DWPF operations. ARP/MCU treatment will be replaced in the future by the SWPF, which is ~~under construction in non-radioactive (i.e., cold) commissioning~~. SWPF will process significantly larger amounts of salt waste that are also higher in radioactivity.

~~ARP/MCU facilities outputs ensure the total Interim Salt Treatment curies emplaced in SPF are within the amount identified in Savannah River Site—Liquid Waste Disposition Processing Strategy (SRS LW Strategy), as amended by letter from the SCDHEC to DOE-SR and Section 3116(a) of the NDAA FY2005.~~

The ARP/MCU is currently projected to operate at a rate of 4-8 gallons per minute (gpm) until the facility is shut down for SWPF tie-ins approximately four weeks prior to the start of ~~SWPF operations. In the event SWPF start-up is initially unsuccessful, ARP/MCU will continue to operate until such time as SWPF is authorized to begin operations. radioactive (i.e., hot) operations~~. Nominally ARP/MCU produces:

- For each gallon processed, approximately 1.2 gallons of DSS for SPF
- For each gallon processed, approximately 0.08 gallon of SE for DWPF
- For each gallon processed, approximately 0.02 gallon of MST solids/sludge for DWPF

Note: actual operating experience in ARP/MCU since beginning Next Generation Solvent (NGS) processing may vary slightly from these assumptions as data is collected and analyzed.

Actions taken since startup of ARP/MCU have demonstrated an increased processing rate from the original design of 1 million gallons per year to approximately 1.5 million gallons per year.

Enhancements and improvements include chemistry adjustments at Tank 49H, reduced cycle times, and redesign and replacement of the secondary filter at facility 512-S.

Efforts continue to improve equipment reliability, reducing unexpected downtime to improve overall attainment. In addition to equipment and processing upgrades, alternative system planning is being done to more efficiently qualify subsequent salt batches to reduce downtime between batches.

Operation of ARP/MCU with NGS has resulted in more efficient removal of cesium from the treated salt solution than the original solvent formula. This increased cesium removal efficiency (decontamination factor or DF) allows ARP/MCU to produce a DSS stream with a residual cesium concentration much less than previously achieved.

C.1.1.2 Tank Farm Operations (WBS: 01.01.02)

The Contractor shall operate ~~and optimize~~ the Tank Farms to receive, concentrate, and store liquid radioactive wastes in support of ongoing site activities and ensure the continued operability and structural integrity of the liquid radioactive waste tanks and ancillary structures. The Contractor shall be responsible for effective Tank Space Management, Salt Feed

Preparation, Sludge Feed Preparation, bulk waste removal/retrieval, and management of the ETF. The Contractor shall maintain a comprehensive tank inspection program ~~to actively monitor all tanks for new leaks, and the Contractor shall mitigate any newly discovered leak sites that is compliant with the requirements specified in the SRS Federal Facility Agreement (FFA).~~ Mercury monitoring/sampling and chemical analysis throughout the LW systems will continue to be performed. Mercury shall be ~~removed from the evaporator mercury removal columns as specified in the TSRs managed consistent with the Safety Basis and in a manner that does not inhibit the flow sheet and production expectations.~~

The Contractor shall ensure the Tank Farms have the capacity to receive up to 300,000 gallons of waste from H-Canyon processing operations annually through FY 2025.

Supplemental Information

The radioactive liquid waste contained in the underground storage tanks is in the form of saltcake, salt supernate, or insoluble sludge solids. The functions of the underground storage tanks are:

- Receipt and storage of radioactive liquid waste and by-products generated by operation of the chemical separations processing and research facilities.
- Prevention of potentially harmful exposure from radiation to site worker and members of the public.
- Prevention of potentially harmful quantities of radionuclides and chemicals from escaping to the environment.
- Maintaining safe storage of the liquid radioactive waste.
- Preparing batches of liquid radioactive waste for treatment into a more stable form (solidification) for final disposition.

The F-Area Tank Farm (FTF) is a 22 acre site containing eight Type I, two Type III, eight Type IIIA, and four Type IV storage tanks. Six tanks in FTF have been operationally closed. In addition, FTF also includes supporting ancillary structures such as two evaporator systems, transfer pipelines, diversion boxes, a concentrate transfer system, a catch tank, and three pump pits. The H-Area Tank Farm (HTF) is a 45 acre site containing four Type I, four Type II, four Type III, thirteen Type IIIA, and four Type IV tanks. ~~One tank~~Two tanks in H-Tank Farm has~~have~~ been operationally closed ~~and a second tank will be closed in 2016~~. In addition, HTF includes supporting ancillary structures such as three evaporators, eight diversion boxes, ten pump pits, pump tanks, transfer valve boxes, and transfer piping. Also located in HTF is the ARP/MCU processing system. The twenty-four Type I, II, and IV tanks do not meet the secondary containment standards in the SRS Federal Facility Agreement. ~~Seven~~Eight of these tanks have been operationally closed ~~and the eighth tank will be closed in 2016~~. Out of these sixteen tanks that remain in service, eight tanks have leaked waste through the primary tank wall into their respective secondary containment (i.e. annulus space). ~~Waste~~ and four of these tanks have completed bulk waste removal efforts (tanks 4F, 7F, 8F, and 11H). Execution of

~~waste~~ retrieval ~~operations~~ in Type I and II tanks that have leak sites may reactivate these leak sites or expose new leak sites.

C.1.1.2.1 Tank Space Management (WBS: 01.01.02.01)

The Contractor shall maintain usable working tank storage capacity (space) to support waste retrieval and treatment operations (e.g., preparation of sludge and salt feed and receipt of waste from DWPF, ETF, and H-Canyon). The Contractor shall implement effective supplemental space management initiatives as necessary, including the operation of evaporator systems.

The 3H evaporator system is currently non-operational due to an evaporator pot leak into the secondary containment cell. The Contractor shall return the evaporator to service following pot replacement by the end of the second quarter of FY 2019.

Supplemental Information

Since 1951, the Tank Farms have received over 160 Mgal of liquid waste, of which most have been evaporated and/or treated, leaving approximately 36.2 Mgal in the storage tanks. Available storage space is used for waste receipts, waste retrieval, and processing operations. A contingency amount of 1.3 Mgal is not included as working space and is reserved for the unlikely event of a full tank failure. Waste receipts and transfers are normal Tank Farm activities as the Tank Farms receive new or “fresh” waste from the H-Canyon stabilization program, ~~liquida~~ low activity waste stream from DWPF processing (typically referred to as “DWPF recycle”), wash water from sludge washing, and very small amount of concentrate from ETF. The Tank Farms also make routine transfers to and from waste tanks and evaporators.

~~Two~~The two evaporator systems ~~are currently operating~~, the 2H and 3H systems, ~~supportingsupport~~ space management ~~bywith~~ volume reduction of 2 – 3 million gallons per year of liquids produced by sludge batch washing and DWPF recycle receipts~~---~~. Both systems are experiencing operational issues. The 2H system operation is impaired by chromate cooling water leaks in the feed and drop tanks. The 3H system is inoperable due to a leak in the 3H evaporator pot into the secondary containment cell. Corrective actions to restore both systems to operation are under way.

~~Space in Type III/IIIA tanks is used for storage and treatment operations. Tank space is recovered through evaporator operations, DWPF vitrification, and ARP/MCU Treatment. This valuable space has been~~The Type III/IIIA tanks are used to: (1) retrieve waste from and clean older style (Type I, II, and IV) tanks; (2) prepare, qualify, and treat sludge waste for disposal; (3) prepare, qualify, and treat, ~~and dispose~~ salt waste; and (4) support nuclear materials stabilization and disposal through H-Canyon. The four Type IV tanks in HTF support immobilization and disposition of high-level waste. The Tank Farm space management strategy in the Liquid Waste System Plan (<http://www.srs.gov/general/pubs/srr-lw-systemplan.pdf>) is based on projections of DWPF canister production rates, salt waste processing rates, influent stream volumes, Tank Farm evaporator performance, and space gain initiative implementation.

Tank Farm Operations support:

- Salt processing – salt retrieval, batching, and qualification ~~and disposition~~
- Sludge processing – sludge retrieval, batching, and qualification ~~and disposition~~
- H-Canyon waste receipts
- Continued safe storage of radioactive liquid waste
- Defense in depth operational control
- Maintain contingency space for recovery in the event of full loss of containment of a tank
- Working space for evaporator operations

C.1.1.2.2 Salt Feed Preparation (WBS: 01.01.02.02)

The Contractor shall be responsible for operation and maintenance of equipment necessary to dissolve, batch, and adjust salt waste from various tanks to serve as feed for ARP/MCU and SWPF. Salt batches shall meet the waste acceptance criteria (WAC) of the facility it will be transferred to. For each salt batch prepared, the Contractor shall provide to DOE a Salt Batch Preparation/Qualification Report.

Tank Farm feed preparation infrastructure modifications required to support SWPF processing rates include:

- H-Tank Farm Blend tanks readiness for salt ~~solution~~batch preparation
- Tank 49H readiness as SWPF feed tank
- Mixing capabilities
- Enhanced transfer capabilities
- Transfer routes provided to blend/feed tank(s)

For the purposes of ~~measuring performance against contractual commitments, “meeting the Contract Performance Requirements in Table 1 for salt waste processed” is defined as the volume of liquid salt waste that meets the waste acceptance criteria of the facility receiving the waste for processing. This volume, the following applies:~~

1. Salt waste feed prepared for and processed via the following sources shall be counted:
 - ARP/MCU;
 - SWPF (during 1st year of operations);
 - SWPF (post-transition); and
 - TCCR.
2. Quantities of salt waste feed will be measured as it is transferred from the follows:
 - ARP/MCU – Quantity of salt waste ~~feed tank, currently fed from~~ Tank 49H. (or other feed tanks) to SWPF at a nominal 6.44 M Na concentration.
 - TCCR – Quantity of salt waste available for transfer to Tank 50H after cesium removal.
3. Sodium Molarity: If a facility or process (e.g., SWPF) can receive and process salt waste at sodium molarities other than the nominal 6.44 M Na concentration, an adjustment factor shall be applied to the volumes to account for the higher or lower concentration as

appropriate. Processing of salt waste at sodium concentrations other than 6.44 M Na must be fully evaluated such that the impacts to the balance of the LW system are mitigated.

Supplemental Information

Salt feed preparation includes development of salt batches from various waste tanks for feed to salt treatment processes including ARP/MCU and SWPF. Salt Feed Preparation for each batch currently requires three months for sampling, analysis, and transfer into the batch feed tank. SWPF is planned to process the majority of this salt solution waste. Salt preparation capability is currently limited by the number of blend tanks available to prepare salt batches. Currently, a single tank is capable of preparing 3 to 4 Mgal/yr. Only ~~two~~one blend ~~tanks are~~ tank is expected to be available upon SWPF startup. A second blend tank is expected to be available for use in the first quarter of FY 2020; however a third tank will likely be needed to enable the Tank Farms to feed SWPF at 9 Mgal/yr. ~~The planned salt batches are identified in the approved Liquid Waste System Plan.~~

Factors that impact salt feed preparation include:

- Blend Tank availability
- SE & MST processing in DWPF at optimum throughput rates
- DSS processing in SPF at optimum throughput rates and availability of SDUs

Future salt treatment technology demonstration of the at-tank cesium removal ~~using the Ion Exchange (IX) process~~ is under investigation. Refer to Section C.2.6.2 for additional information.

C.1.1.2.3 Sludge Feed Preparation (WBS: 01.01.02.03)

The Contractor shall be responsible for operation of equipment and conducting treatment processes used to prepare sludge waste feed to sustain DWPF vitrification operations. The Contractor shall effectively couple tank waste removal operations with sludge waste feed preparation operations to provide sludge waste: 1) within compositional ranges that support sludge waste blending and preparation into batches that meet DWPF prescribed feed specifications; and 2) with sufficient volume to ensure the continuous availability of sludge waste feed to DWPF. For each sludge batch prepared, the Contractor shall provide to DOE a Sludge Batch Preparation/Qualification Report. The Contractor shall also model sludge waste feed preparation activities and execute activities necessary to ensure that DWPF vitrification operations can be sustained beyond the Contract period of performance.

Supplemental Information

The basic steps for sludge processing are: 1) Sludge removal from tanks; 2) Optional Low-Temperature Aluminum Dissolution; 3) Blending and washing of sludge; and 4) Sludge feeding

to the DWPF. Currently a single tank (Tank 51H) is the sole DWPF feed preparation tank (see Figure 1).

Sludge preparation is paced by available canister storage, bulk waste retrieval, and by tank storage space to prepare sludge batches. Sludge batch planning uses the estimated mass and composition of sludge and known processing capabilities to optimize processing sequences. The planned sludge batches are identified in the approved Liquid Waste System Plan.

Differences in sludge batch sequencing, total number canisters produced, and batch end dates is an effort to balance the end of salt processing more closely with the end of sludge processing, reducing the necessity for supplemental chemical additions. The projected canister pour rate is balanced to be appropriate for salt processing support.

~~High-heat sludge~~Waste generated from processing of spent nuclear fuel ~~processing and targets~~ in H-Canyon has resulted in high amounts of aluminum solids as gibbsite or boehmite. Much of this aluminum can be removed from the sludge by dissolution of the aluminum and subsequent removal by decanting of the liquid phase. This reduces the number of canisters needed to disposition the sludge, due to the lowered sludge solids mass and improved waste loading in the glass. Dissolution is achieved by adding caustic, elevating temperature, mixing, and sufficient reaction time.

Sodium and other soluble salts (e.g., sulfates, nitrates, nitrites) in DWPF feed are reduced through sludge washing. Sludge washing is performed by adding water to the sludge batch, mixing with slurry pumps, securing the pumps to allow gravity settling of washed solids, and decanting the sodium-rich supernate to an evaporator system for concentration. This cycle is repeated until the desired molarity (typically 1.25 M Na) is reached. Some types of sludge settle slowly, extending wash cycles. Sludge settling and washing typically constitutes ~75% of batch preparation time. The total number of washes performed and volume of wash water used are minimized to conserve tank space. Sludge batch size and wash volumes are also limited by the hydrogen generation rate associated with radiolysis of water. Tank contents are mixed on a periodic frequency to release hydrogen retained within the sludge layer, resulting in a limited window within operating constraints for gravity settling.

C.1.1.2.4 Bulk Waste Retrieval/Removal (WBS 01.01.02.04)

Note: In this document, the terms “bulk waste retrieval” and “bulk waste removal” may be used interchangeably and signify the same set of activities.

The Contractor shall ~~complete bulk waste removal on nine~~retrieve and remove sufficient waste from older style and compliant tanks to ensure adequate support of salt and sludge batch preparations. Preference should be given to retrieval and removal from older style tanks that are within or beneath the water table (Type I and II tanks in H-Area Tank Farm). Eight tanks shall be completed during the base contract period of performance, and two tanks shall be completed during the option period of performance.

The Contractor shall be responsible for design, procurement, installation and operation of equipment for conducting bulk waste retrieval/removal of salt and sludge from the liquid waste storage tanks. The Contractor shall prepare and treat waste to meet the Waste Acceptance Criteria of downstream facilities, including ARP, MCU, Tank 50H, the Saltstone Facility, DWPF, and the Salt Waste Processing Facility. ~~The term “Bulk Waste Removal” (BWR) originated in the FFA and refers only to old style tanks but is used here for all source tanks for salt and sludge batch feed.~~ Old style tanks include Types I, II, and IV are shown in Figures 2.4-1, 2.4-2, and 2.4-4 in WSRC-SA-2002-00007-VOL-1-DSA-ES, Ch 1, 2 Rev 17, provided in the Document Library. Completion of bulk waste retrieval/~~+~~removal activities is defined as DOE concurrence on the Contractor provided detailed presentation of the specified tank’s completion of bulk waste removal efforts with conclusive evidence. ~~At that point, any future~~Future work scope for the specific tank transitions to the Tank Closure process (C.2.4)~~.) if closure is the next step or to Tank Space Management (C.1.1.2) if the tank will continue in service.~~

Supplemental Information

Bulk Waste Retrieval/Removal is currently conducted by adding water/liquid (e.g., dilute supernate, DWPF recycle water) to waste tanks ~~where~~with sufficient mild agitation that the saltcake material is dissolved~~to become supernate~~ for transfer to the appropriate waste treatment tank where chemistry or other waste properties may be adjusted in order to meet the requirements for additional processing ~~through actinide and cesium removal processes.~~ Following the actinide and cesium removal processes, the resulting low activity salt solution is transferred to Tank 50H for ultimate disposal into Saltstone Disposal Units at the Saltstone Facility while the actinides/Sr bearing monosodium titanate sludge/solids and cesium laden acidic solutions are transferred to DWPF for ultimate disposal into glass canisters. Currently, dissolution of one 1.3 million gallon tank full of saltcake results in the generation of 4 million gallons of dissolved salt solution, which is equivalent to approximately 3 to 4 full tanks of dissolved salt. Retrieval/removal of sludge waste also includes addition of liquid (e.g., supernate, water) to sludge (non-soluble) material, agitation by mixer pumps, and transfer to a receipt tank for ~~to prepare~~preparation of the sludge feed ~~for~~to DWPF. Similarly, slurring of one gallon of settled sludge increases the volume of sludge waste to 1.3 gallons of slurried sludge.

C.1.1.2.5 Effluent Treatment Facility (WBS: 01.01.02.05)

The Contractor shall be responsible for operation of the ETF in compliance with environmental regulations associated with the Resource Conservation and Recovery Act (RCRA) and the National Pollutant Discharge Elimination System (NPDES) under the Clean Water Act. The ETF operator in charge shall be certified by the South Carolina Environmental Certification Board and hold an “A” Physical/Chemical Wastewater Certificate.

The Contractor shall maintain the facilities in a ready-to-serve status, function as a service provider for other site contractors, and coordinate with waste generators to develop annual waste volume projections for DOE-SR review.

Supplemental Information

The ETF is classified as an “A” Level physical/chemical wastewater treatment facility by the SCDHEC. The ETF treats low-level radioactive wastewater from the F and H Area separations and waste management facilities, F/H Laboratory, the Savannah River National Laboratory, H Tank Farm evaporator overheads and miscellaneous sources, such as Soil and Groundwater Closure Projects well purge water. The ETF removes chemical and radioactive contaminants before releasing the water into Upper Three Runs Creek, a Savannah River Site (SRS) stream that flows to the Savannah River. ETF non-radiological effluents are discharged within limits of permits issued by SCDHEC.

The ETF is designed and constructed to allow SRS to meet all environmental regulations associated with the Resource Conservation and Recovery Act and the National Pollutant Discharge Elimination System under the Clean Water Act. The ETF is designed to operate at an average capacity of 165 gpm and with a “sprint” capability of 300 gpm for short durations. The maximum permitted facility capacity is 430,000 gallons per day. The ETF encompasses wastewater collection and treatment operations that were modified for radioactive use. It was designed to remove heavy metals, organic chemicals and corrosive chemicals, as well as cesium and other radiological contaminants from the site’s waste water. Because the Savannah River water eventually flows into municipal drinking water facilities, radiological effluents are governed by the Federal Clean Water Act.

C.1.2 Waste Vitrification (WBS: 01.02)

Waste Vitrification operations includes the DWPF and the two existing GWSBs.

C.1.2.1 Defense Waste Processing Facility (WBS: 01.02.01)

The Contractor shall operate the DWPF to optimize the processing of the sludge and high activity feed streams from salt processing into a vitrified waste form that meets or exceeds all requirements for interim storage at SRS and all requirements regarding the acceptability of the vitrified waste form for disposal in a licensed Federal Repository. The Contractor shall avoid sludge feed breaks to DWPF. ~~The Contractor Mercury~~ shall ~~monitor~~ be managed consistent with the accumulation of mercury Safety Basis and maintain mercury purification in a manner that does not inhibit the flow sheet and removal capability in DWPF production expectations. The Contractor shall ensure the availability of a spare melter to effect a timely replacement of an operational melter in the event of its failure. (Note: This requirement begins upon availability of Melter #4). The Contractor shall maintain a concentration limit of 897 g/m³ of fissile material in the glass and a canister heat load of less than 792 watts per canister. The Contractor shall also provide for safe storage of failed melters on site by constructing failed melter boxes and Failed Equipment Storage Vaults (FESV). The Contractor shall procure canisters for use in DWPF as necessary to ensure continued operations. DWPF canister production shall continue to meet the requirements of DOE/RW-0333P, Quality Assurance Requirements and Description, until and unless directed otherwise by DOE.

Supplemental Information

DWPF Canister Production

The DWPF facility receives and combines washed sludge and high activity waste from salt processing with glass frit for vitrification and pouring into canisters. Tank Farm sludge waste feed preparation has supported canister production of over 275 canisters per year while feed preparation systems internal to DWPF have demonstrated a capacity of greater than 325 canisters per year. The total canister production is expected to vary during the Contract period commensurate with the receipt of high activity streams from SWPF.

To support higher glass throughput, the DWPF melter was retrofitted with four bubbler systems and the melter off-gas system was optimized in September 2010. ~~The second step of the DWPF production capacity improvement program addresses streamlining the melter feed preparation system and reduce the volume of the high activity waste streams to be received from SWPF. Several~~Additional process improvements may be necessary in order to support SWPF operations at a feed rate up to 9 Mgal per year, including:

- Implementation of an alternate reductant ~~(may be completed prior to contract start)~~
- Processing of cesium SE in the Slurry Mix Evaporator (SME)

Table 2: ~~Estimated DWPF Canister Production~~

FY	Canisters Produced	Notes
2017	0	4 th quarter of year only (1 st 3 mos. of 6 mo. Outage)
2018	117	Melter Outage & SWPF Tie-in Outage (3 mos. In FY18)
2019	166	
2020	248	
2021	264	
2022	198	
2023	264	
2024	264	132 in 1 st half of year; 132 in last half of year
2025	180	Melter Outage (4 mos.)
2026	288	
2027	144	1 st half of year only

- ~~The historical~~Streamlining the melter feed preparation system
- Reduction in the volume of the high activity waste streams to be received from SWPF

Based on the current Liquid Waste System Plan, canister production ~~rates~~schedules include two one-week outages every year to allow for routine planned maintenance and another two weeks for the site-wide steam outage each year. ~~A six month outage is planned to perform SWPF tie-~~

~~ins in anticipation of SWPF start-up.~~ A four-month melter outage is assumed every eight years of processing. Actual melter replacement is determined by melter performance. ~~Concurrent with the SWPF tie-in outage, replacement of melter #2 should be considered.~~ The performance of the current melter and impacts from a future outage should be considered in determining whether or not to replace the current melter during the SWPF tie-in outage.

Canister production and sludge batch need dates were projected in the current Liquid Waste System Plan based on:

- During the SWPF tie-in outage, DWPF plans to implement productivity enhancements to support increased influents from SWPF. Actual outage time will be coordinated with the Salt Waste Processing Project Office to align with SWPF start-up.
- DWPF recycle is beneficially reused.
- Pu discards from H-Canyon will be supported to the extent allowable without negatively impacting planned canister waste loadings while continuing to comply with the canister fissile material concentration limits.

DWPF Feed and Recycle

Sludge processing through the DWPF removes the highest risk material from the tanks. However, for every 1.0 gallon of sludge processed, 1.3 gallons of salt waste is formed due to sludge washing and DWPF processing operations to return the resulting low hazard salt waste to the Tank Farm. Similarly, salt waste retrieval/removal, preparation, and batching typically require the use of about three gallons of tank space per gallon of salt ~~waste treated cake~~ dissolved.

Sludge processing is paced by available canister storage and by tank storage space to prepare sludge batches. DWPF ~~recycle~~ Recycle is the largest influent stream received by the Tank Farm. ~~Disposition~~ Volume reduction of the recycle stream is handled through evaporation ~~in~~ by the 2H Evaporator System. The DWPF recycle rate is expected to remain between 1.5 and 1.9 Mgal/yr prior to SWPF operations.

Failed Equipment Storage Vaults (FESVs) and Melter Storage Boxes (MSBs)

Construction/fabrication of Failed Equipment Storage Vaults (FESVs) and Melter Storage Boxes (MSBs) are repetitive activities required to sustain ongoing DWPF operation by providing interim storage of failed DWPF melters. Currently there is one FESV constructed, containing two vaults. Each vault was designed to store one failed melter inside an MSB.

FESV is available for storage of Melter #2 as Melter #1 is already stored in one of the vaults. MSB #2 is currently stored in FESV #1 awaiting use during the Melter #2 replacement outage. Space has been reserved for construction of up to ten FESVs, if needed. The need date for the next FESV and MSB will be dependent on the need for Melter #3.

Large contaminated failed equipment is currently stored in the 221-S Canyon.

C.1.2.2 Glass Waste Storage Buildings (WBS: 01.02.02)

The Contractor shall operate and maintain GWSB #1 and #2 to store glass waste canisters produced at the DWPF on an interim basis pending shipment for offsite disposal at a licensed Federal Repository. The Contractor shall continue on-going canister double-stacking activities in GWSB #1 to increase the total number of storage locations for standard canisters to 4,508.

Supplemental Information

The canisters of vitrified High Level Waste (HLW) produced by DWPF are currently stored on-site in two dedicated interim GWSBs. A Shielded Canister Transporter (SCT) moves one canister at a time from the Vitrification Building to a GWSB. Both GWSBs are qualified to meet or exceed a Performance Category 2 design basis earthquake.

GWSB #1 consists of a below-grade seismically qualified concrete vault containing support frames for vertical storage of 2,286 storage positions although there are only 2,~~244~~251 standard canister positions in use storing radioactive canisters. GWSB #2, with a similar design to GWSB #1, has 2,340 standard storage locations and is currently being filled with radioactive canisters as they are produced. There are also approximately 20 locations in DWPF available for canister storage pending transfer to a GWSB.

The GWSB #1 storage structure and services consist of four storage compartments with four foot thick concrete shield plugs, an SCT operating floor, air inlet and exhaust shafts, and attached building support facilities. Based on preliminary projections of the radiological composition of the next several sludge batches, the storage capacity of GWSB #1 can be expanded to double the capacity to 4,~~508~~502 canisters by “double stacking” the canisters one on top of the other. The steps necessary to double stack the canisters are currently ongoing.

C.1.3 Low Activity Waste Disposal (WBS: 01.03)

The Low Activity Waste Disposal is conducted by transferring DSS from Tank 50H to the Saltstone Production Facility (SPF) where it is mixed with dry feed materials to form a grout matrix and then pumped to the Saltstone Disposal Facility (SDF). The low-activity salt waste stream sent to the Saltstone Facility from Tank 50H and/or SWPF shall ~~have a sodium molarity of 4.56M to 5.44M~~comply with the SPF WAC.

C.1.3.1 Saltstone Production Facility (WBS: 01.03.01)

The Contractor shall operate and optimize the SPF to support processing of low activity liquid waste, including DSS, for disposal in the SDF. The Contractor shall process up to 12 million gallons per year of low activity waste from Tank 50H and/or SWPF. SPF shall be operated to ensure compliance with Section 3116 Determination for Salt Waste Disposal at the Savannah River Site, Basis for Section 3116 Determination for Salt Waste Disposal at the Savannah River Site, DOE M 435.1, applicable SCDHEC permits, and the Site Treatment Plan (STP).

Supplemental Information

The SPF processes DSS for permanent disposal of this low-level radioactive waste into SDUs. SPF and its companion facility, Saltstone Disposal Facility (SDF), are low risk for radioactive hazards and moderate risk for chemical hazards.

Dry feeds (slag, ~~flyash~~fly ash, and cement) are weighed into batches continuously and fed into the process room mixer where the DSS is also added at a controlled rate, transferring the dry feeds/DSS mixture (saltstone grout) through the SPF process room equipment and pumping the saltstone grout through transfer lines into one of several SDUs at the Saltstone Disposal Facility (SDF) for final disposal. Receipt of DSS is a controlled process, with operator interaction from Tank 50H (Saltstone feed tank) and is continuous while processing DSS (feed and bleed). DSS and dry feeds are approximately a one-to-one ratio; that is, one gallon of DSS combined and mixed with dry feeds produces approximately ~~two~~1.76 gallons of saltstone grout. Drain water is pumped back from the SDUs to the SPF on a daily basis during operation.

Saltstone grout has historically been produced and poured in daily batches containing approximately 35,000 gallons of DSS but it is anticipated that a significant increase in the production of saltstone grout will be required once the Salt Waste Processing Facility (SWPF) is fully operational and the Saltstone Facility may be in continuous operation (24 hours/7 days per week), except during planned outages. The annual processing requirement of 12 million gallons includes contributions from the ETF and H-Canyon of up to 500,000 gallons.

C.1.3.2 Saltstone Disposal Facility (WBS: 01.03.02)

The Contractor shall operate and maintain SDF readiness to receive saltstone grout at all times except during a planned outage. Operations includes filling the SDUs, maintaining the saltstone grout and transfer lines operational, maintenance and repair/replacement of valves, and maintaining the SDU ~~tank~~ available for operations. As each SDU is completed, the Contractor shall conduct acceptance testing prior to turn over of the SDU for SDF operations. Once an SDU is operationally filled, the Contractor shall maintain the SDUs in a safe condition and meet the applicable requirements of the Saltstone DSA and the state issued landfill permit. The Contractor shall perform modeling (in coordination with salt batch planning) for the inventory and concentrations of significant radionuclides placed in an SDU, in order to maximize emplacement while ensuring compliance with applicable performance objectives of the disposal facility, consistent with the SDF Performance Assessment.

SDU #6 will be construction complete and turned over to operations at the start of the contract period of performance.

Supplemental Information

The SDF currently consists of eight concrete low-level waste disposal units. Two of the SDUs (SDU #1 and SDU #4) are above grade and no longer receive waste (but will require operational surveillance and maintenance activity). Two back-filled 2.9 million gallon SDUs (2A & 2B) are

operationally full (filled to the limiting height allowed by the Safety Basis). Four back-filled 2.9 million gallon SDUs (3A, 3B, 5A, and 5B) are in active operation. One above grade 32 million gallon SDU (6) is under construction.

C.1.4 Salt Waste Processing Facility Operations (post transition) (WBS: 01.04)

Salt Waste Processing Facility (SWPF) operations will transition to this contract after the completion of one year of radioactive (i.e., hot) operations. This transition date is currently scheduled for March 1, 2020. The Contractor shall maintain awareness of the actual SWPF schedule and shall have the flexibility to assume operation of SWPF earlier or later depending on the operational status of the facility. Following transition of operations, the Contractor shall operate and maintain the SWPF to process the salt waste feed stream resulting from tank waste removal operations to produce: two high-activity waste feed streams for processing at the DWPF which meet all DWPF waste acceptance criteria and a low-activity waste feed stream to the SPF, which meets all SPF waste acceptance criteria.

The Contractor shall maximize SWPF waste throughput. In addition, the Contractor shall implement the NGS into SWPF (see C.2.6.1) during the Contract period to ensure compliance with minimum salt waste processing requirements. The implementation of NGS shall occur at the end of the 2nd year of hot operations.

Supplemental Information

Waste from the Tank Farms will be pumped to a blending tank for blending to meet the SWPF feed specifications. Approximately 1 Mgal of waste will be prepared at a time. After sampling to ascertain that the blended waste meets feed specifications, the waste will be pumped to a staging tank from where individual batches of 23,200 gallons will be delivered to the SWPF for treatment.

The SWPF treats salt waste in three successive basic unit operations: Alpha Strike Process (ASP), Caustic-Side Solvent Extraction (CSSX), and Alpha Finishing Process (AFP). These processes separate the radioactive elements (primarily Sr and actinides (Sr/actinides), and Cs) from the bulk salt waste and concentrate them into a relatively small volume. This small volume is then transferred to the DWPF for vitrification. The remaining bulk low-activity clarified salt solution waste stream contains only low levels of radioactive materials and is sent to the Saltstone Production Facility (SPF) for incorporation into grout. The ASP occurs first and is used to separate Sr/actinides from the waste feed by MST adsorption and filtration. The CSSX process follows the ASP and is used to remove Cs from the ASP filtrate by solvent extraction. The AFP is a process step that mimics the ASP and is used as necessary for multi strikes which provide additional Sr/actinide removal downstream of the CSSX process.

The ASP is operated as a batch process. Each batch of salt waste received in the SWPF is chemically adjusted and MST is added. The tank contents are mixed to allow the MST to

adsorb the Sr and actinides (12 hours for single strike and 6 hours each for multiple strikes). The resulting MST slurry is filtered to produce a: 1) concentrated MST/sludge slurry; and 2) Clarified Salt Solution (CSS) filtrate. The concentrated MST/sludge slurry is washed to reduce the sodium ion (Na+) concentration and transferred to DWPF, while the CSS is routed to the CSSX process.

The second SWPF processing stage is CSSX, which is a continuous flow process utilizing 36 contactor stages for extraction, scrubbing, stripping, and washing of aqueous and organic streams. The Cs is removed by contacting the CSS (aqueous phase) with an engineered solvent (organic phase) in the extraction stage contactors. The Cs-depleted aqueous outlet stream is sent to the AFP for sampling and analysis prior to transfer to the SPF or for another Sr/actinide removal operation. Following extraction, the Cs-enriched solvent is scrubbed to remove impurities (primarily sodium and potassium). The solvent is then contacted with a dilute nitric acid strip solution in the stripping stages, where the Cs is transferred to the aqueous SE. The SE (containing a high concentration of Cs) is sent to DWPF for vitrification.

If the Sr/actinide concentration in the CSS sent to the CSSX process is sufficiently low, the aqueous raffinate from the extraction stages (DSS) is sent to the SPF to be solidified with a cementitious grout mixture. If the Sr/actinide concentration in the CSS is too high, the aqueous raffinate from the extraction stages (referred to as Cesium-depleted CSS [CDCSS]) is sent to the AFP for a second MST strike.

The AFP, which is located downstream of the CSSX process, is the third SWPF processing stage. When the SWPF is operated in single-strike mode, DSS from the CSSX process is sent to the AFP for confirmatory sampling and staging prior to transfer to the SPF. If the Sr/actinide content of the waste feed is sufficiently high that a single MST strike cannot reduce the concentrations low enough for the CDCSS to meet the Saltstone ~~Waste Acceptance Criteria (Facility WAC)~~ limits, the CDCSS will be sent to the AFP to perform a second MST strike within the AFP.

SWPF will go through a series of performance testing during the non-radioactive (i.e., cold) commissioning phase of the project to demonstrate the facility meets the following performance acceptance criteria in Table 2:

Table 2 – Cold Commissioning Performance Plan

<u>Test</u>	<u>Purpose</u>	<u>Performance Test Acceptance Criteria</u>
<u>Alpha Strike Performance</u>	<u>Demonstrate satisfactory MST performance</u>	<ul style="list-style-type: none"> <u>Alpha Strike Throughput > 7.3 Mgal/yr</u> <u>AST-A (TK-101) filtered sample Sr < detection limit or DF > 20</u>

<u>CFF Performance</u>	<u>Demonstrate seven (7) sequence CFF concentration cycles</u>	<ul style="list-style-type: none"> <u>Filtration throughput > 7.3Mgal/yr</u> <u>SSFT (TK-109) Total Insoluble Solids (TIS) < 100 NTU by process in-line turbidity instrumentation and confirmation < 15 milligrams per liter (mg/l) TIS by laboratory</u>
<u>CSSX Performance</u>	<u>Demonstrate Cs mass transfer performance and CSSX solvent recovery at >7.3 Mgal/yr SWPF throughput equivalent</u>	<p style="text-align: center;"><u>DSS</u></p> <ul style="list-style-type: none"> <u>CSSX throughput equivalent > 7.3 Mgal/yr</u> <u>Non-radioactive Cs < detection limit or DF > 40,000</u> <u>DSS Isopar L < 87.5 parts per million (ppm)</u>
		<p style="text-align: center;"><u>SE</u></p> <ul style="list-style-type: none"> <u>Non-radioactive Cs CF > 12</u> <u>Strip Effluent Isopar L < 87 ppm</u>
<u>Design Capacity Throughput is Single Strike</u>	<u>Demonstrate parallel operation of Alpha Strike, Filtration, and CSSX</u>	<ul style="list-style-type: none"> <u>SWPF throughput > 7.3 Mgal/yr</u>
<u>Sludge Washing Performance</u>	<u>Demonstrate a nominal 5 wt% sludge batch washing and mixing in SSRT (TK-104)</u>	<ul style="list-style-type: none"> <u>Solids concentration nominal 6 wt%</u> <u>Na concentration < 0.7M</u> <u>Isopar L < 87 ppm</u>

The SWPF feed chemistry is per SWPF Feed Specification Radionuclide Limits of the SWPF WAC. During operations, SWPF is designed to process 7.3 Mgal/yr of salt solution and produce the following quantities for each gallon of salt waste processing:

- ~1.28 gal of DSS for SPF;
- ~0.08 gal of SE for DWPF; and
- ~0.02 gal of MST solids/sludge for DWPF.

The boundaries between SWPF and other liquid waste facilities as described in the SWPF Preliminary Documented Safety Analysis are as follows:

- DWPF Interface - SWPF responsibility ends at seal plate outside of SWPF Waste Transfer Enclosure.
- HTF Interface - SWPF responsibility ends at seal plate outside of SWPF Waste Transfer Enclosure.

- SPF Interface - SWPF responsibility ends at seal plate outside of DSS Hold Tank/Filter Feed Tank-B of AFF

C.2 Liquid Waste Operations Support (WBS: 02)

Liquid Waste Operations Support scope consists of SDU Construction, SWPF Integration, SWPF Transition, Tank Closures, DOE-3009-2014 Implementation, Technology Development and Deployment, Production Enhancements, and Additional GWS Capability. All capital asset projects and major capital asset modifications conducted under this WBS element shall comply with DOE Order 413.3B (~~DOE O 413.3B~~), *Program and Project Management for the Acquisition of Capital Assets*, as applicable. The SDU construction activity is the only currently identified capital asset project in the PWS.

C.2.1 Saltstone Disposal Unit Construction (WBS: 02.01)

~~SDU#7 will be in construction at contract turnover and is required to be operational no later than June 30, 2021.~~—The Contractor shall assume responsibility for the completion of SDU_#7 and is responsible for the construction of ~~all~~ future SDUs. The SDU #7 project will be ongoing at contract turnover and is required to be operational no later than September 30, 2020. SDU_#7 will ~~provide 30 Mgal of useable saltstone disposal volume in one or more structures.~~ Future SDUs beyond SDU#7 shall be assumed to contain a 32 Mgal of volume with 30 Mgal of useable disposal volume in one or more structures pre-stressed concrete tank similar in design to SDU #6. Based on required salt waste processing volumes, approximately 20 Mgal of disposal volume for saltstone grout is required annually. ~~The~~Beginning with SDU #8, the Contractor shall determine the exact quantity of SDUs needed, determine the size of each SDU, design of the SDUs, and determine the construction schedule and completion of each SDU.

The key performance parameters (KPPs) for each SDU structure ~~is that~~include but are not limited to: 1) the SDU is free of leaks with no internal coatings as demonstrated by leak testing with a fluorescent dye, 2) provides saltstone grout containment, 3) provides infrastructure capable of delivering/receiving saltstone grout at a minimum of 100 gallons per minute, and 4) has a leak detection system in accordance with the Z-Area Industrial Solid Waste Landfill Permit requirements. Additional KPPs are identified during the conceptual design process and approved with the project performance baseline at Critical Decision 2 (CD-2). The volume and the delivery schedule for SDUs must align with salt waste processing activities.

The Contractor shall conduct Performance Assessment analysis as necessary to maintain compliance as required by DOE O 435.1 for each SDU. Scope under this PWS element is considered to be complete for each SDU constructed upon declaration of Critical Decision 4 (CD-4) approval and turnover to operations including all balance of plant activities to support operations.

Supplemental Information

The Saltstone Facility permanently disposes of low level waste in the form of saltstone grout into SDUs. The grout constituents are DSS, slag, flyash, and cement. Saltstone grout is produced in the SPF and pumped via transfer lines to the SDU. The saltstone grout sets (hardens) in less than 24 hours and is no longer flowable. Due to constituents contained in the saltstone grout,

radiological hazards are low but chemical consequences are moderate. As salt dissolution progresses, the chemical constituents from the various waste tanks containing saltcake may vary and may require re-evaluation of the concrete matrix and protective coating.

~~Future SDUs will consist of one structure similar to SDU#6 or multiple smaller structures. SDU #6 is a commercial 32 million gallon pre-stressed concrete tank enhanced to meet the requirements for permanent storage of low level radioactive grout.~~ These concrete tanks will require multiple pour spouts for depositing the grout uniformly and multiple drain water columns with submersible pumps to allow for return of excess water (drain water) that accumulates during the setting of the saltstone. The drain water is pumped back from the SDUs to the SPF each day to the maximum extent practicable. The SDUs have a network of piping on the tank top to direct saltstone grout to the selected pour spout and return drain water; instrumentation/equipment to monitor the temperature of the grout; and High Efficiency Particulate Air filtered vents to allow for air displacement as grout is deposited and to allow atmospheric breathing to prevent the accumulation of flammable vapors.

For calculation purposes, the following multiplication factors ~~should~~may be used:

For every 1.0 gallon of salt solution at 6.44 M Na transferred to SWPF, 1.28 gallons of DSS is produced.

For every 1.0 gallon of DSS transferred to SPF, when combined with the dry materials to form saltstone, 1.76 gallons of saltstone is formed for disposal in the SDUs.

C.2.2 Salt Waste Processing Facility Integration (WBS: 02.02)

In accordance with the Liquid Waste SWPF Integration Schedule, the Contractor shall perform actions necessary to complete SWPF tie-in activities to support the introduction of salt waste feed to SWPF by ~~September 30~~December 1, 2018. ~~The Scope under this PWS element shall be completed no later than the date the Contractor shall continue the operation of ARP/MCU until one month before assumes operational responsibility for SWPF startup. under PWS element C.1.4. Completion of hot tie-ins is not required prior to completion of the DOE Operational Readiness Review.~~

~~Tie-in activities that shall be completed in accordance with the Liquid Waste SWPF Integration Schedule include:~~

~~— Modifications to Tank 49~~

~~Excavation operations in HTF of feed line~~The activities noted below represent the current plan for accomplishing the scope associated with tie-in of the SWPF to the LW system. The Contractor shall determine the exact sequence and timing for each activity as part of the work planning effort.

FY2017

- Install and connect Raw Salt Solution (RSS) transfer line section near MCU to the Tank 49H B5 riser
- Install and cap additional section (approx. 100 ft) of RSS piping from the bottom of the east rock bank to SWPF Feed Line piping north of MCU
- Maintain excavation at Feed Line tie-in point with shielded covers
- FabricationFabricate and installation ofinstall Tank 21H transfer line shielding -as required to protect workers by end of the 3rd quarter of FY 2017
 - Fabrication and Installation of jumpers in 511-S for MCU Continued Operations
 - Purge modifications at 511-S
- Complete 511-S modification to add nitrogen purge on the Safety Class instruments
 - Complete Consolidated Hazard Analysis and DSA for MCU Continued Operations
 - Piping fabrications, shoring installation, and intrusive tie-in scope for SWPF piping tie-ins at HTF
 - Completion of tie-in of SWPF feed piping in HTF
 - FabricationHazards Analyses (CHAs) and installation of final tie-in of DSAs for continued MCU Operation by the 4th quarter of FY 2017 (DWPF jumpers
 - Completion of tie-in of DSS line to the H-Z IAL
- In addition511-S, Tank Farm feed preparation infrastructure modifications shall be required to support SWPF processing rates including:Farms, 512-S and MCU)
 - H-Tank Farm Blend tanks readiness for salt solution preparation
 - F-Tank Farm Blend tanks readiness for salt solution preparation
- Tank 49 readinessComplete pre-dig piping fabrications for transfer lines from SWPF (MST/Sludge Tank, Strip Effluent Tank, and Tank 49H Feed Tank) up to the 511-S Low Point Pump Pit (LPPP) wall nozzles
- Secure operations at MCU and DWPF and drain and flush necessary lines to reduce radiation doses to the workers
- Install sections of transfer lines from the SWPF (MST/Sludge Tank, Strip Effluent Tank, and Tank 49H) up to the 511-S LPPP wall nozzles and install dummy Hanford connectors to isolate SWPF until Authorization To Operate (ATO)
- Terminate and cap Strip Effluent transfer line upstream (from the SEHT) and downstream of the 511-S Sludge Tank cell (adjacent to the 511-S Sludge Tank cell)
- Complete fabrication of and install two jumpers for 511-S to allow flow of strip effluent from MCU to DWPF

FY2018

- Implement CHAs and DSAs for continued MCU Operation (DWPF 511-S, Tank Farms 512-S and MCU) at the close of the tie-in outage 1st quarter of FY 2018
- Complete fabrication of three jumpers for 511-S to allow final tie-in of SWPF to be performed using jumpers versus excavation by the end of 2nd quarter FY 2018
- Finalize Tank 49H B5 riser modifications
- Following SWPF receipt of ATO, secure operations at MCU, DWPF, and Saltstone
- Drain and flush transfer lines as SWPF-necessary to protect workers

- Terminate and cap MCU SEHT line

FY2019 (1QFY19)

- Install jumpers in 511-S
- Complete final tie-in of SWPF Decontaminated Salt Solution to the Tank 50H to Saltstone Interarea Line
- Final tie-in of the new RSS feed tank piping from Tank 49H to SWPF via the 511-S Recycle Tank
 - ~~Mixing capabilities~~
 - ~~Enhanced transfer capabilities~~
 - ~~Transfer routes provided to feed tank~~

The LW Contractor shall provide integration support to the DOE SWPF Project Office and the SWPF construction contractor consistent with the SWPF Interface Control Documents (ICDs). This integration support includes but is not limited to technical expertise in nuclear facility startup, testing, and integration into the liquid waste system. Integration support to the SWPF construction contractor includes goods and services purchased through the SLA process from the M&O contractor such as utilities.

Supplemental Information

The SWPF is designed to process waste at a faster rate than the current LW processing rate and may require near term, infrastructure upgrades and modifications to the tank farm in preparation of feed batches at the maximum SWPF capacity. Additionally, infrastructure upgrades and modifications may be required to process the high-activity SWPF effluents at DWPF, and the low-activity effluents at Saltstone.

SWPF tie-ins will require a four-month outage of DWPF operations, a two-month outage of SPF operation, and a cessation of ARP/MCU prior to SWPF operations.

The current tie-ins to support SWPF startup include; ~~H-tank Farm (:_HTF)~~ feed tank(s) system tie-ins to SWPF, SWPF sludge and SE tie-ins to DWPF Low Point Drain Tank, and SWPF tie-ins to the IAL to Saltstone. These tie-ins will establish the capability to:

- Support the transfer of ~~raw~~-salt batch solution from Tank 49 to SWPF via underground transfer line.
- Receive batches of SE salt solution with high Cs-137 from the SWPF.
- Receive batches of the MST/Sludge Solids into the Low Point Pump Pit – Precipitate Tank (LPPP-PPT) from SWPF.
- Send DSS to Saltstone.

C.2.3 Salt Waste Processing Facility Transition (WBS: 02.03)

The Contractor shall submit an SWPF Operations Transition Plan consisting of identified SWPF transition activities, including involved organizations and a transition schedule to assume possession with continued operations of the SWPF complex without negatively impacting other ongoing LW operations. The plan shall include as a minimum review for inclusiveness and acceptance of all necessary facility asset documentation, safety basis plans engineering drawings, ~~Facility Information Management Systems (FIMS)~~FIMS required information, identification of any changes to operations and maintenance procedures, training and training requirements.

The SWPF Operations Transition Plan shall be submitted not less than six months prior to the transfer of SWPF operations to the Liquid Waste Contractor. The duration of transition shall not exceed 90 days. The Contractor should review and update impacted site functional responsibility changes (current ~~Interface Control Documents (ICDs)~~ vs ~~Service Level Agreements (SLAs)~~ and Functional Service Agreements (FSAs)), and identify, document and resolve any additional operations, maintenance and training requirements that become evident during SWPF hot commissioning which may require the SWPF construction contractor resolution.

All Government-owned real and personal property and associated records, including equipment, material, and facilities, currently assigned to the SWPF construction contractor through engineering, procurement and construction to perform the SWPF operations work scope will be turned over to the Contractor for operations. -During the SWPF transition period, the Contractor should verify the inventory of such property in the DOE FIMS, Federal Inventory System, and applicable property site database.

The Contractor shall accept full accountability for the remaining government-owned property transferred from the SWPF construction contractor, based on existing inventory records, on an "as is" basis and complete a formal inventory of all other nuclear and non-nuclear real property and personal property within 60 calendar days upon SWPF and ancillary facilities transfer. Any discrepancies from the existing inventory records shall be reported to the CO.

The Contractor shall ensure that ~~all identified post~~-transition activities under this PWS element are completed within six months of the completion of transition of operations of SWPF to the Liquid Waste Contractor.

Supplemental Information

An integral part of the Liquid Waste Contract is the requirement for a smooth transition of continued SWPF facilities (complex) operations, after one (1) year of radioactive (i.e., hot) operations from the SWPF construction contractor to the Contractor. The objectives of the SWPF Operations Transition Plan are to prepare and complete successful transition of the SWPF complex possession, safe and secure operations, and eliminate any impacts for continuity of the integrated Liquid Waste operations.

C.2.4 Tank Closures (WBS: 02.04)

The Contractor shall complete Tank Closure on a minimum of ~~six~~five Type I and Type II old style waste tanks during the base contract period of performance, and a minimum of ~~three~~two tanks during the option period of performance. Tank ~~Closures~~closure shall be conducted in accordance with the ~~FFA~~applicable General Closure Plan, tank specific Closure Module, and ~~Tier~~the DOE Order 435.1 Tier 1 Closure Authorizations and tank specific Tier 2 Closure ~~Plans approved by DOE~~Plan. Tier 1 Closure ~~Plans~~Authorizations for F- and H-Area ~~Closure Plans~~Tank Farms are complete. ~~A DOE approved Tier 2 Closure Plan is required for each tank.~~ Waste tanks approved by DOE, EPA, and SCDHEC may be permanently closed as described in Section C.2.4.1 through C.2.4.3.

~~Tank~~The tank closure ~~and operational closure are considered to be equivalent terms within this PWS.~~ ~~Operational closure~~phase generally consists of: 1) ~~disabling~~isolation of the tank from waste transfer ~~lines~~systems and ~~tank ventilation~~chemical addition systems; 2) filling the tank, tank annulus, and tank cooling coils with grout; and 3) capping all tank risers. A flowchart for the entire tank closure process is included as Attachment 4. Following completion of all closure activities, ~~the Contractor shall remove~~ each tank system will be removed from the Wastewater Permit upon SCDHEC approval in accordance with the General Closure Plan.

C.2.4.1 Heel Removal and Residual Sampling (WBS: 02.04.01)

Once bulk waste removal is completed, the remaining waste in a tank is referred to as the heel. The Contractor shall remove the heel waste, ~~including heels,~~ from each ~~liquid radioactive waste~~ tank. Waste from each entire tank farm shall be removed to the maximum extent practicable achieving approximately 99 percent removal of the highly radioactive radionuclides as defined by the applicable Basis for Section 3116 Determination for Closure document. ~~The~~When heel removal is determined to be sufficient, the Contractor shall submit a request to enter the Sampling and Analysis Phase and obtain preliminary cease waste removal concurrence from ~~the three parties, DOE, SCDHEC, and the Environmental Protection Agency (EPA), and SCDHEC.~~ The resulting "residual" waste remaining in the tank will be sampled and analyzed to ~~develop~~characterize the ~~basis for quantifying residual waste remaining and assess~~ the total amount of waste left in the tank~~risk~~.

