

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SECTION J – LIST OF ATTACHMENTS

ATTACHMENT J-14 – DRAFT PERFORMANCE EVALUATION MANAGEMENT PLAN



**U.S. Department of Energy
Savannah River Site**

**DRAFT Performance Evaluation Management Plan
(PEMP) Framework
CONTRACT NO.
[To be inserted], Rev. 0**

[Insert Contractor's Name]

This PEMP was prepared in accordance with Federal Acquisition Regulation (FAR) 16.401 under CONTRACT NO. [To be inserted] and has been concurred upon and approved.

APPROVE:

Site Manager
Fee Determining Official
DOE-Savannah River Site

Date

Table of Contents

1. Introduction4
2. Organization and Responsibilities5
 2.1. Roles and Responsibilities5
3. Fee Processes8
 3.1. Review requirements.....8
 3.2. Determine fee value8
 3.3. Draft PEMP and/or revision.....9
4. Performance Evaluation Documentation9
5. Fee Process Documentation..... 10
6. Fee Plan Change Procedures 11
 6.1. Right to Make Unilateral Changes 11
 6.2. Method for Changing Plan Coverage 11
7. Award Fee – Performance Rating 12
Appendix 1: Award Fee Performance Objectives and Evaluation Criteria 16
Appendix 2: Target Activity Performance Based Incentives (PBI) and Evaluation Criteria
..... 19

1. Introduction

Federal Acquisition Regulations (FAR) 16.401 through FAR 16.402-4 discuss incentive Contracts and place incentives in two major categories: award-fee (AF) and performance-based incentives (PBI). The term Performance Evaluation Management Plan (PEMP) is used to address a fee plan that includes both types of incentives¹. When measuring performance for award-fee, the Contracting Officer (CO) will document the evaluation using adjectival ratings and their associated descriptions, and award-fee percentages prescribed in Table 16-1 in FAR 16.401.

This document serves as the PEMP for the Liquid Waste (LW) program at the Department of Energy (DOE) Savannah River Site (SRS) addressing management of Contractor fee provisions of CONTRACT NO. [To be inserted]. This document provides the framework to satisfy the contract Clause DOE-H-2060, Base and Award Fee, and the B clauses entitled, Provisional Payment of Fee, and Fee Reductions. It provides standardization necessary to assure effective development, administration, and coordination of all phases of the fee process. In the event of a conflict between the PEMP and the Contract, the Contract takes precedence. Additionally, the PEMP process is integrated with the Contract Management Plan (CMP), the Risk Management Plan (RMP), and the Quality Assurance Surveillance Plan (QASP) to provide a streamlined and comprehensive methodology to consistently capture and report on performance for the LW program. As such, the PEMP will also be used to satisfy requirements of FAR 42.15, *Contractor Performance Information*, through the Contract Performance Assessment Reporting System (CPARS).

The PEMP was developed with the following objectives:

- Focus the Contractor on areas of greatest importance for success.
 - Removing sludge waste from liquid radioactive waste tanks to support preparation of sludge batches and subsequent processing at the Defense Waste Processing Facility (DWPF).
 - Operating salt processing facilities to remove salt cake and supernatant from liquid radioactive waste tanks.
 - Cleaning and characterization leading to operationally closing and isolating old-style liquid radioactive waste tanks and associated facilities.
- Clearly communicate Contract performance evaluation procedures and provide for effective communication between the Contractor and the DOE.
- Be kept as simple as possible commensurate with the complexity and dollar value of the Contract.

This PEMP is the basis for the DOE evaluation of the contractor's performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance and to determine the amount of fee earned. Actual award fee determinations and the

¹ DOE Acquisition Guide Chapter 16.2R1 (June 2014)

methodology for determining fee are unilateral decisions made solely at the discretion of the Government.