The ~~amount of residual~~ waste ~~left~~ in a given tank ~~may~~will vary depending upon the ability to remove the waste. ~~A Closure Module (GM)~~The residual waste will be sampled and ~~Tier 2 Closure Plan shall be prepared after analyzed and~~ the results ~~of the residual sampling are~~ documented in a Residual Inventory Determination Report and a Special Analysis ~~and verified to meet~~completed against the Tank Farm Performance Assessment. ~~Both~~ the ~~requirements for closure per~~ Tank Farms Performance Assessments have been completed. ~~A Closure Module and Tier 2 Closure Plan will be developed for each tank to confirm the~~ DOE Order 435.1- ~~and regulatory performance objectives continue to be met and that the stabilized tank is protective of human health and the environment.~~ An FFA Final Cease Waste Removal ~~Decision~~concurrence must be approved by the SCDHEC and the EPA for each tank.

Supplemental Information

~~Tank-~~Types I, II, and IV old style high level waste tanks (Tanks 1F through 4F, 7F, 8F, 9H through 11H, 13H through 15H, and 21H through 24H) are planned for operational closure in accordance with a formal agreement (FFA) between the DOE, the SCDHEC and the EPA.

Some of these tanks may require heel removal and/or cooling coil flushing and annulus cleaning (Type I and II tanks) prior to partial isolation ~~and from tank farm services~~, residual sampling, and, ~~finally~~, tank stabilization by completely filling the tank with clean grout. Heel removal is required with documented waste removal results to demonstrate to DOE, SCDHEC, and EPA diminishing effectiveness of the deployed waste removal technology and that additional waste removal is not practical ~~as defined by the applicable Basis document of the approved Tier 1 Closure Plan~~. Residual sampling and analysis must be conducted in accordance with the SCDHEC approved Liquid Waste Tank Residual Sampling and Analysis Plan and the associated Quality Assurance Program Plan, ~~which specify~~ Savannah River National Laboratory (SRNL) is as the only laboratory that can perform these analyses. These services are obtained via an SLA. Concentration and volume data are used to characterize the residual material to produce radiological and non-radiological inventories for the Special Analysis and CM. Tank specific closure documents are prepared to demonstrate compliance with State DOE and ~~DOE~~ regulatory requirements as well as NDAA Section 3116(a).

C.2.4.2 Tank Isolation (WBS: 02.04.02)

The Contractor shall isolate waste tanks and associated ~~facilities for future operational closures~~ systems in accordance with the tank specific CM, ~~the~~ Tier 2 Closure Plan, and defined safety basis requirements. — Priority shall be given to waste tanks 9H, 10H, 11H, 13H, 14H, and 15H due to the proximity of the water table. ~~During the option period, a minimum of three tanks (Types I, II, or IV) shall be isolated.~~

Supplemental Information

Isolation activities prior to stabilizing the tank with grout are Tank isolation is the physical process of isolating ~~disabling waste~~ transfer lines and ~~removing services~~ chemical addition systems from ~~the tank and removing a tank such that no material may be transferred into or out of the tank from normal operations~~. Tank transfer line isolation may include cutting and capping, and blanking mechanical system components. ~~Services that are removed include water, Isolation of remaining intact services can be performed after the tank has been filled with grout. This includes but is not limited to air, and electrical power to all components, including electrical, instruments, steam, air, and ventilation systems. Isolation plans for each tank being closed are prepared and water on the tank described in the specific Closure Module.~~

C.2.4.3 Tank Grouting (WBS: 02.04.03)

Prior to grouting the Contractor shall develop the Residuals Inventory Determination Report, perform the Special Analysis, and prepare the Closure Module. ~~Once and Tier 2 Closure Plan. After~~ the CM is approved ~~and by SCDHEC, the Tier 2 Closure Plan is approved by~~ DOE ~~provides Tier 2 Closure Authorization, and DOE, SCDHEC, and EPA provide their respective~~ Final Cease Waste Removal decisions, the tank is stabilized with grout in accordance with the approved CM and Tier 2 Closure Plan. ~~All operational tank and associated facilities closures will be conducted in accordance with the applicable Tier 1 and Tier 2 Closure Plans approved by DOE.~~

A tank is considered “closed” when DOE concurs that the Contractor has completed the work scope to remove the tank from service as defined in the approved closure module. Following closure, the Contractor will complete any remaining isolation of the tank from Tank Farm services, prepare the tank specific Final Configuration Report and tank specific Explanation of Significant Differences, and then request the tank be added to the Hazardous Waste Permit and removed from the Industrial Wastewater Permit.

Supplemental Information

~~Grouting is the final step in stabilizing a waste tank.~~ Grouting is the process of placing reducing grout in the primary tank up to and including the risers, remaining equipment, annulus, and cooling coils. The reducing grout provides long-term chemical durability and minimizes leaching of residual waste over time. The reducing grout is self-leveling, and encapsulates the residual waste and equipment remaining inside the tank and annulus. Grouting activities include field modifications, ~~temporary ventilation installation,~~ and grout procurement.

For tanks with installed equipment or cooling coils, internal voids are filled with a flowable grout mixture. In those tanks where the cooling coils have broken, alternative techniques are used to minimize voids in the grout matrix.

The final grouted tank configuration is an integral monolith free of voids and ensuring long-lasting protection of human health and the environment. The number of cubic yards per tank varies as the volume of tanks varies: ~~Type I tanks are 750,000 gallons, Type II tanks are 1,030,000 gallons, and Type IV tanks are 1,300,000 gallons. These volumes do not reflect the tank’s cooling coils, annulus, or risers.~~

C.2.5 Safety Basis Upgrade Implementation (WBS: 02.05)

~~The Contractor shall develop an implementation plan to address coming into full compliance with DOE-STD-3009-2014 for Concentration, Storage, and Transfer Facility (CSTF) and DWPF within two years of the start of the period of performance, and include within the plan any changes, upgrades, modification, improvements, etc., noted in the gap analysis provided by the incumbent LW Contractor. The Contractor shall submit the implementation plan for DOE review and approval. Once approved, the Contractor shall execute the implementation plan up to and~~

~~including the development, review and approval of DSA (and TSRs as needed) revisions for the CSTF and DWPF. Any facility modifications and implementation of the new DSAs/TSRs shall be executed under the facility operations WBS. Any planned modifications and/or minor upgrades of any identified existing safety related Structures, Systems, and Components, as applicable, shall be completed consistent with the requirements of DOE-STD-3009-2014, as part of normal operations during the base period of the Contract. Updated DSAs and associated TSRs will follow the normal DOE-SR safety basis review and approval process.~~

The Contractor shall revise the Documented Safety Analysis (DSA) and Technical Safety Requirements (TSRs), including development/revision of supporting hazards and accident analyses, necessary to comply with DOE-STD-3009-2014 for the CSTF and DWPF within four years of the Notice to Proceed.

Any required revisions to the DSA and TSRs for the CSTF and DWPF shall be submitted in accordance with the memo, Operating Experience Level 1, OE-1: 2015-1. The submittals shall also include an associated implementation plan. If the implementation plan includes physical modifications or additions to the facilities, the modifications or additions shall be completed within the base period of the contract and shall be executed under the facility operations WBS.

A gap analysis for the SWPF DSA against all of the requirements of DOE-STD-3009-2014 shall be performed and submitted for DOE review and approval within two years after SWPF transition.~~In addition, the Contractor shall develop an implementation plan to address coming into full compliance with DOE-STD-3009-2014 for SWPF within two years of receiving approval of the gap analysis, and include within the plan any changes, upgrades, modification, improvements, etc., noted in the gap analysis. The Contractor shall submit the implementation plan for DOE review and approval. Once approved, the Contractor shall execute the implementation plan up to and to the LW Contractor.~~

The Contractor shall revise the DSA and TSRs, including the development, review/revision of supporting hazards and approval of DSA (and TSR as needed) revisions accident analyses, necessary to resolve the identified gaps for the SWPF. Any facility within the base period of the contract.

Any required revisions to the DSA and TSRs for SWPF shall be submitted in accordance with the memo, Operating Experience Level 1, OE-1: 2015-1. The submittal shall also include an associated implementation plan. If the implementation plan includes physical modifications or additions to the facility, the modifications or additions shall be completed within the base period of the contract and implementation of the new DSA/TSR shall be executed under the facility operations WBS. Any planned modifications and/or minor upgrades of any identified existing safety related Structures, Systems, and Components, as applicable, shall be completed consistent with the requirements of DOE-STD-3009-2014, as part of normal operations during the base period of the Contract. The updated DSA and associated TSR will follow the normal DOE-SR safety basis review and approval process.

Supplemental Information

Operating Experience Level 1, OE-1: 2015-1, approved by the Deputy Secretary of Energy, provides requirements related to evaluation of existing DOE defense nuclear facilities' DSAs to the revised DOE Standard 3009-2014, "Preparation of DOE Nonreactor Nuclear Facility Documented Safety Analysis." The OE-1:2015-1 requires qualitative evaluation of Hazard Category (HC) 2 facilities with unmitigated offsite dose estimates that exceed 5 rem against the specified requirements of DOE-STD-~~1189-2008~~, "~~Integration~~3009-2014, "Preparation of DOE Nonreactor Nuclear Facility Documented Safety into the Design Process." Analysis". The gap analysis required in OE-1:2015-1 is not a full comparison to DOE-STD-3009-2014, rather it is a limited gap analysis focusing on offsite/safety class issues only. ~~The Contractor will be provided with the DOE-~~The approved gap analysis ~~for the CSTF DSA and the DWPF DSA within 10 days after the NTP. The approved gap analysis should~~will be used as input into developing an implementation plan to come into full compliance (i.e., all aspects, not just offsite/safety class issues) with DOE-STD-3009-2014 for the CSTF and DWPF.

C.2.6 System Optimization (WBS: 02.06)

~~Opportunities to reduce operational costs, schedules, or improve the quality of the waste removal and treatment processes may be identified during the contract period.~~ The Contractor shall optimize the liquid waste system in order to meet or exceed contract commitments and decrease the liquid waste program life cycle cost and/or schedule. Identified activities to support system optimization are found in each of the subheadings below this PWS element.

In addition, the Contractor may identify, ~~and with DOE concurrence,~~ develop, and implement improved, ~~supplemental, or replacement processes,~~ approaches and technologies for tank closure, tank space management initiatives, waste removal, waste treatment, and/or waste disposal which reduce lifecycle Liquid Waste program costs, accelerate radioactive liquid waste disposition schedules, or otherwise optimize system performance. The Contractor shall support and participate in ~~technology initiatives which benefit the Liquid Waste system. An example of a current technology initiative is the DOE HQ funded scope on mercury management in the Tank Farm, DWPF, and Saltstone Facility. Efforts are currently underway to develop, mature and deploy technology in Tank 50 to convert methyl mercury to elemental mercury, increase accumulation of elemental mercury in the DWPF Slurry Mix Evaporator Condensate Tank, and enhance retention of mercury in the saltstone matrix. DOE-sponsored technology initiatives which benefit the Liquid Waste system.~~

~~Currently identified technology demonstrations which may be executed within the contract period include Next Generation Solvent deployment and At-Tank Cesium Removal. Currently identified production enhancements for LW facilities include Dry Feeds Modification at the SPF, DWPF melter fabrication, and DWPF recycle. Additional technology development needs and production enhancements shall be identified by the Contractor as required to meet or exceed commitments and agreed to by DOE.~~

The Contractor shall maintain an interactive program/system planning process for Liquid Waste program milestones and execution schedules including comprehensive salt and sludge batch planning. A comprehensive liquid waste system plan that addresses the scope necessary to complete the liquid waste program life cycle shall be developed and submitted to DOE annually.

C.2.6.1 Next Generation Solvent Deployment (WBS: 02.06.01)

The Contractor shall ~~be responsible for activities required to implement and begin operation with Next Generation Solvent (the NGS) in into SWPF at the end of the 2nd year of hot operations beginning after the second year of SWPF operations. This is expected to support to ensure compliance with minimum salt batch feed rates of up to 9 Mgal per year waste processing requirements.~~

Supplemental Information

~~When NGS is integrated into the SWPF operating system, boric acid is used for stripping the cesium-137 from the NGS solvent. This boric acid strip solution will be transferred to DWPF for processing with the sludge feed from the Tank Farms. Consequently, the Contractor will need to adjust the glass frit formulation to account for the SWPF boric acid strip solution to maximize the radionuclide disposal rate.~~

A new solvent has been developed that results in significantly improved cesium decontamination factors and processing rates in a caustic side solvent extraction system. The new solvent, termed NGS, has been successfully deployed in the MCU. Use of NGS requires a different strip solution (boric acid) and scrub solution (caustic) to replace the current strip and scrub solutions (solutions of nitric acid). Modifications to provide boric acid storage/transfer and caustic scrub capability are required in order to support SWPF operation with the new solvent. This requires a Boric Acid Bulk Tank, a Boric Acid Day Tank, and a Scrub Caustic Day Tank.

DOE intends to direct the SWPF construction contractor to design, construct, and install the necessary modifications in SWPF prior to CD-4 that will allow for use of NGS. These modifications include the three chemical storage tanks (concentrated boric acid, dilute boric acid, and caustic scrub) and the associated infrastructure (building, dikes, sumps, transfer pumps, piping, etc.) SWPF is expected to be ready to implement NGS at the end of the second year of operations with no additional modifications or changes required in the balance of the LW system. Only final tie in of the system modifications will be required.

C.2.6.2 At-Tank Cesium Removal (WBS: 02.06.02)

The Contractor shall assume responsibility for testing and operating an at-tank cesium removal process, called the Tank Closure Cesium Removal (TCCR) System Unit on waste tank 10H. The Contractor shall also determine an acceptable interim safe storage location within the tank farms and an off-site disposal facility for the TCCR filter media and any other contaminated equipment/material not suitable for disposal at SRS. Upon the successful demonstration of the

TCCR processing at tank 10H, the Contractor may consider the use of the TCCR unit on other waste tanks.

Supplemental Information

The TCCR System is an at-tank technology processing unit such that the cesium removal process takes place outside of LW tanks. DOE ~~has entered into agreements in discussions~~ with the South Carolina Department of Health and Environmental Control to pursue ~~demonstration commercial sources for treatment of this technology at Tank 10H. Upon successful demonstration at tank 10H, the unit could be re-deployed at another salt waste tank in an effort to accelerate tank closure through the issuance of a request for expression of interest.~~ The TCCR unit is in the procurement process with operations scheduled to commence in FY 2018. Tank 10H contains saltcake and interstitial liquid contaminated with radioactive cesium-137. This saltcake will be dissolved by adding water and the resultant solution will be available for cesium removal. The solution will be transferred to the TCCR System unit through a jacketed transfer line where the TCCR System will decontaminate the solution and send the decontaminated solution to nearby Tank 11H through a jacketed transfer line.

C.2.6.3 Dry Feed Modifications (WBS: 02.06.03)

The Contractor shall review existing Dry Feed Modifications Design Change Packages (DCPs) for completeness, correctness of structural load evaluations, compliance with applicable codes and standards, including the S/RID, and compatibility with all applicable load requirements, and recommend changes, as necessary. Upon completion of review activities and any necessary changes, the Contractor shall implement the DCPs at the Saltstone Production Facility (SPF), make changes to the Distributed Control System (DCS), and perform system functional testing. Upon completion of the modifications, the Bulk Material Unloading and Conveying, Premix Blending and Conveying, and Premix Feeder Systems shall be capable of supplying dry feeds material to the SPF mixer at a rate sufficient to support salt waste processing activities.

Supplemental Information

Dry feeds materials for the saltstone grout process, consisting of cement, slag, and flyash, are delivered separately in trucks to the facility. The truck unloading system consists of one station (inlet piping) for each of four silos. Dry materials arriving in trucks are unloaded into the silos using blowers supplied by the vendor/shipper.

Four storage silos with a total volume of nearly 18,000 cubic feet are used for the dry feeds materials. The dry feeds are gravity fed from the silos into a weigh hopper and premixed into the premix feed bin using an air compressor and pneumatic lines for feed to the mixer. A weigh hopper is provided to enable weighing of dry materials to prepare batches of premix, which is the blended product of the three dry materials. Dry feeds premixing continues throughout the grout making process.

C.2.6.4 Melter Fabrication (WBS: 02.06.04)

The Contractor shall evaluate DWPF operational performance of the melter's life expectancy and required HLW canister production in DWPF against the need to procure and fabricate additional melters. Upon installation of ~~melter three~~Melter #3, the Contractor shall maintain ~~melter four~~Melter #4 ready to install and complete fabrication of ~~melter five~~Melter #5 in a time period commensurate with the risk of premature melter failure based on planned DWPF production rates. Building 717-F will continue to be available for storage of unused melters and for the fabrication of future melters.

Supplemental Information

The performance of DWPF is reliant on the continued operation of the melter. The melter design is mature and readily available for the continued use for future melter fabrication. Planning for future melters is based on having a melter ready for installation upon a melter failure which requires one melter in storage ready for installation and a second melter in full fabrication. Currently, DWPF is operating on ~~melter two, melter three~~Melter #2, Melter #3 in storage at 719-F and ready for installation (minus components that are required to be installed at time of installation), and ~~melter four is under construction. The refractory brick for melter five~~Melter #4 has been fabricated and assembled and is undergoing corrective actions to resolve non-compliances. The current approach to completion of the corrective actions will result in Melter #4 being available for installation by the end of FY 2018. The refractory brick for Melter #5 has been procured and final delivery is expected in August, 2016.

C.2.6.5 DWPF Operational Improvements (WBS: 02.06.05)

The Contractor shall implement modifications of the DWPF to minimize effluents and process additions, to streamline the DWPF feed process, and to maximize DWPF waste processing operations. The operational improvements must at a minimum address the increased SE influent to DWPF from SWPF. The Contractor shall provide all engineering, design, fabrication/modifications, installation of any jumpers, utility tie-in information, and the volumetric changes calculated to result from the proposed modifications.

Supplemental Information

The DWPF recycle stream back to the tank farm is highly influenced by the canister decontamination frit stream. Modifications implemented by the Contractor at DWPF could reduce the recycle waste stream back to the Tank Farms by 500,000 gallons annually ~~by sending it to ETF.~~

C.2.6.6 Tank 48 Recovery (WBS: 02.06.06)

The Contractor shall maintain Tank 48H in a safe condition during the contract period.

If the Contractor determines it is advantageous to return Tank 48H to service as a part of optimization efforts during the contract period, the Contractor shall provide an Analysis of

Alternatives to DOE-SR that includes consideration of previous alternatives analyses, identification of any new approaches, and a final recommended approach. Any recommendation to recover Tank 48H and return it to high level waste service must address the technical approach, safety basis impacts, cost, and schedule among other attributes. Execution of the Tank 48H recovery effort may be considered to be within the IDIQ scope (C.4) of this Contract.

Supplemental Information

Tank 48H, located in the H-Tank Farm, is a 1.3 million gallon Type III compliant high level waste tank. It currently holds approximately 250,000 gallons of radioactive liquid waste material from the operation of the In-Tank Precipitation process. The tank contains approximately 26,000 kg of organic tetraphenylborate compounds. The organic material is incompatible with other waste treatment facilities at SRS; consequently the tank is isolated from the other tanks in H-Tank Farm.

Tank 48H is located in close proximity to DWPF sludge preparation/qualification tank (Tank 51H), the Saltstone Production Facility feed tank (Tank 50H), and the SWPF feed tank (Tank 49H). As such, its return to service could greatly enhance the ability to prepare salt or sludge feed batches.

DOE and its contractors have considered a number of technologies and operational approaches to the recovery of Tank 48H. Those technologies have historically been cost prohibitive and have not developed beyond the design and laboratory scale testing phase. ~~Direct vitrification may become a technically viable and cost-effective option due to planned process enhancements in DWPF in FY17.~~

C.2.6.7 Technology Development and Deployment (WBS: 02.06.07)

The Contractor shall identify ~~any~~and propose technology development and deployment activities required to optimize the liquid waste system ~~in~~in order to meet or exceed contract commitments and decrease the liquid waste program life cycle cost and/or schedule. Upon review and concurrence from DOE, the Contractor shall execute specific technology development and deployment activities.

C.2.7 Additional Glass Waste Storage Capability (WBS: 02.07)

The Contractor shall analyze planned production of HLW canisters in DWPF against the storage capabilities of the current GWSBs and determine when additional on-site storage capacity is required. Options to be considered shall include but are not limited to: 1) implementation of double stacking in GWSB #2; 2) a third GWSB similar to the two other facilities; 3) a concrete pad, above grade storage approach potentially with canister overpacks; and 4) design and construction of a canister shipping facility. The Contractor's analysis shall ensure that storage space is available for at least 800 canisters beyond the end of this Contract. The Contractor's

analysis, including a recommended alternative, shall be completed and submitted for DOE review and approval by the end of year five of the Contract. The final determination for any additional storage capability is subject to DOE approval, and the Contractor's analysis excludes the development of a complete specification for additional GWS capability.

Supplemental Information

The DWPF has historically produced between 100 and 250 canisters of vitrified HLW annually. These canisters must be moved via the Shielded Canister Transport Vehicle into a storage facility. Currently, SRS has two such facilities, GWSB #1 and GWSB #2. The initial capacity of these facilities was 2,~~286262~~ and 2,340 canisters, respectively but only 2,~~254251~~ useable spaces are available in GWSB #1. Beginning in ~~FY15~~FY 2015 and planned for completion in ~~FY23~~FY 2023, the Contractor is undertaking an activity to "double stack" most of the HLW canisters in GWSB #1. The net result of this effort will yield an additional 2,~~254251~~ storage positions in GWSB #1.

C.3 Liquid Waste Program Support (WBS: 03)

This Section describes the scope of the support functions to be performed by the Contractor associated with the safe and effective execution of this Performance Work Statement. These functions do not stand alone without the execution of the direct work scope under the WBS. In some cases, the Contractor shall bear full responsibility for performance of necessary support functions. In other cases, substantial support will be provided to the Contractor as GFS&I by DOE via other site contractors. Section J, includes an appendix identifying support functions to be performed by SR contractors and specifies the respective responsibilities of the involved SR contractors.

The Contractor shall ~~prepare and submit for DOE approval~~develop input for the Program/Project Execution Plan per DOE O 413.3B- for any scope of work that DOE determines to be Capital Asset or Line Item Projects. The Program/Project Execution Plan shall address the Contractor's approach to performance measurement, work control and reporting. The Contractor shall annually develop a revision of the Liquid Waste System Plan and submit for DOE approval by December 31st of each year. The Contractor shall price each case identified in the LW System Plan revision and develop life-cycle cost based on each case or as requested by DOE. The approved plan LW System Plan will be ana key input to ~~the any~~ Contractor ~~PMB update~~CPB updates. The Contractor's ~~full PMB~~final CPB shall be submitted by 180 days after the end of the Contract Transition Period. ~~In August of each year~~As necessary, the Contractor ~~PMB~~CPB shall be submitted for DOE approval for the subsequent years to maintain alignment with the Contract.

Contractor shall provide DOE a report of all Contractor planned Information Technology (IT) procurements, spend plans and budgets. The Contractor shall also provide monthly reports to DOE for IT cost incurred per DOE O 200.1A.

The following major categories of Program Support activities include:

- Standards/Requirements Identification Document (S/RID) Functional Areas
- Management & Administrative Services
 - o Service Level Agreements (SLA)
- Government Furnished Services & Items (GFS&I)
 - o Functional Service Agreements
 - o Landlord Services (LLS)
 - o Essential Site Services (ESS)
 - o Unit Billing Services (UBS)

C.3.1 Management of Standards/Requirements Identification Document Functional Areas (WBS: 03.01)

The Contractor shall maintain the processes and procedures required to manage the Standards/Requirements identification Document (S/RID) functional area program work scope and its implementation to ensure execution of fully compliant work to all LW operations and

projects. The Contractor management of Functional Area support shall consist of twenty (20) formal SR functional areas and associated work scope. These functional areas are:

- Management Systems
- Quality Assurance
- Configuration Management
- Training and Qualifications
- Emergency Management
- Safeguards and Security
- Engineering Program
- Construction Program
- Conduct of Operations
- Maintenance
- Radiation Protection
- Fire Protection
- Packaging & Transportation
- Environmental Restoration
- Facility Disposition
- Waste Management
- Research & Development Experimental Activities
- Nuclear and Process Safety
- Occupational Safety & Health
- Environmental Protection

Management of each Functional Area shall consist of oversight of field implementation, overall staffing levels across the functional areas, subject matter experts, and required records and reporting. In the event the Contractor becomes non-compliant with the S/RID, appropriate action to protect human health and safety and the environment shall be taken until compliance is reestablished. When activities are not in compliance with appropriate requirements, the Contractor shall accept violation notices and be responsible to pay any resulting fines assessed in accordance with the Section H clause entitled “DOE-H-2014, Contractor Acceptance of Notice of Violation or Alleged Violations, Fines, and Penalties.”

C.3.1.1 Integrated Safety Management System

The Contractor shall develop and submit to the CO for approval a single Integrated Safety Management System (ISMS) program description in accordance with DOE Acquisition Regulation (DEAR) clause 970.5223–1, Integration of Environment, Safety, and Health into Work Planning and Execution. The Contractor shall annually review, and submit to the CO for approval, any proposed changes the ISMS program description. The Contractor shall also annually review, and submit to the CO for approval, changes to the safety Performance Objectives, Measures, and Commitments (POMCs) consistent with and in response to DOE’s program and budget execution guidance and direction.

C.3.1.2 Safety Culture and Safety Conscious Work Environment

The Contractor shall establish and maintain a strong Safety Culture and Safety Conscious Work Environment (SCWE), in accordance with DOE expectations and ISMS per DEAR clause 970.5223-1, Integration of Environment, Safety, and Health into Work Planning and Execution. The Contractor shall provide special emphasis on behaviors and values that specifically enhance sustained performance in three Safety Focus Areas: Leadership, Employee Engagement and Organizational Learning. The Contractor shall leverage required Employee Concerns Programs and Differing Opinions Processes to encourage free, open and fearless expression of employee concerns and their resolution in support of a strong safety culture. The Contractor shall take action to demonstrate absolute prescription of actions/environment contributing to a chilling effect such as harassment, intimidation, retaliation, and/or discrimination.

C.3.1.3 Department of Energy/National Nuclear Security Administration Radiological Emergency Response Asset Support

In consultation with the Department of Energy/National Nuclear Security Administration (DOE/NNSA) Regional Response Coordinator, the Contractor shall provide Health Physics professionals to support the DOE Region 3 Radiological Assistance Program (RAP) and the regional Aerial Measuring System (AMS) program. The Contractor shall ensure that individuals designated to support RAP/AMS are provided the opportunity to participate in required training and drills/exercises to maintain their qualifications for these collateral duties. Qualified personnel are assigned to teams with rotating on-call duties to ensure responses to requests for offsite radiological assistance are provided within DOE/NNSA response timelines. In addition to their emergency response duties, RAP/AMS personnel will also be made available to support other RAP/AMS missions, including training for offsite response partners, exercise participation, support to the Department of Homeland Security Mobile Detection Deployment Unit (MDDU), and support for Special Events and National Special Security Events. Funding for labor and travel associated with all RAP/AMS activities is provided separately by the NNSA.

C.3.2 Management and Administrative Services (WBS: 03.02)

The Contractor shall provide management and administrative services required to execute the Liquid Waste work scope. This scope includes, but is not limited to:

- Executive Leadership & Management
- General Counsel
- Corporate Communications
- Government & Community Relations
- Internal Audit
- Contract Administration
- Operational Excellence / Continuous Improvement
- Strategic and Operational Planning
- Chief Financial Officer functions

- Employee Concerns
- Human Resources and Work Force Services

Additionally, the Contractor shall provide all necessary support for a smooth Contract transition at the end of the Contract period. Sixty days prior to the expiration of the Contract period the Contractor shall submit a Contract Close-out Plan to DOE for review and approval. The Contract Close-out Plan shall include all remaining administrative matters necessary to effectively and efficiently close out the Contract, including, but not limited to, resolution of remaining and open agreements and all records management activities. Records management activities include, but are not limited to, the remaining records retention and disposition activities (including the final active/inactive records inventory of both Government-owned and Contractor-owned records, and all media types), turnover of electronic records management systems and/or other electronic information systems, records finding aids or any other activities.

Service Level Agreements (SLAs)

Service Level Agreements (SLAs) are specific services performed by the M&O contractor at the request of the LW Contractor. SLAs are the Work Authorization Documents that define the scope of work, performance requirements, and costs for work requested and funded by the Contractor. The LW Contractor is ultimately responsible for ensuring the performing contractor delivers a product or service meeting requirements of the requesting Contractor. These negotiated services between the LW Contractor and the M&O contractor are invoiced to the LW Contractor from the M&O contractor monthly. Revisions to the SLA scope or service level (e.g., cost, scope, or schedule) will be by mutual agreement of the parties. Proposed changes to SLAs shall be available to DOE prior to implementation.

~~The Contractor shall assume existing SLAs between the incumbent and the M&O contractor. The LW Contractor may elect to maintain or modify these SLAs or choose an alternative method to obtain these services as necessary. Proposed changes to SLAs shall be reviewed by DOE prior to implementation.~~

~~Inter-Contractor Ordering Agreements~~

~~The Contractor shall assume and manage existing Inter-Contractor Ordering Agreements with the SWPF construction contractor to ensure continued support of the SWPF project by the M&O contractor.~~

C.3.3 Government Furnished Services and Items (WBS: 03.03)

Government Furnished Services and Items (GFS&I) shall be identified for specific tasks which support the Contractor. The DOE prime contractors shall provide or receive services from other contractors and ensure GFS&I are identified and documented in accordance with the Interface Management Plan. The DOE is responsible for the oversight of the individual DOE prime contractors and ensuring they meet the requirements for delivery of services.

The Contractor shall analyze current GFS&I services provided to it by other contractors for opportunities to reduce costs to the Government through self-performance, subcontracting or working with the SR Management and Operating (M&O) Contractor to identify opportunities to increase efficiencies, methodologies, etc. to reduce costs. The Contractor ~~should~~shall document opportunities and submit to DOE for consideration and potential implementation ~~and savings documentation, in accordance with the Contractor's cost savings/cost avoidance plan.~~

C.3.3.1 Functional Service Agreements

~~Functional Service Agreements~~FSAs encompass those general site level support activities ~~that are part of the site's referred to as~~ Landlord Services (LLS), Essential Site Services (ESS), and Unit Billing Services (UBS) ~~overhead pools.~~ FSAs are not included in the scope or funding of the Liquid Waste Contract, but are a GFS&I. Each fiscal year, funding is placed on the Site M&O contract on a scheduled basis for the LW contribution of the FSAs. The Contractor shall interface with the M&O Contractor to ensure LW's Liquid Waste program FSA requirements are fully addressed ~~by the activities covered by these pools.~~

The Contractor shall periodically review all services received under the ~~Functional Services area~~FSA and identify any activities for which the Contractor receives no support or has its own activities that duplicate those charged as part of the site ~~overhead pools.~~FSA. DOE, in conjunction with the LW Contractor and the site M&O Contractor, will evaluate the need to revise the ~~allocations of overheads~~FSA services annually.

The funding for the LW Contractor's allocated portion of the Functional Service work scope ~~is~~will continue to be provided by DOE directly to the M&O contractor. ~~Changes in the overhead rates and/or level of service may impact the LW available funding for direct work scope performance.~~ The list of ~~current~~ FSAs is identified in Section J, Attachment 12, Appendix B.

C.3.3.1.1 Landlord Services (LLS): Landlord Services are work functions and assets performed or managed by the M&O Contractor that support and benefit all tenants residing at SRS. This includes but is not limited to: Emergency and Safety Services, Common Infrastructure, Tenant Interface Management, and Site Document Delivery Services. LLS are allocated at the site level based on total funding.

C.3.3.1.2 Essential Site Services (ESS): Essential Site Services (ESS) represents a pool of activities basic to site operations such as roads and bridges, fire departments, laboratory services, police, etc. ESS work functions are performed by the M&O Contractor to support a nuclear facility but cannot easily be directly charged to a specific project or scope. This includes but is not limited to: Site management and centralization support for Records and Document Control, Asset Management, Geotechnical engineering services, Bioassay Lab, SRNL Utilities, Facilities & Site level services, Quality Services & Site-wide Procedures. ESS is allocated at the site level based on total funding with adjustments based on services that the Contractor does not receive.

C.3.3.1.3 Unit Billing Services (UBS): Contractor provided GFS&I services performed by or received from other site contractor: Site Radio and Pagers, Personnel Protection clothing and equipment, Industrial Hygiene Instrument program, warehouse services, radiological protection services (~~Thermoluminescent~~Thermo-luminescent Dosimeter (TLD), In-Vivo Bioassay, monitoring equipment, central counting facility, SmartPlant engineering services, training services including Computer Based Training and other classes, Information Technology (IT) services which includes the Consolidated IT services seat and telephone lines. UBS is allocated at the site level based on the number of units used/in service by the Contractor.

C.3.4 Legacy Benefits (Pension and Post-Retirement Benefits) (WBS: 03.04)

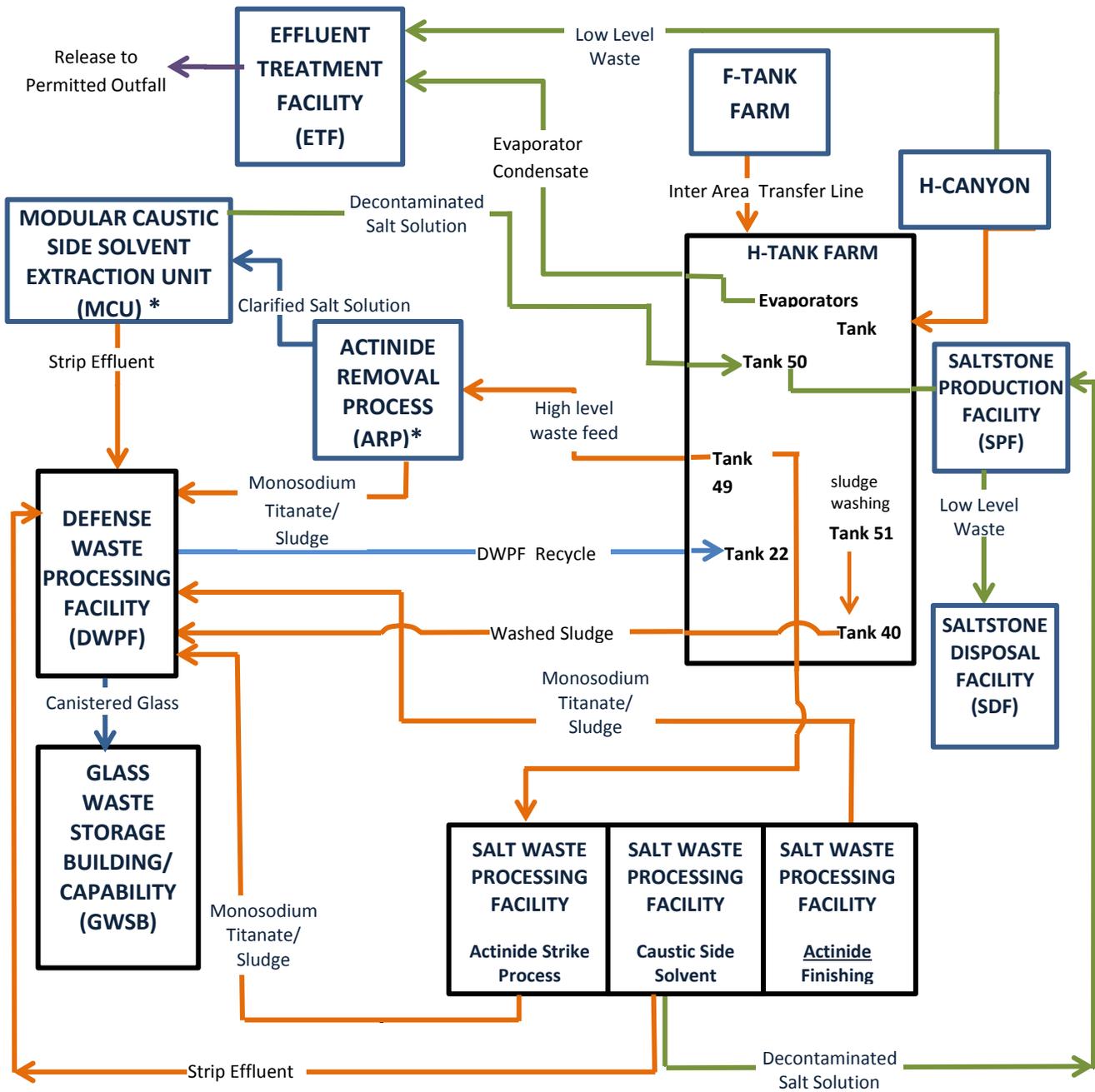
Legacy pension and post-retirement benefits (collectively referred to as Legacy Benefits) are not included in scope or funding of the Liquid Waste Contract, but are a GFS&I. Legacy Benefits includes the remaining Legacy Pension and Post-Retirement Benefits for DOE contractors working for the site before December 10, 2008. The annual site pension contribution requirement is calculated by actuaries based on the current number of covered employees. DOE works with the Liquid Waste Contractor, the Site M&O Contractor, and the NNSA to develop the allocation of legacy benefits based on head count of plan participants and funding. This methodology is reviewed annually during the federal budget cycle. Once a new fiscal year begins, funding is placed on the Site M&O contract to for all contributions to the Pension Fund on a scheduled basis. This approach will continue during the base period of performance and the option period of performance.

C.4 Indefinite Delivery/Indefinite Quantity Work

Work scope directly related to liquid waste operations, projects, or program support that is not otherwise included within the remainder of the PWS may be included under the Indefinite Delivery/Indefinite Quantity (IDIQ) Contract Line Item Number (CLIN) by mutual agreement of the parties. Such work, tasks, and activities may include, but are not limited to, Tank 48 recovery efforts, etc.

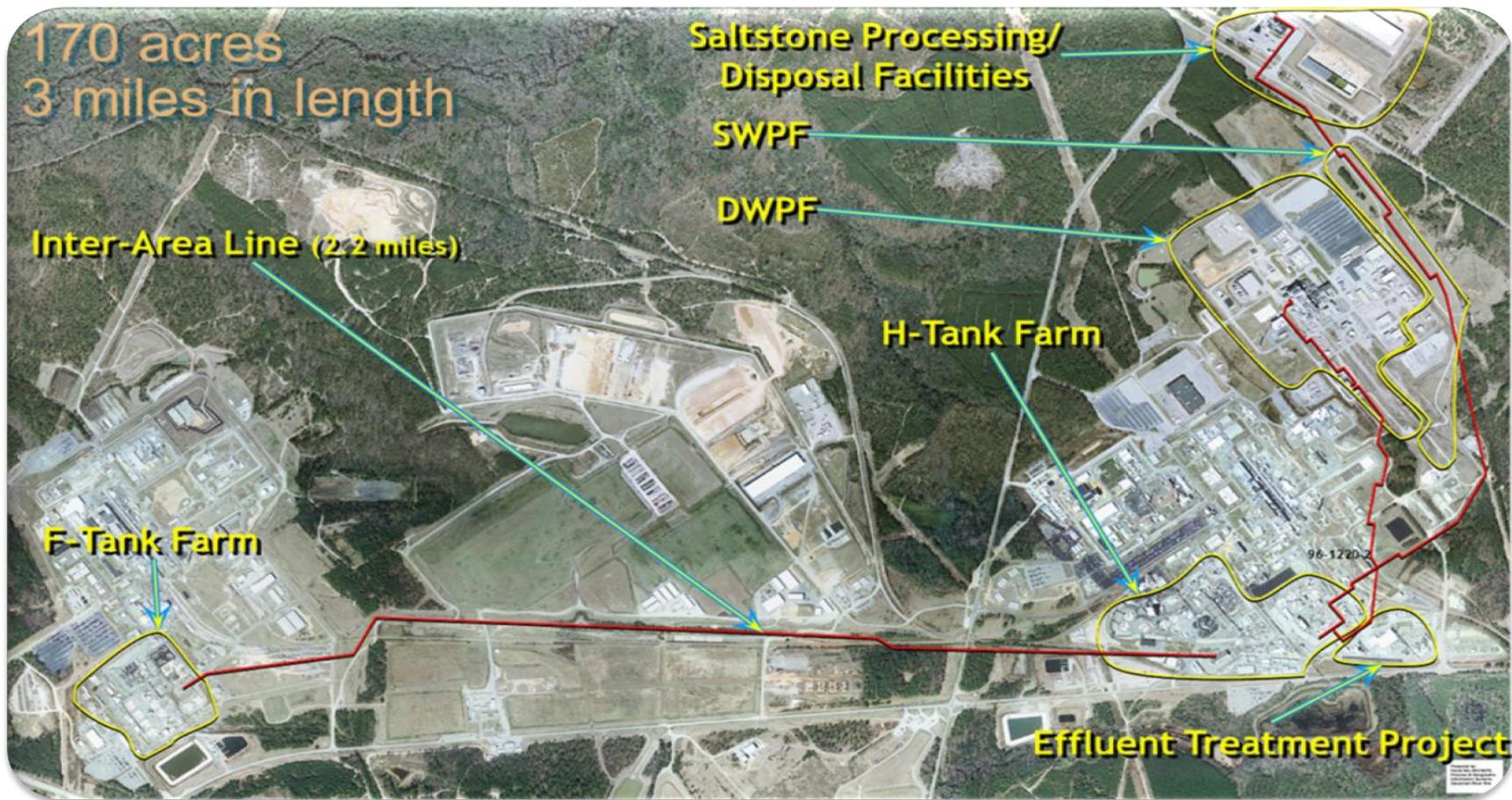
IDIQ work will be ordered by the Government under Task Orders. The scope, price, and period of performance will be specified in each order. Performance standards for IDIQ work will generally be the same as those in the PWS, unless otherwise stated.

Attachment 1 – Liquid Waste Process Diagram

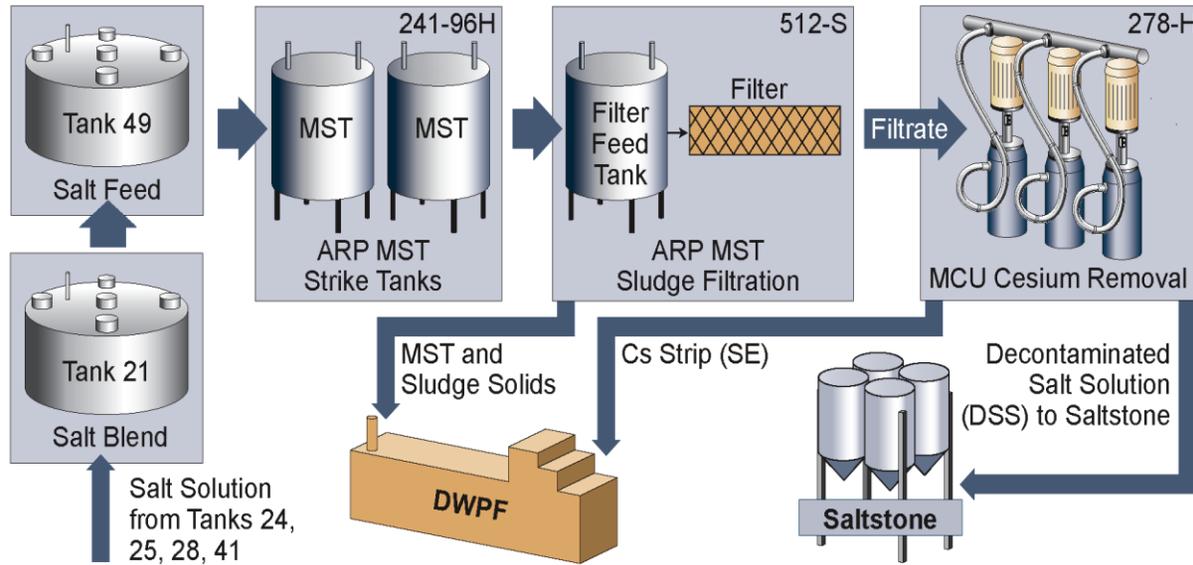


*MCU and ARP will not be operable (transfer lines isolated/terminated) when SWPF

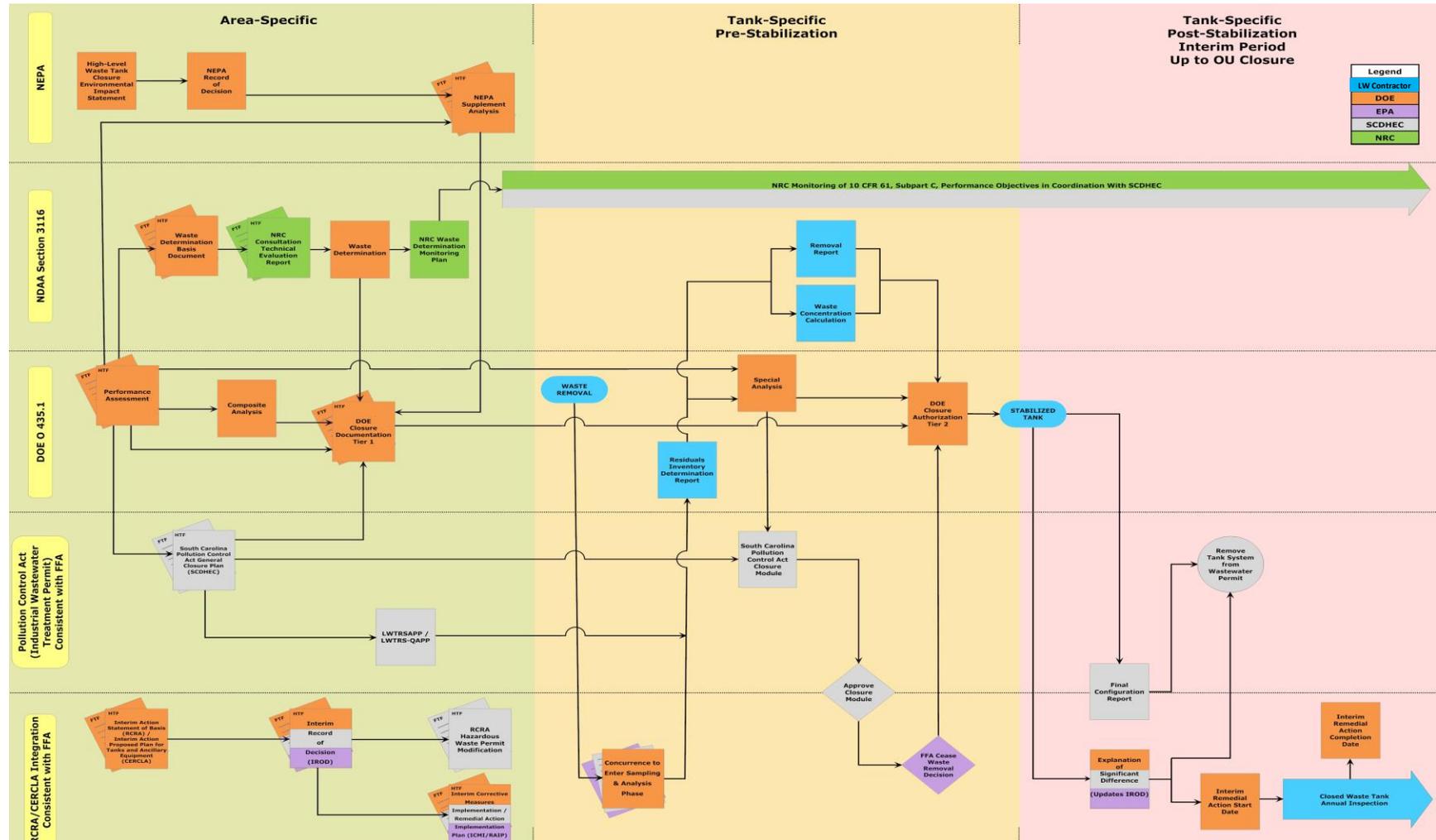
Attachment 2 – Liquid Waste Facilities



Attachment 3 – Schematic of the ARP/MCU Process



Attachment 4 – SRS Tank Closure Regulatory Roadmap



PART I – THE SCHEDULE
SECTION H
SPECIAL CONTRACT REQUIREMENTS

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H.1 DOE-H-2013 CONSECUTIVE NUMBERING (OCT 2014)

Due to automated procedures employed in formulating this document, clauses and provisions contained within may not always be consecutively numbered.

I. CONTRACTOR HUMAN RESOURCE MANAGEMENT (CHRM) CLAUSES

H.2 DOE-H-2002 NO THIRD PARTY BENEFICIARIES (OCT 2014)

This Contract is for the exclusive benefit and convenience of the parties hereto. Nothing contained herein shall be construed as granting, vesting, creating, or conferring any right of action or any other right or benefit upon past, present, or future employees of the Contractor, or upon any other third party. This provision is not intended to limit or impair the rights which any person may have under applicable Federal statutes.

H.3 DEFINITIONS

For purposes of Clauses H.4, *Workforce Transition and Employee Hiring Preferences* through H.7, *Workforce Transition and Benefits Transition: Plans and Timeframes*, the following definitions are applicable (unless otherwise specified):

- (a) "Contract Award Date" means the date the Contract is signed by the Contracting Officer, noted in Block 28 of the SF-33, Block 20C of the SF-26, or other authorized official notice.
- (b) "Contract Transition Period" means the 90 day transition as defined in Section F of this Contract.
- (c) "Incumbent Employees" means employees who hold regular appointments or who are regular employees of SRR as of the Contract Award Date~~"employees who, as of Contract Award Date, are employees of SRR, and who are charging 100 percent of their time as a direct charge to the SRR Contract No. DE-AC09-09SR22505 at the SRS, and have been doing so during the preceding twelve months, or, if hired during the preceding twelve months, must have charged 100 percent of their time since date of hire to the SRR Contract No. DE-AC09-09SR22505.~~
- (d) "Non-Incumbent Employees" are employees other than Incumbent Employees.
- (e) "SRR" means Savannah River Remediation, LLC, performing work under DOE Contract No. DE-AC09-09SR22505.
- (f) "SRS" means the Savannah River Site. SRS employees may work or may have worked for SRR, the Department of Energy and other contractors.
- (g) "SWPF" means Salt Waste Processing Facility work performed under DOE Contract No. DE-AC09-02SR22210.

- (h) "SWPF Commissioning, Operations & Maintenance (C, O & M) Employees" means certain SWPF contract employees, the classifications of which must be specifically identified by the Contractor and approved by DOE no later than 3 months prior to the anticipated ~~completion-transition~~ of the SWPF operations to the Liquid Waste contract pursuant to Section C.1.4, who are directly responsible for the C, O & M of the Salt Waste Processing Facility (SWPF) during its first year of operations under the SWPF contract. It does not include managerial, construction, administration, SWPF Operations Support, or other positions not directly related to the C, O & M of the facility.
- (i) "SWPF Operations Support Employees" means certain SWPF employees performing support functions required for SWPF operation during the first year of operations under the SWPF contract whose training is not specific to the SWPF. The classifications of such employees must be specifically identified by the Contractor and approved by DOE no later than 3 months prior to the anticipated ~~completion transition~~ of the SWPF operations to the Liquid Waste contract pursuant to Section C.1.4.

H.4 WORKFORCE TRANSITION AND EMPLOYEE HIRING PREFERENCES INCLUDING THROUGH PERIOD OF PERFORMANCE

The Contractor shall comply with the hiring preferences set forth below. The Contractor's failure to comply with this clause may result in the costs being determined to be unallowable. See also Section I clause, FAR 52.222-17.

- (a) The Contractor shall comply with the right of first refusal for employment for service employees employed by SRR as set forth in FAR 52.222-17 for the applicable work and positions. If a qualified service employee employed under the SRR contract declines a bona fide express offer of employment under this paragraph, the Contractor need not provide the right of first refusal or the preference in hiring specified in paragraphs (c) (1) (A) and (B) below to such employee, but shall provide all other preferences in hiring in Paragraph (c) below, as applicable.
- (b) Within 30 days before the anticipated ~~completion-transition~~ of the SWPF operations to the Liquid Waste contract pursuant to Section C.1.4, the Contractor shall provide the SWPF C, O & M Employees a right of first refusal for vacancies in non-managerial SWPF positions that are substantially equivalent to the positions such employees will hold at the time of the ~~completion-transition~~ of the SWPF operations to the Liquid Waste contract pursuant to Section C.1.4. For such substantially equivalent positions only, the Contractor shall apply this right of first refusal before any of the preferences in hiring in paragraph (c) below.
- (c) The Contractor shall provide, during the Contract Transition Period and throughout the period of performance, preferences in hiring for vacancies for non-managerial positions (i.e., all those below the first line of supervision) in non-construction activities of the Performance Work Statement (PWS) under this Contract, in accordance with the hiring preferences in paragraphs (1) – (4) below (subject to paragraph (a) and (b) above, in descending order of priority, any applicable collective-bargaining agreement(s), applicable law, and applicable site seniority lists as provided to the Contractor by the Contracting Officer), as set forth below.

- (1) The Contractor shall provide Incumbent Employees the preferences in paragraphs (A) and (B) in descending order of priority:
 - (A) A right of first refusal for vacancies in non-managerial positions that are substantially equivalent to the positions the above employees held at the time of award.
 - (B) A preference in hiring for vacancies in non-managerial positions for the above employees who meet the qualifications for the position.
- (2) The Contractor shall give a preference in hiring to SRR employees who have been identified by their employer as being at risk of being involuntarily separated because of the transfer of this work scope to the Contractor.
- (3) The Contractor shall give a preference in hiring to individuals set forth below in paragraphs (A) – (B), in descending order of priority, who are eligible for the hiring preference contained in the clause in Section I of this Contract entitled “DEAR 952.226-74, Displaced Employee Hiring Preference,” consistent with the provisions of any applicable Work Force Restructuring Plan and Departmental Guidance on workforce restructuring, as amended from time to time, regarding the preferential hiring of employees:
 - (A) Employees who are former employees of SRR at the SRS, and
 - (B) Former employees of any other DOE contractor or subcontractor at a DOE defense nuclear facility.
- (4) The Contractor shall give a preference in hiring to individuals (a) who have separated from employment at the SRS, including former SWPF C, O & M and SWPF Operations Support employees; (b) who are not precluded from seeking employment at either the SRS by the terms of employee waivers or releases of claims they executed, absent repayment of severance consistent with the terms of those agreements; and (c) who are qualified for a particular position or who may not meet the qualifications for a particular position, but who agree to become qualified and can become qualified by the commencement of active employment under this Contract.

H.5 DOE-H-2001 EMPLOYEE COMPENSATION: PAY AND BENEFITS (JAN 2016)

(a) Contractor Employee Compensation Plan

The Contractor shall submit, for Contracting Officer approval, by the end of the Contract Transition Period, a Contractor Employee Compensation Plan demonstrating how the Contractor will comply with the requirements of this Contract. The Contractor Employee Compensation Plan shall describe the Contractor’s policies regarding compensation, pensions and other benefits, and how these policies will support at reasonable cost the effective recruitment and retention of a highly skilled, motivated, and experienced workforce.

A description of the Contractor Employee Compensation Program should include the following components:

- a. Philosophy and strategy for all pay delivery programs.
- b. System for establishing a job worth hierarchy.
- c. Method for relating internal job worth hierarchy to external market.
- d. System that links individual and/or group performance to compensation decisions.
- e. Method for planning and monitoring the expenditure of funds.
- f. Method for ensuring compliance with applicable laws and regulations.
- g. System for communicating the programs to employees.
- h. System for internal controls and self-assessment.
- i. System to ensure that reimbursement of compensation, including stipends, for employees who are on joint appointments with a parent or other organization shall be on a pro-rated basis.

(b) Total Compensation System

The Contractor shall develop, implement and maintain formal policies, practices and procedures to be used in the administration of its compensation system consistent with FAR 31.205-6 and DEAR 970.3102-05-6; "Compensation for Personal Services". DOE-approved standards (e.g., set forth in an advance understanding or appendix), if any, shall be applied to the Total Compensation System. The Contractor's Total Compensation System shall be fully documented, consistently applied, and acceptable to the Contracting Officer. Costs incurred in implementing the Total Compensation System shall be consistent with the Contractor's documented Contractor Employee Compensation Plan as approved by the Contracting Officer.

(c) Reports and Information

The Contractor shall provide the Contracting Officer with the following reports and information with respect to pay and benefits provided under this Contract:

- (1) An Annual Contractor Salary-Wage Increase Expenditure Report to include, at a minimum, breakouts for merit, promotion, variable pay, special adjustments, and structure movements for each pay structure showing actual against approved amounts; and planned distribution of funds for the following year. This report is due one month after the completion of the Compensation Increase Plan year (e.g., January 31 for the prior calendar year plan, or July 31 for the prior 7/1 – 6/30 year).
- (2) A list of the top five most highly compensated executives as defined in FAR 31.205-6(p) (4) (ii) and their total cash compensation at the time of Notice to Proceed, and at the time of any subsequent change to their total cash compensation. This should be the same information provided to the System for Award Management (SAM) per FAR 52.204-10.
- (3) An Annual Compensation and Benefits Report no later than March 15 of each year.

(d) Pay and Benefit Programs

The Contractor shall establish pay and benefit programs for Incumbent Employees and Non-Incumbent Employees as defined in paragraphs (1) and (2) below and who are engaged in non-construction activities, consistent with the terms and conditions of this Contract, including any applicable collective bargaining agreement(s), and applicable law, including Section 4(c) of the Service Contract Labor Standards (SCLS) statute; provided, however, that employees scheduled to work fewer than 20 hours per week receive only those benefits required by law. Employees are eligible for benefits, subject to the terms, conditions, and limitations of each benefit program.

(1) Incumbent Employees are as defined in H.3.

(A) Pay. The Contractor shall provide equivalent base pay to Incumbent Employees as compared to base pay provided by SRR for at least the first year of the term of the Contract.

(B) Pension and Other Benefits. The Contractor shall provide a total package of benefits to Incumbent Employees ~~substantially equivalent~~ comparable to that provided by SRR. Comparability of the total benefit package shall be determined by the Contracting Officer in his/her sole discretion.

Incumbent Employees shall remain in their existing pension plans (or comparable successor plans if continuation of the existing plans is not practicable) pursuant to pension plan eligibility requirements and applicable law.

(2) Non-Incumbent Employees are as defined in H.3. All Non-Incumbent Employees shall receive a total pay and benefits package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the Contractor recruits its employees and in accordance with Contract requirements.

(3) Cash Compensation

(A) The Contractor shall submit the below information, as applicable, to the Contracting Officer for a determination of cost allowability for reimbursement under the Contract:

(i) Any proposed major compensation program design changes prior to implementation.

(ii) Variable pay programs/incentives. If not already authorized under ~~Appendix AH.5(a)~~ above of the contract, a justification shall be provided with proposed costs and impacts to budget, if any.

(iii) In the absence of Departmental policy to the contrary (e.g., Secretarial pay freeze) a Contractor that meets the criteria, as set forth below, is not required to submit a Compensation Increase Plan (CIP) request to the

Contracting Officer for an advance determination of cost allowability for a Merit Increase fund or Promotion/Adjustment fund:

- The Merit Increase fund does not exceed the mean percent increase included in the annual Departmental guidance providing the WorldatWork Salary Budget Survey's salary increase projected for the CIP year. The Promotion/~~Adjustment~~ fund does not exceed ~~0.81.1~~ percent ~~and the Adjustment fund does not exceed 0.3 percent~~ in total.
- The budget used for both Merit Increase funds and Promotion/Adjustment funds shall be based on the payroll for the end of the previous CIP year.
- Salary structure adjustments do not exceed the mean WorldatWork structure adjustments projected for the CIP year and communicated through the annual Department CIP guidance.
- Please note: No later than the first day of the CIP cycle, Contractors must provide notification to the Contracting Officer of planned increases and position to market data by mutually agreed-upon employment categories. No presumption of allowability will exist for employee job classes that exceed market position.

(iv) If a Contractor does not meet the criteria included in (iii) above, a CIP must be submitted to the Contracting Officer for an advance determination of cost allowability. The CIP should include the following components and data:

- (1) Comparison of average pay to market average pay.
- (2) Information regarding surveys used for comparison.
- (3) Aging factors used for escalating survey data and supporting information.
- (4) Projection of escalation in the market and supporting information.
- (5) Information to support proposed structure adjustments, if any.
- (6) Analysis to support special adjustments.
- (7) Funding requests for each pay structure to include breakouts of merit, promotions, variable pay, special adjustments, and structure movement.
 - (a) The proposed plan totals shall be expressed as a percentage of the payroll for the end of the previous CIP year.
 - (b) All pay actions granted under the compensation increase plan are fully charged when they occur regardless of time of year in which the action transpires and whether the employee terminates before year-end.

- (c) Specific payroll groups (e.g., exempt, nonexempt) for which CIP amounts are intended shall be defined by mutual agreement between the Contractor and the Contracting Officer.
 - (d) The Contracting Officer may adjust the CIP amount after approval based on major changes in factors that significantly affect the plan amount (for example, in the event of a major reduction in force or significant ramp-up).
- (8) A discussion of the impact of budget and business constraints on the CIP amount.
- (9) Comparison of pay to relevant factors other than market average pay.
- (v) After receiving DOE CIP approval or if criteria in (d)(3)(A)(iii) are met, contractors may make minor shifts of up to 10% of approved CIP funds by employment category (e.g., Scientist/Engineer, Admin, Exempt, Non-Exempt) without obtaining DOE approval.
 - (vi) Individual compensation actions for the top Contractor official (e.g., laboratory director/plant manager or equivalent) and Key Personnel not included in the CIP. For those Key Personnel included in the CIP, DOE will approve salaries upon the initial contract award and when Key Personnel are replaced during the life of the contract. DOE will have access to all individual salary reimbursements. This access is provided for transparency; DOE will not approve individual salary actions (except as previously stated).
- (B) The Contracting Officer's approval of individual compensation actions will be required only for the top Contractor official (e.g., laboratory director/plant manager or equivalent) and Key Personnel as stated in (d) (3) (A) (vi) above. The base salary reimbursement level for the top Contractor official establishes the maximum allowable base salary reimbursement under the contract. Unusual circumstances may require a deviation for an individual on a case-by-case basis. Any such deviations must be approved by the Contracting Officer.
- (C) Severance Pay is not payable to an employee under this Contract if the employee:
- (i) Voluntarily separates, resigns or retires from employment,
 - (ii) Is offered employment with a successor/replacement contractor,
 - (iii) Is offered employment with a parent or affiliated company, or
 - (iv) Is discharged for cause.

(D) Service Credit for purposes of determining severance pay does not include any period of prior service for which severance pay has been previously paid through a DOE cost-reimbursement contract or Task Order.

(e) Pension and Other Benefit Programs

- (1) No presumption of allowability will exist when the Contractor implements a new benefit plan that increases costs or is contrary to Departmental policy or written instruction or makes changes to existing benefit plans for employees until the Contracting Officer makes a determination of cost allowability for reimbursement for new or changed benefit plans. Changes shall be in accordance with and pursuant to the terms and conditions of the contract. Advance notification, rather than approval, is required for changes that do not increase costs and are not contrary to Departmental policy or written instruction. To the extent that the Contractor has not submitted a new benefit plan or changes to existing benefit plans for approval on the basis that it does not increase costs and such new plan or change to existing plan does in fact increase costs, any increase in costs may be considered unreasonable and will likely be determined unallowable.
- (2) Cost reimbursement for Employee pension and other benefit programs sponsored by the Contractor will be based on the Contracting Officer's approval of Contractor actions pursuant to an approved "Employee Benefits Value Study" and an "Employee Benefits Cost Survey Comparison" as described below.
- (3) Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall submit the studies required in paragraphs (A) and (B) below. The studies shall be used by the Contractor in calculating the cost of benefits under existing benefit plans. An Employee Benefits Value (Ben-Val) Study Method using no less than 15 comparator organizations and an Employee Benefits Cost Survey Comparison method shall be used in this evaluation to establish an appropriate comparison method. In addition, the Contractor shall submit updated studies to the Contracting Officer for approval prior to the adoption of any change to a pension or other benefit plan which increases costs.
 - (A) The Ben-Val, every two years for each benefit tier (e.g., group of employees receiving a benefit package based on date of hire), which is an actuarial study of the relative value (RV) of the benefits programs offered by the Contractor to Employees measured against the RV of benefit programs offered by the Contracting Officer approved comparator companies. To the extent that the value studies do not address post retirement benefits other than pensions, the Contractor shall provide a separate cost and plan design data comparison for the post retirement benefits other than pensions using external benchmarks derived from nationally recognized and Contracting Officer approved survey sources and,
 - (B) An Employee Benefits Cost Study Comparison, annually for each benefit tier that analyzes the Contractor's employee benefits cost for employees on a per capita basis per full time equivalent employee and as a percent of payroll and compares it with the cost reported by the U.S. Department of Labor's Bureau

of Labor Statistics or other Contracting Officer approved broad based national survey.

- (4) When the net benefit value exceeds the comparator group by more than five percent, the Contractor shall submit a corrective action plan to the Contracting Officer for approval, unless waived in writing by the Contracting Officer.
 - (5) When the average total benefit per capita cost or total benefit cost as a percent of payroll exceeds the comparator group by more than five percent, the Contractor shall submit an analysis of the specific plan costs that are above the per capita cost range or total benefit cost as a percent of payroll and a corrective action plan to achieve conformance with a Contracting Officer directed per capita cost range or total benefit cost as a percent of payroll, unless waived in writing by the Contracting Officer.
 - (6) Within two years of Contracting Officer approval of the Contractor's corrective action plan, the Contractor shall align employee benefit programs with the benefit value and per capita cost range or percent of payroll as approved by the Contracting Officer.
 - (7) The Contractor may not terminate any benefit plan during the term of the Contract without the prior approval of the Contracting Officer in writing.
 - (8) Cost reimbursement for post-retirement benefits other than pensions (PRBs) is contingent on DOE approved service eligibility requirements for PRB that shall be based on a minimum period of continuous employment service not less than 5 years under a DOE cost reimbursement contract(s) immediately prior to retirement. Unless required by Federal or State law, advance funding of PRBs is not allowable.
 - (9) Each Contractor sponsoring a defined benefit pension plan and/or postretirement benefit plan will participate in the plan management process which includes written responses to a questionnaire regarding plan management, providing forecasted estimates of future reimbursements in connection with the plan(s) and participating in a conference call to discuss the Contractor submission (see (g)(6) below for Pension Management Plan requirements).
 - (10) Each Contractor will respond to quarterly data calls issued through iBenefits, or its successor system.
- (f) Establishment and Maintenance of Pension Plans for which DOE Reimburses Costs
- (1) Employees working for the Contractor shall only accrue credit for service under this Contract after the date of Contract award.
 - (2) Any pension plan maintained by the Contractor for which DOE reimburses costs, shall be maintained as a separate pension plan distinct from any other pension plan that provides credit for service not performed under a DOE cost-reimbursement contract. When deemed appropriate by the Contracting Officer,

Commingled Plans shall be converted to Separate Plans at the time of new contract award or the extension of a contract.

(g) Basic Requirements

The Contractor shall adhere to the requirements set forth below in the establishment and administration of pension plans that are reimbursed by DOE pursuant to cost reimbursement contracts for management and operation of DOE facilities and pursuant to other cost reimbursement facilities contracts. Pension Plans include Defined Benefit and Defined Contribution plans.

- (1) The Contractor shall become a sponsor of the SRR existing pension and other benefit plans (or comparable successor plans), including other SRR PRB plans, as applicable, with responsibility for management and administration of the plans. The Contractor shall be responsible for maintaining the qualified status of those plans consistent with the requirements of ERISA and the Internal Revenue Code (IRC). The Contractor shall carry over the length of service credit and leave balances accrued as of the date of the Contractor's assumption of Contract performance.
- (2) Each Contractor defined benefit and defined contribution pension plan shall be subjected to a limited-scope audit annually that satisfies the requirements of ERISA section 103, except that every third year the Contractor must conduct a full-scope audit of defined benefit plan(s) satisfying ERISA section 103. Alternatively, the Contractor may conduct a full-scope audit satisfying ERISA section 103 annually. In all cases, the Contractor must submit the audit results to the Contracting Officer. In years in which a limited scope audit is conducted, the Contractor must provide the Contracting Officer with a copy of the qualified trustee or custodian's certification regarding the investment information that provides the basis for the plan sponsor to satisfy reporting requirements under ERISA section 104.

While there is no requirement to submit a full scope audit for defined contribution plans, contractors are responsible for maintaining adequate controls for ensuring that defined contribution plan assets are correctly recorded and allocated to plan participants.

- (3) For existing Commingled Plans, the Contractor shall maintain and provide annual separate accounting of DOE liabilities and assets as for a Separate Plan.
- (4) For existing Commingled Plans, the Contractor shall be liable for any shortfall in the plan assets caused by funding or events unrelated to DOE contracts.
- (5) The Contractor shall comply with the requirements of ERISA if applicable to the pension plan and any other applicable laws.
- (6) The Pension Management Plan (PMP) shall include a discussion of the Contractor's plans for management and administration of all pension plans consistent with the terms of the Contract. The PMP shall be submitted in the iBenefits system, or its successor system no later than January 31st of each

applicable year. A full description of the necessary reporting will be provided in the annual management plan data request. Within sixty (60) days after the date of the submission, appropriate Contractor representatives shall participate in a conference call to discuss the Contractor's PMP submission and any other current plan issues or concerns.

(h) Reimbursement of Contractors for Contributions to Defined Benefit (DB) Pension Plans

- (1) Contractors that sponsor single employer or multiple employer defined benefit pension plans will be reimbursed for the annual required minimum contributions under the Employee Retirement Income Security Act (ERISA), as amended by the Pension Protection Act (PPA) of 2006 and any other subsequent amendments. Reimbursement above the annual minimum required contribution will require prior approval of the Contracting Officer. Minimum required contribution amounts will take into consideration all pre-funding balances and funding standard carryover balances. Early in the fiscal year but no later than the end of November, the Contractor requesting above the minimum may submit/update a business case for funding above the minimum if preliminary approval is needed prior to the Pension Management Plan process. The business case shall include a projection of the annual minimum required contribution and the proposed contribution above the minimum. The submission of the business case will provide the opportunity for the Department to provide preliminary approval, within 30 days after contractor submission, pending receipt of final estimates, generally after January 1st of the calendar year. Final approval of funding will be communicated by the Head of Contracting Activity (HCA) when discount rates are finalized and it is known whether there are any budget issues with the proposed contribution amount.

(i) Reporting Requirements for Designated Contracts

The following reports shall be submitted to DOE as soon as possible after the last day of the plan year by the Contractor responsible for each designated pension plan funded by DOE but no later than the dates specified below:

- (1) Actuarial Valuation Reports. The annual actuarial valuation report for each DOE-reimbursed pension plan and when a pension plan is commingled, the Contractor shall submit separate reports for DOE's portion and the plan total by the due date for filing IRS Form 5500.
- (2) Forms 5500. Copies of IRS Forms 5500 with Schedules for each DOE-funded pension plan, no later than that submitted to the IRS.
- (3) Forms 5300. Copies of all forms in the 5300 series submitted to the IRS that document the establishment, amendment, termination, spin-off, or merger of a plan submitted to the IRS.

(j) Changes to Pension Plans

At least sixty (60) days prior to the adoption of changes to a pension plan, the Contractor shall submit the information required below, to the Contracting Officer. The Contracting Officer must approve plan changes that increase costs as part of a determination as to whether the costs are deemed allowable pursuant to FAR 31.205-6, as supplemented by DEAR 970.3102-05-6.

(1) For proposed changes to pension plans and pension plan funding, the Contractor shall provide the following to the Contracting Officer:

- (A) a copy of the current plan document (as conformed to show all prior plan amendments), with the proposed new amendment indicated in redline/strikeout,
- (B) an analysis of the impact of any proposed changes on actuarial accrued liabilities and costs,
- (C) except in circumstances where the Contracting Officer indicates that it is unnecessary, a legal explanation of the proposed changes from the counsel used by the plan for purposes of compliance with all legal requirements applicable to private sector defined benefit pension plans,
- (D) the Summary Plan Description, and
- (E) any such additional information as requested by the Contracting Officer.

(2) Contractors shall submit new benefit plans and changes to plan design or funding methodology with justification to the Contracting Officer for approval, as applicable (see (e)(1) above). The justification must:

- (A) demonstrate the effect of the plan changes on the contract net benefit value or per capita benefit costs,
- (B) provide the dollar estimate of savings or costs, and
- (C) provide the basis of determining the estimated savings or cost.

(k) Terminating Operations

When operations at a designated DOE facility are terminated and no further work is to occur under the prime contract, the following apply:

- (1) No further benefits for service shall accrue.
- (2) The Contractor shall provide a determination statement in its settlement proposal, defining and identifying all liabilities and assets attributable to the DOE contract.
- (3) The Contractor shall base its pension liabilities attributable to DOE contract work on the market value of annuities or lump sum payments or dispose of such liabilities through a competitive purchase of annuities or lump sum payouts.

- (4) Assets shall be determined using the “accrual-basis market value” on the date of termination of operations.
- (5) DOE and the Contractor(s) shall establish an effective date for spinoff or plan termination. On the same day as the Contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.

(l) Terminating Plans

- (1) DOE Contractors shall not terminate any pension plan (Commingled or site specific) without requesting Departmental approval at least 60 days prior to the scheduled date of plan termination.
- (2) To the extent possible, the Contractor shall satisfy plan liabilities to plan participants by the purchase of annuities through competitive bidding on the open annuity market or lump sum payouts. The Contractor shall apply the assumptions and procedures of the Pension Benefit Guaranty Corporation.
- (3) Funds to be paid or transferred to any party as a result of settlements relating to pension plan termination or reassignment shall accrue interest from the effective date of termination or reassignment until the date of payment or transfer.
- (4) If ERISA or IRC rules prevent a full transfer of excess DOE reimbursed assets from the terminated plan, the Contractor shall pay any deficiency directly to DOE according to a schedule of payments to be negotiated by the parties.
- (5) On or before the same day as the Contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.
- (6) DOE liability to a Commingled pension plan shall not exceed that portion which corresponds to DOE contract service. The DOE shall have no other liability to the plan, to the plan sponsor, or to the plan participants.
- (7) After all liabilities of the plan are satisfied, the Contractor shall return to DOE an amount equaling the asset reversion from the plan termination and any earnings which accrue on that amount because of a delay in the payment to DOE. Such amount and such earnings shall be subject to DOE audit. To effect the purposes of this paragraph, DOE and the Contractor may stipulate to a schedule of payments.

(m) Special Programs

Contractors must advise DOE and receive prior approval for each early-out program, window benefit, disability program, plan-loan feature, employee contribution refund, asset reversion, or incidental benefit.

(n) Definitions

- (1) Commingled Plans. Cover employees from the Contractor's private operations and its DOE contract work.
- (2) Current Liability. The sum of all plan liabilities to employees and their beneficiaries. Current liability includes only benefits accrued to the date of valuation. This liability is commonly expressed as a present value.
- (3) Defined Benefit Pension Plan. Provides a specific benefit at retirement that is determined pursuant to the formula in the pension plan document.
- (4) Defined Contribution Pension Plan. Provides benefits to each participant based on the amount held in the participant's account. Funds in the account may be comprised of employer contributions, employee contributions, investment returns on behalf of that plan participant and/or other amounts credited to the participant's account.
- (5) Designated Contract. For purposes of this clause, a contract (other than a prime cost reimbursement contract for management and operation of a DOE facility) for which the Head of the Departmental Contracting Activity determines that advance pension understandings are necessary or where there is a continuing Departmental obligation to the pension plan.
- (6) Pension Fund. The portfolio of investments and cash provided by employer and employee contributions and investment returns. A pension fund exists to defray pension plan benefit outlays and (at the option of the plan sponsor) the administrative expenses of the plan.
- (7) Separate Accounting. Account records established and maintained within a commingled plan for assets and liabilities attributable to DOE contract service. NOTE: The assets so represented are not for the exclusive benefit of any one group of plan participants.
- (8) Separate Plan. Must satisfy IRC Sec. 414(l) definition of a single plan, designate assets for the exclusive benefit of employees under DOE contract, exist under a separate plan document (having its own Department of Labor plan number) that is distinct from corporate plan documents and identify the Contractor as the plan sponsor.
- (9) Spun-off Plan. A new plan which satisfies IRC Reg. 1.414(l)-1 requirements for a single plan and which is created by separating assets and liabilities from a larger original plan. The funding level of each individual participant's benefits shall be no less than before the event, when calculated on a "plan termination basis."

H.6 SPECIAL PROVISIONS APPLICABLE TO WORKFORCE TRANSITION AND EMPLOYEE COMPENSATION: PAY AND BENEFITS

- (a) Benefit Plans. The Contractor shall provide pension and other benefit plans, to Incumbent Employees and all other employees hired by the Contractor and service credit for leave as set forth below:
- (1) Incumbent Employees shall be provided pension and other benefits in accordance with applicable law and any applicable collective bargaining agreement(s). The Contractor shall sponsor and have responsibility for maintaining the qualified status of the plans. No employee who qualifies under the Contractors equivalent defined benefit and defined contribution pension plans shall lose the right to participate in those plans as a result of this transition.
 - (2) Non-Incumbent Employees. New employees shall receive a benefits package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the Contractor recruits its employees and in accordance with this Contract, any applicable collective bargaining agreement(s), and applicable law, including Section 4(c) of the SCLS statute.
 - (3) Service Credit For Leave. For Incumbent Employees hired by the Contractor pursuant to Clause H.4, the Contractor shall carry over the length of service credit from the previous employer for purposes of determining rates of accruing leave for these employees as required by and consistent with any applicable collective bargaining agreement(s) and applicable law.
 - (4) Service Credit for Fringe Benefits Other Than Leave. Service credit for all individuals hired by the Contractor shall be applied consistent with any applicable collective bargaining agreement(s), applicable law, and the terms of the applicable benefit plan(s). Service credit for purposes of severance pay is subject to Clause H.5.
- (b) Annual Actuarial Evaluations. Notwithstanding the above, the Contractor has responsibility for administering and maintaining the qualified status of all pension and other benefit plans that it sponsors under this Contract consistent with the plan documents. The Contractor shall submit to the Contracting Officer annual actuarial evaluations for all applicable benefit plans as well as certify that the benefit plans are in full compliance with IRC and ERISA requirements. Such certification shall demonstrate that the benefit plans are qualified under the IRC. This evaluation shall include but not be limited to written reports relating to how the benefit plans pass IRC discrimination, participation and coverage testing requirements. Each detailed annual written actuarial evaluation shall identify any conditions that may adversely affect the qualification status of the plans within eighteen months or less of the date of the evaluation, including but not limited to discrimination, participation and coverage testing requirements for the contractor and any of its subcontractors that are participating employers in the plans.
- (1) Meeting Test Requirements. With the approval of the Contracting Officer, the Contractor shall establish threshold factors that indicate when the Contractor's Defined Benefit Pension Plan Pension may not meet testing requirements within

the next two plan years. Every six months the Contractor shall identify when the Defined Benefit Pension Plan may not meet testing requirements for the current plan year and the following plan year.

- (2) Failure to Meet Test Requirements. In the case that the approved threshold factors described above and other factors as approved or requested by the Contracting Officer indicate that the Defined Benefit Pension Plan may not meet testing requirements, the Contractor shall provide the Contracting Officer with a corrective action plan for addressing the potential or actual failure to meet testing requirements and quarterly updates on the status for testing purposes. After the corrective action plan has been submitted and approved by the Contracting Officer, the Contractor shall provide quarterly updates on the status for testing purposes.
- (3) Changes to the Defined Benefit Pension Plan. In addition to any other provision of this Contract, including but not limited to Clause H.5, any changes or amendments to the Defined Benefit Pension Plan are subject to Contracting Officer prior approval and shall be in accordance with applicable law, including compliance with any applicable collective bargaining agreement(s).

H.7 WORKFORCE TRANSITION AND BENEFITS TRANSITION: PLANS AND TIMEFRAMES

(a) Workforce Transition Plan. The Contractor shall submit a Workforce Transition Plan (WF Transition Plan) for Contracting Officer approval, describing in detail the Contractor's plans and procedures as to how the Contractor will comply with the hiring preferences set forth in Clause H.4, *Workforce Transition and Employee Hiring Preferences*, and Section I, DEAR 952.226-74, Displaced Employee Hiring Preference. The WF Transition Plan shall also detail the Contractor's plan for incorporating, if applicable, multiple unions with separate bargaining agreements. Notwithstanding timeframes identified elsewhere in the Contract, the Contractor shall perform the following activities in the specified timeframes:

- (1) Within ten days after Notice to Proceed (NTP), the Contractor shall:
 - (A) Provide the Contracting Officer with a list of Contractor personnel who will be responsible for transitioning the employees of SRR and for development of the transition agreements, including specifically the personnel responsible for ensuring that the Contractor complies with the National Labor Relations Act and Clause H.9, *Labor Relations*, and contact information for the above personnel;
 - (B) Submit to the Contracting Officer a description of any and all transition agreements that it intends to enter into with SRR to ensure compliance with Clause H.4, *Workforce Transition and Employee Hiring Preferences*, during the Contract Transition Period;
 - (C) Establish and submit to the Contracting Officer a draft communication plan detailing the communication the Contractor and its subcontractors will engage in with SRR and its employees, regarding implementation of the hiring

preference requirements set forth in Clause H.4, *Workforce Transition and Employee Hiring Preferences* and H.5, *Employee Compensation: Pay and Benefits*; and

- (D) Obtain information from SRR, identifying the employees who have initially been identified as being at risk of being involuntarily separated. Provide and define a process as part of transition agreements required in paragraph (1) (A) above for obtaining updated and continuous information through the Contract Transition Period regarding the identification of employees by SRR that have been identified as being at risk of being involuntarily separated.
- (2) Within 15 days after NTP, the Contractor shall:
- (A) Submit to the Contracting Officer copies of the draft WF Transition Plan for the Contractor [insert, where applicable, “and its first and second tier subcontractors”], including processes and procedures regarding how the Contractor will implement and ensure compliance with the hiring preferences set forth in Clause H.4, *Workforce Transition and Employee Hiring Preferences*, and Clause H.9, *Labor Relations*, as applicable.
- (B) Establish and provide to the Contracting Officer a final communication plan with SRR regarding the implementation of the hiring preferences in Clause H.4, *Workforce Transition and Employee Hiring Preferences*. The communication plan shall also include a communication process among the Contractor, SRR, DOE, site tenants, and, if applicable, labor organizations representing Incumbent Employees.
- (3) Within 30 days after NTP, the Contractor shall provide to the Contracting Officer a copy of the final WF Transition Plan described in paragraph (2)(A) above.
- (4) Within 60 days after NTP, the Contractor shall provide to the Contracting Officer copies of the final transition agreements described in paragraph (a)(1)(B) above.
- (5) The Contractor shall submit reports to the Contracting Officer regarding the Contractor’s and its subcontractors, if applicable, implementation of the hiring preferences required by Clause H.4, *Workforce Transition and Employee Hiring Preferences*, including paragraph (a) regarding the right of first refusal in accordance with the timeframes set forth below. These reports shall include the following information: employees hire dates or anticipated hire dates; and, where applicable, SRR or the subcontractor that employed the employee and the Contractor or subcontractor that hired the employee.
- (A) During the 90 day Contract Transition Period such reports shall be provided to the Contracting Officer on a weekly basis; or
- (B) On a less frequent basis, as requested by the Contracting Officer.
- (6) The Contractor shall implement the transition activities as set forth in the approved transition plan and such other transition activities as may be authorized or directed by the Contracting Officer.

(b) Benefits Transition Plan. The Contractor shall submit a draft Benefits Transition Plan for Contracting Officer approval, as set forth herein. A detailed description of the Contractor's plans and procedures showing how the Contractor will comply with Clauses H.5 and H.6, and a detailed description of the Contractor's policies regarding pensions and other benefits for which the Department reimburses costs under this Contract, and how these policies will support at reasonable cost the effective recruitment and retention of a highly skilled, motivated and experienced workforce.

(1) The Contractor shall perform the following activities within the specified timeframes:

(A) Within 10 days after NTP, the Contractor shall:

- (i) Provide the Contracting Officer with a list of Contractor personnel who will be responsible for transitioning the existing pension plan and other existing benefit plans, and/or development of new benefit plans, including specifically the personnel responsible for ensuring that the Contractor becomes a sponsor/participating employer of the Savannah River Nuclear Solutions (SRNS) Multiple Employer Pension Plan (MEPP) and contact information for the above personnel;
- (ii) Request SRR to provide information and documents necessary for the Contractor to adhere to the requirements set forth in this Contract pertaining to sponsorship of the SRNS MEPP and other existing benefits plans, or establishment of any new benefits plans, including but not limited to the transition of the existing pension and other benefit plans or establishment of any new benefits plans on or before the end of the 90-day Contract Transition Period; and
- (iii) Provide estimated costs and detailed breakouts of the costs to accomplish workforce and benefits transition activities within the timeframes specified, including the costs for enrolled actuaries and counsel.

(B) Within 15 days after NTP, the Contractor shall provide to the Contracting Officer a list of the information and documents the Contractor has requested from SRR) pertaining to the transition of the SRNS MEPP, and other existing benefit plans. The Contractor shall notify the Contracting Officer on a timely basis of any issues or problems it encounters in obtaining information or documents requested from SRR. Regardless of such notification, the Contractor remains responsible under this Contract for ensuring compliance with the terms of this Contract, including the timeframes set forth in this clause and the requirements in Clause H.6.

(C) Within 20 days after NTP, the Contractor shall:

- (i) Submit a final draft Benefits Transition Plan;

- (ii) Submit a detailed description of its plans (or plan segments) and processes, including timeframes and specific projected dates for accomplishment of each activity necessary to ensure compliance with the requirements set forth in Clause H.5, and H.6, including requirements pertaining to the transition of employee benefit plans (or plan segments);
 - (iii) Identify relevant Contractor personnel or other personnel who will administer or assist in administering the benefit plans for the SRNS MEPP, including the Contractor's benefit plan administrators and personnel, head of human resources, ERISA counsel, actuaries, and any and all other personnel deemed necessary by the Contractor; and
 - (iv) Meet via televideo, teleconference, and/or in person with relevant personnel who administer the SRNS MEPP, as necessary. The meeting shall include the Contractor's benefit plan administrators and personnel, head of human resources, ERISA counsel, actuaries, and any and all other personnel deemed necessary by the Contractor. During such meeting, the Contractor shall discuss all matters necessary to ensure the Contractor adheres to its obligations under Clause H.5 and H.6. The minutes of the meeting, as well as a written description of any substantive issues identified at the meeting, shall be submitted to the Contracting Officer within two days after the meeting.
- (D) Within 30 days after NTP, (i) provide a final written Benefits Transition Plan to the Contracting Officer; and (ii) and as part of the Benefits Transition Plan, the Contractor shall provide a description of how the existing pension and other benefit plans provided to employees pursuant to Clause H.5, Employee Compensation: Pay and Benefits, will be amended or restated on or before the last day of the 90 day Contract Transition Period. If the creation of a new benefit plan(s) is necessary in order for the Contractor to adhere to the benefits sponsorship requirements set forth in this Contract, the Contractor shall provide a description of the necessary transactions, including but not limited to how the Contractor proposes to comply with the Contract and applicable law governing such transactions.
- (E) Within 45 days after NTP, the Contractor shall:
- (i) Submit to the Contracting Officer drafts of all amendments to or restatements of the pension and other benefit plans presently sponsored by SRR, including but not limited to amendments effectuating the change in sponsorship/participating employer in the SRNS MEPP. If applicable, the Contractor shall also submit all draft restated benefit plans and draft Summary Plan Descriptions (SPDs) for pension and other benefit plans sponsored by the Incumbent Contractor(s). Any and all such amendments shall comply with applicable law governing such transactions and changes in sponsorship of the plans.
 - (ii) Submit to the Contracting Officer drafts of any new benefit plan(s) as well as draft SPDs that the Contractor proposes to sponsor.

- (iii) Provide draft copies of the transition agreements, which the Contractor will enter into with SRR, to ensure the Contractor's compliance with the pay and benefits requirements set forth in Clause H.5, *Employee Compensation: Pay and Benefits*.
 - (F) No later than 60 days after NTP and prior to the adoption of the documents identified in Paragraphs (b)(1)(E)(ii) and (iii) above, the Contractor shall submit to the Contracting Officer the proposed final versions of these documents for approval.
 - (G) No later than the end of the Contract Transition Period the Contractor shall submit copies of the executed transition agreements as required in subparagraphs (a)(1)(A), (a)(4), and (b)(1)(E)(iii) to the Contracting Officer.
 - (H) The Contractor shall respond to any comments provided by the Contracting Officer under any of the above paragraphs within two days of receipt of the comments, or the period of time specified by the Contracting Officer.
- (2) After the Contract Transition Period and throughout the remaining period of performance of the Contract, the Contractor shall provide the following information promptly to the Contracting Officer upon the request of the Contracting Officer:
- (A) Documents relating to benefit plans offered to Contractor Employees, including but not limited to SPDs, all Plan documents, applicable amendments, and other documents that describe benefits provided to employees of the Contractor who perform work on this Contract, and
 - (B) Any and all other documents pertaining to implementation of and compliance with implementation of the compensation and benefit programs identified in Clause H.5, *Employee Compensation: Pay and Benefits*.
 - (C) Additionally, the Contractor shall provide timely data responses to Departmental annual and ad hoc pension and PRB data requests. Such data responses shall be provided within the timeframe established by the Contracting Officer for each response and, if not timeframe is specified, the Contractor shall provide the data response within one business day.

H.8 DOE-H-2004 POST CONTRACT RESPONSIBILITIES FOR PENSION AND OTHER BENEFIT PLANS (OCT 2014)

- (a) If this Contract expires and/or terminates and DOE has awarded a contract under which a new contractor becomes a sponsor and assumes responsibility for management and administration of the pension or other benefit plans covering active or retired employees with respect to service at the SRS (collectively, the "Plans"), the Contractor shall cooperate and transfer to the new contractor its responsibility for sponsorship, management and administration of the plans consistent with direction from the Contracting Officer. If a Commingled Plan is involved, the Contractor shall:

- (1) Spin off the DOE portion of any Commingled Plan used to cover employees working at the DOE facilities into a separate plan. The new plan will normally provide benefits similar to those provided by the commingled plan and shall carry with it the DOE assets on an accrual basis market value, including DOE assets that have accrued in excess of DOE liabilities.
 - (2) Bargain in good faith with DOE or the successor contractor to determine the assumptions and methods for establishing the liabilities involved in a spinoff. DOE and the contractor shall establish an effective date of spinoff. On or before the same day as the contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.
- (b) If this Contract expires or terminates and DOE has not awarded a contract to a new contractor under which the new contractor becomes a sponsor and assumes responsibility for management and administration of the Plans, or if the Contracting Officer determines that the scope of work under the Contract has been completed (any one such event may be deemed by the Contracting Officer to be "Contract Completion" for purposes of this clause), whichever is earlier, and notwithstanding any other obligations and requirements concerning expiration or termination under any other clause of this Contract, the following actions shall occur regarding the Contractor's obligations regarding the Plans at the time of Contract Completion:
- (1) Subject to subparagraph (2) below, and notwithstanding any legal obligations independent of the Contract the Contractor may have regarding responsibilities for sponsorship, management, and administration of the Plans, the Contractor shall remain the sponsor of the Plans, in accordance with applicable legal requirements.
 - (2) The parties shall exercise their best efforts to reach agreement on the Contractor's responsibilities for sponsorship, management and administration of the plans for which DOE reimburses costs, prior to or at the time of Contract Completion. However, if the parties have not reached agreement on the Contractor's responsibilities for sponsorship, management and administration of the Plans prior to or at the time of Contract Completion, unless and until such agreement is reached, the Contractor shall comply with written direction from the Contracting Officer regarding the Contractor's responsibilities for continued provision of pension and welfare benefits under the Plans, including but not limited to continued sponsorship of the Plans, in accordance with applicable legal requirements. To the extent that the Contractor incurs costs in implementing direction from the Contracting Officer, the Contractor's costs will be reimbursed pursuant to applicable Contract provisions.

H.9 DOE-H-2028 LABOR RELATIONS (OCT 2014)

- (a) The Contractor shall respect the right of employees to organize, form, join, or assist labor organizations; bargain collectively through their chosen labor representatives; engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and to refrain from any or all of these activities.

- (b) The Contractor shall submit its economic bargaining parameters to, and obtain the approval of, the Contracting Officer for purposes of allowability of the costs, and compliance with the terms and conditions of the Contract, including those for pension and medical benefit costs, prior to the Contractor entering into the collective bargaining process. During the collective bargaining negotiations, the Contractor shall notify, and obtain the approval of, the Contracting Officer before submitting or agreeing to any collective bargaining proposal that increases or may increase allowable costs above those previously approved in the economic bargaining parameters, or that could involve changes in any pension or other benefit plans, and such other items of special interest to DOE as are identified by the Contracting Officer. The preliminary approval of the Contracting Officer under this paragraph does not waive any other terms and conditions of the Contract.
- (c) The Contractor shall seek to maintain harmonious bargaining relationships that reflect a judicious expenditure of public funds, equitable resolution of disputes and effective and efficient bargaining relationships consistent with the requirements of FAR, Subpart 22.1 and DEAR, Subpart 970.2201 and all applicable Federal and state labor relations laws.
- (d) The Contractor shall use its best efforts to ensure that collective bargaining agreements negotiated under this Contract contain provisions designed to assure no disruption in services during the performance of the Contract. All such agreements entered into the Contract period of performance should, to the extent that the parties voluntarily agree, provide that grievances and disputes involving the interpretation or application of the agreement will be settled without resorting to strike, lockout or other disruption in services. For this purpose, each collective bargaining agreement should provide an effective grievance procedure with arbitration as its final step, unless the parties mutually agree upon some other method of assuring no disruption in services. The Contractor shall include the substance of this subparagraph (d) in any subcontracts.
- (e) In addition to FAR 52.222-1, Notice to the Government of Labor Disputes, and other requirements in the contract, the Contractor shall immediately notify the Contracting Officer or designee of all labor relations issues and matters of interest including organizing initiatives, unfair labor practice charges or complaints, work stoppages, picketing, labor arbitrations, National Labor Relations Board charges, legal or judicial proceedings, and settlement agreements and will furnish such additional information as may be required from time to time by the Contracting Officer.
- (f) The Contractor shall immediately notify the Contracting Officer or designee of any planned or actual strike or work stoppage involving its employees or employees of a subcontractor.
- (g) The Contractor shall provide the Contracting Officer or designee a copy of all arbitration decisions issued by an arbitrator within one week of receipt of the decision.
- (h) The Contractor shall provide the Contracting Officer with a "Report of Settlement" after ratification of a collective bargaining agreement by accessing and inputting the

information into the Labor Relations Module (GCLR) of DOE's iBenefits reporting system, or its successor system, during the next open quarter. Such information shall include negotiated wages, pension, medical and other benefits costs, and a copy of the collective bargaining agreement and any subsequent modifications.

- (i) The Contractor shall provide to the Contracting Officer a semi-annual report on grievances for which further judicial or administrative proceedings are anticipated and all final step grievances. The Contractor shall immediately provide information on all arbitration requests. The reports are due June 30 and December 31, of each year, and should include the following information:
 - (1) List of all final grievances filed during the previous six-month period and grievances for which further judicial or administrative proceedings are anticipated, together with the dates filed;
 - (2) A brief description of issues regarding each grievance;
 - (3) If settled, the date of settlement, and terms of the settlement. If a denial is made at the final step and the period for requesting arbitration passes, report the matter as closed;
 - (4) If not settled during the six-month reporting period, carry the item over to the subsequent six-month reporting periods until settlement, request for arbitration, closure, or other proceeding occurs.

H.10 WORKFORCE RESTRUCTURING

- (a) The Contractor shall regularly analyze workforce requirements and will develop appropriate workforce transition strategies consistent with DOE policy, as set forth in DOE O 350.3 and Secretarial Guidance, as may be revised from time to time, to ensure continued availability of the critical workforce knowledge, skills, and abilities necessary for performance under this Contract.
- (b) When the Contractor determines that a change in the workforce is necessary, the Contractor shall accomplish the workforce restructuring in a manner consistent with the DOE General Workforce Restructuring Plan, if applicable, in effect for the facility or site.
- (c) The Contractor must prepare and submit to the Contracting Officer a specific workforce restructuring plan (Specific Plan), as described below in paragraph (d), if either of the following conditions are met within a rolling 12-month period:
 - (1) The Contractor intends to reduce its workforce by 50 or more employees through involuntary separation; or
 - (2) The Contractor intends to reduce its workforce by 100 or more employees, whether through voluntary or involuntary separation actions, or a combination of such actions.

- (d) The Contractor's Specific Plan shall set forth how the Contractor will conduct its workforce restructuring action at the site in a manner that meets DOE policy objectives as set forth in DOE Order 350.3, and be submitted to the Contracting Officer for approval at least 60 days [The number of days may be changed based upon Program requirements] in advance of the first communication planned to be given to the employees and public. The models for Contractor Self-Select Voluntary Separation Plan and Involuntary Separation Plan, as well as the General Release and Waiver Forms, are available online at: <http://www.energy.gov/gc/services/technology-transfer-and-procurement/office-assistant-general-counsel-labor-and-pension>. If the Contractor determines it will be necessary to conduct a voluntary separation program likely followed by an involuntary separation, the Contractor may combine the Self-Select Voluntary Separation Plan and the Involuntary Separation Plan into one Specific Plan for submission to the Contracting Officer.
- (e) Pay-in-lieu of notice beyond two workweeks requires written advance Contracting Officer approval. The Contractor shall submit the request to the Contracting Officer as part of the Workforce Restructuring package submitted for approval in (d) above, and include the number of days of pay-in-lieu of notice requested, above two workweeks, a detailed business justification, and the associated costs.
- (f) The Contractor is encouraged to consider the use of employee waivers and releases. DOE has developed a model waiver and release of claims for both Voluntary and Involuntary Separation Plans. The forms are available on line at the website set forth in (d) above. Any deviation from the models must be approved by the Contracting Officer.
- (g) The Contractor must perform an adverse impact analysis (also known as a diversity analysis) when the involuntary separation action(s) will affect 50 or more contractor employees within a rolling 12-month period. The analysis shall be submitted to the appropriate DOE site counsel, prior to notification of employees selected for involuntary separation, and may be used by DOE in determining cost allowability.
- (h) For workforce reductions that do not meet the conditions set forth in paragraph (c) above, the Contractor shall provide such notification as the Contracting Officer directs. The notification shall include affected job classifications, numbers of employees affected, and actions taken to assist the employees to find other employment or otherwise lessen the effect of the involuntary separation.
- (i) The Contractor shall ensure it does not hire or rehire individuals who volunteered for termination during a Self-Select Voluntary Separation Plan, at any DOE site, during the one-year period following the separation. If an employee is hired or rehired prior to the one-year period, the employee may be required to pay back, to the contractor who provided the severance payment, all or a pro-rata amount of the severance received under the Voluntary Separation Plan.
- (j) Contractor(s) must provide actual and projected workforce reductions on an annual basis, no later than March 15th of each year, as set forth in the iBenefits system (<https://ibenefits.energy.gov>), or its successor.

H.11 LABOR STANDARDS

- (a) The Contracting Officer will determine the appropriate labor standards that apply to specific work activities in accordance with the Wage Rate Requirements (Construction) statute (formerly known as the Davis-Bacon Act (DBA)), SCLS statute (formerly known as the Service Contract Act of 1965 (SCA)), or other applicable Federal labor standards law. Prior to the start of any proposed work activities, the Contractor shall request a labor standards determination from the Contracting Officer for specific work activities by submitting proposed work packages that describe the specific activities to be performed for particular work and other information as necessary for DOE to make a determination regarding the appropriate labor standard(s) for the work or aspects of the work. Once a determination is made and provided to the Contractor, the Contractor shall comply with the determination and shall ensure that appropriate labor standards clauses and requirements are flowed down to and incorporated into any applicable subcontracts.
- (b) The Contractor shall comply, and shall be responsible for compliance by any subcontractor, with the Wage Rate Requirements (Construction), the SCLS statute, or other applicable labor standards law. The Contractor shall conduct such payroll and job-site reviews for construction work, including interviews with employees, with such frequency as may be necessary to assure compliance by its subcontractors and as requested or directed by the DOE. When performing work subject to the Wage Rate Requirements (Construction), Contractor shall maintain payroll records for a period of three years from completion of the Contract, for laborers and mechanics performing the work. In accordance with FAR 52.222-41(g) and FAR 52.222-6(b)(4), the Contractor and its subcontractors shall post in a prominent job-site location, the wage determination and, as applicable, Department of Labor Publication: WH-1231, *Notice to Employees Working on Federal or Federally Assisted Construction Projects and/or WH-1313, Notice to Employees Working on Government Contracts*.
- (c) For subcontracts determined to be subject to the SCLS statute, the Contractor will prepare Standard Form 98 (e98), *Notice of Intention to Make a Service Contract and Response Notice*. This form is available on the Department of Labor website at: <http://www.dol.gov/whd/govcontracts/sca/sf98/index.asp>. The form shall be submitted to the Contracting Officer.
- (d) In addition to any other requirements in the contract, Contractor shall as soon as possible notify the Contracting Officer of all labor standards issues, including all complaints regarding incorrect payment of prevailing wages and/or fringe benefits, received from contractor or subcontractor employees; significant labor standards violations, as defined in 29 CFR 5.7; disputes concerning labor standards pursuant to 29 CFR parts 3,4,6, and 8 and as defined in FAR 52.222-41(t); disputed labor standards determinations; Department of Labor investigations; or legal or judicial proceedings related to the labor standards under this contract or a subcontract. The Contractor shall furnish such additional information as may be required from time to time by the Contracting Officer.
- (e) The Contractor shall prepare and submit, to the Contracting Officer, the DBA Semi-Annual Enforcement Report, Form OMB 1910-5165, by April 21 and October 21 of

each year. Form submittal will be administered through the iBenefits system (<https://ibenefits.energy.gov>) or its successor system.

H.12 DOE-H-2003 WORKER'S COMPENSATION INSURANCE (OCT 2014)

- (a) Contractors, other than those whose workers' compensation coverage is provided through a state funded arrangement or a corporate benefits program, shall submit to the Contracting Officer for approval all new worker's compensation policies and all initial proposals for self-insurance (contractors shall provide copies to the Contracting Officer of all renewal policies for workers compensation).
- (b) Workers compensation loss income benefit payments, when supplemented by other programs (such as salary continuation, short-term disability) are to be administered so that total benefit payments from all sources shall not exceed 100 percent of the employee's net pay.
- (c) Contractors approve all workers compensation settlement claims up to the threshold established by the Contracting Officer for DOE approval and submit all settlement claims above the threshold to DOE for approval.
- (d) The Contractor shall obtain approval from the CO before making any significant change to its workers compensation coverage and shall furnish reports as may be required from time to time by the CO.

H.13 DOE-H-2049 INSURANCE REQUIREMENTS (OCT 2014)

- (a) In accordance with the clause DEAR 952.231-71, Insurance-Litigation and Claims, the following types and minimum amounts of insurance shall be maintained by the Contractor:
 - (1) Workers' Compensation - Amount in accordance with applicable Federal and State Workers' Compensation and occupational disease statutes.
 - (2) Employer's liability - \$100,000 (except in States with exclusive or monopolistic funds that do not permit worker's compensation to be written by private carriers).
 - (3) Comprehensive bodily injury liability - \$500,000.
 - (4) Property damage liability - None, unless otherwise required by the Contracting Officer.
 - (5) Comprehensive automobile bodily injury liability - \$200,000 per person and \$500,000 per occurrence.
 - (6) Comprehensive automobile property damage - \$20,000 per occurrence.
- (b) The Contractor shall provide evidence of such insurance, if requested by the Contracting Officer; and the Contracting Officer may require such evidence to be provided prior to the commencement of work under the contract.

H.14 DOE-H-2057 DEPARTMENT OF LABOR WAGE DETERMINATIONS (OCT 2014)

The Contractor's performance under this contract shall comply with the requirements of the U.S. Department of Labor Wage Determination(s) located in Section J, Attachment J-10 and the clause at FAR 52.222-42, Statement of Equivalent Rates for Federal Hires.