The fee earned and payable will be determined by the FDO based upon review of the contractor's performance against the criteria set forth in this plan. The CO may unilaterally change this plan prior to the beginning of an evaluation period. The Contractor will be notified of changes to the plan by the CO, in writing, before the start of the affected evaluation period. 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. Organization and Responsibilities

The following responsibility structure is established for administering fee provisions of the Contract. Fee administration consists of a headquarters' contingent providing approval of the original PEMP and associated incentives and any subsequent revisions thereto, and approval of the amount of fee to be awarded for each evaluation period, including any fee reduction. Fee administration at the site includes the Fee Determining Official (FDO) and an Award Fee Board (AFB) which consists of a chairperson, co-chairs, Performance Monitors (PM), and the CO.

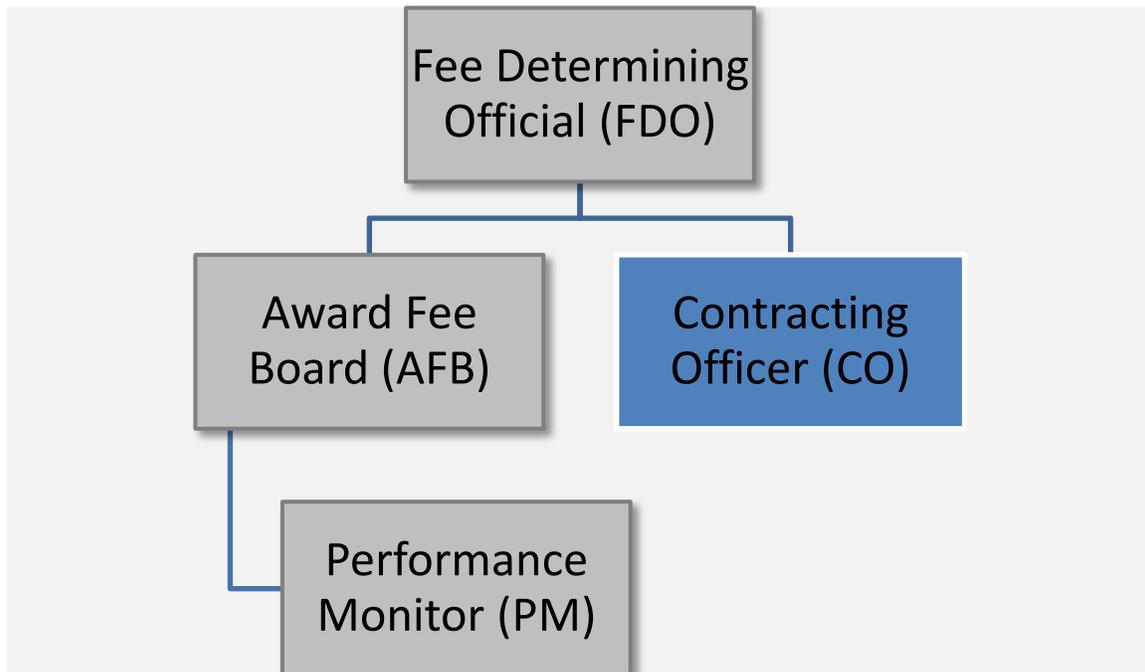


Figure 1: Responsibility structure for fee administration

2.1. Roles and Responsibilities

1. FDO. The FDO approves the PEMP and any revisions. The FDO reviews recommendation(s) of the AFB, considers all pertinent data, and determines the earned fee amount for each evaluation period prior to final approval.

Primary FDO responsibilities are:

- Determine the fee earned and payable for each evaluation period as addressed in Section 3, *Method for Determining Fee*.
 - Approve changes to the PEMP as addressed in Section 5, *Changes in PEMP Coverage*.
 - Appoint members to the AFB (including the chair and co-chair).
2. CO. The CO ensures the fee process is properly administered in accordance with agency regulations and the terms of the Contract. The CO modifies the Contract when the PEMP is issued or revised during the term of the Contract.

Primary CO responsibilities are:

- Concur on the PEMP and any revisions.
 - Ensure fee process is managed consistent with applicable acquisition regulations.
 - Meet with the Contractor periodically during each evaluation period.
 - Submit an Award Fee Report (AFR) to the FDO.
 - Issue PEMP revisions as necessary prior to each evaluation period in accordance with the terms of the Contract.
 - Support the AFB in monitoring, evaluating, and assessing the Contractor's performance against performance objectives and measures set forth in this PEMP.
 - Attend all AFB meetings and assist the chair in preparing award fee correspondence for the FDO.
 - Coordinate the administrative actions required by the AFB and the FDO, including:
 - Receive, process, and distribute evaluation reports from all required sources.
 - Schedule and assist with internal evaluation milestones, such as briefings to the FDO and debriefings to the Contractor.
 - Accomplish other actions required to ensure smooth operation of the award fee process.
3. COR. COR maintains written records of the contractor's performance in all evaluation area(s) so that a fair and accurate evaluation is obtained. Prepare interim and end-of-period evaluation reports.

Primary responsibilities of the COR are:

- Monitor, evaluate, and assess the Contractor's performance in accordance

- with the PEMP.
 - Meet with the Contractor periodically during each evaluation period to discuss concerns or issues related to the Contractor's performance.
 - Provide management support to the CO and AFB chair during the term of the contract.
4. AFB. The AFB is chaired by the Assistant Manager (AM) for Waste Disposition (WD), who also serves as primary Contracting Officer Representative (COR). The AFB consists of a designated co-chair from the Waste Disposition Programs Division (WDPD), a Federal Project Director (FPD), Performance Monitors (PM), and may also include representatives from Office of Field Chief Financial Officer (CFO), Office of Chief Counsel (OCC) and Office of Civil Rights (OCR). Members of the AFB may also be members of the Contract Management Team (CMT), Risk Management Program, and Quality Assurance Program, to provide for efficient use of Federal resources.

Primary responsibilities of the AFB are:

- Monitor, evaluate, and assess the Contractor's performance in accordance with the PEMP.
- Meet with the Contractor periodically during each evaluation period to discuss concerns or issues related to the Contractor's performance.
- Provide quarterly Contractor performance briefings to the FDO.
- Collect evaluation inputs for use in the development of the Interim and Annual Evaluation.
- Develop an AFR discussing the Contractor's performance and containing recommended ratings, and corresponding award fee earned for each evaluation period (Performance Evaluation Report format is preferred). The AFR shall include an appendix of all minority opinions.
- Develop and coordinate proposed changes to the PEMP and recommend those changes to the FDO for incorporation into the PEMP.

Primary responsibilities of the Chair and Co-chairs are to:

- Assign members of the AFB, including Performance Monitors (PM).
- Review the evaluation reports prepared by members of the AFB and provide feedback as needed.
- Consider the Contractor's self-assessment and any minority opinions prior to approving the AFR and any revisions thereto.
- Approve the AFR and provide recommended ratings, and corresponding fee earned to the FDO.
- Ensure that the AFR is issued to the CO, COR and FDO.
- The Co-chairs are authorized to assume the roles and responsibilities delegated to the Chair in his/her absence.
- Provide the FDO with a quarterly briefing on performance, addressing each of the performance goals.

- Consult with the FDO prior to mid-term feedback session with the Contractor.
 - Arrange periodic site visits.
 - Communicate any critical performance issues to the CO, COR and FDO.
5. PM. The PM is the federal technical expert who monitors, evaluates, and maintains written records of the Contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. The PM prepares interim and end-of-period evaluation reports as directed by the AFB.

The PM must be a DOE-SR employee with full time duties and responsibilities consisting of: 1) broad based observation and assessment of facility operations and activities considered important to maintaining the safety of workers and the public; 2) assessment of the technical adequacy of engineering and safety related deliverables and activities; and/or 3) assessment of programmatic deliverables, planning activities, and system integration functions. In order to fulfill the responsibilities of a PM, these individuals maintain knowledge of facility status and conditions on a real-time basis, maintain knowledge of technical and programmatic activities, and serve as the working level DOE-SR point of contact with the contractor.