H.15 DOE-H-2073 RISK MANAGEMENT AND INSURANCE PROGRAMS (OCT 2014)

Contractor officials shall ensure that the requirements set forth below are applied in the establishment and administration of DOE-funded prime cost reimbursement contracts for management and operation of DOE facilities and other designated long-lived onsite contracts for which the contractor has established separate operating business units.

(a) BASIC REQUIREMENTS

- (1) Maintain commercial insurance or a self-insured program, (i.e., any insurance policy or coverage that protects the contractor from the risk of legal liability for adverse actions associated with its operation, including malpractice, injury, or negligence) as required by the terms of the contract. Types of insurance include automobile, general liability, and other third party liability insurance. Other forms of coverage must be justified as necessary in the operation of the Department facility and/or the performance of the contract, and approved by the DOE.
- (2) Contractors shall not purchase insurance to cover public liability for nuclear incidents without DOE authorization (See DEAR 970.5070, Indemnification, and DEAR 950.70, Nuclear Indemnification of DOE Contractors).
- (3) Demonstrate that insurance programs and costs comply with the cost limitations and exclusions at FAR 28.307, Insurance Under Cost Reimbursement Contracts, FAR 31.205-19, Insurance and Indemnification, DEAR 952.231-71 Insurance-Litigation and Claims, and DEAR 970.5228-1, Insurance-Litigation and Claims.
- (4) Demonstrate that the insurance program is being conducted in the government's best interest and at reasonable cost.
- (5) The contractor shall submit copies of all insurance policies or insurance arrangements to the Contracting Officer no later than 30 days after the purchase date, unless an exception is approved by the Contracting Officer.
- (6) When purchasing commercial insurance, the contractor shall use a competitive process to ensure costs are reasonable.
- (7) Ensure self-insurance programs include the following elements:
 - (A) Compliance with criteria set forth in FAR 28.308, Self-Insurance. Approval of self-insurance is predicated upon submission of verifiable proof that the self-insurance charge does not exceed the cost of purchased insurance. This includes hybrid plans (i.e., commercially purchased insurance with self-insured retention (SIR) such as large deductible, matching deductible, retrospective rating cash flow plans, and other plans where insurance reserves are under the control of the insured). The SIR components of such

plans are self-insurance and are subject to the approval and submission requirements of FAR 28.308, as applicable.

- (B) Demonstration of full compliance with applicable state and federal regulations and related professional administration necessary for participation in alternative insurance programs.
 - (C) Safeguards to ensure third party claims and claims settlements are processed in accordance with approved procedures.
 - (D) Accounting of self-insurance charges.
 - (E) Accrual of self-insurance reserve. The Contracting Officer's approval is required and predicated upon the following:
 - (i) The claims reserve shall be held in a special fund or interest bearing account.
 - (ii) Submission of a formal written statement to the Contracting Officer stating that use of the reserve is exclusively for the payment of insurance claims and losses, and that DOE shall receive its equitable share of any excess funds or reserve.
 - (iii) Annual accounting and justification as to the reasonableness of the claims reserve submitted for Contracting Officer's review.
 - (iv) Claim reserves, not payable within the year the loss occurred, are discounted to present value based on the prevailing Treasury rate.
 - (8) Separately identify and account for interest cost on a Letter of Credit used to guarantee self-insured retention, as an unallowable cost and omitted from charges to the DOE contract.
 - (9) Comply with the Contracting Officer's written direction for ensuring the continuation of insurance coverage and settlement of incurred and/or open claims and payments of premiums owed or owing to the insurer for prior DOE contractors.
- (b) PLAN EXPERIENCE REPORTING. The Contractor shall:
- (1) provide the Contracting Officer with annual experience reports for each type of insurance (e.g., automobile and general liability), listing the following for each category:
 - (A) The amount paid for each claim.
 - (B) The amount reserved for each claim.
 - (C) The direct expenses related to each claim.
 - (D) A summary for the year showing total number of claims.

- (E) A total amount for claims paid.
 - (F) A total amount reserved for claims.
 - (G) The total amount of direct expenses.
- (2) provide the Contracting Officer with an annual report of insurance costs and/or self-insurance charges. When applicable, separately identify total policy expenses (e.g., commissions, premiums, and costs for claims servicing) and major claims during the year, including those expected to become major claims (e.g., those claims valued at \$100,000 or greater).
- (3) provide additional claim financial experience data as may be requested on a case-by-case basis.
- (c) TERMINATING OPERATIONS. The Contractor shall:
- (1) ensure protection of the government's interest through proper recording of cancellation credits due to policy terminations and/or experience rating.
 - (2) identify and provide continuing insurance policy administration and management requirements to a successor, other DOE contractor, or as specified by the Contracting Officer.
 - (3) reach agreement with DOE on the handling and settlement of self-insurance claims incurred but not reported at the time of contract termination; otherwise, the contractor shall retain this liability.
- (d) SUCCESSOR CONTRACTOR OR INSURANCE POLICY CANCELLATION. The Contractor shall:
- (1) obtain the written approval of the Contracting Officer for any change in program direction; and
 - (2) ensure insurance coverage replacement is maintained as required and/or approved by the Contracting Officer.

II. BUSINESS SYSTEMS CLAUSES

H.16 DOE-H-2022 CONTRACTOR BUSINESS SYSTEMS (OCT 2014)

- (a) Definitions. As used in this clause-
- Acceptable contractor business systems means contractor business systems that comply with the terms and conditions of the applicable business system clauses listed in the definition of "contractor business systems" in this clause.

Contractor business systems means -

- (1) Accounting system, if this contract includes the Section H clause Accounting System Administration;

- (2) Earned value management system, if this contract includes the Section H clause Earned Value Management System;
- (3) Estimating system, if this contract includes the Section H clause Cost Estimating System Requirements;
- (4) Property management system, if this contract includes the Section H clause Contractor Property Management System Administration; and
- (5) Purchasing system, if this contract includes the Section H clause Contractor Purchasing System Administration.

Significant deficiency, in the case of a contractor business system, means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.

(b) General. The Contractor shall establish and maintain acceptable business systems in accordance with the terms and conditions of this contract. If the Contractor plans to adopt any existing business system from the previous Contractor, the Contractor is responsible for the system and shall comply with the system requirements and criteria required in that specific business system clause.

(c) Significant deficiencies.

- (1) The Contractor shall respond, in writing, within 30 days to an initial determination that there are one or more significant deficiencies in one or more of the Contractor's business systems.
- (2) The Contracting Officer will evaluate the Contractor's response and notify the Contractor, in writing, of the final determination as to whether the Contractor's business system contains significant deficiencies. If the Contracting Officer determines that the Contractor's business system contains significant deficiencies, the final determination will include a notice to withhold payments.

(d) Withholding payments.

- (1) If the Contracting Officer issues the final determination with a notice to withhold payments for significant deficiencies in a contractor business system required under this contract, the Contracting Officer will direct the Contractor, in writing, to withhold five percent from its invoices until the Contracting Officer has determined that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination. The Contractor shall, within 45 days of receipt of the notice, either -
 - (i) Correct the deficiencies; or
 - (ii) Submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies. The plan shall contain -
 - (A) Root cause(s) identification of the problem(s);
 - (B) The proposed corrective action(s) to address the root cause(s);
 - (C) A schedule for implementation; and
 - (D) The name of the person responsible for the implementation.
- (2) If the Contractor submits an acceptable corrective action plan within 45 days of receipt of a notice of the Contracting Officer's intent to withhold payments, and the Contracting Officer, in consultation with the auditor or functional specialist,

determines that the Contractor is effectively implementing such plan, the Contracting Officer will direct the Contractor, in writing, to reduce the percentage withheld on invoices to two percent until the Contracting Officer determines the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination. However, if at any time, the Contracting Officer determines that the Contractor has failed to follow the accepted corrective action plan, the Contracting Officer will increase withholding and direct the Contractor, in writing, to increase the percentage withheld on invoices to the percentage initially withheld, until the Contracting Officer determines that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination.

- (3) Payment withhold percentage limits.
 - (i) The total percentage of payments withheld on amounts due on this contract shall not exceed -
 - (A) Five percent for one or more significant deficiencies in any single contractor business system; and
 - (B) Ten percent for significant deficiencies in multiple contractor business systems.
 - (ii) If this contract contains pre-existing withholds, and the application of any subsequent payment withholds will cause withholding under this clause to exceed the payment withhold percentage limits in paragraph (d)(3)(i) of this clause, the Contracting Officer will reduce the payment withhold percentage in the final determination to an amount that will not exceed the payment withhold percentage limits.
- (4) For the purpose of this clause, payment means invoicing for any of the following payments authorized under this contract:
 - (i) Interim payments under -
 - (A) Cost-reimbursement contracts;
 - (B) Incentive type contracts;
 - (C) Time-and-materials contracts; or
 - (D) Labor-hour contracts.
 - (ii) Progress payments to include fixed-price contracts.
 - (iii) Performance-based payments to include fixed-price contracts.
- (5) Payment withholding shall not apply to payments on fixed-price line items where performance is complete and the items were accepted by the Government.
- (6) The withholding of any amount or subsequent payment to the Contractor shall not be construed as a waiver of any rights or remedies the Government has under this contract.
- (7) Notwithstanding the provisions of any clause in this contract providing for interim, partial, or other payment withholding on any basis, the Contracting Officer may withhold payment in accordance with the provisions of this clause.
- (8) The payment withholding authorized in this clause is not subject to the interest-penalty provisions of the Prompt Payment Act.

(e) Correction of deficiencies.

(1) The Contractor shall notify the Contracting Officer, in writing, when the Contractor has corrected the business system's deficiencies.

(2) Once the Contractor has notified the Contracting Officer that all deficiencies have been corrected, the Contracting Officer will take one of the following actions:

- (i) If the Contracting Officer determines that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination, the Contracting Officer will direct the Contractor, in writing, to discontinue the payment withholding from invoices under this contract associated with the Contracting Officer's final determination, and authorize the Contractor to bill for any monies previously withheld that are not also being withheld due to other significant deficiencies. Any payment withholding under this contract due to other significant deficiencies, will remain in effect until the Contracting Officer determines that those significant deficiencies are corrected.
- (ii) If the Contracting Officer determines that the Contractor still has significant deficiencies, the Contractor shall continue withholding amounts from its invoices in accordance with paragraph (d) of this clause, and not invoice for any monies previously withheld.
- (iii) If the Contracting Officer determines, based on the evidence submitted by the Contractor, that there is a reasonable expectation that the corrective actions have been implemented and are expected to correct the significant deficiencies, the Contracting Officer will discontinue withholding payments, and release any payments previously withheld directly related to the significant deficiencies identified in the Contractor notification, and direct the Contractor, in writing, to discontinue the payment withholding from invoices associated with the Contracting Officer's final determination, and authorize the Contractor to bill for any monies previously withheld.
- (iv) If, within 90 days of receipt of the Contractor notification that the Contractor has corrected the significant deficiencies, the Contracting Officer has not made a determination in accordance with paragraphs (e)(2)(i), (ii), or (iii) of this clause, the Contracting Officer will direct the Contractor, in writing, to reduce the payment withholding from invoices directly related to the significant deficiencies identified in the Contractor notification by a specified percentage that is at least 50 percent, but not authorize the Contractor to bill for any monies previously withheld until the Contracting Officer makes a determination in accordance with paragraphs (e)(2)(i), (ii), or (iii) of this clause.
- (v) At any time after the Contracting Officer directs the Contractor to reduce or discontinue the payment withholding from invoices under this contract, if the Contracting Officer determines that the Contractor has failed to correct the significant deficiencies identified in the Contractor's notification, the

Contracting Officer will reinstate or increase withholding and direct the Contractor, in writing, to reinstate or increase the percentage withheld on invoices to the percentage initially withheld, until the Contracting Officer determines that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination.

H.17 DOE-H-2023 COST ESTIMATING SYSTEM REQUIREMENTS (OCT 2014)

(a) Definitions.

-Acceptable estimating system means an estimating system that complies with the system criteria in paragraph (d) of this clause, and provides for a system that -

- (1) Is maintained, reliable, and consistently applied;
- (2) Produces verifiable, supportable, documented, and timely cost estimates that are an acceptable basis for negotiation of fair and reasonable prices;
- (3) Is consistent with and integrated with the Contractor's related management systems; and
- (4) Is subject to applicable financial control systems.

-Estimating system means the Contractor's policies, procedures, and practices for budgeting and planning controls, and generating estimates of costs and other data included in proposals submitted to customers in the expectation of receiving contract awards or contract modifications. Estimating system includes the Contractor's -

- (1) Organizational structure;
- (2) Established lines of authority, duties, and responsibilities;
- (3) Internal controls and managerial reviews;
- (4) Flow of work, coordination, and communication; and
- (5) Budgeting, planning, estimating methods, techniques, accumulation of historical costs, and other analyses used to generate cost estimates.

-Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.

(b) General. The Contractor shall establish, maintain, and comply with an acceptable estimating system.

(c) Applicability. Paragraphs (d) and (e) of this clause apply if the Contractor is a large business to include a contractor teaming arrangement, as defined at 48 CFR 9.601(1), performing a contract in support of a Capital Asset Project (other than a management and operating contract as described at 917.6), as prescribed in DOE Order (DOE O) 413.3B, or current version; or a non-capital asset project and either -

- (1) The total prime contract value exceeds \$50 million, including options; or
- (2) The Contractor was notified, in writing, by the Contracting Officer that paragraphs (d) and (e) of this clause apply.

(d) System requirements.

- (1) The Contractor shall disclose its estimating system to the Contracting Officer, in writing. If the Contractor wishes the Government to protect the information as privileged or confidential, the Contractor must mark the documents with the appropriate legends before submission. If the Contractor plans to adopt the existing system from the previous Contractor, the Contractor is responsible for the system and shall comply with the system requirements required in this clause.
- (2) An estimating system disclosure is acceptable when the Contractor has provided the Contracting Officer with documentation no later than 60 days after contract award that-
 - (i) Accurately describes those policies, procedures, and practices that the Contractor currently uses in preparing cost proposals; and
 - (ii) Provides sufficient detail for the Government to reasonably make an informed judgment regarding the acceptability of the Contractor's estimating practices.
- (3) The Contractor shall-
 - (i) Comply with its disclosed estimating system; and
 - (ii) Disclose significant changes to the cost estimating system to the Contracting Officer on a timely basis.
- (4) The Contractor's estimating system shall provide for the use of appropriate source data, utilize sound estimating techniques and good judgment, maintain a consistent approach, and adhere to established policies and procedures. An acceptable estimating system shall accomplish the following functions:
 - (i) Establish clear responsibility for preparation, review, and approval of cost estimates and budgets.
 - (ii) Provide a written description of the organization and duties of the personnel responsible for preparing, reviewing, and approving cost estimates and budgets.
 - (iii) Ensure that relevant personnel have sufficient training, experience, and guidance to perform estimating and budgeting tasks in accordance with the Contractor's established procedures.
 - (iv) Identify and document the sources of data and the estimating methods and rationale used in developing cost estimates and budgets.
 - (v) Provide for adequate supervision throughout the estimating and budgeting process.
 - (vi) Provide for consistent application of estimating and budgeting techniques.
 - (vii) Provide for detection and timely correction of errors.
 - (viii) Protect against cost duplication and omissions.

- (ix) Provide for the use of historical experience, including historical vendor pricing information, where appropriate.
 - (x) Require use of appropriate analytical methods.
 - (xi) Integrate information available from other management systems.
 - (xii) Require management review, including verification of compliance with the company's estimating and budgeting policies, procedures, and practices.
 - (xiii) Provide for internal review of, and accountability for, the acceptability of the estimating system, including the budgetary data supporting indirect cost estimates and comparisons of projected results to actual results, and an analysis of any differences.
 - (xiv) Provide procedures to update cost estimates and notify the Contracting Officer in a timely manner.
 - (xv) Provide procedures that ensure subcontract prices are reasonable based on a documented review and analysis provided with the prime proposal, when practicable.
 - (xvi) Provide estimating and budgeting practices that consistently generate sound proposals that are compliant with the provisions of the solicitation and are adequate to serve as a basis to reach a fair and reasonable price.
 - (xvii) Have an adequate system description, including policies, procedures, and estimating and budgeting practices, that comply with the Federal Acquisition Regulation (48 CFR chapter 1) and Department of Energy Acquisition Regulation (48 CFR chapter 9).
- (e) Significant deficiencies.
- (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, of any significant deficiencies. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency.
 - (2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's estimating system. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing. In the event the Contractor did not respond in writing to the initial determination within the response time, this lack of response shall indicate that the Contractor agrees with the initial determination.
 - (3) The Contracting Officer will evaluate the Contractor's response or the Contractor's lack of response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning -
 - (i) Remaining significant deficiencies;
 - (ii) The adequacy of any proposed or completed corrective action; and

(iii) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain.

- (f) If the Contractor receives the Contracting Officer's final determination of significant deficiencies, the Contractor shall, within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies.
- (g) Withholding payments. If the Contracting Officer makes a final determination to disapprove the Contractor's estimating system, and the contract includes the Section H clause Contractor Business Systems, the Contracting Officer will withhold payments in accordance with that clause.

H.18 DOE-H-2024 EARNED VALUE MANAGEMENT SYSTEM (OCT 2014) (~~ANSI~~ DEVIATION)

- (a) Definitions. As used in this clause -
- Acceptable earned value management system means an earned value management system that generally complies with system criteria in paragraph (b) of this clause.
 - Earned value management system means an earned value management system that complies with the earned value management system guidelines in the ~~ANSI~~EIA-748.
 - Over Target Baseline means an overrun to the Contract Budget Base (CBB) which is formally incorporated into the Performance Measurement Baseline (PMB) for management purposes.
 - Over Target Schedule means the term used to describe a condition where a baseline schedule is time-phased beyond the contract completion date.
 - Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.
- (b) System criteria. In the performance of this contract, the Contractor shall use-
- (1) An Earned Value Management System (EVMS) that complies with the EVMS guidelines in the ~~American National Standards Institute~~/Electronic Industries Alliance Standard 748, Earned Value Management Systems (~~ANSI~~EIA-748, current version at time of award); and
 - (2) Management procedures.
 - (i) Management procedures provide for generation of timely, reliable, and verifiable information for DOE Integrated Program Management Report (IPMR) data item of this contract.
 - (ii) The Contractor shall use Department of Defense's Data Item Description (DID) Integrated Program Management Report (IPMR), DI-MGMT-81861, (current version at time of award) which contains data for measuring cost and schedule performance for this DOE contract. The report's structure has seven formats that contain the content and relationships required for electronic submissions. DOE does not use section 2.8 Applicability of DI-MGMT-81861 for electronic data submissions, in lieu of this section, the Contractor shall use Project Assessment and Reporting System (PARS

II). Data shall be submitted by the Contractor electronically by uploading the data into the PARS II in accordance with the "Contractor Project Performance Upload Requirements" document maintained by the DOE Office of Acquisition Management (OAM). All requested data shall be submitted timely and accurately, and shall be current as of the close of the previous month's accounting period.

- (c) If the Contractor has one or more DOE contracts valued at \$20,000,000 or greater per contract for a total contract value of \$50,000,000 or more which support DOE Capital Asset Projects, the Contractor shall use an EVMS that has been determined to be acceptable by DOE. If, at the time of award, the Contractor's EVMS has not been determined by DOE to be in compliance with the EVMS guidelines as stated in paragraph (b)(1) of this clause, the Contractor shall apply its current system to the contract and shall take necessary actions to meet the milestones in the Contractor's EVMS plan.
- (d) If this contract has a total value of less than \$50,000,000 and does not meet the condition described at (c) above, the Government will not make a formal determination that the Contractor's EVMS complies with the EVMS guidelines in ~~ANSI~~/EIA-748 with respect to the contract. The use of the Contractor's EVMS for this contract does not imply a Government determination of the Contractor's compliance with the EVMS guidelines in ~~ANSI~~/EIA-748 for application to future contracts.
- (e) The Contractor shall submit notification of all proposed changes to the EVMS procedures and the impact of those changes to DOE. If this contractor has one or more contracts in support of DOE Capital Asset Projects and the total contract values are \$20,000,000 or greater per contract for total contract values of \$50,000,000 or more, unless a waiver is granted by DOE, any EVMS changes proposed by the Contractor require approval of DOE prior to implementation. DOE will advise the Contractor of the acceptability of such changes as soon as practicable (generally within 30 calendar days) after receipt of the Contractor's notice of proposed changes. If DOE waives the advance approval requirements, the Contractor shall disclose EVMS changes to DOE at least 14 calendar days prior to the effective date of implementation.
- (f) Integrated baseline reviews.
 - (1) The purpose of the integrated baseline reviews (IBR) is to verify the technical content and the realism of the related performance budgets, resources, and schedules. It should provide a mutual understanding of the inherent risks in the offerors'/contractors' performance plans and the underlying management control systems, and it should formulate a plan to handle these risks. DOE and the Contractor will use the IBR process described in the National Defense Industrial Association Program Management Systems Committee Integrated Baseline Review (NDIA PMSC IBR) Guide (current version at time of award).
 - (2) The Government will schedule IBRs as early as practicable, and the review process will be conducted not later than 180 calendar days after -
 - (i) Contract award;

- (ii) The exercise of significant contract options; and
- (iii) The incorporation of major modifications.

During such reviews, the Government and the Contractor will jointly assess the Contractor's baseline to be used for performance measurement to ensure complete coverage of the statement of work, logical scheduling of the work activities, adequate resourcing, and identification of inherent risks.

- (g) The Contractor shall provide access to all pertinent records and data requested by the Contracting Officer or duly authorized representative as necessary to permit Government surveillance to ensure that the EVMS complies, and continues to comply, with the performance criteria referenced in paragraph (b) of this clause.
- (h) When indicated by contract performance, the Contractor shall submit a request for approval to initiate an over-target baseline or over-target schedule to the Contracting Officer. The request shall include a top-level projection of cost and/or schedule growth, a determination of whether or not performance variances will be retained, and a schedule of implementation for the rebaselining. The Government will acknowledge receipt of the request in a timely manner (generally within 30 calendar days).
- (i) Significant deficiencies.
 - (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, on any significant deficiencies. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency.
 - (2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's EVMS. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing. In the event the Contractor did not respond in writing to the initial determination within the response time, this lack of response shall indicate that the Contractor agrees with the initial determination.
 - (3) The Contracting Officer will evaluate the Contractor's response or the Contractor's lack of response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning -
 - (i) Remaining significant deficiencies;
 - (ii) The adequacy of any proposed or completed corrective action;
 - (iii) System noncompliance, when the Contractor's existing EVMS fails to comply with the earned value management system guidelines in the ~~ANSI~~EIA-748; and
 - (iv) System disapproval, if initial EVMS validation is not successfully completed within the timeframe approved by the Contracting Officer, or if the Contracting Officer determines that the Contractor's earned value management system

contains one or more significant deficiencies in high-risk guidelines in ~~ANSI~~/EIA-748 standards (guidelines 1, 3, 6, 7, 8, 9, 10, 12, 16, 21, 23, 26, 27, 28, 30, or 32). When the Contracting Officer determines that the existing earned value management system contains one or more significant deficiencies in one or more of the remaining 16 guidelines in ~~ANSI~~/EIA-748 standards, the contracting officer will use discretion to disapprove the system based on input received from the DOE Office of Acquisition and Project Management or the DOE Program Office, herein referred to as the functional specialists.

(4) If the Contractor receives the Contracting Officer's final determination of significant deficiencies, the Contractor shall, within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies.

(j) ~~Withholding payments.~~ If the Contracting Officer makes a final determination to disapprove the Contractor's EVMS, and the contract includes the Section H clause Contractor Business Systems, the Contracting Officer will withhold payments in accordance with that clause.

(k) ~~With the exception of paragraphs (i) and (j) of this clause,~~ for contracts valued at \$20 million or more requiring EVMS, the contractor shall flow down appropriate EVMS requirements to its subcontractors in order for the contractor to meet all requirements of this clause.

[Contracting Officer to insert names of subcontractors (or subcontracted effort if subcontractors have not been selected) designated for application of the EVMS requirements of this clause.]

(l) ~~Adopting previous Contractor's previously certified earned value management (EVM) process.~~ If the Contractor plans to adopt the existing system from the previous Contractor or DOE-site, the Contractor is responsible for the system and shall comply with the system requirements required in this clause. The existing system shall utilize the same DOE approved EVM Process Description and the same EVM training as the previous system. The Contractor shall -

(1) Identify the corporate entity which owns the certified EVM process and provide the certification documentation;

(2) Obtain DOE prior approval or Advanced Agreement including DOE approval of process changes and joint surveillance;

(3) Be responsible for compliance with the system criteria required in paragraph (b) of this clause; and

(4) Be responsible for correcting any significant deficiencies previously identified to the previous Contractor by the Contracting Officer in accordance with paragraph (i) of this clause. Within 45 days after receiving a copy of the previous contractor's final determination, the Contractor shall follow paragraph (i)(4) and

either correct any significant deficiencies or submit an acceptable corrective action plan. The Contracting Officer or designee, will provide a copy of the previous contractor's final determination.

H.19 DOE-H-2025 ACCOUNTING SYSTEM ADMINISTRATION (OCT 2014)

(a) Definitions. As used in this clause -

(1) Acceptable accounting system means a system that complies with the system criteria in paragraph (c) of this clause to provide reasonable assurance that -

(i) Applicable laws and regulations are complied with;

(ii) The accounting system and cost data are reliable;

(iii) Risk of misallocations and mischarges are minimized; and

(iv) Contract allocations and charges are consistent with billing procedures.

(2) Accounting system means the Contractor's system or systems for accounting methods, procedures, and controls established to gather, record, classify, analyze, summarize, interpret, and present accurate and timely financial data for reporting in compliance with applicable laws, regulations, and management decisions, and may include subsystems for specific areas such as indirect and other direct costs, compensation, billing, labor, and general information technology.

(3) Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.

(b) General.

The Contractor shall establish and maintain an acceptable accounting system. If the Contractor plans to adopt the existing system from the previous Contractor, the Contractor is responsible for the system and shall comply with the system criteria required in this clause. The Contractor shall provide in writing to the Contracting Officer documentation that its accounting system meets the system criteria in paragraph (c) of this clause no later than 60 days after contract award. Failure to maintain an acceptable accounting system, as defined in this clause, shall result in the withholding of payments if the contract includes the Section H clause Contractor Business Systems, and also may result in disapproval of the system.

~~(e)~~ System criteria.

~~(d)~~

~~(e)~~(c) The Contractor's accounting system shall provide for -

(1) A sound internal control environment, accounting framework, and organizational structure;

(2) Proper segregation of direct costs from indirect costs;

- (3) Identification and accumulation of direct costs by contract;
 - (4) A logical and consistent method for the accumulation and allocation of indirect costs to intermediate and final cost objectives;
 - (5) Accumulation of costs under general ledger control;
 - (6) Reconciliation of subsidiary cost ledgers and cost objectives to general ledger;
 - (7) Approval and documentation of adjusting entries;
 - (8) Management reviews or internal audits of the system to ensure compliance with the Contractor's established policies, procedures, and accounting practices;
 - (9) A timekeeping system that identifies employees' labor by intermediate or final cost objectives;
 - (10) A labor distribution system that charges direct and indirect labor to the appropriate cost objectives;
 - (11) Interim (at least monthly) determination of costs charged to a contract through routine posting of books of account;
 - (12) Exclusion from costs charged to Government contracts of amounts which are not allowable in terms of 48 CFR part 31, Contract Cost Principles and Procedures, and other contract provisions;
 - (13) Identification of costs by contract line item and by units (as if each unit or line item were a separate contract), if required by the contract;
 - (14) Segregation of preproduction costs from production costs, as applicable;
 - (15) Cost accounting information, as required -
 - (i) By contract clauses concerning limitation of cost (48 CFR 52.232-20), limitation of funds (48 CFR 52.232-22), or allowable cost and payment (48 CFR 52.216-7); and
 - (ii) To readily calculate indirect cost rates from the books of accounts;
 - (16) Billings that can be reconciled to the cost accounts for both current and cumulative amounts claimed and comply with contract terms;
 - (17) Adequate, reliable data for use in pricing follow-on acquisitions; and
 - (18) Accounting practices in accordance with standards promulgated by the Cost Accounting Standards Board, if applicable, otherwise, Generally Accepted Accounting Principles.
- (d) Significant deficiencies.

- (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, on any significant deficiencies. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency.
- (2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's accounting system. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing. In the event the Contractor did not respond in writing to the initial determination within the response time, this lack of response shall indicate that the Contractor agrees with the initial determination.
- (3) The Contracting Officer will evaluate the Contractor's response or the Contractor's lack of response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning -
 - (i) Remaining significant deficiencies;
 - (ii) The adequacy of any proposed or completed corrective action; and
 - (iii) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain.
- (e) If the Contractor receives the Contracting Officer's final determination of significant deficiencies, the Contractor shall, within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies.
- (f) Withholding payments. If the Contracting Officer makes a final determination to disapprove the Contractor's accounting system, and the contract includes the Section H clause Contractor Business Systems, the Contracting Officer will withhold payments in accordance with that clause.

H.20 DOE-H-2026 CONTRACTOR PURCHASING SYSTEM ADMINISTRATION (OCT 2014)

- (a) Definitions. As used in this clause -
 - Acceptable purchasing system means a purchasing system that complies with the system criteria in paragraph (c) of this clause.
 - Purchasing system means the Contractor's system or systems for purchasing and subcontracting, including make-or-buy decisions, the selection of vendors, analysis of quoted prices, negotiation of prices with vendors, placing and administering of orders, and expediting delivery of materials.
 - Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.
- (b) General.

The Contractor shall establish and maintain an acceptable purchasing system. If the Contractor plans to adopt the existing system from the previous Contractor, the Contractor is responsible for the system and shall comply with the system criteria

required in this clause. The Contractor shall provide in writing to the Contracting Officer documentation that its purchasing system meets the system criteria in paragraph (c) of this clause no later than 60 days after contract award. Failure to maintain an acceptable purchasing system, as defined in this clause, may result in disapproval of the system by the Contracting Officer and/or withholding of payments.

(c) System criteria.

The Contractor's purchasing system shall -

- (1) Have an adequate system description including policies, procedures, and purchasing practices that comply with the Federal Acquisition Regulation (FAR) (48 CFR Chapter 1) and the Department of Energy Acquisition Regulation (48 CFR Chapter 9);
- (2) Ensure that all applicable purchase orders and subcontracts contain all flowdown clauses, including terms and conditions and any other clauses needed to carry out the requirements of the prime contract;
- (3) Maintain an organization plan that establishes clear lines of authority and responsibility;
- (4) Ensure all purchase orders are based on authorized requisitions and include a complete and accurate history of purchase transactions to support vendor selected, price paid, and document the subcontract/purchase order files which are subject to Government review;
- (5) Establish and maintain adequate documentation to provide a complete and accurate history of purchase transactions to support vendors selected and prices paid;
- (6) Apply a consistent make-or-buy policy that is in the best interest of the Government;
- (7) Use competitive sourcing to the maximum extent practicable, and ensure debarred or suspended contractors are properly excluded from contract award;
- (8) Evaluate price, quality, delivery, technical capabilities, and financial capabilities of competing vendors to ensure fair and reasonable prices;
- (9) Require management level justification and adequate cost or price analysis, as applicable, for any sole or single source award;
- (10) Perform timely and adequate cost or price analysis and technical evaluation for each subcontractor and supplier proposal or quote to ensure fair and reasonable subcontract prices;
- (11) Document negotiations in accordance with 48 CFR 15.406-3;

- (12) Seek, take, and document economically feasible purchase discounts, including cash discounts, trade discounts, quantity discounts, rebates, freight allowances, and company-wide volume discounts;
- (13) Ensure proper type of contract selection and prohibit issuance of cost-plus-a-percentage-of-cost subcontracts;
- (14) Maintain subcontract surveillance to ensure timely delivery of an acceptable product and procedures to notify the Government of potential subcontract problems that may impact delivery, quantity, or price;
- (15) Document and justify reasons for subcontract changes that affect cost or price;
- (16) Notify the Government of the award of all subcontracts that contain the 48 CFR Chapter 1 and 48 CFR Chapter 9 flowdown clauses that allow for Government audit of those subcontracts, and ensure the performance of audits of those subcontracts;
- (17) Enforce adequate policies on conflict of interest, gifts, and gratuities, including the requirements of the 41 U.S.C. chapter 87, Kickbacks;
- (18) Perform internal audits or management reviews, training, and maintain policies and procedures for the purchasing department to ensure the integrity of the purchasing system;
- (19) Establish and maintain policies and procedures to ensure purchase orders and subcontracts contain mandatory and applicable flowdown clauses, as required by the 48 CFR chapter 1, including terms and conditions required by the prime contract and any clauses required to carry out the requirements of the prime contract;
- (20) Provide for an organizational and administrative structure that ensures effective and efficient procurement of required quality materials and parts at the best value from responsible and reliable sources;
- (21) Establish and maintain selection processes to ensure the most responsive and responsible sources for furnishing required quality parts and materials and to promote competitive sourcing among dependable suppliers so that purchases are reasonably priced and from sources that meet contractor quality requirements;
- (22) Establish and maintain procedures to ensure performance of adequate price or cost analysis on purchasing actions;
- (23) Establish and maintain procedures to ensure that proper types of subcontracts are selected, and that there are controls over subcontracting, including oversight and surveillance of subcontracted effort; and
- (24) Establish and maintain procedures to timely notify the Contracting Officer, in writing, if -

- (i) The Contractor changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of the work to be performed under the contract, task order, or delivery order. The notification shall identify the revised cost of the subcontract effort and shall include verification that the Contractor will provide added value; or
 - (ii) Any subcontractor changes the amount of lower-tier subcontractor effort after award such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).
- (d) Significant deficiencies.
 - (1) The Contracting Officer will provide notification of initial determination to the Contractor, in writing, of any significant deficiencies. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency.
 - (2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's purchasing system. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing. In the event the Contractor did not respond in writing to the initial determination within the response time, this lack of response shall indicate that the Contractor agrees with the initial determination.
 - (3) The Contracting Officer will evaluate the Contractor's response or the Contractor's lack of response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning -
 - (i) Remaining significant deficiencies;
 - (ii) The adequacy of any proposed or completed corrective action; and
 - (iii) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain.
- (e) If the Contractor receives the Contracting Officer's final determination of significant deficiencies, the Contractor shall, within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies.
- (f) Withholding payments. If the Contracting Officer makes a final determination to disapprove the Contractor's purchasing system, and the contract includes the Section H clause Contractor Business Systems, the Contracting Officer will withhold payments in accordance with that clause.

**H.21 DOE-H-2027 CONTRACTOR PROPERTY MANAGEMENT SYSTEM
ADMINISTRATION (OCT 2014)**

(a) Definitions. As used in this clause -

-Acceptable property management system means a property system that complies with the system criteria in paragraph (c) of this clause.

-Property management system means the Contractor's system or systems for managing and controlling Government property.

-Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Energy to rely upon information produced by the system that is needed for management purposes.

(b) General.

The Contractor shall establish and maintain an acceptable property management system. If the Contractor plans to adopt the existing system from the previous Contractor, the Contractor is responsible for the system and shall comply with the system criteria required in this clause. The Contractor shall provide in writing to the Contracting Officer documentation that its property management system meets the system criteria in paragraph (c) of this clause no later than 60 days after contract award. Failure to maintain an acceptable property management system, as defined in this clause, may result in disapproval of the system by the Contracting Officer and/or withholding of payments.

(c) System criteria.

The Contractor's property management system shall be in accordance with paragraph (f) of the contract clause at 48 CFR 52.245-1.

(d) Significant deficiencies.

(1) The Contracting Officer will provide an initial determination to the Contractor, in writing, of any significant deficiencies. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency.

(2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's property management system. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing. In the event the Contractor did not respond in writing to the initial determination within the response time, this lack of response shall indicate that the Contractor agrees with the initial determination.

(3) The Contracting Officer will evaluate the Contractor's response or the Contractor's lack of response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning -

(i) Remaining significant deficiencies;

- (ii) The adequacy of any proposed or completed corrective action; and
 - (iii) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain.
- (e) If the Contractor receives the Contracting Officer's final determination of significant deficiencies, the Contractor shall, within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies.
- (f) Withholding payments. If the Contracting Officer makes a final determination to disapprove the Contractor's property management system, and the contract includes the Section H clause Contractor Business Systems, the Contracting Officer will withhold payments in accordance with that clause.

III. DOE CORPORATE CLAUSES OTHER THAN CHRM OR BUSINESS SYSTEMS

H.22 DOE-H-2006 DEFENSE NUCLEAR FACILITY SAFETY BOARD (OCT 2014)

The Contractor shall conduct activities in accordance with those DOE commitments to the Defense Nuclear Facilities Safety Board (DNFSB) which are contained in implementation plans and other DOE correspondence to the DNFSB. The Contractor shall support preparation of DOE responses to DNFSB issues and recommendations which affect or can affect contract work. Based on the Contracting Officer's Representative direction, the Contractor shall fully cooperate with the DNFSB and provide access to such work areas, personnel, and information as necessary. The Contractor shall maintain a document process consistent with the DOE manual on interface with the DNFSB. The Contractor shall be accountable for ensuring that subcontractors adhere to these requirements.

H.23 DOE-H-2012 SUSTAINABLE ACQUISITION UNDER DOE CONSTRUCTION CONTRACTS (OCT 2014)

Pursuant to Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management, and 13514, Federal Leadership in Environmental, Energy, and Economic Performance, the Department of Energy is committed to managing its facilities in an environmentally preferable manner that will promote the natural environment and protect the health and well being of its Federal employees and contractor service providers. In the performance of work under this contract, the Contractor shall exert its best efforts to provide its services in a manner that will promote the natural environment and protect the health and well being of Federal and contract employees at the facility. Sustainable acquisition or environmentally preferable contracting has several interacting initiatives. Among the initiatives are the following:

- Recycled Content Products are described at <http://epa.gov/cpg>
- Biobased Products are described at <http://www.biopreferred.gov/>
- Energy efficient products are at <http://energystar.gov/products> for Energy Star products

- Energy efficient products are at <http://www.eere.energy.gov/femp/procurement> for FEMP designated products
- Environmentally Preferable Computers are at <http://www.epeat.net>
- Non-Ozone Depleting Alternative Products are at <http://www.epa.gov/ozone/strathome.html>
- Water efficient plumbing products are at <http://epa.gov/watersense>

To the extent that the services provided by the Contractor require provision of any of the above types of products, the Contractor is expected to provide the sustainable, environmentally preferable type of product unless that type of product is not available competitively within a reasonable time, at a reasonable price, is not life cycle cost efficient in the case of energy consuming products, or does not meet reasonable performance standards. The clauses at FAR 52.223-2, Affirmative Procurement of Biobased Products under Service and Construction Contracts, 52.223-15, Energy Efficiency in Energy Consuming Products, and 52.223-17 Affirmative Procurement of EPA-Designated Items in Service and Construction Contracts, in Section I of this contract require the use of products that have biobased content, are energy efficient, or have recycled content.

In case of an apparent inconsistency between this provision and any specification elsewhere in the Contract, consult the Contracting Officer for resolution.

H.24 DOE-H-2014 CONTRACTOR ACCEPTANCE OF NOTICE OF VIOLATION OR ALLEGED VIOLATIONS, FINES, AND PENALTIES (OCT 2014)

- (a) The Contractor shall accept, in its own name, notices of violation(s) or alleged violations (NOVs/NOAVs) issued by federal or state regulators to the Contractor resulting from the Contractor's performance of work under this contract, without regard to liability. The allowability of the costs associated with fines and penalties shall be subject to other provisions of this contract.
- (b) After providing DOE advance written notice, the Contractor shall conduct negotiations with regulators regarding NOVs/NOAVs and fine and penalties. DOE may in its discretion choose to be in charge of, and direct, all negotiations with regulatory agencies regarding permits, fines, penalties, and any other proposed notice, notice, administrative order, and any similar type of notice as described in paragraph (B) above. However, the Contractor shall not make any commitments or offers to regulators that would bind the Government, including monetary obligations, without first obtaining written approval from the CO. Failure to obtain advance written approval may result in otherwise allowable costs being declared unallowable and/or the Contractor being liable for any excess costs to the Government associated with or resulting from such offers/commitments.
- (c) The Contractor shall notify DOE promptly when it receives service from the regulators of NOVs/NOAVs and fines and penalties.

H.25 ~~DOE-H-2015 SEPARATE CORPORATE ENTITY (OCT 2014) RESERVED~~

~~The Contractor under this Contract shall be a separate corporate entity from its parent company(s). The separate corporate entity may be a partnership or joint venture. The~~

~~separate corporate entity must be set up solely to perform this Contract, and shall be totally responsible for all Contract activities. The separate corporate entity shall perform no other commercial work or work for other Government agencies except as may be authorized under the terms of this Contract. The Contractor shall not utilize or otherwise divert contract employees to other corporate work except as may be authorized under the terms of the Contract or as otherwise authorized by the Contracting Officer.~~

H.26 DOE-H-2016 PERFORMANCE GUARANTEE AGREEMENT (OCT 2014)

The contractor's parent organization(s) or all member organizations if the Contractor is a joint venture, limited liability company, or other similar entity, shall guarantee performance of the contract as evidenced by the Performance Guarantee Agreement incorporated in the contract in Section J, Attachment J-6. If the Contractor is a joint venture, limited liability company, or other similar entity where more than one organization is involved, the parent(s) or all member organizations shall assume joint and severable liability for the performance of the contract. In the event any of the signatories to the Performance Guarantee Agreement enters into proceedings related to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Contracting Officer.

H.27 DOE-H-2017 RESPONSIBLE CORPORATE OFFICIAL AND CORPORATE BOARD OF DIRECTORS (OCT 2014)

The Contractor has provided a guarantee of performance from its parent company(s) in the form set forth in the Section J Attachment entitled, "Performance Guarantee Agreement." The individual signing the "Performance Guarantee Agreement" for the parent company(s) should be the Responsible Corporate Official. The Responsible Corporate Official is the person who has sole corporate (parent company(s)) authority and accountability for Contractor performance. DOE may contact, as necessary, the single Responsible Corporate Official identified below regarding Contract performance issues.

Responsible Corporate Official: [Offeror Fill-In]

Name: _____

Position: _____

Company/Organization: _____

Address: _____

Phone: _____

Facsimile: _____

Email: _____

Should the Responsible Corporate Official or their contact information change during the period of the Contract, the Contractor shall promptly notify the Contracting Officer in writing of the change.

Identified below is each member of the Corporate Board of Directors that will have corporate oversight. DOE may contact, as necessary, any member of the Corporate Board of Directors, who is accountable for corporate oversight of the Contractor organization and key personnel.

Corporate Board of Directors: [Offeror Fill-In]
 Name: _____
 Position: _____
 Company/Organization: _____
 Address: _____
 Phone: _____
 Facsimile: _____
 Email: _____

Should any change occur to the Corporate Board of Directors or their contact information during the period of the Contract, the Contractor shall promptly notify the Contracting Officer in writing of the change.

H.28 DOE-H-2018 PRIVACY ACT SYSTEMS OF RECORDS (OCT 2014)

The Contractor shall design, develop, or adopt the following systems of records on individuals to accomplish an agency function pursuant to the Section I Clause entitled, FAR 52.224-2, Privacy Act.

DOE Privacy Act System Number	DOE Privacy Act System Description
DOE-5	Personnel Records of Former Contractor Employees (includes all former workers)
DOE-10	Energy Employees Occupational Illness Compensation Program Act Files
DOE-11	Emergency Operations Notification Call List
DOE-14	Report of Compensation
DOE-15	Intelligence Related Access Authorization
DOE-28	General Training Records
DOE-33	Personnel Medical Records (present and former DOE employees and Contractor employees)
DOE-35	Personnel Radiation Exposure Records
DOE-38	Occupational and Industrial Accident Records
DOE-43	Personnel Security Clearance Files
DOE-48	Security Education and/or Infraction Reports
DOE-51	Employee and Visitor Access Control Records
DOE-52	Access Control Records of International Visits, Assignments, and Employment at DOE Facilities and Contractor Sites
DOE-53	Access Authorization for ADP Equipment
DOE-81	Counterintelligence Administrative and Analytical Records and Reports
DOE-84	Counterintelligence Investigative Records
DOE-88	Epidemiologic and Other Health Studies, Surveys, and Surveillances

If the above list does not address all of the systems of records that are generated based on contract performance, then the contractor shall notify the Contracting Officer prior to

contract award or as soon as the discrepancy is discovered. The contractor shall monitor the identified systems and notify the Contracting Officer immediately if there is a change to an existing system or if a new system is needed. Lack of notification does not exempt the contractor from complying with the Privacy Act. To ensure that systems are monitored consistently, contractors must review the list annually and notify the Contracting Officer, in writing, that the list is accurate and up to date.

The above list shall be revised by mutual agreement between the contractor and the Contracting Officer, in consultation with the local Privacy Act Officer (PAO) and/or General Counsel, as necessary, to keep it current. A formal modification to the contract is not required to incorporate these revisions; however, the revisions become effective upon mutual written agreement of the parties. The mutually agreed upon revisions shall have the same effect as if they were actually among the systems listed in the table above, for the purpose of satisfying the listing requirement contained in paragraph (a)(1) of the contract clause for FAR 52.224-2, *Privacy Act*. The revisions will be formally incorporated at the next convenient contract modification. Additional information on Privacy Act Systems of Records can be found on the DOE Privacy Office home page.

The "Privacy Act Notification" (FAR 52.224-1) and "Privacy Act" (FAR 52.224-2) clauses are mandatory flow-down clauses that must be included in any subcontract requiring design, development, or operation of a Privacy Act system of record, including third-party medical services contracts. Such subcontracts also require flow down of clauses specifically identifying applicable Privacy Act systems of records into the subcontracts. For example, medical services contracts must include the substance of the H clause above identifying system of record DOE-33, "Personnel Medical Records," along with language on records turnover. Subcontracts must also contain scope requirements necessary to ensure DOE and contractor compliance with applicable records management and Privacy Act requirements.

H.29 DOE-H-2019 DISPOSITION OF INTELLECTUAL PROPERTY – FAILURE TO COMPLETE CONTRACT PERFORMANCE (OCT 2014)

The following provisions shall apply in the event the Contractor does not complete Contract performance for any reason:

- (a) The Government may take possession of and use all technical data, including limited rights data, restricted computer software, and data and software obtained from subcontractors, licensors, and licensees, necessary to complete the work in conformance with this contract, including the right to use the data in any Government solicitations for the completion of the work contemplated under this contract. Technical data includes, but is not limited to, specifications, designs, drawings, operations manuals, flowcharts, software, databases and any other information necessary for of the completion of the work under this contract. Limited rights data and restricted computer software will be protected in accordance with the provisions of the Section I Clause entitled DEAR 970.5227-1 Rights in Data-Facilities. The Contractor shall ensure that its subcontractors and licensors make similar rights available to the Government and its contractors.

- (b) The Contractor agrees to and does hereby grant to the Government an irrevocable, non-exclusive, paid-up license in and to any inventions or discoveries regardless of when conceived or actually reduced to practice by the Contractor, and any other intellectual property, including technical data, which are owned or controlled by the Contractor, at any time through completion of this contract and which are incorporated or embodied in the construction of the facilities or which are utilized in the operation or remediation of the facilities or which cover articles, materials or products manufactured at a facility: (1) to practice or to have practiced by or for the Government at the facility; and (2) to transfer such license with the transfer of that facility. The acceptance or exercise by the Government of the aforesaid rights and license shall not prevent the Government at anytime from contesting the enforceability, validity or scope of, or title to, any rights or patents or other intellectual property herein licensed.
- (c) In addition, the Contractor will take all necessary steps to assign permits, authorizations, leases, and licenses in any third party intellectual property to the Government, or such other third party as the Government may designate, that are necessary for the completion of the work contemplated under this Contract.

H.30 DOE-H-2020 PRICE-ANDERSON AMENDMENTS ACT NONCOMPLIANCE (OCT 2014)

The Contractor shall establish an internal Price-Anderson Amendments Act (PAAA) noncompliance identification, tracking, and corrective action system and shall provide access to and fully support DOE reviews of the system. The Contractor shall also implement a Price- Anderson Amendments Act reporting process which meets applicable DOE standards. The Contractor shall be accountable for ensuring that subcontractors adhere to these requirements.

H.31 DOE-H-2021 WORK STOPPAGE AND SHUTDOWN AUTHORIZATION (OCT 2014)

- (a) Imminent Health and Safety Hazard is a given condition or situation which, if not immediately corrected, could result in a serious injury or death, including exposure to radiation and toxic/hazardous chemicals. Imminent Danger in relation to the facility safety envelope is a condition, situation, or proposed activity which, if not terminated, could cause, prevent mitigation of, or seriously increase the risk of (1) nuclear criticality, (2) radiation exposure, (3) fire/explosion, and/or (4) toxic hazardous chemical exposure.
- (b) Work Stoppage. In the event of an Imminent Health and Safety Hazard, identified by facility line management or operators or facility health and safety personnel overseeing facility operations, or other individuals, the individual or group identifying the imminent hazard situation shall immediately take actions to eliminate or mitigate the hazard (i.e., by directing the operator/implementer of the activity or process causing the imminent hazard to stop work, or by initiating emergency response actions or other actions) to protect the health and safety of the workers and the public, and to protect U.S. Department of Energy (DOE) facilities and the environment. In the event an imminent health and safety hazard is identified, the individual or group identifying the hazard should coordinate with an appropriate Contractor official, who will direct the shutdown or other actions, as required. Such mitigating action should subsequently be coordinated with the DOE and Contractor

management. The suspension or stop-work order should be promptly confirmed in writing by the Contracting Officer.

- (c) Shutdown. In the event of an imminent danger in relation to the facility safety envelope or a non-Imminent Health and Safety Hazard identified by facility line managers, facility operators, health and safety personnel overseeing facility operations, or other individuals, the individual or group identifying the potential health and safety hazard may recommend facility shutdown in addition to any immediate actions needed to mitigate the situation. However, the recommendation must be coordinated with Contractor management, and the DOE Site Manager. Any written direction to suspend operations shall be issued by the Contracting Officer, pursuant to the Clause entitled, "FAR 52.242-15, Stop-Work Order."
- (d) Facility Representatives. DOE personnel designated as Facility Representatives provide the technical/safety oversight of operations. The Facility Representative has the authority to "stop work," which applies to the shutdown of an entire plant, activity, or job. This stop-work authority will be used for an operation of a facility which is performing work the Facility Representative believes:
 - (1) Poses an imminent danger to health and safety of workers or the public if allowed to continue;
 - (2) Could adversely affect the safe operation of, or could cause serious damage to the facility if allowed to continue; or
 - (3) Could result in the release of radiological or chemical hazards to the environment in excess of regulatory limits.
- (e) This clause flows down to all subcontractors at all tiers. Therefore, the Contractor shall insert a clause, modified appropriately to substitute "Contractor Representatives" for "the Contracting Officer" in all subcontracts.

H.32 DOE-H-2033 ALTERNATIVE DISPUTE RESOLUTION (OCT 2014)

- (a) The DOE and the Contractor both recognize that methods for fair and efficient resolution of contractual issues in controversy by mutual agreement are essential to the successful and timely completion of contract requirements. Accordingly, DOE and the Contractor shall use their best efforts to informally resolve any contractual issue in controversy by mutual agreement. Issues of controversy may include a dispute, claim, question, or other disagreement. The parties agree to negotiate with each other in good faith, recognizing their mutual interests, and attempt to reach a just and equitable solution satisfactory to both parties.
- (b) If a mutual agreement cannot be reached through negotiations within a reasonable period of time, the parties may use a process of alternate dispute resolution (ADR) in accordance with the clause at FAR 52.233-1, Disputes. The ADR process may involve mediation, facilitation, fact-finding, group conflict management, and conflict coaching by a neutral party. The neutral party may be an individual, a board comprised of independent experts, or a company with specific expertise in conflict resolution or expertise in the specific area of controversy. The neutral party will not render a binding decision, but will assist the parties in reaching a mutually

satisfactory agreement. Any opinions of the neutral party shall not be admissible in evidence in any subsequent litigation proceedings.

- (c) Either party may request that the ADR process be used. The Contractor shall make a written request to the Contracting Officer, and the Contracting Officer shall make a written request to the appropriate official of the Contractor. A voluntary election by both parties is required to participate in the ADR process. The parties must agree on the procedures and terms of the process, and officials of both parties who have the authority to resolve the issue must participate in the agreed upon process.
- (d) ADR procedures may be used at any time that the Contracting Officer has the authority to resolve the issue in controversy. If a claim has been submitted by the Contractor, ADR procedures may be applied to all or a portion of the claim. If ADR procedures are used subsequent to issuance of a Contracting Officer's final decision under the clause at FAR 52.233-1, Disputes, their use does not alter any of the time limitations or procedural requirements for filing an appeal of the Contracting Officer's final decision and does not constitute reconsideration of the final decision.
- (e) If the Contracting Officer rejects the Contractor's request for ADR proceedings, the Contracting Officer shall provide the Contractor with a written explanation of the specific reasons the ADR process is not appropriate for the resolution of the dispute. If the Contractor rejects the Contracting Officer's request to use ADR procedures, the Contractor shall provide the Contracting Officer with the reasons for rejecting the request.

H.33 DOE-H-2034 CONTRACTOR INTERFACE WITH OTHER CONTRACTORS AND/OR GOVERNMENT EMPLOYEES (OCT 2014)

The Government may award contracts to other contractors for work to be performed at a DOE-owned or -controlled site or facility. The Contractor shall cooperate fully with all other on-site DOE contractors and Government employees. The Contractor shall coordinate its own work with such other work as may be directed by the Contracting Officer or a duly authorized representative. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by a Government employee.

The Contractor shall cooperate in a timely manner with DOE and any DOE contractor performing work at the site, especially DOE prime contractors. Cooperation includes, but is not limited to, working together to resolve interface and work performance issues; establishing schedules to support accommodation of the work being performed under the other contract(s); establishing work groups; participating in meetings (including quarterly DOE/Contractor interface meetings); providing access to applicable technical and contract information and data, such as schedule and milestone data; discussing technical matters related to SRS; and, providing access to Contractor facilities or areas. The Contractor shall ensure that its activities in support of the other prime contractors are fully coordinated with DOE and the other prime contractors.

The Contractor shall work with the SR M&O Contractor in the maintenance and execution of the SRS Interface Management Plan. The Interface Management Plan is

an Interface Management tool only and does not take precedence over the requirements identified herein.

The Contractor is not authorized to direct and/or to provide oversight to any other DOE-SR contractor, except as specified elsewhere in this contract or as directed by the CO. The CO has the authority to direct the Contractor to cease interference in the activities of other DOE contractors, and DOE retains oversight and approval authority for all DOE-SR contracts.

The Contractor shall immediately notify the CO in writing if the Contractor's activities will interfere with any DOE contractor or if there is an interference or conflict with any DOE contractor in performance of the Contractor's activities in support of DOE or another DOE contractor.

H.34 DOE-H-2035 ORGANIZATIONAL CONFLICT OF INTEREST MANAGEMENT PLAN (OCT 2014)

Within 15 calendar days after the Notice to Proceed, the Contractor shall submit to the Contracting Officer for approval an Organizational Conflict of Interest (OCI) Management Plan (Plan). The Plan shall describe the Contractor's program to identify, avoid, neutralize, or mitigate potential or actual conflicts of interest that exist or may arise during contract performance and otherwise comply with the requirements of the clause at DEAR 952.209-72, Organizational Conflicts of Interest. The Plan shall be periodically updated as required during the term of the contract. The Plan shall include, as a minimum, the following:

- (a) The procedures for identifying and evaluating past, present, and anticipated contracts of the Contractor, its related entities and other performing entities under the contract.
- (b) The procedures the Contractor will utilize to avoid, neutralize, or mitigate potential or actual conflicts of interest.
- (c) The procedures for reporting actual or potential conflicts of interest to the Contracting Officer.
- (d) The procedures the Contractor will utilize to oversee, implement, and update the Plan, to include assigning responsibility for management, oversight and compliance to an individual in the Contractor's organization with full authority to implement the Plan.
- (e) The procedures for ensuring all required representations, certifications and factual analyses are submitted to the Contracting Officer for approval in a timely manner.
- (f) The procedures for protecting agency information that could lead to an unfair competitive advantage if disclosed including collecting disclosure agreements covering all individuals, subcontractors, and other entities with access to agency-sensitive information and physical safeguarding of such information.

- (g) An OCI training and awareness program that includes periodic, recurring training and a process to evidence employee participation.
- (h) The enforceable, employee disciplinary actions to be used by the Contractor for violation of OCI requirements.

H.35 DOE-H-2041 SUSTAINABLE ACQUISITION UNDER DOE SERVICE CONTRACTS (OCT 2014)

- (a) Pursuant to Executive Orders 13423, Strengthening Federal Environmental, Energy and Transportation Management, and 13514, Federal Leadership in Environmental, Energy, and Economic Performance, the Department of Energy (DOE) is committed to managing its facilities in a manner that will promote the natural environment and protect the health and well-being of its Federal employees and contractor service providers. The Contractor shall use its best efforts to support DOE in meeting those commitments, including sustainable acquisition or environmentally preferable contracting which may involve several interacting initiatives, such as -
 - (1) Alternative Fueled Vehicles and Alternative Fuels;
 - (2) Biobased Content Products (USDA Designated Products);
 - (3) Energy Efficient Products;
 - (4) Non-Ozone Depleting Alternative Products;
 - (5) Recycled Content Products (EPA Designated Products); and
 - (6) Water Efficient Products (EPA WaterSense Labeled Products).
- (b) The Contractor should become familiar with these information resources:
 - (1) Recycled Products are described at <http://epa.gov/cpg>.
 - (2) Biobased Products are described at <http://www.biopreferred.gov/>.
 - (3) Energy efficient products are described at <http://energystar.gov/products> for Energy Star products.
 - (4) FEMP designated products are described at <http://www.eere.energy.gov/femp/procurement>.
 - (5) Environmentally Preferable Computers are described at <http://www.epeat.net>.
 - (6) Non-Ozone Depleting Alternative Products are described at <http://www.epa.gov/ozone/strathome.html>.
 - (7) Water efficient plumbing fixtures are described at <http://epa.gov/watersense>.
- (c) If, in the course of providing services at the DOE site, the Contractor's services necessitate the acquisition of any of the above types of products, it is expected that the Contractor will acquire the sustainable, environmentally preferable models unless the product is not available competitively within a reasonable time, at a reasonable price, is not life cycle cost efficient in the case of energy consuming products, or does not meet reasonable performance standards. While there is no formal reporting, DOE prepares a sustainable acquisition annual report and the Contractor may be asked by the Contracting Officer to provide information in support of DOE's report.

H.36 DOE-H-2043 ASSIGNMENT AND TRANSFER OF SUBCONTRACTS (OCT 2014)

- (a) Assignment of DOE Prime Contracts. During the period of performance of this contract it may become necessary for the U.S. Department of Energy (DOE) to

transfer and assign existing or future DOE prime contracts supporting site work to this contract. The Contractor shall accept the transfers and assignments of contracts. Any recommendations and/or suggestions on individual transfers shall be submitted in writing to the Contracting Officer prior to the transfer or assignment.

- (b) Transfer of Subcontracts. As the successor contractor, the Contractor agrees to accept transfer of existing subcontracts as determined necessary by DOE for continuity of operations. The Contractor shall use its best efforts to negotiate changes to the assigned subcontracts incorporating mandatory flow-down provisions at no cost. If the subcontractor refuses to accept the changes or requests price adjustments, the Contractor will notify the Contracting Officer in writing. DOE reserves the right to direct the Contractor to transfer to DOE or another Contractor any subcontract awarded under this contract.

The following subcontracts are determined necessary for transfer to the successor contractor:

<u>Subcontract Title</u> <u>Number</u>	<u>Subcontractor Name</u>	<u>Subcontract</u> <u>Number</u>
At-Tank Cesium Removal SDU#7 <u>Site Preparation/Construction</u> TBD	TBD	TBD

H.37 DOE-H-2044 MATERIAL SAFETY DATA SHEET AVAILABILITY (OCT 2014)

In implementation of the clause at FAR 52.223-3, Hazardous Material Identification and Material Safety Data, the Contractor shall obtain, review and maintain a Material Safety Data Sheet (MSDS) in a readily accessible manner for each hazardous material (or mixture containing a hazardous material) ordered, delivered, stored or used; and maintain an accurate inventory and history of use of hazardous materials at each use and storage location. The MSDS shall conform to the requirements of 29 CFR 1910.1200(g).

H.38 DOE-H-2045 CONTRACTOR COMMUNITY COMMITMENT (OCT 2014) (DEVIATION)

- (a) The Contractor, in fulfilling its commitments pursuant to the clause at DEAR 970.5226-3, Community Commitment, shall submit to DOE an annual plan for community commitment activities and report on program progress semi-annually.
- (b) The Contractor's annual plan for community commitment activities will identify those meaningful actions and activities that it intends to implement within the surrounding counties and local municipalities. The Contractor may engage in any community actions or activities it determines meets the objectives of DOE's community commitment policy. Actions and activities in the areas listed below are representative of the areas in which the Contractor may choose to perform. However, the list is not all inclusive and is not intended to preclude the Contractor from initiating and performing other constructive community activities nor involvement in charitable endeavors it deems worthwhile.

- (1) Regional educational outreach programs. The objectives of these programs include workforce sustainability, teacher enhancement, student support, curriculum enhancement, educational technology, public understanding, and providing the services of contractor employees to schools, colleges, and universities. Regional educational outreach programs could involve providing contractor employees the opportunity to improve their employment skills and opportunities by an educational assistance allowance, provision for outside training programs either during or outside regular work hours, or executive training programs for non-executive employees. This could also involve participating in activities that foster relationships with regional educational institutions and other institutions of higher learning or encouraging students to pursue science, engineering, and technology careers.
- (2) Regional purchasing programs. The Contractor may conduct business alliances with regional vendors. These alliances may include training and mentoring programs to enable regional vendors to compete effectively for subcontracts and purchase orders and/or assistance with the development of business systems (accounting, budget, payroll, property, etc.) to enable regional vendors to meet the audit and reporting requirements of the Contractor and DOE. These alliances may also serve to encourage the formation of regional trade associations which will better enable regional businesses to satisfy the Contractor's needs.

The Contractor may coordinate and cooperate with the Chambers of Commerce, Small Business Development Centers, and like organizations, and make prospective regional vendors aware of any assistance that may be available from these entities. DOE encourages the use of regional vendors in fulfilling contract requirements.

- (3) Community support. The Contractor may directly sponsor specific local community activities or sponsor individual employees to work with a specific local community activity. The Contractor may provide support and assistance to community service and reuse organizations. The Contractor may support strategic partnerships with professional and scientific organizations to enhance recruitment into all levels of its organization.
- (c) The Contractor may use fee dollars to pay for its community commitment actions as it deems appropriate. All costs to be incurred by the Contractor for community commitment actions and activities are unallowable and non-reimbursable under the contract.
 - (d) The Contractor shall encourage its subcontractors, at all tiers, to participate in these activities.

H.39 DOE-H-2046 DIVERSITY PROGRAM (OCT 2014)

- (a) The Contractor shall develop and implement a diversity program consistent with and in support of the DOE's diversity program. A diversity plan covering the full period of performance (base and option periods) shall be submitted to the Contracting Officer for approval within sixty (60) calendar days after the Notice to Proceed. Once the

diversity plan is approved by the Contracting Officer, the Contractor shall implement the diversity plan within thirty (30) calendar days of its approval by the Contracting Officer.

- (b) The diversity plan shall address, at a minimum, the Contractor's approach to ensure an effective diversity program (including addressing applicable affirmative action and equal employment opportunity regulations) to include:
 - (1) a statement of the Contractor's policies and practices; and
 - (2) planned initiatives and activities which demonstrate a commitment to a diversity program, including recruitment strategies for hiring a diverse work force. The diversity plan shall also address, as a minimum, the Contractor's approach for promoting diversity through (1) the Contractor's work force; (2) educational outreach, including a mentor/protégé program; (3) stakeholder involvement and outreach; (4) subcontracting; and (5) economic development.
- (c) An annual diversity report shall be submitted pursuant to Section J, Attachment J-13 entitled, *Deliverables*. This report shall provide a list of accomplishments achieved, both internally and externally during the current reporting period, and projected initiatives during the next reporting period. The report shall also list any proposed changes to the diversity plan which shall be subject to the Contracting Officer's approval.

H.40 DOE-H-2048 PUBLIC AFFAIRS – CONTRACTOR RELEASES OF INFORMATION (OCT 2014)

In implementation of the clause at DEAR 952.204-75, Public Affairs, all communications or releases of information to the public, the media, or Members of Congress prepared by the Contractor related to work performed under the contract shall be reviewed and approved by DOE prior to issuance. Therefore, the Contractor shall, at least ~~24~~10 calendar days prior to the planned issue date, submit a draft copy to the Contracting Officer of any planned communications or releases of information to the public, the media, or Members of Congress related to work performed under this contract. The Contracting Officer will obtain necessary reviews and clearances and provide the Contractor with the results of such reviews prior to the planned issue date.

H.41 DOE-H-2050 INCORPORATION OF SMALL BUSINESS SUBCONTRACTING PLAN – ALTERNATE I (OCT 2014)

- (a) In accordance with the clause at FAR 52.219-9, Small Business Subcontracting Plan, the master subcontracting plan contained in Section J, Attachment J-1 is hereby incorporated into and made a part of this contract.
- (b) Prior to the beginning of each Government fiscal year, or other period as required by the Contracting Officer, the Contractor shall submit an individual subcontracting plan containing the annual subcontracting goals required by the clause at FAR 52.219-9, Small Business Subcontracting Plan, and any changes to the master subcontracting plan. The annual, individual subcontracting plan and changes to the master plan are

subject to the Contracting Officer's approval; and the approved plan is incorporated by reference into the contract.

H.42 DOE-H-2052 REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF THE OFFEROR – ALTERNATE I (OCT 2014) (DEVIATION)

- | (a) The following additional contractor Representations, Certifications and Other Statements are hereby incorporated into the contract by reference:

EVMS Submission Dated [Offeror Fill-In]

H.43 DOE-H-2053 WORKER SAFETY AND HEALTH PROGRAM IN ACCORDANCE WITH 10 CFR 851 (OCT 2014)

- (a) The Contractor shall comply with all applicable safety and health requirements set forth in 10 CFR 851, Worker Safety and Health Program, and any applicable DOE Directives incorporate into the contract. The Contractor shall develop, implement, and maintain a written Worker Safety and Health Plan (WSHP) which shall describe the Contractor's method for complying with and implementing the applicable requirements of 10 CFR 851. The WSHP shall be submitted to and approved by DOE. The approved WSHP must be implemented prior to the start of work. In performance of the work, the Contractor shall provide a safe and healthful workplace, and must comply with its approved WSHP and all applicable Federal and state environment, health, and safety regulations.
- (b) The Contractor shall take all reasonable precautions to protect the environment, health, and safety of its employees, DOE personnel, and members of the public. When more than one contractor works in a shared workplace, the Contractor shall coordinate with the other contractors to ensure roles, responsibilities, and worker safety and health provisions are clearly delineated. The Contractor shall participate in all emergency response drills and exercises related to the Contractor's work and interface with other DOE contractors.
- (c) The Contractor shall take all necessary and reasonable steps to minimize the impact of its work on DOE functions and employees, and immediately report all job-related injuries and/or illnesses which occur in any DOE facility to the Contracting Officer Representative (COR). Upon request, the Contractor shall provide to the COR a copy of occupational safety and health self-assessments and/or inspections of work sites for job hazards for work performed at DOE facilities.
- (d) The Contracting Officer may notify the Contractor, in writing, of any noncompliance with the terms of this clause, and the corrective action(s) to be taken. After receipt of such notice, the Contractor shall immediately take such corrective action(s).
- (e) In the event that the Contractor fails to comply with the terms and conditions of this clause, the Contracting Officer may, without prejudice to any other legal or contractual rights, issue a stop-work order halting all or any part of the work. Thereafter, the Contracting Officer may, at his or her discretion, cancel the stop-work order so that the performance of work may be resumed. The Contractor shall not be

entitled to an equitable adjustment of the Contract amount or extension of the performance schedule due to any stop-work order issued under this clause.

- (f) The Contractor shall flow down the requirements of this clause to all subcontracts at any tier.
- (g) In the event of a conflict between the requirements of this clause and 10 CFR 851, the requirements of 10 CFR 851 shall take precedence.

H.44 DOE-H-2055 GOVERNMENT FURNISHED PROPERTY (OCT 2014)

In accordance with the clause FAR 52.245-1, Government Property, the Government will provide the property listed in Section J, Attachment J-12.

H.45 DOE-H-2056 ANNUAL INDIRECT BILLING RATES (OCT 2014)

- (a) Pursuant to the clause at FAR 52.216-7, Allowable Cost and Payment, indirect billing rates, revised billing rates (as necessary), and final indirect cost rate agreements must be established between the Contractor and the Department of Energy (DOE) for each of the Contractor's fiscal years for the life of the cost reimbursement type contract. These indirect rate agreements allow the Contractor to recover indirect expenses incurred during a fiscal year for which final indirect rates have not been established.
- (b) Indirect billing and revised indirect billing rate proposals must represent the Contractor's best estimate of the anticipated indirect expenses to be incurred and the estimated allocation base for the current fiscal year in accordance with its approved accounting system. Revised billing rates allow the adjustment of the approved billing rates, based upon updated information, in order to prevent significant over or under billings.
- (c) The establishment of rates for the reimbursement of independent research and development/bid and proposal costs shall be in accordance with the provisions of FAR Subpart 42.7, "Indirect Cost Rates," FAR 31.205-18, "Independent Research and Development and Bid and Proposal Costs," and DEAR 931.205-18, "Independent Research and Development (IR&D) and Bid and Proposal (B&P) Costs."
- (d) Paragraph (e) below, identifies the requirements and process to be followed by the Contractor in establishing indirect rates for contracts when DOE is the Cognizant Federal Agency (CFA) and when DOE is not the CFA. Specific instructions for submittal of indirect rate proposals to agencies other than DOE must be obtained from the agency involved.
- (e) Requirements whether or not DOE is the CFA.
 - (1) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable sections of FAR Part 30, Cost Accounting Standards, FAR Part 31 and DEAR 931, Contract Cost Principles and Procedures, in effect as of the date of this contract.

- (2) Pending settlement of the final indirect expense rates for any period, the Contractor shall be reimbursed at billing rates approved by the CFA subject to acknowledgment by the cognizant DOE Contracting Officer. These billing rates are subject to appropriate adjustments when revised by mutual agreement or when the final indirect rates are settled, either by mutual agreement or unilateral determination by the CFA subject to acknowledgment by the cognizant DOE Contracting Officer.
- (3) The Contractor shall continue to use the latest DOE or CFA approved billing rate(s) which have been acknowledged by the cognizant DOE Contracting Officer until those rates are superseded by establishment of final rates or more current billing rates. In those cases where current billing rates have not been established, the latest approved final rates shall be used for invoicing, unless it is determined by the cognizant DOE Contracting Officer that use of said rates would not provide for an equitable recovery of indirect costs. In those instances, the cognizant DOE Contracting Officer will take whatever steps are necessary to establish rates that DOE considers to be reasonable for billing purposes.

H.46 DOE-H-2058 DESIGNATION AND CONSENT OF ~~MAJOR OR~~ CRITICAL SUBCONTRACTS (OCT 2014) (DEVIATION)

- (a) In accordance with the clause at FAR 52.244-2(d), Subcontracts, the following subcontracts have been determined to be ~~major or~~ critical subcontracts:

[Offeror Fill-In To be inserted at the time of contract award]

- (b) In the event that the Contractor plans either to award or use a new ~~major or~~ critical subcontract or replace an existing, approved ~~major or~~ critical subcontract identified in paragraph (a) above, the Contractor shall provide advance notification to, and obtain consent from, the Contracting Officer, notwithstanding the consent requirements under any approved purchasing system or any other terms or conditions of the contract. Consent to these subcontracts is retained by the Contracting Officer and will not be delegated.

H.47 DOE-H-2059 PRESERVATION OF ANTIQUITIES, WILDLIFE AND LAND AREAS (OCT 2014)

- (a) Federal Law provides for the protection of antiquities located on land owned or controlled by the Government. Antiquities include Indian graves or campsites, relics and artifacts. The Contractor shall control the movements of its personnel and its subcontractor's personnel at the job site to ensure that any existing antiquities discovered thereon will not be disturbed or destroyed by such personnel. It shall be the duty of the Contractor to report to the Contracting Officer the existence of any antiquities so discovered.
- (b) The Contractor shall also preserve all vegetation (including wetlands) except where such vegetation must be removed for survey or construction purposes. Any removal of vegetation shall be in accordance with the terms of applicable habitat mitigation

plans and permits. Furthermore, all wildlife must be protected consistent with programs approved by the Contracting Officer.

- (c) Except as required by or specifically provided for in other provisions of this contract, the Contractor shall not perform any excavations, earth borrow, preparation of borrow areas, or otherwise disturb the surface soils within the job site without the prior approval of DOE or its designee.

H.48 DOE-H-2061 CHANGE ORDER ACCOUNTING (OCT 2014)

The Contractor shall maintain change order accounting whenever the estimated cost of a change or series of related changes exceeds \$100,000. The Contractor, for each change or series of related changes, shall maintain separate accounts, by job order or other suitable accounting procedure, of all incurred segregable, direct costs (less allocable credits) of work, both changed and not changed, allocable to the change. The Contractor shall maintain such accounts until the parties agree to an equitable adjustment for the changes ordered by the Contracting Officer or the matter is conclusively disposed of in accordance with the Disputes clause.

H.49 DOE-H-2062 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL - ALTERNATE I (OCT 2014)

- (a) Pursuant to the clause at FAR 52.204-9, Personal Identity Verification of Contractor Personnel, the Contractor shall comply with applicable DOE regulations, policies and directives regarding identification, credential and access management for its personnel who have routine physical access to DOE-owned or -controlled sites or facilities or routine access to DOE information systems.
- (b) The Contractor shall comply with the requirements of those DOE directives, or parts thereof, identified elsewhere in the contract pursuant to the clause at DEAR 970.5204-2, Laws, Regulations and DOE Directives.

H.50 DOE-H-2063 CONFIDENTIALITY OF INFORMATION (OCT 2014)

- (a) Performance of work under this contract may result in the Contractor having access to confidential information via written or electronic documents, or by virtue of having access to DOE's electronic or other systems. Such confidential information includes personally identifiable information (such as social security account numbers) or proprietary business, technical, or financial information belonging to the Government or other companies or organizations. The Contractor shall treat this information as confidential and agrees not to use this information for its own purposes, or to disclose the information to third parties, unless specifically authorized to do so in writing by the Contracting Officer.
- (b) The restrictions set out in paragraph (a) above, however, do not apply to –
 - (1) Information which, at the time of receipt by the Contractor, is in the public domain;
 - (2) Information which, subsequent to receipt by the Contractor, becomes part of the public domain through no fault or action of the Contractor;

- (3) Information which the Contractor can demonstrate was previously in its possession and was not acquired directly or indirectly as a result of access obtained by performing work under this contract;
 - (4) Information which the Contractor can demonstrate was received from a third party who did not require the Contractor to hold it in confidence; or
 - (5) Information which is subject to release under applicable law.
- (c) The Contractor shall obtain a written agreement from each of its employees who are granted access to, or furnished with, confidential information, whereby the employee agrees that he or she will not discuss, divulge, or disclose any such information to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the contract. The agreement shall be in a form satisfactory to the Contracting Officer.
 - (d) Upon request of the Contracting Officer, the Contractor agrees to execute an agreement with any party which provides confidential information to the Contractor pursuant to this contract, or whose facilities the Contractor is given access to that restrict use and disclosure of confidential information obtained by the Contractor. A copy of the agreement, which shall include all material aspects of this clause, shall be provided to the Contracting Officer for approval.
 - (e) Upon request of the Contracting Officer, the Contractor shall supply the Government with reports itemizing the confidential or proprietary information it receives under this contract and identify the source (company, companies or other organizations) of the information.
 - (f) The Contractor agrees to flow down this clause to all subcontracts issued under this contract.

H.51 DOE-H-2064 USE OF INFORMATION TECHNOLOGY EQUIPMENT, SOFTWARE, AND THIRD PARTY SERVICES - ALTERNATE II (OCT 2014)

- (a) Acquisition of Information Technology. The Government may provide information technology equipment, existing computer software (as described in 48 CFR 27.405), and third party services for the Contractor's use in the performance of the contract; and the Contracting Officer may provide guidance to the Contractor regarding usage of such equipment, software, and third party services. The Contractor is not authorized to acquire (lease or purchase) information technology equipment, existing computer software, or third party services at the Government's direct expense without prior written approval of the Contracting Officer. Should the Contractor propose to acquire information technology equipment, existing computer software, or third party services, the Contractor shall provide to the Contracting Officer justification for the need, including a complete description of the equipment, software or third party service to be acquired, and a lease versus purchase analysis if appropriate.

- (b) The Contractor shall immediately provide written notice to the Contracting Officer's Representative when an employee of the Contractor no longer requires access to the Government information technology systems.
- (c) The Contractor shall not violate any software licensing agreement, or cause the Government to violate any licensing agreement.
- (d) The Contractor agrees that its employees will not use, copy, disclose, modify, or reverse engineer existing computer software provided to it by the Government except as permitted by the license agreement or any other terms and conditions under which the software is made available to the Contractor.
- (e) If at any time during the performance of this contract the Contractor has reason to believe that its utilization of Government furnished existing computer software may involve or result in a violation of the software licensing agreement, the Contractor shall promptly notify the Contracting Officer, in writing, of the pertinent facts and circumstances. Pending direction from the Contracting Officer, the Contractor shall continue performance of the work required under this contract without utilizing the software.
- (f) The Contractor agrees to include the requirements of this clause in all subcontracts at any tier.
- (g) The Contractor shall comply with the requirements of those DOE directives, or parts thereof, identified elsewhere in the contract pursuant to the clause at DEAR 970.5204-2, Laws, Regulations and DOE Directives.

H.52 DOE-H-2065 REPORTING OF FRAUD, WASTE, ABUSE, CORRUPTION, OR MISMANAGEMENT (OCT 2014)

The Contractor shall comply with the following:

- (a) Notify employees annually of their duty to report allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems to an appropriate authority (e.g., OIG, other law enforcement, supervisor, employee concerns office, security officials). Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks; fraud; DOE environment, safety, and health violations; theft; computer crimes; contractor mischarging; conflicts of interest; and conspiracy to commit any of these acts. Contractors must also ensure that their employees are aware that they may always report incidents or information directly to the Office of Inspector General (OIG).
- (b) Display the OIG hotline telephone number in buildings and common areas such as cafeterias, public telephone areas, official bulletin boards, reception rooms, and building lobbies.
- (c) Publish the OIG hotline telephone number in telephone books and newsletters under the Contractor's cognizance.

- (d) Ensure that its employees report to the OIG within a reasonable period of time, but not later than 24 hours after discovery, all alleged violations of law, regulations, or policy, including incidents of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement, that have been referred to Federal, State, or local law enforcement entities.
- (e) Ensure that its employees report to the OIG any allegations of reprisals taken against employees who have reported to the OIG fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.
- (f) Ensure that its managers do not retaliate against DOE contractor employees who report fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.
- (g) Ensure that all their employees understand that they must –
 - (1) Comply with requests for interviews and briefings and must provide affidavits or sworn statements, if so requested by an employee of the OIG so designated to take affidavits or sworn statements;
 - (2) Not impede or hinder another employee's cooperation with the OIG; and
 - (3) Not take reprisals against DOE contractor employees who cooperate with or disclose information to the OIG or other lawful appropriate authority.
- (h) Seek more specific guidance concerning reporting of fraud, waste, abuse, corruption, or mismanagement, and cooperation with the Inspector General, in DOE directives.

H.53 DOE-H-2066 SAFEGUARDS AND SECURITY PROGRAM – ALTERNATE I (OCT 2014)

- (a) Pursuant to the clause at DEAR 952.204-2, Security, the Contractor agrees to comply with all security regulations and contract requirements as incorporated into the contract.
- (b) The Contractor shall comply with the requirements of those DOE directives, or parts thereof, identified elsewhere in the contract pursuant to the clause at DEAR 970.5204-2, Laws, Regulations and DOE Directives.

H.54 DOE-H-2068 CONFERENCE MANAGEMENT (OCT 2014)

The Contractor agrees that:

- (a) The Contractor shall ensure that contractor-sponsored conferences reflect the DOE/NNSA's commitment to fiscal responsibility, appropriate stewardship of taxpayer funds and support the mission of DOE/NNSA as well as other sponsors of work. In addition, the Contractor will ensure conferences do not include any activities that create the appearance of taxpayer funds being used in a questionable manner.
- (b) For the purposes of this clause, "conference" is defined in Attachment 2 to the Deputy Secretary's memorandum of August 17, 2015, entitled "Updated Guidance on Conference-Related Activities and Spending."

- (c) Contractor-sponsored conferences include those events that meet the conference definition and either or both of the following:
 - (1) The Contractor provides funding to plan, promote, or implement an event, except in instances where a contractor:
 - (i) covers participation costs in a conference for specified individuals (e.g. students, retirees, speakers, etc.) in a total amount not to exceed \$10,000 (by individual contractor for a specific conference) or
 - (ii) purchases goods or services from the conference planners (e.g., attendee registration fees, renting booth space).
 - (2) The Contractor authorizes use of its official seal, or other seals/logos/ trademarks to promote a conference. Exceptions include non-M&O contractors who use their seal to promote a conference that is unrelated to their DOE contract(s) (e.g., if a DOE IT contractor were to host a general conference on cyber security).
- (d) Attending a conference, giving a speech or serving as an honorary chairperson does not connote sponsorship.
- (e) The Contractor will provide information on conferences they plan to sponsor with expected costs exceeding \$100,000 in the Department's Conference Management Tool, including:
 - (1) Conference title, description, and date
 - (2) Location and venue
 - (3) Description of any unusual expenses (e.g., promotional items)
 - (4) Description of contracting procedures used (e.g., competition for space/support)
 - (5) Costs for space, food/beverages, audio visual, travel/per diem, registration costs, recovered costs (e.g., through exhibit fees)
 - (6) Number of attendees
- (f) The Contractor will not expend funds on the proposed contractor-sponsored conferences with expenditures estimated to exceed \$100,000 until notified of approval by the contracting officer.
- (g) For DOE-sponsored conferences, the Contractor will not expend funds on the proposed conference until notified by the contracting officer.
 - (1) DOE-sponsored conferences include events that meet the definition of a conference and where the Department provides funding to plan, promote, or implement the conference and/or authorizes use of the official DOE seal, or other seals/logos/ trademarks to promote a conference. Exceptions include instances where DOE:
 - (i) covers participation costs in a conference for specified individuals (e.g. students, retirees, speakers, etc.) in a total amount not to exceed \$10,000 (by individual contractor for a specific conference) or
 - (ii) purchases goods or services from the conference planners (e.g., attendee registration fees; renting booth space); or provide funding to the conference planners through Federal grants.

- (2) Attending a conference, giving a speech, or serving as an honorary chairperson does not connote sponsorship.
- (3) The Contractor will provide cost and attendance information on their participation in all DOE-sponsored conference in the DOE Conference Management Tool.
- (h) For non-contractor sponsored conferences, the Contractor shall develop and implement a process to ensure costs related to conferences are allowable, allocable, reasonable, and further the mission of DOE/NNSA. This process must at a minimum:
 - (1) Track all conference expenses.
 - (2) Require the Laboratory Director (or equivalent) or Chief Operating Officer approve a single conference with net costs to the contractor of \$100,000 or greater.
- (i) Contractors are not required to enter information on non-sponsored conferences in DOE'S Conference Management Tool.

Once funds have been expended on a non-sponsored conference, contractors may not authorize the use of their trademarks/logos for the conference, provide the conference planners with more than \$10,000 for specified individuals to participate in the conference, or provide any other sponsorship funding for the conference. If a contractor does so, its expenditures for the conference may be deemed unallowable.

H.55 DOE-H-2069 PAYMENTS FOR DOMESTIC EXTENDED PERSONNEL ASSIGNMENTS (OCT 2014)

- (a) Definition.

For purposes of this clause, "domestic extended personnel assignments" are defined as any assignment of contractor personnel to a domestic location different than their permanent duty station for a period expected to exceed 30 consecutive calendar days.
- (b) For domestic extended personnel assignments, the Contractor shall be reimbursed the lesser of temporary relocation costs (Temporary Change of Station allowances as described in the Federal Travel Regulation at §302-3.400 - §302-3.429) or a reduced per diem (Extended Travel Duty) in accordance with the allowable cost provisions of the contract and the following:
 - (1) When a reduced per diem method (Extended Travel Duty) is utilized, the allowances are as follows:
 - (i) Lodging. For the first 60 days and last 30 days of the assignment, the Government will reimburse costs associated with lodging at the lesser of actual cost or 100% of the Federal per diem rate at the assignment location. The intervening days lodging will be reimbursed at the lesser of actual cost or 55% of Federal per diem.

- (ii) Meals and Incidental Expenses. For the first 30 days and last 30 days of the assignment, the Government will reimburse costs associated with meals and incidental expenses (M&IE) at the lesser of actual cost or 100% of the Federal per diem rate at the assignment location. The intervening days M&IE will be reimbursed at the lesser of actual cost or 55% of Federal per diem.
- (2) The Government will not reimburse any costs associated with per diem (except for en-route travel) unless the contractor employee maintains a residence at the permanent duty station.
- (3) The Government will not reimburse costs associated with salary premiums, per diem, lodging, or other subsidies for contractor employees on domestic extended personnel assignments after 3 years (except for the reimbursements described above during the last 30 days of the assignment).
- (4) If an assignment has breaks within a three year period, the calculation of the total length of the assignment will be as follows: If the break between assignments is less than 12 months, the Government will consider the assignment continuous for purposes of the three year clock. For instance, if a contractor employee completes a 2 year assignment at location A and returns to his/her permanent duty station for 12 months, a subsequent new 2 year assignment back to location A will restart the 3 year clock. The assignments will be considered two separate 2 year assignments. On the other hand, if in the previous example the employee's return to his/her permanent duty station was 6 months, the Government would consider the second assignment to be a continuation of the first for purposes of the 3 year rule.
- (5) The Government will not reimburse costs associated with salary premiums that exceed 10%.
- (6) The Contractor shall include the substance of this clause in all subcontracts in which travel will be reimbursed at cost.

H.56 DOE-H-2070 KEY PERSONNEL – ALTERNATE I (OCT 2014) (DEVIATION)

- (a) Pursuant to the clause at DEAR 952.215-70, Key Personnel, the key personnel for this contract are identified below:

Name	Functional Positions
[Offeror Fill-In]	Program Manager
[Offeror Fill-In]	Chief Operating Officer <u>Operations Manager</u>
[Offeror Fill-In]	<u>Engineering and Technology Manager</u> Chief Financial Officer <u>Business Manager</u>
[Offeror Fill-In]	<u>Business Manager</u> Chief Engineering and Technology Manager
[Offeror Fill-In]	Regulatory Compliance Manager <u>Environment, Safety, Health, and Quality Manager*</u>
[Offeror Fill-In, if applicable]	[Offeror Fill-In, if applicable]

[Offeror Fill-In, if applicable]	[Offeror Fill-In, if applicable]
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*Manager responsible for environmental and regulatory compliance, performance assessments, and NDAA Section 3116 compliance.

In addition to the requirement for the Contracting Officer's approval before removing, replacing, or diverting any of the listed key personnel, the Contracting Officer's approval is also required for any change to the position assignment of a current key person.

(b) Key personnel team requirements. The Contracting Officer and designated Contracting Officer's Representative(s) shall have direct access to the key personnel assigned to the contract. All key personnel shall be permanently assigned to their respective positions.

(c) Definitions. In addition to the definitions contained in the clause at DEAR 952.215-70, the following shall apply:

(1) Key personnel are considered "managerial personnel" under the clause at DEAR 952.231-71, Insurance – Litigation and Claims.

(d) Contract fee reductions for changes to key personnel.

(1) Notwithstanding the approval by the Contracting Officer, any time the Program Manager is removed, replaced, or diverted within three (3) years of being placed in the position, the earned fee under the contract may be permanently reduced by \$1,000,000 for each and every such occurrence.

(2) Notwithstanding the approval by the Contracting Officer, any time ~~a key person other than the Program Manager~~the Operations Manager or Engineering and Technology Manager is removed, replaced, or diverted within three (3) years of being placed in the position, the earned fee may be permanently reduced by \$500,000 for each and every such occurrence; and any time the Business Manager or Environment, Safety, Health, and Quality Manager is removed, replaced, or diverted within two (2) years of being placed in the position, the earned fee may be permanently reduced by \$500,000 for each and every such occurrence.

(3) The Contractor may request in writing that the Contracting Officer consider waiving all or part of a reduction in earned fee. Such written request shall include the Contractor's basis for the removal, replacement, or diversion of any key personnel. The Contracting Officer shall have the unilateral discretion to make the determination to waive all or part of the reduction in earned fee.

H.57 DOE-H-2071 DEPARTMENT OF ENERGY DIRECTIVES (OCT 2014)

(a) In performing work under this contract, the Contractor shall comply with the requirements of those Department of Energy (DOE) directives, or parts thereof listed in Section J, Attachment J-4.

- (b) The Contracting Officer may, at any time, unilaterally amend this clause, or other clauses which incorporate DOE directives, in order to add, modify or delete specific requirements. Prior to revising the listing of directives, the Contracting Officer shall notify the Contractor in writing of the Department's intent to revise the list, and the Contractor shall be provided with the opportunity to assess the effect of the Contractor's compliance with the revised list on contract cost and funding, technical performance, and schedule, and identify any potential inconsistencies between the revised list and the other terms and conditions of the contract. Within 30 days after receipt of the Contracting Officer's notice, the Contractor shall advise the Contracting Officer in writing of the potential impact of the Contractor's compliance with the revised list. Based on the information provided by the Contractor and any other information available, the Contracting Officer shall decide whether to revise the listing of directives and so advise the Contractor not later than 30 days prior to the effective date of the revision.
- (c) Notwithstanding the process described in paragraph (b), the Contracting Officer may direct the Contractor to immediately begin compliance with the requirements of any directive.
- (d) The Contractor and the Contracting Officer shall identify and, if appropriate, agree to any changes to other contract terms and conditions, including cost and schedule, associated with the revision pursuant to the clause of this contract at FAR 52.243-2, Changes – Cost Reimbursement (Aug 1987) – Alt II and III (Apr 1984).
- (e) Regardless of the performer of the work, the Contractor is responsible for compliance with the requirements of this clause. The Contractor shall include this clause in all subcontracts to the extent necessary to ensure the Contractor's compliance with these requirements.

H.58 DOE-H-2072 USE OF GOVERNMENT VEHICLES BY CONTRACTOR EMPLOYEES (OCT 2014)

- (a) The Government will provide Government-owned and/or –leased motor vehicles for the Contractor's use in performance of this contract in accordance with the clause FAR 52.245-1, Government Property and FAR 52.251-2, Interagency Fleet Management System (IFMS) Vehicles and Related Services.
- (b) The Contractor shall ensure that its employees use and operate Government-owned and/or –leased motor vehicles in a responsible and safe manner to include the following requirements:
 - (1) Use vehicles only for official purposes and solely in the performance of the contract.
 - (2) Do not use vehicles for transportation between an employee's residence and place of employment unless authorized by the Contracting Officer.
 - (3) Comply with Federal, State and local laws and regulations for the operation of motor vehicles.

- (4) Possess a valid State, District of Columbia, or commonwealth's operator license or permit for the type of vehicle to be operated.
 - (5) Operate vehicles in accordance with the operator's packet furnished with each vehicle.
 - (6) Use seat belts while operating or riding in a Government vehicle.
 - (7) Do not use tobacco products while operating or riding in a Government vehicle.
 - (8) Do not provide transportation to strangers or hitchhikers.
 - (9) Do not engage in "text messaging" while operating a Government vehicle, which includes those activities defined in the clause at FAR 52.233-18, Encouraging Contractor Policies to Ban Text Messaging While Driving.
 - (10) In the event of an accident, provide information as may be required by State, county or municipal authorities and as directed by the Contracting Officer.
- (c) The Contractor shall -
- (1) Establish and enforce suitable penalties against employees who use, or authorize the use of Government vehicles for unofficial purposes or for other than in the performance of the contract; and
 - (2) Pay any expenses or cost, without Government reimbursement, for using Government vehicles other than in the performance of the contract.
- (d) The Contractor shall insert this clause in all subcontracts in which Government-owned and/or -leased vehicles are to be provided for use by subcontractor employees.

H.59 DOE-H-2075 PROHIBITION ON FUNDING FOR CERTAIN NONDISCLOSURE AGREEMENTS (OCT 2014)

The Contractor agrees that:

- (a) No cost associated with implementation or enforcement of nondisclosure policies, forms or agreements shall be allowable under this contract if such policies, forms or agreements do not contain the following provisions: "These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling."

- (b) The limitation above shall not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information.
- (c) Notwithstanding the provisions of paragraph (a), a nondisclosure or confidentiality policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure or confidentiality forms shall also make it clear that they do not bar disclosures to Congress, or to an authorized official of an executive agency or the Department of Justice, that are essential to reporting a substantial violation of law.

H.60 DOE-H-2076 LOBBYING RESTRICTIONS (OCT 2014)

The Contractor agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. § 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

IV. OTHER CLAUSES

H.61 ~~SELF-PERFORMED~~SUBCONTRACTED WORK

The Contractor shall subcontract (in accordance with the definition at FAR Subpart 44.1) at least 30% of the Total Estimated Cost of the contract (exclusive of contract fee and the maximum value under the IDIQ CLIN(s)). For the purposes of this clause, Service Level Agreements with other site contractors are considered to be subcontracts. The Contractor's subcontracted work shall be in compliance with its approved Small Business Subcontracting Plan at Section J, Attachment J-1. Subcontracts included in the Section H Clause entitled DOE-H-2058, Designation and Consent of Critical Subcontracts, and all other subcontracts issued count toward the fulfillment of the subcontracting and small business goals in this contract, as applicable. Unless otherwise approved in advance by the Contracting Officer, work to be performed by subcontractors selected after contract award shall be acquired through competitive procurements, with an emphasis on fixed-price subcontracts. The use of cost-type, time-and-materials, and labor-hour subcontracts shall be minimized.

One of the key elements of this contract is to achieve continued optimization and improvement in overall costs for CLINs. The subcontracting approach and Small Business Subcontracting Plan should identify timely, discrete, and meaningful scopes of work that can be competed amongst small business concerns after contract award when requirements are further defined. Meaningful work is defined as discrete and distinct technical or programmatic scopes of work within the PWS that directly contribute to the accomplishment of the mission.~~Within one year of contract award, unless otherwise~~

~~approved in advance by the Contracting Officer, the percentage of work which may be self-performed by the large business(es) of the Contracting Team Arrangement (as described in FAR 9.6, Contracting Team Arrangements), shall be limited collectively to not more than 70 percent (%) of the Total Estimated Contract Cost. If a small business is a member of the Contracting Team Arrangement, the small business portion is not part of the 70%. Unless otherwise approved in advance by the Contracting Officer, work to subcontractors outside of the Contracting Team Arrangement shall be performed through competitive procurements after contract award, with an emphasis on fixed-price subcontracts. The Contractor's subcontracted work shall be in compliance with the Contractor's approved Small Business Subcontracting Plan.~~

~~One of the key elements of this contract is to achieve continued improvement in overall costs for CLINs. This includes continuous optimization of costs. The subcontracting approach is to drive for development of discrete and meaningful scopes of work which can be competed after award of the Contract. The emphasis for subcontracts will be on lump sum fixed priced contracts, with appropriate options as necessary. The use of fixed unit rate and cost type subcontracts will be minimized. Meaningful work is defined as discrete and distinct technical or programmatic scopes of work within the PWS that directly contribute to the accomplishment of the mission.~~

H.62 PARENT ORGANIZATION SUPPORT

The Contracting Officer may, at its unilateral discretion, authorize parent organization support, and the corresponding indirect or direct costs, if a direct-benefiting relationship to DOE is demonstrated. All parent organization support shall be authorized in advance by the Contracting Officer.

If parent organization support is proposed by the Contractor or required by DOE, the Contractor shall submit for DOE review and approval, an annual Parent Organization Support Plan (POSP). The Contractor shall submit its initial POSP 60 days prior to: (1) the end of the Contract Transition Period; or (2) the commencement date of parent organization support proposed by the Contractor or required by the Government. Any subsequent POSP shall be submitted 90 days prior to the start of each year of Contract performance.

H.63 QUALITY ASSURANCE FOR WORK AFFECTING NUCLEAR SAFETY

The Contractor shall implement a Department of Energy (DOE) approved Quality Assurance Program (QAP) in accordance with the current revisions of the Environmental Management (EM) QAP, EM-QA-001, prior to commencement of work affecting nuclear safety. The EM QAP provides the basis to achieve quality across the EM complex for all mission-related work while providing a consistent approach to Quality Assurance (QA).

EM requires that American Society of Mechanical Engineers (ASME) NQA-1-2008, "Quality Assurance Requirements for Nuclear Facility Applications," and addenda through 2009 to be implemented as part of the Contractor's QA Program for work affecting nuclear safety. The required portions of NQA-1 to be implemented include: 1) Introduction; 2) Part I; and 3) Applicable portions of Part II. NQA-1 Parts III and IV are to be used as guidance for the Contractor's QAP and implementing procedures. Contractors have three options for complying with this contract requirement:

1. Develop and submit for DOE approval a new QAP;
2. Adopt the prior Contractor's DOE-approved QAP; or,
3. Modify the prior Contractor's DOE-approved QAP and submit it for DOE approval.

Development of a new QAP, or adoption of an existing or modified version of a QAP from a prior contractor, does not alter a contractor's legal obligation to comply with 10 CFR 830, other regulations affecting QA and DOE Order 414.1D.

The Contractor's QAP shall describe the overall implementation of the EM QA requirements and shall be applied to all work performed by the Contractor (e.g., research, design/engineering, construction, operation, budget, mission, safety, and health). Specifically, the contractor's QAP shall also describe the supply chain for electronic subcomponents, require procurement of sub-components only from original equipment manufacturers or original equipment manufacturer authorized distributors, and require electronic subcomponents be procured from vendors with a documented successful history with the supplier. The Contractor shall develop and implement a comprehensive Issues Management System for the identification, assignment of significance category, and processing of nuclear safety-related issues identified within the Contractor's organization. The significance assigned to the issues shall be the basis for all actions taken by the Contractor in correcting the issue from initial causal analysis, reviews for reporting to DOE, through completion of Effectiveness Reviews, if required based on the seriousness of the issue.

The Contractor shall, at a minimum, annually review and update as appropriate, their QAP. The review and any changes shall be submitted to DOE for approval. Changes shall be approved before implementation by the Contractor.

H.64 ENVIRONMENTAL RESPONSIBILITY

- (a) General. The Contractor is required to comply with all environmental laws, regulations, directives, orders, and procedures applicable to the work being performed under this contract. This includes, but is not limited to, compliance with applicable federal, state and local laws and regulations, permits, interagency agreements such as consent orders, consent decrees, and settlement agreements between the U. S. Department of Energy (DOE) and federal and state regulatory agencies.
- (b) Environmental Permits. This paragraph addresses three permit scenarios, where the Contractor is the sole permittee; where the Contractor and DOE are joint permittees; and where multiple contractors are permittees.
 - (1) Contractor as Sole Permittee. To the extent permitted by law and subject to other applicable provisions of the contract that impose responsibilities on DOE, and provisions of law that impose responsibilities on DOE or third parties, the Contractor shall be responsible for obtaining in its own name, shall sign, and shall be solely responsible for compliance with all permits, authorizations and approvals from federal, state, and local regulatory agencies which are necessary for the performance of the work required of the Contractor under this contract. Under this permit scenario, the Contractor shall make no commitments or set

precedents that are detrimental to DOE or other contractors. The Contractor shall coordinate its permitting activities with DOE, and with other contractors which may be affected by the permit or precedent established therein, prior to taking the permit action.

- (2) DOE as Permittee, or Contractor and DOE as Joint Permittees. Where appropriate, required by law, or required by applicable regulatory agencies, DOE will sign permits as permittee, or as owner or as owner/operator with the Contractor as operator or co-operator, respectively. DOE will co-sign hazardous waste permit applications as owner/operator where required by applicable law. In this scenario, the Contractor shall coordinate its actions with DOE. DOE is responsible for timely notification to the Contractor of any issues or changes in the regulatory environment that impact or may impact contractor implementation of any permit requirement. The Contractor shall be responsible for timely notification to DOE of any issues or changes in the regulatory environment that impact or may impact contractor implementation of any permit requirement.
 - (3) Multiple Contractors as Permittees. Where appropriate, in situations where multiple contractors are operators or co-operators of operations requiring environmental permits, DOE will sign such permits as owner or co-operator and affected contractors shall sign as operators, or co-operators. In this scenario, the Contractor shall coordinate as appropriate with DOE and other contractors affected by the permit.
- (c) Permit Applications. The Contractor shall provide to DOE for review and comment in draft form any permit applications and other regulatory materials necessary to be submitted to regulatory agencies for the purposes of obtaining a permit. Whenever reasonably possible all such materials shall be provided to DOE initially not later than 90 days prior to the date they are to be submitted to the regulatory agency. The Contractor shall normally provide final regulatory documents to DOE at least 30 days prior to the date of submittal to the regulatory agencies for DOE's final review and signature or concurrence. Special circumstances may require permits to be submitted in a shorter time frame. As soon as the Contractor is aware of any such special circumstance, the Contractor will provide notice to DOE as to the timeframe in which the documents will be submitted to DOE. The Contractor may submit for DOE's consideration, requests for alternate review, comment, or signature, schedules for environmental permit applications or other regulatory materials covered by this Clause. Any such requests shall be submitted 30 days before such material would ordinarily be required to be provided to DOE. Any such schedule revision shall be effective only upon approval from the Contracting Officer.
- (d) Copies, Technical Information. The Contractor shall provide DOE copies of all environmental permits, authorizations, and regulatory approvals issued to the Contractor by the regulatory agencies. DOE will, upon request, make available to the Contractor access to copies of all environmental permits, authorizations, and approvals issued by the regulatory agencies to DOE that the Contractor may need to comply with under applicable law. The Contractor and DOE will provide to each other copies of all documentation, such as, letters, reports, or other such materials transmitted either to or from regulatory agencies relating to the contract work. The Contractor and DOE shall maintain all necessary technical information required to

support applications for revision of DOE or other Site contractor environmental permits when such applications or revisions are related to the Contractor's operations. Upon request, the Contractor or DOE shall provide to the other access to all necessary and available technical information required to support applications for or revisions to permits or permit applications. The Contractor shall provide to DOE a certification statement relating to such technical information in the form required by the following paragraph.

- (e) Certifications. The Contractor shall provide a written certification statement attesting that information DOE is requested to sign was prepared in accordance with applicable requirements. The Contractor shall include the following certification statement in the submittal of such materials to DOE:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

The certification statement shall be signed by the individual authorized to sign such certification statements submitted to federal or state regulatory agencies under the applicable regulatory program.