3. Fee Processes

3.1. Review requirements

The AFB works routinely with the CO to:

- Review current and emerging agency and Contract requirements, including recent revisions/modifications to these requirements.
- Determine mission strategies specific to the Contract.
- Recommend fee distribution among the areas to be evaluated, including any revisions to the PEMP.

3.2. Determine fee value

Fee described herein is earned based upon the Contractor's performance of the overall contract level requirement during the evaluation period. The Contractor begins the evaluation period with 0% of the available fee and earns fee during the evaluation period. Final fee determination for each evaluation period is the unilateral decision of the FDO. The potential for the Contractor to earn 100% of the fee amount is a mutual goal of the Contractor and the Government, as it demonstrates the program's objectives were clearly communicated and achievable. Additionally, provisional payment of a proportional quarterly amount equivalent to seventy-five percent (75%) of the available fee for the evaluation period will be allowed.

The amount of proposed fee applied to any individual activity (fee-bearing work) is determined first by mission need, followed by fiscal responsibility to stakeholders by

comparing the cost of work against quality results for significant Contract level performance. The AFB develops and uses criteria to determine Contract costs as a factor in measuring performance in accordance with Appendix 1.

3.3. Draft PEMP and/or revision

- The AFB works with the COR and PM to develop completion and acceptance criteria, including completion documentation, for fee bearing work. The criteria are documented in the PEMP.
- The FDO and CO provide concurrence on documents.
- The CO begins coordinating review of the PEMP for the subsequent evaluation period at least 75 days prior to the start of that period.
- CO modifies Contract as necessary to incorporate any revisions to the PEMP.

4. Performance Evaluation Documentation

Contract performance will be monitored and evaluated routinely through oversight of operations and regularly scheduled meetings by the AFB and Contract Management Team (CMT) identified in the Contract Management Plan (CMP). The Contractor will be required to demonstrate proactive management principles to optimize worker safety, reduce risks, control costs, and provide consistent excellence in documented results. Performance is measured using objective measures (generally consisting of a final product or completion/delivery by a pre-determined date) and subjective measures using a pre-established format (adjectival) provided in FAR 16. All evaluations will be documented according to Savannah River Manual (SRM) 226.1.1, Integrated Performance Assurance Manual (IPAM).

The method for monitoring, evaluating, and assessing Contractor performance during the period, as well as for determining the fee earned, is described below.

1. The available fee for each evaluation period is shown in Contract Section B, Supplies or Services and Prices/Costs. The fee earned will be paid based on the Contractor's performance during the evaluation period.
2. In accordance with the requirements of the Contractor Performance Assessment Reporting System (CPARS), performance evaluation and reporting is required every 12 months. Assessment is completed for the performance which has occurred since the last evaluation period. An Interim Evaluation may also be completed at the midpoint of the evaluation period. The CO notifies AFB/CMT members and PMs 30 calendar days before the midpoint of the evaluation period if an interim evaluation is to be conducted. PMs assess the Contractor's performance and submit interim evaluation inputs. The AFB/CMT evaluates PM input and notifies the Contractor of the strengths and weaknesses for the current evaluation period. The CO may also issue letters at any other time when it is deemed necessary to highlight areas of government concern.

3. The Contractor may provide a written self-evaluation of performance not later than 21 calendar days after the end of each evaluation period. The self-evaluation shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies and avoid their recurrence. In other words, the self-evaluation should clearly assess the Contractor's measured performance against the standard of excellence.
4. The annual evaluation is considered the End-of-Period Evaluation. The CO notifies AFB/CMT members and each PM at least 30 calendar days before the end of the evaluation period. AFB/CMT members assess the Contractor's performance and submit end-of-period evaluation reports. The AFB shall evaluate the Contractor's performance in the major areas identified in this PEMP based upon performance objectives and measures set forth in the appendices to this document.
5. The AFB prepares its evaluation report and recommended ratings and corresponding award fee earned based on the evaluation criteria described in Appendix 1: Award Fee (AF) Performance Objectives and Evaluation Criteria and Appendix 2: Performance Based Incentives (PBI) and Evaluation Criteria, with supporting documentation to include all minority opinions.
6. The AFB briefs the evaluation report and recommendations to the FDO. At this time, the AFB may also recommend to the FDO any revisions to the PEMP.
7. The FDO may consider all available information including: the Award Fee Report (AFR); information originating from day-to-day operations; the Contractor's optional self-evaluation; and his/her own observations relating to the performance objectives in determining the amount of award fee earned during the period. DOE will use its best efforts to determine the award fee earned and issue an award fee determination letter to the Contractor within 90 calendar days after the end of the evaluation period.
8. The FDO may also consider fee reductions according to Contract Clause B.10, *Fee Reductions*, and B.11, *Small Business Subcontracting Fee Reduction*.
9. The FDO provides final fee amount to the CO.
10. CO issues a Contract modification authorizing payment of the award fee earned amount.