H.65 PARTNERING

In order to most effectively accomplish this Contract, the Government proposes to form a cohesive partnership with the Contractor. It is a way of doing business based upon trust, dedication to common goals, and an understanding and respect of each other's expectations and values. The process creates a teambuilding environment which fosters better communication and problem solving, and a mutual trust between the participants. These key elements create a climate in which issues can be raised, openly discussed, and jointly settled, without getting into an adversarial relationship. In this way, partnering is a mindset, and a way of doing business. It is an attitude toward working as a team, and achieving successful project execution. This endeavor seeks an environment that nurtures team building cooperation, and trust between the Government and the Contractor. The partnership strives to draw on the strengths of each organization in an effort to achieve a quality project done right the first time, within budget, and on schedule.

Participation in the partnership will be totally voluntary by the parties. Any cost associated with effectuating this partnership will be ~~agreed to by both parties during~~ Contract performance accounted for in accordance with the terms of the Contract.

H.66 NNSA/EM STRATEGIC SOURCING PARTNERSHIP

The contractor shall participate in the National Nuclear Security Administration (NNSA)/Environmental Management (EM) Strategic Sourcing Partnership. Under this

partnership, EM contractors shall work with the NNSA/EM Supply Chain Management Center (SCMC) to yield an enterprise-wide, synergistic strategic sourcing solution that leverages NNSA and EM purchasing power to gain pricing, processing, and report efficiencies to reduce costs overall for the Government.

H.67 INTEGRATED WORK CONTROL SYSTEMS AND REPORTING REQUIREMENTS ~~WHEN EVMS IS REQUIRED (MAR-APR 20126)~~

A. Management of Work

The Contractor shall manage the planning, execution and reporting of the work described in Section C - Performance Work Statement using the Contract Performance Baseline (CPB). In the past, the Department of Energy (DOE) has used a separate approach to manage capital asset projects and operations activities. The operations activities were managed using Fiscal Year Work Plans. However, this has caused confusion and blurred the necessary focus on the CPB as the management tool for the planning, execution and reporting for the work in the contract. The focus on the CPB is also essential to ensure continued alignment is maintained between the contract and the performance of work.

The Initial Contract Performance Baseline shall reflect the Work Breakdown Structure (WBS), schedule and costs contained in the Contractor's proposal, ~~with any revisions resulting from negotiations, leading to Contract award.~~ The WBS reflects the format of the work established in the PWS. All of the work activities are expected to be managed with a consistent approach. The ~~PWS-Government will~~shall designate capital asset projects, which shall have additional planning, execution and reporting requirements as outlined in DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*, dated November 29, 2010, and its associated Guides.

B. Preparation of Work Activities

As part of the planning and execution of the work described in Section C – Performance Work Statement, the Contractor ~~will~~shall incorporate the principles in Office of Management and Budget (OMB) A-131, Value Engineering, December 26, 2013; GAO Cost Estimating and Assessment Guide, GAO-09-3SP, March 2009; GAO Schedule Assessment Guide, GAO-16-89G, December 2015; ~~and~~ GAO Report on DOE AND NNSA Project Management, Analysis of Alternatives Could Be Improved by Incorporating Best Practices, GAO-15-37, December 2014; ~~and~~ NDIA Planning and Scheduling Excellence Guide, Version 2.0, June 2012.

OMB Circular A-131 provides guidance to support the sustained use of value engineering to reduce program and acquisition costs, improve performance, enhance quality, and foster the use of innovation. Value engineering is a structured technique commonly used in program management to optimize the overall value of the program. Often, creative strategies will be employed in an attempt to achieve the lowest life-cycle cost available for the program activities. The value engineering effort is a planned, detailed review/evaluation of program activities to identify alternative approaches to providing the needed assets.

The GAO Cost Estimating and Assessment Guide provides the purpose, scope, and schedule of a cost estimate; a technical baseline description; a ~~work-breakdown structure (WBS)~~; ground rules and assumptions; how to collect data; estimation methodologies; software cost estimating; sensitivity and risk analysis; validating a cost estimate; documenting and briefing results; updating estimates with actual costs; Earned Value Management System (EVMS); and the composition of a competent cost estimating team.

The GAO Schedule Assessment Guide develops the scheduling concepts introduced in the *Cost Estimating and Assessment Guide* and presents them as ten best practices associated with developing and maintaining a reliable, high-quality schedule. Rolling Wave or Block Planning is another recognized best practice in both the GAO Schedule Guide and NDIA Planning and Scheduling Excellence Guide

The GAO report on Analysis of Alternatives identifies 24 best practices for analysis of alternatives – a process that is a key first step in the development of work activities, whether waste processing, soil and water remediation, facility demolition, facility operations or infrastructure improvements. The process entails identifying, analyzing, and selecting a preferred alternative to best meet the mission need by comparing the operational effectiveness, costs, and risks of potential alternatives. These best practices include, among other things, defining functional requirements based on mission need, conducting the Analysis of Alternatives without a predetermined solution, including the status-quo alternative, and conducting an independent review of the entire Analysis of Alternatives process.

C. Project Control System

The Contractor shall establish, maintain and use an ~~Earned Value Management System (EVMS)~~ that accurately records and reports the contract performance against the requirements of the ~~eContract~~ and accurately reflects the total estimated cost of the Contract exclusive of fee ~~as stated in Section B of the Contract~~ for the work scope and period of performance being authorized. The EVMS shall be consistent with DOE and EM policies and guidance for work activities. The work control system shall employ either a standardized or a tailored Earned Value Management method and shall be consistent with applicable DOE and EM policies and guidance.~~The Contractor shall submit a Project Controls System Description (PCSD) during the Contract Transition Period that documents the existence of the project controls system specified by this Contract.~~

The ~~Earned Value Management System~~EVMS Description and its implementation shall comply with the ~~American National Standards Institute (ANSI)~~ Electronic Industries Alliance (EIA)-748 (current) EVMS Standard.

The requirements of this clause are in addition to the applicable requirements of DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*. The CPB shall include and reflect the DOE 413.3B requirements for capital asset projects.

D. Baseline Development and Performance Reporting

The Contractor's planning and performance reporting processes should provide DOE with the supporting data for an independent assessment of the Contractor's work execution plan, basis of cost and schedule estimates for work packages and planning packages, measurement basis of progress reporting and change control process. For the Contract, the estimated cost plus the estimated fee equals the estimated price. The CPB represents the cost, schedule, and scope as it relates to the total estimated cost of the Contract exclusive of fee ~~as stated in Section B of the Contract~~ for the work scope and performance period being authorized.

The CPB cost and schedule allocations must be documented at a WBS level where work activities, their costs and schedule, are planned and controlled by the Contractor to demonstrate that the Contractor understands the complexity of work, and has put in place the planning and management processes and qualified personnel to execute the work in a safe and efficient manner.

The CPB will be reviewed by DOE and must be approved by the Contracting Officer (CO). Once the CPB is approved, the Contractor shall follow the approved change control process.

1. Initial Contract Performance Baseline Submittal

- a. Within the Contract Transition Period ~~as defined in this Contract~~, the Contractor shall develop and submit for CO approval:
 - (i) The Initial CPB for the Contract performance period that reflects the Contractor's scope, cost and schedule as contained in the Contractor's proposal. ~~proposal with any revisions resulting from negotiations leading to Contract award.~~
 - (ii) The Contractor shall submit a Project Controls System Description (PCSD) that documents the existence of the project controls system specified by the Contract.
 - ~~(ii)(iii) The Contractor's scope, cost and schedule proposal incorporated uncertainties and risks into the proposed quantities and unit rates. After award, for execution of the contract, If~~ the Contractor chooses to develop a CPB designating Management Reserve, the Contractor must restructure the proposal and Basis of Estimates to aggregate the uncertainties and risks into Management Reserve. Thus, the Performance Measurement Baseline plus the Management Reserve will equal the CPB. If the Contractor chooses not to designate Management Reserve, the Performance Measurement Baseline will equal the CPB.
 - ~~(iii) If the Contractor chooses to designate Management Reserve, the Initial CPB will reflect the restructured proposal where the Performance Measurement Baseline plus Management Reserve equals the Contractor's cost, scope and schedule at the time of award.~~
 - (iv) During the Transition Period, the DOE and the Contractor will strive to true-up the ~~e~~CContract based on the conditions at the time of award to include the following:
 - (1) Reconcile contract scope and conditions with changes since the final RFP was issued, such as: labor rate revisions, environmental

- regulatory milestone changes, adjusted pension payments, funding profile, etc.
- (2) Reconcile the cleanup progress the ~~incumbent-previous~~ contractor actually made by the end of the contract period compared with what was assumed in the final RFP
 - (3) Definitize "~~pluggedDOE-provided~~" costs
 - (4) Reconcile "material differences" proposed by the Contractor
 - (5) Consider DOE proposed changes which may have been developed since the final RFP was issued
 - ~~(6) Consider any changes to the Work Breakdown Structure proposed by the Contractor~~
 - (v) The Initial CPB covers approximately the first 15 months of performance starting from the Notice to Proceed (~~this will include including the 90-day Transition period and the first 12 months after the end of the Transition period~~).
 - (vi) The Contracting Officer will notify the Contractor of the exact timeframe to be used for the Initial CPB and may desire to align the Initial CPB with the fiscal year.
- b. If Contract modifications are negotiated within the Contract Transition Period, the Contractor shall incorporate these approved modifications into the Initial CPB. Subsequent modifications negotiated after the Contract Transition Period ~~will shall~~ be incorporated in the Initial CPB through contract modification and baseline change approvals.
 - c. The Contractor shall immediately begin performance reporting against the Initial CPB as submitted to the Contracting Officer. If the Contractor is required to have a certified EVMS compliant with ANSI-EIA 748 (current version), the Initial CPB must have the necessary data elements to support EVMS certification requirements.

2. Final Contract Performance Baseline (CPB) Submittal

- a. During the first six months after the Contract Transition Period, in addition to performing and reporting progress against the Initial CPB, the Contractor shall develop and submit for approval by the Contracting Officer the Final CPB which details plans for the entire contract scope ~~and through the end of the~~ period of performance.
- b. The Final CPB shall incorporate the Contractor's WBS (consistent with Section J, Attachment J-3) for the entire contract scope. The WBS represents the lower level of detail from the PWS (Section C).
- ~~b.c.~~ The Final CPB represents the scope, cost, and schedule, and the entire scope and entire through the end of the period of performance as it relates to the total estimated cost of the Contract exclusive of fee ~~as stated in Section B.~~
- ~~e.d.~~ The Contractor shall provide monthly status reports regarding the CPB document preparation progress to the CO.
- ~~d.e.~~ The Final CPB submittal shall include both a hard copy and electronic files.

3. CPB and Contract Alignment

It is critically important that the CPB remain aligned with the Contract, including any modifications, throughout the Contract period of performance. The Government ~~shall~~ will withhold all ~~subjective-award~~ fee payments until the Contractor has obtained the CO's approval of the Final CPB. Similarly, if at any time during the contract performance there is a significant mis-alignment of the CPB with the Contract, all ~~subjective-award~~ fee payments will be withheld until alignment is re-established.

4. Contract Baseline Management

- a. The approved CPB is the source document for reporting scope, cost and schedule performance. The CPB and changes to the CPB (initial and final CPB) at all levels shall be managed using formal documented procedures as approved by the CO. The CPB does not replace or modify the Contract terms and conditions and does not create DOE obligations.
- b. The CPB must remain aligned with the Contract. For the cost element, alignment means that the total cost of all the CPB scope must equal total estimated cost of the Contract exclusive of fee ~~as stated in Section B of the Contract; for the schedule element, alignment means that the end date of final CPB schedule is the same as the contract end date; for the schedule element, alignment means that the end date of final CPB schedule is the same as the contract end date;~~ and for the scope element, alignment means that the WBS supporting the final CPB includes all scope in the contract ~~Performance Work Statement~~.
- c. If a change to the Contract scope is required and is in accordance with the Changes clause, the Contractor shall submit the CPB change proposal concurrently with a request for Contract change proposal to the CO within 60 days. If the CO issues a unilateral or bilateral Contract modification, the Contractor shall submit a revised CPB in accordance with direction accompanying the Contract modification.

5. Reviews

- a. After ~~completion of the Contract Transition Period and~~ receipt of the Contractor's Final CPB, DOE will complete its review to determine whether ~~it~~ the Final CPB meets the terms and conditions of the Contract. In cases where it doesn't meet the requirements, the Contractor shall submit a corrective action plan to the CO for DOE approval within 15 days of receipt of DOE's comments. All corrective actions shall be completed in the time-frames established in the approved corrective action plan.
- b. Certification Review of Contractor's EVMS:
 - (i) Due to the requirement for a certified EVMS, the Contractor shall begin earned value reporting no later than the end of the Contract Transition Period. The Contractor shall initiate discussions with the CO within 15 days after ~~award~~ NTP to schedule an EVMS certification review ~~and~~, when three months of earned value data is available (and no later than six months after the Contract Transition Period), the Contractor shall have

in place all documentation necessary to obtain EVMS certification in conformance with ~~ANSI~~/EIA-748 standards. The Contractor shall provide the CO, or designated representative(s), access to any and all information and documents supporting the Contractor's project control and reporting system. If the Contractor chooses to use a tailored EVMS, the system must be reviewed for conformance with EIA-748 standards commensurate to the EVMS principles employed by the Contractor.

- (ii) ~~If~~^{Since} this ~~eC~~Contract contains Capital Asset Projects, the EVMS shall be evaluated for compliance with the ~~ANSI~~-EIA-748 standard and certified in accordance with DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*

6. Performance Reporting

The Contractor shall submit the Contractor's Monthly Performance Report to the CO with a copy to the Office of Project Assessment at ContractorsMPR@hq.doe.gov not later than the fifth business day prior to the end of each calendar month. (The CO can set an earlier due date at the discretion of the site if needed.) The report will provide the prior month's performance for each CPB segment and an update of the performance to date. Format, timing, and manner of reporting will vary based on the type of work in the CPB segment. For the monthly reporting requirements for the various types of projects, contracts, or operating activities, see the pertinent contract section(s) in addition to the requirements below.

For contractors using standardized EVMS, the Monthly Performance Report will include the following sections:

The Monthly Performance Report for each CPB segment will include Contract Performance Reports (CPR) formats 1, 3, 5, and 6 and a Contract Funds Status Report (CFSR) unless the contract specifies otherwise. The CPRs shall be provided in the format forms referenced in Integrated Program Management Report (IPMR) Data Item Description (DID) DI-MGMT-81861 unless the contract specifies otherwise. The CFSR shall be provided in accordance with Data Item Description, DI-MGMT-81468, Contract Funds Status Report (CFSR) or equivalent.

The Monthly Performance Report shall also include an executive summary comprising the following sections:

1. A concise narrative of the project status including scope accomplished during the reporting period, near term activities to be performed, and whether project is on target to meet objectives and whether any new risks have been identified
2. An update of the schedule with details of deviations from the critical path or near critical path, their root cause, and potential impacts to the project
3. Explanation of near term milestones and deliverables at risk of being missed
4. Discussion of corrective actions currently in place to address performance issues including initiation date of corrective actions
5. A short narrative explaining any funding issues

6. Information on any safety or quality matters that emerged or persisted during the reporting month

For contractors using a tailored EVMS method or an alternate performance management method, the Monthly Performance Report will include the following sections:

1. A concise narrative of the performance status including scope accomplished during the reporting period, near term activities to be performed, and whether performance is on target to meet objectives and whether any new risks have been identified
2. Progress on contract specific performance metrics
3. Status of contract milestones and contract deliverables
4. A short narrative on performance issues and concerns, including an explanation of any variances from the Contractor's work plan
5. Discussion of corrective actions currently in place to address performance issues including initiation date of corrective actions
6. Any updates/revisions of the schedule
7. Information on any safety or quality matters that emerged or persisted during the reporting month

If the CPB consists primarily of Level of Effort (LOE) activities, the status report will tabulate planned versus actual cost by major functions as agreed to between the Contractor and the CO.

[Note: Integrated Planning, Accountability and Budgeting System (IPABS) is the central repository for EM planning and performance data. Contractor Monthly Performance Report is used by the site or field office to enter the monthly performance data into IPABS.]

~~The Contractor shall submit the Contractor's Monthly Performance Report to the CO with a copy to the Office of Project Assessment in the Office of Environmental Management at ContractorsMPPR@hq.doe.gov not later than the eighth business day prior to the end of each calendar month. The report will provide the prior month's performance for each WBS activity and an update of the performance to date. For the monthly reporting requirements, the following will be provided.~~

~~Contract Performance Reports in the following seven formats unless specified otherwise. For instructions on how to fill the forms refer to DI-MGMT-81861 (item A.3.f.).~~

- ~~Format 1, DD Form 2734/1, March 05, Work Breakdown Structure~~
- ~~Format 2, DD Form 2734/2, March 05, Organizational Categories~~
- ~~Format 3, DD Form 2734/3, March 05, Baseline~~
- ~~Format 4, DD Form 2734/4, March 05, Staffing; and~~
- ~~Format 5, Form Number: N/A, Explanations and Problem Analysis~~
- ~~Format 6, Form Number: N/A, Integrated Master Schedule~~
- ~~Format 7, Form Number: N/A, Electronic History and Forecast File~~

~~Explanations as outlined in the American National Standards Institute, Earned Value Management System Guidelines ANSI/EIA-748-C, dated June 2007 (or most current version); Primavera Project Manager version P6 (or most current version) for scheduling activities to ensure standardization Data Item Description, DI-MGMT-81468, Contract Funds Status Report (CFSR) or equivalent Over Target Baseline and Over Target Schedule Guide, OUSD AT&L (PARCA), December 5, 2012 For Capital Asset Projects:~~

~~DOE Order 413.3B, Program and Project Management for the Acquisition of Capital Assets, dated November 29, 2010 and its associated Guides Contractor Project Performance (CPP) Upload Requirements for Project Assessment and Reporting System (PARS II), Version 1.7, dated June 25, 2011 (or most current version) Interconnection Security Agreement for Project Assessment and Reporting System (PARS II), Version 1.6, dated June 30, 2010 (or most current version); PARS II New Contractor Information for Interconnection Security Agreement, V1.0, November 18, 2010 (or most current version);~~

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION L

INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

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L.1 ~~DOE-L-2018 PREBID/PREPROPOSAL CONFERENCE (OCT 2015) RESERVED~~

~~(a) A prebid/preproposal conference will be held as indicated below:~~

~~TIME: TBD
DATE: TBD
PLACE: TBD~~

~~(b) During this conference the Government will review the contract requirements, the proposal submission requirements and the evaluation process.~~

~~(c) Any questions to be answered during the conference must be submitted via email to SRSLiquidWaste@emcbc.doe.gov no later than seven days prior to the conference. Written questions will also be taken at the conference, but answers may not be provided at that time. All questions and answers, including those not answered at the conference will be provided via the procurement website.~~

~~(d) Attendance at the conference is not mandatory. The Government will not reimburse any offeror for expenses related to attendance of this conference. Registration information can be found at <https://www.emcbc.doe.gov/SEB/SRSLiquidWaste/>.~~

L.2 DOE-L-2019 SITE VISIT (OCT 2015)

(a) A site visit will be held as indicated below:

TIME: ~~TBD~~8:00 AM
DATE: ~~TBD~~June 29, 2016
PLACE: ~~TBD~~Savannah River Site

~~(b) Any questions to be answered during the site visit must be submitted via email to SRSLiquidWaste@emcbc.doe.gov no later than seven days prior to the site visit. Written questions will also be taken at the site visit, but answers may will not be provided at that time. All questions and answers, including those not answered at the site visit will be provided via the procurement website.~~

~~(c)~~(b) Attendance at the site visit is not mandatory. The Government will not reimburse any offeror for expenses related to attendance of this site visit. Registration information can be found at <https://www.emcbc.doe.gov/SEB/SRSLiquidWaste/>.

~~(d)~~(c) Offerors are urged and expected to inspect the site where services are to be performed and satisfy themselves regarding all general and local conditions that may affect the cost of performance, to the extent that the information is reasonably obtainable. In no event shall failure to inspect the site constitute grounds for a claim after contract award.

L.3 FAR 52.216-1, TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a performance based contract that includes Cost-Plus-Award-Fee (CPAF), Cost Reimbursable (CR) (non-fee bearing), and

Indefinite-Delivery Indefinite-Quantity (IDIQ) type Contract Line Item Numbers (CLINs) resulting from this solicitation.

L.4 DOE-L-2017 EXPENSES RELATED TO OFFEROR SUBMISSIONS (OCT 2015)

This solicitation does not commit the Government to pay any costs incurred in the submission of any proposal or bid, or in making necessary studies or designs for the preparation thereof or for acquiring or contracting for any services relating thereto.

L.5 DOE-L-2022 ALTERNATE BID/PROPOSAL INFORMATION – NONE (OCT 2015)

Alternate bid/proposals are not solicited, are not desired, and will not be evaluated.

L.6 DOE-L-2024, NOTICE OF INTENT – USE OF NON-FEDERAL EVALUATORS AND ADVISORS (OCT 2015)

The Government may utilize non-federal advisors and/or advisors or other non-Federal support personnel for evaluating proposals received in response to this solicitation. Such personnel shall be required to sign nondisclosure agreements and to comply with personal and organizational conflicts of interest requirements in accordance with the FAR and DEAR 915.207-70(f)(5) and (6). Under the statutes governing procurement integrity, these non-federal personnel may not disclose any information learned by participating in this acquisition. See the ~~the~~ Procurement Integrity Act, 41 U.S.C. §§ 2101-2107.

L.7 DOE-L-2025 INTENTION TO BID/PROPOSE (OCT 2015)

In order to facilitate the efficiency of the Government's solicitation and award process through advance information on the anticipated number of offers, potential offerors are requested to submit the name, address and telephone number of its firm or organization and any subcontractors to SRSLiquidWaste@emcbc.doe.gov not later than ~~44-28~~ calendar days prior to the proposal due date. If the bid/proposal is to be submitted by a teaming arrangement, the offeror is requested to submit the above information for all members of the proposing team.

L.8 FAR 52.252-1, SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at these addresses:

<https://www.acquisition.gov/far/>

<http://energy.gov/management/downloads/searchable-electronic-department-energy-acquisition-regulation>

The following solicitation provisions are incorporated by reference:

FAR/DEAR Reference	Title	<u>Fill-In Information</u> See FAR 52.104(d)
FAR 52.204-7	System for Award Management (Jul 2013)	
FAR 52.204-16	Commercial and Government Entity Code Reporting (Jul 2015)	
FAR 52.215-1	Instructions to Offerors – Competitive Acquisition (Jan 2004)	
FAR 52.215-16	Facilities Capital Cost of Money (Jun 20132003)	
FAR 52.215-22	Limitations on Pass-Through Charges—Identification of Subcontract Effort (Oct 2009)	
FAR 52.222-5	Construction Wage Rate Requirements – Secondary Site of the Work (May 2014)	
FAR 52.222-23	Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity for Construction (Feb 1999)	<u>(b) Minority Goal: 27.2%;</u> <u>Female Goal: 6.9%</u> <u>(e) Aiken, Aiken County, South Carolina</u>
FAR 52.222-24	Pre-Award On-Site Equal Opportunity Compliance Evaluation (Feb 1999)	
FAR 52.222-46	Evaluation of Compensation for Professional Employees (Feb 1993) <u>The requirement for a Total Compensation Plan is considered to be otherwise satisfied based on compliance with the proposal preparation instructions in this Section.</u>	
FAR 52.237-1	Site Visit (Apr 1984)	
DEAR 952.219-70	DOE Mentor-Protégé Program (May 2000)	
DEAR 952.227-84	Notice of Right to Request Patent Waiver (Feb 1998)	
DEAR 952.233-4	Notice of Protest File Availability (Aug 2009)	
DEAR 952.233-5	Agency Protest Review (Sep 1996)	

L.9 OFFER ACCEPTANCE PERIOD

The offeror's proposal shall be valid for 365 calendar days after the required due date for proposals.

**L.10 DOE-L-2001 PROPOSAL PREPARATION INSTRUCTIONS – GENERAL –
ALTERNATE I AND ALTERNATE II (OCT 2015)**

~~(a) (a) Definitions.~~

(1) Offeror. The term “offeror,” as used in this Section L, refers to the single entity submitting the proposal. ~~The offeror shall be a legal entity separate from its parent organization(s), whose sole purpose is to perform the contract, in accordance with the clause DOE-H-2015, Separate Corporate Entity.~~ The offeror may be a single corporation or a “contractor team arrangement” as defined in FAR 9.601(1), for example, a limited liability company, limited liability partnership, joint venture, or similar entity or arrangement. The offeror may be an existing or newly formed business entity. If the offeror is a newly formed entity, it must be legally established on or before the date for submission of proposals. (See Volume I instructions regarding any requirement for a performance guarantee agreement.)

~~(4)(2)~~ Critical subcontractor. A “critical subcontractor” is a subcontractor, at any tier, with specialized capabilities performing technical work scope necessary to execute the offeror’s proposed approach to completion of contract performance requirements in the Performance Work Statement, regardless of the subcontract value. Any proposed subcontract with an estimated value more than \$250M over the contract period (including option years) is considered to be a critical subcontractor.

(b) Availability of the solicitation, amendments, and other documents.

(1) In order to further the Government policy of maximizing electronic commerce and making the acquisition process optimally cost effective, electronic media will be used for distributing the solicitation, amendments thereto, and other documents to the public. These documents will be posted via the FedConnect website at: <https://www.fedconnect.net>, and through the Federal Business Opportunities website at www.fbo.gov. ~~This~~^{these} electronic medium~~s~~^s will constitute the official distribution method for this solicitation. All amendments and any other official communications from DOE regarding this solicitation will be posted through this medium. Offerors and all other interested parties are responsible to maintain continual surveillance of the website to remain abreast of the latest available information (offerors and other interested parties are encouraged to utilize the website’s “Notifications” feature). No changes to this solicitation will be effective unless the changes are incorporated into the solicitation by an amendment. No other communication, whether oral or in writing, will modify or supersede the terms of the solicitation.

(2) The solicitation, amendments, reference documents, and other communications are also available through the procurement website at <https://www.emcbc.doe.gov/SEB/SRSLiquidWaste/> and a reading room for general documents on DOE programs are available at the following website: <http://researchguides.usca.edu/govdocsusca>. Sensitive information such as Official Use Only (OUO) information will require the offeror to complete and return a Non-Disclosure Agreement as instructed on the procurement website.

A physical reading room is located in the Gregg-Graniteville Library on the University of South Carolina, Aiken Campus, at 471 University Parkway, Aiken, SC 29801. The reading room is open 8:00 am to 5:00 pm, and the phone number is 803-641-3320.

(c) Submission of proposals.

- (1) The offeror must be registered in FedConnect at <https://www.fedconnect.net>. The offeror must also be registered in the System for Award Management (SAM) at <https://www.sam.gov>.
- (2) Offerors must submit proposals electronically through FedConnect by the date and time specified in Standard Form 33, Solicitation, Offer and Award, in Section A of this solicitation and other provisions of Section L. It is imperative that the offeror read and understand how to submit its proposal using the FedConnect web portal. All proposal documents required by this solicitation must be uploaded, submitted, and received in their entirety in the FedConnect Responses web portal no later than ~~[FBD; August 29, 2016- at 1500 Eastern Daylight Time]~~insert proposal due date. Failure to submit a response that is received through the FedConnect Responses web portal by the stated time and date may result in the proposal not being considered. By submitting a proposal, the offeror agrees to comply with all terms and conditions as set forth in this solicitation. DOE does not provide help desk assistance regarding FedConnect, and questions regarding FedConnect shall be addressed directly to FedConnect in accordance with instructions found on its web site. Subcontractor submissions of proprietary information may provide a password protected document file to the prime and share the password with the Contracting Officer. The subcontractor proposal must adhere to the proposal due date/time in the solicitation.
- (3) Electronic submission of a proposal via FedConnect shall be considered the offeror's official offer and will be considered binding.
- (4) In addition to the electronic submission of the offeror's proposal, the offeror shall submit the required number of paper copies of each proposal volume as indicated below. The content in the paper copy shall be identical to the content of the electronic copies. The paper copies shall be submitted no later than the proposal due date to:

U.S. Department of Energy
Attention: Aaron Deckard, Contracting Officer
Address: 250 E. 5th Street, Suite 500
City/State/Zip: Cincinnati, OH 45202
Shipping materials shall be marked as follows: TO BE OPENED BY
ADDRESSEE ONLY. RFP NO. DE-SOL-0008913
E-mail: aaron.deckard@emcbc.doe.gov
Phone: 513-246-0512

The original proposal shall contain signed originals of all documents requiring signatures by the offeror. Use of reproductions of signed originals is authorized in all other copies of the proposal.

Proposal Volume – Title	Copies Required
Volume I – Offer and Other Documents	1 signed original and 5 copies
Volume II – Technical and Management Proposal	1 signed original and 10 copies
Volume III – Cost and Fee/Price Proposal	1 signed original and 10 copies

(d) Solicitation instructions and proposal information.

- (1) Proposals are expected to conform to all solicitation requirements and the instructions contained in this Section L. The Government will evaluate proposals on the basis of the information provided in the proposal. The Government will not assume that an offeror possesses any capability unless set forth in the proposal. This applies even if the offeror has existing contracts with the Federal government, including the Department of Energy.
- (2) These instructions are not evaluation factors. Evaluation factors are set out in Section M, Evaluation Factors for Award, of this solicitation. However, failure to provide the requested information may make an offeror ineligible for award or adversely affect the Government's evaluation of an offeror's proposal. In addition, a proposal may be eliminated from further consideration before the initial rating if the proposal is so grossly and obviously deficient as to be totally unacceptable on its face. For example, a proposal may be deemed unacceptable if it does not represent a reasonable initial effort to address the essential requirements of the solicitation, or if it clearly demonstrates that the offeror does not understand the requirements of the solicitation.

(e) Proposal volumes and page limitations.

- (1) The overall proposal shall consist of separate volumes, organized and individually entitled as stated below, with the following page limitations:
 - (i) Volume I, Offer and Other Documents – No page limit.
 - (ii) Volume II, Technical and Management Proposal – See page limitations identified below for each factor.
 - (iii) Volume III, Cost ~~or Price~~ and Fee Proposal – No page limit.
- (2) All attachments, annexes, and appendices shall be counted toward any page limitation set forth above, unless otherwise stated. The following do not count toward the page limitations: table of contents, title pages, glossary, divider tabs, blank pages, and the cross reference matrix. Those pages that exceed the limits set forth above will not be considered in the evaluation; page counting will begin with the first page of each volume and continue up to the page limitation. No material may be incorporated by reference as a means to circumvent the page limitations.

(3) Except as may be provided elsewhere in the solicitation (including paragraph (f)(2) below), offerors shall not cross-reference to other volumes of the proposal and shall provide complete information within the appropriate volume. All cost and pricing information shall be submitted and addressed only in Volume III, ~~Cost~~ or Price and Fee Proposal, unless otherwise specified.

(f) Proposal specifications.

(1) Table of contents. Each volume shall contain a table of contents and a glossary of abbreviations and acronyms. The table of contents in each volume shall identify the section, subsection, paragraph titles, and page numbers, as well as all spreadsheets, charts, tables, figures, diagrams, design drawings, and graphs.

(2) Cross reference matrix. The offeror shall provide a cross reference matrix which correlates the proposal by page and paragraph number to the Performance Work Statement, Section L instructions, and Section M evaluation factors. The cross reference matrix shall be inserted immediately following the table of contents of the corresponding volume of the offeror's proposal.

(3) Page size. Page size shall be 8½ x 11 inches for text pages, excluding foldouts. When 8½ x 11 inch pages contain text on both front and back, this is considered two pages. Page size for foldouts shall not exceed 11 x 17 inches; foldouts may be used for large tables, charts, graphs, diagrams, design drawings, or other schematics. Foldout pages shall fold entirely within the volume in which it appears. When 11 x 17 inch pages are used, this is considered two pages; if tables and graphics are on both front and back, this is considered four pages. Tables of Contents, Lists of Figures, dividers, tabs, or similar inserts that do not provide any substantive information are not counted as a page. Use of 11.5 x 17 binders for the Cost Volume is permitted.

(4) Print type. Text shall be 12 point or larger, single-spaced, using Times New Roman font type. Headers and footers, spreadsheets, charts, tables, diagrams or design drawings, and graphs must be 10 point or larger using Times New Roman font type. Two columns of text per page and use of bold face type are acceptable. Print type used in completing forms attached to this Request for Proposal (RFP) as Microsoft® (MS) Word®, Access®, or Excel® documents should not be changed from the styles used in the attachments.

(5) Page margins. Page margins for text pages and foldouts shall be a minimum of one inch at the top, bottom, and each side. Each page shall, within the one inch top or bottom margins, set forth the solicitation number; name of the offeror; and, as applicable, the legend in accordance with paragraph (e)(2), Restriction on disclosure and use of data, of the provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition. This is the only information that can be displayed within the margins. Two columns of text per page and use of boldface type for paragraph headings are acceptable.

(6) Page numbering. All pages shall be sequentially numbered by volume.

(7) File format. Files submitted shall be readable and searchable using Microsoft® (MS) Word®, Excel®, or Adobe portable document format (PDF) (must be in a searchable format, not scanned) except the following specific Volume III files:

- The proposal schedule shall be submitted as a Primavera P6, “XER” file type.
- Electronic copies of financial statements and Annual Reports shall be submitted in portable document format (PDF files are required).
- Any proprietary software provided in accordance with this section shall be in the native format.

The files shall not be password protected or contain other security restraints unless access information is provided.

(8) Binding and Labeling of Hard Copies. Each volume shall be separately bound in three-ringed loose-leaf binders. Cost proposals may be submitted in three-ringed binders of any size up to 11½ x 17. Staples shall not be used. The outside front cover of each binder shall indicate the Contractor’s name, the RFP number, the title of the RFP, and the copy number (i.e., sequentially number the required copies with the original being Copy No. 1). The same identifying data shall be placed on the spine of each binder to facilitate identification and accountability when placed in a vertical position. Pages shall be numbered sequentially by volume and by individual sections within each volume.

(g) Classified Information. The offeror shall not provide any classified information in response to this solicitation unless specifically required to do so in other parts of this solicitation.

(h) Questions.

(1) Questions regarding this solicitation must be submitted to SRSLiquidWaste@emcbc.doe.gov no later than 28 calendar days prior to the proposal due date. If DOE has not acknowledged receipt of submitted questions within three (3) business days, the offeror may contact the Contracting Officer to confirm receipt of questions. Each question shall clearly specify the solicitation area to which it refers. Responses to questions, as appropriate, will be posted on the procurement website as soon as practicable. DOE will make every effort to have all questions answered at least two weeks before the proposal submission date. The Government will not identify prospective offerors submitting questions. Offerors must check the procurement website periodically to ascertain the status of answers to questions.

(2) This solicitation is considered complete and adequately describes the Government’s requirements. If an offeror believes that there is an error in the solicitation, or an omission, the offeror shall submit a question to SRSLiquidWaste@emcbc.doe.gov.

(i) False Statements. Proposals must set forth full, accurate, and complete information as required by this solicitation (including attachments). The penalty for making false statements in proposals is prescribed in 18 U.S.C. 1001.

- (j) Examination of data. By submission of a proposal, the offeror grants to the Contracting Officer, or an authorized representative of the Contracting Officer, the right to examine, for purposes of verifying the data submitted, those books, records, documents, and other supporting data (regardless of form) which will permit an adequate evaluation of the proposal. This right may be exercised in connection with any reviews deemed necessary by the Contracting Officer prior to award.
- (k) Commitment of Public Funds. The Contracting Officer is the only individual who can legally award a contract and commit the Government to the expenditure of public funds in connection with the proposed acquisition. Any other commitment, either explicit or implied, is invalid.
- (l) Content of resulting contract. Any contract awarded as a result of this solicitation will contain the following sections of the solicitation: Part I – The Schedule; Part II – Contract Clauses; Part III, Section J – List of Documents, Exhibits and Other Attachments; and Part IV, Section K – Representations, Certifications, and Other Statements of Offerors. These sections will be incorporated into the contract by reference.

L.11 DOE-L-2002 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME I – OFFER AND OTHER DOCUMENTS – ALTERNATE I, ALTERNATE II, ALTERNATE III, ALTERNATE IV, ALTERNATE V, AND ALTERNATE VI (OCT 2015)

- (a) ~~(b)~~ Cover letter. The offeror may provide a brief cover letter. The cover letter will not be considered in the evaluation.

(b) General. Volume I – Offer and Other Documents, contains the offer to enter into a contract and other documents. The signed original of all documents requiring signature by offerors shall be contained in the original Volume I. Offerors shall include the information listed in the following paragraphs in Volume I, assembled in the order listed. In cases where the offeror is required to fill-in information in a contract clause, the offeror shall submit only those pages that require input of information or a signature. Those specific areas are:

- (1) Section B:
 - (i) B.2, CONTRACT COST AND FEE
- (2) Section H:
 - (i) H.27, DOE-H-2017 RESPONSIBLE CORPORATE OFFICIAL AND CORPORATE BOARD OF DIRECTORS (OCT 2014)
 - (ii) H.432, DOE-H-2052 REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF THE OFFEROR – ALTERNATE I (OCT 2014)
 - (iii) H.46, DOE-H-2058 DESIGNATION AND CONSENT OF CRITICAL SUBCONTRACTS (OCT 2014) (DEVIATION)
 - (iv) H.576, DOE-H-2070 KEY PERSONNEL – ALTERNATE I (OCT 2014)
- (3) Section I:
 - (i) FAR 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (OCT 2014)

- (ii) FAR 52.223-3, Hazardous Material Identification and Material Safety Data (JAN 1997) – Alternate I (JUL 1995)
- (iii) FAR 52.227-23, Rights to Proposal Data (Technical) (JUN 1987) (DEVIATION)
- (iv) DEAR 952.227-82, Rights to Proposal Data (APR 1994)

~~(2) Section J (include the following Section J, Attachments):~~

- ~~(i) ATTACHMENT J-1, CONTRACTOR'S SMALL BUSINESS SUBCONTRACTING PLAN (Note: Not applicable for a small business prime offeror)~~
- ~~(ii) ATTACHMENT J-6, CONTRACTOR'S EXECUTED PERFORMANCE GUARANTEE AGREEMENT(S) (if applicable)~~
- ~~(iii) ATTACHMENT J-11, CONTRACTOR'S COMMUNITY COMMITMENT PLAN~~

~~(b) Cover letter. The offeror may provide a brief cover letter. The cover letter will not be considered in the evaluation.~~

(c) Standard Form 33, Solicitation, Offer And Award – One signed original of the Standard Form (SF) 33 must be provided in addition to a copy for each set of the Volume I.

- (1) The person signing the SF 33 must have the authority to commit the offeror to the terms and conditions of the resulting contract – Sections A – J. By signing and submitting the SF 33, the offeror commits to accept the resulting contract as contained in the solicitation, unless an exception or deviation to the terms and conditions as stated in the solicitation is explicitly stated by the offeror in accordance with the below subsection (g) Exceptions and deviations.
- (2) The offeror must acknowledge receipt of all amendments to the solicitation in block 14 of the SF 33.

~~(3) The offeror shall insert 365 calendar days in block 12 of the SF 33 in accordance with Section L provision L.9.~~

(d) Administrative information. Offerors shall provide the following information:

- (1) Solicitation number (reference paragraph (c)(2)(i) of the Section L provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition).
- (2) Offeror name. Name, address, telephone and facsimile number, e-mail, and Data Universal Numbering System Number (DUNS) of the offeror (reference paragraph (c)(2)(ii) of the Section L provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition).
- (3) Authorized signatory. Name and title of person authorized to sign the proposal (reference paragraph (c)(2)(v) of the Section L provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition).
- (4) Negotiators. Name(s), title(s), telephone and facsimile numbers of persons authorized to negotiate on the offeror's behalf (reference paragraph (c)(2)(iv) of

the Section L provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition).

- (5) Government agency administration. Government agency(ies) and name of its representative(s) having administrative cognizance over the offeror or parent company within the meaning of FAR subpart 42.3, Contract Administration Office Functions, including financial auditing, employment opportunity oversight, etc. Include agency name, address, and telephone number.

(e) Subcontractors and other entities.

- (1) Name, address, and DUNS number for all proposed, named subcontractors, at any level, or other entities that will perform any portion of the contract work. ~~The offeror's proposal submission, including Volume II, shall not include any named subcontractors or subcontracts with an estimated value than \$500 million over the contract period (including option years).~~
- (2) If the offeror is a joint venture, limited liability company, limited liability partnership or other similar entity (multi-member, shared ownership) provide –
 - (i) Name, address, and DUNS of the parent or member company(ies) of the offeror - joint venture members, limited liability company members, limited liability partnership members, etc.; and
 - (ii) Teaming agreement(s) and operating agreement (if applicable), that will remain in effect after any contract award, that describe the business arrangement between the members, including the identity of the one member/partner who has the majority interest in the offeror.

(f) Representations and certifications.

- (1) If the offeror, including each entity participating in a joint venture, LLC, or teaming agreement thereof as defined in FAR 9.601(1), as well as any critical subcontractor(s), has completed the annual representations and certifications electronically via the System for Award Management website in accordance with the provision at FAR 52.204-8, Annual Representations and Certifications and those representations and certifications are current, accurate, complete, and applicable to this solicitation, the offeror does not need to resubmit such representations and certifications in response to this solicitation. However, if any of these annual representations and certifications requires a change, the offeror shall submit those changes in accordance with FAR 52.204-8. The offeror, including each entity participating in a joint venture, LLC, or teaming agreement thereof as defined in FAR 9.601(1), as well as any critical subcontractor(s), shall also complete any additional representations, certifications or other statements required in this solicitation's Section K, Representations, certifications, and other statements of the offeror.
- (2) If the offeror has not completed the annual representations and certifications electronically via the System for Award Management, the offeror shall complete and provide all of the representations, certifications, and other statements of the offeror as required in this solicitation's Section K.

(g) Exceptions and deviations.

(1) Exceptions and/or deviations are not sought, and the Government is under no obligation to enter into discussions related to such. If an offeror takes exception to or deviates from the terms and conditions of the proposed contract (Sections A-J) or other provisions of the solicitation, each exception and deviation shall be specifically identified and fully explained. Any exceptions or deviations must also identify the applicable solicitation section, clause or provision number, paragraph number, and the proposal volumes to which the exception or deviation applies. In addition to identifying this complete information in Volume I, any deviations or exceptions shall be repeated in the other volumes to which the deviation or exception applies – Volumes II and III. Only exceptions or deviations specifically identified in this section, if accepted by the government, will take precedence over the terms and conditions of the solicitation.

(2) Any exceptions or deviations by the offeror to the terms and conditions stated in the solicitation for the resulting contract may make the offer unacceptable for award without discussions. If an offeror proposes exceptions or deviations to the terms and conditions of the contract, then the Government may make an award without discussions to another offeror that did not take exception to the terms and conditions of the contract.

(h) Facility clearance verification. The offeror shall submit the following: (1) DOE Facility Clearance code, DOD assigned Commercial and Government Entity (CAGE) code, or Nuclear Regulatory Commission facility clearance number for the offeror, subcontractors, and/or team members who will perform work under a contract resulting from this solicitation; (2) the date the offeror's, subcontractor's and/or teaming partner's completed Standard Form 328 was submitted; and (3) the date of the Contracting Officer's affirmative FOCI determination. If the offeror, or any of its subcontractors or team members, do not possess such a CAGE code or DOE/NRC facility clearance number, the offeror, subcontractor, and/or team member shall submit FOCI information in accordance with the provision entitled, DEAR 952.204-73, Facility Clearance found elsewhere in this Section L. Further information is available at <https://foci.anl.gov/>.

All offerors, their subcontractors or team members, that do not possess a CAGE code or DOE/NRC facility clearance number, shall complete the required entries into the DOE FOCI Electronic Submission System (ESS) located at <https://foci.anl.gov/>. Use of the DOE FOCI ESS is mandatory for all offerors, subcontractors, and/or team members that do not possess a facility clearance.

Offerors are encouraged to transmit FOCI information well before the deadline for proposal submission. Under the DOE FOCI ESS, electronic signatures cannot be accepted; thus, the signed original SF-328 executed in accordance with the form's instructions, and any other forms requiring a signature or seal shall be printed, signed, and submitted to the federal FOCI Operations Manager at the mailing address provided in the system. When filling out the New User Registration information in the DOE FOCI ESS, select "Savannah River Site – EMCBC" as the

FOCI Office that will review your submission for this solicitation when it is completed. Include the solicitation name and number in the "Reason for Request" field.

- (i) Performance guarantee agreement. The offeror shall provide the Performance Guarantee Agreement in accordance with the clause DOE-H-2016, Performance Guarantee Agreement. See Section J, Attachment J-6, Performance Guarantee Agreement, for form and text of the required Performance Guarantee Agreement.
- (j) Responsible corporate official. The offeror shall provide the name of the responsible corporate official and other information related to the corporate board of directors in accordance with the clause DOE-H-2017, Responsible Corporate Official and Corporate Board of Directors.
- (k) Small business subcontracting plan.
 - (1) A completed and acceptable Small Business Subcontracting Plan is required to be submitted in accordance with the Section I, FAR Clause 52.219-9, Small Business Subcontracting Plan, Alternate II, and proposal instructions herein. This plan will become part of the contract as Section J, Attachment J-1 entitled, Small Business Subcontracting Plan.
 - (2) To be considered acceptable, the offeror's plan shall address, in adequate detail, each of the eleven elements identified in FAR 52.219-9(d). Failure by a large business offeror to submit and/or negotiate a subcontracting plan that addresses each of the eleven elements identified in FAR 52.219-9(d) in adequate detail may make the offeror ineligible for award of a contract.
 - (3) The offeror shall establish goals that afford small businesses with the maximum practicable opportunity to participate in contract performance consistent with efficient performance. In developing its proposed plan, the offeror shall establish minimum goals for each small business category as follows:
 - Small businesses: 50%, including the following distinct subsets within the 50% goal:
 - Service-disabled veteran-owned small businesses: 3%
 - HUBZone small businesses: 3%
 - Small disadvantaged businesses: 10%
 - Women-owned small businesses: 10%
 - (4) Proposed small business goals shall be the percent of total subcontracted work specified in the Contractor's Small Business Subcontracting Plan. Amounts proposed for subcontracting base and small business participation shall comply with the limitations of the Section H Clause entitled, ~~Self-~~ PerformedSubcontracted Work.
- (l) Organizational conflicts of interest. The offeror, including each entity participating in a joint venture, LLC, or teaming agreement thereof as defined in FAR 9.601(1), as well as any named subcontractor(s), shall provide a fully executed Section K.98, Organizational Conflicts of Interest Disclosure and any necessary statements required by the provision. If the offeror believes there is an existing or potential OCI,

- the offeror shall submit an appropriate draft mitigation plan in accordance with the requirements of Section H clause entitled, DOE-H-2035 Organizational Conflict of Interest Management Plan. If the Department identifies an existing or potential OCI, the offeror shall submit any information requested by the Department, including a draft mitigation plan.
- (m) Community commitment plan. The offeror shall provide a Community Commitment Plan that demonstrates meaningful partnership with the community and support of sustainable economic use of the site. See the Section H Clause entitled, DOE-H-2045 Contractor Community Commitment. The Plan will become part of the resulting contract as Section J, Attachment J-11.
- (n) Equal opportunity compliance. The offeror shall provide all of the information required to perform a pre-award on-site equal opportunity compliance evaluation in accordance with FAR 52.222-24. This information shall include the company name, address, phone number and the point of contact for EEOC. This information shall be provided for the offeror, including each entity participating in a joint venture, LLC, or teaming agreement thereof as defined in FAR 9.601(1), as well as any named subcontractor(s).~~This information shall be provided for the offeror, as well as, each joint venture member; members of a newly formed entity, including LLCs, formed for the purpose of performing this Contract, or members of similar entities. Additionally, each proposed subcontractor is required to provide the information described above.~~
- (o) The offeror's EVMS documentation required under Section K Provision entitled, Notice of Earned Value Management System.

L.12 DOE-L-2003 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME II – TECHNICAL AND MANAGEMENT PROPOSAL – GENERAL (OCT 2015)

- (a) The Technical and Management Proposal (Volume II), consists of written and oral information to allow offerors to demonstrate their approach and capabilities to perform the prospective contract. The instructions contained in this and other provisions of the solicitation are provided to assist offerors in preparing their proposals and are not evaluation factors; however, failure to comply with these instructions may result in a deficient proposal. The Technical and Management Proposal will be evaluated in accordance with the evaluation factors stated in Section M, Evaluation Factors for Award.
- (b) Offerors shall address, in the Technical and Management Proposal, those areas contained in the respective Section L provisions below. Each of these areas corresponds to the evaluation factors contained in Section M of the solicitation.
- (c) The Technical and Management Proposal shall comply with the requirements contained in the provision at DOE-L-2001, Proposal Preparation Instructions – General and other applicable provisions of the solicitation, including any required format and page limitations. Offerors shall be specific and complete in addressing the information required to be included in the Technical and Management Proposal. Offerors shall not simply offer to perform work in accordance with the work statement; rather, offerors shall provide their specific approach and capabilities to perform the required work. Moreover, offerors shall not merely restate the work

scope and/or other solicitation requirements in its technical and management proposal.

- (d) No cost or price information shall be included in the Technical and Management Proposal, unless specifically requested in the solicitation.

L.13 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME II – TECHNICAL APPROACH

(The Technical Approach section shall not exceed 100 pages.)

Offerors shall include the following information in the Volume II - Technical and Management Proposal related to the offeror's technical approach:

- (a) The offeror shall fully describe its technical approach to achieve the PWS objectives and activities (for the full scope of contract performance, including the option period) in the following areas:
- Contract Transition;
 - Liquid Waste Operations;
 - Liquid Waste Operations Support; and
 - Liquid Waste Program Support.

The offeror shall describe its approach for transitioning the work and workforce from the incumbent contractor, in accordance with the contract requirements contained in C.0.4, Transition. The approach shall address those activities, and associated schedule, necessary to be performed to maintain continuity of services from the beginning of the transition period through assumption of full responsibility for the work in accordance with the schedule for transition specified in Section F – Deliveries or performance. The offeror shall identify key challenges and issues that have the potential to pose significant risks to the orderly and timely transition of the work and its approach that will be used to eliminate or mitigate those risks.

The offeror's proposal shall describe in detail its technical approach to implement the PWS operational activities (C.1). The technical approach shall include detailed information regarding the approach to liquid waste system operations and optimization, specifically including the following: 1) salt waste batching and processing; 2) sludge batching, canister production, and canister storage; 3) waste removal from tanks; and 4) salt waste disposal.

The offeror's proposal shall describe in detail its technical approach to SWPF integration into the liquid waste system (C.2.2), transition SWPF to the Liquid Waste Contract (C.2.3), and its operation and optimization within the liquid waste system in order to optimize system throughput (C.1.4).

The offeror shall describe its approach to SDU construction (C.2.1) to ensure available storage capacity exists for receiving saltstone grout as necessary to align with the proposed technical approach to liquid waste system operations and to match proposed production rates of SWPF. The offeror shall describe the proposed technical approach to balance of plant design and construction activities.

The offeror shall describe its approach to planning and integrating the following C.2 requirements, as applicable, as part of its proposed technical approach: waste tank closures (C.2.4) and system optimization (C.2.6). The offeror shall describe and ~~demonstrate-justify~~ the technical ~~and programmatic~~ viability of proposed approaches to tank closure ~~and system optimization designed to meet or exceed the Contract Performance Requirements identified in Section C, Table 1. If the offeror's proposed approach exceeds the Contract Performance Requirements in Section C, Table 1, the proposal shall clearly state the proposed performance metrics (Section C, Table 1) that align with the proposed approach and the proposed performance metrics shall be incorporated into the Contract by the Government at the time of Contract award.~~

The offeror shall describe its approach to implement the safety basis upgrade program (C.2.5), including timing, staffing requirements, and managing or mitigating any potential impacts to facility operations.

The offeror shall provide its technical understanding of the Liquid Waste Program Support functions in C.3 within the PWS in sufficient detail to enable the Government to assess the offeror's comprehension of how the support functions are integrated into the overall effort. The offeror shall describe the process engineering capabilities required to operate the liquid waste system consistent with its proposed technical approach.

The offeror shall identify the three most significant risks to successful performance of the PWS; the offeror shall describe its rationale for the identified risks and their potential impacts; and the offeror shall describe its approach to eliminating, avoiding, or mitigating the three most significant risks.

The offeror shall describe all key technical inputs, assumptions, and justifications used to ~~determine-demonstrate the viability of~~ its technical approach and/or support its technical understanding.

The offeror shall provide an Integrated Schedule to the levels of the WBS defined in Section J, Attachment J-3 for the full scope of contract performance, including the transition period, the base period, and the option period (except for the IDIQ CLINs), consistent with its proposed technical approach that provides specific schedule elements. Within the schedule, the offeror shall clearly identify key milestones, deliverables, and the critical activities to complete the PWS work scope.

The offeror shall describe its process to identify distinct and meaningful work scope that can be performance-based and performed by ~~competitively-subcontractors~~ selected ~~subcontractors~~competitively post-award, and meet the subcontracting requirements in Section H in a timely and effective manner. An emphasis should be placed on fixed pricing, where appropriate for the subcontracted work scope. The offeror shall ~~also~~ describe its subcontracting approach, including its decision process regarding use of subcontractors, and approach for managing subcontractors~~the offeror's approach to meeting the subcontracting goals. The proposal shall describe how the offeror will establish work scopes and how they will be effectively competed after contract award in a timely and effective manner. The offeror shall only identify critical subcontractors in Volume II.~~

The offeror shall describe its proposed plan for applying project management and strategic planning processes to define, plan, integrate, and administer the activities required under the contract. In addition, the offeror shall describe how these systems and/or processes will be used to assess performance and address performance issues – including technical, cost, and schedule. The offeror shall address how its systems will be applied in the following areas: Work breakdown structure (See Section J, Attachment J-3); Critical path schedule and resource-loaded schedule; Performance ~~management~~ measurement baseline; Baseline change control and integration with contract change control; Configuration management; Earned value management; Variance analysis; Use and control of management reserve; Resource leveling; and Indirect cost management and Liquid Waste Program Support allocations.

~~—The offeror shall describe its approach to managing human resources in a manner that appropriately addresses the taxpayers' interest while also addressing the expectations of employees and any labor representatives, including specifically its approach to: (a) addressing workforce composition, including any immediate or anticipated workforce restructuring; (b) addressing existing issues arising under the National Labor Relations Act (NLRA) and engaging with any labor representatives and, in particular, how it has or how it will obtain expertise regarding compliance with the NLRA and engagement with labor representatives; (c) preparation and submission of any bargaining parameters requests, as applicable; (d) complying with wage requirements, including specifically any prevailing wage requirements under section 4(c) of the Service Contract Labor Standards statute, as well as any NLRA requirements with respect to the determination of wages and benefits; (e) processing labor standards determinations for work packages; (f) addressing obligations with respect to providing and maintaining its proposed pension and post-retirement welfare benefit plans, in particular, how it has or how it will obtain expertise regarding compliance with Internal Revenue Service qualification requirements for, as applicable, multiple employer or multi-employer defined benefit pension plans; (g) identification and resolution of any legal issues regarding any of the above, including the offeror's plan for engaging outside counsel as needed having background in these areas; and (h) communicating and engaging with DOE on these matters.~~

L.14 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME II – KEY PERSONNEL AND ORGANIZATION

(The Key Personnel and Organization section shall not exceed 205 pages, exclusive of resumes and letters of commitment. The key personnel resumes are limited to four pages for each resume.)

Offerors shall include the following information in the Volume II - Technical and Management Proposal related to the proposed key personnel and organization:

- (a) Key personnel. The offeror shall propose ~~up to seven~~ five designated key personnel ~~for those technical and management positions it considers~~ essential to the successful performance of the contract and which will be incorporated into the contract through the clause at DOE-H-2070, Key Personnel. Only one individual ~~may~~ shall be proposed for each key personnel position and the key personnel shall all be employed by the prime contractor.

The key personnel designated ~~must~~shall include the following five functional positions: Program Manager, ~~Chief Operating Officer~~Operations Manager, ~~Chief Financial Officer~~Business Manager, ~~Chief Engineer~~Engineering and Technology Manager, ~~Business Manager~~, and ~~Regulatory Compliance Manager~~Environment, Safety, Health, and Quality Manager. ~~In addition, the offeror may propose up to two other key personnel positions that are critical to the overall performance of the Contract.~~

It is recognized that the ~~number and~~ functions of key personnel will be dependent on the organizational structure of the individual offeror and the manner in which the offeror proposes to perform the work. The offeror shall provide resumes only for the key personnel designated for the five functional positions specified in the previous paragraph~~The offeror shall not provide the names or qualifications of any non-key personnel, except as otherwise specified in other solicitation provisions.~~

~~(1) The offeror shall provide the rationale for the selection of those key personnel positions as being essential to the successful performance of the contract, relative to the offeror's approach to the management and execution of the work.~~

~~(2) The offeror shall identify the organization that will employ each of the key personnel during performance of the contract, e.g., offeror, offeror affiliates, teaming partners, major subcontractor(s).~~

~~(3)~~ ~~_____~~ The offeror shall confirm the availability of the key personnel as being full-time ~~_~~ assigned to the contract.

Failure to propose the five designated key personnel positions ~~may~~will adversely affect the Government's evaluation of the proposal ~~and may~~or make the proposal ineligible for award.

(b) Resume.

(1) The offeror shall provide written resumes for all proposed key personnel in the format shown in Attachment L-2 to Section L. The resume shall describe the key person's education, relevant experience, accomplishments, and other information supporting the individual's qualifications and suitability for the proposed position. The resume shall address the following:

- (i) Relevant experience on work of similar scope, size, and complexity to that required under the contract: similar scope, size, and complexity are defined as follows: scope – type of work; size – dollar value and contract duration; and complexity – performance challenges, leadership roles, and risk.
- (ii) Record of past success and accomplishments in performing work of similar scope, size, and complexity to that required under the contract.
- (iii) Education, training, certifications, and licenses, ~~including any experience in lieu of education that supports the suitability for the proposed position.~~

(iv) Each resume shall include at least three references having direct knowledge of the qualifications of the proposed key person.

(2) By submission of each resume, the key person and offeror authorize DOE to contact any references and previous employers to verify the accuracy of information provided in the resume and to assess each individual's suitability for the proposed position. DOE may contact any or all of the references or past employers and may use any information or sources available to DOE as a part of its evaluation of the key personnel.

(c) Letter of commitment. A letter of commitment shall be submitted for each individual proposed as a key person. Each key person shall sign the letter stating that the information contained in the resume, submitted as part of the proposal, is true and correct; and the individual will unconditionally accept employment in the key position identified in the proposal beginning on the effective date of the contract for a period of ~~three year~~time commensurate with the functional position as defined in H.56, DOE-H-2070, Key Personnel – Alternate I. The letter of commitment shall state, as follows:

"I hereby certify that the resume submitted as part of the proposal is true and correct, and _____ (insert name of individual proposed) will accept the proposed position of _____ (insert name of proposed position) if _____ (insert name of offeror) receives the award and will perform in the proposed position for minimum of _____ ~~three~~ years ~~following the contract award date~~beginning on the effective date of the contract."

Failure to submit a letter of commitment may adversely affect the Government's evaluation of the proposal.

(d) Oral presentation – key personnel, and Oral interview – Program Manager.

(1) Oral presentation – key personnel. DOE will conduct an oral presentation session with each offeror's proposed key personnel. The purpose of the oral presentation is for the offeror's proposed key personnel team to demonstrate the effective completion of a problem-solving exercise. The oral presentation will be evaluated in accordance with the evaluation factors specified in Section M.

All of the offeror's proposed key personnel shall participate in the oral presentation. Each key person shall be physically present and actively participate during the oral presentation. No substitutions will be allowed to participate in lieu of the named, proposed key personnel. No other personnel representing the offeror will be allowed to attend.

The key personnel, as a group, will be required to complete a problem-solving exercise. The problem-solving exercise will include a technical and/or managerial problem or challenge, representative of the activities to be performed under the contract. These exercises will allow the offeror to demonstrate its key personnel's leadership, teamwork, communications, and problem-solving capabilities. The key personnel team will be allowed time to analyze the problem, prepare a response, and present its response. The same exercise will

be given to all offerors; the exercise will not be provided to offerors in advance of the oral presentation. Offerors may not present any formal presentation prepared in advance.

- (2) Oral interview – Program Manager. DOE will conduct an oral interview with each offeror’s proposed Program Manager for the purpose of determining the qualifications and suitability, including leadership capability. The interview will be evaluated in accordance with the evaluation factors specified in Section M.

A question and answer, oral interview format will be used. Questions will not be provided to offerors in advance. Offerors may not present any formal presentation prepared in advance. The interview will be conducted during a period of up to 60 minutes.

- (3) Logistics.

- (i) DOE will provide flip-charts and markers for the offeror’s key personnel to use during the interview and oral presentation. All presentation materials used will be retained by DOE.

- (ii) The offeror’s key personnel shall not bring into the presentation room any presentation or reference material including the written proposal or electronic equipment, e.g., computers/laptops, cell phones, cameras, video or audio recording equipment. The key personnel are prohibited from contacting anyone during the interview and the oral presentation other than the key personnel or DOE personnel who are present.

- (iii) DOE will make a recording of the interview and the oral presentation, including the offeror’s preparations for the oral presentation. After award, a copy of the video recording may be provided to the offeror upon request.

- (4) Schedule. Each offeror will be notified within 10 working days after the proposal submission deadline of the date, time, location, agenda, and other instructions related to its oral interview and oral presentations. The oral interview and oral presentation will commence within approximately 30 to 40 working days after the proposal submission deadline. DOE reserves the right to conduct the oral interview and oral presentation outside of this approximate timeline or to reschedule an offeror's interview and oral presentation. DOE will not consider a request from an offeror to reschedule its oral interview and oral presentation, except under extenuating circumstances, e.g., personal illness or emergency.

- (5) Oral presentation and interview agenda. The following tentative agenda is anticipated to be used for the interview and oral presentation. The agenda shows the various segments of the interview and oral presentation, a brief description for each segment, and the time that will be allowed for each segment. DOE will strictly enforce the time limits. DOE will provide to offerors the final agenda when DOE notifies the offerors of the scheduled date for the interview and oral presentation.

Segment	Time Duration	Description
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Segment	Time Duration	Description
<i>Brief introduction between DOE and the offeror team</i>	Approximately 15 minutes	DOE and the offeror team will jointly conduct an introduction of all people in attendance at the Oral Presentation.
<i>Oral Presentation: DOE provides problem statement to offeror</i>	Approximately 45 minutes	DOE will provide a problem statement to the offeror. An identical problem statement will be provided to each offeror.
<i>Oral Presentation: Offeror preparation of response to problem statement</i>	120 minutes	The offeror shall prepare a response to the problem statement. DOE will observe the offeror during preparation of its response but will not respond to any offeror questions or statements.
<i>Oral Presentation: Offeror presentation of response to DOE</i>	60 minutes	The offeror shall present its problem response to DOE.
<i>Lunch</i>	60 minutes	DOE and the offeror will break in separate locations for lunch.
<i>Oral Interview: DOE interview of the offeror's Program Manager</i>	60 minutes	DOE will conduct an interview with the proposed Program Manager. An identical set of questions will be asked of each offeror Program Manager interviewed. The interview will be conducted using a question and answer format. Questions to be used in the interview will not be provided to the offeror in advance.

- (6) Limitations of oral interview and oral presentation. The oral interview and oral presentation will not –
- (i) Constitute a part of the offer (Volume I of the proposal) or be incorporated into any contract resulting from this solicitation;
 - (ii) Constitute “negotiations” (or “discussions”) as defined in paragraph (d) of FAR 15.306, Exchanges with offerors after receipt of proposals or obligate the Government to conduct discussions; nor
 - (iii) Constitute a “proposal revision” as defined in FAR 15.001 or allow an offeror to cure deficiencies or weaknesses in, or otherwise revise, the written portion of the proposal.
- (e) Organization chart. The offeror shall provide an organizational chart graphically depicting the major functional areas of the offeror’s proposed organization that the offeror considers essential for the management and performance of the work. The offeror shall show the names of proposed key personnel. The number of organization levels (e.g., working and reporting lines, divisional relationships, management layers, chain of command) depicted on the offeror’s organization chart must align with, and correlate to, the information provided by the offeror in response to paragraphs (f) and (g) below.

- (f) Rationale for organizational structure. Describe the rationale for the proposed organizational structure in relation to the work to be performed and how the organizational structure will contribute to the successful accomplishment of the work in accordance with the proposed technical approach. Describe how the organizational structure correlates to the Performance Work Statement, ~~any applicable~~the work breakdown structure (See Section J, Attachment J-3), and the offeror's proposed approach to execute the work. If ~~major functional areas are proposed to be performed by~~critical subcontractors or other performing entities are proposed (including small business subcontractors), address how ~~these functions they~~ will be integrated with the offeror's organizational structure.
- (g) Roles, responsibilities, and lines of authority. Describe the roles, responsibilities, and lines of authority for the major functional areas identified on the organizational chart, including lines of authority between the offeror's organizational elements or specific individuals, as applicable, and its subcontractors and any other performing entities. Describe the processes for key decision-making and for resolving problems within the offeror's organization and between the offeror's organization and subcontractors and other performing entities.
- (h) Communication and interface. Describe the offeror's approach to communication and interface with internal organizations, subcontractors and other performing entities, and outside entities, including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities.
- (i) Offeror entity. If the offeror is a limited liability company (LLC), joint venture or other similar entity, describe how the offeror will operate with its multi-member and/or shared ownership. Describe who will employ the offeror's general workforce, e.g., offeror, parent, or team member companies, and how that workforce will be managed.
- (j) Subcontractors and other performing entities. Identify any proposed critical subcontractor(s) or other entities that will perform a portion of the work ~~with an estimated value greater than \$500 million over the contract period (including option years)~~, including members in an LLC, joint venture, or other similar entity, and the specific work proposed to be performed by each. Identify the specific business relationship (subcontract, teaming agreement, etc.) between the offeror and each entity proposed to perform work. Describe the rationale for the proposed performance of work by the identified subcontractors or other entities, as opposed to performance by the offeror's own employees. Describe how the identified subcontractor's or other entities' work will be integrated and controlled within the overall work to be performed.
- (k) Corporate governance. Describe how corporate organizations, to which the offeror has reporting relationships (e.g., LLC members, board of directors), will provide oversight of the offeror's performance of the contract work and help ensure successful performance of the contract. Describe how performance will be monitored and issues resolved. Describe how governance and resolution of issues will be handled when multi-member, shared ownership entities are involved. Provide

an organizational chart depicting the linkage(s) between the offeror and the parent organization(s).

- (l) Workforce recruitment and retention. Describe the offeror's approach for ensuring that an adequate workforce is available with the appropriate skills and qualifications necessary to safely and effectively accomplish the work over the term of the contract. The proposal shall address the following:
 - (1) The offeror's approaches to recruit, train, and maintain its workforce, including ~~start-up~~, interim fluctuations in workload, ramp-up and ramp-down.
 - (2) The source of personnel – offeror's existing employees, subcontractors' existing employees, new hires, other sources, etc.
- (m) Full-time equivalent employees. Identify the number of proposed full-time equivalent (FTE) employees, by organizational elements, separated by (1) management and supervision and (2) labor disciplines by skill mix. Provide the rationale for the FTEs for each organizational element. Ensure consistency between FTE data provided in this Volume II of the proposal and the Volume III proposal related to cost or price.

L.15 DOE-L-2009 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME II – EXPERIENCE (OCT 2015)

(The Experience section shall be limited to the Attachment L-3, Past Performance and Experience Reference Information Form, which is limited to seven pages per contract or project. Only one completed Attachment L-3, Past Performance and Experience Reference Information Form shall be submitted for each contract or project to support both the Experience and Past Performance factors. The completed Attachment L-3s shall be included in Volume II – Technical and Management Proposal.)

Offerors shall include the following information in the Volume II - Technical and Management Proposal related to the offeror's experience:

- (a) Offeror experience. The offeror shall describe its relevant experience in performing work similar in scope, size, and complexity to that described in the Performance Work Statement. Similar scope, size, and complexity are defined as follows: scope – type of work (e.g., work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., maintaining and operating aging nuclear facilities, managing a multi-disciplined work force, incorporating a new facility and staff into an existing system, management of complex change control processes, liquid radioactive waste processing, constructing large federal projects, complex regulatory interfaces, ~~DOE Federal~~ nuclear safety requirements or commercial equivalent, management of a closely coupled processing system). In describing relevant experience, offerors shall describe the outcomes of specific work experiences, e.g., level to which contract requirements and objectives were met.
- (b) Subcontractor and other entity experience. In addition to the offeror's relevant experience, the offeror shall describe the relevant experience of any proposed critical subcontractor(s) ~~and any other entities that are proposed to perform work under the~~

~~contract. The proposal shall only include experience information for major subcontractor(s) as defined in Section L.10(a)(2) or subcontracts with an estimated value greater than \$500 million over the contract period (including option years).~~ The offeror shall describe the relevant experience - similar in scope, size, and complexity - in relation to that portion of the work proposed to be performed by the subcontractor or other entity. Other entities may include, for example, members of a limited liability company (LLC) or joint venture, an affiliate of the offeror, or other ~~major~~ teaming partner. In describing relevant experience, subcontractors or other entities shall describe the outcomes of specific work experiences, e.g., level to which contract requirements and objectives were met.

- (c) Work to be performed. The experience provided for the offeror, subcontractors, or other entities shall describe its relevancy to the work that is proposed to be performed by that individual entity. Specific cross references shall be made between the applicable sections of the performance work statement, the work to be performed by each entity, and the relevant experience of that entity. Each discrete example of experience must be attributed to a specific entity.
- (d) Newly formed entity and predecessor companies. If the offeror, subcontractors, or other performing entities are a newly formed entity with no experience, the offeror shall provide relevant experience for the parent organization(s) or the member organizations in a joint venture, LLC, or other similar entity. The offeror may also provide relevant experience on predecessor companies resulting from mergers and acquisitions.
- (e) Contracts information. The offeror shall provide the relevant experience information as requested in this provision on three contracts, either completed or currently being performed by the offeror, and three contracts, either completed or currently being performed, for each proposed subcontractor or other performing entity. If the offeror is a newly formed entity, the offeror shall provide relevant experience information on three contracts for each parent organization(s) or each member organization if the offeror is a joint venture, LLC, or similar entity. The offeror shall only provide contract relevant experience information for contracts that are currently being performed ~~for at least fifteen months prior to the proposal due date~~ and/or for contracts that were completed within the last five years from the date proposals are due.
 - (1) Contracts may be, but are not limited to, contracts with federal, state, local and foreign governments and/or with commercial customers.
 - (2) Include information on challenges and problems encountered in performance of the work, actions initiated to address these matters, and the effect the actions taken had on the performance of the contract.
 - (3) Contracts used as a representation of the offeror's experience must be the same contracts submitted in accordance with the provision at DOE-L-2010, Proposal Preparation Instructions, Volume II - Past Performance, and as listed in the Past Performance and Experience Reference Information Form contained in Attachment L-3 to Section L. Contract information provided for experience shall

correspond to, and cross reference, information furnished under the past performance section of the proposal.

- (f) Verification of experience. The Government may verify an offeror's or subcontractor's experience, including represented outcomes of specific work experiences, from third-party sources, including reference checks from customers, clients, and business partners.

L.16 DOE-L-2010 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME II – PAST PERFORMANCE (OCT 2015)

(The Past Performance section shall be limited to the Attachment L-3, Past Performance and Experience Reference Information Form, which is limited to seven pages per contract or project; and the Attachment L-5, List of Contracts Terminated for Default or Convenience, which has no page limit. Only one completed Attachment L-3, Past Performance and Experience Reference Information Form shall be submitted for each contract or project to support both the Experience and Past Performance factors. The completed Attachment L-3s and L-5 shall be included in Volume II – Technical and Management Proposal.)

Offerors shall include the following information in the Volume II - Technical and Management Proposal related to the offeror's past performance:

- (a) Offeror past performance. The offeror shall provide information on its record of relevant past performance on work similar in scope, size, and complexity to that described in the Performance Work Statement. Similar scope, size, and complexity are defined as follows: scope – type of work (e.g., work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., maintaining and operating aging nuclear facilities, managing a multi-disciplined work force, incorporating a new facility and staff into an existing system, management of complex change control processes, liquid radioactive waste processing, constructing large federal projects, complex regulatory interfaces, ~~DOE~~Federal nuclear safety requirements or commercial equivalent, management of a closely coupled processing system).
- (b) Subcontractor and other entity past performance. In addition to the offeror's record of relevant past performance, the offeror shall provide information on the record of relevant past performance for any proposed critical subcontractor(s) ~~and any other entities that are proposed to perform work under the contract. The proposal shall only include experience information for major subcontractor(s) as defined in Section L.10(a)(2) or subcontracts with an estimated value greater than \$500 million over the contract period (including option years).~~ The offeror shall provide such information on work similar in scope, size, and complexity to that portion of the work proposed to be performed by the subcontractor or other entity. Other entities may include - members of a limited liability company (LLC), joint venture, or other similar entity or an affiliate of the offeror.
- (c) Work to be performed. The record of past performance provided for the offeror, subcontractors, or other entities shall relate to work performed that is similar to the work that is proposed to be performed by that individual entity. Specific cross

references shall be made between the applicable sections of the work statement, the work to be performed by each entity, and the relevant past performance of that entity. Each discrete record of past performance must be attributed to a specific entity.

- (d) Newly formed entity and predecessor companies. If the offeror, subcontractors, or other performing entities are a newly formed entity with no record of past performance, the offeror shall provide past performance information for the parent organization(s) or the member organizations in a joint venture, LLC, or other similar entity. The offeror may also provide past performance information on predecessor companies resulting from mergers or acquisitions.
- (e) Contracts information. The offeror shall provide past performance information on three contracts, either completed or currently being performed by the offeror, and three contracts, either completed or currently being performed, for each proposed subcontractor or other performing entity. If the offeror is a newly formed entity, the offeror shall provide past performance information on three contracts for each parent organization(s) or each member organization if the offeror is a joint venture, LLC, or similar entity. The offeror shall only provide past performance information for contracts that are currently being performed ~~for at least fifteen months prior to the proposal due date~~ and/or for contracts that were completed within the last five years from the date proposals are due.
 - (1) Past performance information form. The offeror shall submit its past performance information on the Past Performance and Experience Reference Information Form contained in Attachment L-3 to Section L. One form shall be provided for each past performance reference (contract).
 - (2) Contracts may be, but are not limited to, contracts with federal, state, local and foreign governments and/or with commercial customers.
 - (3) Contracts contained in the Past Performance and Experience Reference Information Form shall be the same as those identified under the experience section of the proposal.
- (f) Performance information. The offeror shall identify problems encountered in performance of these contracts and corrective actions taken by the offeror to resolve those problems. Examples of problems that may be addressed, as appropriate, include serious injuries or fatalities, regulatory violations resulting from environmental non-compliance, late deliveries, cost overruns. In addition, the offeror may describe any recognized accomplishments the offeror has received on the identified contracts.
- (g) Terminated contracts. The offeror shall provide a listing on Attachment L-5 of any contracts of the offeror, subcontractors, or other performing entities that were terminated, including the reasons therefore, over the preceding five years from the due date for proposals. This listing of terminated contracts is not limited to only those contracts contained in the Past Performance and Experience Reference Information Form.

- (h) Past Performance Questionnaire. The offeror shall provide the Past Performance Questionnaire contained in Attachment L-4 to Section L and the completed Past Performance and Experience Reference Information Form in Attachment L-3 to Section L to each of the contract references. (The Past Performance and Experience Reference Information Form is provided to the reference to ensure the reference is completing the Past Performance Questionnaire based on the offeror's performance on the associated contract shown in the Past Performance and Experience Reference Information Form). The offeror shall request that clients return the Past Performance Questionnaire directly to DOE by mail or electronic means to the address identified below no later than the date for receipt of proposals.
- (1) DOE address and contact information.
U.S. Department of Energy
Attention: Aaron Deckard, Contracting Officer
Address: 250 E. 5th Street, Suite 500
City/State/Zip: Cincinnati, OH 45202
Envelopes shall be marked as follows: TO BE OPENED BY ADDRESSEE ONLY. RFP NO. DE-SOL-0008913
E-mail: aaron.deckard@emcbc.doe.gov
Phone: 513-246-0512
- (2) Receipt of the questionnaires by the Government is not subject to the provisions at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition related to late proposals.
- (i) Sources of past performance information. The Government may contact any or all of the references provided in the Past Performance and Experience Reference Information Form. The Government may also obtain past performance information from sources other than those provided by the offeror. This may include, but not be limited to, commercial and government clients, government records, regulatory agencies, and government databases such as the Government's Contractor Performance Assessment Reporting System.

L.17 PROPOSAL PREPARATION INSTRUCTIONS, VOLUME III – COST AND FEE PROPOSAL

The offeror shall provide proposed cost and fee by providing a completed Section B. The offeror shall submit a completed Section B by completing the fill-ins located in Section B.2, Contract Cost and Fee, Table B.2-2 Contract Cost and Fee, in accordance with the instructions in this provision. The offeror shall provide a proposed cost and fee by CLIN for all PWS activities included in Section L, Attachment L-6 entitled, "Cost Proposal Worksheets."

The offeror shall prepare its cost proposal in accordance with the following instructions:

- (a) All cost and fee information shall be included in Volume III of the proposal. None of the information contained in Volume III shall be included in any other proposal volumes unless specifically requested in the solicitation.

- (b) All pages in the Volume III Cost and Fee Proposal including forms, tables, and exhibits shall be numbered and identified in a volume table of contents. The cost proposal shall be sufficiently complete so that cross-referencing to other proposal volumes is not necessary. There is no page limitation on the cost proposal. The offeror shall complete Section L, Attachment L-6 Cost Proposal Worksheets and Section L, Attachment L-7 Consolidated Direct Cost Schedules provided in the cost proposal exhibits. Offerors shall fully prepare Attachments L-6 and L-7, at the level of detail indicated in the Attachments and related instructions.

The offeror shall use the organization of work set forth in Section J, Attachment J-3 Work Breakdown Structure (WBS), for its cost proposal. The offeror's proposed WBS may include WBS levels, as necessary, below the WBS provided in Section J, Attachment J-3, to organize and estimate the work, subject to the limitations within this section. The use of lower WBS levels is to demonstrate a reasonable and realistic understanding within the Volume III cost proposal commensurate with the level of work and the offeror's proposed technical approach. The offeror's proposed WBS shall not include any levels below the WBS provided in Section J, Attachment J-3 for which proposed costs are less than \$10M for the total contract period (including the base and option period), nor shall the offeror's proposed WBS include any WBS levels more than two levels below the WBS provided in Section J, Attachment J-3.

As necessary, the offeror shall add worksheets and/or rows to Attachments L-6 and L-7 to align with the offeror's proposed WBS.

- (c) Cost Assumptions. Cost instructions-assumptions are being provided to the offeror which are contained in Attachment L-8 of the solicitation entitled "Assumptions." The offeror shall consider and use all of the cost assumptions when preparing the cost proposal.
- (d) For proposal preparation purpose, the offeror shall assume a 90 day Contract Transition Period, with a Transition start date of April 2, 2017. The offeror shall assume full responsibility for the performance of all other contract requirements on July 1, 2017. Proposed costs shall be on a Government Fiscal Year basis from October 1 to September 30. The period of performance extends through March 31, 2027, including the option period. The offeror shall propose cost for each year and in total corresponding to the costs for performing the PWS.
- (e) For proposal preparation purposes, the offeror shall assume a planned funding profile per the Government Fiscal Year (FY) as follows, excluding the IDIQ maximum value of \$112,000,000:

Contract Funding Profile (in \$M)	
Gov't Fiscal Year	Funding Profile
FY17 (Transition)	\$5.0M
FY17	\$124.7M \$99.4M
FY18	\$499.0M \$461.6M
FY19	\$542.6M \$461.1M
FY20	\$608.7M \$475.1M
FY21	\$637.5M \$502.9M
FY22	\$631.3M \$633.0M

FY23	\$637.8M\$665.9M
FY24	\$326.0M\$352.4M
Base Period Total	\$4,012.6M\$3,656.4M
FY24	\$326.0M\$352.4M
FY25	\$682.2M\$733.3M
FY26	\$725.8M\$775.9M
FY27	\$381.7M\$385.2M
Option Period Total	\$2,115.7M\$2,246.5M
Contract Total	\$6,128.3M\$5,902.6M

The provided funding profile represents the government’s estimate as of the date of the solicitation of future funding. This assumed funding is not a guarantee of available funds; additional funding made available could be used for in-scope work activities. Actual funding may be greater or less than these estimates. There is no commitment by DOE to request funds equivalent to this assumed funding. Available funds depend on Congressional appropriations and priorities within the DOE. The provided funding profile covers the total estimated cost and fee described in Section B.

- (f) Proposed Cost and Fee. The offeror shall provide the proposed cost and fee amounts in Section B.2 Contract Cost and Fee, Table B.2-2 Contract Cost and Fee, consistent with the Volume III proposal and in accordance with the following footnotes:. In addition, if the offeror proposes performance metrics exceeding the Contract Performance Requirements in Section C, Table 1; then the total Target Activity PBI Fee proposed in Table B.2-2 shall be calculated and provided by the offeror in accordance with B.8, Target Activity PBI Fee to reflect the additional Target Activity PBI Fee associated with the additional proposed performance metrics.

Table B.2-2 Contract Cost and Fee					
[Table to be completed by offeror and inserted by DOE at time of contract award]					
<u>CLIN</u>	<u>CLIN Title</u>	<u>Estimated Cost</u>	<u>Available Award Fee*</u>	<u>Target Activity PBI Fee</u>	<u>Estimated Cost and Fee</u>
0001	<u>Contract Transition</u> ¹		<u>N/A</u>	<u>N/A</u>	
0101	<u>Liquid Waste Operations</u> ²				
0102	<u>SWPF Integration & Transition</u> ³			<u>N/A</u>	
0103	<u>SWPF Operations (option)</u> ²				
0104	<u>SDU Construction</u> ³			<u>N/A</u>	
0105	<u>Tank Closures</u> ⁴				
0106	<u>Safety Basis Upgrade</u> ³			<u>N/A</u>	
0107	<u>System Optimization</u> ³			<u>N/A</u>	
0108	<u>Liquid Waste Program Support</u> ³			<u>N/A</u>	
	<u>Base Period – Total</u>				
0201	<u>Liquid Waste Operations</u> ²				
0202	<u>SDU Construction</u> ³			<u>N/A</u>	
0203	<u>Tank Closures</u> ⁴				
0204	<u>Safety Basis Upgrade</u> ³			<u>N/A</u>	
0205	<u>System Optimization</u> ³			<u>N/A</u>	
0206	<u>Liquid Waste Program Support</u> ³			<u>N/A</u>	
	<u>Option Period – Total</u>				
0002	<u>IDIQ – Base</u> ⁵	<u>\$56,000,000</u> <u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>\$56,000,000</u>
0003	<u>IDIQ – Option</u> ⁵	<u>56,000,000</u> <u>BD</u>	<u>TBD</u>	<u>TBD</u>	<u>56,000,000</u>
	<u>Total Contract Value</u> ⁶				

¹ No fee shall be proposed for the contract transition CLIN.

² Available Award Fee proposed shall not exceed 2.5% of the estimated CLIN cost and Target Activity PBI Fee shall not exceed 6.5% of the estimated CLIN cost. If the proposed fee is below the not to exceed percentages, then the ratio between the proposed Available Award Fee and Target Activity PBI Fee shall remain proportionally consistent in relation to the not to exceed percentages. For example, a proposed Target Activity PBI Fee of 3.25% and a proposed Available Award Fee of 1.25% would be consistent.

³ Available Award Fee proposed shall not exceed 8% of the estimated CLIN cost, and no Target Activity PBI Fee is payable.

⁴ Available Award Fee proposed shall not exceed 2% of the estimated CLIN cost and Target Activity PBI Fee shall not exceed 8% of the estimated CLIN cost. If the proposed fee is below the not to exceed percentages, then the ratio between the proposed Available Award Fee and

Target Activity PBI Fee shall remain proportionally consistent in relation to the not to exceed percentages. For example, a proposed Target Activity PBI Fee of 4% and a proposed Available Award Fee of 1% would be consistent.

⁵ The amounts shown in Table B.2-2 for the IDIQ CLINs are collectively consistent with the IDIQ maximum value of \$112,000,000, and include estimated costs and fee. No separate fee shall be proposed for the IDIQ CLINs in Table B.2-2, as fee will be established in each individual Task Order in accordance with DOE-B-2015.

⁶ The total proposed contract value equals the sum of the base period total amount, the option period total amount, and the IDIQ CLIN amounts.

(g) Proposed Schedule. The offeror shall provide a resource loaded schedule (utilizing the Oracle's Primavera P6 Enterprise Project Portfolio Management© software) including key milestones, deliverables, logic ties, predecessor and successor relationships, activity durations, float, and the critical activities to complete the PWS work scope consistent with the anticipated funding profile. The schedule of activities shall be presented in no less detail than prescribed in Section J, Attachment J-3, Work Breakdown Structure, and the electronic version shall be working files and include logic ties. The schedule shall be fully traceable to Volume II, Technical and Management Proposal. For those PWS elements for which DOE provided cost, the schedule shall reflect the provided cost as a resource, consistent with the FY period allocation in Attachment L-8, Assumptions.

(h) Offeror Proposed Cost.

(1) Offeror (e.g., Joint Venture Partners) and Subcontractors ~~over \$500 million (including the base and option period)~~. The offeror's cost proposal shall identify the scope and proposed costs for ~~all joint venture partnersthe offeror~~ and critical subcontractors ~~over \$500M~~ and require the ~~Joint Venture Partnersofferor~~ and critical Subcontractors ~~subcontractors~~ over \$500M to provide the detail required in (h)(2) through (910) of this section. For ~~Joint Venture Partners and/or critical subcontractors~~ ~~over \$500M~~, a cost proposal shall be provided within the Volume III submission and shall be reconciled to the offeror's proposed costs and shall be consistent with the offeror's Technical and Management Proposal. Cost data shall be fully supported. It is acceptable for critical subcontractors ~~over \$500M~~ to submit sealed envelopes with proprietary data containing a separate set of cost worksheets, Attachment L-6 and L-7, with its proposal for the proposed ~~Joint Venture Partner and/or critical Subcontractor~~ subcontractor costs ~~over \$500M work~~ by the proposal due date.

(2) Basis of Estimate. Provide a Basis of Estimate (BOE) thoroughly documenting all estimates consistent with the offeror's Technical and Management Proposal. A BOE description shall be provided at the lowest level described in the offeror's WBS.

The detailed narrative description shall include how the proposed cost by cost element were derived, including summary of work scope, source of estimate information, summary statement of site condition (including all major assumptions used in establish the site condition by PWS), supporting rationale, summary of estimating rationale, process and assumptions (including major

assumptions used to establish the offeror's cost to perform the solicitation requirements), and other related information to provide clarity and understanding of the offeror's BOE. The offeror shall clearly indicate for each PWS by cost element (direct labor, indirect rates, direct materials, etc.): (1) what data is existing and verifiable, (2) judgmental factors applied in projection from known source data to the estimate, (3) key assumptions (not in conflict with the PWS), and (4) the basis of each cost element. The offeror's proposal shall be in sufficient detail to demonstrate reasonableness and realism. The offeror shall not propose allowances or factors as part of its proposal with the exception of small tools and fuel, oil, gas, and maintenance (FOGM), if consistent with the offeror's estimating practices and are supportable.

The BOE shall be a standalone document within Volume III, separate from the estimate calculations. Back-up documentation supporting the pricing from the offeror's estimating software shall be provided detailing the proposed costs including showing all labor hours by labor category cumulative for the project and by FY and quantities and unit pricing for other than direct labor costs cumulative for the project and FY period (for example, number of units multiplied by unit costs of material).

- (3) Cost Element. The offeror's cost proposal shall be provided by major cost elements in accordance with FAR Table 15-2: direct labor (including labor categories, direct labor hours and direct labor rates for each labor category type), fringe benefits, direct labor overhead (if applicable), material, equipment (including capital investments and FOGM), ~~Joint Venture/LLC Member/Other Teaming Arrangement/Major Critical~~ Subcontractor ~~over \$500M~~ (shall be individually estimated and provided for by major cost elements as described in this paragraph), other subcontract cost, personal protective equipment (PPE), supplies, state and use tax, travel, relocation, other direct costs, and general and administrative (G&A) costs (if applicable). The data provided by the offeror shall be sufficient for the Contracting Officer to complete a thorough analysis of the proposal as required by FAR 15.404.
- (4) Liquid Waste Program Support Costs. Costs for Liquid Waste Program Support (C.3) that are~~Unless~~ directly allocable to a C.1 or C.2 work activity shall be proposed under the respective C.1 or C.2 work activity. All other,~~the~~ costs for Liquid Waste Program Support (C.3) shall be included under the applicable C.3 PWS element in the Volume III submission as direct costs as shown in the PWS/WBS. The offeror's cost proposal shall not include costs (direct labor and/or direct non-labor costs) in any proposed indirect rate allocation pool(s) which could otherwise be accounted for under the PWS provided in Section C.
- (5) Additional Details for Other than Direct Labor Costs. The offeror shall provide a consolidated schedule(s) of non-labor costs (including materials, equipment, other direct costs, travel, etc.) which contains descriptions, quantities, unit pricing and total pricing using the templates provided in Section L, Attachment L-7 reconciling to the total proposed amounts for each cost element, as included Section L, Attachment L-6.

- (6) Labor Rates. The offeror shall complete the labor worksheet in the Section L, Attachment L-7, to provide the yearly proposed direct labor rates by labor category for the entire period of performance reflecting the FY as detailed in Attachment L-6. The offeror has the ability to propose its own direct labor rates, consistent with the terms and conditions of the solicitation, applicable law, including the Davis-Bacon Act and 4(c) of the Service Contract Act, as applicable. However, the proposed labor rates shall not be less than the DOE provided direct labor rates included as part of Attachment L-7. The provided direct labor rates reflect paid rates at similar sites with similar work scope, as well as, the Wage Rate Requirements (Construction) and Service Contract Labor Standards rates escalated to GFY 2017. The DOE provided labor categories are not all inclusive. If the offeror requires labor categories in addition to the labor categories provided or utilizes other than the provided direct labor rates, the offeror shall provide the basis of the proposed labor rate(s) and supporting documentation.

For proposal preparation purposes, a full time equivalent (FTE) is defined as 1,800 hours/year. The 1,800 hours/year is based on 2,080 annual hours less 280 hours for vacation, sick, holiday, and site specific training.

- (7) Direct Labor Hours. The offeror shall complete Attachment L-7 and shall detail the labor categories and labor hours by PWS and WBS. Direct labor hours shall be provided in total for the entire period and by fiscal year by labor category. For proposal preparation purposes, the offeror shall not assume any overtime is available.
- (8) Indirect Rates.

Fringe Benefits. For the workforce eligible for employment under the Workforce Transition and Employee Hiring Preferences clause (Clause H.4), the offeror's proposed fringe benefit rates shall be at least forty-seven percent (47%). The fringe benefit rates (whether using the DOE provided fringe rates or those specifically proposed by the offeror) shall be applied to all labor costs not covered below. The provided fringe benefit rates cover projected labor related indirect costs such as medical, dental, life insurance, accident/sickness coverage, workers compensation, FICA, FUTA, SUTA, and time-off (vacation, sick, and holiday).

The fringe benefit rates for management employees and employees not covered under the Workforce Transition and Employee Hiring Preferences clause (Clause H.4) shall be separately estimated by the offeror. The offeror shall provide sufficient documentation to support the proposed fringe benefit rates.

Indirect Rates Other Than Fringe Benefits. The offeror shall provide a detailed estimate for each proposed indirect rate (labor overhead and G&A, as applicable) for each fiscal year covering the period of performance. The detailed estimate shall include cost, by cost element, for the allocation pool and the allocation base and how each cost element within the allocation pool and allocation base was derived. The offeror shall provide all related information to provide a clear understanding of the basis of estimate. For purposes of this proposal, the offeror

shall compute all of the indirect rates on a government FY basis and time phase the indirect costs accordingly to the government FY basis. If the offeror is proposing a blended indirect rate that is derived from the weighting of other indirect rates, the offeror shall provide the detailed computations for each of the individual indirect rates that are used in the computation of the blended rate by 12 month FY period and the methodology of how the blended rate was derived. This data shall be provided for each joint venture partner, if applicable.

The offeror shall provide a detailed explanation of the proposed corporate organizational structure and whether corporate home office allocation is or is not applicable. If a corporate home office allocation is not proposed, the offeror shall provide a contractually binding statement as part of the offer in Volume II stating the offeror will not attempt to recover any corporate home office costs during the course of the contract. Offerors are entitled to fair and reasonable recovery of allowable and allocable costs related to any parent organization support approved by DOE in accordance with Section H clause entitled, Parent Organization Support.

(9) Escalation. The offeror shall utilize an annual escalation factor of 2.2 percent for both direct labor and other than direct labor costs.

(10) Subcontract Pricing Considerations. For all subcontracts, the offeror must submit the information required by FAR 15.404-3.

- (i) Contract Transition Period Cost. For proposal preparation purposes, the offeror shall assume no government furnished equipment will be available during transition or that the Government will provide specific equipment for use during transition, including an appropriate listing of such.
- (j) DOE or its cognizant audit entity may request additional supporting information for purposes of clarification in evaluating cost.
- (k) The offeror shall provide the location (address and telephone number and point of contact) of where documentation supporting Volume III is located. The offeror shall provide the name, address and telephone number of the cognizant ACO and the cognizant Defense Contract Audit Agency (DCAA) office, if any. Additionally, the offeror shall provide the name, address, and telephone number of person(s) authorized to provide any clarifying information regarding the Volume III Cost Proposal. If the offeror is a joint venture, this data must be provided for each entity.
- (l) The offeror shall submit an explanation of how costs will be recorded and tracked in the proposed accounting system. If the offeror's proposed accounting system will allocate costs through the use of an indirect costing rate, the indirect rate and an explanation is required to describe costs to be included in each of the indirect cost pools, as well as a description of each allocation base. Additionally, the offeror shall describe its accounting system and the adequacy of that system for reporting costs against government cost-type contracts. The offeror shall identify the cognizant government audit agency or any other government agency that has formally approved the accounting system, if applicable. This data must also be provided for

each member of the joint venture partners. The government may use this information in making determinations of offeror responsibility.

Offeror's Proposed Accounting System Information. The offeror (including joint ventures) shall provide one or more of the following:

- (1) Provide a copy of the Government approval/determination stating the proposed accounting system is adequate for the identification, accumulation and recording of cost under Government reimbursable type contracts/subcontracts if the approval/determination was issued within the last three years. Also, provide a copy of the most recent accounting system audit report on the proposed accounting system if performed within the last five years and fully describe and explain any material changes made to the proposed accounting system since the time it was reviewed, audited or approved;
 - (2) If the accounting system was deemed inadequate, provide the corrective actions that have or will be taken to correct the cited issues, including the implementation time for each action;
 - (3) If the proposed accounting system has not been formally approved by the Government within the last three years and/or audited within the last five years, or an audit determined the accounting system to be inadequate, then the offeror shall state this and provide responses to the "Offeror's Proposed Accounting System Information," incorporated into this RFP as Attachment L-9.
- (m) Responsibility Determination and Financial Capability. FAR 9.104-1(a), General Standards, requires that a prospective offeror have adequate financial resources to perform the Contract or the ability to obtain them in order to be determined responsible. It is the offeror's responsibility to demonstrate its financial capability to complete this Contract. Information provided by the offeror shall include, but is not limited to, the following:
- (1) Financial Statements (audited, if available) and notes to the financial statements for the last three fiscal years);
 - (2) The information in subparagraph (1) above for each member of the offeror team arrangement if a teaming arrangement is used;
 - (3) The last annual report for the parent corporation(s). In order to consider the financial or other resources of the parent corporation entity(ies) or other guarantors, each of those entities must be legally bound, jointly and severally if more than one, to provide the necessary resources to the prospective offeror and assume all contractual obligations of the prospective offeror; and
 - (4) Any available lines of credit.

Using the above information and other information, the government will make a FAR Part 9, Contractor Qualifications responsibility determination of the prospective awardee. The government may request a financial capability review of each offeror

from the DCAA or another audit agency, as part of the government's consideration in making the responsibility determination.

- (n) If the offeror and/or Joint Venture Partners are covered by Cost Accounting Standards (CAS); the entities shall provide the Disclosure Statement and a statement stating the current Disclosure Statement has been or has not been reviewed by the cognizant audit agency and if the Disclosure Statement has been approved. Additionally, the offeror shall identify the cognizant government audit agency or any other government agency that has formally approved the Disclosure Statement. The offeror shall also identify whether the cognizant government audit agency has issued any audit reports on the compliance with the CAS requirements and its disclosure statement, as well as, the results of the audit(s).

If any item contained within the RFP requires the offeror to modify its current disclosed Practices, the offeror shall provide the areas in which a change will be required and the suggested document and word changes.

- (o) The offeror shall not propose any Government Furnished Property (GFP) for use during the performance of this Contract that is in addition to the list of GFP provided in Section J, Attachment J-12.
- (p) Waiver of Facilities Capital Cost of Money (FCCOM). The solicitation includes Section I clause titled, FAR 52.215-17, Waiver of Facilities Capital Cost of Money; thus, as a condition of award, the offeror shall not propose facilities capital cost of money.

L.18 DOE-L-2014 DATE, TIME AND PLACE OFFERS ARE DUE (OCT 2015)

All Offers required by this solicitation are due at the date, time, and place identified on the Standard Form (SF 33), Solicitation, Offer and Award (See Section A, Block 9). Treatment of late submissions, modifications, and withdrawals are governed by the applicable provisions of the solicitation.

L.19 DOE-L-2016 NUMBER OF AWARDS (OCT 2015)

It is anticipated that there will be one award resulting from this solicitation. However, the Government reserves the right to make any number of awards, or no award, if considered to be in the Government's best interest to do so.

L.20 CONTACTS REGARDING FUTURE EMPLOYMENT

Offerors may contact incumbent contractor employees about future employment except where prohibited by law. These contacts must take place outside the normal working hours of the employees.

L.21 DOE-L-2020 SMALL BUSINESS SET-ASIDE INFORMATION (UNRESTRICTED)

This acquisition is unrestricted and contains no small business set-aside provisions.

L.22 DOE-L-2026 SERVICE OF PROTEST (OCT 2015)/ FAR 52.233-2, SERVICE OF PROTEST (SEP 2006)/ AS MODIFIED BY DEAR 952.233-2 SERVICE OF PROTEST (MAY 2010)

- (a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Aaron Deckard
Contracting Officer
U.S. Department of Energy
250 E. 5th Street, Suite 500
Cincinnati, OH 45202

- (b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.
- (c) Another copy of a protest filed with the GAO shall be furnished to the following address within the time periods described in paragraph (b) of this provision:

U.S. Department of Energy
Assistant General Counsel for Procurement and
Financial Assistance (GC-61)
1000 Independence Avenue, S.W.
Washington, DC 20585
Fax: (202) 586-4546

L.23 DOE-L-2027 DEAR 952.233-4 NOTICE OF PROTEST FILE AVAILABILITY (OCT 2015)

- (a) If a protest of this procurement is filed with the Government Accountability Office (GAO) in accordance with 4 CFR part 21, any actual or prospective offeror may request the Department of Energy to provide it with reasonable access to the protest file pursuant to 48 CFR 33.104(a)(3)(ii), implementing section 1605 of Public Law 103-355. Such request must be in writing and addressed to the Contracting Officer for this procurement.
- (b) Any offeror who submits information or documents to the Department for the purpose of competing in this procurement is hereby notified that information or documents it submits may be included in the protest file that will be available to actual or prospective offerors in accordance with the requirements of 48 CFR 33.2014(a)(3)(ii). The Department will be required to make such documents available unless they are exempt from disclosure pursuant to the Freedom of Information Act. Therefore, offerors shall mark any documents as to which they would assert that an exemption applies. (See 10 CFR part 1004.)

L.24 DOE-L-2028 AGENCY PROTEST REVIEW (OCT 2015)

Protests to the agency will be decided either at the level of the Head of the Contracting Activity or at the Headquarters level. The Department of Energy's agency protest

procedures, set forth at 48 CFR 933.103, elaborate on these options and on the availability of a suspension of a procurement that is protested to the Department. The Department encourages potential protestors to discuss their concerns with the Contracting Officer prior to filing a protest.

L.25 FAR 52.225-12, NOTICE OF BUY AMERICAN REQUIREMENT – CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS (MAY 2014)

- (a) *Definitions.* “Commercially available off-the-shelf (COTS) item,” “construction material,” “designated country construction material,” “domestic construction material,” and “foreign construction material,” as used in this provision, are defined in the clause of this solicitation entitled “Buy American--Construction Materials Under Trade Agreements” (Federal Acquisition Regulation (FAR) clause 52.225-11).
- (b) *Requests for determination of inapplicability.* An offeror requesting a determination regarding the inapplicability of the Buy American statute should submit the request to the Contracting Officer in time to allow a determination before submission of offers. The offeror shall include the information and applicable supporting data required by paragraphs (c) and (d) of FAR clause 52.225-11 in the request. If an offeror has not requested a determination regarding the inapplicability of the Buy American statute before submitting its offer, or has not received a response to a previous request, the offeror shall include the information and supporting data in the offer.
- (c) *Evaluation of offers.*
- (1) The Government will evaluate an offer requesting exception to the requirements of the Buy American statute, based on claimed unreasonable cost of domestic construction materials, by adding to the offered price the appropriate percentage of the cost of such foreign construction material, as specified in paragraph (b)(4)(i) of FAR clause 52.225-11.
 - (2) If evaluation results in a tie between an offeror that requested the substitution of foreign construction material based on unreasonable cost and an offeror that did not request an exception, the Contracting Officer will award to the offeror that did not request an exception based on unreasonable cost.
- (d) *Alternate offers.*
- (1) When an offer includes foreign construction material, other than designated country construction material, that is not listed by the Government in this solicitation in paragraph (b)(3) of FAR clause 52.225-11, the offeror also may submit an alternate offer based on use of equivalent domestic or designated country construction material.
 - (2) If an alternate offer is submitted, the offeror shall submit a separate Standard Form 1442 for the alternate offer, and a separate price comparison table prepared in accordance with paragraphs (c) and (d) of FAR clause 52.225-11 for the offer that is based on the use of any foreign construction material for which the Government has not yet determined an exception applies.

- (3) If the Government determines that a particular exception requested in accordance with paragraph (c) of FAR clause 52.225-11 does not apply, the Government will evaluate only those offers based on use of the equivalent domestic or designated country construction material, and the offeror shall be required to furnish such domestic or designated country construction material. An offer based on use of the foreign construction material for which an exception was requested--
- (i) Will be rejected as nonresponsive if this acquisition is conducted by sealed bidding; or
 - (ii) May be accepted if revised during negotiations.

L.26 DEAR 952.204-73 FACILITY CLEARANCE (MAR 2011)

NOTICES

Section 2536 of title 10, United States Code, prohibits the award of a contract under a national security program to an entity controlled by a foreign government if it is necessary for that entity to be given access to information in a proscribed category of information in order to perform the contract unless a waiver is granted by the Secretary of Energy. In addition, a Facility Clearance and foreign ownership, control and influence (FOCI) information are required when the contract or subcontract to be awarded is expected to require employees to have access authorizations.

Offerors who have either a Department of Defense or a Department of Energy Facility Clearance generally need not resubmit the following foreign ownership information unless specifically requested to do so. Instead, provide your DOE Facility Clearance code or your DOD assigned commercial and government entity (CAGE) code. If uncertain, consult the office which issued this solicitation.