5. Fee Process Documentation

1. The AFB is responsible for documenting evaluations and assessments conducted, results obtained, award fee meetings with Contractor personnel, and

maintaining a file of backup documentation to the PEMP. The AFB Official Contract File will contain all of the documentation developed by the AFB.

2. The CO, in coordination with the Office of Chief Counsel, will make a recommendation to the FDO as to what information should be released to the Contractor to accompany the fee determination letter. The CO may elect to use the AFB documentation as a basis to satisfy requirements of FAR 42.15, *Contractor Performance Information*, through the Contract Performance Assessment Reporting System (CPARS) according to SRM 540.1.1A, *Contractor Performance Reporting*.
3. The PM will formally document all performance assessments in the Site Tracking, Analysis, and Reporting (STAR) system in accordance with SRM 226.1.1E, *Integrated Performance Assurance Manual (IPAM)*.
4. Records generated by the PEMP will be controlled and maintained according to requirements established in SRIP 200, Chapter 243.1, *Records Management Program*.

6. Fee Plan Change Procedures

6.1. Right to Make Unilateral Changes

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.

6.2. Method for Changing Plan Coverage

The method to be followed for changing plan coverage is the same procedure as Section 3, *Fee Processes*.

1. Personnel involved with the fee process are encouraged to recommend changes in Plan coverage with a view toward changing Performance Areas, motivating higher performance levels or improving the award fee determination process.
2. The AFB will coordinate identified changes with the Contractor. Approximately 60 calendar days prior to the end of each evaluation period, the AFB will submit to the FDO for approval proposed changes applicable to the next evaluation period, with appropriate comments and justification, or inform the FDO that no changes are recommended for the next period.
3. The CO may unilaterally change this plan prior to the beginning of an evaluation period. The Contractor will be notified of changes to the plan by the CO, in writing, before the start of the affected evaluation period. 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.

7. Award Fee – Performance Rating

Continuous improvement is an implicit goal within SRS. Award fee is applied to this Contract to motivate contract level performance to minimize risk of cost overruns; reduce overall number of changes (e.g., Baseline Change Proposals (BCP), contract modifications, etc.) for scope, cost and schedule. Measurement of performance will be evaluated using objectively measurable PBIs and subjective criteria for contract level requirements. Award Fee PBIs are different from the Target Activity PBI. Award Fee PBIs are applied to work scope with a specific deliverable, such as completion of a specific milestone.

The Contractor will provide timely, accurate, reliable and actionable project and Contract cost, schedule, performance, risk, and forecast data, reports and information.

Table 1: Available Award Fee

Gov't Fiscal Year	Available Award Fee
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

Table 1, *Available Award Fee*, illustrates the award fee earning potential following the evaluation process below, and is based on the amounts in Contract Clause B.2, Table B.2-2. An effort will be made to align the evaluation periods with the Government fiscal year, and the initial and final evaluation period(s) may constitute more or less than twelve months.

Award fee is that portion of available fee measured with an adjectival rating to evaluate technical performance, cost control, schedule performance and business relations / management for the overall Contract during the evaluation period. PBIs will be used as

part of the evaluation for Award Fee. Milestones representing a specific portion of the Available Award Fee allocated or projected for the evaluation period shall be designated as subject to a Cost Control evaluation. In order to provide for consistency across the Complex, DOE-SR will use the five tier adjectival ratings and definitions set forth in Table 2: *FAR Award Fee Rating*.