(a) Use of Certificate Pertaining to Foreign Interests, Standard Form 328

- (1) The contract work anticipated by this solicitation will require access to classified information or special nuclear material. Such access will require a Facility Clearance for the Contractor organization and access authorizations (security clearances) for Contractor personnel working with the classified information or special nuclear material. To obtain a Facility Clearance the offeror must submit a Certificate Pertaining to Foreign Interests, Standard Form 328, and all required supporting documents to form a complete Foreign Ownership, Control or Influence (FOCI) Package. Contractors are encouraged to submit this information through the use of the online tool at <https://foci.anl.gov>. When completed the Contractor must print and sign one copy of the SF 328 and submit it to the Contracting Officer.
- (2) Information submitted by the offeror in response to the Standard Form 328 will be used solely for the purposes of evaluating foreign ownership, control or influence and will be treated by DOE, to the extent permitted by law, as business or financial information submitted in confidence.

- (3) Following submission of a Standard Form 328 and prior to contract award, the Contractor shall immediately submit to the Contracting Officer written notification of any changes in the extent and nature of FOCI which could affect the offeror's answers to the questions in Standard Form 328. Following award of a contract, the Contractor must immediately submit to the cognizant security office written notification of any changes in the extent and nature of FOCI which could affect the offeror's answers to the questions in Standard Form 328. Notice of changes in ownership or control which are required to be reported to the Securities and Exchange Commission, the Federal Trade Commission, or the Department of Justice must also be furnished concurrently to the cognizant security office.

(b) Definitions

- (1) Foreign Interest means any of the following—

- (i) A foreign government, foreign government agency, or representative of a foreign government;
- (ii) Any form of business enterprise or legal entity organized, chartered or incorporated under the laws of any country other than the United States or its possessions and trust territories; and
- (iii) Any person who is not a citizen or national of the United States.

- (2) Foreign Ownership, Control, or Influence (FOCI) means the situation where the degree of ownership, control, or influence over a Contractor by a foreign interest is such that a reasonable basis exists for concluding that compromise of classified information or special nuclear material may result.

- (c) Facility Clearance means an administrative determination that a facility is eligible to access, produce, use or store classified information, or special nuclear material. A Facility Clearance is based upon a determination that satisfactory safeguards and security measures are carried out for the activities being performed at the facility. It is DOE policy that all Contractors or Subcontractors requiring access authorizations be processed for a Facility Clearance at the level appropriate to the activities being performed under the contract. Approval for a Facility Clearance shall be based upon—

- (1) A favorable foreign ownership, control, or influence (FOCI) determination based upon the Contractor's response to the ten questions in Standard Form 328 and any required, supporting data provided by the Contractor;
- (2) A contract or proposed contract containing the appropriate security clauses;
- (3) Approved safeguards and security plans which describe protective measures appropriate to the activities being performed at the facility;
- (4) An established Reporting Identification Symbol code for the Nuclear Materials Management and Safeguards Reporting System if access to nuclear materials is involved;

- (5) A survey conducted no more than 6 months before the Facility Clearance date, with a composite facility rating of satisfactory, if the facility is to possess classified matter or special nuclear material at its location;
 - (6) Appointment of a Facility Security Officer, who must possess or be in the process of obtaining an access authorization equivalent to the Facility Clearance; and, if applicable, appointment of a Materials Control and Accountability Representative; and
 - (7) Access authorizations for key management personnel who will be determined on a case-by-case basis, and must possess or be in the process of obtaining access authorizations equivalent to the level of the Facility Clearance.
- (d) A Facility Clearance is required prior to the award of a contract requiring access to classified information and the granting of any access authorizations under a contract. Prior to award of a contract, the DOE must determine that award of the contract to the offeror will not pose an undue risk to the common defense and security as a result of its access to classified information or special nuclear material in the performance of the contract. The Contracting Officer may require the offeror to submit such additional information as deemed pertinent to this determination.
- (e) A Facility Clearance is required even for contracts that do not require the Contractor's corporate offices to receive, process, reproduce, store, transmit, or handle classified information or special nuclear material, but which require DOE access authorizations for the Contractor's employees to perform work at a DOE location. This type facility is identified as a non-possessing facility.
- (f) Except as otherwise authorized in writing by the Contracting Officer, the provisions of any resulting contract must require that the Contractor insert provisions similar to the foregoing in all subcontracts and purchase orders. Any Subcontractors requiring access authorizations for access to classified information or special nuclear material shall be directed to provide responses to the questions in Standard Form 328, Certificate Pertaining to Foreign Interests, directly to the prime Contractor or the Contracting Officer for the prime contract.

**NOTICE TO OFFERORS—CONTENTS REVIEW
(PLEASE REVIEW BEFORE SUBMITTING)**

Prior to submitting the Standard Form 328, required by paragraph (a)(1) of this clause, the offeror should review the FOCI submission to ensure that:

- (1) The Standard Form 328 has been signed and dated by an authorized official of the company;
- (2) If publicly owned, the Contractor's most recent annual report, and its most recent proxy statement for its annual meeting of stockholders have been attached; or, if privately owned, the audited, consolidated financial information for the most recently closed accounting year has been attached;

- (3) A copy of the company's articles of incorporation and an attested copy of the company's by-laws, or similar documents filed for the company's existence and management, and all amendments to those documents;
- (4) A list identifying the organization's owners, officers, directors, and executive personnel, including their names, social security numbers, citizenship, titles of all positions they hold within the organization, and what clearances, if any, they possess or are in the process of obtaining, and identification of the government agency(ies) that granted or will be granting those clearances; and,
- (5) A summary FOCI data sheet.

NOTE: A FOCI submission must be attached for each tier parent organization (i.e. ultimate parent and any intervening levels of ownership). If any of these documents are missing, award of the contract cannot be completed.

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-1: PERFORMANCE GUARANTEE AGREEMENT

For value received, and in consideration of, and to induce the United States (the Government) to enter into Contract DE-_____ for the _____ (Contract) dated _____, by and between the Government and _____ (contractor), the undersigned, _____ (Guarantor), a corporation incorporated in the State of _____ with its principal place of business at _____ hereby unconditionally guarantees to the Government (a) the full and prompt payment and performance of all obligations, accrued and executory, which contractor presently or hereafter may have to the Government under the contract; and (b) the full and prompt payment and performance by contractor of all obligations and liabilities of contractor to the Government, fixed or contingent, due or to become due, direct or indirect, now existing or hereafter and howsoever arising or incurred under the contract, and (c) Guarantor further agrees to indemnify the Government against any losses the Government may sustain and expenses it may incur as a result of the enforcement or attempted enforcement by the Government of any of its rights and remedies under the contract, in the event of a default by contractor hereunder, and/or as a result of the enforcement or attempted enforcement by the Government of any of its rights against Guarantor hereunder.

Guarantor has read and consents to the signing of the contract. Guarantor further agrees that contractor shall have the full right, without any notice to or consent from Guarantor, to make any and all modifications or amendments to the contract without affecting, impairing, or discharging, in whole or in part, the liability of Guarantor hereunder.

Guarantor hereby expressly waives all defenses which might constitute a legal or equitable discharge of a surety or guarantor, and agrees that this Performance Guarantee Agreement shall be valid and unconditionally binding upon Guarantor regardless of: (i) the reorganization, merger, or consolidation of contractor into or with another entity, corporate or otherwise, or the liquidation or dissolution of contractor, or the sale or other disposition of all or substantially all of the capital stock, business or assets of contractor to any other person or party; or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against contractor, or adjudication of contractor as a bankrupt; or (iii) the assertion by the Government against the contractor of any of the Government's rights and remedies provided for under the contract, including any modifications or amendments thereto, or under any other document(s) or instrument(s) executed by contractor, or existing in the Government's favor in law, equity, or bankruptcy.

Guarantor further agrees that its liability under this Performance Guarantee Agreement shall be continuing, absolute, primary, and direct, and that the Government shall not be required to pursue any right or remedy it may have against contractor or other Guarantors under the contract, or any modifications or amendments thereto, or any other document(s) or instrument(s) executed by contractor, or otherwise. Guarantor affirms that the Government shall not be required to first commence any action or obtain any judgment against contractor before enforcing this Performance Guarantee Agreement against Guarantor, and that Guarantor will, upon demand, pay the Government any amount, the payment of which is guaranteed hereunder and the payment of which by contractor is in default under the contract or under any other document(s) or instrument(s) executed by contractor as aforesaid, and that Guarantor will,

upon demand, perform all other obligations of contractor, the performance of which by contractor is guaranteed hereunder.

Guarantor agrees to ensure that it shall cause this Performance Guarantee Agreement to be unconditionally binding upon any successor(s) to its interests regardless of: (i) the reorganization, merger, or consolidation of Guarantor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Guarantor, or the sale or other disposition of all or substantially all of the capital stock, business, or assets of Guarantor to any other person or party; or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Guarantor, or adjudication of Guarantor as a bankrupt.

Guarantor further warrants and represents to the Government that the execution and delivery of this Performance Guarantee Agreement is not in contravention of Guarantor's Articles of Organization, Charter, bylaws, and applicable law; that the execution and delivery of this Performance Guarantee Agreement, and the performance thereof, has been duly authorized by the Guarantor's Board of Directors, Trustees, or any other management board which is required to participate in such decisions; and that the execution, delivery, and performance of this Performance Guarantee Agreement will not result in a breach of, or constitute a default under, any loan agreement, indenture, or contract to which Guarantor is a party or by or under which it is bound.

No express or implied provision, warranty, representation or term of this Performance Guarantee Agreement is intended, or is to be construed, to confer upon any third person(s) any rights or remedies whatsoever, except as expressly provided in this Performance Guarantee Agreement.

In witness thereof, Guarantor has caused this Performance Guarantee Agreement to be executed by its duly authorized officer, and its corporate seal to be affixed hereto on

Date

Name of Corporation

Name and Position of Official Executing Performance Guarantee Agreement on Behalf of Guarantor

Attestation Including Application of Seal by an Official of Guarantor Authorized to Affix Corporate Seal

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-2: KEY PERSONNEL STANDARD RESUME FORMAT

(RESUME MUST NOT EXCEED FOUR (4) PAGES IN LENGTH FOR EACH KEY PERSONNEL)

Name of Key Person:

Name of Offeror:

Proposed Position with Offeror:

Availability Date and Period of Commitment: (Insert [month/date/year] for availability date; period of commitment shall be reflected from date of contract award forward)

Name of Company with whom Key Person will be Employed:

Level of Security Clearance (or ability to obtain necessary clearance):

Country of Citizenship:

Duties and Responsibilities in Proposed Position:

Relevant Experience: (Starting with current position and working backwards: Identify name and address of employer, dates of employment, position titles, specified duties and responsibilities, and name, title and phone number of supervisor. Address specific information on the qualifications, experience, and demonstrated performance relevant to the proposed position, including individual leadership and technical expertise qualities. Identify specific examples of demonstrated leadership as opposed to just leadership positions held. Describe how work experience relates to Savannah River Site Liquid Waste project issues and capability to function effectively in the proposed Savannah River Site Liquid Waste team position.)

Education: (Provide degree(s) earned, discipline(s), year(s) degree(s) attained, and institution(s); if degree is incomplete, identify the number of hours earned towards degree).

Professional Affiliations, Registrations, Certifications and Licenses:

Publications, Awards, Honors and Professional Recognition: (Please list, but do not attach copies)

Professional Development: (Attach a list of all special/job related training. This is excluded from the page limitation specified in Section L)

Three References:

[Name, title, company/organization, address, phone number and e-mail address (current and at least two (2) previous employers or positions)]

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-3: OFFEROR PAST PERFORMANCE AND EXPERIENCE REFERENCE INFORMATION FORM

(Completed Form limited to 7 pages per reference contract/project)

1. <u>Name</u> and <u>DUNS #</u> of Offeror Submitting Proposal:	
2. <u>Name</u> and <u>DUNS #</u> of Company for which L-3 Form is being submitted:	
3. Name of Reference Contract Client (e.g., Government Agency or Prime Contractor):	
4. <u>Name</u> and <u>DUNS #</u> of Entity Reference Contract/Project Was Awarded To:	
5. Reference Contract/Project <u>Number</u> : Reference Contract/Project Available in PPIRS (i.e., <u>Yes/No</u>):	
6. Reference Contract/Project Client Point of Contact:	Name: Title: Telephone: Email: Address:
7. Indicate if the Company (identified in #2) was a <u>Prime Contractor</u> , <u>Teaming Partner</u> , or <u>Subcontractor</u> for the Reference Contract/Project:	
8. Reference Contract/Project Period of Performance:	
9. Reference Contract/Project Start Date:	
10. Reference Contract/Project Completion/Termination Date:	
11. Reference Contract/Project Type of Contract (e.g., FP, CPFF, CPAF, etc.):	
12. Reference Contract/Project Total Value (<i>separately list fee if cost-type</i>):	
13. Reference Contract/Project Value Performed To Date (<i>Insert the final sum of all invoices, or the sum of all invoices to date, including agreed upon and disputed amounts, paid and awaiting payment; Date = RFP release date</i>):	
14. Portion (%) of work Company (identified in #2) is proposed to perform on the Liquid Waste Contract:	

<p>15. Portion (%) of work, including dollar amount and duration, Company (identified in #2) performed on reference contract/project <i>(if different than #12 and #13, insert sum of all invoices, or the sum of all invoices to date, including agreed upon and disputed amounts, paid and awaiting payment.)</i>:</p>	
<p>16. Scope Company (identified in #2) is proposed to perform on Liquid Waste Contract. List applicable PWS elements:</p>	
<p>17. Scope Company (identified in #2) performed on reference contract/project:</p>	
<p>18. Complexity Company (identified in #2) is proposed to perform on Liquid Waste Contract:</p>	
<p>19. Complexity of work Company (identified in #2) performed on referenced contract/project:</p>	
<p>20. Provide information on problems encountered on the contract/projects identified above and corrective actions taken to resolve those problems:</p>	
<p>21. Provide information on Identify previous contracts (for the company identified in #2) where penalties were paid as a result of replacement of key personnel <u>on the referenced contract/project</u> and discuss the nature of the situation, including how much penalty was paid.</p>	
<p>22. Safety statistics: provide Days Away, Restricted or Transferred (DART) and Total Recordable Case (TRC) rates and hours worked for the Entity (identified in #4) on the referenced contract by Government Fiscal Year (GFY) for FY 2011-2015.</p>	

Note: The offeror may amend the format for Attachment L-3, Past Performance and Experience Reference Information Form, as long as the exact information, font and size, and page limitations are followed.

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-4: PAST PERFORMANCE COVER LETTER AND QUESTIONNAIRE

Past Performance Cover Letter for _____

Dear "Client":

We are currently responding to the Department of Energy (DOE) Request for Proposals No. DE-SOL-0008913 Liquid Waste Services contract at the Savannah River Site near Aiken, SC.

| The solicitation places **significant** emphasis on past performance as a source selection factor. In addition to requesting the attached Questionnaire be completed, the Government is requiring that clients of entities responding to the solicitation be identified and their participation in the evaluation process be requested. In the event you are contacted for information by the Government on work we have performed, you are hereby authorized to respond to those inquiries.

We are asking for your assistance in completing the attached questionnaire and forwarding to the DOE to aid in its evaluation of our past performance.

Please return the completed questionnaire within ten calendar days.

YOU ARE HIGHLY ENCOURAGED TO SCAN AND EMAIL THE QUESTIONNAIRE TO THE EMAIL ADDRESS PROVIDED BELOW:

Email Address: SRSLiquidWaste@emcbc.doe.gov

If you are unable to scan and email a copy, it can be mailed to the following address:

United States Department of Energy
Environmental Management Consolidated Business Center
Office of Contracting, Attn: Mr. Aaron Deckard
250 E. 5th Street, Suite 500
Cincinnati, OH 45202

If mailing, please mark the envelope:

"PROCUREMENT SENSITIVE SOURCE SELECTION INFORMATION - SEE FAR 3.104"
"TO BE OPENED ONLY BY THE CONTRACTING OFFICER"

PAST PERFORMANCE QUESTIONNAIRE:

A. REFERENCED CONTRACT AND CLIENT INFORMATION

Name of Company Being Evaluated:

Contract Number and Title Being Evaluated:

Evaluator's Name:

Evaluator's Address:

Evaluator's Phone:

Evaluator's Organization:

Evaluator's role in the management of the contract:

B. RATING SCALE AND DEFINITIONS:

Rating	Definition	Note
Exceptional	Performance meets contractual requirements and exceeds many to the Client's benefit. The contractual performance of the element or sub-element being evaluated was accomplished with few minor problems for which corrective actions taken by the contractor were highly effective.	To justify an Exceptional rating, identify multiple significant events and state how they were of benefit to the Client. A singular benefit, however, could be of such magnitude that it alone constitutes an Exceptional rating. Also, there should have been NO significant problems identified.
Very Good	Performance meets contractual requirements and exceeds some to the Client's benefit. The contractual performance of the element or sub-element being evaluated was accomplished with some minor problems for which corrective actions taken by the contractor were effective.	To justify a Very Good rating, identify a significant event and state how it was a benefit to the Client. There should have been no significant problems identified.
Satisfactory	Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.	To justify a Satisfactory rating, there should have been only minor problems, or major problems the contractor recovered from without impact to the contract/order. There should have been NO significant problems identified. Note: The contractor should not be evaluated with a rating lower than Satisfactory solely for not performing beyond the requirements of the contract/order.

2. Schedule Compliance

Example: How well did the Contractor provide timely services in accordance with contract schedules? How well did the Contractor take measures to minimize delays that were within their control?

Exceptional Very Good Satisfactory Marginal Unsatisfactory Not Applicable Do Not Know

Supporting Narrative:

3. Cost Control

Example: How well did the Contractor control its costs?

Exceptional Very Good Satisfactory Marginal Unsatisfactory Not Applicable Do Not Know

Supporting Narrative:

4. Business Relations

Example: How well did the Contractor interface with you to address requests, complaints, and inquiries? If given the choice, would you select this contractor again to perform your required services?

Exceptional Very Good Satisfactory Marginal Unsatisfactory Not Applicable Do Not Know

Supporting Narrative:

5. Management of Key Personnel/Staffing

Example: How well did the Contractor allocate the appropriate personnel resources to meet customer needs? How well did the Contractor provide staff on short notice for quick turnaround of personnel?

Exceptional Very Good Satisfactory Marginal Unsatisfactory Not Applicable Do Not Know

Supporting Narrative:

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-5: LIST OF CONTRACTS TERMINATED FOR DEFAULT OR CONVENIENCE

<u>Client Name</u>	<u>Contract #</u>	<u>Client Point of Contact (POC)</u>	<u>POC Contact Info (address, phone, e-mail)</u>	<u>Performance Period</u>

Note: Information shall only be provided for contracts terminated within the preceding five years from the due date for proposals. Additionally, explanatory information may be provided below the table for each contract terminated for default or convenience.

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-6: COST PROPOSAL WORKSHEETS

See procurement website

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-7: CONSOLIDATED DIRECT COST SCHEDULES

See procurement website

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-8: ASSUMPTIONS

PWS	Description	Assumptions
C.0.4	Transition	1. Contract transition will be 90 days.
C.1	Liquid Waste Operations	1. Liquid Waste System Plan Revision 20 (March, 2016) is the point of reference unless noted otherwise. 2. Salt waste volume processed to meet commitments to State by the end of FY21 is 27 Mgal. 3. The current LW contractor will have processed 1.9 Mgal salt waste against the commitment to the State at the time of contract transition. 4. SWPF will produce 3.8 Mgal of salt waste prior to transition to the LW Contractor against the commitment to the State.
C.1.1.1	ARP/MCU	1. ARP/MCU will be shut down and isolated one month before SWPF Hot Tie-ins. 2. Salt batches 8 and 9 do not require an MST strike.
C.1.1.2	Tank Farm Operations	1. Tank space can be maintained using only the currently operating 2H and 3H evaporators. 2. H-Canyon receipts of approximately 300 kgal/yr continue through 2025.
C.1.1.2.1	Tank Space Management	1. A replacement evaporator pot for the 3H evaporator will be procured by the incumbent contractor.
C.1.2	Waste Vitrification	1. DWPF canister production will continue to meet the requirements of RW-0333P quality assurance.
C.1.2.1	DWPF	1. The next DWPF melter replacement outage will be scheduled to coincide with the SWPF tie-in outage.
C.1.2.2	GWSB	1. Number of positions recovered is approximately 2,200 at the end of the double-stack effort in GWSB#1.
C.1.3	Low Activity Waste Disposal	1. Salt waste disposal requirements shall remain consistent with the applicable Section 3116 Determination and DOE Order 435.1.
C.1.3.1	SPF	1. SPF currently operates day shift only. Changes in operating schedule will require additional staffing.
C.1.3.2	SDF	1. SDU#6 will be completed and fully operational prior to the start of the contract.
C.1.4	SWPF Operations	1. SWPF operational responsibility transfers to LW Contractor as specified in Section F. 2. SWPF salt waste processing will be limited during any DWPF outages.

C.2.1	SDU Construction	<p>1. Subcontract performance for SDU#7 site preparation and design will be in progress at the time of contract award will be in construction (base mat) under a subcontract that will be assumed by the new LW Contractor. A separate construction subcontract for SDU#7 will be in the procurement phase at the time of contract transition.</p> <p>4. The DOE-provided cost for completion of SDU#7 site preparation, construction, and balance of plant activities is \$115M (\$5M during FY17, \$40M during FY18, \$40M during FY19, and \$30M during FY20).</p> <p>2. Future SDUs will be constructed as line item projects under DOE Order 413.3B requirements and are assumed to remain on the critical path for salt waste disposal.</p>
C.2.2	SWPF Integration	<p>1. Scope under C.2.2 will be completed by the assumption of SWPF operations under the LW Contract.</p> <p>2. Completion of Hot Tie-ins is not required prior to completion of the DOE Operational Readiness Review.</p> <p>3. Introduction of salt waste to SWPF begins with the Hot Start-Up on 12/1/18.</p>
C.2.3	SWPF Transition	<p>1. Scope under C.2.3 will be completed within three months after operations of SWPF transitions to LW Contractor.</p>
C.2.4	Tank Closures	<p>1. Tank closures will be completed consistent with the applicable Section 3116 Determination and DOE Order 435.1.</p> <p>2. Old style tanks and tanks at or in the water table are priorities for waste removal.</p>
C.2.4.1	Heel Removal & Residual Sampling	<p>1. Sonar approach to evaluating residual waste quantities is acceptable.</p>
C.2.4.2	Tank Isolation	<p>1. Once tanks have been isolated, they cannot be reused or returned to service.</p>
C.2.5	Safety Basis Upgrade Implementation	<p>1. The DOE-provided cost for completion of the safety basis upgrade is \$20M (\$3M during FY18, \$3M during FY19, \$3M during FY20, \$3M during FY21, \$3M during FY22, \$3M during FY23, and \$2M during FY24 (base period)). This DOE-provided cost reflects the totality of the work scope under C.2.5.</p>
C.2.6.1	NGS Deployment	<p>1. NGS will be implemented two years after the start of hot operations of SWPF.</p>
C.2.6.2	At Tank Cesium Removal	<p>1. Cesium processed by TCCR will be disposed offsite.</p> <p>2.1. TCCR will be deployed at Tank 10H and produce approximately 0.75 Mgal of treated salt solution toward the State commitment. The DOE-provided cost for testing and operating the TCCR system unit on waste tank 10H is \$20M (\$5M during FY17 and \$15M during FY18).</p>
C.2.6.4	Melter Fabrication	<p>1. 717-F will continue to be available for storage of unused DWPF melters and for the fabrication of future melters.</p>

C.2.6.6	Tank 48 Recovery	1. Proposals shall not include costs associated with execution of any Tank 48 recovery effort, as execution would fall under the IDIQ scope, if approved by DOE through an IDIQ task order.
C.3.3.1	Functional Support	1. Site M&O Contractor will continue to administer the LLS, ESS, and UBS functional support work scope, and DOE will continue to allocate funds for LLS, ESS, and UBS outside the LW contract. LLS, ESS, and UBS functional support costs to the site M&O are not considered to be within the funding profile provided in Section L of this solicitation.
C.3.4	Legacy Benefits	1. Site M&O Contractor will continue to administer the MEPP, and DOE will continue to allocate funds for Legacy Benefits outside the LW contract. Legacy benefit costs to the site M&O are not considered to be within the funding profile provided in Section L of this solicitation.
General	General	<p>1. LW Contractor will support the data entry and/or use of existing Government information systems in operation. DOE will provide sufficient office space on site for the LW Contractor's staff for the full period of performance, including the transition period.</p> <p>2.1. <u>Proposals (including Volume II and Volume III) shall meet or exceed the requirements in Section C, Table 1. The offeror's overall proposal approach and assumptions shall meet or exceed the quantities included in Section C, Table 1, for the base period and option period.</u></p>

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

ATTACHMENT L-9: OFFEROR'S PROPOSED ACCOUNTING SYSTEM INFORMATION

1. Is the accounting system in accordance with generally accepted accounting principles? Please explain.
2. Does the proposed accounting system provide for:
 - a. Proper segregation of direct costs from indirect costs? Please explain.
 - b. Identification of and accumulation of direct costs by contract? Please explain.
 - c. A logical and consistent method for allocation of indirect costs to intermediate and final cost objectives? (a contract is a final cost objective.) Please explain.
 - d. Accumulation of costs under general ledger control? Please explain.
 - e. A timekeeping system that identifies employees' labor by intermediate or final cost objectives? Please explain.
 - f. A labor distribution system that charges direct and indirect labor to the appropriate cost objectives? Please explain.
 - g. Interim (at least monthly) determination of cost charged to a contract through routine posting of book of accounts? Please explain.
 - h. Exclusion from costs charged to government contracts of amounts which are not allowable in terms of FAR Part 3, Contract Cost Principles and Procedures or other contract provisions? Please explain.
 - i. Identification of costs by contract line item and by units (as if unit or line items were a separate contract) if required by the proposed contract? Please explain.
 - j. Segregation of preproduction costs from production costs (if applicable)? Please explain.
3. Does the proposed Accounting System provide financial information:
 - a. Required by clauses concerning limitation of costs (FAR 52.232-20) and/or limitation on payments (FAR 52.216-16)? Please explain.
 - b. Required to support request for progress payments? Please explain.
4. Is the proposed accounting system designed, and are the records maintained in such a manner, that adequate, reliable data are developed for use in pricing follow-on acquisitions? Please explain.
5. Is the accounting system currently in full operation? If not, describe which portions are: (1) in operation; (2) set-up, but not yet in operation; (3) anticipated; or (4) nonexistent.

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

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M.1 DOE-M-2001 PROPOSAL EVALUATION – GENERAL – ALTERNATE II AND ALTERNATE III (OCT 2015)

(a) Conduct of acquisition.

- (1) This acquisition will be conducted pursuant to the Federal Acquisition Regulation (FAR), Part 15, Contracting by Negotiation; Department of Energy Acquisition Regulation (DEAR), Part 915, Contracting by Negotiation; and the provisions of this solicitation.
- (2) DOE has established a Source Evaluation Board to evaluate the proposals submitted by offerors in response to this solicitation. Proposal evaluation is an assessment of the proposal and the offeror's ability to perform the prospective contract successfully. Proposals will be evaluated solely on the factors and subfactors specified in the solicitation by assessing the relative significant strengths, strengths, significant weaknesses, weaknesses, deficiencies, and cost and performance risks of each offeror's proposal against the evaluation factors in this Section M to determine the offeror's ability to perform the contract.
- (3) The designated source selection authority will select an offeror for contract award whose proposal represents the best value to the Government. The source selection authority's decision will be based on a comparative assessment of proposals against all evaluation factors in the solicitation. The source selection authority may reject all proposals received in response to this solicitation, if doing so is in the best interest of the Government.

(b) Deficiency in proposal.

- (1) A deficiency, as defined at FAR 15.001, Definitions, is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. No award will be made to an offeror whose proposal is determined to be deficient.
- (2) A proposal will be eliminated from further consideration before complete evaluation if the proposal is ~~so grossly and obviously~~ deficient as to be totally unacceptable on its face. A proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address itself to the essential requirements of the solicitation, or if it ~~clearly demonstrates that the offeror does not understand the requirements of the~~ does not substantially and materially comply with the proposal preparation instructions of this solicitation. Cursory responses or responses which merely repeat or reformulate the Performance Work Statement will not be considered responsive to the requirements of the solicitation. In the event that a proposal is rejected, a notice will be sent to the offeror stating the reason(s) that the proposal will not be considered for further evaluation under this solicitation.

- (c) Responsibility. In accordance with FAR Subpart 9.1, Responsible Prospective Contractors, and DEAR Subpart 909.1, Responsible Prospective Contractors, the Contracting Officer is required to make an affirmative determination of whether a

- prospective contractor is responsible. The Contracting Officer may, if necessary, conduct a preaward survey of the prospective contractor as part of the considerations in determining responsibility. In the absence of information clearly indicating that the otherwise successful offeror is responsible, the Contracting Officer shall make a determination of nonresponsibility and no award will be made to that offeror; unless, the apparent successful offeror is a small business and the Small Business Administration issues a Certificate of Competency in accordance with FAR Part 19.6, Certificates of Competency and Determinations of Responsibility.
- (d) Award without discussions. In accordance with paragraph (f)(4) of the provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition, the Government intends to evaluate proposals and award a contract without conducting discussions with offerors. Therefore, the offeror's initial proposal shall contain the offeror's best terms from a cost or price and technical standpoint. The Government, however, reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary and may limit the competitive range for purposes of efficiency.
- (e) Organizational conflicts of interest. The offeror is required by the provision at Section K.8, Organizational Conflicts of Interest Disclosure, to provide a statement of any past, present, or currently planned interests related to the performance of the work and a statement that an actual or potential conflict of interest or unfair competitive advantage does or does not exist in connection with the instant contract. No award will be made to the apparent successful offeror, if the Contracting Officer determines that a conflict of interest exists that cannot be avoided, neutralized, or mitigated.
- (f) Facility clearance. The offeror is required by the provision at DEAR 952.204-73, Facility Clearance, to submit information related to its foreign interests. Public Law 102-484 § 824 prohibits the award of a DOE contract under a national security program to an entity controlled by a foreign government, unless a waiver is granted by the Secretary of Energy.

M.2 EVALUATION FACTOR – TECHNICAL APPROACH

~~DOE will evaluate~~ ~~The offeror will be evaluated on the degree to which its proposal demonstrates~~ the offeror's ~~understanding, capability, and technical~~ approach ~~that will allow the successful accomplishment of the~~ to achieve the PWS objectives and activities (for the full scope of contract performance, including the option period) in the areas of Contract Transition; Liquid Waste Operations; Liquid Waste Operations Support; and Liquid Waste Program Support.

~~The offeror will be evaluated on~~ DOE will evaluate the degree to which the offeror's proposed approach for transitioning the work and workforce from the incumbent contractor is comprehensive, feasible, effective, and will allow a smooth and orderly transition (C.0.4). The evaluation will consider whether the offeror's approach demonstrates an understanding of the important activities, issues, and risks to transition and the extent to which its transition approach eliminates or mitigates the identified risks.

DOE will evaluate the offeror's technical approach to implement the PWS operational activities (C.1). DOE will evaluate the offeror's approach to liquid waste system

operations and optimization, specifically including the following: 1) salt waste batching and processing; 2) sludge batching, canister production, and canister storage; 3) waste removal from tanks; and 4) salt waste disposal.

DOE will evaluate the offeror's technical approach to SWPF integration into the liquid waste system (C.2.2), transition to the Liquid Waste Contract (C.2.3), and its operation and optimization within the liquid waste system in order to maximize system throughput (C.1.4).

DOE will evaluate the offeror's approach to SDU construction (C.2.1) to ensure available storage capacity exists for receiving saltstone grout as necessary to align with the proposed technical approach to liquid waste system operations and to match proposed production rates of SWPF. DOE will evaluate the offeror's proposed technical approach to balance of plant design and construction activities.

DOE will evaluate the offeror's approach to planning and integrating the following C.2 requirements, as applicable, as part of the proposed technical approach: waste tank closures (C.2.4) and system optimization (C.2.6). DOE will evaluate the technical and programmatic viability of the proposed approaches to tank closure and system optimization designed to meet or exceed the Contract Performance Requirements identified in Section C, Table 1, technology development and deployment, and production enhancements.

DOE will evaluate the offeror's approach to implementation of the safety basis upgrade program (C.2.5), including timing, staffing requirements, and managing or mitigating any potential impacts to facility operations.

DOE will evaluate the offeror's technical understanding of the Liquid Waste Program Support functions in C.3 within the PWS and the offeror's comprehension of how the support functions are integrated into the overall effort, as well as the offeror's proposed process engineering capabilities in relation to the proposed technical approach.

DOE will evaluate the offeror's three most significant identified risks to successful performance of the PWS; the offeror's rationale for the identified risks and their potential impacts; and the offeror's approach to eliminating, avoiding, or mitigating the three most significant risks. DOE will evaluate only the first three risks identified by the offeror.

DOE will evaluate the offeror's key technical inputs, assumptions, and justifications used to determine-demonstrate the viability of its technical approach and/or support its technical understanding.

DOE will evaluate the offeror's Integrated Schedule to the levels of the WBS defined in Section J, Attachment J-3 for the full scope of contract performance, including the transition period, the base period, and all-priced the options period (except for the IDIQ CLINs), and the consistency of the Integrated Schedule with specific schedule elements in the offeror's proposed technical approach. Within the schedule, DOE will evaluate the offeror's key milestones, deliverables, and the critical activities to complete the PWS work scope.

DOE will evaluate the offeror's process to identify distinct and meaningful work scope

that can be performance-based and performed by ~~competitively selected~~ subcontractors selected competitively post-award, and meet the subcontracting requirements in Section H; as well as the offeror's subcontracting approach.

~~The offeror will be evaluated on~~ DOE will evaluate the degree to which ~~its~~ the offeror's proposed project management and strategic planning processes can effectively be used to define, plan, integrate, and administer the activities required in performance of the work. In addition, the offeror will be evaluated on the degree to which these systems and/or processes can be effectively used to assess performance and address performance issues related to technical, cost, and schedule. DOE will evaluate how the offeror's systems will be applied in the following areas: Work breakdown structure (See Section J, Attachment J-3); Critical path schedule and resource-loaded schedule; Performance measurement baseline; Baseline change control and integration with contract change control; Configuration management; Earned value management; Variance analysis; Use and control of management reserve; Resource leveling; and Indirect cost management and Liquid Waste Program Support allocations.

~~DOE will evaluate the offeror's approach to managing its workforce, including its approach to: (a) addressing workforce composition, including any immediate or anticipated workforce restructuring; (b) addressing existing issues arising under the National Labor Relations Act (NLRA) and engaging with any labor representatives and, in particular, how it has or how it will obtain expertise regarding compliance with the NLRA and engagement with labor representatives; (c) preparation and submission of bargaining parameter requests; (d) complying with wage requirements, including any prevailing wage requirements, including any prevailing wage requirements under section 4(c) of the Service Contract Labor Standards statute as well as any NLRA requirements with respect to determination of wages and benefits; (e) processing labor standards determinations for work packages; (f) providing and maintaining its proposed pension and welfare benefit plans, in particular, how it has or how it will obtain expertise regarding compliance with Internal Revenue Service qualification requirements for, as applicable, multiple employer or multi-employer defined benefit pension plans; (g) obtaining competent legal advice regarding the appropriate identification and resolution of any legal issues regarding any of the above, including the offeror's plan for engaging outside counsel having background in these areas; and (h) communicating and engaging with DOE on any of the above matters.~~

M.3 EVALUATION FACTOR – KEY PERSONNEL AND ORGANIZATION

(a) Key positions. The offeror will be evaluated ~~on the degree to which~~ as to whether the five designated key personnel functional positions ~~it proposes are those which are the most essential to the successful performance of the overall contract work in relation to the method the offeror proposes to perform the work are proposed.~~ DOE will evaluate whether the proposed key personnel are employed by the prime contractor. Failure of the offeror to propose the five designated key personnel positions will adversely affect the Government's evaluation of the proposal and may make the proposal ineligible for award. In addition, the offeror's evaluation and rating may be adversely affected if all five designated key personnel are not proposed to be full time employees of the prime contractor (and not of a

~~subcontractor or affiliate) for the duration stated in each letter of commitment. In addition, the Government's evaluation of the proposal may be adversely affected if the five designated key personnel are not employed by the prime contractor. DOE will evaluate whether the proposed key personnel are employed by the prime contractor.~~

- (b) Qualifications and suitability. The individuals proposed as key personnel will be evaluated on the degree to which they are qualified and suitable for the proposed position in relation to the work for which they are proposed to perform and areas of responsibility. The key personnel evaluated ~~will shall~~ include the following functional positions: Program Manager, ~~Chief Operating Officer~~ Operations Manager, ~~Chief Financial Officer~~ Business Manager, ~~Chief Engineer~~ Engineering and Technology Manager, Business Manager, and ~~Regulatory Compliance Manager~~ Environment, Safety, Health, and Quality Manager. ~~In addition, DOE will evaluate up to two other key personnel positions that are critical to the overall performance of the Contract.~~ The qualifications and suitability of the individual key personnel will be evaluated on the following:

~~(1) Education. The key personnel will be evaluated on their education, training, certifications, experience, and/or licenses. Experience, in lieu of education, may be considered.~~

~~(2)~~ Experience. The key personnel will be evaluated on their ~~recent~~ relevant experience in performing work similar in scope, size, and complexity.

~~(3)~~ Demonstrated performance. The key personnel will be evaluated on their record of past success and accomplishments in performing work of similar scope, size, and complexity to that required under the contract ~~recent relevant past performance, including leadership and other accomplishments~~, as demonstrated through the resume information and reference checks.

(3) Education. The key personnel will be evaluated on their education, training, certifications, and/or licenses.

- (c) DOE may contact references of key personnel and previous employers to verify the accuracy of the information contained in the resume and to further assess the qualifications and suitability of proposed key personnel. DOE may also consider information received from other sources in its evaluation of key personnel.
- (d) Failure of the offeror to provide a letter of commitment for each key personnel may adversely affect the Government's evaluation of the proposal.
- (e) Oral presentation – key personnel. The offeror's key personnel, both individually and as a team, will be evaluated on their qualifications and suitability for the proposed positions as demonstrated during their preparation for and presentation of the response to the problem-solving exercise(s) provided by DOE. The key personnel will be evaluated on their demonstrated leadership, teamwork, communications, problem-solving capabilities, and the quality of the solution to the problem(s). The evaluation of the offeror's Program Manager will also consider leadership and effective utilization of the key personnel team.

- (f) Oral interview – Program Manager. The offeror’s Program Manager will be evaluated for qualifications and suitability, including leadership capability, for the proposed position as demonstrated during the oral interview.
- (g) ~~The offeror will be evaluated on the degree to which its proposed organizational structure and associated approach will effectively contribute to the successful management and execution of the work in accordance with its proposed technical approach. The evaluation of the offeror’s proposed organization structure will consider the following Organization:~~
- (1) Organization chart. DOE will evaluate the offeror’s organization chart graphically depicting the major functional areas of the proposed organization that is essential for the management and performance of work. DOE will evaluate whether the offeror’s organization levels depicted on the offeror’s organization chart align with and correlate to the proposed rationale for the organizational structure and the proposed roles, responsibilities, and lines of authority. Alignment of the organization with the Performance Work Statement and the proposed technical approach.
 - (2) Rationale for organizational structure. DOE will evaluate the offeror’s rationale for the proposed organizational structure in relation to the work to be performed and how the organizational structure will contribute to the successful accomplishment of the work in accordance with the proposed technical approach. DOE will evaluate how the organizational structure correlates to the Performance Work Statement, the work breakdown structure (See Section J, Attachment J-3), and the offeror’s approach to execute the work. If critical subcontractors or other performing entities are proposed (including small business subcontractors), DOE will evaluate how they will be integrated with the offeror’s organizational structure. Clarity and effectiveness of roles, responsibilities, and lines of authority within the offeror’s organization and between the offeror’s organization and subcontractors and other performing entities (including small business subcontractors).
 - (3) Roles, responsibilities and lines of authority. DOE will evaluate the clarity and effectiveness of roles, responsibilities, and lines of authority for the major functional areas identified on the organizational chart, including lines of authority between the offeror’s organizational elements or specific individuals, as applicable, and its subcontractors and any other performing entities. DOE will evaluate the processes for key decision-making and for resolving problems within the offeror’s organization and between the offeror’s organization and subcontractors and other performing entities. Clarity and effectiveness of the offeror’s approach to communication and interface with internal organizations, subcontractors and other performing entities, and outside entities including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities.
 - (4) Communication and interface. DOE will evaluate the clarity and effectiveness of the offeror’s approach to communication and interface with internal organizations, subcontractors and other performing entities, and outside entities,

~~including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities. Operation in a seamless manner.~~

- (5) ~~Offeror entity. If the offeror is a limited liability company (LLC), joint venture or other similar entity, DOE will evaluate how the offeror will operate its multi-member and/or shared ownership, to include how that workforce will be managed. Effective use of subcontractors in consideration of the trade-off between subcontracting and self-performance, and the approach for integrating and controlling subcontractors within the overall work to be performed.~~
- (6) ~~Subcontractors and other performing entities. DOE will evaluate the proposed use of subcontractors or other performing entities that will perform a portion of the work, including the rationale between subcontracting and self-performance. DOE will evaluate the approach for integrating and controlling the subcontractors or other performing entities within the overall work to be performed.~~
- (7) ~~Corporate governance. DOE will evaluate the clarity and effectiveness of the offeror's corporate governance approach to provide oversight of performance, to ensure successful performance of the contract, and to provide monitoring of performance and resolution of issues. Clarity and effectiveness of the offeror's corporate governance approach to provide oversight of performance, and monitoring and resolution of issues.~~
- (78) ~~Workforce recruitment and retention. The offeror will be evaluated on its approach to ensuring an adequate workforce is available with the appropriate skills and qualifications necessary to safely and effectively accomplish the work over the term of the contract. DOE will evaluate the offeror's approaches to recruit, train, and maintain its workforce, including interim fluctuations in workload, ramp-up and ramp-down, as well as the source of the offeror's personnel.~~
~~Effective approach to workforce recruitment and retention to ensure that an adequate workforce is available with the appropriate skills and qualifications necessary to safely and effectively accomplish the work over the term of the contract.~~
- (89) ~~Full-time equivalent employees. DOE will evaluate the proposed use of full-time equivalent (FTE) employees by organizational element and the rationale for the FTEs for each organizational element. Also, DOE will evaluate the consistency of the FTE data between Volume II and Volume III. Effective use of full-time equivalent employees by organizational element.~~

M.4 DOE-M-2007 EVALUATION FACTOR – EXPERIENCE (OCT 2015)

- (a) Offeror. The offeror will be evaluated on its recent and relevant experience performing work similar in scope, size, and complexity to that described in the Performance Work Statement to assess the offeror's potential success in performing the work required by the contract. Similar scope, size, and complexity are defined as follows: scope – type of work (e.g., work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., maintaining and operating aging nuclear facilities, managing a multi-disciplined work

- force, incorporating a new facility and staff into an existing system, management of complex change control processes, liquid radioactive waste processing, constructing large federal projects, complex regulatory interfaces, Federal nuclear safety requirements or commercial equivalent, management of a closely coupled processing system). DOE will evaluate relevant experience information for contracts that are currently being performed and/or for contracts that were completed within the last five years from the date proposals are due.
- (b) Subcontractors. In addition to evaluation of the offeror's relevant experience, the offeror's proposed ~~major-critical~~ subcontractors that are proposed to perform work under the contract ~~with an estimated value greater than \$500 million over the contract period (including option years)~~ will be evaluated on the degree of their relevant experience, including currency, in performing work similar in scope, size, and complexity to that proposed to be performed by that individual entity. DOE will only evaluate the critical subcontractors specifically identified by the offeror in Section H.46 in accordance with the definition in Section L.10(a)(2).
- (c) Newly formed entity. If the offeror, subcontractors, or other performing entities are a newly formed entity with no relevant experience, the evaluation of relevant experience will be based on the experience of any parent organization(s) or member organizations in a joint venture, LLC, or other similar entity consistent with the methodology described in paragraphs (a) and (b) above. Relevant experience of predecessor companies resulting from mergers and acquisitions may also be considered.
- (d) Verification of experience. The Government will consider contracts that may be, but are not limited to, contracts with federal, state, local and foreign governments and/or with commercial customers. The evaluation of experience may consider any information obtained by DOE from any sources including, but not limited to, third-party sources, customer references, clients, and business partners.

M.5 DOE-M-2008 EVALUATION FACTOR – PAST PERFORMANCE (OCT 2015)

- (a) Offeror. The offeror will be evaluated on the currency, relevancy, and quality of its past performance, in performing work similar in scope, size, and complexity to that described in the Performance Work Statement to assess the offeror's potential success in performing the work required by the contract. Similar scope, size, and complexity are defined as follows: scope – type of work (e.g., work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., maintaining and operating aging nuclear facilities, managing a multi-disciplined work force, incorporating a new facility and staff into an existing system, management of complex change control processes, liquid radioactive waste processing, constructing large federal projects, complex regulatory interfaces, ~~DOE Federal~~ nuclear safety requirements or commercial equivalent, management of a closely coupled processing system). DOE will evaluate past performance information for contracts that are currently being performed and/or for contracts that were completed within the last five years from the date proposals are due. The higher the degree of relevance of the work described to the PWS, the greater the consideration that may be given. Additionally, more recent relevant past performance information may also be given greater consideration.

- (b) Subcontractors. In addition to evaluation of the offeror's relevant past performance, the offeror's proposed ~~major-critical~~ subcontractors that are proposed to perform work under the contract ~~with an estimated value greater than \$500 million over the contract period (including option years)~~ will be evaluated on the quality of their recent respective past performance in performing work similar in scope, size, and complexity to that proposed to be performed by that individual entity.
- (c) Newly formed entity. If the offeror, subcontractors, or other performing entities are a newly formed entity with no record of relevant past performance, the evaluation of past performance may be based on the past performance of any parent organization(s) or member organizations in a joint venture, LLC, or other similar entity consistent with the evaluation described in paragraphs (a) and (b) above. Past performance of predecessor companies resulting from mergers and acquisitions may also be considered.
- (d) No record of past performance. If the offeror, subcontractors, or other performing entities do not have a record of relevant past performance or if information is not available, the offeror will be evaluated neither favorably nor unfavorably.
- (e) Sources of past performance information. The Government will evaluate past performance information provided by the offeror and other available information. The Government may contact any or all of the references provided by the offeror and will consider such information obtained in its evaluation. The Government may also consider past performance information from sources other than those provided by the offeror, such as commercial and government clients, government records, regulatory agencies, and government databases such as the Government's Contractor Performance Assessment Reporting System.

M.6 EVALUATION FACTOR – COST AND FEE

The Cost and Fee Proposal will not be adjectivally rated or point scored, but it will be considered in the overall evaluation of proposals in determining the best value to the Government.

DOE will evaluate the offeror's cost proposal for realism ~~and reasonableness~~. The evaluation of cost realism includes an analysis of specific elements of the offeror's proposed cost to determine whether the proposed estimated cost elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the methods of performance and materials described in the offeror's Technical and Management Proposal. ~~The evaluation of cost reasonableness includes those considerations described in FAR subpart 31.2 and consistency with the anticipated funding profile in Section L.~~ Based on its review, DOE will determine a most probable cost to the Government as prescribed by FAR 15.404-1(d).

The total evaluated price will be calculated by combining: (1) the most probable cost for the Cost-Reimbursement and Cost-Plus-Award-Fee CLINs shown in Table B.2-2, (2) the total available award fee proposed in Table B.2-2, (3) the total Target Activity PBI Fee proposed in Table B.2-2 (if the offeror proposes performance metrics exceeding the Contract Performance Requirements in Section C, Table 1; then the additional Target

Activity PBI Fee calculated by the offeror will be included in the total evaluated price), and (4) the IDIQ maximum value of \$112,000,000.

DOE will also perform a technical analysis of the Cost and Fee Proposal, and consider this analysis in the evaluation of Volume II, Technical and Management Proposal, and as part of the evaluation of Volume III, Cost and Fee Proposal. As part of the technical analysis of the Cost and Fee Proposal, DOE will evaluate traceability between proposal volumes, errors and omissions in the Volume III proposal, and other problem areas in the Volume III proposal.

An unreasonable, unrealistic, or incomplete Cost and Fee Proposal may be evidence of the offeror's lack of, or poor, understanding of the requirements of the PWS and thus may adversely affect the rating under the appropriate criterion of the offeror's Technical and Management Proposal. Inconsistencies between the Cost and Fee Proposal, and the Technical and Management Proposal may negatively impact an offeror's evaluation and rating. There should be no inconsistencies between the Cost and Fee Proposal and Technical and Management Proposal. Should the Government determine that inconsistencies exist; such inconsistency may result in an adjustment to the offeror's proposed costs and/or may result in an adjustment under adverse evaluations of the Technical Approach and Key Personnel and Organization factors. In addition, as stated above, a proposal may be deemed unacceptable if it does not substantially and materially comply with the proposal preparation instructions.

DOE will compare the total evaluated price (exclusive of the IDIQ maximum value) to both the total anticipated contract funding and the anticipated funding by ~~contract period~~ Government Fiscal Year. Because the funding is subject to change based on actual appropriation and actual award date of the Contract, DOE may make an award to an offeror whose total evaluated price (exclusive of the IDIQ maximum value) differs from the anticipated funding profile provided in Section L. ~~However, an offeror whose evaluated price is significantly above the funding profile either on an annual or total basis may be determined ineligible for award.~~

The offeror has the responsibility to fully document its cost proposal and provide clear traceability to the WBS. DOE may adjust an offeror's proposed cost as part of its cost realism analysis if the offeror does not adequately provide this documentation and traceability.

M.7 DOE-M-2011 RELATIVE IMPORTANCE OF EVALUATION FACTORS (OCT 2015)

(a) The relative importance of the evaluation factors for the Technical and Management Proposal ~~are listed in descending order of importance below as follows:-~~

~~Technical Approach~~

~~Key Personnel and Organization _____ Past Performance
Past Performance~~

~~_____ Relevant Experience~~

~~Within this descending order of importance,~~ Technical Approach is significantly more

important than Key Personnel and Organization ~~or-and~~ Past Performance, both separately and combined. Key Personnel and Organization and Past Performance are ~~roughly equivalent-equal~~ in importance. ~~Relevant~~ Experience is significantly less important than Key Personnel and Organization ~~or-and~~ Past Performance, both separately and combined.

Each evaluation factor applicable to this solicitation is identified and described in this and other provisions of this Section M. The descriptive elements of each evaluation factor will be considered collectively in arriving at the evaluated rating of the offeror's proposal for that evaluation factor. Areas within an evaluation factor are not sub-factors and will not be individually rated, but will be considered in the overall evaluation for that particular evaluation factor.

- (b) The evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the total evaluated price.

M.8 DOE-M-2012 BASIS FOR AWARD (OCT 2015)

The Government intends to select an offeror for award of a contract that represents the best value to the Government. In determining the best value to the Government, the evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the total evaluated price. The Government is more concerned with obtaining a superior technical and management proposal than making award at the lowest total evaluated price. However, the Government will not make an award at a price premium it considers disproportionate to the benefits associated with the evaluated superiority of one offeror's technical and management proposal over another. The Government will assess what the strengths and weaknesses between or among competing technical and management proposals indicate from the standpoint of: (1) what the difference might mean in terms of anticipated performance, and (2) what the total evaluated price to the Government would be to take advantage of the difference. The closer or more similar in merit that offerors' technical and management proposals are evaluated to be, the more likely the total evaluated price may be the determining factor in selection for award.

M.9 FAR 52.217-5, EVALUATION OF OPTIONS (JUL 1990)

Except when it is determined in accordance with FAR Subpart 17.206, *Evaluation* not to be in the Government's best interests, the Government will evaluate offerors for award purposes by adding the total price for all options (except for the option at Section I.40) to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).