In an effort to identify strengths and weaknesses in performance, the AFB, as identified in the PEMP, conducts informal evaluations with site Federal and Contractor organizations to solicit feedback on Contractor performance in five topical areas:

- Technical Quality
- Cost Control
- Schedule (timeliness)
- Management
- Regulatory Compliance

These topical areas provide performance evaluations that may also be used in accordance with CPARS. Examples of performance in these topical areas are further illustrated in Appendix 1: *Award Fee Performance Objectives and Evaluation Criteria*.

Federal and Contractor performance evaluations may be completed congruently with other reviews to improve use of oversight staff and efficiency in preparing monthly performance reports. The implementation methodology to ensure the structured process is executed is described below:

1. The AFB establishes Performance Goals that will be continuously measured throughout the Contract Period of Performance. Performance Goals must consider quality of products and services, as well as management of schedules and cost, in order to be fully successful. Refer to Appendix 1: *Award Fee Performance Objectives and Evaluation Criteria*.
2. Performance Goals are evaluated using Performance Criteria. Full Award Fee Performance is measured with an adjectival rating. The Contractor will receive an adjectival grade and numerical score. DOE-SR uses the five tier adjectival ratings and definitions identified in FAR 16.4 described below.

Table 2: FAR Award Fee Rating

UNSATISFACTORY	SATISFACTORY	GOOD	VERY GOOD	EXCELLENT
0% Earned	No Greater than 50%	51-75% Earned	76-90% Earned	91-100% Earned
Contractor <u>has failed</u> to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period	Contractor <u>has met</u> overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded some</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded many</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded almost all</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Adjectival Rating Notes

EXCELLENT (91-100%)

Performance is of the highest quality that could be achieved under the contract. There are no areas of deficiencies or problems encountered during the evaluation period.

VERY GOOD (76-90%)

Performance is of high quality and approaching the best that could be performed by the contractor. Work completed greatly exceeds the average performance level. A few minor problems are experienced during the evaluation period without impacting the overall level of performance.

GOOD (51-75%)

Contractor exceeds some contract requirements in a manner demonstrating commitment to the program. Work is completed much better than the minimum required performance. Areas of deficiency and minor problems are more than off-set by areas of good performance.

SATISFACTORY (<=50%)

Contractor's performance is the minimum required level to meet needs. Areas of good performance are offset by deficiencies and problems, which reduces performance to a level that is minimally acceptable under the contract.

UNSATISFACTORY (0%)

Contractor does not meet minimum contract requirements.

Appendix 1: Award Fee Performance Objectives and Evaluation Criteria

ADJECTIVAL RATING CATEGORIES OF PERFORMANCE	WEIGHTINGS
1. Technical Quality	25%
2. Cost Control	25%
3. Schedule (timeliness)	15%
4. Management	15%
5. Regulatory Compliance	20%

At the end of each annual Interim Evaluation Period, the Contractor will be measured against the following evaluation and performance criteria for each component of the adjectival rating criteria below. Each criterion will be assigned a rating based on the evaluation of the AFB members.

TECHNICAL QUALITY

- Effective implementation of the Contractor Assurance System to provide documented assurance workers, the public, the environment, and national security assets are adequately protected while meeting performance expectations of the Contract.
- Compliance with standard business/accounting systems/practices and all applicable regulations (DOE Policies, Orders and Standards, FAR, etc.) per Attachment J-4 *List B, List of Applicable Directives*.
- Effectiveness of policies, plans, and implementing procedures governing Contractor activities.
- Application and incorporation of Quality Assurance, Security and Safety principles and requirements into work scopes, subcontracts and specific programs and efforts, including but not limited to, Integrated Safety Management Systems (ISMS), radiological protection, environmental protection, industrial safety, security (includes Cyber-Security), nuclear safety, waste shipping, emergency management, waste minimization, Conduct of Operations, Quality Control, and work planning initiatives.
- Effectively and timely identify, manage, prevent or correct, report and resolve deficiencies. Contractor will also be evaluated on the thoroughness of their response to deficiencies to prevent recurrence of the deficiency including the manner and adequacy of tracking, trending, and root cause/lessons learned analyses, reporting, and formal closure process.

COST CONTROL

- Development and implementation of the Baseline (Initial and Final). If the Contractor fails to submit the required baselines in accordance with the contract timeframes and criteria, this entire category of performance shall be rated as unsatisfactory for each evaluation period until the Baseline is approved.
- Effectiveness in trending, forecasting, managing, and controlling contract cost.

- Effectiveness, timeliness and adequacy of the ability to perform tasks in the most cost effective manner consistent with approved baselines.
- Tracking and reporting costs. This includes the accuracy of Estimate at Completion (EAC), accuracy of cost projections and effectiveness of baseline change management.
- Overall, as well as specific, program and project status performance against the approved baseline, and the effectiveness of program and project reporting tools and systems.

SCHEDULE (timeliness)

- Timeliness of the completion of the contractual deliverables. 100% of deliverables must be provided on time in order to achieve at least a satisfactory rating.
- Timeliness of the completion of the contractual milestones (field work).
- Overall, as well as specific, program and project status performance against the approved baseline, and the effectiveness of program and project reporting tools and systems.
- Ability to respond to in-scope requests for support or information/reports.
- Ability to submit timely, accurate, and auditable proposals in response to requests for proposals or change orders.
- Ability to minimize deferred maintenance on equipment or systems that are related to safety (regardless if they are accredited in the Safety Basis Documents or TSRs. Additionally, the Contractor will be evaluated on their ability to repair all system impairments on safety related systems in a timely manner.

MANAGEMENT

- Effectiveness of customer service within programs and projects management.
- Effectiveness of senior management to overall contract management, effectiveness of support to DOE, providing leadership to the work force and ensuring an overall positive safety and performance culture.
- Effectiveness in coordinating with and applying lessons learned from other DOE/Commercial sites when implementing similar operations.
- Effectiveness of coordination with the Infrastructure Contractor or other Site Contractors to support and implement provided services as described in the Interface Requirements Matrix of the Contract and the reduction of costs to implement these services.
- Effective implementation contractor human resources management requirements.
- Fulfilling expectations of the Contractor's Community Commitment Plan.

REGULATORY COMPLIANCE

- Compliance with all applicable Environmental Regulations (applicable local, state and federal regulations), Regulatory Agreements (e.g., Agreed Orders, Negotiated Settlements, TSCA FFCA, FFA, FFA SMP), and Permits. This

- includes the timeliness and effectiveness of implementing corrective actions (short term and long term) for NOV or other non-compliances.
- Compliance with CERCLA Removal and Remedial implementing documents (e.g., RODs, AMs, RAWPs, and Sampling Plans).
 - Compliance with standard business/accounting systems/practices and all applicable regulations (DOE Policies, Orders and Standards, FAR, etc.) per Attachment J-4 *List B, List of Applicable Directives*.

Appendix 2: Target Activity Performance Based Incentives (PBI) and Evaluation Criteria

Refer to Contract Section B.8, *Target Activity PBI Fee*, for a description of PBI fee calculation for salt waste processing and disposition, bulk waste removal, and tank closures. The Target Activity PBI fee earned by the Contractor will be determined at the completion of each evaluation period.

Base Period

Target Activity PBI Rate #1 – Salt Waste Processing (Rate per gallon) [To be inserted]
Target Activity PBI Rate #2 – Bulk Waste Removal (Rate per tank) [To be inserted]
Target Activity PBI Rate #3 – Waste Tank Closures (Rate per tank) [To be inserted]

Option Period

Target Activity PBI Rate #4 – Salt Waste Processing (Rate per gallon) [To be inserted]
Target Activity PBI Rate #5 – Bulk Waste Removal (Rate per tank) [To be inserted]
Target Activity PBI Rate #6 – Waste Tank Closures (Rate per tank) [To be inserted]